SENATE.

FRIDAY, *March 15, 1912.*

The Senate met at 2 o'clock p. m.

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

The Secretary proceeded to read the Journal of yesterday's proceedings when, on request of Mr. McCUMBER and by unanimous consent, the further reading was dispensed with and the Journal was approved.

USE OF AUTOMOBILES IN NATIONAL PARKS (S. DOC. NO. 433).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, in response to a resolution of the 9th instant, certain information relative to automobiles and motor cycles admitted to the Mt. Ranier National Park, Wash.; the General Grant National Park, Cal.; and the Crater Lake National Park, Oreg., under regulations enforced during the season of 1911, etc., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

INQUIRY CONCERNING APACHE INDIANS (S. DOC. NO. 432).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, in response to a resolution of the 26th ultimo, certain information as to the number of Apache Indians now held as prisoners of war at the Fort Sill (Okla.) Reservation, etc., which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

THE METAL SCHEDULE (S. DOC. NO. 434).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, stating, in response to a resolution of the 12th instant, that the information relative to the wholesale market price in England, France, and Belgium of the various items and commodities named in the several paragraphs of Schedule C of the tariff act of 1909 will be transmitted to the Senate when obtained from the appraising officers at New York, which was referred to the Committee on Finance and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a bill (H. R. 18960) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1913, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented petitions of the congregation of the Baptist Church of Amboy, Ill., and of the Woman's Christian Temperance Unions of Sharon, Pa., Detroit, Ill., and Springfield, Mass., praying for the adoption of an amendment to the Constitution to prohibit the manufacture, sale, and importation of intoxicating liquors, which were referred to the Committee on the Judiciary.

He also presented a petition of the American Federation of Labor, praying that the citizens of Porto Rico may become citizens of the United States, which was referred to the Committee on Pacific Islands and Porto Rico.

Mr. JONES. I have received a telegram from the Public Service Commission of the State of Washington. I ask that it may be read into the RECORD.

There being no objection, the telegram was read and referred to the Committee on Interstate Commerce, as follows:

[Telegram.]

SEATTLE, WASH., *March 13, 1912.*

Hon. W. L. JONES,
United States Senate, Washington, D. C.:

The Public Service Commission of the State of Washington is unalterably opposed to the operation through the Panama Canal of any steamship line owned, operated, or controlled directly or indirectly by a railroad engaged in interstate commerce. We trust every effort will be used to prevent it. If permitted, the canal will be useless in connection with transcontinental rates, and will in nowise benefit interstate commerce between States bordering on United States littoral.

GEORGE A. LEE, *Chairman.*
JESSE S. JOHNS.
HARRY E. WILSON.

Mr. GALLINGER presented a petition of the Society of Christian Endeavor of the Union Congregational Church, of Peterboro, N. H., praying for the enactment of an interstate liquor law to prevent the nullification of State liquor laws by outside dealers, which was referred to the Committee on the Judiciary.

He also presented a petition of the Public School and Home Association of Chevy Chase, Md., praying for the enactment of legislation to better regulate the traffic in intoxicating liquors in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. TOWNSEND. I present a resolution of the Legislature of Michigan, which I desire to have read and printed in the RECORD.

The VICE PRESIDENT. A memorial of a legislature is printed in the RECORD as a matter of right. Without objection, the Secretary will read the memorial.

The memorial was read, and referred to the Committee on Forest Reservations and the Protection of Game, as follows:

Senate resolution 18.

Whereas three bills (H. R. 36, H. R. 4428, and S. 2367) to afford Federal protection to migratory game birds have been introduced in Congress; and

Whereas it is believed there is a general sentiment in this State in favor of such protection: Now therefore be it

Resolved by the senate (the house of representatives concurring), That Congress be, and hereby is, requested to enact a law giving ample protection to migratory game birds.

Resolved further, That the secretary of state be, and hereby is, directed to transmit copies of this resolution to the Senate and House of Representatives of the United States.

Mr. CULLOM presented a petition of the Tri-City Trades Council, Illinois, praying for the enactment of legislation to provide for an investigation into the causes of unemployment in the States of Illinois, Indiana, Ohio, Michigan, Wisconsin, Iowa, and Missouri, which was referred to the Committee on Education and Labor.

He also presented a petition of Local Grange No. 1757, Patrons of Husbandry, of Farmdale, Ill., praying for the establishment of a parcel-post system, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of sundry citizens of Detroit and of the congregations of the Methodist Episcopal Churches of the Hillsdale circuit, in the State of Illinois, praying for the enactment of an interstate liquor law to prevent the nullification of State liquor laws by outside dealers, which were referred to the Committee on the Judiciary.

Mr. WETMORE presented a petition of members of the Thimble Club of Providence, R. I., praying that an appropriation of $250,000 be made to enable the Department of Justice to carry out the provisions of the so-called white slave act, which was referred to the Committee on Appropriations.

Mr. OLIVER presented petitions of Washington Camps, No. 208, of Hazleton; No. 171, of Carlisle; No. 627, of Salina; No. 739, of Mount Pleasant; No. 784, of Flourtown; No. 114, of Norristown; No. 560, of Reading; No. 185, of Saxton; No. 99, of Wernersville; No. 1, of Philadelphia; No. 15, of Philadelphia; No. 521, of Salona; No. 472, of Loganville; No. 788, of Upland; No. 359, of Philadelphia; No. 112, of Shenandoah; No. 98, of Beavertown; No. 333, of Scranton; No. 533, of Philadelphia; No. 272, of Sayre; and No. 332, of Fontain Hall, all of the Patriotic Order Sons of America, in the State of Pennsylvania, praying for the enactment of legislation to further restrict immigration, which were referred to the Committee on Immigration.

Mr. NELSON presented a petition of sundry citizens of Sprucedell, Minn., praying for the establishment of a parcel-post system, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of sundry citizens of North Mankato, Minn., praying for the enactment of an interstate liquor law to prevent the nullification of State liquor laws by outside dealers, which was referred to the Committee on the Judiciary.

He also presented a memorial of the Minnesota Retail Hardware Association and a memorial of sundry citizens of Granite Falls, Minn., remonstrating against the extension of the parcel-post system beyond its present limitations, which were referred to the Committee on Post Offices and Post Roads.

He also presented a petition of Charles A. Van Duzee Camp, No. 3, Department of Minnesota, United Spanish War Veterans, of Fergus Falls, Minn., praying for the enactment of legislation to pension the widow and minor children of any officer or enlisted man who served in the War with Spain or the Philippine insurrection, which was referred to the Committee on Pensions.

He also presented a memorial of the board of managers of the Farmers' Cooperative Creamery, of Milaca, Minn., remonstrating against the repeal of the oleomargarine law, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of members of the Live Stock Exchange, of South St. Paul, Minn., praying for the adoption of certain amendments to the oleomargarine law, which was referred to the Committee on Agriculture and Forestry.

He also presented a memorial of sundry citizens of St. Paul, Minn., remonstrating against the ratification of the proposed treaties of arbitration between the United States, Great Britain, and France, which was ordered to lie on the table.

He also presented a memorial of the Stockholm Cooperative Creamery Association, of Cokato, Minn., and a memorial of

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sundry citizens of Milaca, Minn., remonstrating against the repeal of the oleomargarine law, which were referred to the Committee on Agriculture and Forestry.

Mr. CUMMINS presented a memorial of sundry citizens of Mitchell, Iowa, remonstrating against the enactment of legislation authorizing the coloring of oleomargarine in imitation of butter, which was referred to the Committee on Agriculture and Forestry.

Mr. CULBERSON presented a memorial of sundry citizens of McGregor, Tex., remonstrating against the establishment of a parcel-post system, which was referred to the Committee on Post Offices and Post Roads.

Mr. FLETCHER presented a memorial of sundry citizens of Taylorville, Fla., remonstrating against the extension of the parcel-post system beyond its present limitations, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of the Riverside Woman's Christian Temperance Union, of Jacksonville, Fla., praying for the enactment of an interstate liquor law to prevent the nullification of State liquor laws by outside dealers, which was referred to the Committee on the Judiciary.

He also presented a petition of the Chamber of Commerce of Beardstown, Ill., praying for the enactment of legislation to regulate the flow of water from Lake Michigan into the Illinois River, which was referred to the Committee on Commerce.

Mr. SMITH of South Carolina. I present a concurrent resolution adopted by the General Assembly of the State of South Carolina, which I ask may be printed in the RECORD and referred to the Committee on the Library.

The concurrent resolution was referred to the Committee on the Library and ordered to be printed in the RECORD, as follows:

A concurrent resolution.

Whereas bills are now pending in both Houses of our National Congress looking to the erection of monuments at the National Capital in commemoration of the signers of the Declaration of Independence and of the heroes of the American Revolution; and

Whereas South Carolina, by eminent representatives, took an active part in the adoption of the Declaration of Independence; and

Whereas more than a hundred battles were fought upon her soil in the historic struggle to establish the same, her people would have a share and interest in both of said monuments: Therefore be it

Resolved by the house of representatives (the senate concurring):

First. That this general assembly indorse and approve the proposed bills to erect a monument to the signers of the Declaration of Independence and a monument to the heroes of the American Revolution at the National Capital, and express the hope that the Representatives from this State in both Houses of Congress will support said proposition.

Second. That copies of this resolution, signed by the clerks of the house and senate, be mailed by them to the United States Senators and Members of the House of Representatives from this State in Congress.

IN THE HOUSE,
Columbia, S. C., February 2, 1912.

The house agrees to the resolution and orders that it be sent to the senate for concurrence.

By order of the house.

JAS. A. HOYT,
Clerk of the House.

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IN THE SENATE,
Columbia, S. C., February 2, 1912.

The senate agrees to the resolution and orders that it be returned to the house with concurrence.

By order of the senate.

M. M. MANN,
Clerk of the Senate.

Mr. SMITH of South Carolina presented petitions of sundry citizens of Elliott, Manning, Brookland, and New Brookland, all in the State of South Carolina, praying for the enactment of an interstate liquor law to prevent the nullification of State liquor laws by outside dealers, which were referred to the Committee on the Judiciary.

He also presented a petition of the Central Labor Union of Charleston, S. C., praying for the enactment of legislation providing for the construction of one of the proposed new battleships in the Brooklyn Navy Yard, which was referred to the Committee on Naval Affairs.

Mr. BOURNE presented a petition of sundry citizens of North Bend, Oreg., praying for the enactment of an interstate liquor law to prevent the nullification of State liquor laws by outside dealers, which was referred to the Committee on the Judiciary.

Mr. BRISTOW presented a memorial of sundry citizens of Enterprise, Kans., remonstrating against the establishment of a parcel-post system, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of the congregations of the Methodist Episcopal Church and the Evangelical Church of Halstead, Kans., praying for the enactment of an interstate liquor law to prevent the nullification of State liquor laws by outside dealers, which were referred to the Committee on the Judiciary.

Mr. CRANE. I present a resolution adopted by the House of Representatives of the Commonwealth of Massachusetts, which I ask may be printed in the RECORD and referred to the Committee on Naval Affairs.

The resolution was referred to the Committee on Naval Affairs and ordered to be printed in the RECORD, as follows:

THE COMMONWEALTH OF MASSACHUSETTS,
House of Representatives, March 8, 1912.

Whereas it is proposed to remove or abolish the United States navy yard in the Charlestown district of the city of Boston; and

Whereas in the opinion of the House of Representatives of the Commonwealth of Massachusetts such a step would be detrimental to the interests of Charlestown, of the port of Boston, and of the entire Commonwealth: Therefore be it

Ordered, That the Senators and Representatives in Congress from this Commonwealth be requested to use their best endeavors to prevent such removal or abolishment; and be it further

Ordered, That a copy of this order be sent by the clerk of the house of representatives to the Senators and Representatives in Congress from this Commonwealth.

JAMES W. KIMBALL, *Clerk.*

A true copy.
Attest:

JAMES W. KIMBALL,
Clerk of the House of Representatives.

Mr. McLEAN presented petitions of the Woman's Christian Temperance Unions of Meriden and Stamford, and of Concord Division, No. 2, Sons of Temperance, of Norwalk, all in the State of Connecticut, praying for the enactment of an interstate liquor law to prevent the nullification of State liquor laws by outside dealers, which were referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Bridgeport, Conn., praying for the passage of the so-called eight-hour bill, which was referred to the Committee on Education and Labor.

Mr. BRADLEY presented a petition of sundry ex-slaves and their children, residents of Darbun, Miss., praying that an appropriation of $250,000 be made for the purpose of an exposition celebrating the fiftieth anniversary of the Emancipation Proclamation, which was ordered to lie on the table.

He also presented the petition of Amos L. Griffith, a veteran of the Civil War, praying that he be granted an increase of pension, which was referred to the Committee on Pensions.

REPORTS OF COMMITTEES.

Mr. SUTHERLAND, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 4310) to provide for the erection of a public building at North Topeka, Kans., reported it with an amendment and submitted a report (No. 483) thereon.

Mr. OWEN, from the Committee on Indian Affairs, to which was referred the bill (S. 5728) conferring jurisdiction on the Court of Claims to hear, determine, and render judgment in claims of the Osage Nation of Indians against the United States, reported it with amendments and submitted a report (No. 484) thereon.

A. G. STRAIN.

Mr. WORKS. I report back favorably from the Committee on Public Lands with amendments the bill (S. 2427) for the relief of the legal heirs of A. G. Strain, and I submit a report (No. 485) thereon. I ask for the present consideration of the bill.

The VICE PRESIDENT. The bill will be read for the information of the Senate.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The amendments were, on page 1, line 4, before the word "to" where it occurs the second time, to strike out "reconvey" and insert "relinquish," and in line 10, before the word "meridian," to strike out the words "Santa Barbara" and insert "San Bernardino," so as to make the bill read:

Be it enacted, etc., That the Commissioner of the General Land Office be, and he is hereby, authorized to relinquish to the legal heirs of A. G. Strain, by proper deed of conveyance, all title which the said A. G. Strain had vested in the United States Government to the following-described lands: North half northeast quarter and north half northwest quarter, section 22, township 4 north, range 15 west, San Bernardino meridian, in the county of Los Angeles, State of California: *Provided*, That the said heirs of A. G. Strain make satisfactory proof of such conveyance to the United States of said land by the submission of an abstract of title, together with the deed of conveyance to the United States of the same, which said deed and abstract or abstracts shall be retained in the files of the General Land Office.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LAND AT POND CREEK, OKLA.

Mr. SMOOT. From the Committee on Public Lands I report back favorably, without amendment, the bill (H. R. 17119) granting the courthouse reserve at Pond Creek, Okla., to the

city of Pond Creek for school and municipal purposes, and I submit a report (No. 486) thereon.

Mr. OWEN. I ask for the immediate consideration of the bill. It simply allows a square for municipal and school purposes.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HUDSON RIVER BRIDGE.

Mr. NELSON. From the Committee on Commerce I report back favorably, with amendments, the bill (S. 5659) to supplement and amend an act entitled "An act to authorize the New York and New Jersey Bridge Cos. to construct and maintain a bridge across the Hudson River between New York City and the State of New Jersey," approved June 7, 1894, and I submit a report (No. 487) thereon. I call the attention of the Senator from New York [Mr. O'GORMAN] to the bill.

Mr. O'GORMAN. I ask for the present consideration of the bill.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The amendments were, on page 1, line 6, after the words "New Jersey," to insert "approved June 7, 1894 (28 Stats., 89)," and to add at the end of the bill the following proviso:

Provided, That this act shall not be construed as authorizing the building of said bridge in accordance with plans heretofore approved by the Secretary of War, but drawings showing the location and plans of said structure shall again be submitted to him for his consideration and approval before construction shall be entered upon.

And to add an additional section, as follows:

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

So as to make the bill read:

Be it enacted, etc., That the act of Congress entitled "An act to authorize the New York and New Jersey Bridge Cos. to construct and maintain a bridge across the Hudson River between New York City and the State of New Jersey," approved June 7, 1894 (28 Stats., 89), be, and the same is hereby, so supplemented and amended as to extend the time for the completion of the said bridge and approaches to March 15, 1922; and said companies are hereby granted the rights and privileges and shall be subject to the conditions enumerated in and conferred upon said New York and New Jersey Bridge Cos. by said act of Congress approved June 7, 1894, aforesaid, and by the acts of incorporation of said companies heretofore enacted by the States of New York and New Jersey, respectively: *Provided*, That this act shall not be construed as authorizing the building of said bridge in accordance with plans heretofore approved by the Secretary of War, but drawings showing the location and plans of said structure shall again be submitted to him for his consideration and approval before construction shall be entered upon.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DRAINAGE OF LANDS IN OKLAHOMA.

Mr. OWEN. I report back favorably with amendments from the Committee on Indian Affairs the bill (S. 4913) to enable the Indians allotted lands in severalty within the boundaries of Little River drainage district No. 1, in Pottawatomie County, Okla., to cooperate with the officials of said State in the protection of their lands from overflow, and I submit a report (No. 488) thereon. I ask for the present consideration of the bill.

The VICE PRESIDENT. The Secretary will read the bill for the information of the Senate.

The Secretary read the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SMOOT. I should like to ask the Senator from Oklahoma if there is a report accompanying the bill?

Mr. OWEN. Yes; there is. The bill is reported from the Committee on Indian Affairs. It simply provides that these Indians who have allotted lands within a drainage district may cooperate with other citizens in having the lands properly drained.

Mr. SMOOT. Is there also a report from the department?

Mr. OWEN. There is a favorable report from the department.

There being no objection, the bill was considered as in Committee of the Whole.

The amendments of the Committee on Indians Affairs were, on page 1, line 8, after the word "and," to strike out the word "citizen" and insert "Citizen," and on page 2, at the end of section 3, to insert "That the Secretary of the Interior is hereby authorized to approve the assessments upon all other restricted allotments located within any proposed drainage district located and made under the laws of the State of Oklahoma," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to approve the assessments, together with maps showing right of way and definite location of a proposed drainage ditch, made under the laws of the State of Oklahoma upon the allotments of certain Absentee Shawnee and Citizen Pottawatomie allottees in Little River drainage district No. 1, in Pottawatomie County, Okla.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to pay three-fourths of the total amount assessed against each of said allotments: *Provided*, That said total assessment shall not exceed $15 per acre on any allotment or portion thereof; and there is hereby appropriated for said purpose, out of any money in the Treasury not otherwise appropriated, the sum of $16,883.67, to be immediately available, the remaining one-fourth of such assessment to be paid under direction of the Secretary of the Interior from the rents of the allotments affected, and under such rules and regulations as he may prescribe.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to approve deeds for right of way from such of said allottees or their heirs as may be necessary to permit the construction and maintenance of said drainage ditch upon the payment of adequate damages therefor.

That the Secretary of the Interior is hereby authorized to approve the assessments upon all other restricted allotments located within any proposed drainage district located and made under the laws of the State of Oklahoma.

SEC. 4. That the Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to enable the Indians allotted lands in severalty within the boundaries of Little River drainage district No. 1, Pottawatomie County, Okla., to cooperate with the officials of said State in the protection of their lands from overflow, and for other purposes."

THE TURNER HARDWARE CO.

Mr. OWEN. I am directed by the Committee on Indian Affairs, to which was referred the bill (S. 458) for the relief of the Turner Hardware Co., to report it with an amendment, and I submit a report (No. 489) thereon. As it is a small bill, allowing $86 to the company, I ask unanimous consent that it may be immediately considered.

The VICE PRESIDENT. The Secretary will read the bill for the information of the Senate.

The Secretary read the bill, and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The amendment was, in line 7, after the word "of," to strike out "$109.94, in full payment of accounts for certain supplies purchased by the superintendents of the Tullahassee Mission, Pecan Creek Mission, and the Colored Orphan Home in the years 1902 and 1907," and insert "$86.81 in full payment of an account for supplies purchased by the superintendent of the Colored Orphans' Home in the year 1902," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized and directed to pay, out of any available funds in the Treasury of the United States belonging to the Creek Nation of Indians, to the Turner Hardware Co., of Muskogee, Okla., the sum of $86.81 in full payment of an account for supplies purchased by the superintendent of the Colored Orphans' Home in the year 1902.

The amendment was agreed to.

Mr. SMOOT. Mr. President, has this bill been reported from the Committee on Claims?

The VICE PRESIDENT. The bill has been reported from the Committee on Indian Affairs.

Mr. OWEN. The bill has been reported from the Committee on Indian Affairs. It only involves $86.81 due for certain supplies purchased by the superintendents of Indian schools in the Indian Territory.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHOCTAW, CREEK, AND CHICKASAW INDIAN RESERVES.

Mr. CURTIS. Some days ago there was a report made from the Committee on Indian Affairs on the bill (S. 3306) to authorize the Secretary of the Interior to investigate the status of the Indian reserves set aside under the Choctaw treaty of 1830 and the Creek and Chickasaw treaties of 1832, for which no patents have been issued and the ownership of which is in question, and appropriating money therefor.

The bill was reported with amendments. By mistake the bill has been printed as if it had been reported without amendment. I ask that the record be corrected and that the bill be reprinted showing the amendments in accordance with the report.

The VICE PRESIDENT. Without objection, an order therefor will be entered.

BILLS INTRODUCED.

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

By Mr. WETMORE:

A bill (S. 5855) granting an increase of pension to Amanda M. Gaskill (with accompanying papers); to the Committee on Pensions.

By Mr. JONES:

A bill (S. 5856) to amend an act for the protection and regulation of the fisheries of Alaska; to the Committee on Fisheries.

A bill (S. 5857) providing for the survey and commencement of construction of a road in the Olympic Forest Reserve; to the Committee on Agriculture and Forestry.

A bill (S. 5858) granting a pension to Blanche Packard; to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 5859) to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901 (31 Stat. L., p. 1133); and

A bill (S. 5860) to provide for agricultural entries on coal lands in Alaska; to the Committee on Public Lands.

By Mr. BURNHAM:

A bill (S. 5862) for the relief of Martha Cutts Almy and others (with accompanying paper); to the Committee on Claims.

By Mr. CUMMINS:

A bill (S. 5863) for the retirement of employees in the civil service, and for other purposes; to the Committee on Civil Service and Retrenchment.

By Mr. O'GORMAN:

A bill (S. 5864) for the relief of the estate of Alexander Stoddart, deceased; and

A bill (S. 5865) for the relief of claimants who have paid money into the United States Treasury under compulsion of an unconstitutional statute; to the Committee on Claims.

A bill (S. 5866) providing for the appointment of an additional professor of mathematics in the Navy; to the Committee on Naval Affairs.

By Mr. WATSON:

A bill (S. 5867) authorizing the purchase of a site for a post office and public building at Benwood, Marshall County, W. Va.; to the Committee on Public Buildings and Grounds.

By Mr. DILLINGHAM:

A bill (S. 5868) granting an increase of pension to Grace Harrington (with accompanying papers); to the Committee on Pensions.

By Mr. McLEAN:

A bill (S. 5869) granting an increase of pension to Henry Stowe (with accompanying papers); to the Committee on Pensions.

By Mr. CLARKE of Arkansas:

A bill (S. 5870) for the relief of Mary A. Russell and others (with accompanying papers); to the Committee on Claims.

A bill (S. 5871) for the relief of Calvin G. Linville (with accompanying papers); to the Committee on Military Affairs.

By Mr. OWEN:

A bill (S. 5872) to authorize the municipality of Atoka, Okla., to acquire full legal title to certain lands for municipal waterworks purposes; to the Committee on Indian Affairs.

A bill (S. 5873) granting an increase of pension to Joseph F. Kendall (with accompanying papers); to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 5874) to increase the limit of cost for the erection and completion of the United States post-office building at Albany, Oreg.; to the Committee on Public Buildings and Grounds.

A bill (S. 5875) providing for the adjustment of the claims of the States and Territories to lands within national forests; to the Committee on Public Lands.

A bill (S. 5876) granting an increase of pension to Edward M. Hitchcock (with accompanying papers); to the Committee on Pensions.

By Mr. BOURNE:

A bill (S. 5877) to increase the limit of cost for the erection and completion of the post-office building at The Dalles, Oreg.; to the Committee on Public Buildings and Grounds.

By Mr. BRADLEY:

A bill (S. 5878) granting an increase of pension to Edward Stapleton (with accompanying paper); and

A bill (S. 5879) granting an increase of pension to David Crockett Collins (with accompanying papers); to the Committee on Pensions.

PROPOSED INJUNCTION AND ABATEMENT LAW.

By Mr. KENYON:

A bill (S. 5861) to enjoin and abate houses of lewdness, assignation, and prostitution, to declare the same to be nuisances, to enjoin the person or persons who conduct or maintain the same and the owner or agent of any building used for such purpose, and to assess a tax against the person maintaining said nuisance and against the building and owner thereof; to the Committee on the District of Columbia.

Mr. KENYON. In connection with the bill I should like consent to have printed as a public document a letter from the attorney general of Iowa, stating the purpose of a similar bill; an article by Mr. John B. Hammond, of Iowa, who has had much to do with the enforcement of the Iowa law; and a speech by Senator T. J. Brooks, of the Tennessee Senate, which fully explains the law, together with a copy of the law.

I ask to have these papers printed as a document (S. Doc. No. 435) and referred to the Committee on the District of Columbia.

The VICE PRESIDENT. Without objection, an order therefor will be entered.

IMPROVEMENT OF ALLEGHENY RIVER, PA.

Mr. OLIVER submitted an amendment proposing to appropriate $300,000 for the improvement of the Allegheny River, Pa., etc., intended to be proposed by him to the river and harbor appropriation bill (H. R. 21477), which was referred to the Committee on Commerce and ordered to be printed.

THE INTERNATIONAL HARVESTER CO.

Mr. LEA. I submit a resolution, which I ask to have read.

The Secretary read the resolution (S. Res. 250), as follows:

Whereas it is reported that there is pending before the Department of Justice a settlement between the United States and the International Harvester Co., by which the so-called Harvester Trust may be permitted to reorganize and to bring its organization and business within the Sherman antitrust law as construed by the Supreme Court: Be it

Resolved by the Senate of the United States, That the Attorney General be, and he is hereby, instructed to lay before the Senate all correspondence and information it may have upon this subject, together with any and all correspondence, information, and reports of the Bureau of Corporations relating thereto, from January 1, 1904, to the present time.

Mr. LEA. I ask for the present consideration of the resolution.

Mr. GALLINGER. I ask that the resolution may go over.

The VICE PRESIDENT. Objection is made, and the resolution, under the rule, will go over.

EXPENSES OF CITY SCHOOL SYSTEMS (S. DOC. NO. 431).

Mr. GALLINGER. I have an interesting document, being tables, quotations, and facts compiled by Harlan Updegraff, of the Bureau of Education, and recently published, being a study of the expenses of city school systems. I ask that the matter be printed as a public document, and that 500 additional copies be printed for the use of the Senate document room.

The VICE PRESIDENT. Without objection, the order will be entered.

The order as agreed to was reduced to writing, as follows:

Ordered, That there be printed 500 additional copies of the document "Expenses of City School Systems, Tables, Quotations, and Facts, etc.," by Harlan Updegraff, of the Bureau of Education, for the use of the Senate document room.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, executive clerk, announced that the President had approved and signed the following act and joint resolutions:

On March 12, 1912:

S. J. Res. 83. Joint resolution making appropriations to meet certain contingent expenses of the Senate; and

S. 4151. An act to authorize the Minnesota & International Railway Co. to construct a bridge across the Mississippi River at or near Bemidji, in the State of Minnesota.

On March 14, 1912:

S. J. Res. 89. Joint resolution to amend the joint resolution to prohibit the export of coal or other material used in war from any seaport of the United States.

HOUSE BILL REFERRED.

H. R. 18960. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1913, was read twice by its title and referred to the Committee on Agriculture and Forestry.

SERVICE PENSIONS.

The VICE PRESIDENT. Morning business is closed. The calendar under Rule VIII is in order. The Secretary will state the first bill on the calendar.

Mr. McCUMBER. Mr. President, I gave notice the other day that immediately after the close of morning business to-day I should move that the Senate take up the general pension bill.

The VICE PRESIDENT. The Chair was merely waiting for the Senator to make the motion.

Mr. McCUMBER. I am giving my reason for asking that that bill be now taken up. There are two Senators who desire to speak on that subject to-day, as I am informed, and I also desire to complete my remarks. That being the case, I now move that the Senate proceed to the consideration of the service pension, which is House bill No. 1.

Mr. GALLINGER. Will the Senator withhold his motion for a moment, though I know it is not debatable?

Mr. McCUMBER. Certainly.

The VICE PRESIDENT. The Senator withholds his motion temporarily.

Mr. GALLINGER. I want to express the hope that the business of the Senate may be so arranged that at an early day we shall get to the calendar under Rule VIII. It is getting to be rather voluminous; and while the bills are not extremely important, I think we ought to take them up for consideration before long.

The VICE PRESIDENT. The question is on the motion of the Senator from North Dakota [Mr. McCUMBER].

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1) granting a service pension to certain defined veterans of the Civil War and the War with Mexico.

Mr. McCUMBER. Mr. President, before proceeding with the comparison of the two bills that are before the Senate it may be profitable to glance for a moment at what the Congress has been doing during the last few years in the matter of extending the benefit of the pension legislation and increasing the amount of our appropriations.

The last general pension legislation prior to 1907 was passed June 27, 1890. That was the first service-pension legislation applicable to veterans of the Civil War. For 17 years following no particular change was made in our pension laws. On February 6, 1907, we enacted a law making age the standard for fixing the amount of pension. By that act we increased our annual pensions for the next five years in an amount, as I now remember, aggregating about $15,000,000 per year.

The very next year after that, in the year of 1908, on April 19, we amended the law of 1890 and placed at $12 per month the pension of every widow entitled to receive a pension under that law. Previously such pension was $8 per month. We added very materially also to the number of widows who could be placed upon that roll by repealing that section of the law which provided that in order to obtain its benefits the claimant must be able to show that she did not have an annual income of $250 per year.

The increase under that law, I think, was about $12,000,000 a year. If we again amend the pension laws in the year 1912 by the measure now proposed by the Committee on Pensions, we will be required to increase our pension appropriation bill on an average for the next five years by, say, $20,000,000 a year. So the Senate will see that the Government has not been remiss in its duty to the veterans, but has attempted to meet the disabilities incident to increasing years by very materially increased pensions.

Mr. OVERMAN. Mr. President, right there I should like to ask the Senator if the bill as reported to the Senate by the Committee on Pensions should become a law, what would be the total amount of appropriation required?

Mr. McCUMBER. The present amount is about $152,000,000 a year, I believe, and the passage of the bill as reported by the committee would add an average of about $20,000,000 a year—$14,000,000 the first year and about $33,000,000 the second year.

Mr. OVERMAN. But an average for five years of about $20,000,000?

Mr. McCUMBER. The average for five years, after making the proper allowance for the death rate, would be about $20,000,000 a year.

Mr. OVERMAN. So that the total amount of pension appropriations would be, then, about $175,000,000?

Mr. McCUMBER. About that, in case the bill as reported by the Committee on Pensions should be enacted into law.

Further than this, by the act of February 6, 1907, as it applies to the survivors of the war, and again by the act of April 19, 1908, as it applies to the widows, we have made the pension roll a roll of honor only, and not the mere measurement of financial or physical distress; and it is my own firm opinion and unalterable conviction that there should be no reaction along that line. Under the law as it now stands we have eliminated all questions of financial condition, all questions of physical condition, and all questions as to whether present ailments of claimants resulted from service or otherwise. An application under the later laws needs no investigation along that line. The law tempts no one to expand his conscience beyond normal limits in order to come within its provisions; it causes the cheek of no claimant to redden when he makes his application to become a pensioner by compelling him to declare that he is in his dotage, that he is enfeebled, or that he is poverty stricken.

Mr. President, I think there has been considerable economy under the operation of these laws. By the two acts to which I have particularly referred we have eliminated the services of the physician and the financial examiner. By those acts industry and economy are no longer penalized. The soldier of the most extended hospital record to-day has no advantage in proving his claim over the soldier who has the most extended field record. What we have accomplished in that direction, Mr. President, we ought not to lose by any subsequent legislation.

Mr. President, two bills were before the Committee on Pensions. One bill would require an appropriation for the second year at least $86,500,000 over present appropriations. The bill as recommended by the committee will require at least $33,000,000 in additional appropriations the second year. The one will average, I believe, from $56,000,000 to $60,000,000 a year for the next five years, and the other will average about $20,000,000 a year for the next five years.

I can not help but feel that the pension bill which passed the House and came before the committee, known as House bill No. 1, received many votes through a misapprehension or a misunderstanding on the part of the several Members of the House who voted in its favor as to the total amount which it would be necessary to raise to meet the requirements of that bill. It may be that it would have passed the House if there had been no error in the report, but it is certainly true that the report upon which I have a right to assume the vote was based is most grossly erroneous. I am not saying, and would not for a moment intimate, that it was intentionally erroneous, but I am inclined to believe that the chairman of the House committee having the matter in charge must have turned over some of the computations to some other person who was not very accurate in his figures, and probably because of the great amount of labor imposed upon him he did not have the time carefully to analyze the statement before it was presented as the report of that committee. Ordinarily, Mr. President, I would say that whenever we desire to get an estimate of the additional cost involved in an increase of pensions it is far safer to go to the Bureau of Pensions and obtain from them a very careful estimate. I am not certain whether the committee who reported the House bill did that or not. I am certain, however, that if they did they must have abandoned the information which they received and proceeded to make their own calculations as to what the additional cost of House bill No. 1 would be.

We ought not to allow our enthusiasm to run away with our judgment in the matter of such computations. If we feel that we should appropriate $87,000,000 a year from to-day in order to meet pension demands, then we ought to admit the amount and proceed to raise the money either by the issuance of bonds or by some other method.

I wish to call attention now to the very first proposition that is made in the report in support of House bill No. 1 in relation to the amount required to pay for the additional pensions.

Senators will remember that under House bill No. 1, which is purely a service-pension bill, the soldier who served for 90 days receives a pension of $15 per month; if he served 6 months, he receives $20 per month; if he served 9 months, he receives $25 per month; if he served 1 year or over, he receives $30 per month.

Mr. BROWN. Mr. President——

The PRESIDING OFFICER (Mr. LIPPITT in the chair). Does the Senator from North Dakota yield to the Senator from Nebraska?

Mr. McCUMBER. Certainly.

Mr. BROWN. The bill also provides that a soldier whose term of service was cut short by injuries received in the service shall get $30 a month without regard to how long he served.

Mr. McCUMBER. I presume the Senator refers to section 2, which reads as follows, in addition to the sums I have mentioned:

SEC. 2. That any person who * * * received an honorable discharge and who was wounded in battle or in line of duty, and is now unfit for manual labor through causes not due to his own vicious habits, or who, from disease or other causes incurred in line of duty resulting in his disability, is now unable to perform manual labor, shall be paid the maximum pension under this act, to wit, $30 per month, without regard to his length of service.

I assume that is what the Senator refers to.

Mr. BROWN. That section is left out of the bill which the Senator has reported.

Mr. McCUMBER. Yes; because those who received injuries in line of service and have become disabled are already provided for in the general law in accordance with the provisions relating to different disabilities, and if the soldier under the proposed law would receive less than he would under the law which grants pensions for specific disability he can apply under the latter.

Mr. BROWN. But the general law which gives him a pension without regard to the length of service does not fix a rate as high as $30 per month.

Mr. McCUMBER. Some pensions are not as high and some pensions are many times higher.

Mr. BROWN. I know there are some injuries, for instance, the loss of both legs or both hands, which constitute an exception, but generally under existing laws the pension does not reach as high a rate as $30 per month.

Mr. McCUMBER. The Senator is correct in that.

Mr. BROWN. Does not the Senator think there is equity and justice in the proposition to give to the old soldier a pension of $30 a month when he was wounded in the service and received injuries in service, notwithstanding the fact that he received that injury before he served 90 days?

Mr. McCUMBER. It is unnecessary for the Senator to argue that question, because he knows I agree with him. I agree, and that is the general law, that although he may not have served more than one day, if he was actually injured in the service he should receive a pension. We have a general law relating to those who received injuries in service, and if the Senator wants to raise all those who were injured in the service, without regard to the character of the injury, to $30 per month, that would be entirely another proposition. The vast majority of those who are now drawing pensions are not receiving them because of any disability received in the line of service. A general pension law must necessarily be made for the benefit of the great majority, whether it is based upon age or service, or both. If the general law in any case does not grant as much as it ought to for a specific injury, we should increase the amount for that specific injury.

Mr. CULLOM. May I ask the Senator from North Dakota a question?

Mr. McCUMBER. Certainly.

Mr. CULLOM. Is the committee unanimously in favor of the bill before the Senate?

Mr. McCUMBER. I will say to the Senator from Illinois there is a majority report and there are also the views of the minority, the minority reporting what is known as the Sherwood bill, or House bill No. 1.

Now, the important question that has divided the members of the committee, and that which will undoubtedly divide the Senators in their opinions as to which bill should receive their support, is the question of the additional amount that will be required to be appropriated under either of these bills, and also the question which is the better standard as a basis for fixing the amount to be awarded in each case—the service standard or the age standard.

I have my own convictions upon that. My belief is and always has been that the pension given to soldiers of the Civil War other than those who received injury during the war is based upon the great national gratitude felt toward all those soldiers, and, as that gratitude is the basis of the grant, it should find its expression in a direction which will do the greatest amount of good. Our observation, as well as the experience of mankind, is that the length of service in the Civil War affects present physicial condition far less than advancing age; that the age is a far more important factor in the matter of disability than length of service. Therefore, if it is our purpose to reach by pension benefits those cases in which there is the greatest amount of disability, we will look to the question of age rather than the question of service.

If our gratitude is to be measured solely by length of service, without reference to the condition of the claimant, then we might as well base our pension legislation wholly upon length of service. But, as I stated in my report, that seems to me to smack too much of the idea of wage rather than the grant of pensions to meet what we all believe to be the growing disabilities of the soldier.

Mr. BROWN. Mr. President——

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

Mr. McCUMBER. Certainly.

Mr. BROWN. I think there would be a great deal of force in the position the Senator takes if there was a very great disparity in the ages of these men, but it must be remembered that it is more than 50 years since the war began, and the average age, as I understand, of the soldiers on the pension rolls reaches about 70 years. When you get men above the 70-year mark they are all old men, and to measure the disability in years and consider it as a factor after they reach 70 is simply to deal in small fractions, in my judgment. It seems to me that the age as a test of disability disappears as we become more and more removed from the war times.

Mr. SMOOT. Mr. President——

Mr. McCUMBER. The Senator from Nebraska is in error in his figures, but I understand the Senator from Utah has them.

Mr. SMOOT. I desire to call the attention of the Senator to the fact that there are 420,965 soldiers who would be affected by the present bill, and the ages of these soldiers are as follows: Between the ages of 62 and 66 there are 113,622, between the ages of 66 and 70 there are 128,414, between the ages of 70 and 75 there are 110,039, and of those 75 and over there are 68,890. So the Senator will observe that there are over one-half of the men under the 70-year age limit.

Mr. BROWN. That corroborates my estimate; approximately 70 years.

Mr. KENYON. Mr. President——

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

Mr. McCUMBER. Certainly.

Mr. KENYON. I should like to inquire of the Senator from North Dakota whether the bill reported by the committee is the same as that known in common parlance as the Smoot substitute?

Mr. McCUMBER. It is one of the tables prepared by me, and I submitted some 18 of them, with different combinations of age and service. The one reported is known as No. 16.

Mr. KENYON. No. 16?

Mr. McCUMBER. Yes. The whole question of the cost of House bill No. 1 is determined by the number of soldiers who will receive the $30 benefit—that is, the number who served more than one year—and it is on this point that there seems to be the greatest diversity of opinion and the greatest amount of error in the record. I wish to call attention to the report on House bill No. 1. I will take just a brief portion from this particular provision:

"House bill 1 provides four classes—$15 per month, $20 per month, $25 per month, and $30 per month—rated on the length of service. The average rate is therefore $22.50 per month, or $270 per year. The average rate per man during the year ended July 1, 1911, was (official) $191.41. The increase under House bill 1 would therefore be $78.59. Apply this increase to 446,000 soldiers and the amount is, in round numbers, a little over $34,000,000. The Pension Bureau estimate on the cost of the disability section (section 2) of House bill 1 will add a trifle over $3,000,000, making the aggregate not far from $37,000,000."

Now, notice that it is asserted that the increase under the House bill would amount to $78.59 a year. If there are 446,000 soldiers, and this estimate is not one-half of what the annual increase to each soldier would be, the Senate can very quickly understand how enormous must be the error when you multiply more than $78.59 by 446,000. In other words, you have to multiply more than double this amount by 446,000 in order to get the correct figures.

Now, let us give the Senator a simple illustration of this method of computation. Suppose a dealer sells 10 barrels of apples at $5 per barrel, and 2 barrels at $1 per barrel. He will receive $50 for the first lot and $2 for the second, or $52 in all. But, according to the arithmetic in this report, as he received $5 per barrel for one lot and $1 per barrel for the other lot, by adding the $5 and $1 together, which would be $6, and dividing that by 2 you would get $3 as the average received, and multiplying the 12 barrels sold by this average, $3, and you have $36 instead of $52. That is pretty good arithmetic for the buyer, but rather tough on the seller.

It will be noticed here that in order to arrive at this $22.50 per month that each soldier would receive under the new bill—No. 1—we must take the several items, $15, $20, $25, and $30 per month and add them together and divide the sum by four, which would give us the $22.50 per month.

When we observe such an error as that we may well suppose that this bill passed the House through a misunderstanding as to the added appropriation which would be required.

I am further justified in the presumption that there must have been a misunderstanding, because not a single step has been taken by the other House to raise the necessary funds. No suggestion has been made that we will have to raise next year about $87,000,000 extra; that we will be compelled to add to our revenues and will have to adopt means for raising that

additional revenue; but, on the contrary, the only bills that are coming over from the House dealing with the revenues reduce rather than increase them. So there is a fair presumption that this error influenced the vote very much upon that question.

Mr. BROWN. Mr. President——

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

Mr. McCUMBER. Certainly.

Mr. BROWN. Of course, the Senator will concede that it is of very little vital interest what actuated the House in passing the bill. It throws very little light on our duty here. I do not like to see——

Mr. McCUMBER. I have stated that, and I simply desire to follow up what I have said and to bring out the fact that if we pass the bill for $87,000,000 we certainly must adopt some means of raising the revenue to pay it.

Mr. BROWN. That is very true, but I do not like to see a good measure, even though it passed the House through an error or misunderstanding, put on that ground.

Mr. McCUMBER. If the Senator will allow me, if we believe we ought to grant the bill as it passed the House, without reference to the amount, we should vote for it, and then should proceed to consider the ways and means to pay it. So the Senator is doing nothing further than repeating what I have already stated.

Mr. WILLIAMS. Mr. President——

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

Mr. McCUMBER. I yield.

Mr. WILLIAMS. I was much interested a moment ago in the Senator's statement, and his seeming demonstration of it, that the figures which were used in arriving at a conclusion as to what would be the increase under the Sherwood bill were inaccurate. I have heard it asserted, and I want to ask the Senator whether it be true or not, that under the bill which you are reporting as a substitute you have your calculations put upon the basis of figures that were issued five years ago?

Mr. McCUMBER. The Senator is mistaken. The Senator probably has reference to the statement that it is based upon figures that were obtained 20 years ago.

Mr. WILLIAMS. No; I——

Mr. McCUMBER. I have not heard the other statement, that it is based upon anything obtained five years ago.

Mr. WILLIAMS. You reason from your figures, and by that I mean the tables here, which you claim——

Mr. McCUMBER. The table we have is brought right up to date. Every table I have seen is brought up to very near the date of reporting.

Mr. WILLIAMS. I asked the Senator the question because, of course, the amount depends in your bill altogether upon the age classification under which the soldiers would fall.

Mr. McCUMBER. Oh, no; both age and length of service.

Mr. WILLIAMS. But in substance it is age, because a man who served three years and a half under the 62-year class would receive less than a man who had served 90 days under the 70-year class. But the Senator says, as I understand him, that that is a mistake and that the tables upon which he bases his calculation were furnished by the Pension Office and were brought right up to date.

Mr. McCUMBER. Yes, sir; right up to date.

Mr. President, I want to see how much this error amounts to, because it is stated that the increase under the bill, exclusive of section 2 of House bill No. 1, will be $34,000,000. Making the computation upon the figures which are correct, I find that there is an error of $81.91 on each soldier's yearly income from the pensions under House bill No. 1. If we multiply that by 446,000, the number that is used in the report, we find that it will take $36,531,860 more than the $34,000,000. In other words, it would be over $70,000,000 a year instead of the $34,000,000 per year.

I do not wish to rest this entirely upon my own statement. I had the expert from the Bureau of Pensions, Mr. Thompson, go carefully over this report and give his testimony before the committee. He was subject to cross-examination. He answers this proposition in the House bill, which I have already given, as follows:

> Mr. THOMPSON. The average here is reached by adding together the four rates—$15, $20, $25, and $30—and dividing the total by 4. In that way you get $22.50. Multiplying that by 12 you get $270, the yearly average.

I might say the present yearly average is $191.41, and, subtracting that from the $270, gives the $79.59 which the report says will be the average increase.

> That would be the average rate of pension to which they would be entitled if those averages were correct—if there were as many at $15 as there were at $30. But, as I have said, our statistics show that 71 per cent would be entitled to $30, and, of course, that changes the general average, so many more being entitled to the larger rate. It makes the increase $160.50 instead of $78.59. The cost the first year is based on that average. If you issue 200,000 certificates during the first year, and the average increase is $160, you have $32,000,000. But if it is only $78, you have only a little over $15,000,000. The only question is, Who is right?

But, Mr. President, the 446,000 which is used as a multiplier is also inaccurate. It should be considerably larger. If the right number was adopted, it would make the figures so much greater in the result. The House report says:

> The number of deaths during the year ending July 1, 1911, was 35,243, or an average of almost 3,000 a month. The number of soldiers who will be available for pensions on the 1st day of January, 1912, is estimated to be about 509,000. Of this number over 63,000 are now drawing pensions of $25 per month and $30 per month and over.

I especially call attention to this statement of this number. Sixty-three thousand are now drawing pensions at $25 per month and $30 per month. Why those two sets of figures are combined I can scarcely understand, because in this the author is attempting to take a certain number of them without the operation of this bill, and, of course, those who are already receiving $30 a month and over would not be computed in determining the amount of increase. But many of those who are receiving $25 should be computed; and why he takes 25 and 30 together I certainly am unable to understand. But he is in error even upon those two.

Hence—

He says—

> in estimating the increased cost for pensions (should House bill 1 be enacted) we must deduct 63,000 from the entire number of pensioners, leaving the number of soldiers available for the increase on January 1, 1912, 446,000.

Mr. BROWN. Mr. President, may I ask the Senator if he knows how many soldiers are receiving the $25 rate?

Mr. McCUMBER. I have it right here. I have the two together here. I can get from the report those who are receiving the $25 rate. They are both given in the report of the Commissioner of Pensions.

Mr. BROWN. It is a very small number, is it not?

Mr. McCUMBER. I will give the total, and then the Senator can see. But if we were to deduct those receiving $25, we might as well deduct those receiving $22.50 and those receiving $20, and so on. I am simply speaking now as to the accuracy of the report.

Mr. BROWN. The $25 class should not be deducted. I think the Senator is right about that. What I wanted to show was that that is a very small class.

Mr. McCUMBER. It is enough to make quite a little difference in the multiplier. Dr. Thompson answers this as follows:

> On page 5 of this report it is stated that 63,000 survivors of the Civil War are now drawing pensions of $25 and $30 per month and over. The number of Civil War survivors on the roll June 30, 1911, who were receiving $25 per month and over was less than 30,000. The only pensioners on the roll who can properly be excluded from consideration in making estimates on this bill are those receiving $30 per month and over—the maximum rate fixed by this bill. On June 30, 1911, there were 26,172 survivors on the roll at $30 per month and over.

It makes quite a little difference, then, whether you deduct $26,173 from your multiplier or whether you deduct 63,000 from it. So while it may not be great compared with the whole, still it makes several million dollars difference.

Again, Mr. President, it is claimed that under House bill No. 1 there will be considerable saving in the expenses paid out for special examiners. I have tried to ascertain what that saving is based on, and I confess I can not see that there will be anything saved; but, on the contrary, it is quite certain that under this bill there will be an increase.

The vast majority of the soldiers, as I have stated, I think about 357,000, are now drawing their pensions under the act of February 6, 1907, and under that act age alone is made the basis of the amount received. It takes no special examiner, ordinarily at least, to ascertain the age of the claimant. It requires no more a special examiner under the present law to ascertain the age than it would, except in a very few cases, to ascertain the length of his service, because where he has enlisted several times, even in obtaining the length of service you have to go over all the records and ascertain how long he served under each one of those enlistments.

Mr. GALLINGER. Mr. President——

Mr. McCUMBER. Therefore, under the present law we are not using the special examiners for the purpose of assisting us in granting pensions to those 357,000, and we will not be using them in the future, of course, in granting the pensions to the same number upon the basis of service. I yield to the Senator from New Hampshire.

Mr. GALLINGER. The Senator, I think, has answered the very question I was going to propound. The age of these soldiers was determined when they received the increase——

Mr. McCUMBER. Certainly.

Mr. GALLINGER. Under the law the Senator cites?

Mr. McCUMBER. Yes; under the law of 1907.

Mr. GALLINGER. Of course, it is a mere matter of addition as to the present age. The bureau will do that, of course.

Mr. McCUMBER. Now, what is the duty performed by these special examiners? Generally, we are now paying out about $700,000 a year altogether for the special examiners, and so forth. They are making examinations of the widows' cases; they are making their examinations of cases under the regular establishment and in the Spanish War cases.

Mr. GALLINGER. And in cases of alleged fraud, I will say.

Mr. McCUMBER. Yes; and in cases of alleged fraud, as the Senator has stated.

In the case of the widows it is often quite difficult to ascertain whether the first husband is dead, where there has been a second marriage to a soldier; so also where the soldier has been twice married; so also in cases of divorce, whether or not the divorce was actually obtained as claimed, in order to establish the marital status of the parties. For that we require quite an army of examiners.

Now, here is what the report on House bill No. 1 says on that, and this is not the only error:

Here is another very valuable consideration: Last year the Government paid out over $700,000 for medical boards and special examiners. Under House bill 1 nearly all these boards can be abolished without detriment to the service, as under House bill 1 there will be no occasion for a medical examination, as every soldier will paid on his service, with the exception of only one section of the bill.

Under the present law they are all paid according to their age. Under House bill No. 1 they will be paid according to their service. There will be no greater expense in the one than in the other and, therefore, there will be no saving.

We also paid out last year over $300,000 for special pension examiners, making in all considerably over $1,000,000.

Mr. President, that is an error again. The $300,000 is a part of the $700,000, and it seems by some way to have been added to it in order to make the million dollars.

Mr. CURTIS. May I interrupt the Senator?

Mr. McCUMBER. I will just finish the reading, then I will yield—

Nearly all of which can be saved and the money paid direct to the soldiers, because there will be no necessity whatever for examining boards, as the exact status of every soldier is fixed by this law; it is fixed on his service and can not be either raised or reduced by the action of any medical board or special pension examiners.

That is true, but that applies also to those who are obtaining their pensions under the present law.

This is an important feature, as a million dollars now spent on useless boards can be paid direct to the old soldiers.

I yield to the Senator from Kansas.

Mr. CURTIS. The Senator said a moment ago that the amount expended for special examiners was $700,000, as I remember it.

Mr. McCUMBER. Yes.

Mr. CURTIS. The report of the commissioner shows that there was expended only $283,000.

Mr. McCUMBER. That is not for all of the service referred to. I include the medical boards.

Mr. BROWN. And the detective force.

Mr. McCUMBER. Those are special examiners; they are all detectives. Now, let us take the reply that is given by the expert from the Bureau of Pensions, Mr. Thompson. He says:

Referring again to the report accompanying House bill No. 1, attention is invited to the statement on page 3, that the Government last year paid out over $700,000 for medical boards and special examiners; that under this bill all these boards can be abolished; that there will be no occasion for a medical examination; and, further, that there was also paid out last year over $300,000 for special pension examiners, making in all considerably over $1,000,000—all of which can be saved and the money paid direct to the soldiers. As I have previously stated, a medical examination will be required in each claim filed under section 2 of this bill wherein it is alleged that the claimant is wholly disabled for manual labor, before the claim can be allowed. Under this section, as before stated, there will be an increase in the cost of medical examinations of $200,000 per annum if this bill should become a law.

Note that, instead of decreasing, according to the estimate there will be an increase of $200,000 a year, to comply with section 2 of House bill No. 1.

You will observe that it is stated that $700,000 was paid for medical boards and special examiners, and later that over $300,000 was paid last year for special pension examiners, making in all considerably over $1,000,000. The cost of the special examiners was included in the $700,000 item, and then again added to the $700,000 to make up the $1,000,000. One question which now arises in invalid claims which requires the aid of the special examiners is that of the identity of the claimant with the soldier. This question is absolutely necessary to determine, under any bill, before a claim is allowed. Special examiners are largely engaged upon the investigation of claims arising on account of service during the Spanish War and on account of service in the Regular Army and Navy since the close of the Civil War. It is also necessary to determine the merits of a large number of claims filed by Civil War widows. Many widows are unable to secure satisfactory evidence showing either their marriage to the soldier or the death of the soldier's former wife or of their own former husband. Special examiners are also engaged in the work of investigating charges which may be filed against pensioners, from various sources, in order to determine whether the pensioner is legally entitled to the pension received. It will thus be seen that the enactment of House bill No. 1 would have no effect whatever upon the number of special examiners engaged in field work.

This is a very considerable error; and I am calling attention to these errors, so that the Senate in voting for either one of these bills may have at least accurate data upon which they can base their judgment.

Again, it is stated:

The report of the Commissioner of Pensions for 1911 shows, on page 14, that since the act of February 6, 1907—that is, the age-pension law—629,605 applications for pensions have been filed in the Pension Office under that law.

Of course, you can naturally see that would carry the idea that many different soldiers had filed applications under the 1907 act, when as a matter of fact there are not so many survivors living.

And during the last year 55,167 certificates for new pensions were issued by the Pension Bureau under this age-pension law.

There is an error again, if we understand by the words "new pensions" that they are "original" pensions, and taking the whole clause, I assume that is what was intended.

Again, he says:

How many of these 629,605 applicants for increased pensions under this law were long and short term soldiers is not stated; but it is a fair conclusion that most of these claimants were short-term soldiers.

Well, Mr. President, was it a fair conclusion that they were "short-term soldiers"? Why should it be supposed that they were short-term any more than long-term soldiers? As soon as we passed the law of 1890 those who had served 90 days and who desired to obtain a pension were just as ready to make applications then as those who to-day are for the first time making their applications. An actual test and examination show that there is no reason for the supposition that they were short-service men. Some of these 629,605 applications will be found to be duplicates; a soldier will often make his application and then, thinking he had not made it correctly, will send in another application. There will be thousands and thousands of them who will make them over again.

Each application, of course, will be numbered, and there may be serial numbers running up to the figures quoted, but a third or half may be duplicates. As a matter of fact, only 356,830 are upon the pension roll to-day under that act.

In explanation of this change, Mr. Thompson says:

It has been said that the short-service men came in under the act of February, 1907, after the age-pension law was passed. What are the facts? Only 21,771 original claims under that act have been allowed since it was passed.

So that there are not 55,167 new cases—that is, new in the sense of being original in the last year—but in all of the five years which have elapsed there have been only 21,771 original applications for pension under this particular law. I assume, Mr. President, that most of these are soldiers who during all of the previous period have felt that their condition was not such that it would justify them in demanding a pension; but as their physical disabilities increased with age it is but natural that they should now have applied as original claimants.

Now, I wish to answer very briefly the question asked by the Senator from Mississippi [Mr. WILLIAMS], who inquired if this data were not compiled from estimates that were made several years ago. Well, Mr. President, so far as they relate to the length of service of the veterans the data were taken from estimates of some 20 years ago, but as everyone, of course, will comprehend, the moment he gives the subject any consideration, the length of service of soldiers of the Civil War does not increase with years, but is an unchangeable fact. Out of a given number of soldiers now drawing pensions there would be no change in their average length of service; and while it is possible that those of longer service might die more rapidly than those of shorter service and thereby decrease to some limited extent the number who served more than one year, the chances are that there is no material change whatever. A very careful investigation, as careful as can be made without taking several months in going over the rolls and getting the service of every individual soldier, shows that the rate is about the same, and that is that about 71 per cent of the soldiers now upon the pensions rolls would, under House bill No. 1 as passed by that body, be entitled to $30 per month. If that is true, as can be established beyond any question whatever, the estimate of cost made by whoever reported House bill No. 1 will have to be increased.

It might be well right here, Mr. President, to suggest the method adopted to arrive at the length of service of each soldier. I thought I had the method here in detail, but I can state it generally. In 1890, after the passage of the act of June 27,

1890, Gen. Raum, then Commissioner of Pensions, adopted a card-index plan covering every case in which an application was made. He had cards filed in more than 475,000 cases. The cards gave the age of the soldier, the length of service, and other data which were necessary at that time. From those cards he obtained the figures that more than 71 per cent of the soldiers served more than one year. Since that time several estimates have been made. A short time ago some 12,000 names of soldiers were drawn at random, and it was found that of those 12,000 the number of those who had served a year or more averaged 71.5 per cent.

Again, since we have been discussing this subject some 5,400 additional claims have been adjudicated, and of those 5,400 claims it has been found that about 72 per cent served more than one year. So I think we can safely rely on the estimate that 71 per cent of the total number of the survivors of the Civil War will, under House bill No. 1, be entitled to receive a pension of $30 per month.

Mr. CULLOM. Mr. President, I will ask the Senator what would the same class of pensioners receive under the bill which his committee has reported?

Mr. McCUMBER. I think the estimate is in the neighborhood of from $18 to $20 per month. They will receive different amounts.

Dr. Thompson, again referring to this matter, says:

Within the last two days—

And this testimony was given a short time ago—

Within the last two days I have found some statistics relating to the Civil War soldiers who were pensioned under the general law. While there were only 12,000, I have had their length of service tabulated, and what does it show? It bears out the length of service of these 475,000 men. That is, 70.7 per cent of those pensioned under the general law served one year and more; 12.6 per cent served nine months and less than a year; 7.7 per cent served six months and less than nine; and 8.1 per cent served three months and less than six months.

Mr. President, before closing my remarks upon this subject, I wish to state some reasons why the committee adopted the double standard. Ever since the act of June 27, 1890, at every encampment of the Grand Army of the Republic, the question of the standard which should govern the granting of pensions has been considered, and in every instance, with the exception of one, I believe, the representatives of the soldier element of the country have unfalteringly stood by the standard of age rather than the standard of service. In the last encampment, that of 1911, the question came up again because of the bill which had been introduced in the House. After listening to an argument by the chairman of the Committee on Pensions in the House, the committee again took that subject under consideration, and after very considerable debate they adhered practically to their old standard. They were perfectly willing, of course, to take the extra amount that would be carried by the House bill, but they recommended that the Representative in charge of that bill should so modify it that it would more nearly conform to what was known as the Sulloway bill. The Sulloway bill was an age bill pure and simple, and, of course, it is an impossibility to conform age and length of service so they will more nearly equal each other. All that we could possibly do would be to adopt both of those standards. Thereafter I attempted to arrive at the sentiment of the members of the Grand Army of the Republic, or at least the officers of that body, as to their preference if we were compelled to decide finally between a pension which should be based only upon length of service and one based wholly upon age. From everyone I received the same reply, that the members of the Grand Army of the Republic preferred the age standard rather than the length-of-service standard, but they desired that we should adopt a double standard.

Mr. President, without taking any time to read them, I will ask to have inserted in my remarks the resolution adopted by the Grand Army of the Republic at its last encampment; also the statement of Mr. Torrance, who is past commander in chief of the Grand Army of the Republic; the statement of Mr. Washington Gardner, who is a member of the pension committee of the Grand Army of the Republic; the statement of Mr. Henry S. Redman, also a member; the statement of Mr. Samuel S. Burdette, also a member; and a rather late report which I have from Mr. Redman where he has submitted the question to his particular post. I think I will read what he states:

MYRON ADAMS POST, No. 84,
DEPARTMENT OF NEW YORK, GRAND ARMY OF THE REPUBLIC,
Rochester, N. Y., February 19, 1912.

Hon. P. J. McCUMBER,
United States Senate, Washington, D. C.

DEAR SENATOR: Have read proposition No. 16, which was adopted by your honorable committee a few days ago. I am pleased to say that it has met with favorable indorsement by a large majority of the comrades in this part of the State.

While not as liberal as they expected, they will be satisfied at this time. Speaking for myself, as one of the Grand Army of the Republic pension committee, I fully indorse No. 16, and most earnestly hope it will become a law and will meet with the approval of a majority of the people and the veterans of the Civil War. Will you please send me two or three copies of the bill, and oblige?

Sincerely, yours, H. S. REDMAN.

The PRESIDING OFFICER (Mr. CURTIS in the chair). Without objection, it is ordered that the other documents be printed in the RECORD as a part of the speech of the Senator from North Dakota.

The matters referred to are as follows:

The only action on the subject of pensions taken by the forty-fifth national encampment, which was held at Rochester last August, was embodied in the following resolution:

"*Resolved*, That it is the sense of this Forty-fifth National Encampment of the Grand Army that the time has come to-day, 50 years after the outbreak of the great Civil War, to deal generously with the survivors of that war; and we unite in asking our comrade, Gen. ISAAC R. SHERWOOD, chairman of the Pensions Committee of the House of Representatives, to so modify his House bill No. 1 as to make it more nearly conform in general features to the Sulloway bill, which passed the House at the last regular session by an immense majority, which was indorsed by the legislatures of 27 States of the Union, and which is understood and approved by a majority of our comrades. And we further urge early action by Congress, as our comrades are dying at the rate of 50,000 per year."

STATEMENT OF MR. ELL TORRANCE, OF MINNEAPOLIS, MINN., PAST COMMANDER IN CHIEF OF THE GRAND ARMY OF THE REPUBLIC AND CHAIRMAN OF THE NATIONAL PENSION COMMITTEE OF THE GRAND ARMY OF THE REPUBLIC.

Mr. ELL TORRANCE. I am past commander in chief of the Grand Army of the Republic and chairman of the national pension committee of the Grand Army of the Republic.

This committee is the only body authorized to officially represent and speak for the Grand Army of the Republic on the subject of pensions.

Early in December last the committee met in this city, all members being present, with the exception of Comrade Kelly, of Emporia, Kans. In addition to the members of the committee, the present commander in chief, Harvey M. Trimble, of Princeton, Ill., was present. We conferred upon the subject of pensions, went over the matter thoroughly, and adopted the following resolution, which expresses the sense of the committee upon what we regarded as an important matter relating to this subject:

"*Resolved*, That it is the sense of this committee that the age and service standards should be combined in any pension measure enacted by the present Congress, to the end that justice and equity be done to all classes of our comrades."

That was agreed upon by the six members present and approved by the commander in chief.

STATEMENT OF MR. WASHINGTON GARDNER, PAST DEPARTMENT COMMANDER OF THE DEPARTMENT OF MICHIGAN, GRAND ARMY OF THE REPUBLIC.

Now, as to the two bills: I speak the unanimous voice of our committee when I say that we are heartily in accord with the principles of the McCumber or Senate bill in regard to the joint standard—age and service.

STATEMENT OF MR. HENRY S. REDMAN, COMMANDER OF POST 84, DEPARTMENT OF NEW YORK, GRAND ARMY OF THE REPUBLIC.

Mr. REDMAN. Mr. Chairman and gentlemen of the committee, I am from the great State of New York. Since the 1st of January, practically speaking, I have done nothing but talk about pensions. I have visited some 12 posts in the western part of the State, installing the officers in 10 of them, and in each case I have taken from 30 to 45 minutes to talk upon the question of pensions, explaining to them the difference in the different bills and then getting their expression after the meetings.

I find that 95 per cent of the veterans in western New York to whom I have talked—I assume 5,000 or 6,000 altogether—are unanimous in favor of a double-standard bill. They will be perfectly satisfied with such a bill.

I had a copy of proposition No. 11 with me at nearly every meeting. Last Friday night I was in Buffalo, where I addressed the largest post in the world, with something over 700 members. Over 400 of them were present. I had there a copy of the McCumber Senate bill. I read it and talked upon the bill for 30 minutes. I failed to find one comrade in that gathering that was not absolutely satisfied with a bill of that character.

STATEMENT OF MR. SAMUEL S. BURDETTE, PAST COMMANDER IN CHIEF OF THE GRAND ARMY OF THE REPUBLIC.

If I should say anything at all, it would only be to add my voice in urging the sort of bill that has been prepared in this committee—you may call it, if you please, the McCumber bill or the committee bill—that groups age and service.

I believe that the principle and method of the bill Senator McCUMBER has introduced will appeal, and does appeal, most heartily and thoroughly to the whole body of the surviving comrades of the Civil War.

Mr. McCUMBER. I will defer any further explanation of this bill at present, as the Senator from Ohio [Mr. POMERENE] has given notice of his desire to speak on the subject.

Mr. KENYON. May I ask the Senator from North Dakota a question?

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

Mr. McCUMBER. I yield.

Mr. KENYON. Has the Senator estimated in any way how many soldiers now living ever would receive the maximum of $30 per month under this bill as reported by the committee?

Mr. McCUMBER. They could not, any of them, unless they lived to be 75 years of age.

Mr. KENYON. Have you estimated with the aid of tables of mortality?

Mr. McCUMBER. I have not.

Mr. POMERENE obtained the floor.

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

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Secretary will call the roll.

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

Bacon	Cullom	Kenyon	Poindexter
Bourne	Curtis	Kern	Pomerene
Brandegee	Dillingham	Lea	Rayner
Bristow	du Pont	Lippitt	Richardson
Brown	Fletcher	McCumber	Root
Bryan	Foster	Martine, N. J.	Simmons
Burnham	Gallinger	Myers	Smith, Ga.
Burton	Gardner	Nelson	Smoot
Chilton	Gore	Oliver	Townsend
Clark, Wyo.	Guggenheim	Overman	Warren
Clarke, Ark.	Hitchcock	Page	Watson
Crane	Johnston, Ala.	Percy	Williams
Culberson	Jones	Perkins	Works

Mr. NELSON. My colleague [Mr. CLAPP] is unavoidably absent on a committee hearing.

The PRESIDING OFFICER. Fifty-two Senators have answered to their names. A quorum is present. The Senator from Ohio will proceed.

Mr. POMERENE. Mr. President, I have always favored and I will always favor just, liberal, nay, generous pensions to the old soldiers who went to their country's aid in time of sore distress, and who have been disabled by wound or accident or disease, or who, by other misfortune, may not be possessed of the comforts of life. I favor extending the country's bounty to their widows and to their dependent children. The old soldiers and their loved ones have always appealed to my heart—they always will.

This country is now more liberal in the bestowal of pensions upon its defenders than it ever was before in its history, and it is more generous than any nation on the face of the globe. I would not have it otherwise. It pays more pensions to its soldiers than the Governments of Great Britain, Germany, France, and Austria-Hungary combined. I want the Government to go into this matter just as far as the finances of the country or the merits of the situation will permit or require. No soldier who is in want can appeal to me while I occupy a legislative position in vain. But I am not in sympathy with the thought that the soldiers who are in good health or who have a competency should receive the same compensation as those who are wounded or diseased or in want of the common comforts of life. I do not believe that when the Government pays $30 to the old soldier "who hath not where to lay his head," that it should at the same time give the same amount to his comrade who may be sound in body and in health and have all the reasonable comforts of life. Especially is this my position when I remember that the money is contributed largely by the laboring and struggling masses of our country.

There is not a dollar paid out for pensions which does not represent a dollar of taxes which some man must pay, and the great portion of the taxes of this country is paid by those who can illy afford to do so.

Much has been said of late about the "dollar-a-day pension." There is more magic in the words than there is merit in this bill, when we come to consider the amount we are already paying, the state of the revenues of the Government, and the injustices which the bill itself perpetrates as among the soldiers themselves.

If, in the discussion of the pension question, I may seem to inject into it some things of a personal nature, I hope that my colleagues in the Senate, and my constituents in Ohio, will attribute it to a desire to set myself right where my position has been misrepresented by a seemingly studied effort.

I desire to call attention to the history of this bill.

HISTORY OF THE SHERWOOD BILL.

During the first session of the Sixtieth Congress, on December 3, 1907, Gen. SHERWOOD introduced H. R. 7625, to authorize "the creation of the volunteer service roll."

It is commonly known as the dollar-a-day pension bill. It provided that the volunteer soldier of the Civil War should be entered upon the "volunteer service roll," provided he had served with credit as an enlisted man not less than 18 months in the field with the troops between July 15, 1861, and July 15, 1865. If he served for 18 months, or if he was wounded in line of duty and so disabled as not to be able to serve the 18 months, he would be entitled to a pension of $1 per day during his natural life, from the date of his application for pension under the act.

On January 29, 1908, Gen. SHERWOOD made a speech (CONGRESSIONAL RECORD, vol. 42, pt. 2, p. 1289) on the bill, and gave this estimate of the cost to the Government. He said:

> I have been consulting the experts of the Pension Office, and so near as I can ascertain it will take the first year about $17,500,000. The amount will be reduced every year by 15 per cent; and the experts in the Pension Office say that by the end of nine years there will be practically no appropriation called for, because the veterans who will be benefited by this bill are the older class of soldiers and will practically all be dead in nine years. It is estimated in the Pension Office that about 175,000 soldiers will be included under the provisions of this bill. The estimates of the Pension Office differ as to the average amount the veterans are receiving now. It varies from $17.50 a month to $20 per month. I have estimated it at $20, and from this estimate it will take $17,500,000 the first year.

Again, on February 26, 1908, Gen. SHERWOOD spoke upon this bill (CONGRESSIONAL RECORD, vol. 42, pt. 3, p. 2550), and, among other things, said:

> This pension bill will only take about $17,500,000 the first year and 15 per cent less every year for nine years, when the veterans who belong to the older class of soldiers will practically all be gone.

On December 14, 1909, in the Sixty-first Congress, second session, Gen. SHERWOOD introduced his second bill, H. R. 5439, entitled "A bill for the enactment of a veteran volunteer roll." In substance this bill provided that every surviving volunteer of the Civil War should be entered upon the roll who served with credit not less than one year with troops in said Volunteer Army between April 20, 1861, and July 15, 1866. It also provided that if wounded in line of duty and thereby disabled from serving one year, or was discharged for disability contracted in the service, or was enlisted for one year or more, or was mustered out because of the close of the war, or if captured in battle or in the line of duty and served in a Confederate prison, his name should be entered upon this roll, and all such soldiers would receive $1 per day from the date of his application during his natural life.

On February 26, 1910, at the second session of the Sixty-first Congress he introduced his third bill, H. R. 21902, entitled "A bill to pension certain disabled veterans of the Civil War." In substance it provided that each volunteer officer and soldier in the Volunteer Army of the Civil War who served with credit not less than 90 days between April 20, 1861, and July 15, 1865, whose physical or mental condition was such as to require frequent and periodical aid and attention of another person, should be paid $30 per month during such disability.

On March 22, 1910 (CONGRESSIONAL RECORD, vol. 45, pt. 4, p. 3584), he again discussed the cost to the Government of these several bills, and said:

> I simply desire to state what my original bill—$1-a-day bill—provided for, how much it would have taken out of the Treasury in 1908, when first introduced.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Senator from Ohio will suspend for a moment. The rules of the Senate prohibit a Senator from referring to what was said in the other House by a Member of that body when the point has been made. The Chair thinks it is only proper to call the Senator's attention to the fact.

Mr. POMERENE. Mr. President, I have no desire to trespass upon the rules, and I did not think I was doing so. This matter is somewhat of a personal privilege with me, and the statements made here go to the question of the cost of the bill.

Mr. McCUMBER. Mr. President, I rise to a point of order. I should like to have the rule read and see if it applies so that it prohibits a Senator from quoting what appears in the CONGRESSIONAL RECORD.

Mr. NELSON. I think a Senator is entitled to quote what appears in the CONGRESSIONAL RECORD. I do not think that violates the rule.

The PRESIDING OFFICER. The Chair will ask the Secretary to read the order of procedure from Jefferson's Manual and also the Precedents.

Mr. POINDEXTER. Mr. President, will the Chair state the number?

The PRESIDING OFFICER. That the Chair has just directed the Secretary to read.

Mr. POINDEXTER. What I was inquiring was the number of the rule.

The PRESIDING OFFICER. The Secretary will state the rule.

The Secretary read as follows:

HOUSE OF REPRESENTATIVES.

1. In order to refer to proceedings in.

Jefferson's Manual, section XVII, order in debate, page 96, we have—

It is a breach of order in debate to notice what has been said on the same subject in the other House, or the particular votes or majorities on it there, because the opinion of each House should be left to its own independency, not to be influenced by the proceedings of the other, and the quoting them might beget reflections leading to a misunderstanding between the two Houses.

Mr. ROOT and Mr. GALLINGER addressed the Chair.

The PRESIDING OFFICER. The Secretary will read further.

The Secretary read as follows:

[47th Cong., 2d sess., Journal, p. 439.]

FEBRUARY 28, 1883.

The President pro tempore (Mr. David Davis) decided that it was not in order to refer to any action had in the House of Representatives upon any question not officially communicated to the Senate, and the Senate refused to lay an appeal on the table—yeas 24, nays 26.

The question of order was withdrawn. (See CONGRESSIONAL RECORD, pp. 3368, 3369, 3371.)

2. Not in order to refer to proceedings of the other House.

[53d Cong., 2d sess., Journal, p. 166.]

APRIL 25, 1894.

Mr. Dolph, while addressing the Senate, proceeded to read an extract from a speech delivered in the House of Representatives upon the pending bill. Mr. Gray raised a question of order that it was not in order to quote and comment upon a speech made during the same Congress by a Member of the other House upon the same bill. The Vice President (Mr. Stevenson) sustained the point of order, and decided that it was out of order in debate to notice what had been said on the same subject in the other House upon the bill.

An appeal from the decision was laid on the table—yeas 43, nays 2. (See CONGRESSIONAL RECORD, pp. 4081–4082.)

Mr. ROOT. Mr. President——

Mr. POINDEXTER. Will the Senator from New York yield to me for just a moment?

Mr. ROOT. I yield to the Senator from Washington.

Mr. POINDEXTER. I did not hear the Secretary state the paragraph or page from which he was reading, and I should like to know it.

Mr. ROOT. He first read from page 96 of Jefferson's Manual.

Mr. BACON. Mr. President, I think it is the fault both of the clerk and Senators on the floor. None of them speak loud enough to be heard. I heard neither the clerk nor the Senator from Washington.

Mr. POINDEXTER. I was simply inquiring as to the number of the page and paragraph which was read.

The SECRETARY. Page 366, "Precedents—Decisions on points of order in the United States Senate—1789–1909, Gilfry."

The PRESIDING OFFICER. The Chair wishes to state that he simply made the announcement because reference was made to what was said in the other House. No point has been made on it, and there is no use to take up the time of the Senate unless some Senator makes the point.

Mr. CULBERSON. Do I understand that the Chair holds it not to be in order?

The PRESIDING OFFICER. The Chair made no ruling. The Chair was simply calling attention to the rule, because reference was being made as to what had been said or done in the other House. The Chair announced that no point had been made, but he thought it only fair to call the attention of the Senator from Ohio to the rule. There has been no intimation on the part of the Chair that the Senator was without the rule, but as the Senator was referring to what had occurred in the House he thought it only proper that the rule be read; that is all.

Mr. ROOT. Mr. President, I wish to suggest that the Senator from Ohio was not addressing himself to anything that was said upon the bill which is now under consideration, but he was giving an interesting historical review of what had happened upon previous bills, and surely we can revert to the parliamentary history of our country so far as the other House has taken part in it. If we can not go back to 1910 we can not go back to 1810, and we would be cut off entirely from the parliamentary history of the country.

The PRESIDING OFFICER. The Senator from Ohio will proceed.

Mr. POMERENE. Mr. President, as I stated before, I feel that I would be the last man or one of the last men in this body to trespass upon the rules of the Senate. I think I understand what decorum in debate ought to be. But there is a question before the country now as to what pension legislation we shall have, what we ought to have, what the cost of this legislation is going to be. There has been a contention in behalf of House bill No. 1 that it would cost a given amount, and a given amount only, on the one side. It is contended on the other side that it would cost a given other amount. Now, may I not be permitted to show what these several contentions are and what the reasons for those contentions are and the conclusions to which each side of the controversy arrive? It was with that end in mind that I was quoting from these speeches to show what it was believed the estimated cost of the several bills would be.

In speaking further upon this subject, Gen. SHERWOOD said:

Also what my second bill, the dollar-a-day bill of 1909, which included soldiers who served one year, provided for.

Also what my last bill of February 26, 1910, which is really not my bill, provides for.

The last bill includes an amendment offered by a member of the Committee on Invalid Pensions, the gentleman from New York [Mr. BRADLEY], who is also on the Military Committee. I simply introduced it on the suggestion that, owing to the condition of the Treasury, it was not thought possible to pass the dollar-a-day bill during this session for all veterans who served one year. It is estimated that it would take the first year out of the Treasury about $22,500,000, with a decrease every succeeding year of 15 per cent for seven years, when all old veterans would have passed from earth.

The last bill only applies to about 20,000 soldiers, and I have the authority of the Pension Office, confirmed by the Secretary of the Interior, Mr. Ballinger, that that bill would take about $3,600,000 out of the Treasury the first year, and this amount would decrease every year 15 per cent for seven years, when all of the totally disabled soldiers who are taken care of by this legislation would be dead.

Ohio played her part during the great Civil War, and played it well. Her men and her women, inspired by patriotic love of the flag, made great sacrifices. It is the desire of her people, irrespective of party, that those soldiers and their widows, who sacrificed and suffered during the war, or are decrepit, diseased, or lacking in the comforts of life, as well as their minor children, shall be the objects of governmental care, and her people favor giving them liberal pensions.

In recognition of this sentiment the Democratic State convention at Dayton, Ohio, in June, 1910, declared in its platform:

We favor the immediate enactment of the dollar-a-day pension bill, introduced and championed in both the Sixtieth and Sixty-first Congresses by that Democratic veteran, Gen. ISAAC R. SHERWOOD, of Ohio.

Only one inference can be drawn from the language just quoted, namely, that it was regarded to be one and the same bill, and it would naturally follow that the expense would be one and the same, making due allowance for decreases due to death.

I had the honor to be named as the candidate of the Democratic Party for lieutenant governor upon that platform. It pledged the party in favor of the dollar-a-day pension bill, which would cost the Government from $17,500,000 to $22,500,000. Would that justify my voting for a new and a different bill, which was drawn and introduced into Congress more than nine months later, because it bears the same name, and which the Pension Bureau says will cost, and which I believe will cost, $75,000,000 yearly in addition to the $150,000,000 and more now required for the pension roll?

Personally I do not believe that any pension measure which embodies the principle of age alone or of service alone will work out equitably. My judgment is that a combination of the two elements ought to be taken into consideration. But while this is my personal opinion, in view of the action of the Ohio Democratic State convention and of the representations which were made as to the cost of the measure—if we call it one and the same—I would vote for it if such a measure were now before the Senate and the appropriation required did not materially exceed the amount represented.

On April 4, 1911, at the first session of the Sixty-second Congress, more than nine months after the Dayton convention, Gen. SHERWOOD introduced his fourth bill, H. R. 1, entitled "A bill granting a service pension to certain defined veterans of the Civil War." It provided that any person who served in the military or naval service during the Civil War and who was honorably discharged should receive a pension as follows:

For 90 days' service or more, and less than 6 months, $15 per month.

For service of 6 months or more, and less than 9 months, $20 per month.

For service of 9 months or more, and less than 1 year, $25 per month; and

For a service of 1 year or more, $30 per month.

And every soldier who was wounded in battle or on duty, and thereby disabled, or who suffered from disease in line of duty, was to be given $30 per month pension, irrespective of his length of service, provided that no one who was receiving $25 per month or more under the act should be entitled to admission to any national soldier's home, and no State home should receive any governmental aid on account of any person who was in receipt of a pension of $25 a month or more.

The second section of the bill provided that any soldier of the Civil War wounded in battle or on duty and who was thereby unfit for manual labor, or who from disease or other causes incurred in line of duty, resulting in disability, is unable to perform manual labor, should be paid $30 per month without regard to the length of service.

Section 3 provided that no one should be entitled to a pension under the act who was in receipt of an annual income of $1,000 or more.

ESTIMATE OF THE SECRETARY OF THE INTERIOR.

On April 11, 1911, when the Sherwood bill, No. 1, was pending, the Secretary of the Interior, in reply to a letter of inquiry from Gen. SHERWOOD, advised him that under his bill the actual increase in the annual value of the pension roll, based on the num-

ber of pensioners on the roll June 30, 1910, would be $75,671,880, but he did not make any deductions for those who might be inmates of the national homes, and as there was no data available showing the number of survivors of the Civil War who had incomes of $1,000 or over, no deduction was made because of this exception in the bill. (CONGRESSIONAL RECORD, vol. 48, 62d Cong., 2d sess., p. 146.)

In August, 1911, the chairman of the Committee on Invalid Pensions made a report on the cost of H. R. 1. In this report he did not give the estimated cost of the bill furnished by the Secretary of the Interior, but referred to the report, and said with respect to it, on page 5:

> The chairman of the committee asked the Pension Bureau for the estimated cost of House bill 1, but owing to the section which excludes soldiers with a net income per year of $1,000 or over from the benefits of this act, the Pension Bureau refused to make any estimate of the aggregate cost of the bill. This refusal was based on the ground that the bureau has no data upon which to make such estimate. After a poll of some 20 Grand Army of the Republic posts the estimate runs from 20 to 30 per cent.

Apparently this means that from 20 per cent to 30 per cent of the members of those posts have an annual income of $1,000 or more. The chairman of the committee then proceeds to make an estimate of the cost of the bill, and by his method reaches the conclusion that the aggregate cost would be $28,858,000, and that because the Pension Bureau could only handle 200,000 cases the first year, it would take from the Treasury during that year only $15,718,000. But a careful reading of the methods of computation will fairly demonstrate that it is wholly unreliable.

To illustrate: He calls attention to the fact that the House bill provides for four classes of pensions—$15 per month, $20 per month, $25 per month, and $30 per month, rated on the length of service. He then strikes the average as being $22.50 per month, or $270 per year, and multiplies this by the number of soldiers estimated by him to be in the service, and arrives at a total of a little over $34,000,000, to which he adds $3,000,000 as being the cost of the disability section of the bill, and then deducts 22 per cent (what this is I do not know, unless it be that it is an attempt to deduct the proportion of those who have incomes exceeding $1,000), and arrives at his net estimate of $28,858,000. It is quite apparent that it is unfair to say that the average rate per month is $22.50, unless it should also appear that the number of soldiers in each of the four classes was the same. Or, to make it still plainer, if there were two of each class, then the average would be right; but if there were two in each of the first three classes and six in the last class, then the average would be wrong.

And this error is clearly indicated on page 6 of the report, when it says:

> There are, however, more surviving soldiers who served more than one year than for a less period.

It is said that a poll of 20 Grand Army posts was made, and from these it is "estimated that from 20 to 30 per cent" of the members receive a net income of $1,000 and over per year. While the Secretary of the Interior made the total cost of the bill $75,671,880 and made no deduction for those who had an income of $1,000 per year and over, if the estimate of 20 to 30 per cent as the proportion of the soldiers who have an income of $1,000 per year and over is correct, it would have been an easy matter to deduct from the total given by the Secretary of the Interior this 20 or 30 per cent and thereby arrive at the actual cost to the Government of the bill as it was originally introduced.

The information contained in the letter of the Secretary of the Interior as to the cost of the Sherwood bill was not disclosed to the House of Representatives until it was read by Hon. LYNDEN EVANS, a Member of the House from Illinois, on December 9, 1911, nearly eight months after the letter was written.

On December 13, 1911, H. R. 1, introduced April 4, 1911, was passed by the House after it had been amended to give a $30-per-month pension to all who served in the Mexican War; to strike out that part of the bill which provided that no one in receipt of a pension of $25 per month, or more, should be entitled to admission or residence in a national soldiers' home; to strike out that part of the bill which provided that no State or Territorial home should receive Government aid for those soldiers who were in receipt of $25 or more per month; and to strike out section 3 of the bill, which excluded from its provisions those who had an income of $1,000 per year or more.

The bill, therefore, as it passed the House, contained all of those provisions which were the basis of the estimate of the Secretary of the Interior, struck out all the elements which were not included in the estimate, and added thereto the increase of pensions to be paid to the soldiers of the Mexican War, and to that extent increased the total cost above the Secretary's figures.

CRITICISMS OF THE ESTIMATE OF THE SECRETARY OF THE INTERIOR.

On January 8, 1912, after House bill No. 1 had passed the House and reports were sent out to the effect that it was estimated by the Pension Bureau that the bill would add $75,000,000 to the pension roll the author of the bill made a speech in the House severely criticizing this estimate. It was made on April 11, 1911. It showed the annual increase to which the pensioners on the roll on January 30, 1910, would be entitled if the bill should become a law.

In the speech to which I have referred, it was said that 52,000 soldiers had died between the date upon which the Bureau of Pensions based its estimate and January 8, 1912, and that, therefore, the report was excessive to the amount of $18,720,000, if the soldiers received $30 per month under House bill No. 1, and if those who served one year and over were three times as many as those who served under one year, and the latter were averaged at "$240 per year," he then draws the conclusion that "the report of the Pension Bureau is wrong by $12,480,000."

While not conceding, I will assume that these figures are correct for the sake of this argument. In making his computation he accepts the figures of the Pension Bureau in its annual report for the fiscal year ended June 30, 1911, as to the number of men who served six months and under one year as 107,566, and the number who served three months and less than six months as 44,510 men—designated in his speech as hundred-day men—and the number who served for a less period 1,590, making an aggregate of 153,666. But he does not accept the total given by the Pension Bureau of all soldiers on the pension roll as 529,884. Waiving this, however, he estimates that there are 335,046 soldiers who, at the rate of $30 per month, would receive $120,616,560, and 153,666 short-term men who, at the rate of $20 per month, would receive $36,879,840. This totals $157,496,400. He then deducts $104,980,110, the amount paid Civil War soldiers last year, according to official reports, which leaves $52,516,290 as the cost of the bill.

It clearly appears that this estimate is not correct; first, because it does not contain any account of the Mexican soldiers or the pensions to be paid to them; and, secondly, the $104,983,110 includes both the pensions paid during the last year to the soldiers now living, as well as to the soldiers who died within that time. Hence, it must follow that in order to show the actual cost of the Sherwood bill it is necessary to deduct from the amount paid last year the amount of pensions which have lapsed by death. Or, to look at this in another way, the appropriations by the Sherwood bill, so called, include, for the living soldiers first, pensions at the rate paid them during the last year; secondly, all of the pensions which were paid to their comrades who died during the last year; and, third, increases provided in the present bill.

Or, in other words, if $12,480,000 was paid to 52,000 soldiers who died since the date which makes the basis of the report of the Pension Bureau, then this amount, or at least so much of it as represents pensions which lapsed during the last year, ought to be added to the total of $52,516,290 in order to arrive at the total cost of the Sherwood bill. I am assuming, without admitting, that the figures given by him as a basis of his computation are correct. Later on in his speech of January 8, 1912, the conclusion is reached that the bill as it passed the House will cost only $43,056.210.

On January 22, 1912, in his testimony before the Senate Committee on Pensions, he said, (P. 26 of Hearings before the Committee on Pensions in the United States Senate), his bill in the original form as reported to the House would cost $34,250,000, and that as it passed the House and was then pending in the Senate, it would cost $45,730,890.

I have the very greatest respect for Gen. SHERWOOD because of the great services he rendered his country during the war, and I know his love for the old comrades, but it does seem to me that he can not be very clear as to the cost of his bill, in view of the varying estimates he has given.

His first bill he thought would cost $17,500,000; his second bill, $22,500,000; his third, the disability bill, $3,600,000; and his fourth bill, according to his report to the House on August 11, 1911, would cost $28,858,000. In his speech on January 8, 1912, he estimated the cost of this bill as it passed the House at $43,056,210. In his testimony before the Senate Committee on Pensions (p. 26) he thought the cost of the original bill, as reported to the House, would be $34,250,000, and as the bill then stood in the Senate he believed it would cost $45,730,000.

ELEMENTS OF UNCERTAINTY.

One of the elements of uncertainty in the estimated cost of the bill is the ratio of the number of soldiers now living and drawing pensions who served less than a year to those who served one year and over. An examination of the speech of January 8, 1912, will show that the conclusion reached was based not upon actual statistics of any reliability, but purely

upon probabilities. Without presuming to go into details it was then attempted to show that the number of men who served under one year is materially greater than that contended for by the Bureau of Pensions, and that the number who served one year and over is proportionately less. This computation is arrived at on the assumption that none of those who enlisted for short terms ever reenlisted, when, as a matter of fact, there were many soldiers who enlisted twice and three times in the service.

After this speech was made I called the attention of the Pension Bureau to the estimated cost of the Sherwood bill, as contained in the department's letter of April 11, 1911, to Gen. SHERWOOD, chairman of the Committee on Invalid Pensions, and also to the criticisms of this report as contained in the speech by Gen. SHERWOOD under date of January 8, 1912, and asked what, if any, modifications they might desire to make. Under date of January 25, 1912, the Secretary of the Interior answered my letter, and I ask that it may be printed as an appendix to my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. POMERENE. From this letter the following facts may be gleaned:

On June 30, 1911, there were on the pension roll 471,336 soldiers who would be entitled to the increased rates of the bill. From this is deducted 15,000, being the deaths from July 1, 1911, to January 1, 1912, leaving 456,336 soldiers who would be entitled to the increase under the Sherwood bill. Under the form of computation hereafter given the cost under section 1 of the bill is $73,244,048. Under section 2 of the bill, which is for disability pensions, the estimate is $2,500,000, making a total of $75,744,048. There are no figures now in the Pension Bureau from which the officials can give to a mathematical certainty the exact number of the long-term or of the short-term soldiers, but they reach the number with substantial accuracy in the way I now give.

MODE OF ESTIMATING COST.

On June 27, 1890, a law was passed granting pensions to soldiers and sailors of the Civil War who were incapacitated from the performance of manual labor. Under this act 669,463 invalid claims were filed.

The Commissioner of Pensions at that time adopted the practice of making out and placing with the files in each case a statistical card, upon which was entered the name of the soldier or sailor who applied for the pension, the date of his enlistment and date of his discharge, together with other data. Some cards contained data only with reference to one enlistment, when there may have been two enlistments, or even three enlistments. The pensions under the act of June 27, 1890, depended upon the disability to perform manual labor and not upon the length of service.

These cards were later withdrawn from the files and were tabulated. At that time it appeared that 71 per cent of those who had filed their claims under this law served one year and over; 12.5 per cent served nine months and less than one year; 7.5 per cent served six months and less than nine months; and 8.4 per cent served three months and less than six months.

Gen. SHERWOOD (see his testimony on page 34 of the hearings before the Committee on Pensions of the United States Senate, Sixty-second Congress, given January 22, 1912) and others who criticized these figures contend that the ratio of those who served one year and more to those who served less than one year is materially less than the figures of the department, and that at the close of the war 45 per cent of the soldiers were short-term soldiers, serving less than one year. His estimate is based upon the figures contained in the roster of the War Department, which gives the number and term of enlistment. But this roster fails to show what was the fact, namely, that many of those who are included in the short-term enlistments reenlisted a second and even a third term, so that the ratio of those who served less than one year to those who served one year and over is materially different from the ratio deducible from the figures giving merely the numbers and term of enlistment. Hence these figures can not be relied upon. As a matter of fact, the authorities differ as to the number of such reenlistments and variously estimate them at from 370,000 to 716,787, and in a published memorandum of the War Department, issued in 1896, it is estimated that the mean between these two extremes is a fair approximation of those who rendered two or more services during the Civil War, and this estimate makes the number 543,393. Dr. Thompson, the statistician of the Pension Bureau, is of the opinion that 135,848 survivors of the Civil War are now on the pension roll who served two or more enlistments.

As further showing the correctness of the figures of the department and the unreliability of the figures of those who estimate the third-term soldiers at 45 per cent of the total number, Dr. Thompson, in his testimony before the Senate committee on January 22, 1912, states:

> Within the last two days I have found some statistics relating to the Civil War soldiers who were pensioned under the general law. While there were only 12,000, I have had their length of service tabulated, and what does it show? It bears out the length of service of these 475,000 men. That is, 70.7 per cent of those pensioned under the general law served one year and more; 12.6 per cent served nine months and less than a year; 7.7 per cent served six months and less than nine; and 8.1 per cent served three months and less than six months.

In the testimony before the Senate Committee on Pensions, January 22, 1912, Mr. Washington Gardner, past department commander of the Department of Michigan, disputed the figures given by Dr. Thompson, and said (p. 48):

> I can not understand how my good friend here can figure that 71 per cent served one year or more, when the figures I have just read amount to 861,873 out of a total number of enlistments of 2,700,000 plus.

That is, 861,873 was given by Mr. Gardner as the number of the short-term soldiers.

Assuming these figures are correct, they show that the ratio of the long-term men is 68.1 per cent of the total, making a variation of but 2.9 per cent from the estimate of Dr. Thompson.

Further, since this controversy arose the department has been tabulating the cases which came up for review and allowance, beginning January 23, and these figures are furnished me by the department. Between January 23 and 31, inclusive, the total number of cases examined was 1,351. Of these cases 71.5 per cent served one year and over. During the month of February, from 1st to 29th, inclusive, the department reviewed and allowed 4,453 claims. Of this number 73.6 per cent served one year and over. The exact figures furnished are contained in the following table:

Tabulation in Bureau of Pensions, January 23–31, inclusive.

Three months	138
Six months	105
Nine months	142
One year	234
Two years	317
Three years	343
Four years	72
Total	1,351
Per cent for one year and over	71.5

February 1–29, inclusive.

Three months	377
Six months	290
Nine months	482
One year	870
Two years	1,025
Three years	1,097
Four years	212
Total	4,353
Per cent for one year and over	73.6

These tables show with reasonable certainty the correctness of the department's figures. The only uncertainty about them is due to the fact that no record has been kept of the length of service of those who have passed away. The department assumes that the long-service and short-service men have been dying in the same ratio. This is borne out by the statistics which the department has gathered from year to year. And again, the records show that the average age of those who enlisted during the latter part of the war for short terms was greater than the average of those who enlisted during the earlier part of the war and who served for longer periods.

Those who criticize the figures of the department attempt to make much capital out of the fact that its estimates are based upon cards and records more than 20 years old, and therefore are said to be unreliable. A little consideration will show that such criticism is scarcely worthy of notice. It must be conceded that the length of service is an unchangeable quantity. Time can not efface it. The day of muster in and the day of muster out are the same. The length of service of a soldier is the same yesterday, to-day, and forever. If the record is to be questioned because of its age, it must follow with equal force that when a man marries and makes a record of his marriage and afterwards of the birth of his children, as he is blessed with each arrival, and a period of 20 years or more elapses, it would be wholly unreliable because of its age. As a matter of fact, as well as of law, the age of a record adds to rather than detracts from its force.

COST OF HOUSE BILL NO. 1.

The estimated increase of House bill No. 1, as shown by the letter of the Secretary of the Interior under date of April 11, 1911, was $75,671,880. By a reference to the letter addressed to me by the Secretary of the Interior under date of January 25, 1912, it will appear that the former estimate was an understatement rather than an overstatement of the cost.

In the first place, it was based upon a proposed bill that did not have the nine-month rate of $25 per month. If this had been included, it would have increased the sum total by $3.345,480.

In the second place, the number of pensioners given in that estimate was 472,603. The total number of survivors on the roll June 30, 1910, was 562,615. In other words, the number of beneficiaries given in the estimate was 90,012 less than the number of survivors on the roll June 30, 1910. The figures used did not include those survivors who were on the pension roll at odd rates, such as $6, $10, $12, $16, $22, and $25 per month. But they were offset by the statistician by the number of those who had been dropped by death from the roll between June 30, 1910, and April 11, 1911.

In the third place, the survivors of the Mexican War were not included, of whom on December 16, 1911, there were 1,398. The beneficiaries not included in this estimate were 21,795. The decrease in the number of survivors on the roll between July 1, 1910, and April 1, 1911, was 24,019. Had the 21,795 soldiers been included the estimated cost would have been in excess of $80,000,000.

On December 16, 1911, the Secretary of the Interior furnished the chairman of the Committee on Pensions of the United States Senate the following statement of the cost of House bill No. 1 (Sherwood bill). With the permission of the Senate I should like to insert the statement.

The PRESIDING OFFICER. Without objection, permission to do so is granted.

The statement referred to is as follows:

Length of service.	Number of pensioners.	Present rate per month.	Proposed rate per month.	Annual increase per pensioner.	Total increase per annum.
3 months	143	$6	$15	$108	$15,444
	205	8	15	84	17,220
	185	10	15	60	11,100
	20,422	12	15	36	735,192
	702	14	15	12	8,424
6 months	124	6	20	168	20,832
	183	8	20	144	26,352
	165	10	20	120	19,800
	18,234	12	20	96	1,750,464
	627	14	20	72	45,144
	8,255	15	20	60	495,300
	189	16	20	48	9,072
	1,908	17	20	36	68,688
9 months	206	6	25	228	46,968
	305	8	25	204	62,220
	275	10	25	180	49,500
	30,391	12	25	156	4,740,996
	1,044	14	25	132	137,808
	13,758	15	25	120	1,650,960
	315	16	25	108	34,020
	3,180	17	25	96	305,280
	8,971	20	25	60	538,260
	182	22	25	36	6,552
	3,893	24	25	12	46,716
1 year and over	1,169	6	30	288	336,672
	1,732	8	30	264	457,248
	1,564	10	30	240	375,360
	172,621	12	30	216	37,285,136
	5,932	14	30	192	1,138,944
	78,148	15	30	180	14,066,640
	1,787	16	30	168	300,216
	18,063	17	30	156	2,817,828
	[1] 52,351	20	30	120	6,282,120
	1,036	22	30	96	99,456
	22,113	24	30	72	1,592,136
	958	25	30	60	57,480
Total	471,336				75,651,548

[1] Includes 1,398 survivors of the War with Mexico.

Mr. POMERENE. This shows the number on the pension roll June 30, 1911, to have been 471,336. The decrease due to death from July 1, 1911, to January 1, 1912, was about 15,000. The average increased cost per pensioner is $160.50. Multiplying this by the number of deaths (15,000) would decrease the estimate $2,407,500, leaving the net increase in the value of the pension roll at $73,244,048.

I believe these figures are not very far from the exact increase in cost. There is, however, likely to be a probable increase, as will appear from the following facts.

Some time ago a comparison of the reports of the Pension Bureau with the records of the War Department showed 60,000 soldiers listed in the War Department whose names did not appear in the records of the Pension Office. They are designated in the Pension Department as the "unknown army." Since then a very substantial number of these have applied for pensions, and their names now appear upon the pension roll. It is not improbable that additional applications may be made by those who are included in this "unknown army" still surviving. If so, to that extent the cost of the bill, if it should become a law, would be increased.

PENSION LEGISLATION.

Up to June 30, 1911, the Government paid in pensions to Civil War veterans $3,985,719,836.93. Since that date it has paid out approximately another $100,000,000. Last year alone it paid out $157,325,160.35. I do not refer to these figures complainingly. I am glad the old soldiers got the pensions. It is not a question of how much we want to pay; the question is, How much can we pay?

Mr. BROWN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Nebraska?

Mr. POMERENE. Certainly, I yield.

Mr. BROWN. Is not the question rather what we ought to pay?

Mr. POMERENE. Mr. President, in one sense of the word that is true, but when it comes to what constitutes the "ought" or the "duty" in the premises we must look at it from two viewpoints—one from the standpoint of the soldiers and the other from the standpoint of the men who pay the taxes.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Iowa?

Mr. POMERENE. I yield.

Mr. KENYON. The Senator from Ohio says we should pay what we can pay. Is not the proposition that we can pay what we ought to pay?

Mr. POMERENE. Mr. President, I do not know that we can pause, when it comes to a question of this kind, to analyze to a hair's breadth the nicety of the proposition. I believe in liberal pensions—very liberal pensions—but when it comes to a question as to what we ought to do, let me submit this suggestion: Two men appear before us; one man is poor in this world's goods; he is decrepit; he is aged; and we give to him a $30-a-month pension. I want to say that if it is necessary to his comfort that he shall have $50 per month I am willing to give it to him; but I would treat that man differently from the other soldier, who perhaps may have rendered an equal service to his country, but who has been blessed with a goodly portion of this world's goods, who is himself in good health, and is surrounded by the comforts of life. That is my way of looking at the proposition.

Mr. BROWN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Nebraska?

Mr. POMERENE. I yield.

Mr. BROWN. As I understand the position of the Senator from Ohio, he is in favor of the substitute bill that the majority of the committee reported?

Mr. POMERENE. I am.

Mr. BROWN. That bill nowhere makes it necessary to inquire into the property or the condition of the soldier. It fixes two standards, those of age and service alone; that is the only test made in the bill which the Senator now favors. Now, why does he urge that we give consideration to another factor, and that, the condition of each man and his particular needs?

Mr. POMERENE. Mr. President, I fear the Senator's question does not address itself to the answer which I made to the Senator from Iowa [Mr. KENYON]. As a matter of fact, if it were left to me alone, I would discriminate between the man who should receive a bounty from the Government and who is rich and the man who is in poverty-stricken circumstances. I am told that there is one pensioner in the State of Ohio who is worth $8,000,000. Let me suggest that, if I am very far wrong in taking into consideration the pensioner's financial condition, I have fallen into the same error that the distinguished author of House bill No. 1 fell into when he inserted in his bill a provision excepting from its bounty those who had an income of $1,000 per year and over.

Mr. BRYAN. Mr. President——

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

Mr. POMERENE. I yield.

Mr. BRYAN. May I suggest to the Senator from Ohio that it was attempted in the Committee on Pensions to place back into this substitute bill the same provision exempting from the benefits of the act those who had an income of $1,000 per annum?

Mr. POMERENE. The Senator from Florida is correct.

Mr. BROWN. But the committee voted adversely on that proposition.

Mr. POMERENE. The Senator from Nebraska is correct in that statement.

Mr. BROWN. And by an overwhelming majority the House struck that provision out of the bill.

Mr. POMERENE. I think the Senator is again correct.

Mr. BROWN. And, as a matter of fact, it ought to be stricken out. I am correct again, am I not?

Mr. POMERENE. In that respect the Senator from Nebraska, in my judgment, is entirely wrong.

Ought we now to add to the pension roll $73,244,048? The original estimates of the Treasury Department showed that the receipts during the present fiscal year would be $33,000,000 in excess of the expenditures. But the receipts have so fallen off within the last few months that it is believed they will not exceed the expenditures for the fiscal year more than about $15,000,000. If so, and the receipts and expenditures for purposes other than the new pension legislation remain about the same during the next year, there would be a deficit at the end of the year due to this bill of the difference between $73,244,048 and the $15,000,000, amounting to $58,244,048. How shall this be met? It must be in one of two ways—either by immediately increasing taxation or by issuing bonds which must be paid by future taxation. Should this be done? We all want to be generous to the old soldier, but we must not be unjust to those who pay the taxes, many of whom are neighbors of the old soldier, and many of whom are deserving sons of his comrades who have passed away.

I do not believe that the great body of the old soldiers, when they understand the situation, will ask the Government to be unduly embarrassed, or to increase taxes, or to issue bonds. That they expect some additional pension legislation I do not doubt. That Congress is willing to give them a reasonable increase is apparent. The only question is, How much?

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Iowa?

Mr. POMERENE. I yield to the Senator.

Mr. KENYON. Is there not another way that this expenditure could be met? Does the Senator not believe that the Government could be administered much more economically, at least for a few years, until the increased pensions were paid?

Mr. WILLIAMS. It could be; but it will not be.

Mr. POMERENE. Mr. President, that is a very pertinent inquiry, and I want to say to the Senator from Iowa that I will join with him in every effort that he may make to economize in every line of expenditure by our Government.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield further to the Senator from Iowa?

Mr. POMERENE. I yield.

Mr. KENYON. I have introduced a bill to reduce mileage. Will the Senator join in that?

Mr. POMERENE. I will join in that.

Mr. KENYON. I am glad to have some support for it.

Mr. WILLIAMS. That would not pay many pensions.

Mr. TOWNSEND and Mr. NELSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield, and to whom?

Mr. POMERENE. I yield first to the Senator from Michigan. I can not resist him.

Mr. TOWNSEND. I thank the Senator. I have thought many times of another means of economy which might be practiced, and I was wondering if the Senator from Ohio had taken it into consideration. We have been in the habit for years of passing what is known as a public-buildings bill, carrying many millions of dollars for the erection of public buildings in places where there has been no demand for them whatever and at several times the cost for which private enterprise would have put up buildings. I was wondering if it would not be better for the Government to spend a little more money on pensions and less on public buildings, in view of the fact that we can obtain offices at a rental price through private enterprise, get just as good buildings as we get now, and make a saving of many millions a year?

Mr. POMERENE. Mr. President, from the long service of the Senator from Michigan in the other House and the vigor with which he looks after the interests of his constituents, I feel quite sure, considering the short term of my public service, that he has, perhaps, asked for many public buildings where I have asked for one, but I am entirely willing to join hands with him now in order to economize in that direction. May I add that before this session began I was advised that the House had already economized in that behalf by reducing the appropriation for public buildings by $16,000,000 in order that they might to some extent help to pay these pensions.

Mr. TOWNSEND and Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. To whom does the Senator from Ohio yield?

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

Mr. TOWNSEND. I was going to suggest further, in that connection, that while the House may have reduced appropriations for public buildings, the Senator from Ohio ought to reserve his judgment as to the saving accomplished until the bill finally becomes a law, because it is quite certain before it gets through it will carry an appropriation quite equal to the usual amount.

Mr. POMERENE. Mr. President, when it comes to a matter of economy in the public expenditures, I will be under great obligations to the Senator from Michigan if he will call my attention to the particulars in which we can save, and I will help to hold up his hands.

Mr. BROWN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Nebraska?

Mr. POMERENE. I yield to the Senator from Nebraska.

Mr. BROWN. With all these economies accomplished, of course the Senator then would be willing to pass the bill in the form carrying the larger amount for the old soldiers?

Mr. POMERENE. Mr. President, I would save the money before I attempted to expend it.

Mr. NEWLANDS. Mr. President——

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

Mr. POMERENE. I yield to the Senator from Nevada.

Mr. NEWLANDS. I would suggest to the Senator from Ohio that, instead of halting the great constructive work of the country on our waterways, our public buildings, and in cooperation with the States in the making of good roads, and so forth, it might be well for Senators who are pressing this bill to provide us with an additional tax upon wealth, so that the great constructive work of the country will go on, and a great and powerful Nation like this, one of the wealthiest in the world, may not plead inability to go on with its constructive work simply because it is proposed to give a few million dollars more to the pensioners of the country.

Mr. POMERENE. The Senator's suggestion is well worthy of consideration. I think, Mr. President, that I owe an apology to the Senator from Minnesota [Mr. NELSON]. I believe he desired to interrupt me.

Mr. NELSON. Not at all. It is not a serious matter, Mr. President. It was in connection with the question asked by the Senator from Iowa [Mr. KENYON] about reducing mileage. I desire to call the attention of the Senator from Ohio to the fact that I believe there is also pending a bill to abolish the Senate barber shop in the interest of economy.

Mr. KENYON. And also the Senate bathrooms.

Mr. BROWN. There is also a proposition——

The PRESIDING OFFICER. Senators must address the Chair and get the consent of the Senator who has the floor before interrupting him.

Mr. BROWN. I simply want——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Nebraska?

Mr. POMERENE. Yes, Mr. President, I yield.

Mr. BROWN. If the Senator will permit me, I simply want to say that there is another proposition which would effect a very great economy, and that is the suggestion that the Senate be abolished; and I am not so certain but what that suggestion is a good one.

Mr. POMERENE. Well, Mr. President, if we are going on to expend millions upon millions without any reference whatsoever to the burdens that will be placed upon the taxpayers of this country, it may be that at some time the Senate will be abolished.

The representatives of the Grand Army of the Republic recognize the true situation. Past Commander Eli Torrence, when before the Committee on Pensions of the Senate, said—and I commend these words to the Senator from Nebraska:

> Of course, if the Government is not able to do what we ask, I do not think any old soldier wants the Government to do it. I would be sorry if any old soldier felt that way.

And Past Commander Samuel S. Burdett, in speaking about what the Government had done, said:

> If nothing else in our favor were ever done in our day, it never could be said, to-day or in any to-morrow, that the people of the United States were ungrateful to those who served them.

These are statements of true patriots and true citizens, who appreciate their responsibility both to the soldiers and to the public at large.

Before considering what increase shall be made let us pause to consider for one moment what is now being done for these gallant defenders of the Union. Last year the soldiers were paid in pensions $157,325,160.35, not including the $2,517,127.06

expended in the cost and maintenance of the Pension Bureau. And that we may be able to appreciate this a little more fully let me refer especially to my own State.

In Ohio last year there were 86,474 pensioners who received $15,638,286.83 in pensions. The population of Ohio, according to the census of 1910, was 4,767,121. In other words, there was paid as pensions in Ohio an amount equal to a tax upon every man, woman, and child therein, $3.28, or for each average family of five in the State, $16.40. It is now proposed to add approximately $75,000,000 more to the national pension roll, and as about 10 per cent of this amount would go to the State of Ohio, it would add $7.85 more per family, thus raising the total amount from $16.40 to $24.25; and if this is done it must be by an increase in revenues to be raised by taxation, and it is a tax whether it be collected by direct or indirect methods.

SERVICE AND OLD-AGE PENSIONS.

Thus far I have only considered the question from the standpoint of whether or not the Government has the necessary revenues with which to pay this increase. But there is still another side to it. Last year there was pending before Congress the Sulloway pension bill, which was known as an old-age pension bill. The Sherwood bill is called a service pension bill. Much has been said, and with reason, about the injustice of basing a pension wholly upon age. It is pointed out that under an old-age bill the short-term soldier and the long-service veteran would be pensioned at the same rate. A man who served 90 days would get more pension than the veteran who served 4 years if he happened to be older. I do not believe, therefore, that it is just, as among the soldiers themselves, to adopt the old-age principle alone. But, on the other hand, it is just as inequitable to adopt the present Sherwood bill, even though it is called a service bill. Under its provisions the man who spent one year in camp would get the same pension as the old veteran who gave four years of hard service in the field. The man who may be 62 years old, who served 1 year in camp, is now in good health, and has a competency, would get the same pension as the old veteran of 80 years, who served 4 years and over in the field, fought 50 battles, and may now be in poor health, infirm, and without enough to satisfy his hunger or to clothe his nakedness.

Again, the man who enlisted for 90 days and never saw any service would get one-half as much as the old man of 80 years who served his country 4 years in the thick of the strife. Is this equitable and just, as among the old soldiers themselves?

Or let us look at it from another standpoint. It is called a service pension bill. Is it? Under its provisions the man who served 90 days gets $15 per month, or $180 per year. In other words, for each year in the future he will get $2 per day for every day he was in the service.

If he served six months, he gets $20 per month, or $240 per year, or for each year in the future he will get $1.33 per day for every day he was in the service.

If he served nine months, he gets $25 per month, or $300 per year, or for each year in the future he will get $1.11 per day for every day he was in the service.

If he served 1 year, or 360 days, he gets $30 per month, or $360 per year, or for each year in the future he will get $1 per day for every day he was in the service.

If he served two years, he gets $30 per month, or $360 per year, or for each year in the future he will get 50 cents per day for every day he was in the service.

If he served three years, he gets $30 per month, or $360 per year, or for each year in the future he will get 33⅓ cents per day for every day he was in the service.

If he served four years, he gets $30 per month, or $360 per year, or for each year in the future he will get 25 cents per day for every day he was in the service.

Now, I appeal to the old soldiers themselves. Is it a just service pension bill that will each year in the future pay to the 90-day man $2 per day for every day of service he rendered his country, to the 6 months' man $1.33 per day for his service, to the 9 months' man $1.11 per day for his service, to the 1-year man $1 per day for his service, to the 2-year man 50 cents per day for his service, to the 3-year man 33⅓ cents per day for his service, and to the 4-year veteran 25 cents per day for his service? The proposition needs only to be stated to carry its own answer.

It seems to me, therefore, that if any legislation is to be based upon either the principle of old age alone or of service alone we are going to do a very great injustice among the soldiers themselves. It was the belief of the majority of the committee that any pension legislation should combine both the elements of service and of old age. With this purpose in mind the substitute bill was prepared and presented to the Senate. It is based upon what is known as proposition No. 16, contained in the report of the Committee on Pensions to the Senate upon House bill No. 1. It recognizes the element of service and fixes the rates in proportion to the service in the following classes: 90 days, 6 months, 1 year, 1½ years, 2 years, 2½ years, 3 years and over. It also recognizes the element of age and increases the pension according to the age of the soldier. If he is 62 years and less than 66 years of age he gets one rate in proportion to the service he has rendered; if he is 66 years old and less than 70 he gets another rate; if he is 70 years old and less than 75 he gets still a higher rate; and if he is 75 years or older he gets the maximum rate.

Under the provisions of this bill—taking into consideration both age and time of service—the soldiers are divided into 28 different classes. The rate of pension for these several classes appears in the following table:

Age.	90 days.	6 months.	1 year.	1½ years.	2 years.	2½ years.	3 years and over.
62	$13.00	$13.50	$14.00	$14.50	$15.00	$15.50	$16.00
66	15.00	15.50	16.00	16.50	17.00	17.50	18.00
70	18.00	19.00	20.00	21.00	22.00	23.00	24.00
75	21.00	22.50	24.00	25.50	27.00	28.50	30.00

Now, is it not more just to divide this into 28 different classes, based upon age and service, than it is to distinguish to the extent of $5 per month between the 90-day man and the 6-months man, or between the 6-months man and the 9-months man, or $5 per month between the 9-months man and the 1-year man, and to make no distinction between the 1-year man and the 4-year man?

I also ask to insert in my remarks a table showing the age, length of service, number of pensioners, present rate of pension, proposed rate of pension under the new bill, the annual increase per pensioner, and the total increase per annum under the bill.

Proposition No. 16.

Age.	Length of service.	Number of pensioners.	Present rate.	Proposed rate.	Annual increase per pensioner.	Total increase per annum.
62	90 days	9,573	$12.00	$13.00	$12.00	$114,876.00
62	6 months	23,135	12.00	13.50	18.00	416,430.00
62	1 year	15,043	12.00	14.00	24.00	361,032.00
62	1½ years	12,764	12.00	14.50	30.00	382,920.00
62	2 years	7,294	12.00	15.00	36.00	262,584.00
62	2½ years	17,892	12.00	15.50	42.00	751,464.00
62	3 years and over	27,921	12.00	16.00	48.00	1,340,208.00
66	90 days	10,819	12.00	15.00	36.00	389,484.00
66	6 months	26,146	12.00	15.50	42.00	1,098,132.00
66	1 year	17,002	12.00	16.00	48.00	816,096.00
66	1½ years	14,426	12.00	16.50	54.00	779,004.00
66	2 years	8,243	12.00	17.00	60.00	494,580.00
66	2½ years	20,222	12.00	17.50	66.00	1,334,652.00
66	3 years and over	31,556	12.00	18.00	72.00	2,272,032.00
70	90 days	9,271	15.00	18.00	36.00	333,756.00
70	6 months	22,405	15.00	19.00	48.00	1,075,440.00
70	1 year	14,569	15.00	20.00	60.00	874,140.00
70	1½ years	12,361	15.00	21.00	72.00	889,992.00
70	2 years	7,064	15.00	22.00	84.00	593,376.00
70	2½ years	17,328	15.00	23.00	96.00	1,663,488.00
70	3 years and over	27,041	15.00	24.00	108.00	2,920,428.00
75	90 days	5,804	20.00	21.00	12.00	69,648.00
75	6 months	14,027	20.00	22.50	30.00	420,810.00
75	1 year	9,121	20.00	24.00	48.00	437,808.00
75	1½ years	7,739	20.00	25.50	66.00	510,774.00
75	2 years	4,422	20.00	27.00	84.00	371,448.00
75	2½ years	10,848	20.00	28.50	102.00	1,106,496.00
75	3 years and over	16,929	20.00	30.00	120.00	2,031,480.00
	Total	420,965				24,112,578.00

From this table, which was prepared by the department and submitted to the committee February 2, 1912, it will appear that the number of soldiers estimated to receive the increase of pension is 420,965; the annual increase to the pension roll will be $24,112,578, which is somewhat in excess of the estimate of the cost to the Government under each of the Sherwood pension bills introduced prior to the presentation of House bill No. 1, April 4, 1911. Under this bill the average increase per pensioner will be $57.27. The increase and disbursement for the pensions will be the first year $11,454,000; the second year, $33,000,000; the third year, $21,000,000; the fourth year, $19,200,000; and the fifth year, $17,400,000.

The majority of the committee, who favor this bill, will concede that it will not do even and exact justice in its administration to all of the old soldiers. But we claim for it:

First. Looking at it from the standpoint of the Government, it carries as great an expenditure as the revenues will justify.

Second. As among the soldiers themselves, we insist that it is more equitable than the Sulloway bill, in that while the Sulloway bill recognizes age as the only basis under its provisions for the allowance and grading of a pension and fails to take any account of the service of the soldier, the substitute bill recognizes the service of the soldier and grades his pension according to his age, disability, and the length of his service.

Third. It is better than the Sherwood bill, which takes no account of the age of the soldier as an element of disability, gives to the 90-day man one-half as much as the 4-year veteran, and makes no distinction whatsoever between the man who served one year and the man who served two years, three years, four years, or longer. It pays both according to the service he rendered and according to the disability of his advancing years.

Mr. President, the Sherwood bill has its friends and the Sulloway bill its friends. The one is based upon service and the other upon old age. If the Sherwood bill does not become a law, its friends will be disappointed. If the Sulloway bill does not pass, its friends will feel somewhat aggrieved. All legislation is a compromise. It is always more gratifying to grant favors by legislation than it is to deny them.

Mr. KERN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Indiana?

Mr. POMERENE. Certainly.

Mr. KERN. To what bill does the Senator refer when he mentions the Sulloway bill?

Mr. POMERENE. I refer to the one introduced in the House. I think it was introduced on the same day that House bill 1 was introduced.

Mr. McCUMBER. Mr. President——

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

Mr. POMERENE. Just one moment, until I may answer the inquiry of the Senator from Indiana.

Mr. McCUMBER. I was about to suggest to the Senator that the same bill has been introduced in the Senate, also, and was one of the bills under consideration.

Mr. POMERENE. I thank the Senator for the information. The Sulloway bill was introduced in the House April 4, 1911.

Mr. GALLINGER. If I remember correctly—Mr. SULLOWAY comes from my State—the Sulloway bill passed the House during the last Congress.

Mr. POMERENE. I think the Senator from New Hampshire is correct.

The bill which is reported out by the committee and is sometimes known as the McCumber or Smoot bill, will not grant all that the friends of either the Sulloway or Sherwood bill desire. But, in my judgment, it grants every dollar the Government can now pay, having due regard to the amount of its revenues and to its other obligations. If it passes, I am sure that it will be reasonably satisfactory to the soldiers themselves, and it will cause no adverse criticism among the people. They will approve it, and I believe that when the old soldiers fairly understand the situation they, too, will approve it.

I hope that it may speedily become a law, in order that the soldiers may get the benefit thereof.

Mr. President, when this matter was before the Senate committee I favored placing in the bill a section which would provide for the payment of certain attorneys' fees. I did that because it seemed to be the consensus of opinion among those who testified before the committee on that day there was a real need for it, and that it would materially aid the department in allowing the claims to the old soldiers and thereby hasten the day when they could get the benefit of the pensions allowed under this bill.

The other day the distinguished Senator from New Hampshire and the distinguished Senator from New York both called attention to the fact that in their judgment it was unnecessary, and I am willing to accept their judgment in that behalf; and for that reason I favor striking out that provision which is in the McCumber bill.

APPENDIX.

DEPARTMENT OF THE INTERIOR,
Washington, January 25, 1912.

Hon. ATLEE POMERENE, *United States Senate.*

SIR: I have the honor to acknowledge the receipt of your inquiry of the 13th instant, relative to the increase in the cost of pensions should the bill H. R. 1 be enacted into law.

Inclosed you will find a copy of a letter addressed to the chairman of the Committee on Pensions, United States Senate, December 16, 1911, embracing the latest estimates made by the department on this bill.

The letter referred to is as follows:

DEPARTMENT OF THE INTERIOR,
Washington, December 16, 1911.

Hon. P. J. McCUMBER,
Chairman Committee on Pensions,
United States Senate.

SIR: I have the honor to acknowledge the receipt of your inquiries of the 11th and 13th instant, relative to the cost of the bill Hr. R. No. 1, entitled "An act granting a service pension to certain defined veterans of the Civil War and the War with Mexico."

The number of pensioners, together with the length of service, present rate of pension, proposed rate per month, annual increase per pensioner, and total increase per annum, as regards the survivors of the Civil War and the War with Mexico, should the proposed bill be enacted into law, is as follows:

Length of service.	Number of pensioners.	Present rate per month.	Proposed rate per month.	Annual increase per pensioner.	Total increase per annum.
3 months	143	$6	$15	$108	$15,444
	205	8	15	84	17,220
	185	10	15	60	11,100
	20,422	12	15	36	735,192
	702	14	15	12	8,424
6 months	124	6	20	168	20,832
	183	8	20	144	26,352
	165	10	20	120	19,800
	18,234	12	20	96	1,750,464
	627	14	20	72	45,144
	8,255	15	20	60	495,300
	189	16	20	48	9,072
	1,908	17	20	36	68,688
9 months	206	6	25	228	46,968
	305	8	25	204	62,220
	275	10	25	180	49,500
	30,391	12	25	156	4,740,996
	1,044	14	25	132	137,808
	13,758	15	25	120	1,650,960
	315	16	25	108	34,020
	3,180	17	25	96	305,280
	8,971	20	25	60	538,260
	182	22	25	36	6,552
	3,893	24	25	12	46,716
1 year and over	1,169	6	30	288	336,672
	1,732	8	30	264	457,248
	1,564	10	30	240	375,360
	172,621	12	30	216	37,285,136
	5,932	14	30	192	1,138,944
	78,148	15	30	180	14,066,640
	1,787	16	30	168	300,216
	18,063	17	30	156	2,817,828
	[1] 52,351	20	30	120	6,282,120
	1,036	22	30	96	99,456
	22,113	24	30	72	1,592,136
	958	25	30	60	57,480
Total	471,336				75,651,548

[1] Includes 1,398 survivors of the War with Mexico.

The total number who would be entitled to the benefits of the proposed bill, based upon the roll as it existed June 30, 1911, is 471,336. The estimated decrease in this number due to deaths from July 1, 1911, to January 1, 1912, is about 15,000.

The average increase per annum per pensioner is $160.50.

This would cause a reduction in the above estimate, due to deaths, of $2,407,500, leaving the net increase in the value of the roll $73,244,048.

The following summary shows the number of pensioners on the roll who would be entitled to the respective rates provided in this bill:

	Amount per annum.
21,657 pensioners, at $15 per month	$3,898,260
29,685 pensioners, at $20 per month	7,124,400
62,520 pensioners, at $25 per month	18,756,000
357,474 pensioners, at $30 per month	128,690,640
471,336	158,469,300
Average annual value of each pensioner under this act, $336.21.	
Deduct $336.21 × 15,000	5,043,150
	153,426,150

It will be observed that the foregoing estimate does not differ materially from that furnished by the department to the chairman of the Committee on Invalid Pensions of the House of Representatives under date of April 11, 1911. The estimate at that time was based upon a copy of a proposed bill which did not provide a rate of $25 per month for those who served nine months and less than one year. The bill as it passed the House makes provision for nine months' service at $25 per month, and the increased cost due to this provision practically overcomes any reduction which would naturally be expected on account of deaths among the survivors of the Civil War since July 1, 1910.

In the former estimate the pensioners who were receiving less than $12 per month were omitted because of the small number involved, as were likewise those pensioned at odd rates, such as $16, $22, and $25 per month, for the same reason. However, in order to make this estimate as accurate as possible, it has been thought advisable to include as nearly as practicable all those pensioners on the roll who may have title under this bill. The former estimate did not include the survivors of the War with Mexico, as the bill then under consideration made no provision for that class of pensioners.

The actual cost of the bill for the first year after its passage would depend upon the number of certificates issued. If 200,000 should be issued within the first year, the increase in the disbursements for pensions would reach approximately $32,100,000 and make the total expenditures for pensions amount to about $184,000,000 for the first year. The maximum cost of the bill would occur in the second year after its enactment, provided the Bureau of Pensions would be able to settle all claims filed under the act in that time. The claims allowed the second year would carry on an average about one year's arrears, the increased rate commencing from the date of filing the application in the Bureau of Pensions. The cost for the second year after the enactment of the bill would very largely exceed that of the first year, being about $87,000,000, which would make necessary a total appropriation for pensions for that year of probably $236,000,000. However, the estimates for the third year would show a marked decrease, as the arrears carried by the claims adjudicated the second year would no longer appear as a factor. This, in connection with the death rate, would cause a probable reduction in the disbursements for the third year of $30,000,000.

In the estimated cost of this bill the death rate for the first, second, and third years has been fully taken into consideration.

The enactment of this bill into law would not, by implication, repeal any existing law or cause a reduction in the rate of any pensioner.

In regard to section 2, you are advised that under the act of March 3, 1883, any person who is so disabled by reason of any wound or injury received or disease contracted while in the military or naval service of the United States and in line of duty as to be incapacitated for performing any manual labor is entitled to a pension of $30 per month, while under section 2 of House bill 1 any person who served in the military or naval service of the United States during the Civil War and received an honorable discharge and who was wounded in battle or in line of duty and is now unfit for manual labor through causes not due to his own vicious habits or who from disease or other causes incurred in line of duty resulting in his disability is now unable to perform manual labor would be entitled to a pension of $30 per month.

It is a very difficult matter to give any accurate estimate as to the increased cost which would result from the second section of this bill, in view of the fact that each person to be entitled to the $30 rate thereunder must have been wounded in battle or in line of duty or must have been disabled from some disease or other cause incurred in the line of duty and be unfit for or unable to perform manual labor. It is not believed, however, that the number of beneficiaries under this section would exceed 15,000. The increase in the disbursements due to this section would probably, therefore, not exceed $2,500,000 per annum. Before the allowance of a claim under this section it would be necessary to have the applicant examined by an examining surgeon or board of examining surgeons, and the increased cost due to such medical examinations would probably reach about $200,000 per annum.

Very respectfully,

WALTER L. FISHER, *Secretary.*

You will see that under section 1 the number of pensioners on the roll June 30, 1911, who would be entitled to the increased rates provided in this bill was 471,336. From this is deducted 15,000 on account of deaths from July 1, 1911, to December 30, 1911, leaving 456,336. The increase under this section, with the deaths deducted, is $73,244,048 per annum.

The increase per annum under the second section of the bill is estimated at $2,500,000, which added to the increase under section 1 gives a total of $75,744,048. This is the increase per annum to which the survivors of the Civil War on the pension roll January 1, 1912, would be entitled if this bill should be enacted into law. As a matter of fact, the 15,000 deducted on account of death is slightly in excess of the actual figures. The actual decrease in the number of survivors of the Civil War on the pension roll, ascertained since the estimate was made, is 15,197. However, the number of beneficiaries under the bill is 88.9 per cent, which would make a decrease in the number of beneficiaries of 13,510, instead of 15,000.

These estimates are based upon the actual condition of the pension roll as shown by the records of the Bureau of Pensions. The rate received by each pensioner included in the estimates is a known quantity. The length of service of the survivors of the Civil War is approximate, but it is believed to be based upon the most reliable data which can be obtained from any source. On June 27, 1890, an act was passed granting pensions to soldiers and sailors of the Civil War who are incapacitated for the performance of manual labor, and providing for pensions to widows, minor children, and dependent parents. Under this act a large number of claims were filed based on service during the Civil War. The Bureau of Pensions at that time devised statistical cards. A card was made out for each case in which a certificate was issued. This card gave the name of the soldier or sailor who was an applicant for pension, the date of his enlistment, and the date of his discharge, together with other data. When the certificate was issued the card was completed and withdrawn from the other papers. Four hundred and seventy-five thousand two hundred and thirty-seven statistical cards were thus obtained relative to the survivors of the Civil War.

A copy of the annual report of the Commissioner of Pensions will be forwarded to you, under separate cover, and on page 18 thereof you will find the estimated length of service of the survivors of the Civil War on the pension roll June 30, 1911, based upon the percentages obtained from the data compiled as above described. From this data it appears that 71 per cent of the soldiers of the Civil War served one year or more, 12.5 per cent served nine months and less than one year, 7.5 per cent served six months and less than nine months, and 8.4 per cent served three months and less than six months.

On account of the large number of cases from which the data were obtained relative to length of service of survivors of the Civil War, it is believed, as before stated, that this data may be accepted with absolute confidence.

The statement has been made that these statistics were compiled from reports made 20 years ago and that such statistics are of no present value; that there were only 283,734 claims filed under the act of June 27, 1890, to June 30, 1892; that these claims represented the long-service veterans; and that comparatively few claimants under this law were short-term soldiers. It is further contended that the whole body of short-term soldiers who filed their claims under the age pension law of February 6, 1907, are not included in the latest table of the Commissioner of Pensions, upon which was based the estimated cost of House bill No. 1.

The annual report of the Commissioner of Pensions for the fiscal year ended June 30, 1892, has been quoted to show that only 283,734 new pension claims were filed up to and including June 30, 1892.

As a matter of record, there were 493,599 invalid claims filed under the act of June 27, 1890, during the fiscal year 1891 and 175,864 invalid claims filed during the fiscal year 1892, making the total number of invalid claims filed under the act of June 27, 1890, to June 30, 1892, 669,463 instead of 283,734.

The table quoted to show that 283,734 new pension claims were filed up to and including June 30, 1892, refers to the number of Army invalid pensioners under the act of June 27, 1890, at the close of the fiscal year 1892. On that date there were, in addition to the 283,734 Army invalid pensioners, 9,334 Navy invalid pensioners under that act, making the total number of survivors of the Civil War on the pension roll under the act of June 27, 1890, at the close of the fiscal year 1892, 293,068; while, as before stated, the number of claims filed by those who participated in the Civil War under this act to June 30, 1892, was 669,463.

Under the act of June 27, 1890, it was not necessary that the disability from which a claimant was suffering be shown to be due to his military service. A man who served 90 days and was honorably discharged and who was wholly disabled for the performance of manual labor was entitled to $12 per month—the maximum rate provided by that bill—and the person with a long service had no advantage whatever under this bill over the person with a service of 90 days.

There is no data whatever available to show that the persons who filed claims under the act of June 27, 1890, on account of service in the Civil War were long-service veterans.

The length of service during the Civil War is an unchanging quantity. It is the same to-day as it was when the statistics which have been used were compiled.

During the first few years after the passage of the act of June 27, 1890, a very large number of claimants did not allege more than one service. It was not the practice at that time to call upon claimants for data as to other service than that alleged; hence the cards from which this data was compiled show in many instances but one service. It has since been discovered that the claimants in thousands of cases had either a prior or a subsequent service during the Civil War to the one upon which the pension was granted. It has been estimated by different authorities that there were from 370,000 to 716,787 reenlistments during the Civil War. In a published memorandum by the War Department in 1896 it is estimated that the mean between these two extremes is a fair approximation of the number of persons having two or more services during the Civil War. The number of such persons, therefore, is estimated by the War Department as 543,393. From this estimate it is believed that there are at least 135,848 survivors of the Civil War now on the pension roll who had two or more services during the Civil War.

The figures obtained from an examination of the rosters of different regiments to show the length of service are therefore wholly unreliable, because such rosters do not show any other service which may have been rendered by the members of any particular regiment. No data could therefore be obtained from the rosters relative to the additional service rendered by the 543,393 persons who reenlisted.

The average length of service as obtained from the statistical cards in the Bureau of Pensions is too low rather than too high, due, as before stated, to the fact of no reference being made to prior or subsequent service in thousands of the claims adjudicated during the first few years after the passage of the act of June 27, 1890.

The statistical cards which have been referred to related to all classes—enlisted men as well as officers. Within the last two years, however, the papers in the pension case of each surviving officer of the Civil War on the roll have been drawn from the files and the length of service of each officer obtained therefrom and noted on cards. From the data thus secured it is shown that of the number of officers who served in the Civil War who are still living 36 per cent served three years and over, 25.9 per cent served two years and less than three years, 18.4 per cent served one year and less than two years, or 81 per cent served one year and over, and that only 18.8 per cent served three months and less than one year. While the average length of service of all pensioned survivors of the Civil War (enlisted men and officers) shows that 71 per cent served one year and more, it is shown that 81 per cent of the officers served one year and over. The average length of service of the surviving officers of the Civil War, as such officers, has not been used in estimating the cost of this bill.

The first estimate made by the department on the bill H. R. No. 1 was under date of April 11, 1911, in a communication addressed to the chairman of the Committee on Invalid Pensions of the House of Representatives. The estimate at that time was based upon a copy of a proposed bill—which did not provide a rate of $25 per month for those who served nine months and less than one year. In that estimate, therefore, all persons who served six months and less than one year were embraced in the $20 rate provided for six months' service. It has been stated that so far as could be learned no regiment of nine months' men was ever enlisted during the Civil War. The records show that on August 4, 1862, a call was made for 300,000 militia to serve nine months. Under this call the number of men furnished by the different States was 87,588. The State of Massachusetts furnished 16,685 men under this call, the State of New Jersey 10,787, and the State of Pennsylvania 32,215.

If the estimate had been made at the $25 rate for those who served nine months and less than one year, there would have been an increase in the estimate of $3,345,480.

It has also been claimed that the estimate of April 11, 1911, did not take into consideration the number of survivors who had been dropped from the roll on account of death between June 30, 1910, and that date. The number of beneficiaries given in the estimate of April 11, 1911, was 472,603. The total number of survivors on the roll June 30, 1910, was 562,615. The number of beneficiaries, therefore, given in the estimate was 90,012 less than the number of survivors on the roll June 30, 1910.

In the estimate of April 11, 1911, the survivors of the Civil War on the roll at such rates as $6, $8, $10, $16, $22, and $25 per month, as well as a large number of others at odd rates, were omitted, there being such a small number at each of said rates. It was then considered that the number at the rates above given would be offset by the number of survivors dropped from the roll on account of death between June 30, 1910, and April 11, 1911.

The survivors of the Mexican War were not included in the estimate of April 11, 1911, as no provision for them was made in the bill at that time.

If the survivors at the various odd rates given above had been included in the estimate the number of beneficiaries under the bill would have been increased by 21,795. Had such beneficiaries been included, together with those who served nine months and less than one year—at the increased rate for such service—the estimate then made would have been in excess of $80,000,000.

The decrease in the number of survivors on the roll between July 1, 1910, and April 1, 1911, was 24,019. The number of beneficiaries under the bill as given in the estimate of April 11, 1911, was 84 per cent of the total number of survivors on the roll. Had a deduction been made in the number of beneficiaries on account of death there would have been a decrease of 20,176 at that time. To offset the number dropped on account of death, however, as heretofore stated, there were 21,795 pensioners at odd rates not included in the estimate, which would make practically no change in the result obtained.

The chairman of the Committee on Pensions of the United States Senate, in his letter asking for an estimate on the bill H. R. 1 after it had been passed by the House of Representatives, requested that the fact appear that the number dropped on account of death had been taken into consideration in such estimate. In this estimate the survivors of the Civil War on the roll June 30, 1911, at such rates as $6, $8, $10, $16, $22, and $25 per month were included, and as has heretofore been shown, 15,000 deducted on account of the number dropped for death between June 30, 1911, and January 1, 1912.

The average increase per pensioner to those entitled to the benefits of this bill is given as $160 in the estimate made April 11, 1911, while in the estimate made December 16, 1911, the average increase per pensioner for those entitled to the increased rates is $160.50. This slight increase in the average rate is due to two causes: Those who served 9 months and less than 1 year have been figured on a basis of $25 per

month in the last-named estimate instead of $20 per month as in the former one, and the pensioners at the lower and odd rates have been included, which was not done in the former estimate. The rate of increase to those pensioned at the lower rates is of course considerably higher than the rate of increase to those pensioned at the higher rates. There has been no statement made in any of the estimates that the average increase for all the survivors of the Civil War on the roll would be $160.50; this average relates exclusively to those who would be entitled to the rates provided in the bill.

Referring to the statement that the whole body of short-term soldiers who filed their claims under the age pension law (act of Feb. 6, 1907) are not included in the latest table, you are advised that since the passage of the act of February 6, 1907, the number of original claims allowed under that act is only 21,771. All the other claims allowed under that act have been in behalf of persons previously pensioned under the act of June 27, 1890, or under the general pension laws for disabilities contracted in the service, and represent largely the pensioners from whose cases the records as to length of service were obtained.

You will appreciate that the foregoing statements, as well as those in the estimates of April 11 and December 16, 1911, are based upon the reports made to me by the regular officers and employees of the Bureau of Pensions, who have no interest in either side of the controversy so far as I am aware, and who have received no suggestions or instructions except to report the facts exactly as they find them from the records.

It is believed that the estimates made by the department on this bill are as accurate and trustworthy as it is possible to make them under such circumstances. They are not based upon the opinion or judgment of any officer or employee of the department, but upon actual calculations derived from the official records, and in order to overcome them the burden of proof rests entirely upon those who deny their correctness. No criticism has been observed from any source which after full investigation is considered of sufficient weight to warrant a single change being made in these estimates. Upon the contrary, the Commissioner of Pensions now assures me that the estimate submitted April 11, 1911, was in exact accord with the records as they existed on that date; the estimate of December 16, 1911, was in exact accord with the records as they were at the later date. The two estimates were prepared upon a slightly different basis, but there is no discrepancy between the two; they are both correct.

Very respectfully,

WALTER L. FISHER, *Secretary.*

Mr. KERN. Mr. President, I had hoped to be able this afternoon to address the Senate on the pending question, but on account of——

Mr. McCUMBER. Mr. President——

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

Mr. KERN. Certainly.

Mr. GALLINGER. Would the Senator prefer to go on to-morrow?

Mr. KERN. Yes.

Mr. McCUMBER. I move that when the Senate adjourns to-day it adjourn to meet to-morrow at 12 o'clock, so that we may to-morrow adjourn earlier in the afternoon.

The motion was agreed to.

Mr. KERN. It has been suggested to me that, on account of the lateness of the hour, I give notice that I shall proceed with my remarks to-morrow immediately upon the conclusion of the routine morning business.

The PRESIDING OFFICER. Notice thereof will be entered.

Mr. McCUMBER. I desire to announce that I shall call up the pending bill immediately after the close of the routine morning business to-morrow, so that the Senator from Indiana may proceed.

Mr. KERN. I am obliged to leave the city to-morrow evening.

Mr. GALLINGER. Inasmuch as it has been agreed that we shall meet at noon to-morrow, I hope the Senator in charge of the pending bill will allow us about one hour upon the calendar under Rule VIII.

I move that the Senate adjourn.

The motion was agreed to, and (at 5 o'clock and 15 minutes p. m.) the Senate adjourned until to-morrow, Saturday, March 16, 1912, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, *March 15, 1912.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven possess, we beseech Thee, our minds and hearts, that our motives may be pure, our aspirations noble, our acts just; that we may harmonize our lives with the highest conceptions of right and truth and duty; that our ways may be ways of pleasantness and all our paths be paths of peace. And Thine be the praise. Amen.

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

THE SUGAR SCHEDULE.

Mr. UNDERWOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 21213) to revise the sugar schedule, and pending that motion I will state to gentlemen on the other side of the House that if it is agreeable I shall ask unanimous consent that general debate may continue on the pending bill for two hours, one-half to be controlled by the gentleman from New York [Mr. PAYNE] and one-half by myself, at the end of which time the bill shall be taken up under the five-minute rule.

The SPEAKER. The gentleman from Alabama moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 21213, and pending that asks unanimous consent that general debate be limited to two hours, one hour to be controlled by himself and one hour by the gentleman from New York [Mr. PAYNE]. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, will not the gentleman allow longer debate than that?

Mr. UNDERWOOD. No. I desire to finish the bill to-day, and I desire to allow some latitude for discussion under the five-minute rule, as it gives more opportunity for Members to extend their remarks in the RECORD. I think two hours is sufficient.

Mr. GARNER. It will take three hours to pass the bill under the five-minute rule.

Mr. MANN. Mr. Speaker, I think we ought to have more time than that. There are many gentlemen here who are very much interested in this bill.

Mr. UNDERWOOD. Mr. Speaker, if the gentleman is willing to cut out the debate under the five-minute rule and let the bill come to a vote directly after the close of general debate, I am willing to allow further time for general debate.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. UNDERWOOD. I yield to the gentleman from Ohio.

Mr. LONGWORTH. I will ask the gentleman what his purpose is with reference to debate on the income-tax bill?

Mr. UNDERWOOD. Mr. Speaker, I hope to take that bill up late this evening or to-morrow morning.

Mr. LONGWORTH. Is it the idea of the gentleman to finish that bill to-morrow?

Mr. UNDERWOOD. I am not prepared to say at this time until this bill is passed.

Mr. WARBURTON. Mr. Speaker, I would like to say that I have been unable as yet to get any time. I introduced this bill last summer. That is, I introduced a bill placing sugar on the free list. This is my bill.

Mr. UNDERWOOD. Mr. Chairman, I do not yield the floor to the gentleman to appropriate a Democratic measure. [Laughter.] This is not his bill. There are a number of bills which have been introduced placing sugar on the free list. The gentleman from Washington is assuming the position of a great many other Members on the floor of this House.

Mr. WARBURTON. Mr. Chairman, I have looked over the RECORD, and the only bill placing sugar on the free list, which was introduced last session, was the bill introduced by myself. Be that as it may, having introduced this bill, I want to ask an opportunity of addressing this House for at least half an hour on this bill. I desire to get that much time. I can not get it from the gentleman who controls the time on the Republican side, because he does not like the language that I shall use. [Laughter.]

Mr. CANNON. Mr. Speaker, I hope the gentleman from Washington will have that opportunity. It will bankrupt anybody who does it, and I have no objection to his being bankrupted.

The SPEAKER. Is there objection?

Mr. PAYNE. Mr. Speaker, reserving the right to object, the gentleman from Washington [Mr. WARBURTON] knows that there are gentlemen upon this side who are opposed to the bill who desire to consume 10 or 12 hours in general debate. Of course, as far as I can control it, I shall not let in any gentleman, no matter what colors he may claim to sail under, who is in favor of the bill. We shall have a perfect understanding on that score. I want to make one further suggestion. The time yesterday was not evenly divided. I think those in favor of the bill must have consumed an hour more in general debate. The Clerk at the Speaker's desk can tell.

The SPEAKER. Those in favor of the bill consumed 38 mintues more than those opposed to the bill.

Mr. PAYNE. And here is a generous proposal from the gentleman from Alabama [Mr. UNDERWOOD] for two hours more of general debate, and the gentleman desires to appropriate 38 minutes more upon that side than we have consumed upon this side.

Mr. UNDERWOOD. Mr. Speaker, I will say to the gentleman from New York that on day before yesterday I attempted to divide the time equally and allow 11 hours' debate in consideration of this bill on yesterday. Yesterday afternoon before the House adjourned I proposed to have a night session and

equalize debate at that time. The objection to doing so came from the leader of the minority [Mr. MANN].

Mr. MANN. I made no objection to a night session.

Mr. GARNER. You made the condition so we could not do it.

Mr. UNDERWOOD. The gentleman from Illinois gave notice that he would demand a quorum.

Mr. MANN. A quorum ought always to be present in the House in the consideration of an important bill.

Mr. UNDERWOOD. The gentleman knows as well as I do that the demand for a quorum meant we would spend the night calling the roll in order to get a quorum here.

Mr. MANN. That shows it was not the time for the debate if you could not have a quorum here.

Mr. WARBURTON. Mr. Speaker, in response to the suggestion made by the gentleman from New York [Mr. PAYNE], while I am not going to support the bill, I am going to make the same argument he made in 1890 and 1894 on the sugar proposition.

Mr. PAYNE. If the gentleman makes the argument I made then, he will not support the bill.

Mr. MANN. Mr. Speaker, I ask unanimous consent that debate close on this bill at 3 o'clock to-morrow.

Mr. UNDERWOOD. Mr. Speaker, I object to that. I ask the Speaker to put my request to the House.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. UNDERWOOD]?

Mr. MANN. I object.

Mr. UNDERWOOD. Mr. Speaker, pending the motion to go into the Committee of the Whole House on the state of the Union, I move that all general debate on this bill close in 10 minutes, and on that motion I move the previous question. [Applause on the Democratic side.]

The SPEAKER. The question is on ordering the previous question.

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. MANN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 163, nays 131, answered "present" 12, not voting 87, as follows:

YEAS—163.

Adair	Difenderfer	Hensley	Rauch
Adamson	Dixon, Ind.	Holland	Redfield
Alexander	Donohoe	Houston	Reilly
Allen	Doremus	Howard	Roddenbery
Anderson, Ohio	Doughton	Hughes, N. J.	Rouse
Ansberry	Driscoll, D. A.	Hull	Rubey
Ashbrook	Edwards	Humphreys, Miss.	Rucker, Mo.
Ayres	Ellerbe	Jacoway	Russell
Barnhart	Evans	Johnson, Ky.	Sabath
Bathrick	Faison	Johnson, S. C.	Saunders
Bell, Ga.	Fergusson	Jones	Scully
Blackmon	Ferris	Kinkead, N. J.	Shackleford
Boehne	Finley	Kitchin	Sharp
Booher	Fitzgerald	Konop	Sherwood
Buchanan	Floyd, Ark.	Korbly	Sims
Bulkley	Foster, Ill.	Lamb	Sisson
Burke, Wis.	Fowler	Lee, Ga.	Slayden
Burleson	Francis	Legare	Small
Burnett	Garner	Lever	Smith, N. Y.
Byrnes, S. C.	George	Lewis	Smith, Tex.
Byrns, Tenn.	Glass	Lloyd	Sparkman
Callaway	Godwin, N. C.	Lobeck	Stedman
Candler	Goldfogle	McGillicuddy	Stephens, Miss.
Carter	Goodwin, Ark.	McKellar	Stephens, Nebr.
Claypool	Gould	Maguire, Nebr.	Stephens, Tex.
Clayton	Graham	Mays	Stone
Cline	Gregg, Pa.	Moon, Tenn.	Sweet
Collier	Gregg, Tex.	Moore, Tex.	Talbott, Md.
Connell	Gudger	Morrison	Talcott, N. Y.
Conry	Hamilton, W. Va.	Moss, Ind.	Thomas
Covington	Hamlin	Murray	Tribble
Cox, Ohio	Hammond	Neeley	Turnbull
Cravens	Hardwick	O'Shaunessy	Tuttle
Cullop	Hardy	Page	Underhill
Curley	Harrison, Miss.	Pepper	Underwood
Daugherty	Harrison, N. Y.	Peters	Webb
Davenport	Hay	Post	White
Davis, W. Va.	Hayden	Pou	Wilson, N. Y.
Denver	Heflin	Rainey	Wilson, Pa.
Dickinson	Helm	Raker	Witherspoon
Dies	Henry, Tex.	Randell, Tex.	

NAYS—131.

Ainey	Davidson	Hanna	Knowland
Anderson, Minn.	Dodds	Harris	Kopp
Austin	Draper	Hartman	Lafferty
Bowman	Driscoll, M. E.	Haugen	La Follette
Broussard	Dupre	Hayes	Lawrence
Browning	Dyer	Helgesen	Lee, Pa.
Burke, Pa.	Esch	Henry, Conn.	Lenroot
Burke, S. Dak.	Estopinal	Higgins	Lindbergh
Butler	Farr	Hinds	Longworth
Calder	Focht	Howell	Loud
Campbell	Fordney	Howland	McCreary
Cannon	French	Hughes, W. Va.	McKenzie
Catlin	Gardner, N. J.	Humphrey, Wash.	McKinley
Cooper	Good	Jackson	McKinney
Crago	Gray	Kahn	McLaughlin
Currier	Green, Iowa	Kent	McMorran
Dalzell	Greene, Mass.	Kendall	Madden
Danforth	Guernsey	Kennedy	Malby
Mann	Patton, Pa.	Rucker, Colo.	Tilson
Martin, Colo.	Payne	Sells	Towner
Matthews	Pickett	Simmons	Utter
Miller	Plumley	Sloan	Volstead
Mondell	Porter	Smith, J. M. C.	Warburton
Moon, Pa.	Powers	Smith, Saml. W.	Watkins
Morse, Wis.	Pray	Steenerson	Wedemeyer
Mott	Prince	Stephens, Cal.	Wickliffe
Murdock	Prouty	Sterling	Wilder
Needham	Ransdell, La.	Stevens, Minn.	Willis
Nelson	Rees	Sulloway	Wood, N. J.
Norris	Reyburn	Switzer	Woods, Iowa
Nye	Roberts, Mass.	Taylor, Colo.	Young, Kans.
Olmsted	Roberts, Nev.	Taylor, Ohio	Young, Mich.
Parran	Rodenberg	Thistlewood	

ANSWERED "PRESENT"—12.

Bartlett	Davis, Minn.	Fornes	Hawley
Brantley	Dwight	Gallagher	James
Burgess	Fairchild	Garrett	Slemp

NOT VOTING—87.

Aiken, S. C.	De Forest	Lafean	Pujo
Akin, N. Y.	Dent	Langham	Richardson
Ames	Dickson, Miss.	Langley	Riordan
Andrus	Fields	Levy	Robinson
Anthony	Flood, Va.	Lindsay	Rothermel
Barchfeld	Foss	Linthicum	Sheppard
Bartholdt	Foster, Vt.	Littlepage	Sherley
Bates	Fuller	Littleton	Smith, Cal.
Beall, Tex.	Gardner, Mass.	McCall	Speer
Berger	Gillett	McCoy	Stack
Bingham	Goeke	McDermott	Stanley
Borland	Griest	McGuire, Okla.	Sulzer
Bradley	Hamill	McHenry	Taggart
Brown	Hamilton, Mich.	Macon	Taylor, Ala.
Cantrill	Heald	Maher	Thayer
Carlin	Hill	Martin, S. Dak.	Townsend
Cary	Hobson	Moore, Pa.	Vreeland
Clark, Fla.	Hubbard	Morgan	Weeks
Copley	Hughes, Ga.	Oldfield	Whitacre
Cox, Ind.	Kindred	Padgett	Wilson, Ill.
Crumpacker	Kinkaid, Nebr.	Palmer	Young, Tex.
Curry	Konig	Patten, N. Y.	

So the previous question was ordered.

The Clerk announced the following pairs:

On this vote:

Mr. SULZER (for the previous question) with Mr. PUJO (against).

Until March 20:

Mr. PATTEN of New York with Mr. MOORE of Pennsylvania.

Until March 23:

Mr. AIKEN of South Carolina with Mr. BARTHOLDT.

Until March 24:

Mr. JAMES with Mr. MCCALL.

Until April 2, inclusive:

Mr. BURGESS with Mr. WEEKS.

Until April 5:

Mr. THAYER with Mr. AMES.

Until further notice:

Mr. DICKSON of Mississippi with Mr. ANTHONY.

Mr. MCCOY with Mr. SPEER.

Mr. PALMER with Mr. HILL.

Mr. HUGHES of Georgia with Mr. GRIEST.

Mr. LITTLETON with Mr. DWIGHT.

Mr. FIELDS with Mr. LANGLEY.

Mr. GALLAGHER with Mr. FULLER.

Mr. OLDFIELD with Mr. BINGHAM.

Mr. SHEPPARD with Mr. BATES.

Mr. HOBSON with Mr. FAIRCHILD.

Mr. MCDERMOTT with Mr. FOSS.

Mr. SHERLEY with Mr. GILLETT.

Mr. CLARK of Florida with Mr. LANGHAM.

Mr. MACON with Mr. SMITH of California.

Mr. BEALL of Texas with Mr. HAWLEY (on all bills except income tax).

Mr. DENT with Mr. DAVIS of Minnesota.

Mr. BROWN with Mr. BARCHFELD.

Mr. CARLIN with Mr. CARY.

Mr. FLOOD of Virginia with Mr. COPLEY.

Mr. KINDRED with Mr. CRUMPACKER.

Mr. KONIG with Mr. CURRY.

Mr. LINTHICUM with Mr. FOSTER of Vermont.

Mr. LITTLEPAGE with Mr. GARDNER of Massachusetts.

Mr. PADGETT with Mr. HAMILTON of Michigan.

Mr. ROTHERMEL with Mr. HUBBARD.

Mr. STANLEY with Mr. KINKAID of Nebraska.

Mr. TOWNSEND with Mr. LAFEAN.

Mr. YOUNG of Texas with Mr. MCGUIRE of Oklahoma.

Mr. MCHENRY with Mr. MARTIN of South Dakota.

Mr. HAMILL with Mr. VREELAND.

Mr. TAYLOR of Alabama with Mr. WILSON of Illinois.

Mr. LINDSAY with Mr. HEALD.

For the session:

Mr. RIORDAN with Mr. ANDRUS.

Mr. GLASS with Mr. SLEMP.

Mr. FORNES with Mr. BRADLEY.

Mr. JAMES. Mr. Speaker, I desire to inquire if the gentleman from Massachusetts, Mr. McCALL, is recorded as voting.

The SPEAKER. He is not recorded.

Mr. JAMES. I have a general pair with him for 10 days, and I desire to withdraw my vote in the affirmative and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the motion to close general debate on the pending bill in 10 minutes. Those in favor will say "aye"; those opposed, "no."

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. MANN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The Clerk will call the roll. Those in favor of closing general debate on the pending bill in 10 minutes will answer "yea" when their names are called, and those opposed will answer "nay."

The question was taken; and there were—yeas 157, nays 124, answered "present" 11, not voting 101, as follows:

YEAS—157.

Adair	Donohoe	Houston	Reilly
Adamson	Doremus	Howard	Roddenbery
Alexander	Doughton	Hughes, N. J.	Rouse
Allen	Edwards	Hull	Rubey
Anderson, Ohio	Ellerbe	Humphreys, Miss.	Rucker, Mo.
Ashbrook	Evans	Jacoway	Russell
Ayres	Faison	Johnson, Ky.	Sabath
Barnhart	Fergusson	Johnson, S. C.	Saunders
Bathrick	Ferris	Jones	Scully
Bell, Ga.	Finley	Kinkead, N. J.	Shackleford
Blackmon	Fitzgerald	Kitchin	Sharp
Boehne	Floyd, Ark.	Konop	Sherwood
Booher	Foster, Ill.	Korbly	Sims
Buchanan	Fowler	Lamb	Sisson
Bulkley	Francis	Lee, Ga.	Slayden
Burke, Wis.	Garner	Lever	Small
Burleson	George	Levy	Smith, N. Y.
Burnett	Glass	Lewis	Smith, Tex.
Byrnes, S. C.	Godwin, N. C.	Linthicum	Sparkman
Byrns, Tenn.	Goldfogle	Lloyd	Stedman
Callaway	Goodwin, Ark.	Lobeck	Stephens, Miss.
Candler	Gould	McGillicuddy	Stephens, Nebr.
Carlin	Graham	McKellar	Stephens, Tex.
Clayton	Gregg, Pa.	Maguire, Nebr.	Stone
Cline	Gregg, Tex.	Mays	Sweet
Collier	Gudger	Moon, Tenn.	Talbott, Md.
Connell	Hamilton, W. Va.	Moore, Tex.	Taylor, Ala.
Conry	Hamlin	Morrison	Thomas
Covington	Hammond	Moss, Ind.	Tribble
Cravens	Hardwick	Murray	Turnbull
Cullop	Hardy	Neeley	Tuttle
Curley	Harrison, Miss.	O'Shaunessy	Underhill
Daugherty	Harrison, N. Y.	Page	Underwood
Davenport	Hay	Pepper	Webb
Davis, W. Va.	Hayden	Peters	Wilson, N. Y.
Denver	Heflin	Pou	Wilson, Pa.
Dickinson	Helm	Rainey	Witherspoon
Dies	Henry, Tex.	Raker	
Difenderfer	Hensley	Randell, Tex.	
Dixon, Ind.	Holland	Rauch	

NAYS—124.

Ainey	Green, Iowa	McCreary	Rodenberg
Anderson, Minn.	Greene, Mass.	McKenzie	Rucker, Colo.
Bartlett	Guernsey	McKinley	Sells
Bowman	Hanna	McKinney	Simmons
Broussard	Harris	McLaughlin	Slemp
Browning	Hartman	McMorran	Sloan
Burke, Pa.	Haugen	Malby	Smith, J. M. C.
Burke, S. Dak.	Hayes	Mann	Smith, Saml. W.
Butler	Helgesen	Martin, Colo.	Steenerson
Calder	Henry, Conn.	Mondell	Stephens, Cal.
Campbell	Higgins	Moon, Pa.	Sterling
Cannon	Hinds	Morse, Wis.	Stevens, Minn.
Cooper	Howell	Mott	Sulloway
Crago	Howland	Murdock	Switzer
Currier	Hughes, W. Va.	Needham	Taylor, Colo.
Dalzell	Humphrey, Wash.	Nelson	Taylor, Ohio
Danforth	Jackson	Norris	Thistlewood
Davidson	Kahn	Nye	Tilson
Dodds	Kendall	Parran	Utter
Draper	Kennedy	Patton, Pa.	Volstead
Driscoll, M. E.	Kent	Payne	Vreeland
Dupre	Kinkaid, Nebr.	Pickett	Warburton
Dyer	Knowland	Plumley	Watkins
Esch	Kopp	Powers	Wedemeyer
Estopinal	La Follette	Pray	Wickliffe
Farr	Lawrence	Prince	Wilder
Focht	Lee, Pa.	Ransdell, La.	Willis
Fordney	Lenroot	Rees	Wood, N. J.
French	Lindbergh	Reyburn	Woods, Iowa
Gardner, N. J.	Longworth	Roberts, Mass.	Young, Kans.
Gray	Loud	Roberts, Nev.	Young, Mich.

ANSWERED "PRESENT"—11.

Akin, N. Y.	Davis, Minn.	Gallagher	James
Burgess	Dwight	Garrett	Olmsted
Carter	Fornes	Hawley	

NOT VOTING—101.

Aiken, S. C.	Bates	Cantrill	Crumpacker
Ames	Beall, Tex.	Cary	Curry
Andrus	Berger	Catlin	De Forest
Ansberry	Bingham	Clark, Fla.	Dent
Anthony	Borland	Claypool	Dickson, Miss.
Austin	Bradley	Copley	Driscoll, D. A.
Barchfeld	Brantley	Cox, Ind.	Fairchild
Bartholdt	Brown	Cox, Ohio	Fields
Flood, Va.	Lafean	Miller	Smith, Cal.
Foss	Lafferty	Moore, Pa.	Speer
Foster, Vt.	Langham	Morgan	Stack
Fuller	Langley	Oldfield	Stanley
Gardner, Mass.	Legare	Padgett	Sulzer
Gillett	Lindsay	Palmer	Taggart
Goeke	Littlepage	Patten, N. Y.	Talcott, N. Y.
Good	Littleton	Porter	Thayer
Griest	McCall	Post	Towner
Hamill	McCoy	Prouty	Townsend
Hamilton, Mich.	McDermott	Pujo	Weeks
Heald	McGuire, Okla.	Redfield	Whitacre
Hill	McHenry	Richardson	White
Hobson	Macon	Riordan	Wilson, Ill.
Hubbard	Madden	Robinson	Young, Tex.
Hughes, Ga.	Maher	Rothermel	
Kindred	Martin, S. Dak.	Sheppard	
Konig	Matthews	Sherley	

So the motion was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Cox of Indiana with Mr. TOWNER.

Mr. RICHARDSON with Mr. WILSON of Illinois.

Mr. ANSBERRY with Mr. PROUTY.

Mr. YOUNG of Texas with Mr. PATTEN of New York.

Mr. WHITE with Mr. MILLER.

Mr. TALCOTT of New York with Mr. MATTHEWS.

Mr. REDFIELD with Mr. MADDEN.

Mr. POST with Mr. LAFFERTY.

Mr. LEGARE with Mr. FOSTER of Vermont.

Mr. GOEKE with Mr. GOOD.

Mr. DANIEL A. DRISCOLL with Mr. COPLEY.

Mr. Cox of Ohio with Mr. CATLIN.

Mr. CLAYPOOL with Mr. AUSTIN.

Mr. FLOOD of Virginia with Mr. OLMSTED.

Mr. CARTER with Mr. McGUIRE of Oklahoma.

Mr. OLMSTED. Mr. Speaker, I find that I am paired with the gentleman from Virginia, Mr. FLOOD, who did not vote. I desire to change my vote from "nay" to "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the motion to go into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 21213) to amend an act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 21213, with Mr. ADAIR in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 21213, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 21213) to amend an act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909.

Mr. UNDERWOOD and Mr. PAYNE rose.

The CHAIRMAN. By order of the House, general debate is limited to 10 minutes.

Mr. UNDERWOOD. Mr. Chairman, I will say to the gentleman from New York [Mr. PAYNE] that I will yield him half of my time.

Mr. PAYNE. Mr. Chairman, I desire to take the floor in my own right, inasmuch as the other side of the House has already consumed 38 minutes more time than this side. My desire is in accordance with the usual rule and practice of the House.

Mr. UNDERWOOD. Mr. Chairman, I will state to the gentleman from New York that I offered a liberal amount of time for debate on this bill, and now offer an equal division of the time between the gentleman and myself. The proponents of this bill are entitled to close, according to all the precedents of the House. If the gentleman from New York desires half of the remaining time, I will yield it to him.

Mr. PAYNE. If the gentleman from Alabama has not opportunity to close the debate, it is his own fault, because he made the motion to close this debate in 10 minutes from now, and his attention was called to it by me, and the figures were given from the desk showing that his side had consumed 38 minutes more than our side. Under all parliamentary law and the practice of the House since I have been a Member of this body I am entitled to these 10 minutes.

Mr. UNDERWOOD. The excess time of which the gentleman complains as used by this side was yielded to gentlemen who spoke in opposition to the bill on this side of the House, so that more time has been consumed in opposition to this bill than in favor of it.

I will state to the gentleman from New York that I propose to close this debate, but if the gentleman desires one-half of the time remaining I will yield it to him.

Mr. MANN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MANN. The Chair recognized yesterday first a gentleman on the Democratic side of the House for an hour and next a gentleman on the Republican side, following the usual custom of recognizing first one side and then the other. The last gentleman who was recognized was a member of the committee, my colleague from Illinois [Mr. RAINEY], who consumed one hour. Is not a gentleman on this side of the House entitled now to be given recognition?

The CHAIRMAN. The Chair would answer the gentleman from Illinois by stating that general debate on this bill has been limited to 10 minutes, and the Chair feels that it is only right and proper, in view of that fact, to recognize the gentleman who is in charge of the bill——

Mr. MANN. Breaking over the custom heretofore of giving the recognition first to one side and then to the other?

Mr. JAMES. Mr. Chairman, much of the time which the gentleman from Illinois [Mr. RAINEY] controlled yesterday was yielded to gentlemen who spoke in opposition to the bill.

Mr. MANN. I am talking about recognition. He was recognized by the Chair.

The CHAIRMAN. He was recognized by the Chair, but he yielded most all of his time to gentlemen who spoke in opposition to the bill. The Chair recognizes the fact that those opposing the bill have consumed the major part of the time devoted to debate on the bill.

Mr. MANN. If general debate has not been closed, I think it would be clear that the Chair would recognize gentlemen on this side of the House. Do I understand that because the gentleman from Alabama moved to close debate that takes away the right of recognition from this side of the House and transfers it to the other side of the House?

The CHAIRMAN. The Chair did not make that statement. The Chair holds that, in view of the limited debate, it is right and proper to recognize the gentleman in charge of the bill.

Mr. UNDERWOOD. Does the gentleman desire me to yield half the time?

Mr. PAYNE. I desire to get all the time I can.

Mr. UNDERWOOD. I decline to yield to that proposition, but I am willing, if the gentleman wants it, to yield him half the time. I yield five minutes to the gentleman from New York [Mr. PAYNE].

Mr. PAYNE. Mr. Chairman, I have been a Member of the House now for about 28 years, and this beats all the performances that have ever been exhibited here by any party, by any leader, by any gentleman who is a Member of the House. We are not only confined to five hours' debate on this important measure, but this morning, after offering us an hour's debate in addition to what had already been had, and asking us to consent to yield half of that time to them, when they had had 40 minutes' more time than we had in the debate yesterday, and because we would not accept that monstrous proposition in regard to debate, the gentleman from Alabama immediately moved that general debate be closed in 10 minutes.

Well, now, it is the duty of the Chair, protecting the minority of the House according to the rules and practice of the House, and it is the duty of every gentleman on that side of the House to see to it that I have the 10 minutes. But, no; the gentleman from Alabama [Mr. UNDERWOOD] comes in here and refuses that. "Upon what meat doth this our Cæsar feed that he is grown so great?" [Laughter on the Republican side.]

He not only regulates that side of the House and robs us, his own side agreeing to it, of 40 minutes of debate, but also insists that he must have half of the liberal allowance of 10 minutes in which to close all debate.

Why, Mr. Chairman, the campaign of a year ago last fall was carried on the hypothesis that we on this side of the House had exercised the powers of a Czar, that we had been displaying our power and depriving the minority of their rights. With what face will the gentleman go to the people next fall and say that he has not only equaled our record, but he has gone so far beyond it in playing the Czar that there is no comparison between the two? [Applause on the Republican side.]

He seems to think that anything that the gentleman from Alabama says is going down with the American people. He comes in here with propositions that frighten people to death in the business world, and the only reason that business is not entirely paralyzed is because the business world recognizes the impotency of the gentleman from Alabama to enact any of these measures into law.

He may stand behind the caucus; he may deprive us of our rights on the floor; but there is another tribunal to judge his acts and judge of the measures which he brings in here, and no bland smile, no waving of the hand, no repeating of the parrot cry that "the business people of the country need not be alarmed" will reach the people of the country when they come to cast up the account with the Democratic Party in November next. [Applause on the Republican side.] Go on and walk over us. We are willing to suffer what little martyrdom there is in it for the time being. We are willing you should go on and legislate in caucus. We are willing you should go on and bring in tariff bills here that you dare not submit to the decent discussion and debate that has hitherto taken place in the House of Representatives. You say that no business interests will be affected when you lay the ax at the root of the tree of the prosperity of the country, with the idea that your assurance will be accepted by the American people. There is a forum where we can discuss these questions, and we are willing to discuss them and submit them to the people of the United States, and in that forum there is no gentleman from Alabama to cut us down to five minutes' debate. [Applause on the Republican side.]

Mr. UNDERWOOD. Mr. Chairman [applause on the Democratic side], it is evident from the remarks of the gentleman from New York [Mr. PAYNE] that he did not desire time to discuss the bill before the House. [Applause on the Democratic side.] No man on that side of the House can justly lay the charge at the door of the controlling party in this House that it has not been fair in the consideration of the great measures that have come before the House of Representatives. We have discarded your cloture rule, and by your dilatory tactics to-day you are trying to congest legislation by consuming time, so that at the end of this session you will force us to adopt your drastic Republican rules to pass legislation before this Congress adjourns. Nobody in the country is misled by the tactics you are playing. We propose to show to the American people that we can pass the legislation that this country demands without drastic rules or stifling legitimate debate. [Applause on the Democratic side.] I offered to the gentleman from New York [Mr. PAYNE] the day before yesterday 11 hours' debate on this bill. He declined to accept it.

Mr. PAYNE. I made a proposition to vote on Saturday, and I have had no reply to that, except the gentleman's motion. [Cries of "Regular order!"]

Mr. UNDERWOOD. The gentleman from New York declined, and his colleague from Illinois [Mr. MANN] declined the proposition. Eleven hours' debate on this schedule, that only contains four paragraphs, was more in proportion than all the time you allowed for debate on the Payne tariff bill when you brought it before this House. [Applause on the Democratic side.]

Last night I again offered that side of the House the privilege of debating this bill in a night session, and your leader put us on notice that he would demand a quorum. The gentleman from New York [Mr. PAYNE] knows as well as I do, and the country knows, that most of the debate that is carried on in this House is carried on when a quorum is not present, and that if we had come here under the demand for a quorum last night it would have been necessary to call the roll most of the evening to obtain a quorum. This morning I again offered liberality in debate, and proposed to allow two hours' debate on this bill before it was voted on; and now, when the general debate is closed, I propose to allow every Member of this House to have an opportunity, within reasonable limitations, to present amendments to this bill and to consider it legitimately.

When the Payne tariff bill was before this House for consideration, did the gentleman from New York [Mr. PAYNE] allow any man on this floor to propose to put sugar on the free list or to cut down the high-tariff duties that he was putting on the bellies of the American people? [Applause on the Democratic side.] He brought in a rule here under which there was no opportunity whatever to amend this schedule or to consider it. He drove it through by a party majority. Now, Mr. Speaker, I was willing to have reasonable and liberal debate on this bill, but it does not need debate. The main question involved in this bill is one simple proposition, and that is as to whether you are going to remove the burden of $115,000,000 of taxation that you are levying to-day on the consuming masses of the American people, or whether you are willing to vote to put this schedule on the free list and to tax to a reasonable extent the great idle wealth of America. [Applause on the Democratic side.]

The CHAIRMAN. All time having expired, the Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That on and after the day following the passage of this act, there shall be levied, collected, and paid the rates of duty which are prescribed in the paragraphs of this act upon the articles hereinafter enumerated, when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands and the islands of Guam and Tutuila), and the said paragraphs and sections shall constitute and be a substitute for paragraphs 216 to 219, inclusive, of section 1 of an act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909.

Mr. WARBURTON. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Strike out all of line 3, page 1, and insert in lieu thereof the words: "That on and after the 1st day of October, 1912."

Mr. WARBURTON. Mr. Chairman, I want to congratulate the Democratic majority of this House for having reported out of the committee one of the features of a bill introduced by me at the last session. I introduced a bill last session placing sugar on the free list. It was the first bill to place sugar on the free list that has been introduced in 10 years. I coupled with it another very important provision which I think ought to have been reported with and as a part of this bill. My bill provided for an increase of internal-revenue tax on tobacco, cigars, and so forth, that would raise our revenue from that source about eighty to ninety million dollars—considerably more than double the present internal-revenue tax on tobacco. There is no doubt about the constitutionality of my proposed tobacco legislation or the amount of revenue that it would bring to the Treasury. If the committee does not agree with me as to the proposed increase of internal-revenue tax on tobacco as a whole, it certainly does at least as to one item—snuff.

The present rate on snuff is about 8 per cent of the retail price. The present rate on sugar is from 36 to 40 per cent of the average retail price. If you will raise the revenue tax on snuff to 40 or 50 cents a pound, it will be paying then about the same rate of tax as our tariff on woolen goods or our present rate of sugar. If you increase the tax on snuff to 50 cents a pound, you can raise about $12,000,000 in revenue from this one item, where you now raise about $2,000,000. Certainly, snuff is a luxury. It can not be classed by anyone as a necessity. No one needs to use it. To most people it is a disgusting habit, and if a man or woman persist in using it he or she ought to be willing to pay a high tax upon it. I say take the tax off of sugar and at the same time raise the tax on snuff. Let the man or woman who wants to use snuff pay as large a percentage on the retail price as a poor woman does when she is compelled to buy sugar for herself and her children. I hope the Ways and Means Committee will report my bill on tobacco, but, if not, certainly you can report it on snuff.

THE PRICE OF SUGAR TO EVERY CONSUMER IS INCREASED THE FULL AMOUNT OF THE TARIFF—SUGAR WOULD RETAIL FOR AT LEAST 1.9 CENTS LESS PER POUND THAN IT NOW DOES IF THE TARIFF WERE REMOVED.

In the discussion of the bill before us the first and most important point to be determined is the effect that the law will have, if enacted, on the price of sugar to the consumer. Will the consumer get the full benefit of the reduction of the tariff? Is the price of sugar to the consumer at the present time increased by the full amount of the tariff? I say, without fear of successful contradiction, that the consumer does pay $1.90 a hundred pounds, or 1.9 cents a pound (the amount of our tariff), more for sugar now than we would if this bill were to become a law. This can easily be shown by undisputed statistics available to anyone.

The Statistical Abstract for the United States for the year 1910 gives the price of raw sugar in foreign countries for many years; also the wholesale price of granulated sugar in New York for the same years, which figures in part I give in the first and second columns below.

I add another column, which shows the difference between the raw sugar mentioned in the first column and the wholesale price in New York. In the fourth column I will place the tariff for the same years.

Table of prices of foreign raw sugar; wholesale prices of refined sugar in New York, etc., from 1897 to 1910, inclusive.

Year.	Average cost per pound in foreign countries.	Wholesale price of granulated sugar at New York (per pound).	Difference in cost of foreign sugar and wholesale price in New York.	Tariff on refined sugar.
	Column 1.	Column 2.	Column 3.	Column 4.
1897	2.01	4.50	2.49	1.95
1898	2.25	4.97	2.72	1.95
1899	2.39	4.92	2.53	1.95
1900	2.49	5.32	2.83	1.95
1901	2.28	2.55	2.77	1.95
1902	1.82	4.46	2.64	1.95
1903	1.71	4.64	2.93	1.95
1904	1.94	4.77	2.83	1.95
1905	2.65	5.26	2.61	1.95
1906	2.15	4.52	2.37	1.95
1907	2.11	4.65	2.54	1.95
1908	2.38	4.96	2.58	1.95
1909	2.30	4.76	2.46	1.95
1910	2.60	4.97	2.37	1.90

The usual cost given for refining sugar is 40 cents per hundred pounds. I am certain that this is equal to the actual cost. If we add to the cost price of foreign raw sugar each year, as mentioned in column 1, the cost of 40 cents for refining and the $1.95 tariff for the same year, we will find that this sum is from 10 cents to 98 cents less than the wholesale price of sugar in New York. This table could be run back for 40 years, and in no case would we find a single year where the wholesale price of sugar in New York was not larger than the price of raw sugar abroad, plus the cost of refining, plus the full tariff duty for each year. I would like to have some opponent of this bill explain this table on the theory that sugar has not cost the consumer the full amount of the tariff more than it otherwise would cost if the tariff was eliminated. In fact, the wholesale price of granulated sugar in New York during the 14 years given in the table averages 28 cents per hundred pounds plus the full tariff above the cost of like sugar in Hamburg.

On page 6 of the report of the majority members of the Ways and Means Committee on the proposed bill is given a comparative table of the price of raw and refined sugar from 1900 to 1911, inclusive. I quote below that part of the table which relates to granulated sugar at the different places.

Granulated sugar.

Year.	Export price at Hamburg.	Wholesale price at New York.	Difference between export price at Hamburg and wholesale price at New York.
1900	2.64	5.32	2.68
1901	2.29	5.05	2.76
1902	1.79	4.45	2.66
1903	2.11	4.63	2.52
1904	2.55	4.77	2.22
1905	3.00	5.25	2.25
1906	2.31	4.51	2.20
1907	2.40	4.65	2.25
1908	2.63	4.95	2.32
1909	2.78	4.76	1.98
1910	3.22	4.97	1.75
1911	3.20	5.34	2.14

It will be noticed that in every year but one—1910—the price of granulated sugar in New York was from 8 to 86 cents plus our full tariff higher in New York than in Hamburg. In 1910 raw sugar in Hamburg was 20 cents a 100 pounds higher than in foreign countries generally. This accounts for the fact that in 1910 there was not quite the full tariff difference between the price of sugar in Hamburg and in New York.

Again, I ask any Member of the House who is opposed to this bill to explain why the wholesale price of sugar in New York is the full tariff rate, and then some, above the price of like sugar in Hamburg if it is not our tariff that makes the difference. Certain it is that during all these years we could have purchased our refined sugar in the markets of Europe for more than the full tariff rate less than the wholesale price in New York. But we would not have been compelled to go to Europe for our sugar. We can always buy it cheaper in Cuba than we can buy it in Europe. The price of sugar in Cuba is regulated by the market price in Europe. It is equal to the market price in Europe less the freight from Cuba. We need no facts or figures to prove this. Cuba must sell her sugar abroad, and naturally she sells it to the country that lies nearest to her. As this country is the nearest, we will always get the Cuban sugar for as much less than the European price as the freight rate to our ports is less than the freight rate from Cuban ports to European ports.

The following table in column 1 shows the price of raw beet sugar at the ports in Great Britain, with the transportation and insurance included at the ports, as shown by the Statistical Abstract of Great Britain, to which I have added 40 cents for refining. The second column shows the wholesale price of granulated sugar in New York. The third column shows the difference between the wholesale price in New York and the import price in Great Britain plus the refining cost of 40 cents per 100 pounds.

Granulated sugar.

Years.	Export price Great Britain, tariff unpaid.	Wholesale price in New York.	Difference between export price in Great Britain and wholesale price in New York.
1900	2.58	5.32	2.74
1901	2.17	5.05	2.75
1902	1.46	4.45	2.49
1903	2.24	4.63	2.39
1904	2.59	4.77	2.18
1905	2.72	5.25	2.53
1906	2.32	4.51	2.19
1907	2.49	4.65	2.16
1908	2.69	4.95	2.42
1909	2.33	4.76	1.93
1910	2.94	4.97	2.03

The average wholesale price in New York for refined sugar for the 11 years mentioned in the above table is $4.84 per hundred pounds, or the difference between the wholesale price in England and New York for the 11 years mentioned in the table is $2.10 per hundred pounds. In the table above I have included 40 cents per hundred pounds for refining over the cost price of raw sugar in England. The Statistical Abstract for Great Britain also gives the export price—the wholesale price—of refined sugar for the years from 1900 to 1911, inclusive, which are as follows:

1900	2.89
1901	2.64
1902	2.30
1903	2.33
1904	2.67
1905	3.23
1906	2.52
1907	2.61
1908	2.82
1909	2.91
1910	3.39

This makes the average price for the 11 years $2.75 per hundred pounds, the difference between the price in Great Britain and New York averages $2.09 per hundred pounds for the 11 years. The average price in New York, then, is 14 cents per hundred more than the full tariff rate. This would more than pay the cost of transporting the sugar from London to New York.

I might add that frequent confusion occurs in tables by the word "wholesale" price in different countries. The wholesale price as mentioned here in the table I have given is the wholesale price of refined sugar at the refiners' and not the price of the wholesalers, as the word is ordinarily used. The price quoted in England can be absolutely relied upon. It is the price of sugar on board the vessel at the port where it is received, and the price on which duty is paid to the British Government. The price is accurate. No importer could fool the English officer if he tried, and if he did the penitentiary would be opening to him the next day. These prices are more reliable than any you can get from a trade book or trade journal or from the testimony of interested parties before a committee of Congress.

These facts show conclusively that sugar costs the consumer the full amount of the tariff above what he would otherwise pay; but if other evidence were needed, I have here an authority which, I assume, to at least all of the doubting Republicans, will be overwhelmingly convincing. The Committee on Ways and Means that reported the McKinley bill, placing all sugar up to No. 16 Dutch standard on the free list and only placing a half a cent a pound on refined sugar, in its report says:

In 1888 the consumption of sugar in the United States was 1,469,997 tons, or 53.1 pounds per inhabitant. Of this only 189,814 tons (375,904,197 pounds) were produced in the United States, and 1,280,183 tons, or seven-eighths of our consumption, were imported. We have not at hand the statistics of sugar consumption and production for 1889, but the relative proportion of domestic to foreign production was substantially the same. So large a portion of sugar is imported that the home production of sugar does not materially affect the price, and the duty is therefore a tax which is added to the price not only of the imported, but of the domestic product, which is not true of the duties imposed on articles produced or made here substantially to the extent of our wants.

In 1889 the duties collected on imported sugar and molasses amounted to $55,975,610. Add to this the increase of price of domestic sugar arising from the duty and it is clear that the duty on sugar and molasses made the cost of sugar and molasses consumed by the people of this country at least $64,000,000, or about $1 for each man, woman, and child in the United States more than it would have been if no such duties had been levied and the domestic product had remained the same.

This report was made by such eminent Republicans as Messrs. McKinley, Bayne, Dingley, PAYNE, LA FOLLETTE, and Gear.

Notice this language:

So large a portion of sugar is imported that the home production of sugar does not materially affect the price, and the duty is therefore a tax which is added to the price not only of the imported, but of the domestic product, which is not true of duties imposed on articles produced or made here substantially to the extent of our wants.

We do not produce substantially sugar to the full extent of our wants; in fact, we produce but a slight proportion of it. It is stated in the report, as above mentioned, that in 1890 we were producing only one-eighth, or 12½ per cent, of the amount we consumed. With 22 years of an enormously burdensome tariff enacted to promote the production of sugar in the United States, we, for the fiscal year ending 1912, will produce only 20.7 per cent of the amount we consume. This is not a guess, but the percentage as given to me by the Bureau of Statistics. We have only increased in the 22 years since this report was made the proportion of production to a consumption 8 per cent. I will show later that this slight increase in production has cost the people almost $2,000,000,000 to secure it.

That the McKinley law saved the people the full amount of the reduction in the tariff made by it is supported by the minority report of the Ways and Means Committee on the Wilson bill. This report was made two and a half years after the McKinley law went into effect. It reads in part as follows:

The Fifty-first Congress was a protective Congress, and not believing in a tariff for revenue only, wisely repealed the old law, and for the first time in the history of the country sugar came free to the people. This has resulted in a direct saving to the American people of over $200,000,000, less $16,717,726 paid for bounty and $11,000,000 estimated to be due to the producers for this year, which would aggregate $27,717,000, being a direct saving of over $1.25 per year for each person in the United States.

This report was signed by Thomas B. Reed, Julius C. Burrows, SERENO E. PAYNE, JOHN DALZELL, Albert J. Johnson, and John H. Gear.

This enormous saving was made in two and one-half years. These figures can only be true on the theory that there was saved to the people every penny the tariff was reduced.

Congressman Gear, of Iowa, when discussing the McKinley law, said:

It also proves conclusively to my mind that the duty on sugar is not a protective duty, but that it is a purely revenue duty to the extent of 90 per cent of every dollar collected from the people. Sir, this duty in the place of being protective is a bastard revenue which has crept in under the wing of protection and has held a place in our tariff schedules to which it is not entitled by reason of the fact that we can only produce 10 per cent of our consumption, and that all probability of producing sugar equal to our annual increased consumption is an impossibility for the cane growers of this country to accomplish.

We are absolutely, as I have said, at the mercy of the refiners, and how much mercy can the people expect of that patriotic institution called the Sugar Trust? We can from our past experience readily imagine. Why, sir, within a short space of time the sugar refiners, not content with the measure of protection given them by the tariff schedules, have organized a "trust" which embraces within its limits about 70 per cent of all the sugar refiners in the United States.

Congressman Burrows, of Michigan, expressed his views as follows during the debate on the Wilson bill:

Seventy-five millions of people are to be burdened with a tax on sugar in order to hold the votes of the sugar-producing State of Louisiana, and the Sugar Trust has had to have its demands satisfied in order to insure liberal contributions to the Democratic campaign fund; while Republican Senators had but to threaten interminable debate to secure full protection to the industries of their State.

Hon. SERENO E. PAYNE, of New York, said during the debate on the Wilson bill:

I shall vote against each of these popgun bills except that providing for free sugar, and I shall be very glad to join in voting for free sugar, because I believe in it on principle. I shall vote for it, not for the purpose, as you gentlemen claim, of benefiting the Democratic Party, or helping you to masquerade before the people, because every man of you on that side of the House knows that you will not get any from sugar in this Fifty third Congress.

* * * * * * *

I am in favor of free sugar because I believe that the refiner does not need a duty to refine sugar profitably in this country.

* * * * * * *

This is one of the most disgraceful acts of all the long history of tariff legislation. The so-called McKinley bill found this article bearing a heavy duty. This was a revenue duty, because only one-tenth of our consumption was produced in this country and the other nine-tenths was purchased abroad. The tariff became a direct tax upon the consumer and it was paid by him.

* * * * * * *

And so free raw materials have vanished from the bill. Then they have got sugar in. They have adopted my friend's "ad valorem," a rate of 40 per cent on sugar. They have adopted it because it is such a rate as the importer always wants—an ad valorem rate. The importer in this instance was the great Sugar Trust; and the Sugar Trust demanded an ad valorem, and, of course, the Sugar Trust got it—a rate of 40 per cent on raw sugar, 40 per cent on refined sugar, and because the trust does not import refined sugar an additional rate of one-eighth of a cent a pound on that.

ROBERT M. LA FOLLETTE, now a Senator, said in a speech on the McKinley bill:

This difference in policy is strikingly illustrated in the way the two bills have dealt with two most important articles of import—sugar and wool. It having been shown after years of experiment that we could only produce about one-tenth of our sugar from cane, the Republican bill has reduced the revenue $54,000,000 by placing sugar on the free list.

Congressman Charles H. Grosvenor, of Ohio, said of the McKinley bill:

This bill puts sugar, for the purpose of the consumer, absolutely upon the free list.

* * * * * * *

The country will save $45,000,000 at least the first year, and it may be more than that, and the industry will not be discouraged thereby. In doing this we test the question, moreover, of the effect of protective duties upon trusts and combinations, for the most flagrant and oppressive trust in the United States to-day is the trust in sugar. If it be true, as our Democratic friends claim, that a protective tariff promotes trusts, then we shall strike down this great trust in this way.

Senator Allison:

My answer to that is that we have encouraged under the tariff the production of sugar nearly since the foundation of the Government, and the result has been that there is about as much sugar produced now as there was in 1850, with a consumption largely in excess of the consumption of any other country in the world. Upon other items where we have the capacity to produce an article to the full amount of the consumption we have found by experiment that the price has been reduced. That is notably so of iron and steel, but it has not been thus far with sugar.

Senator Spooner stated his views in this language:

There has not been a year since 1860 that if the people of the United States (but for the revenue which the war made necessary they should have to carry on the Government and pay the debts which had been entailed) had bought the entire Louisiana sugar produce and dumped it into the Gulf they would not have made from $35,000,000 to $45,000,000.

When the McKinley bill was under discussion Senator CULLOM said:

Whether placing sugar on the free list will cheapen the article to the consumer is doubted by some. I believe it will cheapen it. If it does cheapen it to the people it should never be taken off the free list unless it shall become necessary for revenue purposes.

Hon. Mark H. Dunnell, of Minnesota, said:

The country will applaud the provisions of the bill that places all sugars under No. 16 in color upon the free list, saving annually to the consumers of the article of universal use not less than $56,000,000.

WILL THE CONSUMER GET THE FULL BENEFIT IF THE TARIFF IS REMOVED OR REDUCED?

It is strenuously insisted by those who desire to maintain the present tariff on sugar that if we do remove the tariff the consumer will not get the benefit. I am certain that this claim is not well founded. It certainly has no basis of fact in the history of our tariff on sugar to sustain it. If the proposed law does not reduce the price of sugar to the consumer, why should the sugar industry so strenuously oppose the reduction? If the removal of the tariff will not reduce the price of sugar, it certainly will not hurt the producer. But the truth is the men engaged in the sugar industry knows full well that every penny we reduce the tariff a like penny will go off of the price of sugar to the consumer and they will get a penny less for their products. This has been the case in every reduction of the tariff we have made affecting sugar. In March, 1870, we reduced the price on refined sugar from 5 cents to 4 cents. The following year sugar dropped a full cent a pound as compared with the preceding year. In March, 1883, we further reduced the price of refined sugar a half cent a pound and the next year raw sugar fell about seven-tenths of a cent a pound and refined about 1.2 cents a pound. In 1890, under the McKinley law, the price of refined sugar was reduced 3 cents a pound, and I will later show that the consumer got the full benefit of this 3 cents a pound reduction. In August, 1894, under the Wilson law, the tariff was increased a little over a half cent a pound. If we will compare the two years preceding the date that this law went into effect with the two years following, and take into account the difference in the cost of raw sugar, we will see that the price of sugar was increased the full amount of the tariff. In 1897, by the Dingley Act the tariff on refined sugar was increased by about six-tenths of a cent a pound. If we compare the three years after the Dingley law went into effect with the three years preceding under the Wilson law we will find that sugar advanced the full amount of the increased tariff under the Dingley law over the Wilson law. These facts show beyond dispute that the wholesale price of sugar in New York during 48 years has responded in all instances to the change in the rate of the tariff. It can not be otherwise so long as the United States does not produce practically all of the sugar that it consumes. As long as we do not produce within 10 per cent of the amount that we consume the wholesale price of sugar will equal the import price plus the tariff duty. It is my conviction that the price of sugar will always be the price of imported refined sugar plus the tariff.

I have just said that the McKinley law reduced the price of sugar the full amount that it reduced the tariff. The McKinley bill was introduced in this House in the spring of 1890. In fact, it was well known in the business world for some months prior to that time that such a law was proposed and would probably be enacted. The McKinley Act went into effect in October, 1891. By its provisions the schedule affecting sugar did not become operative until April 1, 1891; so for a year prior to the McKinley Act's taking effect it was known that such a law would probably be enacted and known to a certainty six months before it became operative. This had the effect for a full year or more before it became a law of reducing enormously the importations of sugar and consequently lowering the price of sugar generally at least 1 cent per pound during this time. During March and February, 1891, preceding the 1st of April, the price of sugar averaged about $6.13 a hundred. This was the price in New York on the 25th day of March, 1891. On the 1st day of April, 1891, when the McKinley Act took effect, sugar dropped to $4.50 per hundred, or dropped $1.63 per hundred pounds. In order to determine the effect of the McKinley law on the price of sugar. If we examine the prices for three years immediately preceding April 1, 1891, the day the McKinley Act went into effect, and for three years immediately following April 1, 1891, this will show fairly, but not fully, the amount saved the consumers of this country by the McKinley law. It will be found that the average price of sugar for the three years immediately preceding April 1, 1891, was $7.06 per hundred pounds. This amount would be at least 30 cents per hundred pounds more except for the effect of the McKinley law on sugar the year preceding its enactment, as I have mentioned.

The average price for sugar for the three years succeeding April 1 was $4.42 per hundred; or, the price of sugar for the three years immediately following the McKinley law was, on the market of New York, $2.42 per hundred less than the three years immediately preceding the date the McKinley law took effect. To better and more clearly show you the actual results of the McKinley law and its great saving to the people for the three years following the fiscal year beginning June 30, 1891, I want to give you its results in dollars and cents. During the three years mentioned this country consumed 13,117,000,000 pounds of sugar. By reason of removing the tariff on raw sugar and reducing it to one-half cent per pound on refined sugar by the McKinley Act there was saved to the consumers of this country 2.62 cents per pound, according to the market price in New York, for every pound consumed. Or, if we multiply 13,117,000,000 pounds by 2½ cents per pound we have $327,925,000 saved to the people of this country by the McKinley Act. The expenditures of our Government for the three years immediately following June 30, 1891, were $1,093,000,000. The reduction of tariff on sugar by the McKinley Act saved the people of the United States a sum equal to 30 per cent of this amount, or 30 per cent of the entire cost of running this Government during those three years.

If the McKinley law had provided for free sugar, refined or unrefined, the people during those three years would have saved $70,000,000 more. These figures which I have just given are not based on theory. They are not guesswork. They show exactly the saving that was made, and anyone can get the statistics and verify these figures if he desires to do so.

That sugar was sold at a cheaper price under the McKinley law than it would if a tariff on this commodity was in effect was stated by Congressman Tom L. Johnson, afterwards mayor of Cleveland, Ohio, in a speech in the House on the Wilson tariff, in which he said:

But every man, woman, and child uses sugar. It is one of the prime necessaries of life. And there is not a housewife in the land who will not feel that she is robbed by our "Democratic tariff reform" when she finds that where she got 3 pounds of sugar under the McKinley bill she now, under the Gorman bill, for the same money, gets but 2. You and I, with our official incomes of $5,000 a year, may not feel this tax; Mr. Cleveland, with his official income of $50,000 a year, may not feel it; our colleagues of the Senate, especially those who may have bought sugar front stock at the right time, may not feel it; but the great mass of the people, by whose votes we are here—the great mass of the people who must count every penny of income not sufficient to enable them to live in halfway decent comfort—they will feel it; they will feel it at once, and feel it bitterly. Again will they get an object lesson—that the tariff is a tax. Will you dare to go to them and point to sugar as a sample of the way in which you have carried out your pledges to reduce taxation?

And when they ask you what this tax is for, what will you tell them? Will you quote to them Mr. Cleveland's letter to Mr. Wilson on the propriety of taxing sugar? Will you quote to them Mr. Carlisle's letter that the needs of the Treasurer require the taxation of sugar? I know, and you know, and the people know—I was about to say that every dog that barks in the streets of the capital knows—that the real purpose of imposing this tax is not to give revenue to the Government, but revenue to the boodlers. You can not disguise it from the people, for the people know it already, that the purpose of this sugar tax is to put millions and millions in the pockets of men who are already millionaires by robbing the people. They know that this tax on sugar has been bought through every step of its way, carried by such open, undisguised corruption as has never been flaunted in their faces before. They know that the Sugar Trust has purchased this privilege of taxing them, and that, though the price it may have paid may be millions, it will receive back millions and millions before the Treasury gets one cent.

Congressman Andrew J. Hunter, in speaking before the House on the Wilson bill, quoted from a speech made by William McKinley during the campaign in Ohio, as follows:

We took the tariff off of sugar and now you do not have to pay it. See how we have relieved you from taxation by taking the tariff off of raw sugar and reducing your expenses.

A big saving was made to the people of the United States by the McKinley law, according to JOSEPH G. CANNON in a speech in the House on the Wilson bill, according to the following statement by him made during the discussion:

Mr. Chairman, the discussion that led to the placing of sugar on the free list commenced with the so-called Mills bill in 1888. The matter was considered by the House at length, and under the leadership of the other side the sugar schedule in the Mills bill remained substantially as it had been, with all its inequalities and iniquities, and was retained although this side of the House, I being at that time a Member, made the best fight they could to place on the free list this universal necessity, nine-tenths of which was then, as it is now, produced outside of our own borders. The Democratic Party refused to place it upon the free list then, with full revenues and when it might well have been done. In 1890, there still being necessity for the reduction of the revenues, the Republican Party in the McKinley Act wrote sugar upon the free list, and has saved annually from that time to this from $1.25 per capita alike to the rich and the poor throughout this country.

During the debate on the Wilson bill, after its return from the Senate, Congressman Charles H. Grosvenor, of Ohio, pre-

dicted that the price of sugar would advance. Subsequent events proved the prediction. Mr. Grosvenor said in part:

Every man in the United States who buys sugar for the use of his family will find himself called upon to pay something like $1.45 to $1.50 for that which he could hitherto buy for $1.

By the removal of the tariff on sugar in the McKinley law sugar was reduced in price, and the reduction was a great benefit to every citizen in this country. According to Congressman Dingley the duty has to be borne by the consumer, and in the debate on the Wilson bill he said:

I am opposed to raising revenue by means of taxation of 1 or 2 cents a pound on the imports of sugar, because sugar is an article of food as important as flour; so important, indeed, that the amount of money expended by every family in the course of a year for sugar is substantially as great as that expended for flour; and the production in this country is so small, only one-tenth the amount necessary for consumption, that the price here must be fixed by the foreign price plus the duty at the time; that, therefore, the duty must have unavoidably been imposed upon consumption and as much upon the poor man's family as upon the rich man's family.

I believe the experiment which has been tried now for nearly three years of placing sugar on the free list, on the ground that nearly all of our consumption must be imported, has resulted in so cheapening sugar and so reducing the cost of living as to be of advantage to every citizen in this country. A tax of 2 cents a pound is practically a tax of $1.38 for every man, woman, and child, and about $7 on each family, for the reason that there is so little production that the foreign cost and duty determine its price. Such a tax can not be justified on any ground for revenue, because it is clearly an imposition of a tax upon an article of food that distributes itself to every individual; not on account of protection, because experience has shown that it has not developed production of sugar in this country to a sufficient extent to make sugar production a proper subject for the application of that policy.

Hon. SERENO E. PAYNE, of New York:

Mr. Chairman, I oppose the restoration of the duty upon sugar, because it is putting a tax upon every man's breakfast table of at least a dollar a year for each person who sits down to that table. We took the duty off in 1890 and reduced the price of sugar because we produced but 10 per cent of the sugar we used and imported 90 per cent, and I hope that fact will get to the understanding some time of my friend from Kansas [Mr. Simpson].

William B. Allison, for many years Senator from Iowa, said:

We have encouraged the production of sugar abroad to this extent, and this only, that by reducing the price of sugar to our consumers we have encouraged a larger consumption in our own country than would prevail under a duty system such as we have had hitherto, because I take it that all these arguments from beginning to end disclose that everybody now believes that to the extent we have taken this duty off sugar we intend to reduce the price, and the result will be the reduction of the price to the consumer.

A DUTY CAN NOT BE DEFENDED UNLESS THE GOVERNMENT OR THE FARMERS IN THE UNITED STATES GET THE BENEFIT.

I do not believe that a tax on sugar can be justified on the ground that it produces a revenue. If we look upon it as a revenue producer, we can not defend it unless the Government receives the full revenue. I do not believe that we can justify a tariff on any food product that is a necessity on the table of every man, rich or poor; but be that as it may, if we are going to tax the importation of sugar a penny the Government ought to get that penny. If we are going to tax refined sugar $1.90 a hundred pounds, the Government should get the full $1.90. Of course, under our law sugar is imported raw and pays nothing like this tax of $1.90 a hundred pounds, but when the refinery gets through with it it costs the consumer the full $1.90 a hundred pounds for his sugar. The difference between our tariff law on raw and refined sugar is so high that no refined sugar is imported, but the consumer always pays a price for his sugar equal to the price he would pay if the imported sugar was refined, and pays the full tariff of $1.90 a hundred pounds.

One of the many vicious features of our tariff is that the difference between the rate on raw sugar and refined sugar is so fixed that the refinery can get an enormous profit for the refining. This year we will consume 7,760,000,000 pounds of sugar, which will cost the consumer the highest tariff rate of 1.9 cents a pound more than it would have cost him if sugar had been on the free list. If we multiply this number of pounds by 1.9 cents a pound, we will find that our sugar will cost us for the fiscal year 1912 $147,000,000 more than it would have cost us if sugar had been on the free list. Last year the Government received $53,000,000 in revenue on sugar. It will cost the people of our country this year $147,000,000 for sugar more than it ought to cost, of which the Government will get $53,000,000 in revenue. That is to say, that out of every 147 cents that sugar costs the people on account of the tariff the Government will get 53 cents. It is certainly bad enough to collect this $53,000,000 from a tax on sugar. How utterly wrong it is to collect this sum in such a way and by such a method that every time a man pays 53 cents to the Government he must pay 94 cents additional for the benefit of those people engaged in the raising and manufacture of sugar, most of it going to the owners of sugar plantations in Hawaii, Porto Rico, the Philippine Islands, and the great Sugar Trust monopoly, which is the largest beneficiary.

I do not think that it will be denied that a poor man and the man of moderate means and the ordinary workingman and their families consume practically as large a proportion of sugar consumed in this country as the rich man and his family does. The man who depends upon his wages for the care of his family finds it hard enough to feed, clothe, and educate them without being compelled to pay to the Sugar Trust and to the planters of our island possessions 94 cents every time he pays the Government 53 cents. Then, looking at this tariff from a revenue or a financial point of view, what can be more idiotic than this manner of collecting revenue? I think it far from wise to tax this food product, even though the Government got all the return from it; but what a useless and criminal waste of money to levy a tax of this kind on the people when the Government gets only 35½ per cent of the tax so imposed. If all of our $600,000,000—the revenue that we collect annually—were raised by a similar process, it would cost us more than one billion and a half annually to do so. We would soon become a bankrupt Nation. Nothing but a change to a sane and wise method of raising our revenues could save us. Looking upon this tax, then, simply as a manner of raising revenue, it is an economical failure.

OUR ENORMOUSLY HIGH TARIFF HAS BEEN A FAILURE IN FOSTERING THE SUGAR INDUSTRY, THOUGH IT HAS COST US IN 21 YEARS $1,982,000,000.

The McKinley law granted a bounty to the sugar producer for the purpose of maintaining and fostering the industry. The Wilson law provided for a tariff of 1.3 cents a pound for the same purpose. The Dingley law fixed the tariff rate at 1.95 cents a pound for the same purpose. In fact, for 120 years a high tariff has been maintained for the same purpose.

Mr. CANNON, speaking in favor of the McKinley law in 1890, said:

Yet it is claimed we have not had a fair chance to establish the sugar industry in the United States. My friend from Iowa, Gov. Gear, answered that proposition the other day when he said that for 100 years no article has been protected like sugar. In that time we have collected, in round numbers, $1,500,000,000 of duty upon sugar, and all the time the tariff was high enough for ample protection.

Let us see what it has cost the Government since that time to foster this same industry.

During the four years that the McKinley law was in operation the Government paid in bounties the sum of $36,106,000, or approximately $9,000,000 a year.

When the Democratic Party came into power in 1894 it repealed the bounty on sugar and levied a tariff of 40 per cent ad valorem on all sugar imported except Hawaiian sugar, and one-eighth of 1 per cent on all sugar above No. 16 Dutch standard. This tariff amounted to 1.3 cents a pound more than it would have otherwise cost us if we could have purchased our sugar in the open markets of the world. Had we no duty, the American people would have purchased their sugar for $187,391,345 less than we did.

In 1897 the Dingley bill was enacted, increasing the tariff to 1.95 cents a pound, or increasing it to $1.95 a hundred pounds. The duty on sugar was reduced under the Payne-Aldrich bill to 1.9 cents a pound, or $1.90 per hundred. While the Dingley and Payne-Aldrich bills were in force, from 1897 to June 1, 1912, we will have consumed 91,020,352,914 pounds of sugar. This sugar cost the consumer $1.90 and $1.95 per hundred pounds more than it would have otherwise cost if we had purchased our sugar in the open markets of the world. To recapitulate, our sugar cost us during the four years the McKinley Act was in force $36,000,000 more than it would have cost had we purchased our sugar in the open market. During the three years the Wilson Act was in force, $187,391,345, and during the time the Dingley and Payne-Aldrich bills were in force up to June 1, 1910, $1,759,585,830 more, making a total cost since the McKinley law went into effect of $1,982,000,000.

When I say the sugar cost us during this time $1,942,000.000 more than it would have cost us in the open market, I am figuring on the basis of the bounty we paid during the time the McKinley law was in effect and on the basis that every 100 pounds of domestic and imported sugar cost us the full tariff duty imposed on sugar the year that it was bought for consumption.

Now, I want to ask you, What have the people of this country to show for this enormous sum of money they have expended to promote the culture of sugar beets? What has it accomplished toward this end? In 1890, the date of the McKinley law, we raised of cane and beet sugar 306,000,000 pounds. This amount was increased in 1910 to 1,775,000,000 pounds. Or, our increased production amounted to 1,400,000,000 pounds. This may be said to be a large increase, but let us compare this with our increased consumption. In 1890 we consumed 3,192,000,000 pounds. In 1912 we consumed 7,760,000,000 pounds. So our increased production, brought about by our tariff in 20 years,

amounted to 1,400,000,000 pounds, but our increased consumption amounted to more than 4,568,000,000 pounds. So by spending this enormous sum we have been able to foster the beet-sugar industry in this country to the extent of increasing our production nearly 1 pound for every 3 pounds of our increased consumption. Will anyone contend that on this showing, even if we maintain our present enormous tariff, there is any hope or prospect of supplying our home market with home-grown sugar?

So at most, if we should maintain our present high tariff on sugar, we could not hope to increase our production more than 1 pound to every 3 pounds of increased consumption, but during the last 10 years we have not been able to anywhere near maintain this proportion, and the last 5 years we have not increased our production at all, while our consumption is increasing by leaps and bounds.

In 1902 we produced of beet and cane sugar, in round numbers, 1,097,000,000 pounds. We consumed the same year 5,018,000,000 pounds. This year we will produce, as given me by the Bureau of Statistics, of cane and beet sugar 1,715,000,000 pounds, and our consumption will be 7,760,000,000 pounds. It will be seen that during the last 10 years our increased production of cane and beet sugar amounts to 618,000,000 pounds, and our increased consumption amounts to 2,742,000,000 pounds. So in the last 10 years our increased production has been to our increased consumption as the ratio of 1 pound to 4⅓ pounds.

In 1908 we produced of cane and beet sugar 1,715,000,000 pounds. For the fiscal year 1912 we will produce 1,715,000,000 pounds, or our increased production of cane and beet sugar has been nothing.

In 1908 we consumed 6,590,000,000 pounds of sugar. In 1912 we will consume 7,760,000,000 pounds. In the last five years our increased consumption has been 1,170,000,000 pounds, and our increased production of cane sugar and beet sugar has been nothing.

It will be noticed for the 10 years mentioned our cane and sugar-beet production shows an increase of 56 per cent. Our increased consumption in the 10 years mentioned shows an increase of 54 per cent. In the last 5 years our sugar and cane production has not increased at all, not even by 1 per cent, while our increased consumption is 17 per cent.

I want you Members of Congress who have been talking about the marvelous growth of our sugar industry to stop and ponder on these figures for a moment. Can you find anything in these figures to justify the continuance of this tariff in order to promote or encourage the industry?

While our high protective tariff has not been able to increase our production of sugar in five years by a single pound, it has cost the people of this country an enormous sum. There is no bill that the people of this country have been compelled to pay for which they have received so little.

During this five years we have consumed, according to the Statistical Abstract, 36,213,000,000 pounds. If we multiply this by the 1⅞ cents a pound you will observe that within the last five years our present tariff, which is defended on the ground that it will promote our cane and sugar-beet industry, has cost us $687,000,000, without increasing the production of cane and beet sugar one pound.

There have been so many wild statements made in the House in reference to the growth of the production of cane and beet sugar that I will add here a table showing the production of cane and beet sugar for the last 10 years and the consumption of sugar in the last 10 years. This will include the fiscal year which ends in June, 1912. The figures for 1912 are estimated by the Bureau of Statistics, which has given me the figures, stating that they are reasonably accurate and the final figures will vary very slightly, if any, from them. I want to ask the most enthusiastice defender of our present tariff on sugar if he really thinks, in the light of these figures, that if we maintain our present tariff indefinitely we can hope to produce in continental United States more than but a small fraction of the sugar that we consume? On the contrary, do not the facts show our utter failure to promote the sugar-beet industry by this frightful tariff? The table shows:

[illegible]	[illegible]	[illegible]	Total	Retained for consumption in United States (continental).
1902	728,650,448	369,211,733	1,097,862,181	5,018,972,657
1903	745,805,875	436,811,685	1,182,617,560	6,380,165,502
1904	525,952,000	481,209,087	1,007,161,087	5,661,900,411
1905	784,000,000	484,226,430	1,268,226,430	6,025,772,362
1906	766,080,000	625,841,228	1,391,921,228	6,491,294,883
1907	544,320,000	967,224,000	1,511,544,000	7,089,068,935
1908	788,480,000	927,256,430	1,715,736,430	6,590,822,991
1909	828,800,000	851,768,000	1,680,568,000	7,283,363,552
1910	750,400,000	1,024,938,000	1,775,338,000	7,360,126,811
1911	696,240,000	1,020,340,000	1,716,580,000	7,222,532,000
1912	689,000,000	1,026,000,000	1,715,000,000	7,760,000,000

HISTORY OF SUGAR LEGISLATION SINCE 1890.

I think it would be instructive as well as entertaining to give a brief history of sugar legislation, commencing with the McKinley law. The McKinley Act, as heretofore stated, reduced the rate on refined sugar from 3½ to 3 cents per pound and admitted all the sugars free of duty under No. 16 Dutch standard. It also provided a bounty of 2 cents on sugar grown in the United States. This law, so far as it affected sugar, went into effect April 1, 1891. Early in December, 1893, the Wilson bill was reported from the Ways and Means Committee. As reported, it reduced the rate on refined sugar from one-half cent to one-fourth of a cent per pound and provided for a sliding scale downward of the McKinley bounty, to the effect that after July 1, 1895, the bounty should be reduced each year one-eighth of a cent until July 1, 1901, when it should cease and terminate. The provision for the continuance of the bounty and the provision fixing the duty at one-fourth of a cent per pound went out of the bill. The result of this was the placing of all sugar on the free list. This was done by a solid Republican vote, assisted by a sufficient number of independent Democrats to give a majority. So, in 1894 the Republican Party in Congress went on record as a unit in favor of free sugar.

I will print at the end of these remarks a copy of the Wilson bill as it left the House for the Senate as it related to the sugar schedule.

Mr. PAYNE vigorously denounced the Senate for amending the Wilson bill by placing a tariff on sugar, with one-eighth of a cent added for refined sugar. He declares that this was done by the Democratic Senators, assisted by two or three Republican Senators. He calls attention to the fact that it was the Republican Members of the House, assisted by a few Democrats, that placed sugar on the free list in the Wilson bill before it went to the Senate. Following is a brief extract from his speech:

But the Sugar Trust in 1890 was stronger than we knew. It has gradually absorbed the outside refiners, until now it controls practically the entire refining business and dictates the price to the American consumer. It is said to control the price of the raw product in Louisiana, it being the only purchaser at one-fourth of a cent a pound below the New York market price. It is said to have a contract with the producers of Hawaii, which has three years yet to run, by which it controls the entire output of these islands at the same rate of one-fourth cent below the New York price. Being the greatest customer for Cuban sugar, it is said to have forced down the price of that market so that this commodity brings there one-fourth of a cent less than the same class of goods in the markets of France and Germany.

* * * * * * *

The time came for the preparation of a tariff bill. It came to the House from the Ways and Means Committee with a protective duty for the trust and free sugar for the producer. The Democratic House, aided by a solid Republican vote, made sugar free in the bill, and in that form it went to the Senate. Then the State of Louisiana demanded the fulfillment of Democratic pledges. The Louisiana interests demanded a specific rate of duty. These are the interests to whom the pledges were made—the men who had votes in the Senate.

But the Sugar Trust appeared and demanded an ad valorem rate on both raw and refined sugars, with an additional discriminating duty on the refined. The Secretary of the Treasury drew the sugar schedule and it is drawn exactly as the trust demanded.

This bill went through the Senate exactly as the trust demanded it. Over six weeks were spent by the Democratic conferees upon this measure and no concession was made as against the Sugar Trust. A proposed change was accepted which, I believe, from the language published in the papers, would have given the same discrimination in the ad valorem rate and an additional differential duty of one-fifth cent per pound instead of one-eighth; of 20 cents per hundred instead of 12½. The Louisiana interests, according to the published reports, never denied, were demanding the bounty for this year. There was no thought of yielding to them; even the pledges of the Democratic campaign managers and the Senate caucus did not seem to be powerful in their behalf, while the protection to the Sugar Trust remained as firmly in the bill as though the contract had been made in writing as well as consideration paid in 1892.

The Wilson bill went to the Senate. The duties were raised generally in the Senate. Some 600 amendments were made increasing the duties on various items. The combination that finally voted these amendments into law included the Senators from Louisiana and other sugar-producing States and all the votes that the Sugar Trust could muster. The Wilson bill came back to the House and was concurred in by the House. The only bill that ever passed the House, as far as I have been able to learn, placing sugar on the free list, was the sugar schedule in the Wilson bill as it passed the House in the first instance supported by a unanimous Republican vote. If a Republican protectionist could have voted for free sugar in 1894, why can not a Republican who believes generally in the protective theory vote for it in 1912? If it was good Republican doctrine then it must be good Republican doctrine now. When the Republicans came into power it was necessary again to revise the tariff. It was necessary to raise the rate on wool; people interested in the metal schedule demanded a raise on it; people engaged in the manufacture of cotton goods demanded a raise on cotton, and in order to get the votes from the sugar States and the support of the Sugar Trust Senators, it was necessary to raise the rate on sugar. The friends of free sugar had no oppor-

tunity to vote on the sugar schedule as a separate schedule, and I venture the assertion that there would be no chance to place sugar on the free list now if we were taking up the tariff law as a whole. Men who are in favor of free sugar now are given an opportunity to vote their convictions.

All the provisions contained in the Wilson bill as passed and enacted into law which had the effect of firmly establishing and maintaining the sugar monopoly remains in the law at the present time, which this bill proposes to repeal. If Mr. PAYNE was sincere and right in maintaining that the Wilson bill would put the people of the United States in the grasp of the Sugar Trust—and I think he was; the subsequent history has proved that his prophecy was correct—he has the opportunity to assist in undoing the wrong now that was perpetrated then. A vote in favor of the present bill will take us out of the hands of the Sugar Trust monopoly.

Mr. CANNON was of the same opinion. He asserted that if the Wilson bill was enacted that it would further increase the hold of the great Sugar Trust upon the people. He said:

But when you come, gentlemen, and demand not only that you shall be protected, but insist that we shall further sustain this sugar anaconda by a continuance of the present schedule, you ask too much; we draw the line there.

It was most strenously claimed by Mr. PAYNE, Mr. DALZELL, Mr. Dingley, and by every Republican who spoke on the subject in 1894 that to place a tariff on sugar with a preferential rate in favor of refined sugar would put the people of this country at the mercy of the Sugar Trust. The solid Republican vote that succeeded in voting out the preferential as well as the duty on refined sugar voted it out on the theory that to leave it in would be in the interest of the great sugar monopoly. It is claimed now that to repeal the law giving a preferential to refined sugars or to the sugar refinery would be in favor of the great Sugar Trust or monopoly. One of two things is certain, the position taken by the Republican Party in 1894, led by the eminent men above mentioned, was in favor of the Sugar Trust or else the position that is taken now by the majority of the Republican Members is in favor of the Sugar Trust. We can not blow hot and cold on this proposition.

IS THE SUGAR TRUST IN FAVOR OF FREE SUGAR AS PROPOSED BY THE PRESENT BILL?

It is claimed and will be strenuously argued that the Sugar Trust is in favor of free sugar. How anyone who is at all conversant with the situation can seriously contend this is more than I can understand. It is an admitted fact that the Sugar Trust refines 91 per cent of all the raw sugar that is consumed in the United States outside of the sugar that is produced and refined by the beet-sugar industry. The beet-sugar plants refine in every instance their own sugar. Every pound of sugar that is imported from abroad—and it amounts to more than one-half of what we consume—is raw cane sugar. Something over 4,000,000,000 pounds of raw cane sugar are imported into this country annually, and 91 per cent of this enters the back door of the American Sugar Refining Co. to be refined. Our present schedule on sugar makes it utterly impossible to import successfully refined sugar. If we opened the door, as we will by placing sugar on the free list, to importations of refined sugar, their monopoly will be at an end. It is probably true that in that case the sugar-refining company will refine most of the sugar that is consumed, but the refined sugar will be in direct competition then with every sugar refinery in the world. Most of our sugar cane comes from the West Indies. We have a lower freight rate from that point than Europe. It would be impossible for the European refiners of sugar to buy their sugar in the West Indies, transport it to Europe, refine it, and then transport it back and compete with our home factories, but the sugar refiner will be compelled to sell his refined sugar at a price but a trifle above the price of refined sugar in England or Europe. Under the present law the refiner is enabled to charge an exorbitant profit for his refined sugar.

The American Sugar Refining Co. has been able for the last 10 years to purchase its raw sugar at about $2.19 a hundred. The average price at which it has sold it for the same 10 years, at wholesale, New York, is $4.84 a hundred. Most of this raw sugar is bought in Cuba, and the American Sugar Refining Co. has paid on an average about $2.19 for its raw sugar. The tariff on this sugar has been about $1.35 a hundred, so when we add the tariff to the price of the raw product its sugar has cost it about $3.54. If we add 15 cents a hundred, the cost of transporting sugar in cargo from the West Indies, we add a larger price for transportation than it has cost the company. This would make raw sugar cost the American Sugar Refining Co. $3.69 in New York. This company has placed this sugar on the market on an average for 10 years at $4.84 a hundred; or it has charged the difference between $3.69, its cost, and $4.84, its selling price, for refining the same. It has charged for refining and profit for refining, $1.15. If we assume that this is an exorbitant price, as we will readily see if we compare this cost with the cost of refining light sugar in England. Raw cane sugar has cost the refiner in England, on board of ship at the ports of England, for the last 10 years an average of $2.37 a hundred. This was bought in the open market of the world and in competition with the American Sugar Refining Co. in New York. The average price of refined sugar in England for the past 10 years is $2.75 a hundred; or, the English refiner has bought sugar in competition with the American Sugar Refining Co., refined the sugar, and placed it on the market for 38 cents a hundred, as opposed to $1.15 a hundred grabbed by the Sugar Trust by means of our protective tariff. The American Sugar Refining Co. has been able to make a profit under our tariff of 77 cents per hundred more than an Englishman has who has refined the same grade of sugar. We have paid three times as much for the refining of our sugar as the Englishman has paid.

No doubt one or two of the independent sugar-refining companies desire free sugar, but it is utterly absurd to undertake to show that the American Sugar Refining Co., which refines 91 per cent of the raw sugar in this country, desires free sugar. If anything will tend to burst the monopoly they hold on the refining business, it will be free sugar. I am supported in this by very many eminent Republicans who made a very gallant fight for free sugar when the McKinley bill was before the House and likewise when the Wilson bill was before the House; also many prominent Democrats.

Hon. SERENO E. PAYNE, of New York, speaking further on the Wilson law, said:

In addition to this the Senate bill provides that Hawaiian sugar shall be admitted free of duty. The product amounts to 300,000,000 pounds, which would result in a bonanza of $6,000,000 per year to be divided between the Hawaiian planters and the Sugar Trust, which takes the entire production from them.

In order to take away a bounty of $13,000,000 to the sugar planter you vote a bonus of $18,000,000 to the trust on the sugar in sight, one-half a cent per pound differential on the four billions annually consumed, or $20,000,000 per annum, and a further bounty of $6,000,000 per annum on Hawaiian sugar. At the same time you place a grievous tax on every man's breakfast table. Verily, as the President says, "this is a delicate subject."

Continuing, Mr. PAYNE said:

A vote for the restoration of a duty on sugar is a vote of $5,000,000 a year to the gentlemen who own the sugar plantations in the Hawaiian Islands; it is a vote of $10,000,000 a year to those who own the sugar plantations in Louisiana and other plantations in the South and West, and therefore I am opposed to voting that tariff upon sugar. I am opposed to the scheme contained in the present bill of the majority of the Committee on Ways and Means, because it is simply voting a gratuity to the producers of sugar without any prospect of a public benefit. No man is sanguine enough to hope, or dare express the hope, that the effect of this bounty in this bill will benefit the sugar industry or establish it upon a permanent basis. On the other hand, it will destroy the industry, and that very quickly and simply. The people of the United States are called upon to expend $35,000,000 for a class comprising a few individuals, a small class—legislation for a few people in the United States.

I am in favor of keeping in operation the present law not only because it has been held out to the people who would produce this sugar that they would have this bounty, but because by a similar bounty Germany and France were able to build up the beet-sugar industry, and that we shall be able under it to build up that industry in a few years sufficiently to supply the whole consumption of our own country.

Continuing, Mr. PAYNE said:

The time came for the preparation of a tariff bill. It came to the House from the Ways and Means Committee with a protective duty for the trust and free sugar for the producer. The Democratic House, aided by a solid Republican vote, made sugar free in the bill, and in that form it went to the Senate. Then the State of Louisiana demanded a specific rate of duty. These are the interests to whom the pledges were made—the man who had votes in the Senate.

But the Sugar Trust appeared and demanded an ad valorem rate on both raw and refined sugars, with an additional discriminating duty on the refined. The Secretary of the Treasury drew the sugar schedule, and it is drawn exactly as the trust demanded.

This bill went through the Senate exactly as the trust demanded it. Over six weeks were spent by the Democratic conferees upon this measure and no concession was made as against the Sugar Trust.

During the discussion of the Wilson bill JOSEPH G. CANNON said:

The Republican Party in writing sugar upon the free list also relieved the country from embarrassment under a treaty with the Sandwich Islands which had been running for over 20 years and which permitted the product of those islands to come in free, whereas sugar coming from other countries paid 2 cents a pound, and the fact that the 95 per cent of the other sugar paid 2 cents gave a profit of 2 cents a pound on the Sandwich Island sugar and put into the pockets of Claus Spreckels and other Pacific coast people $5,000,000 a year. The legislation of the Republican Party cut off that tax, not one cent of which has been paid by the people since, and not one cent of which relief the Democracy proposed in 1888 or at any other time to grant to the people.

While an effort was being made in the Senate to put sugar back on a dutiable list in the McKinley bill, Senator Vest, of Missouri, said:

What does this proposed taxation do? It puts $20,000,000 a year into the pockets of this enormous trust and gives them their raw material, the sugars under 13, free. It is done in the interest of the people of this country, and Senators will go upon the hustings and denounce the trusts and combines and declare that they look upon them

as accursed things that ought to be wiped out if any legislation can accomplish it—and this in the face of the fact that Mr. Havemeyer says if he gets his raw sugars free he can beat the English refiners.

Congressman Charles H. Grosvenor, of Ohio, speaking of the Wilson bill after it went to conference, said:

When the Wilson bill passed in the House of Representatives the stock of the great Sugar Trust, which has been watered up from nine millions to sixty-odd millions, was worth in the markets of the country 17; to-day it is worth 107; and when this bill goes into effect, and there is no longer any danger of unfriendly legislation, it will doubtless forge even way up to 120. Already you had added to the value of this stock from thirty to thirty-five millions of dollars, and you propose by this bill, in the interest of this trust, as admitted by Mr. Wilson, to take from the people of the United States forty-odd million dollars in sugar taxation and put every cent of it into the pockets of this enormous combination. (Vol. 26, pt. 10, Appendix, pt. 2 (23), p. 1356.)

When the Wilson bill was under consideration Congressman Gear said:

Let me call the attention of the House and the country to the real facts in the case. In the Fifty-first Congress every Democrat, under the lead of Mr. Carlisle, voted against the free-sugar schedule. The House passed the schedule with free sugar up to No. 16. The bill went to the Senate and the Finance Committee of that body reported it back to the Senate with No. 16, which is a good table and culinary sugar, stricken out, and inserted No. 13, which is as black as my coat.

The Senate, under the lead of Senator Carlisle, with the aid of two or three Republican Members, passed the bill in this shape. The bill went to conference. Then, as now, sugar was the pivotal point in the bill. But, Mr. Speaker, the conferees on the part of the House, different from the House conferees on this bill, were patriotic and loyal to the interest of the people. They stood out and caused the Senate to surrender.

Sir, they gained a signal victory; a victory for the people as distinguished as a surrender of the House is to-day disgraceful. Who are the friends of the Sugar Trust? Why, the Democratic Party. Why do I say that? Sir, it is in evidence that Secretary Carlisle, with the consent of the President, practically drew the schedule of this bill we have just passed, a schedule that has put many millions of dollars, as I have shown, into the coffers of the Sugar Trust and given them, by way of differential duties, large profits in addition.

Continuing, Mr. Grosvenor said:

There is not a Democrat of intelligence in the United States who does not to-day blush for his country. There is not a Democrat on this floor who does not know that this schedule was suggested, improved, amended, put into shape, and absolutely dominated by the representatives of the Sugar Trust. It was done in their interest, and out of it they will make a sum of money that is dazzling and bewildering in figures during the current year. It is stated and admitted upon the floor here that, pending this very legislation, they have piled up almost a year's supply of raw sugar in the warehouses of New York. They import it free of duty and will call it, duty added, to the people of the United States, and all this has been made possible by this Democratic administration.

WHAT IT COSTS TO MAINTAIN THE PRODUCTION OF SUGAR IN PORTO RICO, HAWAII, AND THE UNITED STATES.

I think I have demonstrated that we would pay 1.9 cents per pound on sugar that we consume from Hawaii, Cuba, and the Philippines, as well as that produced in the United States, more than we would pay if the proposed bill becomes a law. The Bureau of Statistics informs me that this year our importations from Porto Rico will amount to 689,000,000 pounds. By using a little mathematics we will see that we pay the Porto Ricans a bonus of $12,000,000 annually. This equals $12 for every man, woman, and child in Porto Rico. Porto Rico farmed in 1910 145,000 acres to cane sugar. This bonus or subsidy that we pay them amounts to $80 an acre for every acre of land cultivated to cane sugar. The wages paid in Porto Rico are probably as light as in any place in the world. We do not need a tariff board to inform us that the wage scale in Porto Rico is less than in any country in Continental Europe that produces beet sugar. I venture the assertion that $80 an acre will pay the entire cost of producing cane sugar in Porto Rico and transport it to the city of New York. Why should we tax the man that works in the mines, in the rolling mill, or on the farm for the benefit of the cheap labor of Porto Rico? Last year Hawaii produced 1,110,000,000 pounds of sugar. Our bonus, or tariff, on this amount makes a total of $20,000,000 we paid to the people of Hawaii as a gratuity for raising sugar. The population of Hawaii is 191,000. This amounts to $105 to every, man, woman, and child in Hawaii, or it amounts to $525 for every family.

The labor employed for producing cane sugar is imported coolie labor from Japan and China. Scarcely a penny goes to the employment of native Hawaiians in the raising of sugar; scarcely a penny goes to a man of Anglo-Saxon descent for the raising of cane sugar. The wages paid this coolie labor by the Hawaiian planters average $16 to $20 per month, the laborers boarding themselves. Again, I say we need no tariff board to inform us that the labor cost in Hawaii is no more than it is in Continental Europe. Those $20,000,000 that are taken from the pockets of the American people to pay this gratuity to Hawaii does not go to the labor employed; it does not go to the Hawaiians generally; but it goes to the four or five corporations that own the land in Hawaii that is cultivated to cane sugar and which corporations are said to be very closely allied to the great Sugar Trust, the American Sugar Refining Co. Last year there were 185,000 acres planted to cane sugar in Hawaii. This 1.9 cents bounty per pound we paid on every pound of sugar consumed from Hawaii equals $107 an acre. This $107 an acre will pay for every dollar of expense of raising sugar in Hawaii and transporting it to the refiners in New York, and this $20,000,000 that we give as a gratuity to the sugar planters in Hawaii and the Sugar Trust is wrung in a large measure from the laboring man, the poor man, and the man of ordinary means in America. What is true of Hawaii is true of the Philippine Islands, except that labor is paid even less in the Philippine Islands than it is in Hawaii. It is common knowledge that the wages paid the negroes on Louisiana plantations is the very lightest wage paid in America, and I doubt if it much exceeds the wages paid in Germany and France. The sugar raised in Porto Rico, Hawaii, the Philippine Islands, and in the South amounts to about three-fourths of all the sugar produced in the United States and its island possessions.

A trifle over one-fourth of our sugar is produced from sugar beets. Then only one-fourth of the sugar industry pays anything like American wages. The ordinary acre of sugar beets will produce about 2,400 pounds of sugar to the acre. At $1\frac{9}{10}$ cents per pound we pay $43 an acre for every acre planted to sugar beets in this country. Is there any other branch of our farming that receives such encouragement or one-tenth part of such encouragement? Yet the beet-sugar man, paying the high wages that he pays in America, does not get one-half as many dollars gratuity per acre from the people in this country as the sugar planter in Porto Rico, about 40 per cent as much as the sugar planter in Hawaii, and one-half as much as the planter in the Philippine Islands. We farm the beet sugar in this country on about 440,000 acres. The farmer can not possibly make on an average over $15 an acre profit, so the total profit to the farmer on the beet-sugar industry can not be over $6,500,000. If we follow the arguments of the supporters of our present tariff to its legitimate conclusion, it amounts to this: That it is a wise policy to pay a bonus of $20,000,000 to the Hawaiian Islands, $12,000,000 to Porto Rico, and $9,000,000 to the Philippine Islands in order to give our American sugar-beet farmers $6,000,000 profit. This is only half the story. I have shown that the sugar bill of the United States is $147,000,000 more than it otherwise would be on account of our tariff. If we deduct from this $53,000,000 that the Treasury receives, we compel our people to pay $94,000,000 more for their sugar than necessary, in order that our sugar-beet farmers may get a profit of $6,500,000 for raising sugar beets. I do not know how the recital of these undisputed facts may affect the other Members of the House, but if they are true, and I solemnly assert that they are true, I do not see how any man can see his way clear to vote against this bill. Our tariff on sugar is the most iniquitous, inexcusable thing in our whole tariff bill. There is nothing in the tariff law that calls as loudly for a revision as does the sugar schedule.

WILSON BILL.

The sugar schedule of the Wilson bill as introduced in the House December 19, 1893, was as follows:

Sec. 180. That the bounties authorized to be paid to producers of sugar by section 231 of the act entitled "An act to reduce revenue, equalize duties, and for other purposes," approved October 1, 1890, shall be reduced one-eighth part of their respective amounts as prescribed in said act each year, beginning with July 1, 1895, and extending to July 1, 1901, inclusive, and shall thereafter cease and determine.

Sec. 181. All sugars above No. 16 Dutch standard in color shall pay a duty of five-twentieths of 1 cent per pound.

Sec. 182. Sugar candy and all confectionery made wholly or in part of sugar, and on sugars after being refined, when tinctured, colored, or in any way adulterated, 30 per cent ad valorem; glucose, or grape sugar, 15 per cent ad valorem.

The sugar schedule in the Wilson bill was changed in the House to read as follows:

Sec. 182. That so much of the act entitled "An act to reduce revenue, equalize duties, and for other purposes," approved October 1, 1890, as provides for and authorizes the issue of licenses to produce sugar, and for the payment of a bounty to the producers of sugar from beets, sorghum, or sugar cane grown in the United States, or from maple sap produced within the United States, be, and the same is hereby, repealed, to take effect July 1, 1894, and thereafter it shall be unlawful to issue any license to produce sugar or to pay any bounty for the production of sugar of any kind under the said act.

Sec. 183. Sugar candy and all confectionery made wholly or in part of sugar, and on sugars after being refined, when tinctured, colored, or in any way adulterated, 30 per cent ad valorem; glucose, or grape sugar, 15 per cent ad valorem.

Sugar schedule of the Wilson bill as amended by the Senate, concurred in by the House, and enacted into law:

182. That so much of the act entitled "An act to reduce revenue, equalize duties, and for other purposes," approved October 1, 1890, as provides for and authorizes the issue of licenses to produce sugar, and for the payment of a bounty to the producers of sugar from beets, sorghum, or sugar cane grown in the United States, or from maple sap produced within the United States, be, and the same is hereby, repealed, and hereafter it shall be unlawful to issue any license to produce sugar or to pay any bounty for the production of sugar of any kind under the said act.

182½. There shall be levied, collected, and paid on all sugars, and on all tank bottoms, sirups of cane juice or of beet juice, melada, concen-

trated melada, concrete and concentrated molasses, a duty of 40 per cent ad valorem, and upon all sugars above No. 16 Dutch standard in color and upon all sugars which have been discolored there shall be levied, collected, and paid a duty of one-eighth of 1 cent per pound in addition to the said duty of 40 per cent ad valorem, and all sugars, tank bottoms, sirups of cane juice or of beet juice, melada, concentrated melada, concrete or concentrated molasses which are imported from or are the product of any country which at the time the same are exported therefrom pays, directly or indirectly, a bounty on the export thereof shall pay a duty of one-tenth of 1 cent per pound in addition to the foregoing rates: *Provided*, That the importer of sugar produced in a foreign country the Government of which grants such direct or indirect bounties may be relieved from this additional duty under such regulations as the Secretary of the Treasury may prescribe in case said importer produces a certificate of said Government that no indirect bounty has been received upon said sugar in excess of the tax collected upon the beet or cane from which it was produced and that no direct bounty has been or shall be paid: *Provided further*, That nothing herein contained shall be so construed as to abrogate or in any manner impair or affect the provisions of the treaty of commercial reciprocity concluded between the United States and the King of the Hawaiian Islands on the 30th day of January, 1875, or the provisions of any act of Congress heretofore passed for the execution of the same. That there shall be levied, collected, and paid on molasses testing above 40 degrees and not above 56 degrees polariscope a duty of 2 cents per gallon; if testing above 56 degrees polariscope, a duty of 4 cents per gallon.

183. Sugar candy and all confectionery, made wholly or in part of sugar, and on sugars after being refined, when tinctured, colored, or in any way adulterated, 35 per cent ad valorem; glucose, or grape sugar, 15 per cent ad valorem; saccharine, 25 per cent ad valorem.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WARBURTON. As I proposed this bill originally, I ask permission to consume 10 minutes.

Mr. UNDERWOOD. Mr. Chairman, I do not like to object to extending the gentleman's time, but if one gentleman's time is extended, another one's will have to be, and, in order that each Member may have a chance under the five-minute rule, I must insist on the speeches being limited to five minutes.

The CHAIRMAN. Objection is heard.

Mr. WARBURTON. I ask unanimous consent to extend my remarks in the RECORD.

There was no objection.

Mr. FORDNEY. Mr. Chairman, I made a statement yesterday that, so far as I am concerned, read the gentleman from Washington [Mr. WARBURTON] out of the Republican Party, and this morning he has certified to that statement. I am opposed to the amendment, and I am opposed to any reduction of the duty on sugar that will not furnish adequate protection between the cost of production of sugar in this country and abroad.

Yesterday the gentleman from Alabama [Mr. UNDERWOOD] stated that the evidence before the sugar investigating committee showed that the cost of beets in this country was less than that paid by the factories in Germany. I think that is a correct statement of the gentleman's remarks. I have here the record to show the testimony before that committee, taken from a record furnished by the Bureau of Statistics, giving the cost price paid by the factories in France for beets for eight years to be $4.05 per ton.

Mr. HARDWICK. What years were those?

Mr. FORDNEY. The years 1902–3, 1903–4, and the five succeeding years; and for the last seven years in Germany the price has been $4.45 a ton.

The records show the price paid by the factories in this country to be far above that, and in the State of Michigan last year $6.91 per ton was paid; but the main point is this: The chairman of the committee stated that the purity of sugar in the foreign beet is of less degree than in the beet in this country. It is just to the contrary, as testified to and as shown in the record that I have before me.

Here is the evidence furnished by the official statistics obtained from the Bureau of Statistics, which obtained them from the bureaus of statistics in France and Germany. Mr. Willett testified, and I have a letter and a telegram from him certifying to the statement made by him, that beets in Germany testing 17½ per cent, as compared with beets of the same test in this country, produced from 1 to 2 per cent more sugar than the beets raised in this country. Let me tell you what that means. The difference between 1 and 2 per cent, say an average of 1½ per cent, means 30 pounds of sugar more per ton extracted from the beets in Germany and France having the same percentage of test than in this country. Thirty pounds of sugar per ton, at 3 cents per pound, means 90 cents per ton more value to the product of the factories in France and Germany for beets of the same percentage or test. Or, put in another way, it means that a 17½ per cent beet in Germany or France produces 30 to 40 pounds more sugar per ton than does the 17½ per cent beet of the United States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DONOHOE. Mr. Chairman, I am in favor of this bill which places sugar on the free list. I regard it as the most important measure that has come before the House during the present session. Its enactment into law will reduce the cost of sugar about 1½ cents per pound, and by far the greater part of the saving of more than $100,000,000 will come to those who most need it—the plain people.

It is inequitable that the millionaire or the multimillionaire, with all his comforts and luxuries, should pay only about the same amount of taxes on his requirements in sugar as does the laborer or the artisan, whose scanty wage is often insufficient to enable him to make ends meet in the ever-increasing struggle for existence. It is unreasonable to hold that the man with a very large income should not pay a larger share of the cost of government than the man with a very small income.

The good people of my district with few exceptions and with no regard to political affiliations—for I am striving to represent all of them—demand free sugar and a fairer distribution of the burden of taxation incident to the cost of maintaining the Government. Most people feel keenly the high cost of living. Those who never experience its pinch should be willing, nay, should be glad, to assist in relieving some of the pressure from those who can ill afford to bear it. And because the industrious and intelligent people of my district demand it, I would support this measure regardless of my own opinion in the matter.

It is not so much my purpose to dwell on the merits of the pending bill as it is to touch briefly on the position of a Member of this House with reference to the views of his constituents. I contend that a Representative should reflect as far as possible the wishes of those who selected him as their Representative. [Applause.]

In thus stating my position I feel, Mr. Chairman, that I am on what some regard as dangerous ground. I know that this is regarded as positively heretical by a certain class of statesman whose reputation as champions of big business, vested interests, and corporate control is nation wide. I have already "suffered the slings and arrows" of one of the mighty warriors of standpatism in the person of Hon. Leslie M. Shaw, former Secretary of the Treasury and now titular head of sundry financial schemes. In an address before the Jewelers' Club of Philadelphia, on Saturday evening, February 26 of this year, Mr. Shaw made this remarkable statement:

> Our Representatives are supposed to be more intelligent and better in every way than the average voter. That is why they are Representatives. Never has there been such a cowardly body of men in Congress as there is to-day. A Member from this city recently read a telegram from a Kensington workingman asking him to vote against a certain measure. He said, "'I will vote 'no' because of what this constituent requests." Such a Congressman is worth only as much as that workman. He is only a $1.50 per day man.

And one Philadelphia newspaper that reported Mr. Shaw's speech added:

> It was generally understood that this shot was aimed at Congressman DONOHOE, who represents the Kensington district.

Of course Mr. Shaw, former Secretary of the Treasury, is entitled to his opinions as to the value of a Representative and the cowardice of the present-day Members of Congress; but when he gives voice to those opinions in after-dinner speeches even he is liable to be questioned as to their accuracy and the motives that prompted them.

As to my action in this House, on which the learned gentleman bases his estimate of my worth as a Representative, I quote from the CONGRESSIONAL RECORD of August 3, 1911, page 3673, a few remarks which I made on the cotton bill (H. R. 12812) then under discussion:

> Mr. Chairman, before this bill came before the House for consideration I felt that the conditions in my district, as well as the pledges which I had made in my campaign, justified my being in a position to vote for or against it according as my constituents might desire, and therefore I took steps to exempt myself from caucus action.
>
> In the six congressional districts comprising the city of Philadelphia we have upward of 200 cotton mills, one-half of which I understand are in my district. In order to test the sentiment of those most interested and best informed in the textile industry, I sent the following letter to a gentleman whom I have known for many years as an honest labor leader and one of the most active in promoting the well-being of his fellow workers:
>
> "Inclosed please find copy of the Underwood cotton bill, which is now before the House. I wish you would have a talk with a number of your friends—both manufacturers and workers—as early as possible and advise me as to how they regard the proposed measure. In such matters I feel that as their Representative in Congress I should be governed by the wishes of the people, and so if those who know the textile business better than I do declare that the bill would be injurious to the textile industries, I will not only vote against it but, regardless of my personal opinion, do whatever is in my power in opposition to its passage."
>
> In answer to that letter I received this morning a telegram which reads: "Vote for Underwood bill; instructions from Upholstery Weavers, No. 25."
>
> Having received this request from faithful representatives of the operatives in the cotton mills of my district, and having received no contrary word from anyone in that district, I will gladly vote in favor of the bill.

This, then, was "the head and front of my offending." I requested an intelligent American mechanic to consult his friends, "both manufacturers and workers," and to advise me as to their wishes regarding a pending measure which I felt was of

interest to them. Had the telegram brought me the request to vote against the bill I would have done so. Would this have been unsatisfactory to Mr. Shaw?

Former Secretary Shaw may be right when he says that the Congressman who accepts the opinion of a workingman is worth only $1.50 per day. Is that Mr. Shaw's estimate of the value of a skilled mechanic in the textile industry in Kensington? If so, I want to say here and now, and with all the earnestness of which I am capable, that such is not my estimate of the value of any skilled mechanic or any workingman in my district. I know that during the past three or four years the mill operatives have not made full time, and that they have not had even moderate incomes; but I will say to-day, what I said before I was elected a Member of this House, that if my wish could accomplish it there would not be an idle mill nor an idle man in all that great industrial center, and that my earnest hope is that I may be able to render such service here as will tend to lighten the burden and better the lot of every worker everywhere. [Applause.]

But Mr. Shaw knows nothing about Kensington workingmen. He certainly knows nothing about the man to whom he referred in his recent address. I admit—and I am not ashamed to say it—that many operatives in the textile mills know more about the textile industry than I do. And the same holds good in other lines of industry as well. And why not? An intelligent mechanic who has spent 10 or 15 years in his trade, who has made a life study of conditions affecting it, and who depends upon it for his livelihood, should, and, as a matter of fact, does, know more about it in all its phases than even the average high-toned, glib-tongued, after-dinner doctrinaire. And whatever be the shortcomings or limitations of such mechanic few will deny that he is more vitally interested in the prosperity and general betterment of his particular industry than the man who estimates the value of his services at $1.50 per day.

As a striking illustration of his concern for the American workingman, and for the legitimate manufacturer, I quote from a recent prospectus of the American Fiber Reed Co., of which Mr. Shaw is, or was until recently, chairman of the board of directors:

> The American Fiber Reed Co. manufactures fiber and reed furniture with prison labor. Its factories are located inside prison walls and it has at the present time 800 prisoners under contract in Maine, Illinois, and Kentucky. * * * Prison contracts are usually made for eight years and generally continue indefinitely. * * * This company pays for its labor 52 cents per man per day; its competitors, who employ free labor, pay an average wage of about $2 per day. * * * There are no strikes or labor troubles in prisons. * * * These are ideal conditions for profitable manufacturing.

Those whose chief interest is in the great combinations of capital have little concern for the plain people. Everything, it seems, must give way to that which best insures big dividends, and, hence, those vast aggregations of capital whose baneful influence on our industrial life is felt at every turn. The independent manufacturer, squeezed for higher prices of trust-controlled raw materials, finds it more and more difficult to meet competition, and yet has no redress. The mills that form part of the consolidation of interests are operated or closed as the new policy may warrant without consideration for the employees or the people of the locality in which those mills are located. In this way the normal trade of districts is subject to fluctuations and contingencies that, year after year, make it more difficult for the local storekeeper to exist. And thus are the independent manufacturer, the dealer, the mechanic, and the laborer all hurt in turn by the system of which vast wealth is the center and inordinate greed the cohesive force.

While such men are ever alert to the needs of timid capital their chief concern about labor appears to be in seeing that it shall not be overpaid at the expense of big dividends and that those who consult intelligent mechanics on matters of legislation shall be branded as cheap Representatives. And yet these, or such as these, are the ones who will appear on the stump next fall professing their deep interest in and trying to fool again those whose votes they need to continue and, if possible, increase the sway of the system.

I would ask, in passing, what per diem value Mr. Shaw would place on the Congressman who would consult on matters of moment such great financiers as himself or Mr. Morgan or Mr. Rockefeller? Would he be worth, say, a million dollars per month, which is said to be the income of some of these worthy men?

Never—

Says Mr. Shaw—

> has there been such a cowardly body of men in Congress as there is to-day.

And Mr. Shaw finds proof sufficient for himself in the fact that some of the Members of this body have fallen so low as to accept suggestions from American mechanics. It would seem as if Mr. Shaw's lofty idea of courageous statesmanship is personified in the Congressman who, not deigning to listen to a representative of the toiling masses, takes his orders from a big political boss or a corrupt machine whose power is founded on intimidation, bribery, and other forms of election fraud.

In spite of a powerful machine the intelligent people of my district sent me here, and until those people change their mind they will be represented in Congress by one who will be glad to consult them on matters of legislation affecting their material interests. [Applause.]

Mr. SAMUEL W. SMITH. Mr. Chairman, once more our Democratic friends, being clothed with authority in the House of Representatives, are bent upon favoring foreign capital, foreign labor, and the foreign farmer to the injury of American capital, American labor, and the American farmer, as is clearly shown by this bill placing sugar on the free list.

I do not favor this bill, and such is the attitude of Republicans generally, and this feeling is shared by many Democrats, and the method of its creation is also criticized, as is shown by the statement of Hon. ROBERT F. BROUSSARD, in the Washington Post, of March 1:

"Representative BROUSSARD, of Louisiana, after attempting to find out directly from Mr. UNDERWOOD what the report would be, issued a statement attacking the Ways and Means Committee for the secrecy.

"'The secret caucus—the dark-room operations—the blindman's buff method of legislation,' said Representative BROUSSARD, 'will not answer modern thought on matters affecting the public welfare. I fail to see the force of this. If a man is doing a right thing he should invite criticism. This is legislation by caucus, with every Member blindfolded. I informed Mr. UNDERWOOD that that system of legislating would not do. I, for one, will not stand for it. The people of the country have a right to know what is going on here.'"

This able and distinguished Democrat has been elected to the House of Representatives eight times, and at the coming session of the general assembly of his State he will be elected to the Senate for six years, beginning March 4, 1915.

Mr. BROUSSARD is correct. During this Congress, so far, our opponents have been legislating by caucus; so much so that many of their Members are bound to such an extent by the caucus that they dare not express their own views upon many questions affecting the public welfare.

Is there any wonder that only 5 hours and 40 minutes general debate was allowed on this bill; one of the most important that will be introduced in this Congress, of which the Republicans had only 2 hours and 20 minutes; a bill which will cause a loss of revenue annually in round numbers of $55,000,000 and a loss of practically $10,000,000 for every hour of general discussion.

It seems a shame that any party should feel called upon to legislate so as to destroy the leading industry and one which for years has been encouraged both by the Republican and Democratic Parties, in a State in which there is invested in round numbers $120,000,000, producing an annual crop worth approximately $30,000,000 and employing 60,000 laborers, but the Democratic Party is repeating, in part, the legislation which brought about the dreadful conditions from 1893 to 1897. To be consistent they should put wool on the free list, but they dare not do it, fearing the further wrath and indignation of the farmer.

ALWAYS A SUGAR DUTY.

The first tariff bill, before sugar was ever made in this country, levied a sugar duty, and in all recent years has furnished millions of revenue, varying from fifty millions or more, toward the support of the Government. What a contrast this Democratic House presents as to sugar as compared to every other Congress since the foundation of the Government, ever bearing in mind that the Government has been levying duties on sugar for 123 years.

At a great mass meeting held in New Orleans March 12 the attempt of the committee to place sugar on the free list was severely denounced. The meeting was composed of men of all political parties—Republicans and Democrats, laborers, sugar planters, and men engaged in the manufacture of sugar machinery. It was a notable gathering of the financial, business, professional, political, and laboring interests of the State. It was shown at this meeting that the destruction of the sugar industry would involve a loss of 1,000,000 tons, worth $100,000,000, annually to the world's supply, and as a result necessitate the importation of additional sugars into the United States, and that ultimately the price of sugar would be raised to increase the profits of the refiners, and as a further result it must be evident that when the refiners, only six in number, are able to control the market the consumer will not be bene-

fited, as the claim is made by many, but, upon the contrary, the price to the consumer will be increased.

At this meeting Mr. H. N. Pharr, one of the leading sugar men of the State, is quoted in the Daily Picayune of March 13 as saying:

"History is about to repeat itself in the sugar industry. In 1894 there assembled in New Orleans a convention of a large and representative body of citizens of Louisiana interested in the welfare of the sugar industry. There had been an upheaval of parties, and that party to which Louisiana had always yielded allegiance had been intrusted with the affairs of the Government. There was agitation for tariff reduction, and sugar was made the target. The bounty on sugar that had been established was considered by Louisiana and the beet-sugar people binding as a contract at least for 15 years. The industry in Louisiana had nearly doubled in the time that the bounty had been in force, but the bounty was annulled and a tariff of 40 per cent placed on sugar. The convention in this city protested against that action. There were many present who are here now, and they remember of scenes and the gloomy conditions that succeeded the passage of the Wilson bill. Thousands of tons of cane were left in the fields because it did not pay to handle it, and many mills were closed, never to open again; properties changed hands or were mortgaged.

"There was political confusion and chaos in the State. Lifelong connections were severed, and there came near being fraternal strife, and the State was shaken to the center.

"After 18 years we meet again to oppose an act which, if passed and allowed to become a law, will cause the conditions of 1896 to pale in importance. Sugar is to be placed on the free list by that act. It seems especially unfortunate that men of our neighboring States lead in the movement—UNDERWOOD of Alabama and HARDWICK of Georgia."

Mr. Pharr said that he did not speak as a politicial partisan, and those who remembered him in the place he occupied as a man without party would not accuse him of it. He said that the act was neither Democratic nor protectionist and sacrificed the domestic sugar industry ostensibly for the benefit of the laborer but really for the American Sugar Refining Co., which would get the most benefit. He said that, laying aside tariff features, he believed that the majority of the American people would agreet that the committee at Washington had shown a lack of statesmanship in destroying an industry in which $300,000,000 or $400,000,000 is invested.

It was being condemned by the press all over the country and should be denounced as buncombe of the most detestable kind, as the Democrats advocating it expect the President to veto the bill and are merely doing it for political capital.

If the Government for years fosters an industry and then at once withdraws its support, the rankest free trader would recoil from such vandalism. The speaker said he thought that Cox's army marching on Washington and the financial depression of those times would not be forgotten, but the present committee in its egotism has forgotten it.

Mr. Pharr said that the Underwood bill, if it did all that it was claimed it could, would do it at a dreadful price to Louisiana, Texas, and the West. It would result in destroying $50,000,000 of interstate trade, $100,000,000 of foreign trade, take away $53,000,000 of internal revenue, and, worst of all, would compel the Nation to depend on foreign nations for sugar in peace and war, and would perpetuate monopoly and enable the Sugar Trust to fix prices as it pleased. How any sane man, seeing the two sides of the ledger, could strike a balance for free trade I can not understand.

The only argument is the cost to the wage earner. That reduction would be temporary—only long enough to destroy the local sugar industry—and then the prices would resume their level or go higher. The result to the wage earner would be negligible, and what would free sugar mean to Louisiana? It would mean that 30,000 wage earners and 150,000 other people would be out of work, and the loss in the beet country in the West would be greater. The loss of employment would more than double this in the grinding season, and a half million people in New Orleans and Louisiana would be seriously crippled and many bankrupted. A million acres of land would be placed on the market and break down prices. It would stop reclamation and stop the large immigration that is coming into the State. The financial panic would cause others to pale into insignificance. It would result in reducing population and setting back the progress of the State 25 years.

What is taken for the cultivation of the soil, for machinery, and factory supplies from the other parts of the country would be wiped out, and the farms would have to be planted in cotton, corn, hay, truck, and so forth, to compete with the overstocked market.

Every man, woman, and child in south Louisiana would be seriously affected and almost every important industry in the United States would suffer. Every intelligent man knows that it is absurd to say that free sugar will not destroy the manufacture of sugar in Louisiana.

They claim that it will reduce the price 1½ cents, and we know that the refiner and grocer will have their profit, and with 4 cents as the price for the last 10 years, taking off 1½, it will leave 2½, or a reduction of not less than 1 to 1¼ cents in Louisiana. The result is so simple that I marvel that an intelligent man could sign such a document.

Mr. Parr said he wished to emphasize, what was admitted, that the sugar ringers had spent $12,000 creating sentiment for free sugar; they wish to crush domestic sugar, as it is a dangerous competitor, and its destruction would enable the trust to increase on its investment.

Mr. R. E. Lee, former labor commissioner of Louisiana, is quoted in the same paper as saying that he spoke from the standpoint of a laboring man solely and only. He said as a workingman to workingmen, that they do not object to being legislated out of a political job, but that they do object to being legislated out of a living.

If this free-trade bill passes, said Mr. Lee, I say that every workingman will be reduced to the point of starvation within two weeks after it becomes a law.

He declared that free trade in operation means rust and decay, and that honest protection means prosperity and happiness.

If they want to establish free trade, why do not they tear down the immigration laws, queried Mr. Lee, and let the cheap labor come in with the free goods?

IMMIGRATION AND PROTECTION LAWS GO HAND IN HAND.

He referred to the Mills bill under the first administration of President Cleveland, and said that under the bill he had his first experience with free trade. He said he walked the streets of New Orleans for six months without a job, and that the people who know him know that he is a skillful mechanic. He pointed out that under the operation of the Wilson bill there were millions of unemployed, and that this country can not live under free trade.

FIVE HUNDRED YEARS OF PROTECTION IN ENGLAND.

When they try to foist a free-trade bill in this country, said Mr. Lee, let them remember that England gave 500 years of protection before the free-trade laws of that nation were enacted. He pointed out that the average industry in America is but 66 years old, and that even now prominent English statesmen are advocating a protective policy for England for the betterment of the laboring classes of the country.

FREE SUGAR AND RAW MATERIAL MEAN UTTER DAMNATION IN LOUISIANA.

Mr. James W. Porch is quoted in the same paper as saying, "Free sugar and raw material mean utter damnation," and explained how jute bagging was saved by President Taft vetoing the bill that had passed both Houses. I tell you this is un-American and against our institutions—something we can not tolerate, nor will we stand it. He showed the error of trying to put the United States on the level with the Mexicans and advocating keeping up conditions in this country. The reason why the United States surpasses other countries is that it has protected its industries and believes in the intelligent masses and not the intelligent few. There is no country that has felt direct taxation less than here, and there is no more ideal way of getting revenue than by the slight tax on sugar. He spoke of the enrichment of the refineries that would follow and of the fight of the people to save themselves from the legislators. The country is not in a position to experiment.

The foreign steamship agents would control the importation of sugar and would send it when they chose, and the refineries would own ships and manipulate the trade as they chose.

The business could be so developed here that the country could export sugar. Mr. Porch said it was reported that UNDERWOOD wanted to make Birmingham the steel center of the world. God save us from such statesmen.

He said that the saving feature was that there was a sane man in the President's chair who will put across the bill the stamp of disapproval, as he saved the jute industry.

Other distinguished and eloquent men addressed the meeting, and all condemned in severe terms the placing of sugar on the free list.

While those engaged in the sugar business are familiar with the following facts, the general public are not. The present rates of duty are, viz:

On refined sugar, $1.90 per 100 pounds.
On raw sugar of 96°, $1.68½ per 100 pounds.
On raw sugar from Cuba (20 per cent less), $1.35 per 100 pounds.

Refined sugar is not imported.

The world's production and consumption of sugar are about 16,000,000 tons, nearly evenly balanced, as you will see.

The annual consumption in the United States is 3,500,000 tons, derived from the following sources:

	Tons.
Raw cane, duty paying, chiefly from Cuba	1,800,000
Raw cane, domestic, from Porto Rico	300,000
Raw cane, domestic, from Louisiana	300,000
Raw cane, domestic, Hawaiian Islands	500,000
Total cane sugar	2,900,000
Beet sugar produced in the United States	600,000
Total	3,500,000

From the above figures you will see that about one-half of the consumption is produced in the United States and her colonies, but Porto Rico, Louisiana, and the Hawaiian Islands have practically reached the limit of their productive capacity, but not so in the United States, for there is a great undeveloped acreage that can be utilized for the raising of sugar beets sufficient to supply every pound of sugar that can be consumed in the United States, and I believe we can yet export sugar with a profit even after reducing the present price to the consumer, and, in a word, this is to be done by the expansion of the sugar-beet industry, but it can not and will not be done so long as our Democratic opponents insist upon tinkering with the tariff.

What we must try to do, and will do, is to produce the 1,800,000 tons of sugar which are now purchased in foreign countries and enough more for our increasing population.

The output of beet sugar in the United States in 1890 was 2,203 tons. In 1897 it was 45,000 tons, and in 1911, 600,000 tons, which is about one-sixth of the Nation's consumption—3,500,000 tons.

Who is there beside our Democratic opponents that wants to destroy the cane and sugar-beet industry in the United States? I will tell you. The refiners of sugar, six in number, located at New York, Philadelphia, Baltimore, Brooklyn, San Francisco, and New Orleans. And why do they want to destroy the sugar-beet industry? Because the refiners import the raw sugar and refine it and want to control the whole, not a part, of the splendid sugar market of the United States, for we are the greatest sugar-consuming country in the world, using about one-fifth of the world's entire output of sugar.

They raise sugar beets in Germany and other countries in Europe. The reports from the Department of Agriculture in Washington will convince anyone that the soil and climatic conditions necessary to the production of beet sugar in the United States are equal to the best districts in Europe.

I read an article a short time ago to the effect that the reports from the Department of Agriculture show that there is enough land in the United States adapted to beet culture to produce as much sugar in one year as the entire world has consumed since the birth of Christ. I believe this is so, for I believe that we are just beginning to learn about the raising of sugar beets and the lands that are adapted to the same. Where are these lands referred to? They are located in Michigan, Iowa, Wisconsin, Minnesota, Colorado, Utah, California, and other States, 16 in all, that we know about. I believe that in the State of Michigan alone we have available sugar-beet lands sufficient to raise every pound of sugar that is consumed in the United States. The honorable Secretary of Agriculture, James Wilson, has said more than once that there were sufficient lands for this purpose in Iowa and that the farmer ought to raise double the tons per acre that he is now doing, and no doubt as he becomes more familiar and understands better about the production of sugar beets that such will be the case.

I was agreeably pleased and astonished to be told a short time ago by Mr. George McCormick, superintendent of the sugar-beet factory at Menominee, Mich., that the best sugar beets in this country were raised in the Upper Peninsula of Michigan, and that if one-half of the available sugar-beet lands in the upper peninsular could be used for raising beets it would supply all the sugar each year that is needed in this country. What a field for sugar-beet factories!

The truth of this fact is further apparent when we consider that the amount of land devoted to beets in Germany any one year is only 10 per cent greater than the area of my own county—Oakland, in the State of Michigan—and that Germany on such an area produces in any one year two-thirds as much sugar as the United States consumes.

At a recent interview which I had with Dr. Orr, of the Agricultural Department, who spent last summer in the sugar-beet fields of Germany, he told me that the German farmer did not raise sugar beets so much for the profits from the beets as to improve and prepare the soil for the crops which were to follow. That is not the rule in this country at this time, so far as I am acquainted; but, on the other hand, the farmer is raising beets primarily for the profit which is in the beets, and the preparation of the soil for the coming crop is secondary.

We must bear in mind that although the sugar-beet industry is yet an infant one in this country, thousands of people who have been trained in the beet fields of Europe have come to this country to make a home. Many of them have settled in the city. Many of them gladly avail themselves of the opportunity to go into our beet fields and have proven the most valuable help that the farmers can get in raising beets, and in many cases have been able to secure these laborers for the balance of the year in doing other work upon the farm. In these days when there are so many abandoned farms, largely because the farmer is unable to secure the necessary help, is it not better to encourage these people to become tillers of the soil, either as laborers for others or in their own right as owners of farms, rather than to remain in congested centers of population?

WAGES.

I want to call your attention to the matter of wages. "The lowest wages paid in the beet-sugar factories of the United States for common laborers, such as sweepers, loaders, and so forth, is $2.10 per day. The average rate of wages in these American factories is between $2.40 and $2.50 per day. In other words, the wage rate in the American beet-sugar factories is more than three times as great as in the European beet-sugar factories.

In a word, it will be readily seen that we have not only the proper soil and climatic conditions for producing our own sugar, but we have the workmen skilled in raising the beets and an abundance of capital right at home to build the necessary factories for producing all the sugar that can be consumed in this country, and I again want to assert, without fear of successful contradiction, that by reasonable encouragement the price of sugar can be reduced to the consumer and the United States become an exporter of the same.

PROTECTIVE TARIFF.

Now, "the necessity for a protective tariff to build up the domestic beet-sugar industry is apparent from the fact that the Michigan manufacturer of sugar pays the farmer 2½ cents per pound for all the sugar he is able to extract from the beets delivered by the farmer to the factory; that is, when the farmer delivers his beets to the factory he receives for them the equivalent of 2½ cents for each pound of sugar the factory is able to extract from those beets."

This is more than the average price of the European raw sugar laid down in bond in New York for the 10 years preceding January 1, 1911.

Now, again, "if the American manufacturer of beet sugar is to compete with European sugar without the protection of the tariff, it must be apparent that the farmer must sell his beets at not to exceed two-thirds the price he now receives for them, and the workmen in the factories must work for European wages.

"In Michigan alone there are now 30,000 farmers raising beets for the 17 factories in this State. It is needless to say that they will not raise these beets unless they can make money in so doing. It is true that they can turn their attention to some other lines of agriculture less profitable to them than the present beet crop, but the farmer is constantly being urged to diversify his crop.

"Such being the case, the beet-sugar factories would have nothing to do, and the investors in those factories would lose the $70,000,000 now invested in the sugar-beet factories of the United States. This fact accounts for the manufacturer's interest in the tariff on sugar.

"There are in the United States 71 sugar-beet factories, producing in round numbers 600,000 tons of beet sugar per year, or, practically speaking, about one-fifth of all the sugar consumed in the United States."

Those who are familiar with the development of the sugar-beet industry in Michigan know that as a result of the establishment of this industry farm values have increased in the beet-sugar districts manyfold. I am able to speak advisedly when I say that I know that lands which I could have purchased 16 years ago in Huron County, Mich., for $10 per acre are now selling for from $100 to $125 and $150 per acre, and those who pay these prices are reaping a fine reward for their investment in using these lands for the raising of sugar beets.

The fertility of the soil is being improved, and the farmer is raising better crops of all kinds than before this industry was established. Farm buildings are being improved and many new ones built. In the last two campaigns throughout my district it was a matter of daily comment that so many new, large red barns were being built, owing to the prosperous condition of the farmer. Farm mortgages are being paid, and in the

sugar-beet district, where the industry has been carried on, it is the exception to find a farmer with a mortgage on his farm, and it is becoming the exception to find the farmer who is extensively engaged in the sugar-beet industry not to find him owning at least one automobile, or abundantly able to do so if he desired. In a word, a general air of prosperity exists from the fact that the farmers are being paid by the Michigan factories in Michigan $8,000,000 annually or more for their beets.

FOUR HUNDRED BEET-SUGAR FACTORIES.

To produce in this country all the sugar that is needed would mean the erection of at least 400 beet-sugar factories in the Eastern, Central, Southern, and Western States, requiring an outlay of $400,000,000.

If this industry can be properly encouraged, the interior of the country would be improved as conditions have improved in Michigan, and the beneficent blessings of the industry would be distributed throughout the whole country.

If it were not for the present agitation to put sugar on the free list, I am informed that this year there would have been eight more beet-sugar factories built east and nine west of the Mississippi River.

Our Democratic opponents are forever talking about destroying the trusts. I want to suggest, first, that it would be better to regulate them, but if they sincerely desire to destroy the Sugar Trust, let them join with the Republicans in encouraging the building of a sugar mill in every congressional district throughout the Union, wherever there are sufficient lands to warrant the building of a mill to manufacture either cane or beet sugar, and the Sugar Trust will be a thing of the past.

Destroy the cane and beet sugar industries in this country and how easy it will be for the six refineries to combine and control the price of sugar, and who is there so dense that can not see it?

Let me plead with you Democrats that you do not persist in destroying the cane-sugar industry in Louisiana and Texas and the beet-sugar industry in Michigan and other States. We have 17 factories in Michigan, built at a cost of many millions of dollars, and more will be built if the industry can be encouraged. It affords employment for many laborers in the field and in the factory at splendid wages. More than 30,000 farmers in Michigan are engaged in raising sugar beets, and they have expended many thousands of dollars in purchasing machinery adapted to this work, which would be practically of no value for any other purpose. Why not by your legislation seem to appreciate the needs of this country, and by so doing encourage as rapidly as possible the building of enough sugar factories to produce not only all the sugar that we consume in this country, but let us as we can become exporters of the same?

FREE SUGAR V. FREE WOOL.

Of course you will be consistent and put wool on the free list, as you have sugar. At the extraordinary session of this Congress you advocated a duty on wool for revenue purposes only. Wool produces, in round numbers, an annual revenue of $21,000,000; sugar fifty-odd millions. You have sought to make up the deficiency in the case of sugar by an income tax. By the same course of reasoning, why not increase the income tax and make up for the $21,000,000 to be lost on wool? When the campaign is on, you will be telling the voter how necessary it is for him to have cheap blankets and cheap winter clothing. Now is your opportunity to practice what you preach and give it to him. Free sugar and free wool go hand in hand.

Mr. UNDERWOOD. Mr. Speaker, I desire to state to members of the committee that I have come to an understanding with the gentleman from Illinois [Mr. MANN] that we will agree to a general leave to print when we get back into the House. It will be unnecessary to ask for any extension of time, as when we get back in the House I will ask for general leave to print for five legislative days.

Mr. WEDEMEYER. Mr. Chairman, California, Colorado, and Michigan are neck and neck in the race for first place in the beet-sugar production of the United States.

In my own district many farmers are engaged in raising beets for the factory located at Blissfield, in Lenawee County, one of the greatest agricultural counties in the entire country, as well as for other factories within Michigan, among them those of Lansing, Owosso, and Mount Clemens, and also for those Ohio factories just over the line in Ohio at Fremont, Paulding, and Toledo.

The beet-sugar business gives employment to many men in my own district and State. It is estimated that 34,000 Michigan farmers raise sugar beets, about 2,000 for every factory. Sugar-beet raising has increased the value of much farm land, not only in counties of my own district but throughout the State, and has come to be an important business in Michigan. Then, too, the 17 Michigan factories employ an average of 350 men each during the active season.

So much for the producer and manufacturer.

Now, as to the consumer. When sugar was especially high last summer it was the domestic crop, the beet-sugar crop, that reduced the price about 2 cents a pound. In fact, this domestic beet-sugar production, being all refined sugar, furnishes the only competition to the output of the refiners themselves. Without the beet-sugar competition the people have absolutely no shield against the refiners' monopoly.

In view of the advantage, then, of beet-sugar production to the consumer as well as to the producer, I am utterly at a loss to understand this proposed legislation. And when I look over the history of the country in this regard, I am still more at a loss.

The first Congress that met under the Constitution in 1789 placed a duty on sugar. If at any time since then sugar has been on the free list, a careful search of the statutes has failed to reveal the fact to me. The nearest approach to free sugar was under the McKinley bill, when refined sugar paid a duty of half a cent per pound, and the interest of the domestic producers—at that time almost exclusively located in Louisiana—was guarded by a bounty of 2 cents per pound. The Walker tariff of 1846, always pointed to as the model Democratic tariff, placed a 30 per cent ad valorem duty on sugar, while the Wilson bill of 1894 made the ad valorem rate 40 per cent.

Nor is the United States alone in adopting this policy. Every civilized nation in the world maintains a duty on sugar. Even free-trade England, which does not produce a pound of sugar, places a duty of about 40 cents per hundred pounds on this commodity. The great sugar-producing countries in Europe maintain a higher duty on sugar than does the United States. Every important beet-sugar producing country in the world has a higher rate of duty on sugar than we now have.

Why this reversal of a governmental policy we have followed for over a hundred years? Why this abandonment of the precedent established by the civilized world? Is the wisdom of the gentlemen constituting the present Ways and Means Committee greater than that of all the Ways and Means Committees that have preceded them? Will you, on the other side of this Chamber, disregard the advice of such Democrats as Alexander J. Dallas, Daniel Manning, and John G. Carlisle in order that you may sit at the feet of the gentlemen who have framed this new fiscal policy? Is your wisdom so keen, your acumen so sure, your wisdom so profound that you can build more surely the foundation of national prosperity than did Bismarck, for example, who, by high tariff legislation, built up the great beet-sugar industry in Germany under natural conditions not anywhere near as favorable as those in this country?

No! The answer is not here. To such claims you make no pretense. You have not the slightest expectation that this bill will ever become a law. No responsibility attaches to the introduction of this measure. If such responsibility did follow, this measure would probably not be here. Even as it is, the opposition to it, down in the hearts of many of the Members on the other side, is so bitter that I have no doubt enough would gladly break away to defeat it if it were not for the lash of the party caucus. If you really thought this would become a law, you would not lightly wipe out $53,000,000 of sure revenue with the probability, nay, the moral certainty, that very little, if any, ultimately, of the remitted duty will go to the benefit of the consumer.

The real reason why this free-sugar bill has been brought forth is the fact that a general election is to be held next November.

"Free sugar" is to be a campaign watchword. It is to be used in loud grand-stand oratory about lowering the cost of living. I freely admit that for a time, until effective competition is destroyed, the refiners might possibly, for their own selfish purposes, make a temporary reduction in the cost of sugar, only to recoup many times over as soon as they have secured control of the market. In the end there will be no reduction whatever—simply the destruction of a great industry giving employment to tens of thousands of men all over the country. With beet sugar removed as a competitor the refiners would have the field to themselves. The beet-sugar industry once destroyed is not easily revived, because of the length of time it takes to raise a crop and manufacture sugar.

For six months a congressional committee has been investigating the sugar industry of the United States. Three weeks ago they submitted a unanimous report to the House wherein they find that there is a Sugar Trust, against which they lay 21 distinct counts for violations of the laws of the land, and for these violations the Government is now seeking to dissolve that trust.

An analysis of the Hardwick committee report, on pages 14 and 15, discloses the fact that only about 12 per cent of the refining business in the United States is in the hands of companies conclusively shown to be independents. That leaves about 88 per cent of the refining business to the trust.

Legislation beneficial to the refining interests and detrimental to their competitors necessarily assists the Sugar Trust more than $7 to every $1 that it helps the independent refiners.

In that most remarkable report which the majority members of the Ways and Means Committee make upon this free-sugar bill we are now considering they say:

> The refining interest is the most important factor connected with sugar manufacturing in the United States. Therefore the industrial position of refining requires primary consideration.

Now, as about 88 per cent of the refining industry of the country is undoubtedly controlled by the Sugar Trust, this declaration of policy means but one thing, namely, that the interests of the Sugar Trust are considered of primary importance by the Democratic Party in framing a sugar tariff. We have long wondered who it is that wears the mask with which the Sugar Trust decorates the copyrighted trade-mark on its most attractive brand—the Crystal Domino. Can it be possible that it is dear old Miss Democracy? Who would have thought two years ago, when the newspapers were filled with the revelations of the "case with the 17 holes," when the officers and employees of the Sugar Trust were being tried and convicted for stealing from the National Government, that in order to win votes in the coming election any party would dare declare that the interest of the Sugar Trust requires primary consideration in framing a sugar tariff?

This is no idle claim of those on the other side of the aisle. They are acting in accordance with this avowed policy. Three weeks ago you passed a chemical bill taking bone black from a schedule where it pays 25 per cent ad valorem duty and placed it on the free list. This material is one of the principal items of expense in refining sugar and practically no one uses it except the refiners. To-day you would pass a bill which places raw sugar on the free list and thereby relieve these same refiners from paying $53,000,000 annually into the National Treasury. If these refiners give the consumer the benefit of every dollar of the tariff removed, you have saved the refiner $1,000,000 a year in interest charges and cost of bone black. Remember that 88 per cent of this saving goes into the coffers of the Sugar Trust. If the refiners do not permanently give to the consumer the full benefit of the tariff removal, and no one believes they will, then 88 per cent of the amount thus retained by the refiners also goes into the coffers of the Sugar Trust.

Nor does the subserviency to the Sugar Trust stop here.

In the first two lines on page 5 of the majority report of the Ways and Means Committee it is plainly admitted that our domestic beet sugar offers the only competition to the refining industry. It is practically the only sugar in the United States that does not pay tribute to the refining industry, 88 per cent of which is controlled by the Sugar Trust. On the first page of this same report the committee states that during the decade ending with 1909 the number of our beet factories increased 117 per cent, the quantity of beets used increased 399 per cent, and the value of the products increased almost 700 per cent. Our domestic beet crop now constitutes our greatest source of supply other than Cuba. Here lies the real trouble. The Democratic majority cite this wonderful development of domestic beet sugar, not as a cause for congratulation but as a cause for alarm. They called before the Hardwick committee every leading refiner in the United States.

These men testified under oath as to the keenness of the competition given them by the domestic beet sugar and unanimously demanded that the duty on sugar be greatly lowered or removed entirely to check the growth of the domestic industry or destroy it completely. The Democratic Party not only listened to this proposal, but acceded to the demand of the most radical of these refiners, and their committee now reports a bill, the first of its kind in the history of the United States, in which all kinds of sugar are placed on the free list. That this bill will accomplish the end sought is freely admitted by the committee framing the measure. On page 5 of their report they give the cost of producing refined sugar in Germany as $2.415 per 100 pounds, and on the top of the next page the cost of producing domestic beet sugar as $3.54 per 100 pounds. As the freight from Europe to New York is only 12 cents per 100 pounds, it follows inevitably that the European manufacturer could make 1 cent per pound on his sugar and still sell it at the price it costs our manufacturer to produce this commodity. The European sugar producer will close our factories and then the refiners who plainly told the Hardwick committee that they were not afraid of world competition under free sugar will have an absolute monopoly in the United States. And of this refining monopoly the Sugar Trust controls 88 per cent. That which the Sugar Trust obtained by a warfare as ruthless as any waged by a robber baron of the sixteenth century, the Democratic Party would maintain unto them even to the third and fourth generation more effectually than by the law of primogeniture and entail.

Search the pages of our history and you will not find such another abject surrender to the grasping power of a monopoly. The Democratic Party, which proclaims from the housetops that it is the friend of the masses and believes in competition, says to the thousands of planters raising cane in the South, to the thousands of farmers raising beets in the North, to the thousands of workmen employed in the sugar factories of the South and the sugar factories of the North, you must give up your occupation and enter other employment unless you are willing to accept the compensation paid for similar effort in Java and Cuba and Europe. It says to the men who have invested $100,000,000 in the domestic beet-sugar industry and to the men who have invested a similar amount in the domestic cane industry, you must close these factories and abandon these fields. It says to the people of Porto Rico and Hawaii and the Philippines, we will reverse our government policy toward you and deprive you of your greatest source of prosperity. It says to Cuba, we will repudiate our treaty obligations and destroy your preferential market. It says to the economist, it is better to nurture an industry which spends $1 at home and $6 abroad, rather than one that spends $7 at home and none abroad, in producing the same commodity. It says to the historian, we disregard the wisdom of all the statesmen, Democratic and Republican, who have framed our fiscal policy during the 123 years of our national life. It says to the civilized nations of the world, we have a keener insight and a truer understanding of the principles of national prosperity than have you. All this our political opponents now say—and why? Because their leaders have listened in awe to the refiners—to Messrs. Spreckels, and Lowry, and Post, and Heike, and Arbuckle, and Gilmore, and Jamison, and Atkins, and have learned that the industrial position of the Sugar Trust requires primary consideration in framing a sugar tariff.

Gentlemen, I congratulate you. The Democratic donkey and the Sugar Trust will make a great team to haul any presidential band wagon.

In closing, let me say that very little, if anything, that might be called a general demand, has come to me from my district for any such legislation. It is true there have been some petitions on the yellow printed sheets so familiar to every Member. These sheets, I believe it is well understood, were circulated in the alleged interest of the consumer by a direct representative of the refiners. You all know the testimony.

From my old home section, from the country neighborhood where I was brought up, there came to me a resolution, which I desire to read:

> Whereas a revenue is necessary to successfully carry on the Government, we, the members of the Lafayette Grange, residents of the village of Chelsea, and of Lima, Sylvan, and Sharon Townships, politically, Republicans and Democrats, do protest against the lowering of the tariff on anything raised, produced, or manufactured in this country that under the present law brings in a revenue to the Government.
>
> Believing that to lower such duties would be to lower the earning ability of our citizens that earn their living with their hands, whether they reside in the city or on country farm.

This resolution just read is the answer of these constituents of mine to the blank petition sent to them for signature by the committee of wholesale grocers. How familiar that sounds in connection with the name of Lowry.

A very intelligent letter from one of my prominent constituents states that in my own district there is owned $15,000,000 worth of real estate in sugar-beet land; that this industry has increased the value of large tracts of land, and that to disturb the tariff would destroy this important branch of agriculture and manufacture.

Beyond this, it would leave the consumer absolutely at the mercy of the refiner—absolutely at the mercy of the Sugar Trust—as already indicated. It would destroy one of the greatest sources of revenue, and for all these reasons it seems utterly impossible to figure out any ground on which a representative of the American people can base his support of this bill. [Applause.]

Mr. CANNON. Mr. Speaker, I make the pro forma amendment for the purpose of saying a word in five minutes. I am against this bill. It is true that in 1890 I voted for free sugar; but at the same time I voted for a bounty of 2 cents a pound on all American-produced sugar. [Applause.] We did not need the revenue from sugar at that time. In 1888, if I recollect right, $160,000,000 of the national debt was retired and paid. Revenues were coming in at the rate of a hundred millions surplus a year, and our friends, the enemy, attacked us, saying that we were growing extravagant and collecting too

much revenue. It is true that we were collecting too much, and we put sugar on the free list under those conditions, leaving ample revenue to carry on the Government and at the same time giving protection to the American industry. Under similar conditions I would cast a similar vote. Now, when we need the revenue, not getting a large overplus, you propose to dispense with nearly $60,000,000 of revenue. You do not propose any protection to the American industry. We Republicans stand for protection, whether we grow cane sugar, as they do in Louisiana, or beet sugar, as they do in Michigan, Wisconsin, Utah, California, and elsewhere. [Applause.] We stand for the protective policy for every practical American industry. Having but barely scratched this country with 90,000,000 people, to be multiplied many times in the coming generations, we would utilize American labor and promote American production from the broad standpoint of the whole 90,000,000 people instead of dividing into squads, and protecting rice because we happen to grow rice, but letting everything else that we do not happen to grow go to the devil. We consume one-fourth of the world's product of sugar.

Mr. HARDWICK. One-fifth.

Mr. CANNON. One-fifth, the gentleman says. Perhaps he is more nearly correct than I. I am speaking in general terms. We produce in the United States and our dependencies and colonies one-half of all that we consume. You put it on the free list. You say you do this to relieve the consumer. By putting it upon the free list without bounty you kill the industry. I wonder how much longer Louisiana will kiss the hand that smites her. I shall not vote to smite you. You are part and parcel of the country. So with the beet producers. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. UNDERWOOD. Mr. Chairman, I ask unanimous consent that debate on the pending amendment, not the paragraph, close, so that it may be disposed of.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that all debate on the pending amendment now close. Is there objection?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington.

The question was taken, and the amendment was rejected.

Mr. MONDELL. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 1, line 3, after the word "following," insert:

"The date when the President shall declare by proclamation that a report of the Tariff Board shows conclusively that the production of sugar in the United States will not be jeopardized by"——

Mr. MONDELL. Mr. Chairman, my amendment proposes to postpone the date when this act shall take effect until that time when the President of the United States shall by proclamation declare that a report of the Tariff Board shows conclusively that the passage of this legislation will not jeopardize the sugar-growing interests of this country. I do not anticipate that any such time would ever come, but I think that that would be quite soon enough for the passage of this legislation.

In their report on this bill the Democratic members of the Ways and Means Committee state that the industrial position of the refining interests require primary consideration. This bill, which would destroy the only competition which the Refiners' Trust has, certainly gives the refining interest primary consideration with a vengeance. Evidently that is understood by those who deal in market securities. I note from the Washington Times of last evening and the Washington Post of this morning that the stocks of the American Sugar Refining Co.—the "Sugar Trust"—are quoted at 123½. From other reliable sources I find that the stocks of the Sugar Trust range from 116 on December 31, 1911, to 118⅝ on March 12, 1912, three days ago. Yesterday they were worth, as I have said, 123½.

On the capitalization of the Sugar Trust—forty-five million common and forty-five million preferred stock, or ninety million in all—this increase from 118⅝ to 123½ makes a difference of $5.37½ per share, or an advance in value of $4,837,500 in the stocks of the Sugar Trust since this bill was reported. The interests of the Sugar Trust have evidently received that primary consideration to which the committee said it was entitled.

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

Mr. MONDELL. That is protecting the Sugar Trust with a vengeance.

Mr. HARDWICK. Does the gentleman not know that on the 13th of March the American Sugar Refining Co. held its annual meeting and made its annual statement and declared dividends showing that they had made $14,000,000 that year, and that that is the reason the stock went up—after that statement was made.

Mr. MONDELL. That is probably in the gentleman's mind.

Mr. HARDWICK. And that is under the present tariff law.

Mr. MONDELL. The stock of the American Sugar Refining Co. has been advancing steadily ever since the Democratic Party took up the consideration of this legislation.

Mr. HARDWICK. Under your own tariff law.

Mr. MONDELL. The advance has been steady since last December, when the price was 114; and if the gentleman wants to go back a little further than the date that I first stated, to wit, to the time when his party took up the consideration of this legislation, he will find that Sugar Trust stock has increased in value since that time over $10,000,000. Surely the Democratic Party has given consideration to this great interest. [Applause on the Republican side.]

Mr. KAHN. Mr. Chairman, I am opposed to the pending measure. I do not believe that the removal of the duty on sugar is going to cheapen the cost to the ultimate consumer by the fraction of a cent. In my opinion the only practical and feasible manner in which the price of sugar can be lowered to the consumer of this country is to increase domestic production. The sooner we make ourselves independent of the sordid speculators who manipulate the foreign supply, in order to control foreign prices, the better it will be for the consumers of this country, for foreign prices affect the home market always. That was amply demonstrated last summer, when sugar went up to 7½ cents per pound in this country. We obtained a taste of the fruit of this speculation at that time. During the months of August, September, and October, 1911, sugar steadily advanced in this country, owing to an alleged shortage in the foreign crop, until it reached a price of 7½ cents per pound to the consumer. And then domestic beet sugar came upon the market. Prices dropped immediately. Sugar was soon selling at 5¾ cents per pound. The competition caused by the marketing of American beet sugar was alone responsible for this reduction. It has been the unvarying experience of many years that the refiners of this country immediately raise the price of sugar to the consumer the moment the domestic supply of beet sugar—and likewise of domestic cane sugar—has been disposed of. And I firmly believe that the adoption of the pending legislation will ultimately destroy all domestic competition, for it is bound to destroy the domestic industry.

Mr. Chairman, during the discussion of the pending measure yesterday afternoon this colloquy occurred between the gentleman from Alabama [Mr. UNDERWOOD] and the gentleman from Michigan [Mr. FORDNEY]. It is found on pages 3440 and 3441 of the CONGRESSIONAL RECORD:

Mr. FORDNEY. The gentleman has just stated that he is not in favor of dragging out of the people the present price of sugar. Will the gentleman explain to the House what caused the high price of sugar during the months of August and September and October in the year 1911, when there was no domestic crop on the market?

Mr. UNDERWOOD. It was due, to a large extent, to the Payne-Aldrich Tariff Act, which the gentleman helped to put into law. [Applause on the Democratic side.]

Sir, I think the answer of the gentleman from Alabama [Mr. UNDERWOOD] is entirely unworthy of him. He is the leader of the Democratic majority on this floor. He is an open and avowed candidate for the nomination for President of the United States at the hands of his party. I have long admired his ability, even though frequently I have not been able to follow his reasoning. But to attribute the rise of the price of sugar last summer to the Payne-Aldrich Tariff Act is as fallacious as it is indefensible. The Payne law had been in effect many months prior to August or September or October, 1911, and yet there was no abnormal change in the cost of sugar to the consumer during the two years that intervened from the date of its passage, August 5, 1909, till the speculative increase of last summer began. The Payne law has also been in existence from November, 1911, until the present time, and the price of sugar is again normal. Judging from the ill-considered answer of my friend from Alabama [Mr. UNDERWOOD] to the gentleman from Michigan [Mr. FORDNEY], I am led to the belief that all of his reasoning upon this question is equally ill-considered and equally fallacious.

Nor is the gentleman at all consistent in his attitude toward tariff rates on foodstuffs. In a burst of perfervid oratory, while explaining the pending bill, the gentleman uttered a sentiment to the effect that the most unjust tax that can be levied on a people through their customhouses is a tax that is levied on the food they consume. It sounds mighty well, and when uttered in the orotund tones, with befitting gesture, so characteristic of the gentleman from Alabama, small wonder that all of his colleagues on the Democratic side of the House broke forth with rapturous applause. Evidently they have short memories. Pepper is an article that is found on every table

in this country. It is used by the poor as well as the rich. Under the Payne law it is on the free list. But the Democratic majority of this House only a few days ago voted, practically unanimously, that this article of universal consumption must go upon the dutiable list; that the customhouses of the country must be utilized to collect a tax from the people of the United States upon a product that is found on every dinner table in the land. "Consistency, thou art a jewel," but thou dost not adorn the Democratic leadership or the Democratic membership of this House.

The gentlemen on the Democratic side of this Chamber contend that the removal of the duty on sugar is going to benefit the consumers of the country to the extent of the duty. The report of the majority of the Ways and Means Committee, quoting Mr. Spreckels as authority for the statement, adopt it as their own. The distinguished leader of the Democratic majority, quoting the same authority, also adopts it. But we have heard that siren song before. Those of us who were here in the Sixty-first Congress remember the fight for free hides. Putting hides upon the free list was going to make leather cheaper, and making leather cheaper was going to reduce the cost of shoes to the consumers. And hides went on the free list under the Payne law. What has been the result? Neither hides nor leather nor shoes have become cheaper; on the contrary, they have advanced in price. Why has not the consumer received the benefit of this reduction in the tariff, at least to the extent of the former duty? If the theories now promulgated by the Democratic side of this House are correct, that is precisely what should have happened; and I feel confident that if their theories in regard to the reduction of the duty on sugar were, unfortunately, put into effect, they would prove to be as equally unsound.

Mr. Chairman, we have had one experience in recent years in reducing the duty on sugar. In the month of December, 1903, the Cuban reciprocity law was passed, and the duty on sugar was reduced 20 per cent.

If the contention of the gentleman from Alabama [Mr. UNDERWOOD] be true, and he quoted Mr. Claus Spreckels as his authority that the reduction of the duty on sugar will inure to the benefit of the consumers, then the consumers of this country should have received the benefit of the 20 per cent reduction that was given under the Cuban reciprocity law. But what are the facts? I have here a letter from Mr. Truman G. Palmer, in which he gives me the exact figures in regard to the retail and wholesale price of sugar for several years before and several years after the Cuban reciprocity law was enacted.

Mr. Palmer's letter reads as follows:

WASHINGTON, D. C., *March 7, 1912.*

Hon. JULIUS KAHN,

House of Representatives, Washington, D. C.

MY DEAR SIR: I beg to acknowledge receipt of your favor of yesterday, and in reply I hand you herewith the New York wholesale price of refined sugar for four years prior to Cuban reciprocity (December, 1903) and four years subsequent, as given by Messrs. Willett & Gray. Also, the United States retail price of granulated sugar for the same years, as given by the Bureau of Labor. The figures are as follows, the first column being the New York wholesale price and the second column the average United States retail price:

	New York wholesale price.	Average retail price, United States.
1900	5.32	5.97
1901	5.05	5.86
1902	4.46	5.47
1903	4.64	5.47
Average, 4 years	4.87	5.69
1904	4.77	5.80
1905	5.26	5.92
1906	4.52	5.59
1907	4.65	5.67
Average, 4 years	4.80	5.74

* * * * * * *

Trusting that this will serve your purpose, I am,
Yours, very truly,

TRUMAN G. PALMER.

So we see that in 1900 the wholesale price was 5.32 cents per pound; the retail price was 5.97 cents; in 1901 the wholesale price was 5.05 cents, the retail price 5.86 cents; in 1902 the wholesale price was 4.46 cents, the retail price 5.47 cents; in 1903 the wholesale price was 4.64 cents, the retail price 5.47 cents. The average price for the four years was, wholesale, 4.87 cents per pound; retail, 5.69 cents. And then the Cuban reciprocity law went into effect, and in 1904, the very year in which it became operative and the duty was reduced 20 per cent on Cuban sugar, the price to the consumer went up from 5.47 cents to 5.80 cents per pound; in 1905 it went up to 5.92 cents; in 1906 it was 5.59 cents; and in 1907 it was 5.67 cents.

Mr. HARDWICK. Mr. Chairman——

Mr. KAHN. I can not yield. I have not the time.

Mr. HARDWICK. All right.

Mr KAHN. So that it shows conclusively that the retail price of sugar to the consumer went up after the passage of the Cuban reciprocity law instead of coming down.

Of course, Mr. Chairman, it will be contended that this reduction of 20 per cent was made in order to help Cuba; that there was no suggestion of a reduction of the price to the consumer at the time that law went into effect. But I doubt whether anyone will contend that the American consumer has ever received any material benefit from the 20 per cent reduction in Cuban sugar, although the quantity of sugar imported from the island of Cuba under the reciprocity law has increased from 998,878 long tons in 1902–3 to approximately 1,900,000 long tons in 1910–11.

In addition to the reduction of duty on Cuban sugar, Porto Rican sugar has been admitted free, and the production has increased from 85,000 metric tons in 1902 to 320,000 metric tons in 1910–11. Philippine sugar to the extent of 300,000 tons per annum is now admitted free, and the production in the Philippines has increased from 90,000 long tons in 1902–3 to 150,000 long tons in 1910–11. And yet, notwithstanding all these reductions of duty, the average American prices of raw and refined sugar have been uniformly higher during the past five years than during the preceding five years. That fact is further proof that the reduction of the duty does not inure to the benefit of the consumer to the extent of the duty. And why does not the consumer get this benefit? Because extraneous matters affect the price of sugar, just as they affect the price of all other commodities. The laws of supply and demand, the conditions of the crops; as they are affected by rain, drought, and flood; the efforts of speculators to control output; the strength of the refiners and the poverty of the planters, all have a bearing on the question of price of sugar, and we ought to be honest enough to say so. We ought not to try to delude the American consumer into the belief that he will get his sugar cheaper to the extent of the duty when the duty is removed. Past experience shows that that is not so, and on account of the reasons I have just stated I am satisfied it never will be so.

But, sir, what happened to Sugar Trust stock after the Cuban reciprocity law went into effect? In 1902 the common stock of the American Sugar Refining Co. reached a maximum of $135⅛ per share; in 1903 it fell to $134¾ as the maximum price. In December of that year the Cuban reciprocity law was enacted. In 1904 Sugar Trust stock jumped to $153 per share, in 1905 to $154⅛, and in 1906 it attained a maximum of $157 per share. So we see that Sugar Trust stock jumped upward of $20 per share as a result of that legislation, while the American consumer is still waiting for a reduction on the cost of Cuban sugar to the extent of the differential of 20 per cent. And, according to the logic of the Democratic majority of this House, he ought to have had that reduction from the time of the enactment of the Cuban reciprocity law.

Mr. Chairman, do the gentlemen on the Democratic side expect the Sugar Trust barons, who for years have been robbing the Government of the United States by bribing officials in New York City to underweigh the amount of sugar actually arriving at that port, and who last summer manipulated the American market on account of an alleged shortage of the European crop so as to increase the price to the consumer 2 cents per pound, to immediately become public philanthropists? Do they expect these refiners to reduce the cost of sugar to the consumer to the extent of the duty, if the present tariff be taken off? It is idle to dream of such a thing.

The effect of this legislation will be to kill off domestic production, and having killed it off we will be absolutely and entirely at the mercy of the sugar-refining barons. They will then be able to raise the cost to the consumer not alone 2 cents but 3 or 4 or 5 cents per pound at their own sweet will. The effect of this legislation will be to decrease our revenues by $53,000,000 per annum. Instead of raising this great sum by an indirect tax, as is done under existing law, gentlemen on the other side propose to levy a direct tax on the people of this country. Direct taxation has never been popular in this country from the very beginning of our Government. It has generally been resorted to only as a war measure, and as soon as our wars have been over the people have clamored for the repeal of direct taxes. The temper of the American people has not changed in that regard. You of the majority may try to delude yourselves into the belief that you are fooling the peo-

ple, but you are not. They understand, and they will show their resentment at the ballot box next November.

Mr. HARDWICK. I just want to make this remark. I have debated this question at length, but I wish to say that such a speech as the gentleman from California [Mr. KAHN] has made does not do any credit to his opinion of the intelligence of this House. He does not show us in that statement whether the Cuban crop was already high or whether there was a drought that year or not.

Mr. KAHN. Will the gentleman yield?

Mr. HARDWICK. I decline to yield. The gentleman declined to yield to me.

Mr. KAHN. Mr. Chairman——

Mr. HARDWICK. I decline to yield. The gentleman would not yield to me. I want to say this to the gentleman, that he must have a poor opinion of the intelligence of this House if he does not produce the figures as to the crop shortage or excesses, the figures as to the rain and the drought and the floods. Does not the gentleman know that, for instance, as to the cotton crop, entirely unaffected as it is by any tariff, if there is a shortage in that crop the price goes up, and if there is an excess in the cotton crop the price goes down? And those things affected the Cuban prices, and as to the effect of Cuban reciprocity, the testimony is undisputed and indisputable that the Cuban prices were affected as to the American consumer to just one-half of the reduction in duty. The American consumer got one-half of the Cuban reciprocity differential; the American refiner got one-fourth of it; and the Cuban planter got one-fourth.

It never was thought, Mr. Chairman, by anybody who understood the situation, that to give Cuba a 20 per cent differential would reduce the price of sugar to the American consumer, because it simply put the Cuban planter within the tariff wall and let him levy that much tax on American consumption. The purpose of the bill was entirely different from that. It was to help Cuba, and the only reason he did not get it all was because the refiners were so strong; it was because American capital was so largely invested there; and because the people there were so poor and needy that the planters and the producers had to sell it quickly and throw it on the market all at once. The gentleman's figures are entirely misleading. He does not put in substantial facts that must be put in in order to understand the figures he quotes from Mr. Palmer.

I now yield to the gentleman from California.

Mr. KAHN. The gentleman's side had refused debate on the matter. I had only five minutes' of time. I might have gone into the thing fully if your side had given us ample time to discuss the matter.

Mr. HARDWICK. I want you to print your speech, and if you want it to appeal to the intelligence of this country, put in it the figures in reference to Cuban crop conditions and as to the size of the Cuban crop and the world's crop for each year.

Mr. KAHN. I intend to put them in, and I intend to put in what happened when Hawaiian reciprocity was enacted. I shall print my speech in full, and it will convict the gentleman and his party of the absolute injustice to the American people and the American producer.

Mr. UNDERWOOD. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment to this paragraph close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PROTEST AGAINST THE REMOVAL OF THE PRESENT DUTY ON SUGAR.

Mr. LOUD. Mr. Chairman, 45 years ago I left what I then believed to be the finest city in the United States, the only city which I then supposed any self-respecting American would really select as his permanent home—the city of Boston. My father had made investment in the pine lands of Michigan, and our only hope was that we might be able to make enough money in the next 10 or 15 years to enable us to get back to that city of Boston to spend the remainder of our days.

As we became interested in the cutting and manufacturing of pine timber the dream faded away and we were glad to be identified with that splendid State of Michigan, a portion of which it is my good fortune to represent on this floor.

When we landed in what is now the tenth district of Michigan, the railroad had reached only to its boundary. There were no railroads within the district, and its 200 miles of length and nearly 100 miles of width was a frontier country and an undeveloped wilderness. In those early years I have spent winters in lumber camps 60 miles distant from any town or hamlet.

Then pine was king, and that great wilderness was thinly populated with the sturdy pioneer lumbermen, some from Maine, some from Pennsylvania, other from the French and Scotch settlements of Canada, but all of hardy, virile manhood, physically and mentally—splendid specimens of American manhood.

As the years rolled by there came an end to the harvesting of the pine. The splendid lands upon which the forests of white pine had grown were cleared by the hardy settlers who came in in those years, and what had been a wilderness rapidly developed into a magnificent farming country. It was thought by many that when the cutting of the pine was finished the cities and towns that had grown up as a result of the lumbering industry would, like the busted boom towns of the West, be depopulated and forgotten. That has proved far from the truth. Those stalwart, pioneer lumbermen who had made a reasonable competence keenly watched for and sought other industries wherein their capital and their energies might be with profit employed. Among other industries, it was found that the lands in that part of Michigan were favorably adapted to the growing of the sugar beet, and in 1898—only 14 years ago—the first beet-sugar factory was erected, and we now have three large sugar factories in active operation in my district.

These factories in my district have been a great boon to the farming element in that locality, consuming, as they do, 3,000 tons of beets daily during the working season.

These three factories sliced this year 307,106 tons of beets. Can you realize what this means? These beets loaded on standard freight cars would make 12,284 carloads, and if put into one continuous train would make a train 100 miles long, all loaded with sugar beets. It means that 7,848 farmers within my district each had a part in producing this great bulk of raw material, for which they received $1,750,000, or an average of $5.70 per ton.

The raising of sugar beets is not an easy matter. It requires industry and intelligence. The progressive farmer is willing to enter new fields and to develop new lines, and the farmers of my district, by their industry and intelligence, have made a splendid success of sugar-beet raising, as these figures indicate.

The output of these three factories was 58,364,000 pounds, or 182,400 barrels, of granulated sugar. The average price obtained was $5.45 per hundred pounds, which is about 1 cent per pound more than the average price that the factories have received in all the preceding years of their existence. While the price was higher this year, it was by no means a profitable season, owing to climatic conditions more adverse this year than has ever been known in the history of the business. Continuous and heavy rainfall in September, October, and November made the harvesting of the beets exceedingly expensive for the farmers in the rain and mud. But, worse than this, in November there came three weeks of excessively frosty winter weather, freezing solid the beets as they were delivered in the bins of the factories. This would have worked no harm had they remained frozen; but the three weeks of winter weather were followed by a week or 10 days of warm, thawing weather, drawing the frost out of the beets entirely, so that at least one-half of the beets handled this year were handled at a loss to the factory.

This, however, was an exceptional year. On the average the industry has been satisfactory and profitable. That it has been satisfactory to the farmers is evidenced by the fact that the factories are able to contract for acreage beyond their slicing capacity, and it will soon be a question of the enlargement of factories or building new ones. One of the factories was increased last year from 900 to 1,400 tons daily slicing capacity, and the other two factories have increased their capacity from 600 to 800 tons per day.

In connection with these three beet-sugar factories in my district there is, at Bay City, the Michigan Chemical Co., who manufacture from the refuse molasses from these three factories high-grade alcohol, from which the Government has derived a direct revenue of upward of $5,000,000 in the last two years. The destruction of the beet-sugar industry, which will result should this bill under consideration become a law, would entail a loss to the Government annually of $2,500,000 now derived from the output of this chemical company.

I have in this statement tried to show to you that conditions in my district pertaining to this industry are at present prosperous and satisfactory to both farmers and manufacturers. Precisely similar conditions pertain to the industry in the factories of Congressman FORDNEY's district, where 5 factories are located, and, in fact, over the entire State of Michigan, with its 17 factories at work this year.

These Michigan factories this year sliced 1,400,000 tons of beets. By the same measure just employed to show what this great bulk means, these sugar beets sliced in our Michigan factories this year would load 70,000 cars, and would make a continuous train 560 miles long. For these beets the farmers of

Michigan received $8,000,000 in cash. The output of sugar this year from these Michigan factories will amount to about 350,000,000 pounds, or 1,000,000 barrels of sugar.

This splendid industry in Michigan, as shown by this statement, is only a sample of this growing industry shared by 17 States of the Union, where the growing of sugar beets and the production of sugar is obtaining a vigorous foothold, producing this last year 530,000 tons, or 3,312,500 barrels, of sugar—one-sixth of our entire consumption.

How was it possible to establish this splendid agricultural industry? There is but one answer—it is the result of Republican protective tariff. It is the result of the policy advocated by James G. Blaine and William McKinley, who believed that the $100,000,000 or more which we were then paying yearly to foreign countries for sugar—it would be over $200,000,000 to-day—could just as well be retained at home and employment to that amount given to our own people. This policy was not shared by our Democratic friends, for we find in the St. Louis platform of the Republican Party, June 18, 1896, this declaration:

> We condemn the present Democratic administration for not keeping faith with the sugar producers of this country. The Republican Party favors such protection as will hold the production on American soil of all the sugar which the American people use and for which they pay other countries more than $100,000,000 annually.

This protection, so promised, was given by the provision in the Dingley bill on the instant when the Republicans returned to power in 1897, and has harmed no one, for sugar is as cheap to the consumer, and in fact cheaper, than it was prior to the time when this protection was granted. Its result has been the building up of 71 factories now in operation in this country, producing this year 530,000 long tons of beet sugar, paying out in its production to American labor upward of $44,000,000.

These factories require to operate them 25,000 factory laborers, while from 110,000 to 125,000 farmers are engaged in growing the beets on the farms, which does not include the laborers employed by the farmers.

Now, what is proposed? By the bill before the House it is proposed to remove the protective duty on sugar and admit free of duty the sugar produced by the cheap labor of other lands. It is claimed by those who are favoring this bill that it will reduce the price to the consumer 1½ cents per pound, which is more than the amount of duty levied on sugar as it is imported into the country from Cuba to-day. In this I believe they are entirely mistaken. With the duty removed, the cane and beet sugar industries, supplying nearly a million tons of sugar in this country to-day, annihilated; not only that, but our own island possession, Hawaii, now furnishing 500,000 tons of sugar for our use this year, practically ruined; Porto Rico and the Philippines, if not ruined, the industry greatly retarded, what can we expect as inevitable? Surely that those who now supply to us our sugar from Cuba and Europe will ask and obtain a higher price from us than they are now receiving. The refiners of raw sugar in the United States are clamoring for this measure, with but one motive, as a matter of course—that they can make more money by using the sugars imported from other countries when our own production is effectually stopped. They may reduce the price temporarily, until our home industry is effaced; but then watch for higher prices, which will surely follow. With the beet-sugar industry out of the way, they can dictate the price absolutely to the consumers, and, what is more certain, that instead of the consumer getting the benefit of that 1½ cents reduction of duty, a goodly share of it will be absorbed by the higher price demanded by the foreign producers of raw sugar and by the absorbing of a portion of this reduction by the sugar refiners. I can not bring myself to believe that the consumer in this country will obtain his sugar at more than one-half or, at the utmost, 1 cent per pound below the normal average price in the last 10 years.

Those favoring this proposition try to make us believe that this reduction of 1½ cents per pound would apply to the 80 pounds per capita consumed by each individual in this country—actual amount 81.60 for 1910 and 79.2 for 1911. Many suppose that this 80 pounds per capita means the average amount consumed in the family by each person. That is far from the truth. In the evidence brought out in the hearings of the Hardwick committee it was shown that only 30 pounds of the 80 were really used in the household. That 50 pounds of the 80, or five-eighths of our total sugar consumption, was absorbed in manufactures, from which the consumer would get no benefit whatever. These lines of manufacture in which sugar are used are of great number, among the larger of which we find candies of all kinds, canned fruits and preserves, condensed milk, bakers, as well as in the manufacture of whisky and tobacco. An enormous amount of sugar is used in the manufacture of sirups used for soda water and in chewing gums.

It needs no argument to indicate that no benefit to the consumer would be obtained in this five-eighths of the sugar consumption. The soda fountains would not enlarge the size of their glass or diminish the quantity of froth because sugar is half a cent or 1 cent less per pound. Twenty-five million pounds of sugar are annually used in chewing gum in this country, and while sugar costs the manufacturer about 5 cents per pound, the consumer pays $1 per pound for the sugar contained in chewing gum. Is it supposable that a stick of gum will be enlarged or any benefit come to the consumer because of the abolition of the duty on the sugar used in it? The utmost benefit to be derived by bringing in for our entire consumption sugar produced by the cheap labor of other countries—for the wages are about one-third of those paid to labor in this country—is that the average consumer on his 30 pounds' annual consumption will save somewhere between 15 to 30 cents a year.

Here let me say that this removal of duty on sugar does not come from any clamor of the consuming public. Sugar is and has been one of the cheapest commodities of household consumption. In all the cry from the public, and especially those who toil, because of the increased cost of living, no part of any increased cost of living pertains to sugar. Notwithstanding the price has been in large measure controlled by the sugar refiners or the trust, the price of sugar has remained the same, or practically a dead level, for the last 20 years. There was a time, from the date of the Civil War down to about 30 years ago—when sugar ranged from 22.56 cents wholesale in 1864 to 9.35 cents per pound in 1882—that sugar was an expensive commodity; but that is past and gone, and the American consumer has no reason to complain and is not complaining at the price paid for sugar during the last 20 years. He gets his sugar, by money value, cheaper than the consumers of any other country in the world, save England, and there it is about half a cent to 1 cent per pound cheaper than it is here. In not a single nation on the globe is sugar free. In every nation it is subject either to an import duty or an excise or internal-revenue tax. In every country sugar is one of the articles on which duty is levied to produce revenue for the running expenses of the Government—just the same as it is here. But the real measure of cheapness of sugar to the American consumer is not in its money value, but in its labor value, and by that I mean to say that a day's labor in the United States will buy twice as much sugar as in any other country in the world, even including England. A day's wage in America will buy four times as much sugar as a day's wage in Germany or France, while in Spain, Portugal, Italy, and other cheap-labor countries, like China and Japan, a day's wages here will buy ten to twenty times as much sugar as it will in those countries. When we notice by the statistics that the per capita consumption of sugar in Spain and Portugal is only 14.2 pounds, it is easy to know the reason why. It is because the people are so poorly paid and the price of sugar so high—Madrid, Spain, 12 cents; Rome, Italy, 14 cents—that they can not afford sugar at all as a common article of use in their daily lives. In five European countries the annual consumption of sugar is under 10 pounds per capita.

Remove this duty and two grave dangers confront you:

First. The exporting countries may levy an export tax on sugar coming to the United States equal to the duty you now remove, just the same as Brazil did on coffee when we placed it on the free list years ago. That means that the exporting countries will profit by your foolishness by fifty or sixty million dollars annually, which our Treasury now receives from the duty on sugar.

Second. By your annihilation of the beet-sugar and cane-sugar industries in the United States you destroy the only competition of the sugar refiners, six or eight in number. These refiners will then control the price to the consumer absolutely. Do not forget that only four months ago, when the refiners had forced the price up to 7½ cents per pound, the coming in of the home crop of beet sugar forced that price down to 5½ cents, and this when the European price has not declined, owing to their 2,000,000 tons shortage in this year's crop.

Do you claim that the beet-sugar industry is under trust control? It is untrue. Of the beet-sugar crop of 1910, from the 71 factories, 457,000 tons, the interest of the American Sugar Refining Co. in 33 of these factories was only 96,221 tons, or 21 per cent.

I am pleading for the business men of my district, who have invested their capital in this industry and whose ruin will be certain; for the 7,848 farmers whose welfare is deeply concerned in this measure; and for the 225,000 population of my district, who indirectly are keenly interested.

The illustration recently used by my colleague from Ohio [Mr. LONGWORTH] expresses exactly the situation. As the wounded gladiator in the Roman amphitheater looked with appealing

eyes to Cæsar, he by his thumb pointing upward could give life and hope, or by pointing it downward bring sure death.

In behalf of the people of my district I appeal to you on the Democratic side of this House, that by your vote—as quick and effective as Cæsar's thumb—you do not annihilate a magnificent agricultural industry, but give to it life and hope. [Applause.]

[From the Bay City Times, Feb. 23, 1912.]

SUGAR MEN SAFE—HIGH PRICE GIVES THEM A PROFIT ON POOR QUALITY BEETS.

LANSING, MICH., *February 23, 1912.*

Wednesday afternoon the Lansing factory of the Owosso Sugar Co. concluded the longest and biggest run it has ever known, having in 126 days sliced 74,000 tons of sugar beets, or enough to make 16,600,000 pounds of sugar, and having paid over $500,000 to farmers. Another week will be required in which to transform the sliced beets into sugar. Despite the fact that this has been a record season for the Lansing factory, Manager George L. Wall says:

"The sugar-beet men of Michigan would certainly lose money on this year's run if it were not for the high price of sugar. The season was the most unsatisfactory that factories in general throughout the State have ever known.

"In the first place, the weather has been such that the beets have been delivered in bad condition. There was much rain in the fall, unusually warm weather in December, and extremely low temperature in January and February. The factories have used the farmers very well indeed, accepting their beets, although the percentage of sugar has been very low, and many were actually rotten, having been frozen."

[From United States Statistical Abstract.]

AVERAGE NEW YORK WHOLESALE PRICE OF GRANULATED SUGAR PER POUND.

	Cents.
1860	9.78
1861	8.75
1862	11.16
1863	14.28
1864	22.56
1865	21.56
1866	16.88
1867	15.78
1868	16.47
1869	16.19
1870	13.51
1871	13.12
1872	12.37
1873	11.36
1874	10.50
1875	10.61
1876	10.51
1877	10.73
1878	9.07
1879	8.81
1880	9.80
1881	9.70
1882	9.35
1883	8.65
1884	6.75
1885	6.53
1886	6.23
1887	6.02
1888	7.18
1889	7.89
1890	6.27
1891	4.65
1892	4.35
1893	4.84
1894	4.12
1895	4.12
1896	4.53
1897	4.50
1898	4.97
1899	4.92
1900	5.32
1901	5.05
1902	4.46
1903	4.64
1904	4.77
1905	5.26
1906	4.52
1907	4.65
1908	4.96
1909	4.76
1910	4.97
1911	5.345

Average price for last 21 years, 4.7 cents per pound.

[From Document No. 510, Sixty-second Congress, second session.]

RETAIL PRICES OF GRANULATED SUGAR PER POUND IN FOREIGN COUNTRIES.

JULY, 1911.	Cents.
Great Britain	4.08
Germany	5.4
France	6.55
Italy	13.74
Austria-Hungary	7.6
Russia	7.9
The Netherlands	8.45
Sweden	7.85
Norway	6.3
Spain	10.54
Roumania	10.1
Greece	12.3
Servia	8.7
Canada	5.61
NOVEMBER, 1911.	
Great Britain	5.5
Germany	7.05
France	8.6
Italy	14.24
Austria-Hungary	9.05
Russia	7.9
The Netherlands	10.9
Sweden	8.4
Norway	8
Spain	10.06
Roumania	11.8
Greece	13.3
Servia	9.7
Canada	7

AVERAGE NEW YORK WHOLESALE PRICE GRANULATED SUGAR IN BARRELS.

Willett & Gray table, page 3564, Hardwick hearing. For the last 21 years, 1891 to the present time, 4.7 cents per pound.

PER CAPITA CONSUMPTION OF SUGAR.

	Pounds.
Germany	43.45
Austria-Hungary	25.14
France	37.80
Russia	22.82
Belgium	32.36
Holland	43.53
Sweden	53.90
Norway	41.78
Denmark	77.75
Italy	9.33
Spain	14.20
Roumania	9.50
Finland	32.45
Bulgaria	7.05
Greece	7.52
Servia	7.58
Turkey and Asia	12.89
Portugal and Madeira	14.12
Switzerland	64.10
England	86.30
Total Europe	32.60
United States	81.60

[By unanimous consent Mr. LOUD was granted leave to extend his remarks in the RECORD.]

Mr. PICKETT. Mr. Chairman, fortunately for this House, and the country as well, the issue presented by this measure is clearly defined. There is no attempt to conceal its effect on the domestic industry of this country of either beet or cane sugar. The majority of the Ways and Means Committee have reported their findings of certain ultimate facts back of which they can not go. These facts show a difference of 1.125 cents per pound in the cost of producing beet sugar in this country and Germany.

Yesterday when the distinguished leader of the majority [Mr. UNDERWOOD] was addressing the House and attempting to show that there was no difference in the cost of production, I asked him to reconcile his position with the findings of the Ways and Means Committee as well as of the Hardwick committee. He waived the question aside with the remark that those were the findings of the Hardwick committee. They were, however, accepted by the Ways and Means Committee and incorporated in their committee report. When a Representative from Louisiana asked the gentleman from Alabama [Mr. UNDERWOOD] what would be the probable effect of this measure upon the cane-sugar industry in the South, he was frank enough to reply that he did not know.

Mr. Chairman, I have examined with care the voluminous hearings of the Hardwick committee, comprising 4,000 pages. The committee covered a wide range of investigation. The testimony taken by the committee shows conclusively that the sugar refiners have carried on and financed a well-organized campaign to create a demand for this legislation. They are bending every energy to destroy their competitor, the beet-sugar industry, for the evidence established without contradiction that beet sugar has forced the Sugar Trust and refiners to lower their prices to the consumer, and during three months of the year, when beet sugar is being marketed, has driven them out of the Middle West because they could not meet beet-sugar prices; that this competition has been growing more severe year by year; that the competition between beet sugar and the refiners has brought lower prices to the consumer; that during last summer and fall, when the refiners had control of the market, they shot the price of sugar up as high as 7½ cents per pound, and held the price up until beet sugar came on the market.

Every refiner who was examined by the committee admitted their desire for either a material reduction in the duty on sugar or absolute free trade in the expressed hope and belief that such action would wipe out the beet-sugar industry, and it clearly appears that the Sugar Trust and refiners will be the greatest beneficiaries of this measure.

The hearings absolutely disprove the extravagant claims as to the benefit which the consumer will receive and shows that in a broad economic sense it will not benefit the consumer. The expert employed by the committee, the greatest authority on the sugar subject in this country, if not in the world, stated emphatically that a decrease in the price of sugar could only be hoped for through an increase in home production.

It is shown that the beet-sugar industry has gone forward with leaps and bounds, notwithstanding there has scarcely been a year since the Dingley law was passed when the industry has not been embarrassed by the uncertainty of legislation and that if it is afforded protection measured by the difference in the cost of production at home and abroad it will continue to grow until every pound of sugar used in this country is raised on American soil and sold to the consumer under the law of actual competition.

The encouragement of the beet-sugar industry will aid the agricultural development of this country through its indirect benefits in the increased yield of other crops, which has been demonstrated in Germany and France as well as in this country—in brief, wherever tried.

If this measure passes it will benefit, first, the Sugar Trust and refiners; second, the manufacturers who use sugar; and, third, and in the least degree, the consumer, conceding everything that is claimed for it. It can not be sustained from an economic or political standpoint.

Up to this time the country has been flooded with the literature sent out and paid for by the masked agencies of the Sugar Trust and refiners, but when the true facts are known it will find few defenders. The claims that are made for it by its Democratic sponsors are repudiated by the findings of their own committees. [Applause on the Republican side.]

With a view of setting forth more fully the facts and reasons in support of my position, I will avail myself of the privilege granted of extending my remarks in the RECORD.

Before taking up the merits of the measure I will refer to the influences that have been most active in urging it—in short, disclose the real parties in interest. It is certainly pertinent to know who is back of the agitation on the subject—who will be its greatest beneficiaries. Fortunately, the facts are susceptible of proof.

During the past year a vast amount of literature has been disseminated, reciting in harrowing terms the burden resting upon the people through the duty on sugar; that the duty has been retained for the express benefit of the sugar refiners—a tribute, so to speak, levied on the consumer for the sugar barons—and appealing to the people to remove the duty and thereby strike a blow at the Sugar Trust. Figures, veritably appalling, but without any regard to truth, have been cited as the price the American people have been paying for the maintenance of the beet-sugar industry. Coming apparently from some philanthropic source, this literature has had its effect, as is evidenced by the petitions received, mostly on the forms sent out by the promoters of the movement.

It now appears that this movement was started, carried on, and financed by the sugar refiners for the express purpose of eliminating their only competition—the beet-sugar industry. This fact is established by the evidence taken before the Sugar Trust investigating committee, known by the name of its distinguished chairman, Mr. HARDWICK. I have in my files several of the circulars to which I refer. Here is one purporting to come from "a committee of wholesale grocers," Mr. F. C. Lowry, secretary and treasurer, headed as follows:

Formed to assist in obtaining cheaper sugar for consumers through reduction of duties on raw and refined sugars.

And in large type, "our high sugar tariff."

Listen to this:

We are, therefore, being taxed solely for the benefit of the Lousiana and domestic beet-sugar producers, who supply only 25 per cent of our requirements. The former for many years catered to the interests of the Sugar Trust, and the domestic beet-sugar industry is controlled by the trust. As a matter of fact, the Sugar Trust and their friends have been the sole beneficiaries of this excessive tariff.

Here is another:

It now remains to be seen whether the Sugar Trust will still have more influence with our legislators than the interests of the 93,000,000 consumers in the United States.

It concludes with the following plea:

So that you may assist in this work, we have prepared the inclosed petitions, which we wish you would have signed and sent to your Representative in Washington at the earliest date possible. An excellent plan would be to paste one of these petitions on the top of a sheet of paper and have as many men as possible sign under it.

Of course the reader assumed that the author of the circular was some charitable gentleman working in the interest of the consumer, and many of these petitions were signed as requested.

Who is this F. C. Lowry? He is the sales agent of the Federal Sugar Refining Co. Under whose direction were these circulars prepared and sent out? The Federal Sugar Refining Co. Who paid the bills? The Federal Sugar Refining Co. These are the facts as they appear of record in the hearings before the Hardwick committee. He admitted that he was sales agent for the Federal Sugar Refining Co.; that the so-called committee was purely a fictitious creation; that it never held a meeting; that he was working solely for the Federal Sugar Refining Co., which was the only subscriber, and whose contribution was the modest sum of $12,000.

I will quote briefly from his testimony as it appears on pages 1608 and 1609 of the hearings, so that the RECORD will show his admission in his own words:

Mr. FORDNEY. So that the Federal Sugar Refining Co. have paid in this $12,000 for the distribution of the literature?
Mr. LOWRY. Yes.
Mr. FORDNEY. And no other concern has paid in any sums of money?
Mr. LOWRY. No other concern; no.
Mr. FORDNEY. The Federal Sugar Refining Co., then, are interested in the so-called committee and its work, are they not?
Mr. LOWRY. They are unquestionably interested in its work; yes.
Mr. FORDNEY. You have said that they contributed all of the money.
Mr. LOWRY. They contributed the money that enabled us to carry on that campaign.
Mr. FORDNEY. The Federal Sugar Refining Co. has paid, then, for the distribution of all this literature?
Mr. LOWRY. Yes; so far they have.

Mr. John Arbuckle, in an interview last fall, came out in the open and said:

I purpose to devote all my time and all my ability and all my strength to the abolition of all import duties on raw sugar.

Every refiner who was before the committee admitted, under oath, the interest of the refiners in securing a material reduction in or removal of the duty. While the activity of other refiners was not disclosed, does anyone doubt that their influence was exerted. Every one knows that these great interests reach out in many and devious ways to accomplish their aims. Having established their interest in certain legislation, it is reasonably safe to infer their activity in accomplishing it. After a careful examination of the hearings, I fail to find any evidence or claim that any influence, other than the refiners, was engaged in carrying on the campaign which has resulted in this bill.

Deeming it important that the relationship of the sugar refiners to this legislation, their keen desire for and interest in its passage, be clearly understood I will quote briefly from the testimony of their representatives before the Hardwick committee. It will not do for the sponsors for this measure to charge that they are aiming at the sugar refiners, for the facts do not sustain them, but, on the contrary, show that the sugar refiners will be its beneficiaries and are intensely interested in its passage.

Mr. Edward F. Atkins, acting president of the American Sugar Refining Co., testified as follows (Hearings, vol. 1, p. 174):

Mr. HINDS. So that a serious check to that industry (beet sugar) by lowering the tariff would tend to increase greatly the business of the refining companies?
Mr. ATKINS. It would increase the business of the refining companies.
Mr. HINDS. So that a reduction of the tariff passing beyond a moderate amount would tend to the prosperity of the refiners and to the detriment of the beet-sugar people?
Mr. ATKINS. They say, and I think they say truly, that it is for the refiners' interest to have a low rate of duty rather than a high rate of duty.

Charles R. Heike, formerly secretary of the American Sugar Refining Co., testified as follows (Hearings, vol. 1, p. 202):

Mr. FORDNEY. Now, if the duty were removed absolutely on sugar could we produce either cane or beets in this country?
Mr. HEIKE I doubt it very much.
Mr. FORDNEY. Then that would destroy the industry absolutely in this country?
Mr. HEIKE. Yes.

Here is admitted their desire to absolutely destroy the beet-sugar industry and that free sugar will do it—that they know what they are about is quite manifest.

Mr. James H. Post, president of the National Sugar Co., testifies as follows (Hearings, vol. 1, p. 527):

As far as I personally am concerned, I would like to see free sugar.

Of course he would like to see free sugar. Why not, if it will kill beet-sugar competition and enlarge their market?

Mr. William A. Jamison, one of the partners of Arbuckle Bros., says (Hearings, vol. 2, p. 1195):

Mr. RAKER. How would it affect you if there was no tax on the importation of raw sugar?
Mr. JAMISON. I think it would enable us to run more constantly.
Mr. RAKER. What do you mean by that now?
Mr. JAMISON. To keep up the capacity.
Mr. RAKER. Will you explain it?
Mr. JAMISON. I mean we would be able to sell more sugar.
Mr. RAKER. Do you not have a supply all the time?
Mr. JAMISON. Well, we are not able to run full at all times.
Mr. RAKER. Because of the way raw sugar is shipped into the United States?
Mr. JAMISON. Oh, no; on account of the beet product. If there was no duty, I do not think the beet would be so prosperous, and we would probably sell more sugar; if the duty were removed, I mean to say.

A very frank as well as truthful admission.

Mr. Claus A. Spreckels, president of the Federal Sugar Refining Co., which contributed $12,000 for carrying on the campaign

which has resulted in the introduction of this bill, says (Hearings, vol. 3, p. 2277):

Mr. HINDS. In other words, perhaps, you would take it (the duty) all off, would you not, and have free trade?
Mr. SPRECKELS. I would have free trade.
Mr. HINDS. You would have free trade in sugar?
Mr. SPRECKELS. Absolutely.

Does anyone suppose that these gentlemen who have built up colossal fortunes in refining sugar do not know their business? Is anyone guileless enough to think that they have organized a sort of eleemosynary club for the benefit of the consumer? They know their business. They understand market conditions. They realize when they have a competitor.

If there is any fact established by the record beyond the possibility of contradiction, it is the vital interest which the sugar refiners have in the passage of this bill. They know what the future of the beet-sugar industry will be. They see it now just at the point of emerging from infancy into the virility of manhood, an active and effective competitor, and that unless this measure passes and the industry is destroyed, the time is not far distant when the beet-sugar industry will furnish substantially all the sugar that is consumed by our people.

Let us consider briefly the history of the beet-sugar industry and its future as bearing on the reason why the refiners both feel and fear its competition, and from the further standpoint of the Republican policy of protection to ascertain if it justifies protection. If it does, I can not see how any Republican can vote for this measure.

The Republican national platform in 1896 declared as follows:

We condemn the present administration for not keeping faith with the sugar producers of this country, and the Republican Party favors such protection as will lead to the production on American soil of all the sugar which the American people use and for which they pay other countries more than $100,000,000 annually.

The people were in a receptive mood for the doctrine of protection at that time. They had just experienced an object lesson under the Wilson bill—a lesson so disastrous that the Democratic Party was driven from power in an overwhelming defeat which ushered in the splendid administration of William McKinley.

The last Republican national convention reasserted its interest in the sugar industry.

In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries, * * * the aim and purpose of the Republican policy being not only to preserve, without excessive duties, that security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage earners of this country, who are the most direct beneficiaries of the protective system. Between the United States and the Philippines we believe in a free interchange of products with such limitations as to sugar and tobacco as will afford adequate protection to domestic interests.

Upon what theory can any Republican claim that the sugar industry should be exempt from the protection for which our party stands, and particularly in view of its specific indorsement of that industry?

The Dingley law went into effect in 1897. In 1896 there were 6 beet-sugar factories in the United States. Now there are 71. In 1896 there were 22,948 acres planted in beets; in 1910, 429,014. In 1896 the number of pounds produced was 65,453,000; in 1910, 1,019,692,800.

I submit that this is a remarkable record and that it has few parallels in our industrial history. But, remarkable as these figures are, they become even more remarkable when we look at the legislative history on the sugar question during the intervening period. Everyone knows that stability in legislation is necessary to encourage investment. There has hardly been a year since the Dingley law was placed on the statute books when legislation relating to sugar has not been either agitated or under consideration. Is there any wonder that it has not developed more rapidly? The wonder is that it has grown as rapidly as it has. The year after the Dingley law went into effect the Hawaiian Islands were annexed, which gave permanency to our relations with those islands, which, in turn, is reflected in the increased importation of Hawaiian sugar from 204,833 long tons in 1897 to 506,096 long tons in 1910.

As a result of the Spanish War we acquired Porto Rico, and in a short time thereafter free trade was granted to that island. Its sugar crop has increased from 85,000 long tons in 1902 to 295,000 long tons in 1910.

From 1897 to 1901 the beet-sugar industry increased rapidly, 32 new factories being added during that brief period. But in the year 1901 the agitation for Cuban reciprocity commenced. The possibility for increased sugar production in Cuba was realized. The fears of the domestic producers were well grounded as to the effect reciprocity would have on Cuban production.

The reciprocity agreement became effective in December, 1903. The year preceding there were 998,878 long tons produced in Cuba, which increased in nine years to 1,900,000 long tons, with admission into the United States at 20 per cent reduction in duty. The natural and logical effect of Cuban reciprocity was to halt the development of the beet-sugar industry for a time. It was a severe shock. The Secretary of Agriculture submitted a report in 1902 on "The progress of the beet-sugar industry of the United States in 1901." On page 27, under the heading, "Proposed new factories," the report says:

Below is given a list showing location, daily capacity, and estimated cost of construction and equipment of the beet-sugar projects now under consideration. These projects are in different stages of discussion, organization, and capitalization. Some concerns are fully organized and capitalized; in other cases conditions have been canvassed and organization seems probable. Nearly all these projects are likely to materialize in the future, provided questions affecting the beet-sugar industry are settled.

This list includes only such projects as came to my attention during my investigations of the past year, and is authentic as far as it goes. There are doubtless others of which I have no definite information. To install these factories would require an investment of $49,000,000. In addition they would require annually a working capital of $9,080,000. They would purchase from the farmers annually beets to the amount of $14,700,000, besides a great many other crude materials, and would employ a large number of laborers.

Then follows a list of 86 projects or factories that would have been built. Of these 86 projects, 1 was completed in 1902; 6 others in 1903, before the treaty went into effect; and the remaining 79 were permanently abandoned. Such was the effect on the industry of putting into effect Cuban reciprocity.

Next came the concession of 25 per cent to the Philippines, and finally came the revision of the tariff in 1909 with the further concession of 300,000 tons free of duty from the Philippines and the slight reduction in the duty on refined sugar of 5 cents. At the time the Payne bill was under consideration there was a very active discussion over the duty on sugar, and since then the Sugar Trust and refiners have been carrying on a well-organized campaign against the sugar duty.

So that I say there has scarcely been a year since the beet-sugar industry was actually started under the Dingley law down to the present time when the duty on sugar has not been, in one form or another, under consideration. It has been a period of uncertainty. What acts would be passed and their effect could not be foreseen. There was lacking that element of permanency in legislation necessary to encourage the highest developments of the industry. Notwithstanding all this, the beet-sugar industry has developed with leaps and bounds and demonstrated its power as a competitor of the sugar refiners.

There is no claim that the beet-sugar interests have ever entered into any combination in restraint of trade or attempted to violate the antitrust laws of the land. It is conceded that there is actual competition between the beet-sugar companies themselves and between them and the refiners. I assert without fear of successful contradiction that, if undisturbed now, with the assurance of permanency as to legislation, with sufficient duty to offset the difference in the cost of production at home and abroad, this industry will furnish the most splendid example in this country of the success of the protective policy.

Does anyone marvel that the Sugar Trust and the great refiners are anxious to have this bill passed and wipe out the beet-sugar industry? It may be, and I think it is, with the sugar refiners a case of self-preservation. I for one would prefer to see a duty in conformity with the Republican policy retained and witness the industry grow, as it will grow, until every pound of sugar that is consumed by the American people will be raised on American soil and sold to the consumer under the severe competition which must naturally follow rather than destroy the industry and leave the consumer to the mercy of the trusts.

I come now to the question of whether there is real competition between the beet-sugar people and the refiners. I have pointed out from the record that the refiners were back of the propoganda sent broadcast through the country with the view of creating a popular demand for a repeal of the duty on sugar. This ought in itself to disclose their interest in the legislation, but I desire to show from the record the further fact that there is actual competition. If this can be established, it is an irresistible argument in favor of the encouragement of industry. If competition exists, the duty of Congress to preserve and encourage the industry surely follows. What we need in this country more than anything else, as a solution of our economic problems, is competition.

I will again quote the admissions of the representatives of the Sugar Trust and refiners who were subpœnaed before the Hardwick committee.

Mr. Atkins, the acting president of the American Sugar Refining Co., testified that he was a stockholder in the American

Sugar Refining Co. at the time Mr. Havemeyer commenced his policy of investing in beet-sugar factories. That he disagreed with this policy for the reason that it was building up a competitor and therefore disposed of all his holdings in the company, and did not reinvest until the company adopted the policy of disposing of its beet-sugar holdings. When examined on the question of competition with the beet-sugar people, he testified as follows (Hearings, vol. 1, p. 49):

All that beet sugar comes on the market at a certain season of the year. It is all produced in about three months' time. They all want to market it *just* as rapidly as possible, and in order to do that they come to the eastern points. California sugar comes into Chicago and Michigan sugar into Buffalo and Pittsburgh and eastern refineries; not only the American Sugar Refining Co., but the others, have to reduce or close down until the beet sugars are out of the way. Any refining that is done between the 1st of October and the 1st of January is done without any profit, and very often at a loss.

I call particular attention to the language of the witness that during the three months when beet sugar is marketed the American Sugar Refining Co. "is forced to reduce or close down until the beet sugars are out of the way." This is certainly a significant fact. It demonstrates that there is effective competition during three months of the year. It is pertinent to inquire what would be the effect if the beet-sugar industry developed so that this competition would exist for half or three-fourths or perhaps all of the year, as I believe it would?

Mr. Gillmore, of Arbuckle Bros., testified as follows (Hearings, vol. 2, pp. 1158, 1159):

Mr. RAKER. This beet-sugar industry, and the competition between that and you, is more of an imagination than it is of a reality, is it not?
Mr. GILLMORE. No; I think it is an actuality.
Mr. RAKER. Can you name any concrete case of place or time when you came into actual competition; in other words, when you found the beet sugar in the same point where you were handling your cane sugar?
Mr. GILLMORE. In the last two years, very seriously, in Pittsburgh, Pa.
Mr. RAKER. The beet-sugar people got in Pittsburgh, Pa.?
Mr. GILLMORE. Yes.
Mr. RAKER. From where?
Mr. GILLMORE. I do not know where from. I do not know what the brand was, or anything about it. I know the fact.
Mr. RAKER. What time of the year was it?
Mr. GILLMORE. I know that it was so much so that a house owned by Arbuckle Bros. there was compelled to take the beet-sugar business in and buy it and sell in competition. That is bringing coals home to Newcastle.

I agree with the witness that it was "bringing coals home to Newcastle" when the great house of Arbuckle Bros. was compelled to buy beet sugar and sell it through one of their own branches.

Mr. Jamison, of Arbuckle Bros., says, in substance, that Michigan sugar has interfered with them very largely in Ohio and Pennsylvania and has been down as far as New York and West Virginia. (Hearings, vol. 2, p. 1193.)

Robert M. Parker, president of the Brooklyn Cooperage Co., owned by the American Sugar Refining Co., and a director of the latter company, says (Hearings, vol. 2, pp. 1463–1464):

Mr. MALBY. Does the American Sugar Refining Co. at the present time ship any granulated sugar to the various States in the Mississippi Valley and in the Missouri region?
Mr. PARKER. Yes, sir; a very great deal.
Mr. MALBY. And at all times of the year?
Mr. PARKER. Yes, sir; until the price is so low that it is impossible to ship at a profit.
Mr. MALBY. Who makes the prices low, or creates the condition to which you refer?
Mr. PARKER. The San Francisco cane and the beet sugars from Colorado and Utah and Michigan.

Here is the vital admission that the beet-sugar product makes "the prices so low" that the refiners can not compete in the Mississippi and Missouri Valleys. In other words, that the people of the Missouri and Mississippi Valleys get the benefit of prices fixed by a competition that drives the American Sugar Refining Co. out of the territory so long as beet sugar lasts.

Mr. Spreckels, of the Federal Sugar Refining Co., testified as follows (Hearings, vol. 3, p. 2269):

Mr. HINDS. Can you tell me how far in the East the beet-sugar people are able to market their sugar?
Mr. SPRECKELS. There is the dividing line on the Missouri River. They sometimes come as far as Pittsburgh. I think the American Beet Sugar Co. has come once as far as New York.
Mr. HINDS. Are they showing a tendency to come farther east all the time?
Mr. SPRECKELS. They are.
Mr. HINDS. And make the competition severer, if it is competition?
Mr. SPRECKELS. Yes.
Mr. HINDS. Continually?
Mr. SPRECKELS. Yes, sir. They have frequently come as far as Pittsburgh.

Is it any wonder that Mr. Spreckels was willing to contribute $12,000 for circularizing the people with a view of driving out this competition through legislation?

In fact, every representative of the sugar refiners who appeared before the Hardwick committee was forced to admit that beet sugar furnished an active and severe competition. That it has been extending, even encroaching on the East, within the very shadow of the refineries themselves.

But I pass from the admission of the refiners to consider it from another angle. Mr. Willett, of Willett & Gray, publishers of the Weekly Statistical Trade Journal on Sugar, appeared before the committee.

He was engaged by the committee as an expert, and his opinion should therefore carry great weight. He is regarded as the greatest expert in this country if not in the world. I will only refer to the gist of his testimony, which may be summed up in the following question and answer relative to the rapid rise in sugar last summer and fall and the reason for its decline:

Mr. FORDNEY. The beet-sugar industry has certainly had a beneficial influence upon the price of sugar.
Mr. WILETT. Yes; an enormous influence. If it were not for the domestic sugar industry sugars in this country would be to-day very considerably higher. I would not be surprised if it would not be a cent a pound more but for the beet and cane sugar produced in this country.

And again:

There is no question whatever, Mr. Chairman, that the coming into the market in October of the Michigan sugars and other domestic sugars dropped the price from 6.57 in October down to 6.11 in November and in December to 5.63.

This is the expert employed by the committee, one trained in the sugar market, who unqualifiedly says that it was the beet sugar which reduced the price of sugar about a cent a pound.

Willett & Gray's Weekly Statistical Sugar Trade Journal of September 23, 1911, has this to say:

Already the citizens of the States in which beet-sugar factories are located are being granted concessions in prices from those of States that must find their sugar supplies from the world's markets. It is somewhat beyond our present understanding to realize what high prices would have to be paid for sugar in all the States if our 500,000-ton beet factories were not in existence with the present world conditions of unknown short supplies supplemented by a strong and aggressive syndicate speculation in Europe.

There is no higher authority in this country on the question of sugar prices and market conditions than Willett & Gray, and what they say is entitled to great weight.

Let us take the question of competition from another angle and see just where beet sugar is sold. The following table taken from the hearings shows the distribution of the Michigan Sugar Co. for the past five years:

States.	1906–7	1907–8	1908–9	1909–10	1910–11
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*
Illinois	15,893,042	7,924,294	11,239,340	12,540,100	19,900,490
Iowa	2,590,705	709,863	1,043,141	1,214,492	3,381,374
Indiana	3,357,359	5,330,310	4,326,595	6,907,666	6,007,949
Kentucky	35,053	1,860,909	1,102,316	2,489,080	4,678,524
Maryland	67,924			37,660	
Michigan	18,388,579	17,861,228	22,813,578	23,211,393	21,193,882
Minnesota	8,572,893	4,730,839	4,170,189	4,552,871	4,253,187
Missouri	1,297,516	2,218,516	3,824,789	1,598,742	6,218,586
North Dakota	707,436	202,567	92,878	180,000	128,565
New York	1,026,056	2,501,582	1,677,592	4,034,643	6,259,027
Ohio	7,901,539	16,919,105	17,201,379	29,344,522	31,138,800
Pennsylvania	1,723,251	7,464,412	5,252,330	9,046,739	15,618,199
South Dakota			36,517		
Tennessee		35,309			73,550
Virginia			37,321	73,592	404,234
West Virginia	72,131	266,325	223,768	137,290	362,741
Wisconsin	9,946,120	2,742,530	3,792,875	3,698,056	3,583,958
Total	71,579,140	70,767,789	76,834,610	99,066,846	183,202,958

The foregoing table shows that the National Sugar Co. has invaded New York, Ohio, Pennsylvania, Virginia, and West Virginia. Here is another table taken from the hearings (p. 895) showing the distribution of the Great Western Sugar Co. of Colorado. It is given in number of bags of 100 pounds each.

States.	Number of bags, season of—				
	1909–10	1908–9	1907–8	1906–7	1905–6
Arkansas	10,200	2,290	18,240	2,260	
California					250
Colorado	265,295	286,414	196,438	241,179	230,973
Illinois	259,666	192,143	513,484	204,979	99,891
Indiana	8,611	7,200	79,486	12,000	
Iowa	247,826	194,720	306,720	340,674	249,510
Indian Territory			4,460	80,830	18,150
Kansas	277,810	233,058	117,285	156,671	111,650
Kentucky	600	3,000	28,120	3,325	
Michigan	14,400	10,200	82,547	2,850	
Minnesota	122,984	141,310	190,579	369,890	285,000
Missouri	383,468	293,102	293,102	389,869	246,350
Montana					300
Nebraska	139,908	246,802	46,603	106,119	56,666
New Mexico			10		

States.	Number of bags, season of—				
	1909-10	1908-9	1907-8	1906-7	1905-6
New York		600	15,904	600	
North Dakota	1,800	2,150	3,000	7,100	36,001
Ohio	21,091	19,200	64,300	16,402	
Oklahoma	96,770	39,885	193,777	123,340	22,400
Pennsylvania	37,885	7,200	43,500	10,862	
South Dakota	75,115	51,310	32,926	32,580	51,100
Tennessee			50		
Texas	119,280	40,800	189,170	80,531	23,071
West Virginia			4,245	400	
Wisconsin	43,300	18,729	137,277	52,532	21,335
Wyoming	20,930	17,840	11,230	25,495	21,290
Total	2,146,939	1,808,553	2,659,675	2,301,975	1,473,937

It appears from this statement that the beet sugar of Colorado has entered the markets of Illinois, Indiana, Missouri, Ohio, and Pennsylvania; that the beet-sugar industry has been extending its market to the East year by year. No wonder the refiners are alarmed over their control of the markets.

Last summer on the reported shortage in the beet sugar of Europe the sugar refiners made an advance of from 1¾ to 2½ cents per pound, and at the time they did so they were using the raw sugar for which they had contracted at the low prices prevailing prior to the reported shortage. Arbuckle Bros. advanced the price of sugar at one time to 7½ cents per pound f. o. b. New York. The high prices prevailed during the months of July, August, September, and October, and during all of that time the refiners were making a profit of at least 2 cents per pound above what would be considered a reasonable profit.

Two cents per pound is on the basis of $7 per barrel. We are consuming in this country about 75,000 barrels per day, so that they were exacting of the people about $500,000 per day during this period because they had the control of the market, the very thing they are striving to secure permanently by the destruction of the beet-sugar industry.

They maintained their high prices until the American beet sugar came on the market in October. There had been no change so far as the world's output or market were concerned, but they were then compelled to meet beet-sugar prices.

There is a beet-sugar factory in Waverly, in my district. I have it on the authority of the manager that no beet sugar was sold in Iowa at a higher figure than 5.78½, and this was considerably less than the prices charged by the refiners.

At this point it might be interesting to quote once more from Mr. Lowry, who has been posing in his circulars as a friend of the consumer, who, after telling the history of jumping the price of sugar from 5 to 7.25, admitted that it was their policy (the Federal Sugar Refining Co.) to exact "all the traffic would bear."

For the purpose of showing the actual facts—that is to say, the prices at which the refiners sold sugar during the months of September, October, and November, and also the prices at which the beet-sugar factories sold their output—I will insert some tables taken from the hearings before the Hardwick committee. These tables show that beet sugar was sold at considerably less than the prices fixed by the refiners. (Hearings, p. 656.) The following table shows the prices of the refiners for the months of August, September, and October.

	American Sugar Refining Co.	National Sugar Co.	Warner.	Federal Sugar Co.	Arbuckle Bros.
1911.					
Sept. 1	$6.25	$6.35	$6.35	$6.35	$6.35
3	6.25	6.35	6.35	6.45	6.50
6	6.40	6.50	6.50	6.60	6.50
7	6.50			6.75	6.60
8	6.60			6.75	6.75
9	6.70			7.00	7.00
11	6.75			7.00	7.00
13	6.75			7.25	7.25
19	6.75			7.25	7.50
26	6.75			7.25	6.75
28	6.75	6.75		7.25	6.75
Oct. 2	6.75	6.75		6.75	6.75
3	6.75	6.75	6.75	6.75	6.75
23	6.75	6.75	6.75	6.50	6.75
24	6.70	6.70	6.70	6.50	6.70
25	6.70	6.70	6.70		6.70
30	6.60	6.60	6.60		6.60
Nov. 2	6.50	6.50	6.50		6.50
6	6.40	6.40	6.40		6.40
9	6.30	6.30	6.30		6.30
13	6.20	6.20	6.20		6.20
20	6.10	6.10	6.10	6.10	6.10

The following statement (Hearings, p. 3149) gives the prices at which 43 beet-sugar factories sold their output up to November 1, 1911:

Companies.	Factories.	Average net wholesale price.
Great Western Sugar Co	11	$5.327
Wisconsin Sugar Co	3	5.55
American Beet Sugar Co	6	5.20
Continental Sugar Co	3	5.55
German-American Sugar Co	2	5.50
Owosso Sugar Co	2	5.55
Western Sugar & Land Co	1	5.45
Sacramento Valley Sugar Co	1	4.80
Carver County Sugar Co	1	5.637
Charles Pope	1	5.70
Los Alamitos Sugar Co	1	4.85
Southern California Sugar Co	1	5.40
National Sugar Refining Co	1	5.60
Holland-St. Louis Sugar Co	2	5.635
Iowa Sugar Co	1	5.73
Michigan Sugar Co	6	5.554
Total (16 companies)	43	

These figures speak for themselves, and they show beyond a possibility of contradiction two vital facts: First, that the beet-sugar industry furnishes an active and effective competition against the refiners; second, they have lowered the prices of sugar to the consumer.

And now I come to the consumer who has caused the sugar refiners so much solicitude. The Mr. Lowry, to whom I have referred, in one of his remarkable circulars figured that the duty added 2 cents per pound to the price of sugar, from which he computed that every family of five persons, on the basis of 80 pounds per capita, pays $8 per year on account of the duty. This is a fair sample of his utter disregard of facts, or, I might say, of his deliberate intention to deceive.

Others have taken 1.90, the present duty on refined sugar, as the basis for their computation, and have added the entire amount of the duty to the cost of sugar. These statements are erroneous in the very nature of the case. In the first place there is only a negligible quantity of refined sugar imported. In the year 1910 the importation of refined sugar amounted to only 1,405 tons, so that it is manifestly unfair and misleading to take the duty on refined sugar as a basis.

The duty on refined sugar is 1.90. The duty on raw sugar is 1.68½. There is a 20 per cent reduction to Cuba, which leaves the Cuban duty 1.348. The large per cent of our importations of raw sugar come from Cuba. The effective duty is the duty actually collected on dutiable sugar.

During the year 1911 there was 3,899,932,335.08 pounds of dutiable sugar imported into the United States. The duty collected was $51,496,559.12, which makes the average duty collected per 100 pounds of dutiable sugar $1.3461.

The gentlemen who made the computations I have referred to have made another serious mistake. They have taken the total per capita consumption as a basis and have assumed that all of the sugar consumed will be affected by the removal of the duty. This is not true. They failed to consider the large amount—in fact, the greater portion—used other than on the table. It enters into many varieties of products. Here are some of the articles in which it is used: Condensed milk, candies, etc., chewing gum, corn products, liquors and wines, preserves, soda-water sirups, desiccated coconuts, Quaker oats, jelly, gelatin, etc., candied fruits, rock candy and rock-candy sirups, drugs, medicines, chemicals, cocoa, ice cream, infants' food, fruit sirups, mincemeat, ginger ale, biscuits, crackers, and bakery articles. In all of these and many others sugar is used, and it is all included in the total amount consumed, on which the per capita consumption is figured.

It is estimated that 140,000,000 pounds of sugar is used annually in condensed milk. On a basis of 4½ cents a pound there is about 1⅛ cents' worth of sugar in a pound of condensed milk, and if the price were lowered 1 cent a pound it would make a difference of two-fifths of a cent on a 15-cent can. Would the consumer receive the benefit of this reduction of two-fifths cent per can? One hundred and twenty-six million pounds are used annually by the biscuit, pie, and cake bakers. About 612,000,000 pounds are used by confectioners. Twenty-five million pounds are used in making chewing gum. No one can seriously claim that the consumer will receive any concession either in the price or as to the quantity in any of the articles into which sugar enters.

This phase of the question, as well as the percentage of the total amount of sugar consumed that actually enters the home for use on the table, is so rarely discussed, while at the same time has such an important bearing, that I will quote from

the testimony of Mr. Horace Havemeyer before the Hardwick committee. Mr. Havemeyer was the sales agent of the American Sugar Refining Co., and therefore in a position not only to impart information, but to form a fair estimate as to the relative uses of sugar (Hearings, vol. 1, p. 612):

Mr. FORDNEY. Mr. Havemeyer, do you know anything about how much of the 80 or 90 pounds of sugar per capita is consumed in this country directly in sugar by the people of this country and how much goes into manufacture?

Mr. HAVEMEYER. That is a very difficult question to answer. I know it in a general way. There is a great deal of sugar used in various articles of manufacture. Take condensed milk, crackers, jelly, preserves of all kinds, tobacco, whisky, chewing gum, candy, and a great many other things that you would not think of at the moment. I should estimate of the 80 pounds that is annually consumed that about 50 pounds goes into sugar-containing manufactured products and that about 30 goes to the consumer and is used on his table direct.

Mr. FORDNEY. Then the price of sugar in chewing gum would not make very much difference to the consumer, would it?

Mr. HAVEMEYER. I understand that chewing gum consists of 75 per cent sugar, and the sugar in it is sold for from 50 cents to $1.50 a pound, while the refiner's price for sugar is about 5 cents, or a little less.

Mr. FORDNEY. That is, in chewing gum?

Mr. HAVEMEYER. Yes; it is sold at from 50 cents to $1.50 a pound.

Mr. FORDNEY. Then sugar is a pretty small portion of the price of chewing gum.

I only wanted to get, Mr. Havemeyer, an idea of about how much sugar directly is consumed by the people of the country outside of that in manufactured articles.

Mr. HAVEMEYER. I should say 30 pounds per capita. I do not believe there is anyone who can give you those figures to a dot. I do not believe there are any statistics which could prove that. It is an estimate. I have thought over it a great deal because, being a salesman of the American Sugar Refining Co., I naturally had more charge of that end of the business than any other.

Mr. FORDNEY. Then the consumers of these manufactured articles are not very much interested as to which way the price of sugar goes, inasmuch as sugar is such a small item of the cost?

Mr. HAVEMEYER. Sugar is infinitesimal in all those items—very small.

As Mr. Havemeyer well observes, the price of sugar that enters into these articles is infinitesimal, although the aggregate use is large. While Mr. Havemeyer places the amount which is used on the table at about 30 pounds per capita, it is fair to state that the British Board of Trade, in their recent report on conditions in America as well as in England, state that there is about 5¼ pounds used on the table of the average American family per week. On the basis stated by the English Board of Trade, it would amount to 54 pounds per capita; and if the full amount of the effective duty (1⅓ cents per pound) were added to the price, it would mean 72 cents a year per capita, or 6 cents per month. If we take the basis of Mr. Havemeyer, or 30 pounds per capita, it would be 40 cents per year, or 3½ cents per month. If we take the average between the amount fixed by Mr. Havemeyer and that fixed by the British Board of Trade, it would mean 56 cents per year, or about 4½ cents per month, and this is conceding, for the purpose of argument merely, that the amount of the effective duty, that is to say the duty actually collected on dutiable sugar, would be added to the price.

I do not believe that the removal of the duty will lower the price of sugar. It may temporarily, but in the end, I doubt it. If we destroy the beet-sugar industry, which gives real competition to the beet-sugar refiners, and destroy our domestic cane sugar, the refiners will then have a monopoly, and they will do exactly as they did last summer and fall—in the language of Mr. Lowry, "Exact all the traffic will bear."

The Hardwick committee report that the price of sugar is lower in this country than in any European country except England. In the year 1910 the average price of sugar was about nine-tenths of a cent less in England than in this country. It is relatively lower in this country than in England, when you consider the wages paid in the two countries—that is to say, the purchasing power of labor. A day's wage in this country will purchase forty-three and a fraction pounds of sugar, while a day's wage in England will purchase twenty-one and a fraction pounds of sugar. In other words, a day's wage in this country will purchase twice as much sugar as a day's wage in England.

It is a well-known fact that from 1890 to 1907 there was a material rise in the price of nearly all food products. Sugar is one of the exceptions. If we are looking for an illustration of how a few men can control the market when an article is on the free list and there is no home competition, it is necessary to go no further than the house of Arbuckle Bros. and the way they have boosted the price of coffee during the past two or three years, and these are the men who are now clamoring for either free sugar or a duty so low as to destroy the beet-sugar industry.

But will the removal of the duty give us lower sugar? In December, 1903, Cuban reciprocity went into effect, granting a reduction of 20 per cent on sugar to Cuba, and if the argument holds good, there should have been a reduction of 20 per cent in the price of sugar. The Statistical Abstract for 1910, on page 713, gives the wholesale price of granulated sugar at New York, per pound, as follows:

1902	4.46
1903	4.64
1904	4.77
1905	5.26
1906	4.52
1907	4.65
1908	4.96
1909	4.76
1910	4.97

It will be noted that in only one year has sugar been lower than it was in 1903, and that one year only twelve one-hundredths of a cent per pound. On page 44 of the hearings is a table giving the New York market price from 1870 to 1909, inclusive. It is interesting to note that the price of sugar drops from 13.51 cents per pound in 1870 to 4.76 cents per pound in 1909, and it is also interesting to note that the price of sugar during the few years when it was on the free list was only about one-fifth of a cent a pound less than during the six years when the full Dingley tariff was operative.

Economic conditions, however, have changed since then. In those days we were not confronted with the trust problem that now confronts us, and with no production in this country we would stand a good chance of having permanently the same conditions we had last fall when the sugar refiners shot the price up as high as 7½ cents per pound.

Mr. Willett, the expert employed by the Hardwick committee, who has made a life study of the sugar question, and particularly its relation to prices, sums up his entire testimony and his investigation and study of the subject as follows:

In all these analyses I reach the same conclusion, that to decrease the price of sugar to the consumer, increase the domestic production as rapidly as possible.

This conclusion appears on page 3978 of the hearings—the last page—and it was very fittingly placed there, for it sums up in one sentence what the entire hearings for 11 weeks, conducted by able men, with the power of the Government back of them, establishes beyond dispute, that the consumer can only be protected by the increase in home production.

There are now 71 beet-sugar factories in the United States actively engaged in refining sugar, with an estimated cost of construction of about $100,000,000. They pay out for beets, fuel, salaries, wages, and for other items about $45,000,000 per year, every dollar being paid out in this country.

I do not believe that any fair-minded consumer or laboring man will wish to destroy this industry, throw out of employment the wage earners who are engaged in it, and take the chance of putting themselves in the clutches of the Sugar Trust and refiners for the small advantage, conceding everything that can be claimed, that they might temporarily receive.

It is unnecessary to discuss the effect of this measure on the beet-sugar industry. That it will be destroyed is conceded. The majority make no effort to conceal this fact. They are frank about it and are entitled to credit for their frankness. Some Republicans who have expressed their intention of voting for the measure admit it will destroy the beet-sugar industry and openly affirm that it ought to be destroyed, while others, in an effort to square themselves with the Republican platform on which they were elected, express the opinion that it will not injure the beet-sugar industry, and find refuge behind some quotations in favor of free sugar, expressed by Republican leaders a quarter of a century ago. The conditions which justified free sugar then do not exist now. Since then the beet-sugar industry has developed and is furnishing actual competition for the refiners. It is growing and the competition becoming severer each year. They forget that the Republican Party adjudicated that question in 1896, as I have shown from the platform adopted that year—the platform upon which William McKinley was a candidate for President and which represented the best thought of the Republican leaders of that time, and a policy that has never been retracted by any Republican leader since, and stands to-day as the definitely announced policy of the party.

On the question of the effect of this measure on the beet-sugar industry I will quote from the report of the majority members of the Ways and Means Committee, as follows:

In the report of the same investigating committee (p. 22) we find that the cost of manufacturing beet sugar is lowest in Germany, and according to the best-known sugar experts the cost of producing a pound of raw sugar there ranged from 1.96 to 2.07 cents. Adding a refining cost of four-tenths of a cent per pound, the cost of producing refined beet sugar in Germany would average 2.415 cents per pound. The average cost of producing beet sugar as computed from the returns of the 11 plants in which the American Sugar Refining Co. is interested is shown not to exceed 3.54 cents per pound. This difference between the German and American costs more than offsets the freight charges from Germany to the United States.

In brief, the committee finds that it costs 1.12½ cents more per pound to produce beet sugar in the United States than in Germany. The freight rate from Hamburg to New York is 12 cents per 100 pounds, or twelve one-hundredths cent per pound, so that, according to the figures of the committee, it will be impossible for the beet-sugar industry of this country to compete with Germany. Moreover, the figures cited in this country do not include selling expense, which includes brokerage, insurance, storage, and so forth, nor interest on the investment, nor depreciation. The figures stated by the committee are taken from the testimony of Mr. Freeman, and a reference to his testimony on page 2379 of the hearings will confirm my statement.

Therefore those who vote to have this bill become a law do so with the knowledge in advance of its effect on the beet-sugar industry.

I will refer briefly to the relationship between the Sugar Trust and the beet-sugar companies. When Mr. Havemeyer was at the head of the American Sugar Refining Co. he started the policy of investing in beet-sugar factories. At the time he did this Mr. Atkins, now acting president of the American Sugar Refining Co., who was at that time a large stockholder in the American Sugar Co., differed with Mr. Havemeyer as to the policy, on the ground that it was building up a competitor for the refiners, and therefore sold all the stock he held in the American Sugar Refining Co. Afterwards others who were interested in the American Sugar Refining Co. discovered that Mr. Atkins was right and that the beet-sugar industry was developing into a dangerous competitor. This policy of the company was then reversed. The Hardwick committee in its report says:

> Since 1907 new influences have controlled the company, and the testimony does not show a continuance of the policy of investing in competing concerns, but does show that some of the properties previously acquired have been sold.

The company has sold all of its stock in beet-sugar factories that was listed on the market. Speaking of the sale of its entire holdings in the American Beet Sugar Co., Mr. Atkins testified:

> That stock was all sold, because it was a listed stock and there was a market for it. We have not got a share of it now.

Since the new policy was adopted the American Sugar Refining Co. has disposed from time to time of its holdings in various companies and recently sold its entire holdings in the Carver County Sugar Co., in Minnesota.

The report of the Hardwick committee states that the American Sugar Refining Co. owns 41 per cent of the stock of 11 companies, but it also states that as to the remaining beet-sugar companies "they are real competitors of the American Sugar Refining Co." If the suit of the Government now pending in the courts is sustained, it will compel the American Sugar Refining Co. to dispose of its entire holdings in beet-sugar companies.

There is this observation, however, that after the Hardwick committee had conducted its hearings for 11 weeks and made an exhaustive examination of the whole subject, that nowhere is it claimed by the committee that the American Sugar Refining Co. has controlled the selling price of the beet-sugar factories in which it was interested.

It is singular that one of the most important phases of the subject is seldom mentioned, and that is the indirect benefits of sugar-beet culture.

During the past few years the question of increasing our yield has been widely discussed. Our Government is spending millions of dollars in this cause. Nearly every State is doing the same thing. I am in hearty accord with what has been done and in sympathy with any movement that will improve agricultural conditions, and this is one of the reasons why I am opposed to the present measure.

There is perhaps no more practical, efficient, or economical method of increasing our production than encouraging the raising of sugar beets. It is no longer a matter of theory or speculation. It rests on facts ascertained by actual experience. We know what it has done for France. We know what it has done for Germany. We know what it has done in the sections of this country where beet-sugar factories have been located. We know what the Agricultural Department says about it, and perhaps there is no more ardent advocate of beet-sugar culture than the Agricultural Department. We know what our leading agricultural scientists say about it. All concur in the great benefits derived from raising sugar beets through the increased yield of other crops. Dr. Wiley, when he was before the Hardwick committee, said:

> I believe it (referring to beet sugar) would be one of the best things for the agriculture of this country that could possibly exist.

In Germany, where the soil has been tilled since the time of the Roman invasion, they are to-day producing greater yields per acre than they are in the United States, where our soil may yet be termed almost virgin. They are raising more in Germany than we are on the black loam soil of Iowa, the best agricultural State in the Union. Here is a table showing the German acreage and yield of the five principal crops in 1910:

	Acreage.	Bushels.	Per cent.
Wheat	4,800,900	141,884,000	29.5
Oats	10,599,100	544,287,000	51.3
Barley	3,880,500	133,330,000	34.3
Rye	15,287,500	413,802,000	27.0
Potatoes	8,209,621	1,715,676,300	208.9

The following table was compiled from the Agricultural Yearbook and gives the average yield and value of the same crops in Iowa in 1910:

	Acres.	Bushels.	Yield per acre.	Value per bushel Dec. 1.	Value of crops.	
					Per acre.	For the State.
			Bushels.	*Cents.*		
Wheat	530,000	11,131,000	21.0	85	$17.85	$9,462,000
Oats	4,800,000	181,440,000	37.8	27	10.21	48,989,000
Barley	510,000	15,045,000	29.5	56	16.52	8,425,000
Rye	32,000	592,000	18.5	64	11.84	379,000
Potatoes	170,000	12,240,000	72.0	60	43.20	7,344,000
Total	6,042,000	220,448,000	.....	.....	.....	74,590,000

The following table shows the yield and the value of yield of a like acreage in Germany—that is to say, the same number of acres used in Iowa for the five crops stated—based on United States farm value of products:

	Acres.	Bushels.	Yield per acre.	Value per bushel Dec. 1.	Value of crops.	
					Per acre.	For the State.
			Bushels.	*Cents.*		
Wheat	530,000	15,635,000	29.5	85	$25.07	$13,289,000
Oats	4,800,000	246,240,000	51.3	27	13.85	66,484,800
Barley	510,000	17,493,000	34.3	56	19.20	9,796,080
Rye	32,000	864,000	27.0	64	17.28	552,960
Potatoes	170,000	35,513,000	208.9	60	125.34	21,307,800
Total	6,042,000	315,745,000	.....	.....	.....	111,431,390

It will be seen from the foregoing table that if we had raised in Iowa as much per acre as was raised in Germany, the farmers of Iowa would have received $36,800,000 more for these five crops.

Those who have investigated the conditions in Germany assert and establish that the increased yield in Germany is due largely to the raising of sugar beets and the rotation of their crops. Although the German farmers do not realize as much for their beets as American farmers do, and make less profit out of it, they are nevertheless willing to plant for the indirect benefit which they receive in the increased yield of other crops. The experience in Germany in this respect is found true in this country. H. C. Wallace, one of the editors of the Wallace Farmer, published in Des Moines, Iowa, one of the best agricultural papers in the entire country, published a serial article last December on the subject of the sugar beet in Iowa after he had made a visit to the factory of the Iowa Sugar Co., at Waverly, and talked personally with the farmers who were raising sugar beets. Here is a brief quotation from his article:

> It is interesting to note that of the ten or a dozen farmers to whom I talked who had grown sugar beets for the past several years all agreed unanimously that the yield of small grain grown after sugar beets was greatly increased.

He closed his article with the following significant statement:

> The culture of sugar beets, as it spreads, will revolutionize the agriculture of the northern part of the corn belt.

The Secretary of Agriculture states that there are 274,000,000 acres of land in this country suitable for raising beets. There is no reason why we should not produce every pound of sugar we consume. With the progress of the industry and the improvements which experience have brought about beet sugar has shown a decreasing cost of production, and there is reason to believe that with its further development there will be a further decrease, and the people will receive the direct benefit of prices fixed by actual competition. Besides, we will receive the indirect benefit of increased production of other farm products, which has its relation to the prices of such products, influenced always by the law of supply and demand.

While I am opposed to the present measure, I would favor a revision of this schedule that would remove the Dutch standard test and the preferential on refined sugar, and fix the duty in accordance with the measure of protection for which the Republican Party stands—the difference between the cost of production at home and abroad. This measure has no chance of becoming a law. This fact was well understood when it was introduced. It is purely political buncombe. It has met the just criticism of the Democratic press. The Washington Times, a prominent Democratic paper, that has been making a fight for the last two or three years for a revision of the sugar schedule, and particularly on the Dutch standard test, criticizes this bill in severest language. In its issue of March 2 in its editorial columns it says:

All that is good politics, as it is played, but it is not dealing fairly with the people. The insincerity of the House project is proved by the fact that for months the Democrats have been utterly unable to agree what should be done about sugar. So long as they considered plans that were intended to have a chance of becoming law and giving the people some real advantage, they were hopelessly unable to agree. It was only on a fantastic proposal that could not possibly have a ghost of a show of enactment that they could get together.

And in its issue of March 3, in another editorial, severely attacking the measure, it states as follows:

From the beginning the present Ways and Means Committee has pretended to favor moderate, gradual tariff changes. It would not have free wool, lest that ruin an industry. Yet it turns squarely around and proposes free sugar, absolutely certain to ruin an industry, if free sugar should come.

There is gratification in the knowledge that some Democrats declined to accept the buncombe free-sugar income-tax plan, and have announced their purpose to expose the cheap plot. The Democrats can not afford to play so flimsy a game, and if they go ahead with it, they will discover that the people are a deal wiser than the framers of this plot imagine them to be. The project that is intended to satisfy everybody will be found to satisfy and to fool nobody.

Mr. Charles W. Miller, of Iowa, for three terms a Democratic member of the State Legislature of Iowa, and for several years chairman of the Democratic State central committee, concludes a long article, published in the Waterloo Times-Tribune—a Democratic paper—upon the subject, which I will print as an appendix, but whose view of the measure is summed up in the following sentence:

All things considered, I have decided that there are occasions when even a fundamental free trader can consistently oppose tariff reduction, and that this is one of them.

In brief, this measure will fool no one. It certainly is in violation of Republican doctrine, and is even claimed by Democrats to be a violation of the policy of gradual revision downward, of the Democratic Party.

Supplemental to the letter of Mr. Miller I will insert a letter from Mr. George E. Lichty, published in the Waterloo Evening Courier, written to Mr. Miller in response to the above article. Mr. Lichty is president of Smith, Lichty & Hilman, wholesale grocers, of Waterloo, Iowa, and a member of the executive committee of the National Wholesale Grocers' Association. I insert it because of his high standing in commercial circles, because he knows the subject, and for the further reason of showing how the real wholesale grocers feel in respect to the measure, as distinguished from the fictitious committee represented by Mr. Lowry, the employee of the refiners.

In conclusion, I have endeavored to review the questions involved in this measure fairly, confining myself almost wholly to the facts developed before the Hardwick committee, a committee created at the instance of the majority party in the House, and its work at all times under the control of the Democratic Members who comprised a majority thereof. I bear willing testimony to the ability with which the committee performed its work. The report of the committee is unanimous. The hearings and the report establish the propositions I have advanced.

APPENDIX.

[Public letter written by Mr. C. W. Miller, of Waverly, Iowa.]

WAVERLY, IOWA, *February 12.*

"Greater Iowa" is a slogan that appears to be in everybody's mouth these days, and indicating, as it does, a State-wide desire on the part of our people to push Iowa forward to a front place in the galaxy of American Commonwealths, a place to which her natural endowments richly entitle her, it seems probable that some good must result therefrom.

But since in all of the discussion there seems to be a dearth of suggestion as to ways and means, I am tempted to submit something along that line and invite attention to the fact that an industry at Waverly is pointing the way to at least one avenue by which Iowa may add much to her population, wealth, and general prosperity.

Before proceeding to my elucidation, however, let me suggest that Iowa at the present time has all the people necessary to do the work that comes to their hands, and the unusual amount of poverty in our cities the present winter indicates that we have some to spare.

This being indisputable, as it manifestly is, it follows that the first step in the direction of a greater Iowa must be in the way of more jobs. Manifestly also, these jobs must almost necessarily relate to the soil in comparison with which all other sources of wealth in this State must ever be infinitesimally small.

An industry born of the soil, therefore, which combines the benefaction of multiplying jobs with that of "making two blades of grass grow where there grew but one before" would seem to fit into Iowa's plan for a greater future as nothing else could do and merit the special attention and consideration of every loyal Iowan in sympathy with the booster movement.

Such an industry is the beet-sugar industry, which, barring the possibility of adverse tariff legislation, may now be counted, not only as a permanent Iowa institution, but also as the forerunner of many similar establishments throughout the northern counties of the State.

That the Waverly beet-sugar factory is a veritable prosperity breeder is well known to the people of this section of the State, but that others may know what a stream of wealth it pours into the channels of industry and trade I cite the amounts in round numbers which were disbursed by its treasurer during the "campaign" just brought to a close, giving also the purposes for which they were applied:

Beet tonnage	$240,000
Freight	34,000
Securing and transporting laborers	7,000
Superintendency	13,999
Receiving and taring	9,000
Factory labor	71,000
Office salaries and office expenses	15,000
Barrels and bags	10,000
Coke	2,000
Limestone	5,000
Additions and repairs	41,000
Miscellaneous	8,000
Total	455,000

I have no doubt that these figures will be a revelation to many before whose eyes they will come, and if they wonder thereat I know their wonder will grow when I tell them that all of these substantial sums, along with the modest profit of the sugar company, were, primarily, wrung from 4,806 acres of land, or an area of but slightly in excess of one-fifth of a single township.

But this isn't the end of my prosperity story by any means. The most important addition to it is that next year, as demonstrated by the experience of former years, every one of these acres is destined to give a yield of 25 to 50 per cent in excess of an average crop of grain, this being a direct result of the deep plowing, intensive cultivation, and weed extermination incident to the beet crop of the year before.

Nor is it necessary to stop here in enumerating the rewards of the beet grower, for in the beet tops he has a fodder of an estimated value of from $8 to $10 per acre. These tops, however, if left in the field, restore most of the plant nourishment that has been taken from it, and if the beet pulp could also be restored in its entirety the soil would be just about even, since sugar has no value as a plant food, and, in fact, is not so much a product of the soil as of the air and sunshine. The beet pulp, however, has a great value as a food for cattle, and none is permitted to go to waste. Beet growers in the neighborhood of the factory have access to it without expense to them, and for the past three winters J. H. Letts, of Letts, Iowa, has drawn upon it for the fattening of several hundred steers, kept in yards adjoining the factory.

Another valuable by-product of the factory is the lime cake which results from the vast quantities of lime used in the purifying process. It has a distinct value as a fertilizer, and is especially valuable for the correction of soil acidity.

IOWA SOIL IDEAL.

That northern Iowa soil and climate are well adapted to profitable sugar-beet culture is now assured beyond a doubt, but the early years of the factory's existence were uncertain and troublous. Farmers were slow to take hold of the proposition, and to secure acreage was a task both expensive and arduous. The first season's crop was satisfactory only here and there, but it was observed that the German farmers who had had experience on their native soil got splendid returns. Profiting by this demonstration, after the second year the company arranged to provide reluctant growers with field workers of experience. These were found in the cities of adjoining States, being mainly German-Russian families lately arrived from the beet-growing sections of their native country. The rewards offered in the Iowa beet fields were so much greater than they had been accustomed to that they were easily persuaded to exchange their slum environment for the fresh air and sunshine of Iowa farms. A large percentage of these families have found permanent homes in the localities where they were employed, and not a few, gratified at the results of their labor for others, have bought or rented small pieces of land. The other day Secretary Moore showed me 21 contracts signed by the heads of such families who, for the first time in their existence, are going to experience the delight of not having a landlord over them. They are prodigious workers, thrifty, fairly intelligent, and law-abiding, and that they will make good citizens in their new environment is beyond question.

What the ultimate destiny of these impressionable children of the Old World would have been were they left in the haunts of vice from which they were taken admits of enough doubt to make me secure in counting some measure of benefit to our social condition as yet another benign attribute of the beet-sugar industry.

And still another incidental benefit of this industry is the solving of the hired-man problem. The beet workers above alluded to are skilled farm laborers and they are not afraid of work. Neither do they make it a condition of their employment that they be provided with a horse and buggy to go gallivanting o'nights. During the haying, the oat harvest, and the corn husking the beet fields do not require their attention, and during these periods the farmers in the sugar-beet sections are never up a stump for help, as they so frequently were before the advent of this new industry.

SOME OF THE BENEFITS.

As to the benefit conferred upon the soil by sugar-beet culture I have previously alluded, but my attention has been called to a specific case which I believe is worthy of particular mention. Two years ago last fall Moses Ackles, a successful Michigan grower, went to Osage to grow beets for the Waverly factory. After he had rented a 94-acre tract of land for the purpose he learned that it had been in the hands of a long series of renters and was badly run down; also that it was seriously afflicted with quack grass. Nothing daunted he went ahead and raised a crop of beets, securing 9 tons to the acre. The following year, 1911, he seeded it down to clover, planting a cover crop of oats. The oats yielded 50 bushels an acre, topping anything in the neighborhood, and later he cut what proved to be the only good stand of clover in Mitchell County. One thousand dollars was offered but refused for it. Another reward was the complete elimination of the quack grass.

If the incidental rewards of a sugar-beet crop are taken into consideration, 7 or 8 tons per acre may be regarded as better than the return of an average corn crop, but that such a yield can readily be doubled is shown by the results attained by the following widely scattered growers:

	Acres.	Tons per acre.
A. R. Stokes, Clear Lake	20.71	16.40
W. D. Rung, Osage	83.71	15.14
F. M. Williams, Steamboat Rock	33.59	14.63
J. S. Besterby, Ottoson	32.62	12.76
L. L. Latham, Kanawha	18.58	14.55
Nat P. Ellis, Waverly	18	17

It will be observed that the above were all large growers. Some of the smaller growers secured even a larger tonnage per acre, and Lee Campbell, of Osage, makes affidavit to the remarkable yield of over 28 tons from a measured acre.

TONNAGE INCREASES.

The fact that tonnage per acre has increased year by year until last year it was better than 50 per cent better than the first year beets were grown here shows what increased knowledge of beet culture has accomplished. The campaign of education and supervision has been an expensive one, however, and along with the expense of securing acreage, has dug deep into what might otherwise have been added to the company's profits, but the fact that the necessary acreage for next season was secured practically without solicitation shows that sugar-beet culture in northern Iowa is past the experimental stage, and that it now would be no difficult matter to secure tonnage enough to operate several factories of the capacity of that at Waverly.

On the horizon of this promising industry there is now but one cloud, but that is rather an ominous one. It takes the shape of an energetic and well-financed propaganda on the part of the refiners to take the tariff off of raw sugar. Ostensibly this propaganda is conducted by a "committee of wholesale grocers" and in the interest of the consumers, but one day while I was present at the Hardwick committee investigation in Washington I saw a witness put through a sweating process that brought out the illuminating fact that he in himself constituted this entire committee, and that the refiners had put up every dollar for the tons of literature with which the country has been flooded. When I learned that this gentleman was Frank C. Lowry, sales agent of the Federal Spreckels Refining Co., I began to suspect that refiners not only expect to reap the full financial benefit of the proposed tariff reduction, the immense sum of $50,000,000, which is now collected by the Government, but that their still greater ambition is to be able to manipulate prices so as to destroy or at least check the competition of domestic sugar, grown from a production of 40,000 to 600,000 tons since 1896 and which undersells the refinery product every day in the year. Another important disclosure at the hearing was that Arbuckle Bros., who now have the country by the throat with reference to coffee, are leaders in the fight for free raw sugar, undoubtedly with the expectation of eventually inaugurating a second process of high-handed robbery upon the consuming public. All things considered, I have decided that there are occasions when even a fundamental free trader can consistently oppose tariff reduction and that this is one of them. But aside from my personal views as to this matter, and because I feel that the beet-sugar industry of Iowa could not withstand the assaults the refiners would make upon it, I feel that the people of this State should be advised of its present status and future possibilities, and for that purpose this article is penned.

—

(Public letter of Mr. George E. Lichty to Mr. Miller.)

DEAR MR. MILLER: I read your article on the beet-sugar situation in Iowa, and I want to congratulate you on the splendid manner in which the same was presented.

For a long time I have known something of the so-called Wholesale Grocers' Association, which, in fact, almost entirely means Frank C. Lowrey and Arbuckle Bros. When western wholesale grocers, however, attempted to explain the situation and to contend that they were not a part of the organization they immediately became objects of suspicion. Your article, I am pleased to state, relieves the jobber of that embarrassment.

I believe that when the people thoroughly understand the sugar situation, particularly in the State of Iowa, it will mean that we will produce more sugar than the State of Louisiana and of a quality that will be just as good if not better. The product of the Iowa sugar factory this year has been most satisfactory. We have never sold cane sugar that was any better, and we are only sorry that it is impossible to have the splendid product of the Waverly factory to sell throughout the entire 12 months of the year.

I am writing this to you to say that very few jobbers are in sympathy with the movement you have so thoroughly ventilated.

With personal regards, I am, very truly, yours,

GEO. E. LICHTY.

WATERLOO, *February 14.*

The CHAIRMAN. The time of the gentleman has expired. All time has expired on this paragraph. The question is on agreeing to the amendment offered by the gentleman from Wyoming.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. GOOD. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. GOOD. For the purpose of offering an amendment.

Mr. MANN. To the first paragraph?

Mr. GOOD. Yes.

The CHAIRMAN. The gentleman from Iowa offers an amendment to the first paragraph, which the Clerk will report.

Mr. GOOD. It is on line 10.

The CHAIRMAN. We have not reached that yet. The Clerk will read.

The Clerk read as follows:

1. Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, and molasses, maple sugar, maple sirup, refined sirups, glucose or grape sugar, and sugar cane shall be admitted free of duty.

Mr. NORRIS. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Nebraska offers an amendment, which the Clerk will read.

The Clerk read as follows:

On page 2, line 10, after the word "cane," strike out the balance of the paragraph and insert in lieu thereof the following: "One-half cent per pound: *Provided,* That on and after the 1st day of July, 1912, and until the 1st day of July 1917, there shall be paid from any moneys in the Treasury not otherwise appropriated to the producers of sugar testing not less than 96° by the polariscope, from beets or sugar cane grown within any of the States of the Union, a bounty of one-half cent per pound: *And provided further,* That on and after the said 1st day of July, 1917, and for five years thereafter, the said bounty shall be reduced to one-quarter of 1 cent per pound, and after the expiration of said five years no further bounty shall be paid. Said bounty shall be paid under such rules and regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe."

Mr. NORRIS. Mr. Chairman, I think it will be admitted by all candid-thinking men that if the bill is passed without amendment the result will be that all the beet-sugar factories in the United States will have to suspend operation and go out of business. We have at the present time in the United States 71 beet-sugar factories. They produced this year, in round numbers, something more than a half million tons of sugar. They have been increasing in number and steadily increasing in their output. This increase has not been as rapid as the advocates of this policy in the past had hoped and expected. I confess that I have been disappointed in this development, and yet I believe that there are a great many reasons why we should not so legislate as to entirely wipe out this industry. There are a great many reasons why we should not be dependent entirely upon the foreign supply for the sugar which we must necessarily consume. There is no doubt but what the Sugar Trust is in favor of free sugar. If the beet-sugar industry could be destroyed they would expect to gain an entire monopoly of the sugar trade of the country and thus control its price. The testimony taken before the committee appointed to investigate the Sugar Trust, I think, shows without doubt that the production of beet sugar has had a tendency to keep down the price of sugar to the consumer. The Sugar Trust practically controlled all the supply outside of that made from beets. This evidence shows that each year when the product of the beet-sugar factories was put upon the market the price of sugar to the consumer invariably went down. Before the supply from the beet-sugar factories was put upon the market the Sugar Trust was enabled to control the importation of sugar and to arbitrarily raise the price. No one doubts but what the Sugar Trust could control and would control the cane-sugar product, because that sugar is imported in its raw state. It is not marketable to the dealer or the consumer, but the only buyers are the refiners of sugar, and because the Sugar Trust controls the refining of sugar it can easily be seen why they want the tariff removed so that their raw material will be absolutely free. I know it is claimed that free sugar would permit beet sugar to be imported from Germany and that for this reason the Sugar Trust would not have a monopoly. This would be true if there were an overproduction of sugar, but when we remember that there is seldom a surplus and often a shortage of the world's supply it can easily be seen that even if beet sugar were imported the importers of such sugar, naturally being desirous of obtaining the largest price possible for their product, would raise the price up to the standard fixed by the Sugar Trust. They could do this, because neither the beet-sugar people nor the Sugar Trust would have enough product to supply the market, and as long as there was market enough to take the supply of both beet and cane sugar the beet-sugar importers would naturally raise their price up to the standard fixed by the Sugar Trust just the same as under present conditions the independent refiners of sugar raise their price up to the level of the price fixed by the Sugar Trust.

The Sugar Trust a few years ago purchased considerable stock in some of the beet-sugar factories of this country. Some of this has been disposed of, but some is still owned by the trust. They would be very glad, however, to lose their comparatively small investment in beet-sugar factories if they could drive the beet-sugar producers in America out of the field, if in doing so they could obtain a monopoly of the market. Their profits by such a monopoly in six months would be vastly greater than the losses they would sustain by the destruction of beet-sugar factories, and when we consider that this monopoly would last indefinitely we can easily see why it is that the Sugar Trust is anxious to annihilate the beet-sugar industry of

this country. If our beet-sugar factories did nothing else than to have the effect that I believe history shows they have had, of preventing an entire monopoly of the sugar trade by the Sugar Trust, we can well afford to levy a small duty and to pay a small bounty to keep them in existence and to save the American people from the evils that will come from an arbitrary and tyrannical control of the price of sugar by this great monopoly. If the beet-sugar industry were wiped out, we would be dependent entirely upon the foreign sugar for our domestic supply. In case of a war between our country and any foreign nation, particularly if such foreign nation was any one of the great countries that had a reasonably large navy, our supply of sugar would be practically cut off, and we would be absolutely and completely helpless. If not entirely cut off, the dangers of importing sugar across the ocean and bringing it into the United States would be so increased on account of the hazard that the price would go away beyond reason and away beyond the ability of the ordinary citizen to purchase. Many millions of dollars have been invested in beet-sugar factories. It would be an injustice, it seems to me, by one stroke of the legislative pen, to wipe them off of the map. The amendment which I have proposed would give the consumer practically the benefit of free sugar, and at the same time it would save the beet-sugar factories. For five years the bounty would be only one-half cent per pound, for the next five years the bounty would be only one-quarter of 1 cent per pound, and then it would entirely disappear. It is believed that within that time the development of the beet-sugar industry would be such that it would be able to exist without the protecting benefit of this bounty. I am not defending the present sugar schedule. It is not only unfair, but it is absolutely iniquitous. The infamous Dutch standard color test contained in the present law and that has for a great many years been included in the sugar tariff, is, in my judgment, absolutely indefensible and wicked.

By its unjust provisions the effect has been to keep out of the American market a cheaper grade of sugar that the poorer classes of people would have been able to purchase at a reduced price. This grade of sugar is just as good in quality as refined sugar and, for some purposes, perhaps better. It lacks only the color. To deprive our people of the ability to purchase this grade of sugar at a lower price than refined sugar has been an injustice that has been tolerated entirely too long. Since the invention of the polariscope, a scientific method of testing sugar, there has been no possible excuse to retain in the law the old Dutch standard color test. We ought to legislate so as to make the price of sugar to the American consumer just as cheap as possible. At the same time, I believe that it would be unwise to take any step that would place the American consumer of sugar entirely within the grasp of the Sugar Trust, or to drive the producers of American sugar entirely out of business and thus place the American market entirely under the control of foreign producers of sugar. I think we can all agree that the present tariff on sugar is entirely too high, and yet the desirability of developing sugar production in the United States must be admitted by all. This bill is proposed by men who do not expect to see it enacted into law. It is only a politician's move in the great political game. It is known by those who have brought this bill in that it can not become a law in the form in which it is introduced. Indeed, it is doubtful if many of those who are behind it really want to see it enacted into law in the form in which it now is. It is the product of politicians and not of statesmen.

We are presented, however, with a peculiar parliamentary situation. Under the Constitution a bill like this must originate in the House of Representatives. The Senate has no constitutional authority to originate this kind of legislation. It can only consider it after it has passed the House. If, therefore, under the Constitution we are to secure a revision of the sugar schedule, the bill must pass the House before it can be considered in the Senate. Unless some bill revising this schedule does pass the House, the sugar schedule can not be revised. I believe, therefore, that even though the amendment which I have offered, or some similar amendment, be not agreed to here, that those who believe in a revision of the sugar schedule would be justified in voting even for the original bill as introduced, because only in that way can a revision be had and relief be obtained from the iniquity of the present unreasonable and unfair sugar tariff. The only hope of real revision is that the Senate will so amend the bill that it will give the proper and legitimate relief. If the Senate in its consideration of the subject, properly amends the bill, as I believe it will, there is some hope that in conference a result may be reached that will give relief to the American consumer of sugar and at the same time protect the American citizenship from the cruel monopoly of the Sugar Trust and the domination and control of our market by the foreign producers of sugar. For these reasons I shall vote for the bill now pending, even though all amendments are voted down.

Mr. DODDS. Mr. Chairman, the sugar question is one in which we are all interested. From the very smallest consumer to the highest sugar magnate all are interested in our sugar supply and in its prices. We have come to be known, and really are, the great sugar-consuming nation of the world. Fully one-fifth of all the world's supply is consumed within our borders. In the year 1911 our actual consumption of this product reached the immense aggregate of 3,351,391 long tons. In comparison with this Great Britain consumes but 1,831,388 tons; France, 653,269 tons; Germany, 1,134,071 tons; and Russia, 1,021,519 tons—showing that we alone consume nearly twice as much as Great Britain and much more than France, Germany and Russia combined. Now, of this large amount which we consume, it is known that nearly one-fourth is produced within the United States proper; that slightly more than one-fourth comes to us from our insular possessions—the Philippines, Hawaii and Porto Rico—and that all of the balance except a small portion—about 200,000 long tons—comes to us from the Island of Cuba. Under our present regulations all of the sugar that comes to us from our insular possessions comes into the country duty free, and what comes to us from the Island of Cuba comes to us subject to only four-fifths of the full duty charged the foreign product; so that all of the sugar that comes into the country bearing full duty—out of the large amount that we consume—is only about one-seventeenth of what we really use. Of the sugar that we ourselves produce about three-eighths is cane and maple—there being but a small quantity of maple, about 8,000 long tons—and the balance is made of the beet.

It will be well for us to remember, too, that in late years—and co-existent with the life of the beet-sugar industry—the prices of sugar have in nowise increased. Varying conditions and different tariff regulations have produced changes in prices; but the prices of sugar, both at wholesale and at retail, are less to-day than they were in 1889, when the beet-sugar industry was really commenced.

OUR CANE-SUGAR INDUSTRY.

While our cane-sugar industry is not and—from the present outlook—never can be of anything like the importance to us that our beet-sugar industry is and will continue to be, nevertheless it is an industry that means much to that portion of the country in which sugar cane can be raised. According to the majority report of the committee, submitted on this bill, nearly 5,000 persons—besides those engaged in the production of material on the plantations, estimated at 60,000 during harvest and 30,000 for the remainder of the year—are given employment through this industry; the average number of wage earners employed during the year being about 4,000 and the remainder being salaried officials and clerks.

From the same report it will be seen that the amount of capital now invested in the industry is upwards of $36,000,000; that the salaries and wages of the officials and wage earners aggregate more than two and one-half million dollars yearly; and that the value of its yearly products is almost $30,000,000. Surely this is an industry in which we may all be interested and upon which the blighting influences of this bill should not be laid, since the effect of the legislation proposed would be to crush it out of existence. And why will it not do so?

If we examine the same report—Table 4, page 3—we will find that the total quantity of cane sugar produced in Louisiana and Texas in 1909 was 334,100 tons, and that the total cost of production was $25,039,000—equivalent to $74.944 per ton, or $3.747 per 100 pounds. Now, at this cost of production, how could the southern producer afford to produce his product in competition with foreign sugars that can be delivered in New York, if duty free, for $2.443 per 100 pounds, that being the average cost of raw sugar during the past 11 years? Surely he could not do so and pay for material and labor what he is now paying. So, if this bill should become a law, he would have to do one of two things: He would have to pay much less for labor employed and for materials used, or he would have to discontinue his business. Do our friends on the other side of the House want him to grind down the wage of the laborer in the factory and on the plantation to meet this difference? Or do they want him to stop the manufacturing of his product, so that we may have the privilege of investing the $25,039,000, which he pays out yearly for labor and materials, in the products of foreign countries? Is this "a consummation devoutly to be wished," my southern friends? Remember that there will be just that amount of money less in your "Sunny South Land", at the end of each year, if he does.

Would it not be a cruel shame for you to compel him to do so? Think of it, my friends; and—if I may be allowed to use Biblical language—you may yet "repent of the evil which you were about to do unto your people." [Applause.]

OUR BEET-SUGAR INDUSTRY.

The position which the Republican party has always taken in connection with the beet-sugar industry is easily ascertained. Up to the year 1891—the year in which the McKinley law went into effect—there had been manufactured in this country, in the aggregate, less than 17,000 tons of beet sugar. The law referred to placed raw sugar up to No. 16 Dutch standard, in color, on the free list, and provided for a duty of only one-half a cent per pound above that. Under this law the industry was fostered by way of bounty—the producer being given 2 cents for each pound of sugar produced—and under it the industry flourished: the aggregate for the years 1891 and 1892 being more than the production of all previous years combined, and the product of each of the years 1893 and 1894 being much greater than such aggregate.

So well was this industry intrenched in 1894, when the Wilson law was enacted, that it continued to grow and prosper until in 1897, when the quantity produced more than doubled that of 1894—the sugar produced in the later year being 40,398 long tons. The following year the quantity produced dropped back to 32,471 long tons; but since then the increase has been rapid—dropping back slightly in each of the years 1907 and 1908 because of weather conditions—until in the year 1911 we produced 506,825 long tons, and now have in prospect for the present year an estimated production of something like 540,000 long tons.

Since the year 1897 the tariff duties on sugar coming into the United States have been changed materially:

First. The product of Porto Rico—increased from 38,663 long tons in that year to 280,622 long tons in 1911—comes in duty free.

Second. The product of the Philippines—increased from 32,394 long tons in that year to 168,408 long tons in 1911—comes in duty free.

Third. Under our reciprocity treaty with Cuba, in 1903, her product comes in at 80 per cent of the regular duty. In 1910 we obtained from her, under this treaty, 1,640,182 long tons; but in 1911—because of shortness of crop, there—we obtained but 1,409,259. Had there been no short crop last year it is plain, under the facts already stated, that we would not have had to pay full duty on any sugar imported in that year; for such shortness of crop—230,923 long tons—was much more in amount than the full-duty-paying sugar—199,062 long tons—that we had to buy.

Fourth. Under the Payne law, passed in 1909, the duty on refined sugar was reduced 5 cents on each 100 pounds.

That these changes in rates, actually taking place, and other changes constantly being threatened have kept the sugar question in the air, and have greatly retarded the growth of the beet-sugar industry, no one having a knowledge of the subject will gainsay and few will even question.

Situate in my own home town, in the heart of the Michigan beet-producing territory, are the walls of a partially constructed sugar factory: abandoned in 1903, when we granted the preferential rates to Cuba under our treaty with her. Few, indeed, are claiming that the duties now existing are not high enough; but let it once be known that the regulations are to be left as they are for a reasonable term of years and the sugar-beet industry will go ahead by leaps and bounds; and the production of sugar will so increase that we will in our time, and this before long, see the United States in connection with her insular possessions producing all of the sugar necessary to supply our full demands; and those who follow us will be blessing the foresight that will be keeping them from dependence upon other countries for their supply of that commodity which they will have to have even though it shall take their hundreds of millions yearly to obtain it.

But we are told by some that our increase of supply is not keeping pace with our increase of demand; that while our yearly supply of beet sugar has increased only 466,427 long tons since 1897, our yearly demand has increased 1,100,300 long tons; but how illogical and misleading is this when we consider that while the demand has increased only about 49 per cent the beet-sugar supply has increased about 1,155 per cent; the increase in the one case being only arithmetical while in the other it has been geometrical increase. Given energy and material and geometrical increase is the law of growth. Given American energy and enterprise, with a practically limitless field, then geometrical increase will be the law of sugar production. Therefore the end of the next 15-year period—1927—would show 6,237,000 tons produced, while the consumption, increasing at the established rate of 49 per cent, would show 4,993,592 tons; so that production would not only have overtaken consumption, but we would have about one and one-fourth million tons for export, and this resulting from the growth of the beet-sugar industry alone. [Applause.]

Now, Mr. Chairman, situated as we are respecting this industry, what is the course which we should pursue? It is a matter settled—as well as such a matter can be settled—that the cost of producing beet sugar in this country is now about $3.50 per hundred pounds. This is disclosed by the proofs taken in the Hardwick committee investigations, pages 2379 and 2380; and it is as well established that the average cost of raw sugar at the port of New York during the past 11 years has been, as before stated, $2.443 per hundred pounds—same hearings, page 3350. Add to this the cost of refining—not more than 50 cents per hundred pounds—and we have the actual cost of refined cane sugar, in the hands of the refiner, as being $2.943 per hundred pounds. Now, with the actual cost of beet sugar to the producer, $3.50 per hundred pounds, and with the actual cost of refined sugar in the hands of the refiner not more than $2.95 per hundred pounds—which would actually be the condition should this bill become a law—what would the beet-sugar producer have to do?

The answer is inevitable, and must be the same as that given in the discussion of the cane-sugar question; his labor and his materials—the latter being largely the labor of the beet producer—would have to be much reduced or he would have to engage in some other business that could be conducted at a profit.

No need to repeat this question to Republicans, for the real Republican always wants to stand by his party's teachings and carry out his party's promises. Republicans voiced what were their sentiments upon this question when in 1890 they provided for the bounty given to the sugar producer by the McKinley law; and in their national platform of 1896 they denounced in no uncertain terms the action of the Cleveland administration because of its not keeping faith with the sugar producer. The language of that platform is well worth repeating, well worth remembering:

> We condemn the present administration for not keeping faith with the sugar producers of this country. The Republican Party favors such protection as will lead to the production on American soil of all the sugar which the American people use, and for which they pay other countries more than $100,000,000 annually.

What would be the declaration in a party platform at this day, if made by the great men who made that one, when—after taking in free the products of Porto Rico and the Philippines—the expense to our people for foreign sugar is still nearly $90,000,000 annually?

Are we going to continue to pay out this immense amount of money each year, or are we going to stand firmly upon the ground we occupy and let it be known that we are to stand by the producer of sugar in our land until our industry becomes so developed that we can supply our own demands? But one question should be raised in opposition to this, and that question is, Can we do it? And to this question but one answer will be given by the man who understands the sugar question, and that answer is, Of course we can. [Applause.]

And why not? In his annual report, published in Willett & Gray's Weekly Statistical Sugar Trade Journal on January 12, 1912, F. O. Licht, the great German statistician, states that acreage in beets in that country during the past three years has not averaged more than 1,107,000 acres—equivalent in area to but two of our ordinary counties in the Middle West—and this is not more than one-two hundred and fiftieth of the land adapted to beet raising in this country, the official statement of the Secretary of Agriculture—to be found in Senate Document No. 22, Sixty-first Congress, first session, page 27—showing that we have at least 274,000,000 acres of land in this country, all of which is adapted to beet culture. And in a recent annual report he also states that—

> If we only consider those localities in this country that have the best facilities for taking up the beet-sugar industry and limit the territory to that portion capable of producing our own consumption of sugar, it might be said that the United States possesses some material advantage over Europe.

With these facts before us, and knowing that with this small—in comparison—acreage Germany produces over 2,000,000 long tons of sugar each year—nearly two-thirds of our consumption—why should we hesitate to embark upon the project of producing entirely our own sugar? Surely, with matters as they are, nothing stands in our way except our indetermination. [Applause.]

To be sure we can not now produce either the quantity or the quality of beets upon our lands that the Germans can produce upon theirs; but neither could they produce, in either respect, when they first commenced what they can now produce. The fact of the case is that the longer the land is used for

beet-producing purposes—being properly rotated with other crops—the better it becomes for the particular purpose, and the better it becomes for all other purposes; the cultivation that has to be given it for this one purpose adding to its worth for all purposes. In our beet-producing territory in Michigan we find that the lands used for this purpose become greatly improved, and that the yield of other crops afterwards gathered from them are greatly in excess of the yield of the same crops from other lands in all respects as good.

Eventually, if we can rely upon the best information that we have, our land will be as productive, both as to quantity and quality, as are the German lands; and when that period shall be reached all the handicap the American producer will have will be the difference between the price paid labor here and the price paid labor there, and this every American should stand for. It is this difference between the price paid labor here and paid it elsewhere that makes our country what it is; and no American with the right kind of blood in his veins will want to lessen that difference, except it be through the uplift of those competing with us—which we should always have in mind and aid—and not by the lowering of our own conditions to meet the level of theirs. [Applause.]

In conclusion, Mr. Chairman, let me ask who are the parties principally interested in the lowering of duties on sugar in this country, and who are the parties who will be benefited? Trace almost any effort in this direction and it will lead you to the refineries—the giant sugar institutions that want to get sugar in their hands as completely as oil is in the hands of the Standard Oil Co., as coffee is in the hands of the Coffee Trust, and as steel is in the hands of the Steel Trust. They see, as those like them always can see, that when competition shall be crushed out matters will be wholly in their own hands, and they will be in a position to say "Up," and the price will go up, there to remain as suits their own sweet will. The consumer will have to pay the price; the $52,000,000 now collected by the Government will be lost to it, and will find its way eventually into the pockets of the refiners. They know this, and what they ask of Congress is the removal of the duties on sugar so that the beet-sugar industry may be destroyed—thus leaving them in the field alone. They want to have matters in their hands always, as they had them last year for a time—and until the producers of beet sugar came into the market with their products: the testimony of Mr. Wallace P. Willett, of the firm of Willett & Gray, before referred to, a sugar expert engaged by the Hardwick Committee, on page 3581 of hearings, being as follows:

There is no question whatever, Mr. Chairman, that the coming onto the market in October of the Michigan sugars and other domestic sugars dropped the price from $6.57 in October down to $6.11 in November and December $5.63.

And see, further, his testimony on pages 3153–3154 of same hearings:

If it were not for the domestic sugar industry, sugar in this country would be to-day very considerably higher. * * * I would not be surprised if it would not be a cent a pound more but for the beet and cane sugar produced in this country.

And, again, page 3978 of hearings:

In all these analyses I reach the same conclusion—that to decrease the price of sugar to the consumer, increase the domestic production as rapidly as possible.

It seems useless, Mr. Chairman, to cite testimony as to this matter. We already know these truths without testimony; but if anything had been necessary to show us the attitude of the refiners, and what we might expect should we get absolutely into their hands, the object lesson of last year should have opened our eyes, and we should have become cognizant of the fact that we are "skating on thin ice"; and if we desire to keep the price of sugar where it is, and if we desire to build up our own sugar industry—and thus keep ourselves out of the hands of the few refiners who want the duty on sugar removed, so that this industry may be destroyed—then we must see to it that the wishes of these men are not complied with. No one who wants competition destroyed is either directly or indirectly looking out for the interest of the consumer. The desire to destroy competition is always interested, and always points to self. This we should keep in mind and ever heed.

Mr. Chairman, I am against the provisions of this bill, and I shall be against the provisions of any other bill in which the duties on sugar, either raw or refined, shall not equal the difference between the cost of production at home and abroad. We should build up our home industry, so that when we buy we will buy of ourselves, and thus at the end of the transaction have both the sugar purchased and what we shall have paid for it. This was the sentiment expressed by Lincoln in his memorable discussion of the tariff, and is as true to-day as when he uttered it. [Applause.]

Mr. BROUSSARD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROUSSARD. I want to offer an amendment to page 2, line 10. May I do so now at this stage of the proceedings, or must I wait until that paragraph is read?

The CHAIRMAN. The paragraph will have to be read first.

Mr. UNDERWOOD. Does the gentleman from Louisiana want to offer an amendment to the sugar paragraph?

Mr. BROUSSARD. Yes.

Mr. UNDERWOOD. Then, Mr. Chairman, I will ask that all debate on the pending amendment be closed with that on the amendment offered by the gentleman from Nebraska [Mr. NORRIS].

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none, and it is so ordered. The question is on the amendment offered by the gentleman from Nebraska [Mr. NORRIS].

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. NORRIS. A division, Mr. Chairman.

The committee divided; and there were—ayes 48, noes 83.

So the amendment was rejected.

Mr. BROUSSARD. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Louisiana [Mr. BROUSSARD] offers an amendment, which the Clerk will report.

The Clerk read as follows:

On page 2, line 10, strike out the words "free of duty" and insert the words "at the prevailing rate of duty, omitting the differential and abrogating the Cuban preferential."

Mr. BROUSSARD. Mr. Chairman, if my Democratic colleagues on this side of the House really intended to reduce the price of sugar to the consumers of this country, this is the proposition that they should have presented for the consideration of the House.

There is nothing in the Democratic platform calling for the destruction of any industry in this country. There is, however, a provision in the Democratic platform calling for the placing on the free list of articles manufactured by a trust, and those familiar with the sugar question in this country know full well that the producers of sugar, those engaged in cultivating beets in the West and those engaged in cultivating sugar cane in Louisiana and our island possessions, are not engaged in any trust. They know full well that the sugar manufacturers of this country who import their raw sugar from tropical countries alone are responsible for the conditions that exist in this country with respect to the price of sugar.

I would like to have been allowed an hour in which to discuss this proposition, but the management on this side of the House have seen fit to deprive me of an opportunity to be heard on this question. I am permitted in my own right to use but five minutes. I want to say to the gentlemen on this side that if they were not engaged in a game of buncombe on the American people they would reject the proposition in the bill now pending before the House and adopt this provision which I have offered, which would put the Sugar Trust out of business and permit the people of this country to enjoy the benefits of cheaper sugar. [Applause.]

But they are not willing to do that. The very evidence on which they predicate this bill, the very statement of the expert employed by the committee that has been investigating the Sugar Trust, negatives the proposition put forth by the leader of the majority and by the gentleman from Georgia [Mr. HARDWICK]. Those gentlemen concede that Mr. Willett is the best expert in this country on sugar, and I confirm that statement. In my judgment, he is the best expert upon the price of sugar not only in this country but in the world.

He lays down this proposition, that the best way in which to reduce the price of sugar to the consumer is to increase the domestic production of sugar as quickly as possible. He made that statement on as many as six different occasions during those hearings, and yet gentlemen come into this House and submit this proposition, that in order to decrease the price of sugar to the consumer in this country you must destroy, they say, the domestic production. They have taken a position just opposite from that of the expert who they claim knows more about this subject of sugar than anyone else in this country.

Now, the chairman of the committee on yesterday in his address dealt extensively with the world's price of sugar; dealt at some length on the effect of this legislation upon the beet-sugar industry of the West; but he passed by almost unnoticed the question of the production of sugar from cane in Louisiana and our island possessions, and when one of my colleagues [Mr. RANSDELL of Louisiana] asked if the effect of this bill would not be to destroy the sugar industry of Louisiana, he frankly admitted that he was not informed on that question. He comes here with a proposition by which it is proposed to destroy $150,000,000 of values in the State of Louisiana—with a propo-

sition in which it is intended to take investments and property and throw them into the scrap pile. He comes here with this proposition and frankly admits that the committee itself has not even given consideration to so important a matter as to be able to inform the House whether he proposes to destroy all of this property or not. He comes before this House, and I undertook to ask him a question in regard to the fact of whether or not when sugar was free under the McKinley bill the price to the consumer was not even higher during the four years of its operation while that law was in force than it is to-day, even though bearing a duty equivalent to nearly 64 per cent ad valorem, but I could not get an answer to that question, except that he denied it and said that he would furnish the figures. I went out and obtained the figures and came back, and the gentleman from Georgia [Mr. HARDWICK] was speaking. I asked the privilege of interrupting him and of propounding the same question, holding these figures in my hand, but the gentleman had no time to yield to me. What is the reason for all this haste about legislation that will destroy so much of American wealth, so much of American labor, and which will cast upon a Louisiana community so much disaster as is contemplated in this bill?

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. BROUSSARD. Mr. Chairman, I ask unanimous consent that I may be permitted to proceed for five minutes more.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent to continue for five minutes. Is there objection?

Mr. UNDERWOOD. Mr. Chairman, I stated in the beginning that I disliked to object to the request of gentlemen for unanimous consent to proceed, but in order that everybody may get in under the five-minute rule I shall have to insist upon a strict observance of the rule, which requires that only five minutes be allotted to each speaker.

Mr. BROUSSARD. Why, I was allowed an hour on yesterday, and the gentleman's motion took it away from me. The gentleman ought to be fair enough to permit me, when he proposes to destroy the prosperity of the State that I represent on this floor, to at least speak for five minutes, in order that I may present the facts to this Congress. [Applause on the Republican side.]

The CHAIRMAN. Objection is heard.

Mr. UNDERWOOD. Mr. Chairman, I simply wish in my own time, in response to the statement of the gentleman——

Mr. BROUSSARD. Mr. Chairman, a parliamentary inquiry?

The CHAIRMAN. The gentleman will state it.

Mr. BROUSSARD. Is the gentleman speaking in his own time, recognized now?

The CHAIRMAN. He is.

Mr. BROUSSARD. By the Chair or by unanimous consent?

The CHAIRMAN. The gentleman from Alabama is recognized by the Chair.

Mr. UNDERWOOD. Mr. Chairman, being in charge of a bill reported here by one of the committees of the House, it was not my duty to parcel out the time to those in the House who are opposed to the bill. I did desire that the gentleman from Louisiana [Mr. BROUSSARD] should have an opportunity to debate the bill. I endeavored to arrange that he might have that opportunity.

Mr. BROUSSARD. Will the gentleman yield?

Mr. UNDERWOOD. I yield.

Mr. BROUSSARD. No one else has objected to my having that opportunity but the gentleman from Alabama. [Applause on the Republican side.]

Mr. UNDERWOOD. The gentleman is mistaken.

Mr. BROUSSARD. I have heard no other objector.

Mr. UNDERWOOD. The gentleman from Alabama can not lay aside his duties to this House and to the legislation of which he is in charge to accommodate any one gentleman on the floor of this House. [Applause on the Democratic side.]

Mr. BROUSSARD. Will the gentleman permit a question?

Mr. UNDERWOOD. I will ask the gentleman to wait until I finish my statement.

Mr. BROUSSARD. Right upon this point I should like to ask the gentleman if he did not abandon his duty as leader of this House, in charge of this measure, when he says he did not control the time in the matter of the discussion of the bill?

Mr. UNDERWOOD. Why, certainly not. The time of this House was controlled, under the rules of the House, by the Chairman of the Committee of the Whole House on the state of the Union. I made an offer to abrogate the rule, as is customary here, and asked unanimous consent——

Mr. BROUSSARD. I did not object to it.

Mr. UNDERWOOD (continuing). For 11 hours of general debate, to be equally controlled by the gentleman from New York [Mr. PAYNE] and by myself. If I had controlled the time, I would have given the gentleman the time that he desired, but when objection was made and the bill was interfered with, it became my duty, then, to see that the House had an opportunity to vote on the bill in a reasonable time. There was no desire on my part to prevent the gentleman from Louisiana having an opportunity to debate, and the gentleman from Louisiana——

Mr. BROUSSARD. Mr. Chairman, the gentleman does not want me to speak, and I make the point of order that the gentleman limit his remarks to the amendment which I have offered.

Mr. UNDERWOOD. Mr. Chairman, the gentleman has challenged my position upon the floor, has reflected on what I was attempting to do for him, and it was the exigencies of the case that arose——

Mr. BROUSSARD. Mr. Chairman, I rise to a point of order.

Mr. UNDERWOOD (continuing). That prevented my doing so.

Mr. BROUSSARD. Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment that I have offered.

The CHAIRMAN. The gentleman from Alabama will proceed in order.

Mr. UNDERWOOD. Mr. Chairman, I will state that the gentleman did not speak to his amendment either, but I shall obey the rules of the House and submit. [Applause on the Democratic side.]

Mr. ROBERTS of Nevada and Mr. MANN rose.

The CHAIRMAN. The Chair will recognize the gentleman from Nevada [Mr. ROBERTS].

Mr. MANN. Mr. Chairman, I hope the gentleman will recognize me for a part of the time.

Mr. ROBERTS of Nevada. I yield.

Mr. MANN. And that the Chair will then recognize the gentleman from Nevada for the remaining portion of the five minutes. What I shall say will not be in order, and if any gentleman desires to call me to order I shall stop. The gentleman from Alabama [Mr. UNDERWOOD] has repeated on several occasions that he offered to have 11 hours of general debate upon this bill, but the gentleman from Alabama is mistaken in his recollection. He never made such an offer.

Mr. HOWARD. Mr. Chairman, I rise to a point of order that the gentleman from Illinois is not discussing the amendment offered by the gentleman from Louisiana.

Mr. MANN. If gentlemen are afraid to debate the bill and afraid to have the method of debate discussed, I am satisfied to sit down.

The CHAIRMAN. The gentleman from Illinois will proceed in order.

Mr. MANN. They are afraid of both things. Fraidy-cat! [Laughter.]

Mr. ROBERTS of Nevada. Mr. Chairman, the loud protest that comes from the State of Louisiana through its Representatives at this time reminds me of the fact that I have in my office three machines, all Underwoods. Two of them are typewriters and the other is a duplicator. All perform their functions in a thoroughly satisfactory manner, and the dispatch with which the work is turned out is a wonder; but when it comes down to the question of easy political expediency, they are as naught compared with the great machine in this House, commonly known as the Underwood political machine. [Laughter and applause on the Republican side.] It has presented to this House a bill affecting thousands upon thousands of our people and their interests, and it intends putting through the measure in the space of a few short hours, a measure which will strike a death blow to one of the greatest agricultural interests of this country.

Mr. HOWARD. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOWARD. I make the point of order that the gentleman from Nevada is not discussing the amendment under consideration.

Mr. ROBERTS of Nevada. I am discussing the amendment.

The CHAIRMAN. The gentleman will proceed in order.

Mr. ROBERTS of Nevada. I am coming to it. [Laughter.]

Mr. HOWARD. Mr. Chairman, the point of order is that he come to it now.

The CHAIRMAN. The gentleman will proceed in order.

Mr. ROBERTS of Nevada. Yes, it is a wonderful machine; an Underwood machine, and it turns out much pernicious and promiscuous legislation, and I might add, if permitted to continue, will succeed in turning out of employment thousands of workingmen in this country and in destroying——

Mr. HOWARD. Mr. Chairman, I make the point of order that the gentleman is not discussing the amendment.

Mr. ROBERTS of Nevada (continuing). In destroying our greatest industries.

Mr. MANN. Mr. Chairman, I insist that the gentleman is discussing the amendment.

Mr. HOWARD. He is not discussing the amendment.

Mr. MANN. I do not think the gentleman from Georgia knows what the amendment is.

Mr. HOWARD. I think I do, and I think I have about as much power of conception as has the gentleman from Illinois.

Mr. MANN. Then the gentleman ought to display it.

The CHAIRMAN. The committee will be in order. The gentleman from Nevada will proceed in order.

Mr. ROBERTS of Nevada. Mr. Chairman, I can not sit idly by without protesting against the destruction of an infant industry in the State I represent, at Fallon, in Churchill County, the center of the great Truckee irrigation project, where hundreds of thousands of dollars are being expended in the beet-sugar industry, which gives promise of becoming one of the most stable industries in the State. The Government has expended millions of dollars in that reclamation project, and now that those settlers who have taken up land in that section, struggling under the most adverse conditions and regulations, have extensively engaged in the culture of sugar beets, which are adapted to that soil, it is proposed to strike down their industry without time for an open and free consideration of the questions involved. If ever an infant industry needed protection it is the beet-sugar industry in this country, and I emphatically protest against the passage of this measure, which is so framed as to leave out entirely the element of protection. Many measures of like importance have heretofore been rushed through this House in the same manner, and I verily believe that the Underwood Ways and Means Committee might properly be termed the "Underwood Free-Trade Duplicator." [Applause on the Republican side.]

Mr. RUCKER of Colorado. Mr. Chairman, I would hesitate to impose upon the indulgence of the House at this time were it not for the fact that I am notoriously a timid man and am apprehensive as to the fate of my scalp should I return to my constituency without having given voice to my protest against this measure and venturing to suggest what seem to me good and substantial reasons for my opposition.

It is indeed deplorable that this great economic question should be exposed to the miasmatic and contaminating influences of petty politics, yet it is not to be wondered at when we stop to consider its many angles and the inducements offered the politician to reach the unsophisticated through an appeal to their cupidity. The mere words "free sugar" cunningly whispered into the ear are sufficient to deaden the trumpet sound that breaks its fulfillment to the heart. Of a truth can it be said—

> And be these juggling fiends no more believed,
> That palter us in a double sense;
> That keep the word of promise to our ear
> And break it to our hope.

No measure has been introduced into this body since I became a member of it that has offered a higher bid for demagoguery, and at the same time an incentive for exalted patriotism and nonpartisanship. It is an industry which, tracing it back to its earliest infancy, has never as yet reached the age when it could stand alone without the fostering care of legislation. There has never been an hour in the history of any civilized country when in its struggles for honorable existence it has been without that crutch. Human laws have apparently been more prodigal of help than scientific. The latter factor has but recently appeared upon the scene, and yet with these combined agencies, the world's increasing population and our consequent increasing consumption, the industry is subjected to other and newer enemies. Land is becoming scarcer. It must fight its way through the phalanx of such seared and lusty veterans as cotton, tobacco, corn, wheat, and legions of others for a footing, and the result in the final contest will be the survival of the fittest.

A BRIEF HISTORY OF SUGAR.

A short review of the history of sugar may not be inappropriate at this juncture, and may, perchance, prove instructive by way of pointing a moral as well as adorning a tale.

Up to the sixth century the saccharine substance was obtained principally through the industry of the busy bee. The first sugar obtained otherwise than as the product of this innocent benefactor of mankind was from the bamboo, but for many centuries its use was principally medicinal, and the ancient simile, "Like an apothecary without sugar," thus had its origin. In passing I may observe that this ancient saw has no peculiar application to the "shop" of the Committee on Ways and Means, for there seems to be no appreciable lack of medicine issued to us people of the West, and, similarly, on this occasion, to our friends from Louisiana. It has been administered to us persistently in allopathic doses from day to day and from night to night.

If there is any virtue in the old axiom, "Misery loves company," I should have consolation in the fact that my distinguished friend from Louisiana [Mr. BROUSSARD] and his colleagues are made just now to take their medicine along with us. There is a difference, however, in our lachrymose condition. My wells are dry from exhaustion, whilst his are full to overflowing, the pump having just started. But his will soon dry and we shall, I regret to say, shortly find him on the other side of the table, enjoying my discomfort in the company of the majority.

THE FIRST TRUST.

There seems to be as much confusion of tongues concerning this schedule as there was upon the plain of Shinar, when the last brick was placed on the tower of Babel. Some place the blame for the high price of sugar upon the trust; others attribute it to the tariff, and some seem to recognize the trust as of modern origin as applied to this industry. But as far back as 1420 was born the first sugar trust. A certain Venetian evolved a new method of refining sugar and received 100,000 crowns ($120,000) for his invention from the Venetian Government. Her fleet was then the mistress of the seas. She controlled the world price of sugar for more than 60 years.

She ran the price up in 1482 on the London market to $275 a hundred, and by the close of the fifteenth century the price of sugar on the London market had decreased to only $53 per hundred. Then, by accident, the West Indies were discovered, and through a cooperation of the English and Spanish the production of sugar was so stimulated by heavy import taxes and liberal bounties that the price gradually fell, and it was not until the year 1515 that cane sugar was first introduced into Haiti. Spain and Portugal in the sixteenth century dominated the industry in Europe, and it was not until 1585 that London became an important refining center of sugar for the European trade, and it is a singular fact that she did not capture the trade until she went into the slave traffic and populated the British West Indies with captured negroes from Africa. In 1662 a company known as The Royal Adventures Co. Trading to Africa, was chartered and entered into a contract with the English Government to deliver 3,000 negroes annually to the British West Indies. It is also a notable fact that her supremacy waned when she declared against the slave trade, in 1828, and she completely lost it when the slaves were emancipated in the British colonies, in 1833. Then the business gravitated to the Spanish, Portuguese, and French, who still maintained slavery, and at that time more than one-half of the world's sugar was produced by slave labor in Cuba, Porto Rico, Brazil, the French colonies, Dutch Guiana, and Louisiana. In fact, the first negroes ever sent to this country were from Santo Domingo, in the year 1751, accompanied by sugar cane sent by the Jesuit Fathers of Santo Domingo to the Jesuits of Louisiana. As sugar had been the cause of the most intense commercial wars in Europe since the tenth century, and as it only prospered where negro slavery was introduced, and found its lodgment in Louisiana for the sole purpose of the cultivation of the cane, it is not too great a flight of imagination to say that the war of 1861 is traceable to the introduction of cane sugar upon this continent. It should be borne in mind also that coincident with the discontinuance of the slave trade and the emancipation of the negroes by the English the beet-sugar industry began its greatest strides.

THE SECOND AND PRESENT TRUST.

I have referred to the first Sugar Trust recorded by history. I now invite your attention to the next trust which history gives any account of, and which was born upon our own shores.

The first sugar refinery in the United States was established in 1689 on Liberty Street in New York, but the business did not assume importance until the middle of the succeeding century. At the close of the seventeenth century Philadelphia was the largest refining center, and Boston was holding second place. It was not until about the year 1805 or 1806 when this country received two German immigrants named Frederick and William Havemeyer, and the name, as you know, is now the synonym of "Sugar Trust." They started a small refinery in the village of Greenwich, which is now a part of the city of New York. They were well qualified, having had valuable experience in the method of refining sugar in Germany. They controlled but a small capital with which to inaugurate their enterprise, but it was not long before they had dominated the refining business of this country and they and their descendants have controlled it ever since, and the latter are now the dominating influence behind the Sugar Trust.

I am tempted here to digress for a moment to refer to a colloquy which occurred between our distinguished leader [Mr. UNDERWOOD] and myself upon the floor—which evoked considerable applause, in answer to my inquiry to the effect that, "Since when had the Democratic Party omitted to foster infant industries by a protective tariff?" He answered in effect, it never had; it was wholly a Republican policy. I am reminded that sugar producers and sugar refiners have been protected by duties upon imports of sugar since the formation of the Government, and we Democrats take special pride in the fact that up to the Civil War the Democratic Party was in power, and that therefore these must have been Democratic measures.

I have no doubt, however, he would answer that it was for revenue purposes only, and yet the facts are that under the administration of Mr. Madison in 1812 these two Havemeyers and the Louisiana planters were the beneficiaries of the raise of duty from 9 to 18 cents per pound on refined sugar, when the duty upon raw sugar was only 3 cents a pound, and this tariff was not for revenue, for it was absolutely prohibitory. It gave these American refiners a complete monopoly on refined sugar and the Louisiana planters a complete monopoly on raw sugar, and the duty was not placed below 10 cents per pound until 1842. There was, over this period, that long list of Presidents—Madison, Monroe, Adams, Jackson, Van Buren, and Harrison—some very sound Democrats, we must admit; and more than that, from 1816 to 1842, a refundment was allowed on all refined sugar exported in excess of the duty on raw sugar.

This historical résumé is pertinent, because I was undertaking to demonstrate by my inquiries of the committee chairman that the Democratic Party had not always turned its back upon the petition of infant industries, and that this legislation was enacted solely upon the theory of protection to what was then regarded as such an industry; and it must be borne in mind that over that period of time the consumer was paying the maximum price for his sugar.

ANOTHER TRUST.

This reminds me of another trust, namely, the one known as the Klaus Spreckels trust, on the Pacific coast. Spreckels obtained his raw sugar from Hawaii, and, by reason of his geographical position, he controlled the whole Pacific coast country. Apparently for his special benefit reciprocity relations were entered into with Hawaii in 1875, by which sugar was admitted free. Everyone can understand that theoretically this meant the lowering of the cost of sugar to the consumer; but the fact is—and it is within the common knowledge of all—that it had the very opposite effect. The price was raised to the consumer. The man who carried his sack of sugar upon his back from Spreckels's sugar factory in San Francisco across the street paid a higher price for it than did the man in Denver or in Kansas City.

Mr. Chairman, the purpose of this bill is to place sugar upon the free list. Its proponents contend that it will lower the price of sugar to the consumer in the amount of the duty, namely, 1½ cents per pound. Some, and possibly a majority, of those who are opposed to the measure maintain that would be but the temporary effect. I am convinced that the measure would have but few supporters if its present advocates could be brought to a realizing sense of the great probability of its being but temporary, and can any thinking man after a careful investigation doubt for one moment that the ultimate—and not very ultimate—effect will be to drive out of business the producers of both cane and beet sugar in the United States?

It is contended by the opposition that the refiners—the Sugar Trust—will be the direct and indirect beneficaries of the enactment of the measure, because in addition to the immense advantage they will have in the control of the entire imports they will have the indirect profit represented by a much smaller investment of capital by reason of not being subjected to a revenue tax.

The proponents, on the contrary, maintain that they will be deprived of this advantage because of the importation of refined sugar, and, of course, it is conceded, if that were possible, the consumer could be benefited.

I shall not undertake to discuss, as some have, the effect of this bill upon the industry in Hawaii, the Philippines, Porto Rico, and our reciprocity agreement with Cuba, except to say, as regards the latter, that the farmers, especially of this country, are largely interested in exports to Cuba under the preferential agreement, the benefit of which will be denied them by the passage of the bill under consideration, and that the receipt of Cuban sugar free must necessarily displace some of that home product.

Our exports of farm and other products to Cuba since our treaty of 1903 have doubled. I will only mention a few items: In 1910 we sent there horses and mules amounting to $299,643; flour, $4,632,000; coal, $2,166,502; hennery products, $750,000; fertilizer, $559,000; meats and dairy products, $7,018,858; forest products, $2,704,684; potatoes, 1,041,152 bushels. The growth of this trade is shown by its steady climb. In 1909 the exports amounted to $48,217,689; in 1910, to $57,780,617; and in 1911, to $62,280,509. Our farmers' market there will be transferred to Canada, which now stands ready to take advantage of the abrogation of this treaty which this bill compasses.

I especially desire to call attention to the marvelously rapid and profitable growth and development of the beet-sugar industry in this country since its comparatively recent introduction as contradistinguished from the many centuries of energetic and diligent effort that have been devoted to the upbuilding of the cane-sugar industry.

Take my own State as an illustration. It has only been 11 years since the first beet-sugar factory was built, whereas there are now 17, and there are a number of others in course of construction. The acreage sown in beets has increased over one hundred and fifty fold. Its cultivation yields a revenue to our farmers and laborers of over $15,000,000 per annum. This enterprise affords employment to thousands of our citizens and its by-product furnishes fattening food for an immense number of cattle and sheep. It assures the farmer a greater profit from his labor than any other crop, and if, as is claimed, free sugar will destroy the industry, he will be compelled to turn his activities in another and possibly unknown and less profitable direction. Fidelity to our promised protection of infant industries, and as well our stewardship of the best interests of the American farmer, should prompt us to pause before we inflict such a possible calamity upon a great domestic enterprise.

The rule of the greatest good to the greatest number can not be successfully invoked in this instance, for not only has it no application, but we are confronted with a proposition directly the reverse. That there will be no refined sugar imported into this country is quite manifest from the fact that under the present duty, and because of the world's demand for refined sugar, there have thus far been no importations, and there is no reason to believe that refined sugar will come to us in preference to raw sugar, and that raw sugar will be imported in greater abundance goes without saying, and that it must pass through the hands of the trust is equally certain.

The domestic sugar producer can only expect to stay in business because of the trust's maintaining the present prices irrespective of the duty, which, without doubt, it is enabled to do. But it is very evident that for a time it will not do so, because its only competitor, the beet-sugar manufacturer, must be put out of business to complete its monopoly.

THE REAL BENEFICIARIES.

I am reminded in this connection of a very significant statement made by our distinguished leader, Mr. UNDERWOOD, as follows:

> This bill, if it becomes a law, will admit free of duty sugar of every kind and description from all of the markets of the world. It is contended that if we pass this bill we will destroy an American industry. I do not believe that is true, so far as the American sugar-refining companies are concerned—that is, the cane-sugar refining companies.

We need go no further for authority to the effect that the beet growers' and the cane growers' industry will be destroyed, and that the refiners (the Sugar Trust) will be protected. And yet there is a discordance even with this declaration in another part of his speech, and in which he elicited great applause from the House, when he said that $60,000,000 was being taken by the refiners and the producers of sugar to maintain the sugar industry, which, added to the $52,000,000, amounted to over $115,000,000, as he said, which rested upon the bellies of the poor people of America; and the wonder to my mind, when he made that statement, was how the people were going to receive the benefit of that $60,000,000 that the refiners got, when the refiners at the same time were not going to be injured.

But be that as it may, my greatest wonder is that he should have indulged in any argument to show that the refiners, or the trust, were not to be injured. It was the very first intimation coming from any source that anybody entertained any misgivings in that direction. The investigating committee, known as the Hardwick committee, had all the captains of the Sugar Trust before it, and I quote at length from the testimony given by them as well as from some of the so-called independents and some manufacturers of the beet sugar.

Among all of the different interests represented at the hearings before the special committee, it might well be expected that there would be a great difference of opinion on many subjects. On two vital questions, however, there was a practical unanimity of opinion. The first was that removal of the tariff would be greatly to the advantage of the interest controlling the great refineries, and the second was that the re-

moval of the tariff would result in the utter destruction of the domestic sugar industries of the United States, both cane and beet.

Both of these propositions would seem to be easily demonstrable, but since there has been an effort to becloud the issue upon this point, let the testimony settle the question.

REFINERS WANT FREE SUGAR.

CLAUS A. SPRECKELS, PRESIDENT FEDERAL SUGAR REFINING CO.

Mr. HINDS. In other words, perhaps, you would take it (the tariff) all off, would you not, and have free trade?

Mr. SPRECKELS. I would have free trade. (Pt. 27, p. 2277 of Hearings.)

Mr. HINDS. You would have free trade in sugar?

Mr. SPRECKELS. Absolutely. (Pt. 27, p. 2278 of Hearings.)

CHARLES R. HEIKE, SECRETARY AMERICAN SUGAR REFINING CO. FROM 1887 TO 1910.

Mr. FORDNEY. Now, if the duty were removed absolutely on sugar, could we produce either cane or beets in this country?

Mr. HEIKE. I doubt it very much.

Mr. FORDNEY. Then that would destroy the industry absolutely in this country?

Mr. HEIKE. Yes.

Mr. FORDNEY. And you would approve of that?

Mr. HEIKE. Yes. (Pt. 4, p. 292 of Hearings.)

WILLIAM G. GILMORE, PARTNER, ARBUCKLE BROS., SUGAR REFINERS.

Mr. MADISON. In other words, you think the thing to do is to take off the duty, and that it would be to your advantage to take it off as a refiner of cane sugar?

Mr. GILMORE. Yes, sir.

Mr. MADISON. And you would advocate the taking off of the duty?

Mr. GILMORE. I would, personally. I am only speaking now personally. (Pt. 14, p. 1169 of Hearings.)

JAMES H. POST, PRESIDENT NATIONAL SUGAR REFINING CO.

Mr. POST. If Congress did not need the revenue from sugar. That is a different proposition. But they have to have it from something, and sugar seems to be the thing that has paid a part of it for a great many years. As far as I personally am concerned, I would like to see free sugar. As we look at the country at large, however, I think it would be a very unfair proposition. (Pt. 6, p. 527 of Hearings.)

WILLIAM A. J. JAMISON, PARTNER, ARBUCKLE BROS.

Mr. RAKER. How would it affect you if there was no tax on the importation of sugar—raw sugar?

Mr. JAMISON. I think it would enable us to run more constantly.

Mr. RAKER. What do you mean by that, now?

Mr. JAMISON. To keep up the capacity.

Mr. RAKER. Will you explain it?

Mr. JAMISON. I mean we would be able to sell more sugar.

Mr. RAKER. Do you not have a supply all the time?

Mr. JAMISON. Well, we are not able to run full at all times.

Mr. RAKER. Because of the way raw sugar is shipped into the United States?

Mr. JAMISON. Oh, no; on account of the beet product. If there was no duty, I do not think the beet would be so prosperous, and we would probably sell more sugar; if the duty was removed, I mean to say. * * *

Mr. RAKER. * * * What would you think would be a fair compensation [reduction]?

Mr. JAMISON. I think there should be a cent a pound taken off at the present time at least, and later——

Mr. RAKER. A little more?

Mr. JAMISON. Yes; until it is entirely removed. (Pt. 14, p. 1195–1196 of Hearings.)

EFFECT OF FREE SUGAR ON THE DOMESTIC INDUSTRY.

Edwin F. Atkins, vice president and acting president American Sugar Refining Co.:

(Hearings, p. 145.)

Mr. HINDS. You think that the taking the tariff off would cripple the beet-sugar industry?

Mr. ATKINS. Undoubtedly.

Mr. HINDS. That is, you mean drive them out as competitors?

Mr. ATKINS. It would cripple a great many of them.

Mr. HINDS. And what would it do to the Louisiana and Texas people?

Mr. ATKINS. I do not think they could produce in Louisiana without some protection.

(Hearings, p. 165.)

Mr. MADISON. Suppose we were to have absolute free trade in sugars in this country; suppose we just simply took down the bars and absolutely eliminated our tariff duties on sugar. You said a while ago that it would destroy the beet-sugar man, did you not?

Mr. ATKINS. Absolute free trade would destroy very many of the beet factories; not all of them.

Mr. MADISON. It would practically destroy them all, would it not?

Mr. ATKINS. It would injure the industry—absolute free trade.

Mr. MADISON. I just want to get the fact of the matter, whatever it may be. Would it injure it materially or only slightly?

Mr. ATKINS. Under absolute free trade there are very many beet factories in the country that could not operate at all. Some of them could. Some of the factories that are protected by 1,000 and 1,500 miles of freight rates could get along, where they get their beets cheap and produce at a very law cost, as in California; they could survive, in my opinion. They say they could not. But absolute free trade would cripple many of the beet-sugar manufacturers. It would cripple the Louisiana people by bringing prices down to a point below their cost of production. That would not be the case with a little reduction in the tariff. They would go on and reduce their expenses where they could and continue producing. If you wipe out a large source of supplies temporarily, you are going to advance the price of that merchandise.

(Hearings, p. 173.)

Mr. HINDS. If we should reduce in this country the tariff on sugar, if we should wipe it out, you say it would almost destroy the cane-sugar industry in this country and the beet-sugar industry?

Mr. ATKINS. Why, I think it would; because $1.34 a hundred is a great part of the price, you know.

CHARLES R. HEIKE, SECRETARY AMERICAN SUGAR REFINING CO. FROM 1887 TO 1910.

(Hearings, p. 208.)

Mr. FORDNEY. If the duty were removed on foreign imported sugar, would the benefits inure to the beet-sugar industry and not to the refiners that refine foreign imported raw sugar?

Mr. HEIKE. The refiners would have the advantage.

Mr. FORDNEY. That is what I meant.

Mr. HEIKE. The beet-sugar companies probably would find great difficulty in making beet sugars at all.

(Hearings, p. 238.)

Mr. FORDNEY. Mr. Heike, I do not know that I made myself fully clear in one question this morning. I think we agreed on the same point, which is the reason I want to be clear. I think you stated to me a reduction of the duty on imported raw sugar would quite surely be disastrous to the domestic beet and cane industry and would inure to the benefit of the refineries?

Mr. HEIKE. Yes, sir; I think the disaster depends upon the extent.

Mr. FORDNEY. If we were to have free trade on sugar, the beet-sugar industries would be obliged to cease?

Mr. HEIKE. Yes; except the favored localities.

Mr. FORDNEY. That is, if the price of raw——

The CHAIRMAN. What is the answer, Mr. Heike?

Mr. HEIKE. I say yes; except the favored localities; for instance, California; I guess they could.

Mr. FORDNEY. If the price of raw sugar were to be reduced to the extent of the duty?

Mr. HEIKE. Yes; and if we had absolute free trade.

Mr. FORDNEY. The beet-sugar industry would have to go out of business?

Mr. HEIKE. At least the Michigan, I think, would. Perhaps not. For that reason, if there was a reduction, it should be very slowly made.

Mr. FORDNEY. Now, if the duty were removed absolutely on sugar, could we produce either cane or beets in this country?

Mr. HEIKE. I doubt it very much.

Mr. FORDNEY. Then that would destroy the industry absolutely in this country?

Mr. HEIKE. Yes.

Mr. FORDNEY. And you would approve of that?

Mr. HEIKE. Yes.

HENRY T. OXNARD, BEET AND CANE SUGAR MANUFACTURER.

(Hearings, p. 440.)

Mr. RAKER. How much do you say the duty could be reduced?

Mr. OXNARD. Not a bit, not one farthing. If you reduce it, you are going to knock out the beet business. The beet business has not yet developed to that point where it is time to talk of reducing the duty on sugar if you are going to build it up. If you want to stop it, reduce the duty.

HORACE HAVEMEYER, FORMERLY DIRECTOR AMERICAN SUGAR REFINING CO., NOW SUING FOR CONTROL OF NATIONAL SUGAR REFINING CO.

(Hearings, p. 597.)

Mr. FORDNEY. Mr. Havemeyer, let me put it in this way: If the duty were removed on all imported raw sugars right now—it has been clearly brought out here by several witnesses that the domestic industry can not survive without protection—and if the duty were removed right now, there is no question in your mind that the beet and cane industry of this country would have to cease doing business?

Mr. HAVEMEYER. Yes; that is my belief—if it were removed.

CHARLES B. WARREN, PRESIDENT MICHIGAN BEET SUGAR CO.

(Hearings, p. 721.)

Mr. GARRETT. Free sugar would reduce the price?

Mr. WARREN. You gave the Cubans a concession, you know——

Mr. GARRETT. Free sugar would reduce the price?

Mr. WARREN. Certainly, for awhile, until they drove us out of business, and then the Germans would take care of the price of dry granulated in Germany, and the Russians in Russia, and the French in France, and they would put the price on raw sugar up, and you would pay the price, and they would get it easier. That is what would happen to the United States.

THOMAS R. CUTLER, PRESIDENT UTAH-IDAHO BEET SUGAR CO.

(Hearing, p. 810.)

Mr. CUTLER. I think they ought to be inquired into further. You are asking a question, and I will elaborate on it a little bit. The refiners are clamoring, of course, no doubt, for a reduction of the tariff. Who would be benefited by a reduction of the tariff? Why, the refiners, as against the beet-sugar factories. The refiners, if they can buy their sugar for two-thirds of what they are paying to-day will, of course, be benefited.

Mr. MALBY. Raw sugars, you mean?

Mr. CUTLER. Yes; raw sugars. They will continue in business and they will sell more sugars. Sugar will become cheaper. They will sell more sugar because sugar is cheaper. They will have less money invested in their business. There is a greater opportunity to make profits when sugars are low than when they are high. It is all in favor of the refiners. There is a great howl for free trade on sugars, but they will kill the beet-sugar industry sure.

(Hearings, p. 851.)

The CHAIRMAN. You said this morning, during the progress of the examination, that the beet-sugar people could not get along without the present tariff. Am I quoting you correctly on that?

Mr. CUTLER. I feel that way—that they could not and pay dividends.

The CHAIRMAN. And pay dividends; and you also said charge off the proper amount for depreciation of the plant?

Mr. CUTLER. I said I could not. I did not apply it to anyone else. I let everybody else make their own statements.

CHESTER S. MOREY, PRESIDENT GREAT WESTERN (BEET) SUGAR CO.

(Hearings, p. 894.)

Mr. MALBY. Something has been said with respect to the effect upon the beet industry in case of the repeal of the present tariff. Is that found to be advantageous?

Mr. MOREY. We could not live without the present tariff. I do not believe there would be a beet factory in the United States if the tariff were removed. That is my honest opinion.

JOHN D. SPRECKELS, PRESIDENT WESTERN SUGAR REFINING CO. AND SPRECKELS SUGAR CO.

(Hearings, p. 957.)

Mr. SPRECKELS. Take the tariff off of the sugar, and it means the death of the beet-sugar industry in this country. They employ lots of labor in the factories. Of course, they will have to seek other employment if those factories are closed.

(Hearings, p. 991.)

Mr. SPRECKELS. My statement is that if the duty was taken off that would mean the annihilation of the beet-sugar interests in this country.

Mr. MADISON. Yes.

Mr. SPRECKELS. I mean the utter destruction of it.

(Hearings, p. 1018.)

Mr. HINDS. So it is not absolutely certain that by doing as this circular advises—taking off the protection from the beet-sugar companies and turning it to the refineries, the trust, and the other refineries—you would get cheaper sugar?

Mr. SPRECKELS. No; not at all; because you are going to drive out the beet business, and, of course, there will be that amount of deficiency; and the question is, Can that deficiency be made up elsewhere? And if it can not be made up, of course there will be a shortage, and then the law of supply and demand is going to rule.

CHARLES W. NIBLEY, DIRECTOR, UTAH-IDAHO SUGAR CO.

(Hearings, p. 1107.)

Mr. SULZER. I say, so you believe that there is no legislation that Congress can enact in regard to the product of sugar and the price of sugar to the people that would cheapen the cost of sugar to the consumer thereof?

Mr. NIBLEY. Oh, yes; I think they could. If they took the tariff off of sugar entirely I think it would probably—probably cheapen the price a little temporarily, but it would be at the ruin of the great beet-sugar industry—the utter ruin.

Mr. SULZER. You are pretty sure of that, in your judgment.

Mr. NIBLEY. I am.

(Hearings, pp. 1107–1108.)

Mr. RAKER. There is one other question I would like to ask Mr. Nibley. He has been very positive in one answer, and I would like to have him take his time and get it in the record as he understands it. You say, if the tariff was taken off of sugar, the importation of sugar, raw and refined—I understand both—or either, that it would ruin the beet-sugar industry?

Mr. NIBLEY. Yes.

Mr. RAKER. Will you explain, Mr. Nibley, why it would?

Mr. NIBLEY. Because sugar would be temporarily, for a year or two or three, cheaper, so much cheaper that it would ruin that industry, and my opinion is—of course, that can only be a matter of opinion with you or I or anybody—my opinion is that in a little while the price would come back to about where it was before, and that it might be fixed up in some way so that it would be even more.

Mr. RAKER. But you did not get the purport of my question, and when I get that I am through. You say it would ruin the beet industry?

Mr. NIBLEY. Yes.

Mr. RAKER. Which means the cultivation of the beets, the beet manufactories, and those engaged in either of them?

Mr. NIBLEY. That is what it means.

Mr. RAKER. It would ruin their business?

Mr. NIBLEY. Certainly it would.

Mr. RAKER. They could not stand a reduction of half a cent?

Mr. NIBLEY. No, no. I think some of the factories now are not making half a dollar a bag, on an average, where they have to ship it to the river.

WILLIAM F. GILMORE, PARTNER IN ARBUCKLE BROS.

(Hearings, p. 1168.)

Mr. MADISON. Suppose we just went to work and took the duty off, then what would occur?

Mr. GILMORE. There would be cheaper sugar.

Mr. MADISON. What would be the effect as to your people—beneficial or otherwise?

Mr. GILMORE. It would be beneficial in so much that we would have only about half the money invested in the job.

Mr. MADISON. It would be beneficial inasmuch as it would destroy the beet-sugar people?

Mr. GILMORE. It would keep them at home.

Mr. MADISON. Keep them in a limited locality?

Mr. GILMORE. Yes.

Mr. MADISON. And leave the field to you people that is naturally yours, as you feel?

Mr. GILMORE. Our natural field; yes.

WILLIAM A. JAMISON, PARTNER IN ARBUCKLE BROS.

(Hearings, p. 1195.)

Mr. JAMISON. If there was no duty, I do not think the beet would be so prosperous, and we would probably sell more sugar. If the duty was removed, I mean to say.

F. C. LOWRY, SALES AGENT, FEDERAL SUGAR REFINING CO.

(Hearings, p. 1612.)

Mr. FORDNEY. You do not care a snap about the domestic industry, do you, in reference to this statement, if your statement just now is true?

Mr. LOWRY. You say I do not care a snap about the domestic industry?

Mr. FORDNEY. No. You do not care whether it succeeds or not. You are not interested in the welfare of the beet and cane sugar industry of this country.

Mr. LOWRY. Not particularly; no.

Mr. FORDNEY. You, then, would be willing to have sugar put upon the free list, even though it crushed out this domestic industry?

Mr. LOWRY. No, sir. I do not think it would be quite fair to put sugar on the free list. I think it would be very desirable from the consumer's standpoint, but I am frank to say that I do not think it would be quite fair at this time.

(Hearings, p. 1735.)

Mr. FORDNEY. If taking off the duty would destroy the industry, you would destroy it, would you?

Mr. LOWRY. How is that?

Mr. FORDNEY. If by putting imported raw sugars on the free list the domestic beet and cane industries in this country would perish, you would destroy them, would you?

Mr. LOWRY. I testified yesterday that I did not think it would be fair to the domestic industry to put sugar on the free list.

The CHAIRMAN. Is it really on account of the competition, Mr. Atkins?

Mr. ATKINS. I think so. * * * There is very much larger capacity than is required, and the beet sugars are taking away the trade of the refiners year by year. (Atkins, 48.)

Mr. MADISON. So you can hardly ascribe it to the fierce competition by the beet-sugar people?

Mr. ATKINS. Certainly. All that beet sugar comes on the market at a certain season of the year. It is all produced in about three months' time. They all want to market it just as rapidly as possible, and in order to do that they come to the eastern points. California sugar comes into Chicago and the Michigan sugar into Buffalo and Pittsburgh, and eastern refineries—not only the American Sugar Refining Co., but the others—have to reduce or close down until the beet sugars are out of the way. Any refining that is done between the 1st of October and the 1st of January is done without any profit and very often at a loss.

Mr. MADISON. Then, as a matter of fact, your competition with the beet-sugar people only exists during a few months of the year?

Mr. ATKINS. Three months, and that is 25 per cent of the whole time. (Atkins, 49.)

Mr. MADISON. You stated a moment ago, Mr. Atkins, or this morning, that you decidedly opposed going into the beet-sugar business. What was the reason of that? * * *

Mr. ATKINS. The beet-sugar business was a competitive business. It produced in the western territories, where our market lay. That is, I say our market, I mean the market of the refiners, the various refiners. As that industry grew, and I foresaw that it would grow rapidly, I believed that it would reduce the volume of business, not only of the American Sugar Refining Co. but of all the refiners on the Atlantic coast, and although we had millions of dollars invested in the business there we were building up a competitive business, one that would compete with ourselves and one which was bound to get away from us—we could not control it in the end. I say we. I had no connection whatever with it; that was simply a business man's opinion. (Atkins, 85–86.)

Mr. GARRETT. Do you know whether last year, at the time that beet-sugar manufactories began operations, any of the refining plants belonging to the American Sugar refining Co. received instructions to, or did, without instructions, withdraw from the territory usually covered by the beet-sugar trade?

Mr. ATKINS. No; not through any instructions. They were forced to withdraw from the territory, owing to the cutting of prices. We could not pay duty on imported sugars and get them so far west as would enable us to sell in competition with these beet sugars. (Atkins, 94.)

Mr. RAKER. How far west do you ship?

Mr. ATKINS. We ship, when we are able to do so, out to Omaha and Kansas City.

Mr. RAKER. You ship no farther than those points?

Mr. ATKINS. We would if we could, but we can not get in there owing to the competition of the beet factories. * * * (Atkins, 99.)

Mr. HINDS. You think that the taking the tariff off would cripple the beet-sugar industry?

Mr. ATKINS. Undoubtedly.

Mr. HINDS. That is, you mean drive them out as competitors?

Mr. ATKINS. It would cripple a great many of them.

Mr. HINDS. And what would it do to the Louisiana and Texas people?

Mr. ATKINS. I do not think they could produce in Louisiana without some protection.

Mr. HINDS. If those people were eliminated, of whom would the American people buy their sugar?

Mr. ATKINS. They would buy sugars abroad. They could get a little more from Cuba; probably Germany.

Mr. HINDS. You think the Sugar Trust would still be in business selling to them?

Mr. ATKINS. Buying from them?

Mr. HINDS. No; selling to the American people.

Mr. ATKINS. In all probability. (Atkins, 145.)

Mr. FORDNEY. Mr. Heike, you spoke about the duty on sugar being an advantage to the refineries?

Mr. HEIKE. Of the beet-sugar companies, did I not?

Mr. FORDNEY. As against the beet-sugar industry?

Mr. HEIKE. No; in favor of the beet-sugar industry, the duty is.

Mr. FORDNEY. If the duty were removed on foreign imported sugar, would the benefits inure to the beet-sugar industry and not the refiners that refine foreign imported raw sugar?

Mr. HEIKE. The refiners would have the advantage.

Mr. FORDNEY. That is what I meant.

Mr. HEIKE. The beet-sugar companies probably would find great difficulty in making beet sugars at all. (Heike, 208.)

Mr. MADISON. It would be beneficial (removing the duty from raw sugar), inasmuch as it would destroy the beet-sugar people?

Mr. GILMORE. It would keep them at home.

Mr. MADISON. Keep them in a limited locality?

Mr. GILMORE. Yes.

Mr. MADISON. And leave the field to you people that is naturally yours, as you feel?

Mr. GILMORE. Our natural field. Yes.

Mr. MADISON. In other words, you feel that all east of the Mississippi River, where they can not very well produce sugar beets, is the natural field of the cane-sugar refiners, while the plains and mountain States, where conditions are favorable to the production of beet sugar, is the natural field for the beet-sugar people?

Mr. GILMORE. Yes; I think so. (Gilmore, 1168.)

Mr. RAKER. Michigan sugar, you say, competes with yours in New York?

Mr. JAMISON. Yes; the Michigan sugar has been down to New York State and all through there. It has interfered with us very largely in sales in Ohio and Pennsylvania.

Mr. RAKER. And West Virginia?

Mr. JAMISON. Yes.

Mr. RAKER. How would it affect you if there was no tax on the importation of sugar—raw sugar?

Mr. JAMISON. I think it would enable us to run more constantly.

Mr. RAKER. What do you mean by that, now?

Mr. JAMISON. To keep up the capacity.

Mr. RAKER. Will you explain it?

Mr. JAMISON. I mean we would be able to sell more sugar.

Mr. RAKER. Do you not have a supply all the time?

Mr. JAMISON. Well, we are not able to run full at all times.

Mr. RAKER. Because of the way raw sugar is shipped into the United States?

Mr. JAMISON. Oh, no; on account of the beet product. If there was no duty, I do not think the beet would be so prosperous, and we would probably sell more sugar. If the duty was removed, I mean to say. (Jamison, 1195.)

Mr. SULZER. I understood you to say that you believed the tariff on raw sugar should be materially reduced.

Mr. JAMISON. Yes.

Mr. SULZER. Just to what extent, in your judgment, should it be reduced?

Mr. JAMISON. I should think it should certainly be reduced 1 cent a pound.

Mr. SULZER. One cent a pound?

Mr. JAMISON. Yes.

Mr. SULZER. If it were reduced by legislation 1 cent a pound what, in your opinion, would be the result?

Mr. JAMISON. Well, I think it would confine the sale of beets very largely into their own territory instead of permitting them to absorb freight rates and sell their product about 10 or 20 points under the eastern granulated coming into this territory. It costs them anywhere from half a cent to three-quarters of a cent per pound freight to get it here. (Jamison, 1201.)

Mr. HINDS. Can you tell me how far in the East the beet-sugar people are able to market their sugar?

Mr. SPRECKELS. There is the dividing line on the Missouri River. They sometimes come as far as Pittsburgh. I think the American Beet Sugar Co. has come once as far as New York City.

Mr. HINDS. Have they not come into New England, Mr. Spreckels?

Mr. SPRECKELS. They have come into the State of New York.

Mr. HINDS. Have they not also come into New England some?

Mr. SPRECKELS. I think so.

Mr. HINDS. One member of the firm of Arbuckles testified that they had come into New England.

Mr. SPRECKELS. Yes, sir.

Mr. HINDS. Are they showing a tendency to come farther east all the time?

Mr. SPRECKELS. They are.

Mr. HINDS. And they make the competition severer, if it is competition?

Mr. SPRECKELS. Yes.

Mr. HINDS. Continually?

Mr. SPRECKELS. Yes, sir. They have frequently come as far as Pittsburgh. (C. A. Spreckels, 2267.)

Mr. HINDS. Mr. Spreckels, you have been carrying on a campaign to reduce the tariff as beneficial to the cane-sugar refiners?

Mr. SPRECKELS. I have.

Mr. HINDS. Of course, that will be damaging to the beet-sugar refiners?

Mr. SPRECKELS. To some extent it will. (C. A. Spreckels, 2275.)

Mr. HINDS. In other words, perhaps, you would take it (the tariff) off, would you not, and have free trade?

Mr. SPRECKELS. I would have free trade.

Mr. HINDS. You would have free trade in sugar?

Mr. SPRECKELS. Absolutely. (C. A. Spreckels, 2277, 2278.)

It not only appears from that testimony that the Sugar Trust is not to be hurt by the passage of this bill, but it appears that unless it is passed the beet-sugar industry will seriously interfere with the trust monopoly; and it has been their effort, and it is their present desire, to get rid of this rival, and everyone knows what it means to get rid of a rival. It certainly bodes no good to the consumer of the product of the survivor.

STATUS OF THE CONSUMER.

But let us inquire what are the naked facts regarding the status of the ultimate consumer. It is estimated we will produce from beets this year 540,000 tons of sugar. This is 15 per cent of our total consumption. Does it strike the ordinary mathematical mind that if you subtract 15 per cent from the total of our consumption it will make sugar cheaper? On the contrary, does it not impress the mind exactly the contrary?

That is not all. The market for this sugar only lasts about three months of the year. During those three months it constitutes 36 per cent of our consumption, and as the market is circumscribed to a territory not farther east than Buffalo or Pittsburgh, and not farther than south of the Ohio River, say St. Louis, during those months it supplies 70 per cent of their consumption. Our Secretary of Agriculture states that at least 274,000,000 acres in the United States are suitable for the production of sugar beets. Had beets been raised thereon last year, and the crop been an average of last year's yield, and had it been converted into sugar, the supply, at the present rate of consumption, would meet the demands for 2,000 years. There is less than one-half of a million of this acreage now in cultivation, and yet we produce 15 per cent of our entire consumption.

So it is demonstrable that in order to get cheaper sugar it is necessary to raise more sugar from our limitless resources. I quote Mr. Willetts, the most eminent authority upon that subject, from the testimony taken before the Hardwick committee. But, first, let Mr. HARDWICK, the gentleman in charge of this bill and the chairman of the Hardwick committee, introduce Mr. Willetts, his chosen expert. He says Mr. Willetts is the "greatest sugar statistician in America and among the very greatest in the world":

(Willett, pp. 3083–3084.)

Mr. SULZER. What, in your judgment as an expert, would bring about a permanent reduction of the cost of manufactured sugar to the consumers of the United States?

Mr. WILLETT. By increasing the amount of domestic production and in Porto Rico and Hawaii—that is, by increasing the quantity of sugar within the United States to the extent that we would be required to purchase no sugar whatever at world prices. Last year we bought only 77,000 tons at the world price. We were as near as that to that condition in 1910. We did come within 77,000 tons of being entirely free and independent of the world's prices, whereas a few years before we had been importing 6,700,000 tons. (Misprint; should be 670,000.)

Mr. SULZER. In other words, you think it advisable for the Government of the United States to do everything within its legitimate scope to encourage the growth of cane and beet sugar in the United States?

Mr. WILLETT. Yes, sir.

Mr. SULZER. And in our insular possessions?

Mr. WILLETT. Yes, sir; in our insular possessions.

(Willett, p. 3589.)

Mr. HINDS. Then, Mr. Willett, the world's price for sugar is not a supply-and-demand price entirely, is it?

Mr. WILLETT. What reference has that to Russia?

Mr. HINDS. With all these arrangements of bounty and these other arrangements, it results that the supply and demand of sugars——

Mr. WILLETT (interposing). You mean it is not free to seek a proper level?

Mr. HINDS. Yes.

Mr. WILLETT. No; it is not free throughout the world to seek a proper level of price.

Mr. HINDS. And the world's price is an artificial price?

Mr. WILLETT. To the extent that the trade of the world is not free and open and clear and it is subject to bounties and restrictions and conditions. What we want to do is to get independent of all that, and we can do it.

Mr. HINDS. Suppose we increase considerably in the Philippines and Cuba increases considerably and the beet-sugar supply in this country doubles, will not that make a revolution in sugar?

Mr. WILLETT. Most decidedly. That is what I say—increase the Cuban, Porto Rican, Hawaiian, Philippine, and domestic cane and beet sugar industry to a point above our requirements for consumption up to 500,000 tons, so that if Cuba should give out some year and not produce much sugar we would still have enough for our consumption. Then we would be independent of the world, and we would make our own (world's) price.

Mr. HINDS. And what ought that price to be in the United States?

Mr. WILLETT. That price, after equalizing the production to consumption, will depend upon the competition between the different interests—between Cuba, Porto Rico, Hawaii, and the domestic beet and cane industry. They will all be working to get our market, and the consumer then will get the advantage.

Mr. HINDS. And probably we would get the cheapest sugar on earth?

Mr. WILLETT. We would get the cheapest sugar on earth under those conditions. There is no doubt about that.

Mr. HINDS. And is that situation really in sight, do you think?

Mr. WILLETT. We came within 74,000 tons of it in 1910, and this year, according to the outlook of the Cuban crop at the present moment, we will come—I should say that we might meet it, provided that the shortage in Europe does not infringe upon our Cuban reserve. Already the United Kingdom has bought 140,000 tons away from our supply in Cuba, but they are reselling it, or trying to.

(Willett, pp. 3556–3557.)

Mr. WILLETT. * * * This promotion of our industry is a much more vital point—from the consumers' standpoint included—than is a reduction of tariff to a point that lets in foreign sugar and thereby diminishes the home protection. Whenever we reach the condition indicated, competition between our free and partially free duty producers will begin and the consumers will benefit thereby and the United States will be entirely free from the speculative and other influences which control the world's price, and it is not unreasonable to expect that, under the conditions indicated, the United States will become a considerable exporter of its surplus production to the foreign countries which may be short of supplies, as under present conditions abroad.

As showing the ultimate effect of home production equal to or surpassing home consumption, I call attention specially for earnest consideration to the fact that in 1910 we reached this desired consummation within 74,000 tons, and as a result we were almost independent of Europe; so much so, in fact, that we got our supplies from Cuba at over one-half cent per pound under world's prices, during which time one man (Santa Maria) was carrying on a big bull speculation in Europe, in which we would certainly have been involved but for this limited amount we required that year. In 1911 the Cuban crop fell short of 1910 by 320,898 tons, and we required 212,182 tons from abroad to complete our supplies; hence we were involved in the world's prices in 1911, and the result was a hue and cry against the high prices of sugar. I am not making an argument, but am simply pointing to the facts that appear to me to make the consideration of the increase in our local supplies of greater importance in legislation than a reduction of duties beyond certain limits, those limits to be such as will positively exclude all sugars outside those of our States and dependencies.

(Hearings, p. 3752.)

Mr. MALBY. When we assemble ourselves and say "If it were not for the tariff we would get sugar 1⅞ cents per pound less," I sincerely doubt it, because of the fact that if our expectations were realized, and it was reduced 1⅞ cents per pound, I venture the suggestion there would be no sugar produced in the United States; and if no sugar were produced in the United States, which production now amounts to 850,000 tons, the price of sugar would not be reduced 1⅞ cents, but by reason of that quantity being taken from the world's supply the chances are more than equal the price to the consumer under those conditions would be the full amount of the duty now paid. Now, those are matters which I want to submit to you, and ask you whether or not they are entitled to very careful consideration at all times when we are dealing with this subject.

Mr. WILLETT. I think, Judge MALBY, you are absolutely correct in every statement you have made, in the event of the entire duty being taken off of sugar.

(Willett, p. 3978.)

In all these analyses I reach the same conclusion—that to decrease the price of sugar to the consumer, increase the domestic production as rapidly as possible.

No one denies that the temporary effect will be to lower the wholesale price of sugar, but the testimony is of too meager a character to predict that the taking off of the duty will cause a reduction to the consumer even temporarily. But everyone will agree that we will put it in the power of the refiner, or the

Sugar Trust, to control the price, and he may or may not lower the price, depending upon how his interest may be best subserved. The testimony shows that he unquestionably will first put all of the sugar men out of the business by lowering the price, after which he will manipulate the price in his own individual interests.

It must be known that these captains of industry—the heads of these refineries—who have been so persistently knocking at the penitentiary doors for years in their criminal practices at the ports of entry, will not be overscrupulous in further impositions upon the public by any means within their power.

WHAT IS THIS OLD COUNTRY FIT FOR?

But it is said by my friend Mr. HARDWICK, the chairman of the Hardwick committee, and who must be congratulated upon his brutal frankness in predicting the downfall of the domestic sugar industry, that all the sugar this country will need for consumption can be raised in the Philippines cheaper than here, and I could not but remember while he was speaking that from time to time during this and the last session there have been declarations made upon this floor to the effect that wheat was at too high a price and that Canadian wheat should be allowed to come in free because it could be raised cheaper there; meats were too high, and the meats of Argentina should be allowed to come in free; wool was too high; our markets should be thrown open to the New Zealander and the hatless, shoeless, and breech-clouted bushmen of Australia for the same reason; that lead and zinc could be mined cheaper somewhere else; and now it has been found that sugar could be grown somewhere else cheaper and it should be brought in to supplant another home industry, and I seriously wondered to what advantageous uses this old worthless country of ours could be turned to after we had surrendered to these far-off people our markets for all their products.

As I look about me now and observe so many of the seats of members of the Ways and Means Committee vacant, I am wondering whether they are in that "apothecary shop" compounding more medicine for us western people, or whether they are not to be found upon some near-by promontory with powerful telescopes diligently investigating the deltas of Mars in a frantic effort to discover what may be grown by the Martians at a less price than we can grow it here, anticipating a draft upon that country for cheaper soil productions.

CONCRETE FACTS.

But, seriously speaking, Mr. Chairman, it has been estimated that only 30 pounds of sugar per capita are used in this country, coming across the grocer's counter. This, at the price of 1½ cents, the amount of the duty, would be 45 cents per head, assuming that each person got the full benefit of the duty; and that, as I have said, if at all, could only be for a brief period, when the pendulum would swing the other way. The other 50 pounds of sugar goes into manufactured products, prominently among which—and I have only time to mention a few—are condensed milk, biscuits, crackers, confectionery, chewing gum, tobacco, and the like. On a 15-cent can of condensed milk at the present price of sugar, if the duty were taken off and the manufacturer got the full benefit of it, he would make two-fifths of a cent on his 15-cent can. Does anybody believe that any part of that two-fifths of a cent would pass to the consumer? And yet condensed-milk companies used last year 140,000,000 pounds, and the Government, by the loss of its duty, would lose $1,866,000. In biscuits and crackers there are 127,750,000 pounds of sugar used per annum. In all the fluctuations in the price of sugar the price of biscuits and condensed milk have not been influenced in the least. The price of a package of Uneeda biscuits will remain as it has remained, at 5 cents, but the Government would lose $1,700,000 per annum revenue. So with reference to candy; the price has never fluctuated by reason of the change in price of sugar. The yearly consumption of sugar by the manufacturers of candy is 612,500,000 pounds. The Government would lose in revenue $8,166,700 per annum without the least benefit to the consumer.

Take chewing gum, for instance. Last year there were 25,000,000 pounds of sugar used in the making of this article, the duty upon which would be $350,000 per annum, which the Government would lose, and no one can truthfully claim that the chewer of the gum would be benefited.

So we have those four branches of manufacture into which sugar largely enters, viz, condensed milk, biscuits, confectionery, and chewing gum, representing a duty of $12,000,000 per annum—an absolute loss to the Treasury of the United States with no benefit to the consumer whatever; but this amount must be paid by the consumer through some form of taxation.

The tobacco manufacturers use sugar by cargo loads, and yet it would be as difficult to find even an infinitesimal saving to the chewer of tobacco as it would be to find a corresponding advantage to the chewer of gum, yet it is very easy to trace the needless loss to the Treasury.

EFFORTS TO PREJUDICE THE PUBLIC.

It has been stated that the beet-sugar manufacturers are realizing too great a profit. Our distinguished leader, Mr. UNDERWOOD, informs us that they are making 9 per cent on their investment. Why, Mr. Chairman, how utterly insignificant is that profit when compared with the enormous profits of the Sugar Trust, the beneficiaries of this measure, and of the Steel Trust, whose profits from one single railroad last year amounted to over 240 per cent. I am really surprised that the percentage of profit to the beet-sugar manufacturers is so small. I had thought it was larger. It should not be regarded as excessive in any quarter, but should be a potential argument in its favor. They are the pioneers of an infant industry, in new and untried fields, and are entitled to a profit commensurate with their natural risks.

Mr. HARDWICK, with an adroitness worthy of a better cause, endeavors to prejudice the beet raiser against the millman, intimating the latter does not pay him a proportionate part of the profits. Then he especially appeals to the prejudices of other farmers by showing how much more the beet grower makes than they. He then appeals to the prejudices of the consumers of sugar against—and it is I who put the words in his mouth, for he is too polite and courteous to say so—the "deadbeat" beet growers.

I wish to admonish these toilers of the soil thus appealed to that this is one of the many tocsin notes reverberating in the political campaign. You will soon be awakened by an alarm drawing your attention to your own specialty, whether it be in the domain of grain or stock growing. You will be asked to farm your lands and breed your stock on shares with alien people. And you, dear susceptible people who only consume, will be asked to look to the foreign producer for merciful prices. Not since the days of the fathers of the Republic has there been a greater incentive for our husbandmen to stand together to avoid falling separately. Stand idle, any one of the group of producers, and see another fall and you open wide the gates making for your own downfall.

But there is a consideration which recommends itself that Brother HARDWICK overlooks. The farmer is not always treated fairly in his dealings with the purchasers of his products, but as respects the sugar-beet farmer the manufacturer is completely at his mercy, and it is the only instance wherein the farmer holds the balance of power. Consequently when you strike at this particular industry you strike directly at the farmer. My position with respect to this product of his labor is the same as it is with respect to all of his products—I am unalterably opposed to any invasion of his rights, either from within or from without.

We who appreciate and sympathize with his hardships and trials, under so many unfavoring conditions, will refuse to bow to the action of any caucus which is, in our judgment, inimical to his interests, nor be bewitched by any party expedient to betray him. He bears the heat and burden of the day. From the rising of the sun to the going down thereof his is ceaseless toil. He is subjected to all the vicissitudes of the elements, and even when he sows the reaping may not be his. The devastating cannonade of hail, the unseasonable frosts, the relentless rain, or the dreadful siroccos often intervene and bring disappointment to his worthy ambition to provide food, clothing, and education for his dear ones. The visitations of sickness and death do not accommodate themselves to his condition, circumstances, or convenience, and the grim shadow of the tax collector periodically slants athwart the threshold of his humble home.

Mr. Chairman, as long as my voice shall be heard in these halls it will ever be raised in sincere and earnest appeal for the alleviation of the burdens of the farmer, and for the promotion of his well-being, which should be the first consideration of every American legislator, for he is the bulwark of our national greatness.

Again, it has been charged that the Sugar Trust is a large owner in the beet-sugar factories. While it is true that it does own some of their stock, it is nevertheless true that it does not, directly or indirectly, control one single factory or field. The trust first sought to dominate the industry for the purpose of destroying it. This is abundantly shown by the testimony I have quoted, and it is undisputed that they are getting rid of their stock as fast as possible in anticipation of legislation making it worthless.

The enactment of this measure at this time will violate the plainest principles of economic laws. The further you investigate it the plainer it is shown that the consumers of sugar in this country, who now have it at a cheaper price than any other

people outside of England, will soon be compelled to pay more than any other people. I know of no greater solecism than to maintain that to decrease the product will increase the supply; to subtract from means to add to; to divide means to multiply; the less the supply the greater the demand; the greater the demand the less the price; the greater the supply the higher the price. Eliminate competition to lower prices, corner the market and give the consumer a chance, but by all means do not favor novices in the distribution of favors. Give the monopoly to those whose long experience in exploiting the people will afford the least danger of miscarriage.

WHEN WILL BOMBARDMENT CEASE?

Are we of the West never to enjoy the surcease of Federal enfilading of our industries? Our silver mining was long since shot to death. Nearly one-third of our public domain has been apparently forever withdrawn from occupation and the taxing power. The prospector has been booted from the trail. The homeseeker has been driven to Canada. Our watersheds have been denuded of their forests, thus destroying our natural reservoirs, which rapidly makes way for a modern Sahara. Our valuable coal deposits and water-power sites are covered into the Federal Treasury. Our flockmasters are driven from the ranges. And now we are threatened with having our cereal, meat, wool, metal, and sugar markets turned bodily over to our foreign competitors. The wrongs we have suffered and those with which we are threatened are chargeable to both political parties. Yesterday one took a slice off, to-day the other a slice, and it is only the demagogue who will claim that one of the parties is less censurable than the other. It all comes from the insatiable greed for more commercial power to our eastern neighbors, assisted by an inexperienced and unwise coterie of politicians who would adopt a policy which makes for the country's woe in order to bring about a political advantage, even though of doubtful character.

Mr. Chairman, I hold no brief from the manufacturers of sugar beets. Nine out of the seventeen factories in our State are located in my district. Their owners did not support me in 1908 nor 1910. With the possible exception of one of the counties wherein they are located, there came the largest majorities against my election to this body, although my position was as well known then as it is now. Therefore in giving voice to my position in this matter I am not paying a political debt, nor am I actuated by any hope of future political reward. My footsteps are following the pathway which, I believe, leads to just and proper dealing with both the consumer and the American farmer. I believe in adequately protecting the product of the "tillers of the soil." The industries of these worthy citizens should be sanctuaried against every human foe. If this bill becomes a law, the Government will be departing from a settled and time-honored policy, coincident with the birth of the Nation, and flying in the face of the approved policy of the world. It will be breaking faith with those who, on the strength of tradition and existing law, have invested over $2,000,000 of capital, throw out of employment over 300,000 laborers, disturb in general the equilibrium of supply, and, in addition, this confiscatory proceeding will destroy the only safeguard of the people against the practices of a band of commercial plunderers as powerful, unrestrained, and merciless as were the buccaneers when their black-flag frigates were mistresses of the high seas.

Mr. HOWELL. Mr. Chairman, from whence comes the doctrine on which this destructive bill is based? What national policy demands this wanton and disastrous blow to the sugar industry of this country? Can it be possible that this legislation points out the new course which the Democratic Party is to follow? Or is this a piece of unadulterated political buncombe to ensnare the unthinking by the attractive but fallacious plea that you will lighten the burdens of the poor and transfer them to the rich? When the Democratic hosts accepted the royal hospitality of Colorado's proud capital and in its last convention, assembled in 1908, announced its tariff policy little did the enthusiastic representatives of that and other thriving Commonwealths anticipate this violent attempt to throttle their industry. No such construction was ever given to that platform in the campaign discussion, but on the contrary we were solemnly assured by Democratic advocates and orators that the Democratic Party, if intrusted with power, would not injure any legitimate industry. These strong assurances sound strangely incongruous and ridiculous in the presence of recent performances. Where, then, can we find the authority for the present tariff program? Can we find it in the doctrine laid down in the historic but obsolete Confederate constitution, which denounced the right of government to lay duties which would encourage or foster any domestic industry? I read from section 7, article 1, the constitution of the Confederate States:

> Congress shall have power to lay and collect taxes, duties, impost, and excises for the revenue necessary to pay the debts and provide for the common defense and carry on the Government of the Confederate States; but no bounties shall be granted from the treasury; nor shall any duties or taxes on importations from foreign nations be laid to promote or foster any branch of industry.

Is the Democratic Party wedded to this doctrine? Is its future tariff policy to be in harmony with the principle therein declared? Evidently the present Democratic majority is deeply inbued with the free-trade idea. Whenever you get beneath the surface of the "tariff-for-revenue-only" reformer you at once uncover a genuine and hereditary free trader. The gentleman from Alabama [Mr. UNDERWOOD] in bringing in these bills has been perfectly frank in announcing his ultimate purpose, but the bills so far presented by his committee have only shown a veiled form of free trade. In this bill, however, the mask is thrown aside and a bold and audacious attempt is made to institute free trade in this country. But why should an industry of such promise and importance as the sugar industry be the first victim of this ruinous policy? The gentleman from Alabama [Mr. UNDERWOOD], in his speech yesterday, tells us that, with the exception of brief interruptions, it has been the unbroken policy of our Government from the beginning to raise a considerable revenue from a tariff on sugar. In his report on this bill, which strikes the death blow to the industry, he states:

> The growth of the beet-sugar industry in this country during the decade ended with 1909 is shown, in Table 1, to have increased 117 per cent in number of establishments, 399 per cent in the quantity of beets used in the manufacture of sugar, and the value of the products has increased almost sevenfold.

Does this furnish a justification for the reversal of this century-old, settled tariff policy now at a time when the rapid growth and development of our sugar production seems assured? Why this hostility to this important and rapidly growing industry?

The gentleman from Georgia [Mr. HARDWICK], who has given great research to the production of cane sugar in the Tropics and beet sugar where produced, to my inquiry very frankly and candidly admitted that the beet-sugar production of the world can not withstand the competition of the cane sugar of the Tropics, declaring that beet-sugar production was a hothouse industry wherever it is found.

We are not building for an hour or for a day. It is our patriotic duty to lay a sound and safe foundation upon which to erect the structure of our national security, prosperity, and greatness. Sugar is one of the necessaries of life. We expend vast sums of money in obtaining a supply for our people. Under existing conditions our country and its possessions supply one-half our needs. The remainder of our supply, excepting an insignificant quantity, is derived from Cuba, over which we exercise a sort of benign guardianship. Thus one-half of our present supply—our own production and that of our possessions—is duty free, while Cuban sugar, in pursuance of treaty stipulations, pays only 80 per cent of a full duty. The present bill also strikes a severe blow at the prosperity of our island possessions, whose well-being we are under moral and just obligations to promote. Again, we are called upon to instantly sever our relations with Cuba in violation of our solemn treaty stipulations, and thereby seriously unsettle conditions in that unhappy country, for whose welfare we should and must ever entertain a feeling of friendly and intimate concern. Speaking of beet sugar in the United States, we find that our country is admirably adapted for the production of beet sugar. We need only utilize 1 acre in every 250 acres in our country adapted for sugar beets, added to our cane production, to fully supply our entire market. The beet crop is a new and distinct source of wealth to the farmer. The raising of beets demands intelligent methods of soil cultivation and results in improving the fertility of the soil. It naturally encourages the division of land into small holdings and insures the most intensive cultivation. In the neighborhood of beet-sugar factories you will find the most handsome and well-ordered farm homes and a high state of soil tillage. Under the system of irrigation in the West beet culture has proven highly successful. The farsighted and benevolent policy which the Government has undertaken of reclaiming the waste places by a series of irrigation projects will open to settlement vast areas especially adapted to beet-sugar production. The sugar beet requires much sunshine to yield the best results, and in the West, as a friend expresses it, "We have 365 days of sunshine, and the balance of the year is bright and fair." My State is vitally interested in this industry. I saw it start, I have watched its growth, and I realize how much it means to the agricultural development of our country, for, after all is said, the production of beet sugar is an agricultural industry.

The sugar factory bears the same relation to the growers of beets as does the flour mill to the grower of wheat. This industry has made rapid strides in the face of adverse conditions. But while we are so splendidly fitted for sugar production, when we seek the markets of the East we are confronted with a distance and freight charges that operate as a handicap to marketing our surplus production. Any fair estimate to determine our fate under free-trade conditions must take this factor into the calculation. Now, I am not going to load my speech with columns of figures. The life of statistics is comparatively short, as we live in a world of constant change. I intend only to make an appeal to the broad patriotism, plain common sense, and intelligence of those who believe it to be the legitimate province of government to exercise its powers so as to promote our national welfare in the broadest sense, to make our people prosperous and independent, especially for food and raiment, and the means of national defense. The beet-sugar industry in this country has abundantly fulfilled the most sanguine expectations of its advocates and has strikingly vindicated the wisdom of the protective policy. It is now firmly established in 16 States, with 71 factories in operation, and representing a capital of approximately $100,000,000. Unfortunately, in the past it has been the child of doubt and uncertainty. A cloud has hung upon it since we embarked upon the enterprise; it has been retarded by apprehensions over free cane sugar from our island possessions, by the Cuban preferential, and the uncertainty of our Government policy concerning it. It has survived the croakers and knockers, who, at its inception, declared we could not make sugar in this country. It has survived the unfriendly doubts of some men in high places in the house of its friends, but notwithstanding these drawbacks it has grown amazingly in recent years.

I have already cited the tribute to its growth contained in the majority report by Mr. UNDERWOOD. I will now refer to the report of Mr. FORDNEY in behalf of the minority of the Committee on Ways and Means, which displays far more thorough and searching study of the question. I read from page 12 of that report:

> The real development of the beet-sugar industry in the United States dates from the passage of the Dingley Tariff Act, in 1897, at which time there were only 6 beet-sugar factories in this country, producing 37,500 long tons of sugar per year. In the fall of 1911 there were 71 sugar factories in active operation, which will produce this season approximately 525,000 long tons of sugar from 429,000 acres of beets. There is thus a gain of over 1,200 per cent since the passage of the Dingley law.

Now, in the face of this splendid growth and extension why, in the name of common sense, should we pursue a policy to utterly despoil it? No other nation in the world has ever undertaken such a shortsighted, suicidal policy. It is true the great refining interests, recognizing the rapid growth of beet-sugar production and its steady and rapid encroachment upon their business, are united in urging free sugar. This is clearly proven to be their position, as disclosed in the testimony taken before the sugar investigating committee. Every New York refiner who testified before that committee, and practically all of them did testify, came out in favor of free sugar, or such drastic cut in the present duty as would cripple the domestic industry. Mr. Atkins, vice president and acting president of the American Sugar Refining Co., tells us of quarreling with Mr. Havemeyer when the latter proposed to acquire interest in beet-sugar concerns, and in giving his reasons for objecting said:

> The beet-sugar business is a competitive business. It is produced in the western territories, where our market lay. That is, I say "our market." I mean the market of the refiners, the various refiners. As that industry grew, and I foresaw that it would grow rapidly, I believed that it would reduce the volume of business not only of the American Sugar Refining Co., but of all the refiners on the Atlantic coast, and although we had millions of dollars invested in the business there, we were building up a competitive business, one that would compete with ourselves, and one which was bound to get away from us; we could not control it in the end. I say "we"—I had no connection whatever with it; that was simply a business man's opinion. (Hardwick Hearings, pp. 85–86.)

Mr. Jamison, a partner of "friend of the people" Arbuckle, that great philanthropist who has done so much toward reducing the price of coffee, which is now on the free list, and who is apparently anxious to duplicate this performance in sugar for the benefit of the great consuming public, testified that—

> The Michigan sugar has been down to New York State and all through there. It has interfered with us very largely in sales in Ohio and Pennsylvania.

He goes on to say that he wants the duty taken off of sugar "on account of the beet product," and adds:

> If there was no duty, I do not think the beet would be so prosperous, and we would probably sell more sugar. If the duty was removed, I mean to say. (Hardwick Hearings, p. 1195.)

Every refiner who went on the stand—Claus A. Spreckels, president of the Federal Sugar Refining Co.; Charles R. Heike, former secretary of the American Sugar Refining Co.; William G. Gilmore, partner of Arbuckle Bros., sugar refiners; James H. Post, president of the Brooklyn Cooperage Co., a subsidiary of the American Sugar Refining Co.—all had the same tale of woe to tell concerning the hardships they were suffering on account of the beet-sugar competition, and all expressing the desire that this young rival should be wiped out by the removal of the duty on sugar. Beet sugar is the competitor they fear most will loosen their grip upon the markets of this country. This bill gives effect to the selfish propaganda they have been engaged in for free sugar. It is in their interests, and a death blow to that most beneficent agricultural auxiliary—beet-sugar production. You are sacrificing an industry that can be carried on by limited capital, and from the nature of it not capable of control by a trust, to swell the profits of the Sugar Trust and perpetuate the power of this lawless and grasping monopoly. The assurance that the same friendly and permanent policy toward beet sugar on the part of our Government that the countries of Europe have shown toward this industry would witness a mighty advance in the production of beet sugar in this country. New factories would spring up all over the land. These factories would be constructed of American material and machinery and erected by American workmen. Lands that now produce $10 or $20 per acre would contribute to our wealth at the rate of from $50 to $100 an acre, every dollar being the product of our own people and every dollar expended in exchange for other products of American labor.

What a fallacy and a cheat it is to attempt to make the producers in this country believe they are benefited by buying sugar from Java or some other tropical country, that buys little from us and in whose civilization and traditions we have no part, because of its cheapness, when thereby they limit and diminish the purchasing power of their best customers. After all, in the final analysis the people most entitled to the solicitude of the Government have only the products of their labor to exchange for the commodities they require produced by other labor. The sugar producer in this country simply exchanges his labor for the labor of his American craftsman in another line. The question of "cheap" or "dear" depends solely upon the fairness of this exchange of labor. The interest gatherer and coupon clipper and the creditor class may be benefited by cheapening the products of toil, but such a condition bears with cruel severity and crushing effect upon the debtor class. Now, what has been our uniform experience in dealing with foreign countries? The moment we are dependent for any staple article, controlled as sugar is by European syndicate, and all domestic competition is removed, up goes the price. The removal of the duty may bring about a temporary reduction in price, but, oh, at what a cost! When the industry is destroyed in this country our own trusts and foreign syndicates will lay such tribute upon us as their own sweet unconscionable will may determine. You surrender fifty-three millions of certain revenue and subject the Treasury to the risk and doubt of a method of recouping the loss of extremely doubtful validity and of wholly unknown revenue-yielding power. You boast of relieving the people of fifty-three millions of taxation annually. As a practical question you do not. You absolutely ignore the fact and refuse to say that a large part of the sugar consumed in this country is used in various lines of manufacture where the duty is imperceptible and does not enter into the computation in fixing the price of the manufactured article. It has been carefully estimated that at least 40 per cent of the sugar consumed is used in various manufactures. I will print at the close of my remarks this estimate, but will enumerate some of them here: Condensed milk, biscuit, pie and cake bakers, confectioners, chewing gum, corn products refining companies, liquors and wines, preserves, soda-water sirups, desiccated cocoanuts, Quaker Oats, jelly manufactures, such as gelatin, Jell-O, Deserta Co., candied fruits, rock candy and rock-candy sirups, drugs, medicines, chemicals, cocoa manufacturers, ice-cream manufacturers, infants' food, packing houses, distilled wines, champagne, fruit sirups, and mincemeat. How much will the consumer benefit from the reduction in these articles? Not one penny. You simply take from the Treasury $10,000,000 to place it in the private coffers of these manufacturers. This bold and desperate free-trade bill will serve one useful purpose, and that is to emphasize before the country the reckless, ruinous character of the legislation that the Democratic Party might enact if clothed with full national power. Thousands whose prosperity is menaced shudder at the prospect and are fervently grateful that the citadels of power are still manned by Republicans who will be true to their pledges and principles and repel

these blighting onslaughts. While I have heard and deeply sympathized with the earnest appeals and protests against the ruin and destruction of various industries throughout the country involved in the tariff program thus far brought out, I want to say that the Mountain States are singled out upon which to inflict the most severe and crushing injury. Our industries seem to be especially singled out for sacrifice under the present régime. What lot or parcel can the people have with the Democratic Party? The mining industry, the stock-growing industry, the sugar industry, prime factors in our prosperity, all marked for slaughter by this free-trade policy. You may temporarily impede our growth and impair our prosperity, but "Westward the course of empire takes its way," and the Democratic Party can not retard it. This suicidal policy will not continue to prevail in this country. There is one consoling thought in all the anxiety and solicitude caused by these cruel assaults on our prosperity, and that is that the antics of the party now clothed with a little brief authority will serve to focus the attention of the country on the awful calamity that would follow complete Democratic supremacy. The attention of the people will be drawn from the political side shows and various political vagaries with which they have been flirting to the serious consideration of statesmanlike policies necessary to insure that prosperity and peace upon which our stability as a nation depends. The wreckers will be driven from place and power and the Republican Party with all its pristine vigor and statesmanship given supreme command. [Applause.]

SUGAR USED IN MANUFACTURES.

Even those who denounce the Payne-Aldrich tariff law as unjust, unfair, and oppressive and framed in the interests of the trusts and monopolies must agree that the sole purpose of a downward revision should be either to benefit the Government or the consumer, or both. Undoubtedly the lowering of duties on certain articles would result in great general benefit, while a reduction on other articles would simply deprive the Government of the income without benefiting the consumer.

From what I have heard and read it seems that as far as the general public is concerned the effect which a reduction of the duty on certain articles would have is thoroughly misunderstood.

This refers especially to sugar. People are made to believe that because the consumption of sugar is 80 pounds per capita per year the removal of the duty, say, 1½ cents per pound, would mean a saving of $1.07 for each individual per year, or about $5.35 per family per year. As far as I have been able to ascertain no special efforts are being made to draw attention to the absurdity of such a theory.

Only a comparatively small portion of the total quantity of sugar consumed is purchased by the consumer from his grocer "in the shape of sugar." The balance is used as ingredients for candy, condensed milk, crackers, biscuits, bakers' products, preserves, ice cream, and for hundreds of other purposes too numerous to mention. In order to realize to what an enormous extent sugar enters into the manufacture of mixtures and compounds it is only necessary to mention a few items.

CONDENSED MILK.

I understand that the Borden's Condensed Milk Co. and their Michigan branch use about 200,000 barrels of sugar per year, and that they manufacture about 50 per cent of all the condensed milk produced in this country. Thus 400,000 barrels of sugar, equal to about 140,000,000 pounds, are annually used for condensed milk alone.

The retail price of a 1-pound can is about 15 cents. This pound of condensed milk contains about 40 per cent of sugar. The wholesale price of granulated sugar is 4½ cents. Therefore the cost of all the sugar contained in 1 pound of condensed milk is only 1⅘ cents. Now, let us suppose that a reduction in duty would lower the price of sugar 1 cent per pound, making the price of granulated 3½ cents per pound. The cost of all the sugar contained in 1 pound of milk would then be 1⅜ cents. In other words, it would make a difference of two-fifths of a cent on a 15-cent can.

Statistics will show that the wholesale price of condensed milk is not influenced by the fluctuations in the price of sugar. It is therefore evident that it would not have any effect on the retail price.

What would be the result if the duty would be removed? The Government would lose, say, 1½ cents per pound in duty on 140,000,000 pounds, or $1,866,000; the consumer would gain nothing. It would merely benefit a few manufacturers of condensed milk.

BISCUITS AND CRACKERS.

It is of course impossible to ascertain the exact quantity of sugar used by all the biscuit manufacturers in this country, but, considering that the National Biscuit Co. alone uses over 120,000 barrels per year, it is more than probable that at least 1,000 barrels of sugar per day are required by the entire biscuit and cracker industry of this country. This would represent 350,000 pounds per day, or 127,750,000 pounds of sugar per year. It is a well-known fact that the price of biscuits is not influenced by the fluctuation in the price of sugar. For example, the price of a "package" of "Uneeda Biscuits" will remain 5 cents whether the comparatively small percentage of sugar it contains cost 4½ cents or 3½ cents per pound. What would, therefore, be the result if the duty on sugar should be removed? The Government would lose, say, 1½ cents per pound on 127,750,000 pounds, or over $1,700,000 per year; the consumer would gain nothing by it. It would only benefit the manufacturers.

CONFECTIONERY.

Most people are acquainted with the enormous advance in the candy industry, and few people realize the immense volume of this trade in the United States. The latter is really the greatest candy-making and candy-eating country in the world. In fact, the census returns reveal the astonishing fact that the United States produces more candy than England, France, and Germany combined.

The census for 1905 gives the number of establishments as 1,348, capital invested $43,125,408, and the value of the products $87,087,253.

By act of Congress of March, 1902, under which the census of 1905 was taken, it was provided that the enumeration should be confined to manufacturing establishments conducted under what is known as the factory system. Therefore all of the small establishments included in the Twelfth Census—1900—were omitted.

In order to make the statistics of the census of 1900 and 1905 comparable, it was necessary to retabulate the reports of 1900. In that year there were 947 establishments in the trade classified under the new plan of tabulation as factories and 3,350 establishments doing a smaller business and not properly considered as factories. The report of 1905 discloses that in the five years following the previous census the number of factory plants increased about 42 per cent and the capital increased about 65 per cent. The increase in output was about 43 per cent.

The number of small shops which figure as factories in the 1900 census, which were eliminated from the census of 1900, produced annually goods to the value of over $20,000,000, this being an average of a little more than $6,000 for each establishment. As the number of small shops doubtless increased in the same ratio as the factories, it was figured that their output was equal to $29,525,633, which amount added to the value of the product accredited to manufacturing establishments gave a total of products of $116,612,886. This was five years ago. The census of 1910 is under way, and of course there are as yet no available figures. It is likely that they will show a value in goods of fully $150,000,000, not including the small factories.

It is therefore probable that the total value of candy made in factories in 1910 will exceed $200,000,000. This represents the cost of goods at the factory—the jobbing price. Now comes the cost of distributing the manufacturers', middlemen's, and retailers' profits.

As the standard of varieties is not fixed by any accepted or acknowledged test, the profits are naturally very great, and it is safe to say that the consumers of the United States pay at least $350,000,000 per year for confectionery made in factories. It is, of course, difficult to ascertain the exact quantity of candy this represents, as the price varies greatly—from 10 cents to $1 per pound.

If we take 20 cents per pound as the average retail price, the above would represent 1,750,000,000 pounds of confectionery per year. It would require an expert to give even an approximate estimate of the quantity of sugar required to produce this candy. Some varieties consist almost entirely of sugar, while others contain a smaller percentage. The use of glucose in candy making is, according to my informants, much less than generally supposed. Some of the better grades contain no glucose at all. According to one authority, for every 30 pounds of glucose 100 pounds of sugar is used. Let us suppose that the average candy contains only 35 per cent sugar. This would mean that 612,500,000 pounds of sugar are used per year by candy manufacturers. It goes without saying that whether sugar costs 4½ cents or 3½ cents per pound the retail price of an article like candy, selling as high as $1 per pound, will remain the same. To the manufacturer a difference of 1 cent per pound in the price of sugar would only make a difference of a small fraction of a cent per pound of candy. Example: Let us suppose that a certain grade of Huyler's candy contains even as high as 50 per cent of sugar and costs 80 cents per pound. One cent difference in the price of sugar would there-

fore "theoretically" change the price of this candy from 80 cents to 79½ cents per pound.

It will be found that the retail price of candy has never changed, owing to fluctuation in the price of sugar. In 1905 the price of granulated sugar was 5¼ cents; to-day it is 4½ cents; but the retail price of candy has not changed.

An article like candy, a luxury in the true sense of the word, which is even sold "by the piece" and "by the stick," can not be affected by a small change in the value of such a low-priced ingredient as sugar.

The above would show that the Government would lose the duty of, say, 1½ cents per pound on 612,500,000 pounds of sugar, or $8,166,700 per year, without benefiting the consumer. The manufacturers would be the only ones to benefit by it.

In connection with the above I wish to say that my estimates and figures only refer to "manufactured" candy, and do not include home-made candy made with sugar bought by the consumer from his retail grocer.

CHEWING GUM.

As far as I have been able to ascertain, there are approximately 6,500,000 pounds of chicle (the gum substance used for chewing gum) imported into this country annually. This substance forms about 20 per cent of the chewing gum which is put on the market. Consequently it is estimated that about 32,500,000 pounds of chewing gum are annually consumed in the United States. The analysis of the samples which I had analyzed (Chiclets, Spearmint, and Adams's) shows that this article contains about 75 per cent of cane sugar. This would mean that about 25,000,000 pounds of sugar are annually used in the manufacture of chewing gum. Although chewing gum contains 75 per cent of sugar, which costs only 4½ cents per pound, the retail prices of chewing gum are as follows:

Chiclets, 5 cents per package of 1½ ounces, or 53 cents per pound.
Spearmint, 5 cents per package of one-half ounce, or $1.60 per pound.
Adams's, 5 cents per package of one-half ounce, or $1.60 per pound.

If chewing-gum manufacturers would get their sugar at 1 cent per pound less they would save three-fourths of a cent per pound of chewing gum, the retail price of which is $1.60. It goes without saying that even if sugar cost them nothing, it would not affect the retail price of chewing gum.

I believe that the American Chiclet Co. (Chiclets, Adams's, and so forth) controls about 60 per cent of the total business; the William Wrigley, jr., & Co. (Spearmint) about 15 per cent, and the balance is divided among numerous smaller independents, a list of which I have on file.

The duty on the 25,000,000 pounds of sugar used in connection with this luxury—chewing gum—amounts to about $350,000 per year, which amount the Government would lose without benefiting anybody except the manufacturers.

According to the above estimates, the quantity of sugar required in only four branches of manufacture, viz, condensed milk, biscuits, confectionery, and chewing gum, is over 900,000,000 pounds, representing a duty of over $12,000,000 per year.

The principal object of this letter is to point out in a general way the absurdity of the claim that the amount of money which the Government would lose by reducing the duty on sugar would go into the pockets of the consumers.

I have confined myself to only a few products which, however, should suffice to draw attention to the enormous extent to which sugar enters into the manufacture of compounds and mixtures, the retail prices of which would not be affected by the downward revision of the tariff.

Sugar is used in connection with hundreds of other products. The manufacturers of ice cream, preserves, bakers' products (not including biscuits), pies, medicines, and so forth, must use enormous quantities of sugar. Even the tobacco manufacturers use sugar. The American Tobacco Co. buys its raw sugar by the cargo.

I believe that a careful study of a thorough investigation by acknowledged experts would reveal the fact that but a comparatively small percentage of the sugar used is purchased in the shape of sugar by the consumer from his grocer.

I wish to state that I do not claim my estimates to be accurate, and in order to be of any real value they should have to be revised and corrected by statistical experts who are thoroughly posted in the respective branches.

How much of the entire consumption of sugar is purchased by the consumer as sugar from his grocer can, of course, not be accurately determined, but it seems to me that 30 pounds per year per person would be an exceedingly high estimate. This would mean 150 pounds of sugar per family, or almost a pound of sugar every other day per family. If the reduction in duty would cheapen sugar 1 cent a pound, each person would save 30 cents a year, or 2½ cents per month—a sum so insignificant that it would not affect even the poorest classes.

This would leave the balance of 50 pounds per capita which is used in compounds, the prices of which would not be guided by the price of the comparatively small percentage of sugar they contain. This could be verified by comparing the fluctuations in the price of sugar with the prices of the respective compounds.

A lowering of the sugar duties would affect the agricultural interests of over 15 States, besides Porto Rico, the Philippine Islands, and so forth. The entire cane-sugar and beet-sugar industries would be crippled or destroyed. The Government would lose about $60,000,000 per year and the consumer would not be perceptibly benefited. Practically the only beneficiaries would be the manufacturers of sugar-containing compounds.

It seems that those who favor the present duty should come together and take steps to acquaint the people as well as the Tariff Board with the fundamental facts relating to the sugar industry in this country. This should be done, not merely by presenting opinions and arguments, but by furnishing reliable data and statistics.

Wide publication should be given to this subject in order to enable the people to arrive at a just conclusion as to the existing conditions in this industry and at the same time to render the Tariff Board all possible assistance. I believe that only in this way can the public be convinced that the now existing unjust criticism has no reasonable basis.

That an undertaking of this kind should be placed into the hands of acknowledged and absolutely reliable experts goes without saying. The investigation, in order to be of real value, should be as thorough and imperial as if made by the Government itself, so that it could be used in meeting whatever demands for information might be made by the Tariff Board. The result of such investigation could be published in pamphlet form and arrangements made to give it a very wide distribution. As this tariff question is one of vital importance to all the beet and cane growers in this country it should not be difficult to raise sufficient funds to conduct such investigation on a liberal scale and to provide for a large distribution.

The best available talent should be engaged and their names should be a guaranty of their impartiality and reliability.

The Tariff Board should be consulted and any information it requires should be furnished. There should be no secrecy, no newspaper campaign, no "influential agencies," and so forth. The work should be conducted on a strictly scientific basis and the sole object should be to collect fundamental facts and statistics and thus to assist the Tariff Board and the people to come to intelligent conclusions, instead of being influenced or misled by unfounded statements and assertions made by the "free-sugar" advocates.

Mr. UNDERWOOD. Mr. Chairman, I ask unanimous consent that debate on the pending amendment—not the paragraph, but the pending amendment—be now closed.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama that debate on the pending amendment be now closed?

Mr. RANSDELL of Louisiana. I object. I want to speak on that amendment.

Mr. UNDERWOOD. Then, Mr. Chairman, I ask unanimous consent that debate on the pending amendment close in five minutes.

Mr. ESTOPINAL rose.

Mr. UNDERWOOD. Does the gentleman from Louisiana [Mr. ESTOPINAL] desire to be heard?

Mr. ESTOPINAL. I do.

Mr. UNDERWOOD. Then I ask unanimous consent that debate on the pending amendment close in 10 minutes, so that gentlemen who desire to be heard on this amendment may be recognized for 5 minutes each.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RANSDELL of Louisiana. Mr. Chairman, the pending bill proposes to place sugar on the free list, and the effect thereof will be to deprive the Government of between $50,000,000 and $60,000,000 of revenue annually derived from importations on sugar. As a Representative from the State of Louisiana, which produces most of the cane sugar in this country, I wish to voice an earnest protest against the enactment of this bill into law. If passed, it will result, in my judgment, in the ruin of both the cane and beet industries of continental United States, and I do not believe that the great masses of the citizens of the Republic would receive countervailing benefits to warrant the destruction of such a large amount of property and so much suffering and loss to so many of our people.

In Louisiana and Texas considerably over $100,000,000 is invested in the growth and manufacture of cane sugar, and a

larger sum in several of the Northern and Western States in beet sugar. It is difficult to give the exact figures in regard to either one of these industries because so many factors enter therein, but from the best information obtainable I am sure the above estimates are conservative. Moreover, there is no doubt, in my opinion, that the cultivation of both cane and beet sugar on a large scale would cease in this country if this bill becomes a law.

The report accompanying the bill (see p. 5) shows that the cost of producing beet sugar in the United States averages about 3.54 cents per pound, and in Germany about 2.42, or if one-tenth of a cent for freight from Germany to the United States be added, it makes the German sugar laid down in New York cost its producer 2.52 cents. This gives the German beet grower an advantage of 1.02 cents a pound over his American competitor, and surely no one could withstand such opposition as that.

The report does not deign to discuss the cost of producing cane sugar in Louisiana and Texas, nor the effect upon our southern industry of free sugar. However, the report of the Hardwick special committee on the American Sugar Refining Co. and others (see p. 23) shows that it costs an average of 3.75 cents per pound to produce cane sugar in Louisiana and one-half cent to refine it, or 4.25 cents per pound for refined sugar; also, that unrefined sugar is made in Java for 1.50 cents, in the Philippines for 1.75 cents, and in Cuba for 2 cents, so that when half a cent is added for refining, the cost of cane sugar in these countries would be 2, 2¼, and 2½ cents per pound, respectively. It is true, it would cost probably one-eighth of a cent per pound additional to transport sugar from Java and the Philippines into the markets of this country in excess of the cost from Cuba and Louisiana, but that would still give Java, the Philippines, and Cuba an advantage of more than 1½ cents per pound over our Louisiana and Texas producers. It is impossible for them to compete under such conditions and their business would be completely destroyed.

Fully half a million people in Louisiana and Texas are dependent for their daily bread upon the sugar industry, directly or indirectly; upward of $100,000,000 are invested in it; the annual crop of sugar and molasses sells for $25,000,000 to $30,000,000, and its destruction would mean terrible suffering and loss to thousands of people who have never been engaged in any other kind of business, and who can not change the avocation of generations in a moment. If their great industry is to be destroyed they should be given fair warning and allowed time to prepare for the change, and make at least a good beginning in some different line of endeavor. If we must have legislation in regard to sugar there should be a gradual reduction in the duty rather than a radical change from an import rate of nearly 2 cents a pound to free trade. The passage of such a bill as this would give a blow to my State from which it would take many years to recover. The wealthiest parishes are in the sugar belt. The great city of New Orleans is more dependent upon the sugar industry than any other branch of business. A very large percentage of the assessed property wealth of the State is derived from sugar, directly and indirectly, and to destroy it would reduce values enormously. While north Louisiana does not produce sugar, it is vitally interested in it, for we receive very large sums for levees and schools from taxes collected in the rich sugar sections and New Orleans. A tide of immigration is pouring into Louisiana, and property in every locality is rapidly increasing in value. Destroy sugar and it will require many years to establish new industries to take its place. In the meantime immigration will look elsewhere. Development will cease temporarily—we can not say how long. Other States will forge ahead of us, and every Louisianian would be seriously injured.

Moreover, a great many people besides those in Louisiana and the beet-sugar States are directly interested in domestic sugar. It is estimated that in Louisiana alone it costs a million dollars every year to renew the supply of mules, and the sugar planters constitute the best market for the high-priced mules of Kentucky, Tennessee, Illinois, Missouri, Texas, and Kansas. Factory machinery and supplies, implements, railroad equipment, oil and coal, feedstuffs, peas, and commercial fertilizers, insurance on factories, freights on factory products, and so forth, run annually into several millions in Louisiana, and all these items, except oil and a portion of the insurance, are furnished at profitable prices by the manufacturers, farmers, railroads, and business men of 20 or more States. The twenty-five to thirty millions a year for which the Louisiana sugar crop sells is widely scattered and its benefits divided among a large number of people throughout the Union, who will feel the loss appreciably if this industry be destroyed. The sugar planter is obliged to buy heavily away from home, and everything he consumes is favored by a high tariff. If his product is to be free, then his purchases should be free also.

The platform of my party enacted at the Denver convention did not declare for free trade, but for a gradual reduction of the tariff wherever necessary to reduce it to a revenue basis, and in the preparation of the great wool and steel schedules this course was adopted.

The average reduction on articles of steel and iron in the bill recently passed by the House and now pending in the Senate, below the rates in the Payne-Aldrich bill, was 30 per cent, and the reduction below existing law on manufactures of wool in the bill which passed this House several months ago, during the present Congress, was about 52 per cent. Why make this great distinction against the products of the farm, leaving still a heavy rate of duty on articles made of iron, steel, and wool, but placing sugar on the free list, and thereby destroying it?

In my opinion the laws of supply and demand have far greater influence in fixing the price of food products than the tariff, and it is a fact, so clearly established none can deny it, that whenever there is a scarcity of any great article of food, like meat, flour, or sugar, there is a corresponding rise in prices. We had this forcibly demonstrated last year in the case of sugar, when, as a result of the scarcity in the crop of 1910–11, both in Cuba and Europe, the price of sugar on our markets last summer and fall, before the domestic beet and cane crops of last year became available, was very high, reaching the extreme point of 7½ cents per pound by wholesale in the city of New York, whereas shortly after our beet and cane sugar began to move freely this price dropped nearly 2 cents a pound. Surely the tariff had nothing to do with that. The rise was caused by scarcity of sugar, and the drop by the good crops of last year, which gave ample supply.

Mr. W. P. Willett, of Willett & Gray, New York, who was engaged as an expert by the Hardwick committee because, as stated by Chairman HARDWICK, he is "probably the greatest living American authority on sugar prices," gave some very interesting testimony on this subject, from which I quote:

Congressman SULZER, of New York. What, in your judgment as an expert, could bring about a permanent reduction of the cost of manufactured sugar to the consumers of the United States?

Mr. WILLETT. By increasing the amount of domestic production, and in Porto Rico and Hawaii; that is, by increasing the quantity of sugar within the United States to the extent that we would be required to purchase no sugar whatever at world prices.

Congressman HINDS, of Maine. How much beet sugar did they produce in this country this year?

Mr. WILLETT. Five hundred and fifty thousand tons.

Congressman HINDS. How much do you think that they ought to produce in order to maintain a proper equilibrium of prices here?

Mr. WILLETT. Well, just double that amount will do it. I believe that amount, a million tons, would carry us well below any excess in the world's prices.

Congressman HINDS. And would be a great advantage in giving us independence of Europe?

Mr. WILLETT. Yes, sir; and that is a tremendous advantage. (Pt. 37, p. 3086, of Hearings, et seq.)

And again Mr. Willett said:

* * * This promotion of our industry is a much more vital point (from the consumers' standpoint included) than is a reduction of tariff to a point that lets in foreign sugar and thereby diminishes the home production. Whenever we reach the condition indicated, competition between our free and partially free duty producers will begin and the consumers will benefit thereby and the United States will be entirely free from the speculative and other influences which control the world's price, and it is not unreasonable to expect that under the conditions indicated the United States will become a considerable exporter of its surplus production to the foreign countries which may be short of supplies, as under present conditions abroad.

As showing the ultimate effect of home production equal to or surpassing home consumption, I call attention specially for earnest consideration to the fact that in 1910 we reached this desired consummation within 74,000 tons, and as a result we were almost independent of Europe—so much so, in fact, that we got our supplies from Cuba at over one-half cent per pound under world's prices—during which time one man, Santa Maria, was carrying on a big bull speculation in Europe in which we would certainly have been involved but for this limited amount we required that year. In 1911 the Cuban crop fell short of 1910 by 320,898 tons, and we required 212,182 tons from abroad to complete our supplies; hence we were involved in the world's prices in 1911, and the result was a hue and cry against the high prices of sugar. I am not making an argument but am simply pointing to the facts that appear to me to make the consideration of the increase in our local supplies of greater importance in legislation than a reduction of duties beyond certain limits, those limits to be such as will positively exclude all sugars outside those of our States and dependencies. (Part 43, pp. 3556–57 of hearings.)

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In all these analyses I reach the same conclusion—that to decrease the price of sugar to the consumer increase the domestic production as rapidly as possible. (Part 48, p. 3978, of hearings.)

Dr. Harvey W. Wiley, Chief of the Bureau of Chemistry of the Department of Agriculture, also testified before the Hardwick committee in part as follows:

But the point I am giving is this: That under the present system we are absolutely dependent upon the refiners of this country for our sugar. They have taught us to use white sugar and we will not take any other kind, and therefore they can fix any price thereon they please. I will say, on the question of price, that I think they are very reasonable about

it and do not try to squeeze us very much. At the same time, whenever the Louisiana sugar comes in the price of sugar drops, and whenever the crop of beet sugar comes in the price of sugar drops. Again, as soon as the Louisiana and beet sugar men sell all they have to sell the price of sugar goes up again.

Congressman FORDNEY. That is true of last summer, I believe.

Dr. WILEY. Yes; and when the price of sugar went up to 7 cents retail, I said, "Watch out; when the sugar crop comes in it will go down," and it did; and there was no sugar in the country even then. (Part 42, p. 3446, of Hearings.)

It will thus be seen that according to Mr. Willett and Dr. Wiley, two very able and disinterested witnesses who are neither refiners nor growers of sugar, the only safe way to secure cheap sugar for the consumer is to encourage and build up a large production of sugar here at home so as to make us independent of foreign markets. To a great extent this has been done, and we now produce in the States about 900,000 tons, or more than one-fourth of our total consumption, while our island possessions produce another one-fourth.

One proof of the correctness of this theory is found in the fact that sugar is and has been reasonable in price for many years. It is the cheapest article of our ordinary food, and the rate of consumption has grown rapidly, until it is about 80 pounds per capita, and we now consume more sugar than any other people except the Britons, who use about 86 pounds per capita per annum. A careful comparison of prices of foodstuffs for the years from 1890 to 1907—the lastest available statistics—shows that while nearly everything, such as butter, cheese, eggs, meats, lard, flour, meal, and so forth, went up materially, the increases ranging from 17 per cent to 57 per cent, sugar was gradually reduced in price, and was actually 20 per cent cheaper in 1907 than in 1890. (Statistical Abstract, United States, for 1910, p. 528.)

Another interesting fact is that sugar is sold to the consumer cheaper in the United States than anywhere on earth, except possibly in Great Britain. We learn from House Document No. 510, Sixty-second Congress, second session, that in November, 1911, sugar retailed abroad at the following prices: Great Britain, 5.5 to 6.3 cents; Germany, 6.5 to 7.8; France, 7.4 to 8.9; Italy, 12.7 to 14.9; Austria, 8.3 to 9.1; Russia, 7.2 to 8.7; the Netherlands, 10.9; and Canada, 6.5 to 7.5 cents. These statistics demonstrate that our tariff on sugar has not made it even keep pace in price with articles whose supply is produced almost wholly in the United States, and that our citizens buy their sugar nearly as cheap per pound as the people of free-trade Great Britain, where wages are lower than with us, and much cheaper than those of any other country. Surely the sugar tariff can not be such a bad thing when a showing like this can be made.

Let us seek now to ascertain the probable effect of free trade in sugar on its cost to the consumer by examining the facts in regard to coffee—another article of practically universal consumption. From 1865 to 1870 coffee paid a duty of 5 cents per pound, when it was reduced to 3 cents, and in May, 1872, it was placed on the free list, where it has since remained. The wholesale prices of coffee on the New York market have been as follows: For the seven years—1865 to 1871, inclusive—19.33, 17.19, 16.14, 10.62, 9.31, 10, and 12.81 cents per pound, respectively—an average price of 13.34 cents. During the first five years of this period the duty was 5 cents a pound and for the other two it was 3 cents. There were big promises of a cheap breakfast table when the act of 1872 placing coffee on the free list was passed, but we find, on the contrary, the following range of prices for coffee for the next seven years—1873 to 1879, inclusive—18.37, 21.25, 18.06, 17.38, 19.44, 16.38, and 14.31, respectively, being an average for the first seven years under free coffee of 17.88 cents per pound as compared with 13.34 cents during the preceding period, or 4.54 cents per pound higher under free trade than before the duty was removed. During the 10 years—1887 to 1896—the price of coffee was 17.85 cents—not much cheap breakfast table in that. For the past 10 years the average wholesale price of coffee has been 9.78 cents. Its price was 6.75 cents in 1902 and 14.35, or more than twice as high, in 1911. Evidently the price of coffee has been affected by causes independent of the import duty thereon.

It is well known that Brazil and other countries impose a heavy export duty on coffee shipped abroad, and I have no doubt that when we removed our import duty on coffee it enabled these countries to collect much higher export rates, thereby benefiting their governments but not giving our people any cheaper coffee. The same thing may happen in regard to sugar in such countries as Cuba and Java, which produce it in very large quantities and so cheaply, if we destroy our home sugar and become entirely dependent for this great necessary on outside markets.

I recall with much interest a visit to Costa Rica several years ago. Many fine coffee plantations were pointed out and we were told that it was one of the principal products of the country. In the capital city, San Jose, is a magnificent theater, said to be excelled by only two others on earth, and it was constructed by the National Government out of the proceeds of an export tax on coffee. We admit coffee free of customs duty into the United States, but the Costa Ricans make our coffee drinkers pay them an export duty on every pound that leaves that country. Suppose Cuba remains independent and produces six to eight million tons of sugar per annum, as some predict it will. What is to prevent it, after our domestic sugar industries have been destroyed by the pending bill, from imposing a heavy export duty on sugar similar to that laid on coffee by Brazil and Costa Rica? In that event there would be no more benefit to us from free sugar than we received from free coffee—none at all.

We have discussed the effect of free sugar on our domestic industries, but what about Porto Rico and Hawaii? What about Cuba, which enjoys such favorable reciprocal treaties with us? Exact data in regard to Porto Rico and Hawaii are difficult to obtain, but I am informed by well-posted men that a very serious blow would be given to both of these islands if sugar be made free. Porto Rico now produces nearly 300,000 tons of sugar—almost as much as Louisiana—and the industry is a thriving one; but conditions for growing cane in that island are not as favorable as in Cuba, and if the Cuban sugar can come in free, profits on the Porto Rican article will be very much reduced. Moreover, Porto Rico now enjoys a fine trade in coffee with Cuba, selling there nearly one-half of its entire production of coffee at our preferential rate of 20 per cent less duty than that which coffee from other countries has to pay. Coffee is the principal product of Porto Rico and Cuba her best customer. Brazil can raise coffee cheaper than Porto Rico; and if our reciprocal trade with Cuba be destroyed by this bill, a result which must necessarily follow if sugar becomes free, Brazilian coffee would drive the Porto Rican article out of the Cuban market. Hence, both the sugar and coffee trade of Porto Rico will be badly injured.

I am assured by representatives of the Hawaiian people that while a few of their best improved plantations may be able to raise sugar in competition with the beet sugar of Germany and the cane of Java and Cuba, the great mass of Hawaiian cane growers will be forced to quit business if sugar is admitted free.

A most serious situation arises in connection with Cuba, and one which gives me, as a southern man, very deep concern. Close students of affairs on the island—men who have lived there for many years and are thoroughly posted—question very seriously whether or not the Cubans can raise and export sugar as cheap as the Germans, especially when one considers the magnificent railroads, waterways, and terminal facilities in Germany and the power of that great Government, through its State ownership of railroads, to assist the exports it is trying to exploit by extraordinarily cheap freights. We are now buyers of all the Cuban sugar, which comes in at an import rate 20 per cent lower than their foreign competitors have to pay, and this gives them a great advantage in selling to us. Moreover, we sell to them annually about $60,000,000 of various kinds of merchandise under a treaty which favors us between 20 and 40 per cent. The fact that we buy from them all of their great sugar crop and sell them such a large percentage of what they need makes very close relation between the two countries and enables us to keep in close touch with them. If our treaty with Cuba be abrogated by this bill—and there can be no other result—if other countries, particularly Java and Germany, can send their sugars here on exactly the same terms as Cuba; if the world can trade with Cuba on the same terms as ourselves, then the best market for their sugar will be taken from them; and this, together with the hurly-burly of competing rivalry among the merchants of many lands striving for the Cuban trade, is liable to cause much dissension, confusion, and national loss. In this event there is very apt to be such intestinal trouble as to create revolution, which will render it necessary for us to intervene, and our flag will never be lowered if it is ever again raised there at the head of a hostile force.

I would regard the annexation of Cuba as a terrible calamity to the Caucasian race in this country. We already have not only in the South but in many other parts of the Union a very difficult and complex race problem. In the Southern States every effort is being made to maintain the purity of Caucasian blood, and strenuous laws exist everywhere to prevent admixture of the races. In Cuba there is no racial distinction. Genuine Caucasians and people of negro blood intermingle in the freest manner, intermarry at will, and one race socially and otherwise is just as good as the other. If Cuba be annexed we may reasonably expect to see it become a sovereign State of the Union with a few years, equal in every respect to all

others. What then would become of our boasted racial purity and social distinctions on account thereof, with such conditions in one of our sister States as prevail universally in Cuba today? God forbid that such a situation should ever confront us!

Let us take a hasty glance at the history of our sugar-tariff legislation. In 1789, when the first tariff act of the new Republic was passed, a duty of 1 to 3 cents per pound was laid on importations of foreign sugar, and in every successive tariff act, with but one exception, from that day to this a duty has been imposed on sugar. The exception was the McKinley Act of 1890, which in lieu of a duty gave a bounty of 2 cents a pound, and even in that act there was a duty of half a cent per pound on sugar above No. 16 Dutch standard.

In 1790 the rate was fixed at 1½ to 5 cents per pound; 1½ to 3 cents in 1795; large ad valorem additions thereto in 1800 and 1812; 3 to 12 cents in 1816; 2½ to 3½ cents in 1832; 2½ to 6 cents in 1842; 30 per cent ad valorem in 1846 (the Walker tariff); 24 per cent in 1857; 2½ to 8 cents and upward in the war tariffs of 1861, 1862, and 1864; 1¾ to 4 cents in 1870; 25 per cent in addition to pending rate in 1875; 1.40 to 3.50 cents in 1883; under No. 16 Dutch standard, free, one-half cent per pound duty on sugar above No. 16 Dutch standard, and a bounty of 2 cents a pound on all sugar in 1890 (McKinley); 40 per cent ad valorem and one-eighth cent a pound additional on sugar above No. 16 Dutch standard in 1894 (Wilson); 0.95 to 1.95 cents in 1897 (Dingley); and 0.95 to 1.90 cents in 1909—the present Payne-Aldrich law.

During the 8 years that Thomas Jefferson, the Father of Democracy, occupied the White House—1801 to 1809—the duty on sugar was 1½ to 3 cents a pound; in the 16 years' incumbency of those two great Democrats, Madison and Monroe—1809 to 1825—it was from 3 to 12 cents; when Old Hickory, the Democrat of Democrats, ruled supreme, followed by his special pet, Van Buren—1829 to 1841—it was 3 to 12 cents and then 2½ to 3½ cents; the Walker 30 per cent ad valorem of 1846 came under the Democrat, Polk—1845 to 1849; the second ad valorem, 24 per cent, was during the régime of Buchanan; and under Cleveland we had the 40 per cent of the Wilson Act, with one-eighth cent a pound additional on sugars above No. 16 Dutch standard. During this long period of 124 years the Democrats have held the Presidency for 56 years, and never under a Democrat has there been free sugar, but always a duty on it which brought large revenues and incidentally gave sufficient protection to materially assist the struggling industry.

At the present time sugar is our best revenue producer, yielding annually about fifty-two millions, and it is the fairest and most uniformly distributed of all national taxes. Every citizen contributes his share, for everyone eats sugar from the babe in its cradle to the old man tottering on the grave. The cardinal principle of taxation is equality and uniformity, and it is hard to find anything that more truly embodies this principle than our customs duty on sugar.

Having shown the disastrous effects of free trade in sugar upon our domestic industry, our insular possessions, and Cuba; having proved that the price of sugar is cheaper in proportion than most articles of food, and that no just complaint can be made on that score; and having pointed out the consistent national policy of a good rate of duty on sugar since the birth of the Republic, I now wish to ask whence comes the great agitation to have sugar placed on the free list? Is it the bona fide action of the American consumer who believes he is oppressed by the price of this commodity and hopes to get relief from Congress, or is it the result of a well-planned scheme by the sugar refiners? The Ways and Means Committee, and a great many other Members of Congress have been flooded by petitions and telegrams asking for free sugar, but it is significant that all of these petitions appear to be on prepared sheets of perforated yellow paper, sent out by Frank C. Lowry, sales agent of the Federal Sugar Refining Co. Mr. Lowry has been carrying on a systematic campaign in the interest of free sugar, pretending to represent a committee of wholesale grocers, but when questioned in regard to it (see part 19, Hardwick Hearings, pp. 16 and 17, et seq.) he admitted there was no such organization, and that the sum of $12,000 spent in the distribution of free-sugar literature was furnished by the Federal Sugar Refining Co.

Mr. Claus A. Spreckels, president of this company, testified as follows:

Mr. HINDS. Mr. Spreckels, you have been carrying on a campaign to reduce the tariff as beneficial to the cane-sugar refiners.

Mr. SPRECKELS. I have.

Mr. HINDS. Of course, that will be damaging to the beet-sugar refiners?

Mr. SPRECKELS. To some extent it will. (Pt. 27, p. 2275 of hearings.)

* * * * * * *

Mr. HINDS. Now, Mr. Spreckels, it was testified in Washington that the movement for lowering the tariff on sugar, the movement which is going on now and in which you were interested, that your company had expended $12,000 for literature, etc.

Mr. SPRECKELS. Possibly. I do not know what the amount is. I dare say we have. (Pt. 27, p. 2276 of hearings.)

One of my colleagues from the South told me that just before this bill came up in the Democratic caucus he received 19 telegrams from business men in his city urging him to support a big reduction in the tariff duties on sugar and that they were induced to wire him by Frank C. Lowry. This is another case of the Greeks bearing gifts, and, just as the Trojans found the Grecian horse to be their ruin, so will the American people who expect cheap sugar from these Sugar Trust advocates of free trade be sadly disappointed. It is like the devil quoting Scripture for the multimillionaire sugar refiner, Claus Spreckels, and his agents to spend $12,000 of money, wrung from the public by exorbitant prices when sugar crops were short, to fool innocent citizens into believing they are injured by the sugar tariff. It is a scurvy trick, but it seems to have deceived a good many Congressmen.

I am greatly surprised at the apparent solicitude of the Ways and Means Committee for the sugar refiners. On page 5 of the report attached to the pending bill the committee says:

Beet sugar leaves the first manufacturing establishment in a refined condition, but all cane sugar, which constitutes about four-fifths of our consumption must be refined; consequently the refining interest is the most important factor connected with sugar manufacturing in the United States. Therefore the industrial position of refining requires primary consideration. The ability of the refiners to compete with other countries without the aid of tariff protection can not be successfully denied.

They prove this statement by a long quotation from the testimony of this same Mr. Claus A. Spreckels; and although they attempt to show that the sugar-refining business constitutes a great trust, their conclusion, in substance, is that the refiners need protection from the rapacity of the beet-sugar producers, and therefore sugar must be placed on the free list. Take it all in all, this report is the most remarkable document I ever perused, and it is sad for a Democrat to see his party thus playing into the hands of a gigantic trust and destroying a business in which hundreds of thousands of American farmers and manufacturers are engaged in order to give heavier profits to a set of refiners who are already overburdened with wealth.

I can not believe such a thing was intended by my fellow Democrats on the Ways and Means Committee, but beyond question that will be the result if this bill becomes a law. There will probably be a heavy reduction in the retail price of sugar for three or four years, until all our domestic growers of beets and cane have been driven into other pursuits, and then the refiners will charge what they please, for we will be entirely at their mercy. Nearly four-fifths of the sugar we use is made from cane, and most of it is not really a merchantable article until it has passed through the processes of these big refiners. We are beginning to refine in our Louisiana mills, and all beet sugar is refined at the local factories. Put these two agencies out of business and the Sugar Trust will have no competition. Small wonder that the refiners are so anxious for sugar to be on the free list!

In conclusion I desire to say that the proposed measure is un-Democratic and revolutionary. Our great Democratic Party, which has been in existence since the beginning of this Government, has never stood for any such wholesale destruction of private interests and complete ruin to farming communities and such gross injustice to hundreds of thousands of our best citizens in the interest of a few dozen rich men as the enactment of this measure at the behest of the sugar refiners would mean. We have never stood for free trade, nor have any of our party platforms so declared, but always for a tariff for revenue, and if incidental protection accompanied such a tariff there was no objection to it.

The Denver platform was very specific for a gradual reduction of such tariff schedules as is necessary to reduce them to a revenue basis; and there has been so much reduction in the sugar tariff during recent years by the free admission of 300,000 tons of Philippine sugar, the 20 per cent reduction in favor of Cuba, and the lowering of duties in the Payne-Aldrich bill that the present tariff, so far as sugar is concerned, is on an ideal revenue basis, which can not be improved upon; hence there is no reason for any further change in it. If the extreme view be taken, however, that sugar is a hothouse plant, as some are pleased to call it, then it has been fostered for 124 years by every party that has controlled this Government, and to remove this fatherly care at one fell swoop would be heartless in the extreme, for it means quick and certain death. I can not believe that the majority of my party stands for any such act of vandalism. It is not required by any platform pledge, but, on the contrary, violates the implied promise of our leaders

at Denver not to make radical changes, but only gradual reductions in tariff schedules. If we hope to elect a President next fall, we must convince the American people that we are sane, constructive statesmen and not rash destroyers of conditions that have existed since the Republic was born. We should make haste slowly in measures of such far-reaching magnitude.

The CHAIRMAN. The gentleman from Louisiana [Mr. ESTOPINAL] is recognized.

Mr. ESTOPINAL. Mr. Chairman, this is probably the first time in the history of American legislation that we have sought to pass a law to deliberately wipe out a planting industry, and in this particular case it is one of large importance now, with a promise of future development limited only by a great and increasing demand. And, moreover, in this particular case we propose to destroy an industry which wields more influence on other industries and other productions than it directly benefits those who are engaged in it. To produce and haul cane and manufacture it into marketable sugar requires costly machinery and large numbers of mules and horses, making it a source of splendid trade stimulation to both the manufacturer of costly machinery and the farmer who raises stock for the market. In a report on beet sugar made by the Secretary of Agriculture, Hon. James Wilson, in 1909, he says:

As this industry develops in the West, it is the main feature, attracting and supporting many things and uniting them in an intensive agricultural husbandry. As it works out in the West, it is the "mother lode" of agricultural development.

Which shows that beet-sugar production has the same stimulating effect.

But, Mr. Chairman, the whole trend of modern political thought and action in this country seems to be to hit something. This tendency runs, I will say in exemplification, the whole gamut of abysmal energy, from the "big stick" of the United States to the bigwig committee of this House; and as "death loves a shining mark," this bigwig committee has hit out at a mark which shines as luminously, as warmingly, and as growingly on the present and future prosperity of this country as the noonday sun shines on the fine and fallow and fertile farms of our charming Pelican State. And we are called upon to strike down these "mother lodes" of domestic sugar production, which permeate so fruitfully every feature of American industrial life and which promises multiplied commercial effects as the stream of domestic output grows larger and larger.

Of all the sugar we consume—more than three and one-third million tons—less than 200,000 tons are imported from countries which pay to us the full existing rate of duty. We are fostering a magnificent trade by giving free entrance of sugar from Hawaii, Porto Rico, and the Philippine Islands, and we are giving a differential to Cuba which is expanding our trade with that fertile island. Our total exports to these noncontiguous territories and Cuba were last year more than $140,000,000, having grown with great rapidity under the impulse of this favored legislation regarding sugar.

Thus, Mr. Chairman, it is impossible to estimate the influence which the development of sugar production and our sugar traffic is having on other productions and on the industries of the country. As I have just said, it reaches out into every avenue of trade as a vitalizing and sustaining influence. In addition to our cane-sugar production of nearly 800,000,000 pounds we have grown from a small output of beet sugar, which 20 years ago required but 7,155 acres, to a total in 1910 of over 1,000,000,000 pounds, requiring almost 500,000 acres of land. If we destroy this domestic production and disorganize our trade with the islands of the eastern and western oceans, we shall have struck a blow at our national prosperity far beyond any good effects to the country that the saving of 1½ cents a pound would have even at this time. And if we place our large demand for sugar at the mercy of foreign raisers and the big refineries on the seaboard, even a small apparent good may be wiped out by some process of combination, which would leave us without our industry, with its stimulation and ramifications, and compel us to pay more for our sugar than we are now paying.

When it is known that we have in the United States, as estimated by the Secretary of Agriculture, at least 274,000,000 acres of land adapted to the cultivation of the sugar beet, and that of the three and one-third million tons we consume we are now producing of beet sugar considerably more than 1,000,000,000 pounds, or over one-seventh of our consumption, from less than 500,000 acres, we gain a faint idea of what we are called upon to sacrifice in the way of possible national energies in production in this bill.

Then, Mr. Chairman, in considering this effort for a microscopic contribution to a free breakfast table we must remember that there are other features of our national consumption which must be considered in this connection. The raising of beets to produce sugar contributes largely to the cattle-raising industry of this country. With the development of the beet-sugar industry, the decrease in the price of meats, so earnestly desired, might easily mean more to the average citizen than the saving on the small amount of sugar which he consumes. The report of the Secretary of Agriculture, Hon. James Wilson, in 1909, bears convincingly on this point. He says in that report:

The sugar industry has had a remarkable influence in the stimulation, elevation, and improvement generally of the live-stock interests. This has occurred in bettering the breeds, increasing the number of stock, and multiplying the productive resources of the stock industry. It has turned vast areas from simple grazing to stock production for all purposes, from producing the "stocker" to producing a good quality of meat for consumption, also dairy and creamery products and breeding fine blooded animals of different kinds.

Note that he speaks also of its stimulating effects to increase dairy and creamery products, another article of universal use, for which the people have been suffering for the lack of larger production.

It is true, Mr. Chairman, that, even with the domestic output reaching to a total of more than one and three-quarters billions of pounds, we are but in the bridle path, yet this bridle path leads out, unerringly, into the broad highway of national progress if we destroy not the bridges which must afford the means of reaching it. And for what gain do we seek to burn these bridges which enable us to reach and travel this highway of national progress? Our total consumption of sugar per capita is a little over 80 pounds. Of this it is estimated that 50 pounds goes into manufacturing, which is sold to the consumer at prices which preclude the idea of reduction in the price of the manufactured article on account of the small tariff saving. This leaves 30 pounds per capita used in the family as sugar. Granted that we save the 1½ cents per pound, which is shown to be the increase which the tariff causes, we have a total apparent saving of 45 cents per capita, or $2.25 for a family of five persons, per annum, and with the wiping out of nearly one-fifth of our consumption, and one-seventeenth of the world's supply, by the destruction of this local production of beet and cane sugar there is bound to be an appreciable effect in the rise of prices, somewhat akin to the disturbance of last year.

But assuming that the saving to the consumer be the full 1½ cents per pound, or $2.25 for the average family; when we know the economic liberality, in expenditure, of the average American family, and reckon the tremendous effects which the national increase in sugar production would inevitably exert on the industrial and economic situation of this country in the next 10 or 12 years, this supposed gain might easily prove to be a most disastrous loss. Substantial relief to the consumer of the country from such trifling saving which involves so many national losses, in so many ways, is out of the question, and we will be but playing to the galleries if we try it.

Sugar is the one product of the farms of the country which has not engaged in the race for the goal of high prices. It is the one product which has consistently maintained its friendship for the men of moderate means, for it has gone lower and lower, decade after decade. Mr. Truman G. Palmer furnishes us with the following figures:

In 1870 the average New York wholesale price of standard granulated sugar was 10.7 cents per pound; in 1880, 8.81 cents; 1890, 6.27 cents; 1900, 5.32 cents; 1910, 4.97 cents.

Why slaughter such an amiable and consistent friend? Why not take him by the hand and give him support in his efforts to be the Santa Claus to both the commercial progress of the country and to the consumer, that he may continue to shower gifts on both?

Why, Mr. Chairman, I have known him since I was a small boy. He has grown immensely in size since then, but kinder and kinder to the people. And in addition to his unremitting efforts to serve the people more equitably than his brothers in production, he has paid since I have known him, nearly $2,000,000,000 toward the support of our Government. Surely he deserves not this attack in the house of his friends. I say in the house of his friends advisedly, for an import duty on sugar has ever been a Democratic duty, for it has always been one which has afforded a maximum of revenue with a minimum of protection.

Now, let me say another thing, Mr. Chairman, for the thoughtful consideration of the Members on this side from the cotton-growing South. If we destroy the cane-sugar industry of Louisiana to what must we turn? Inevitably it must be cotton, for the sugar lands of my State are ideal cotton lands which will produce a bale to the acre. Already we have heard a Member state on this floor that he had plowed under a part of his crop, it not being profitable to even gather it at the prices prevailing at that time. What would be the effect of adding a half of a million bales to our present enormous production;

and how would the possible saving of $2.25 for each family balance against the certain lowering of the price on 14,000,000 bales of cotton?

Mr. Chairman, the stream of money that the enacting of this bill into law would take from this country, and the loss of the developing and prosperity-bringing influence which the production of sugar is having now, and which it will have more largely if not disturbed, means much to our future, and there can be no real offset to these certain losses. [Applause.]

[By unanimous consent Mr. ESTOPINAL was granted leave to extend his remarks in the RECORD].

The CHAIRMAN. The time for debate on this amendment has expired.

The question is on the amendment of the gentleman from Louisiana [Mr. BROUSSARD].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BROUSSARD. Division, Mr. Chairman.

The committee divided; and there were—ayes 54, noes 89.

So the amendment was rejected.

Mr. PROUTY, Mr. BURKE of Pennsylvania, Mr. MORSE of Wisconsin, and Mr. LENROOT rose.

The CHAIRMAN. The gentleman from Iowa [Mr. PROUTY] is recognized.

Mr. PROUTY. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

On page 2, line 10, strike out the words "free of duty" and insert in lieu thereof the words "at a duty of 1¼ cents per pound."

Mr. PROUTY. Mr. Chairman, I have been reading for some two weeks every article of literature I could get on the sugar question. I have been listening for two days patiently to the arguments upon this floor for the single purpose of determining in my own mind one question, and that is, How low a duty could be placed upon sugar without destroying the American industries? I have reached a conclusion in my own mind as a result of all the arguments that the American industries could be preserved with a tariff of 1¼ cents per pound. I know there has been a little conflict in the testimony given on this floor, but I accept substantially the statement made by the chairman of the committee that has been investigating the sugar question [Mr. HARDWICK]. Last evening, in response to a direct question, he stated that if this bill went into effect, in his judgment it would wipe out the beet-sugar industry in this country.

Mr. HARDWICK. I hope the gentleman will not misquote me.

Mr. PROUTY. All I have to say in regard to that is that I ask him to put it in the RECORD. All I ask of him now is to put it in the RECORD just as the shorthand notes show it, and I will appeal to the House as to whether he is right or whether I am right.

Mr. HARDWICK. The gentleman is entirely mistaken. The shorthand notes will not be changed to even the dotting of an "i."

Mr. PROUTY. Then it is a question of your memory and mine.

Mr. HARDWICK. You are wrong.

Mr. PROUTY. I sat behind you and listened to you myself, and I will stake my reputation upon this floor that you stated substantially just what I have said.

Mr. HARDWICK. Substantially?

Mr. PROUTY. I do not claim to quote the exact words; but you said, in response to a question by a gentleman on this side of the House, that, in your opinion, it would wipe out the sugar industry, or words to that effect. In reply to a question as to cane sugar, you said you did not know whether it could survive or not.

Mr. HARDWICK. The gentleman from Alabama [Mr. UNDERWOOD] said that, and not me. I think it will probably wipe out Louisiana sugar.

Mr. PROUTY. That is what I said.

Mr. HARDWICK. You said "beet sugar" just now. You can not keep your own statements together. It will wipe out cane sugar, or most of it.

Mr. PROUTY. You said, substantially, that, in your opinion, it would ultimately wipe out both. Well, everybody who knows me is aware of the fact that I have for years believed we ought to have a tariff in this country just as low as possible in order to protect American labor and American industries.

I am frank to say that I have felt that some of my brethren with whom I agree absolutely on the theory of protection have placed a tariff on some things too high, but I never have and I never will stand in this House and vote for any measure that I believe will wipe out American industries and leave us absolutely at the mercy of Europe. [Applause on the Republican side.] Everybody who is familiar with the situation knows that there is a great international syndicate that controls sugar in the Old World, and they limit absolutely the amount that may be exported. Now, suppose there happens just what these gentlemen substantially admit will happen, that this industry will be wiped out in this country, and that syndicate says it will not allow any more sugar to be shipped over here. How are you going to feed the hungry people in this country?

A MEMBER. Raise more beets.

Mr. PROUTY. Raise more beets? The industry is gone. I still adhere to the old doctrine of Abraham Lincoln, that if we buy our sugar in Germany they will have our money and we will have the sugar, but if you raise it in this country we will have both the money and the sugar. The Democratic theory would enrich Germany but impoverish America. I am for America. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BURKE of Pennsylvania, Mr. GUERNSEY, Mr. GOOD, and Mr. RIVERA rose.

The CHAIRMAN. The gentleman from Porto Rico [Mr. RIVERA] is recognized.

Mr. RIVERA. Mr. Chairman, the place which my country holds in this debate is really singular. If the Congress should approve the complete suppression of the sugar tariff, the sugar-producing States such as Louisiana, Colorado, and others would suffer more or less in their interests, and their business would diminish to some extent; but they would, nevertheless, continue their commercial life and the development of their economical resources, and so compensate the loss which they would suffer. Porto Rico is in a very different position. The inclusion of sugar in the free list is equivalent to the immediate ruin of an industry that, within a conservative estimation, represents three-quarters of the agricultural production and the commercial movement of the island.

Under the favorable conditions created by free trade between the United States and Porto Rico, the sugar plantations and sugar-manufacturing industries grew with extraordinary rapidity during the last decade. In 1901, 68,909 tons of raw sugar were exported. In 1910, 284,522 tons were exported. I ask unanimous consent to insert in the CONGRESSIONAL RECORD a brief statistical note which shall show the growth of the exportation of this article during the period to which I am referring:

Sugar exports.

Fiscal year.	Tons.	Value.	Average price per ton.
1901	68,909	$4,715,611	$68.43
1902	91,912	5,890,302	64.08
1903	113,106	7,470,122	66.04
1904	129,647	8,690,814	67.03
1905	135,663	11,925,804	87.90
1906	205,277	14,184,667	69.10
1907	204,079	14,770,682	72.37
1908	234,607	18,690,504	76.52
1909	244,257	18,432,446	75.46
1910	284,522	23,545,922	82.75

From this statistical summary it appears that the total amount of sugar exported grew fourfold in 10 years, while the value of this product was fivefold more by reason of the rise in the prices, which in 1901 was, as an average, that of $66.43 and in 1910 that of $82.75 per ton. In 1901 the raw sugar of Porto Rico in its total output was sold for $4,715,611. In 1910 it was sold for $23,545,922. And as the duties per hundred pounds are $1.65 and per ton $33, as a result we find that in the total exportation of the island in 1910 was benefited in the sum of $9,389,226.

The value of the total exportation of products from Porto Rico to the United States during the year 1910 was that of $32,095,897. So $23,545,922 in sugar were exported, and in other products, such as tobacco, coffee, fruits, and so forth, $8,549,975 were exported; we here, as I said before, find that the total amount produced by sugar is three-quarters of the total amount of the whole production of the island.

Now, then, the average cost of production of sugar per hundred pounds is estimated at $2.50 and the average price of sale for 10 years, according to the most exact statistics, is $72.96 per ton and $3.65 per hundred pounds; if we deduct $1.65, which is the benefit derived from the present tariff, the agriculturist receives only $2 per hundred pounds, or, in other words, 50 cents less than it costs him to produce them. A loss of this kind means absolute impossibility of continuing the cultivation of sugar cane and the manufacture of sugar. And the absolute certainty that in a very short period the prosperity which

Porto Rico had reached within the last 10 years in virtue of its perseverent efforts and its wonderful activities, which had forced an island of 3,600 square miles to reach a commercial importance of $80,000,000, and thus to occupy the seventh place in commerce among the Latin-American, would disappear.

In the year 1899 a modern factory was established in the southern valleys, between Ponce and Guayama—the Central Aguirre; in the year 1890 another large factory was established in the plains to the southeast, between Ponce and Mayaguez. These were followed a few years later by a third factory, in Fajardo, at the northeast. The three of them owe their existence to American capital, and they are valued at more than $10,000,000. Simultaneously and encouraged by the example, native capital commenced to be invested in the sugar business until it was converted into an unextinguishable source of life and progress. At present, it may be assured without exaggeration of any sort, that the Porto Rican and American capital invested in this manufacture is over $80,000,000, one-half of which is invested in lands and plantations, the other in buildings and machineries. The $37,000,000 corresponding to the investment in machinery would be irredeemably lost if any paralyzation should occur, and this would happen if sugar were included in the free list.

The $38,000,000 corresponding to the inversion made in lands and plantations would decrease by from 40 to 70 per cent. Acres of land which are now sold and bought at $200 would then be worth from $80 to $100. Therefore no less than $56,000,000 would be the cost to the American and Porto Rican capitalists of the measures which I am now discussing in this House. The gentlemen who are to decide with their votes such a serious matter as this is will readily understand that it is necessary to meditate and weigh the pros and cons of this subject very calmly before deciding the fate of an industry on which is based the welfare of a people to whom even the right of voting is denied, while the subject of the discussion is its principal element of vitality.

But there is something more important still. As in the course of 10 years the industry developed and the production quadruplicated, there was more labor required, and wages were raised. The laborer who before 1901 earned 40 cents for his day's work now, in 1912, receives 60 cents and 70 cents. If the field of activity is limited and the type of wages decreased, 100,000 laborers will be without work, and the doors of emigration or beggary will be opened for them; another 100,000 would continue working, perhaps, but under the old rate of wages, without the cost of living—which in 1912 is much more expensive—being reduced parallelly. Free sugar, therefore, signifies, in so far as the laborer of the island is concerned, not a possibility nor a probability, but a certainty of future conflicts and terrible sufferings.

It is convenient to note, on the other hand, the circumstance that the reduction in exportation would be accompanied by a reduction in importation. Porto Rico has an annual income of $10,000,000 on account of the tariff, which opens in the United States an excellent market for its raw sugar, its tobacco, its fruits, for all its products excepting coffee, which already figures in the free list and has no protection whatever. But the merchandise imported during 1911 from the United States into Porto Rico amounted to $34,671,958, and, naturally, the national industries obtain a benefit not less than that obtained by the island. Therefore we are not receiving any gift; it is a transaction of mutual benefit that is no more than just. If Porto Rico should sell less and buy less, the national agriculture and commerce would be greatly affected when the $35,000,000 which they now sell to the Porto Ricans were reduced to $10,000,000 or $12,000,000. The following statistic notes demonstrate the rise of our purchases in the American markets:

From the United States:

1901	$6,965,408
1902	10,882,653
1903	12,245,845
1904	11,210,069
1905	13,974,074
1906	19,124,881
1907	25,686,285
1908	22,677,378
1909	23,618,545
1910	22,097,654

As is seen, the increase is progressive and incessant. Porto Rico, if existing conditions do not vary, will buy of the United States $50,000,000 annually in 1915. If existing conditions do change, then it will buy one-quarter of what it now purchases. And the American producers will undoubtedly suffer the consequences and be prejudiced.

I am obliged to call the attention of the House to another view of the problem—to its political aspect. It is 14 years since the American people occupied the island of Porto Rico and 12 years from the date of the approval of the Foraker Act. This act, as its own title demonstrates, was of temporary character; but, nevertheless, it is still the constitution by which the island is governed, although the Porto Ricans insistently and in all forms, year after year, have been asking Congress to vote for their country a more liberal organic law, which should be more in harmony with the advance of contemporaneous progress and the character of democracy in America.

In Porto Rico the legislative power works under the control of a sort of insular senate, which is called Executive Council, and whose members are appointed by the President of the United States. The efforts of the representatives of the people are always met and crushed by the resistance from this semi-bureaucratical body, which first makes the laws and afterwards apply them if they believe it convenient, or do not apply them if it is deemed better to overlook or forget them.

The executive power is wholly exercised by the governor and his cabinet. The people do not know the tribute they pay, nor are they able to enforce a correct application of the law; and when they protest and make any claim against such conditions they are answered that they are not prepared, because such is the information given to the Federal Government by its agents in the island, who are not disposed to lose the absolute control which the Foraker Act gives them.

The disgust is great, and must be so, among those who are under such regimen, which would be applied and maintained only by a military and aristocratic nation, but which no federation of free and democratic states would apply and uphold.

A party for the independence of the island is at present being organized, and it is based on the growing political discontentment and on the well-founded discouragement of the people. If to this political uneasiness we add the bankruptcy which the ruin of the sugar industry would bring, the country would raise its unanimous protestation to Congress requesting one of the two following solutions:

An ample system of self-government which will enable the country not only to organize its own administration and vote its own laws but also to make its own treaties with other nations and provide good markets for its products.

Or a complete national independence, with or without the protectorate of the United States, which will permit the country, free from all economical or political restrictions, to unfold its own initiatives and to develop its own resources—in one word, to become the owner of itself, as our neighbor, the island of Cuba, is.

The Porto Ricans, even the most ardent lovers of independence, confide in the American people and know that the Congress of the United States will not commit the great injustice of depriving them of the advantages of a protective tariff for the insular products which the island exports and which are consumed here so long as the protective tariff for the products that are exported from here and are there consumed be continued.

By suppressing the duties on sugar the annual benefit of $10,000,000 which our industries now receive would also be suppressed and the United States would then receive $10,000,000 without giving anything in exchange.

Porto Rico expectantly awaits that Congress give one more proof of its high capacity and noble rectitude by avoiding the ruin of a country almost without hope and which has no means of defense. [Applause.]

I ask unanimous consent to be allowed to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Porto Rico asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. UNDERWOOD. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment to the paragraph be now closed.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. UNDERWOOD. Not on the paragraph, but on the pending amendment.

Mr. GREEN of Iowa. Mr. Chairman, I wish to speak on the pending amendment.

Mr. UNDERWOOD. Then I ask unanimous consent, Mr. Chairman, to close debate on the pending amendment in five minutes, so that the gentleman can come in.

Mr. FOWLER. Mr. Chairman, I would like to speak against the amendment.

Mr. UNDERWOOD. Then, Mr. Chairman, I ask that debate close on the pending amendment in 10 minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none, and it is so ordered. The gentleman from Illinois [Mr. FOWLER] is recognized.

[Mr. FOWLER addressed the committee. See Appendix.]

Mr. GREEN of Iowa. Mr. Chairman, it is idle for the gentleman from Georgia [Mr. HARDWICK] to quibble about the statement he has made here on the floor. That distinguished gentleman sat for months at the head of an important committee of this House, taking testimony, and with what result? Every line of that report, every table that is contained in it, every statement that is found therein, not even excepting those of the employees of the Sugar Trust itself, contradicts the statements that have been made by the gentleman and his colleagues upon the floor.

Mr. HARDWICK. Mr. Chairman, I want to congratulate the gentleman on his familiarity with the subject. He evidently knows nothing about it.

Mr. GREEN of Iowa. O Mr. Chairman, I have read the report.

Mr. HARDWICK. Has the gentleman read any page of the record? Will the gentleman cite any statement that I have made on this floor that is not substantiated by that record?

Mr. GREEN of Iowa. I will cite the gentleman's statement here that the beet-sugar industry would not be wiped out, together with the statement in his report that sugar could be raised in Java at a cost of 1½ cents. My colleague from Iowa [Mr. PICKETT] has shown from this report that beet sugar could be produced in Germany at more than a cent a pound less than in the United States. Yet the gentleman from Georgia says now on the floor, after taking testimony to the contrary on that subject, "such will not be the result." Out of your own mouth you are convicted.

And this explains, Mr. Chairman, why it is that our friends on the other side are not ready now to have any hearings or any testimony taken on the subject. They never intended to get it at this time. They started in with the purpose and intent of investigating something else. something entirely different, and they have incidentally gotten facts which they do not want and which they now undertake to repudiate upon this floor.

I want to quote here again from the testimony taken before the committee of which the gentleman from Georgia [Mr. HARDWICK] was the chairman, to contradict a statement to the effect that the full amount of duty was paid by the American consumer. This is taken from the record that the gentleman himself has made, and, inasmuch as there is some dispute about the figures and computations on this matter, I propose to establish the contrary beyond all controversy by citing an actual trade sale.

On the 31st day of March, 1910, or during the two weeks prior to that time 25,000,000 pounds of granulated sugar were sold for export to London at the price of $3.60 per hundred in bond f. o. b. at New York. Upon that there was a drawback which is given upon granulated sugar, amounting to $1.90, making the total price which was received for the sugar $5.55 per hundred pounds. During the two weeks in which that sugar was sold the price on the New York market, as given by the reports filed by the gentleman from Georgia and submitted by his own committee here to us, ranged from $5.10 to $5.20, so that the price below the European parity at that time was from 40 to 45 cents.

Mr. HARDWICK. Does the gentleman think that one transaction settles the prices?

Mr. GREEN of Iowa. I am glad the gentleman has asked that question, because if I had time I would read from the gentleman's own report a statement that that condition continued for all but two months of that year, and only during two months was the price here above the European parity. I favor this amendment because I believe it gives a fair and reasonable protection to the American producer. [Applause on the Republican side].

The CHAIRMAN. Debate on this amendment is closed. The question is on the amendment offered by the gentleman from Iowa [Mr. PROUTY].

The question being taken, on a division (demanded by Mr. GREEN of Iowa and Mr. MORSE of Wisconsin) there were—ayes 45, noes 76.

Accordingly the amendment was rejected.

Mr. UNDERWOOD. Mr. Chairman, I should like to inquire how many Members there are on that side of the House who desire to offer amendments to the paragraph.

Mr. BURKE of Pennsylvania. I desire to offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

Mr. BURKE of Pennsylvania. I move to strike out the paragraph.

Mr. UNDERWOOD. Before the gentleman proceeds, I should like to ask how many real amendments there are which gentlemen desire to offer.

Mr. GOOD. I have one.

Mr. LENROOT rose.

Mr. J. M. C. SMITH. Mr. Chairman, I should like to be heard on the amendment

Mr. UNDERWOOD. Mr. Chairman, I ask unanimous consent that debate on the amendments to this paragraph close at a quarter after 4 o'clock.

Mr. LENROOT. Mr. Chairman, I hope gentlemen who have indicated their desire to offer amendments will not be cut off.

Mr. UNDERWOOD. I will ask unanimous consent, if the gentleman does not have an opportunity otherwise, that he may do so.

Mr. WARBURTON. I should like to be heard.

Mr. MONDELL. Can not the gentleman make the time a little later and close debate at half past 4 on this paragraph?

Mr. UNDERWOOD. Then, Mr. Chairman, I will make the request that the debate on this paragraph close at half past 4, and that a vote be taken then on all pending amendments, and that gentlemen may be recognized to offer amendments when they speak.

Mr. MANN. The amendments to be pending.

Mr. UNDERWOOD. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama [Mr. UNDERWOOD]?

There was no objection.

Mr. BURKE of Pennsylvania. Mr. Chairman, I move to strike out this paragraph, for the reason that the manner in which this bill has been brought into this House indicates that it should not receive the support of any Member on either side of the aisle.

On the 2d day of this month the gentleman from Alabama [Mr. UNDERWOOD], chairman of the Ways and Means Committee, introduced into this House the present bill. That was on Saturday afternoon. Sunday intervened, and Monday was the next working day, that being the 4th of March. On the morning of Tuesday the bill was reported back to this House, accompanied by a report, after the lapse of one single working day, with the statement that—

> The Committee on Ways and Means have given a great deal of time and consideration to this special feature of the sugar schedule—

A bill involving $53,000,000 of revenue, a bill affecting thousands of employees and $200,000,000 of invested American capital, a bill affecting the people of the United States everywhere under the American flag, introduced in the House and with the lapse of a single working day shot back into the House and then forced through under motions stifling debate. On the 4th of March, one year before their Waterloo, the men behind this bill met, and, according to the committee report, disposed not only of this bill in the Ways and Means Committee, but also of a bill affecting the incomes and business of the American people. The gentleman from Alabama also states, in the report on the income-tax bill, that it is made—

> After a very thorough investigation of the field of revenue possibilities—

A very thorough investigation being made between Saturday night and Tuesday morning, and, as I understand it, in harmony with the proceeding on the sugar bill, this income-tax bill, which is called its twin companion, was introduced into the Democratic caucus and adopted without even being read. And these are the gentlemen who have been temporarily swept into power on the cry of "gag rule" in the Congress of the United States. Are we to legislate by Congress or by political party caucus, in which you do not permit even the reading of proposed legislation affecting the American people?

Your committee report further states, or rather the gentleman from Alabama [Mr. UNDERWOOD] stated in the debate, that they would make up this deficiency of $53,000,000 by taxing what he called the "grand idle capital" of the United States. And yet the declared purpose of your revenue bill is to tax business. When did idle capital become business?

I say to you that if this legislation and the other bills which have been introduced by gentlemen on that side of the House become laws there will be plenty of future discussion of idle capital and idle labor on this floor. The American Republic will have an abundance of both. From one end of it to the other distress and disaster will follow if these measures, introduced and driven through the House in this undigested form, become law. [Applause on the Republican side.]

Haphazard methods of legislation, such as this, are repugnant to the entire country. The preponderance of opinion among the American people to-day is in favor of the revision of tariff schedules in the future after and in pursuance of a scientific investigation of the subject by a high-minded, efficient, bipartisan tariff board, such as we have found in the present body in charge of that important governmental work.

Mr. DOUGHTON. Mr. Chairman, I shall vote for this bill, because I believe it will afford a considerable measure of relief to the American people who are staggering under the heavy burden of excessive Federal taxation; and also because we have found a fairer, more equitable, and less burdensome method of raising the revenue which will be lost by the passage of this bill; that is, by taxing wealth by what is known as the excise tax, a tax on net incomes of more than $5,000. By the passage of these two bills the burden will be shifted from the shoulders of the weak to those of the strong. It is a cardinal principle of the Democratic Party that the expense of maintaining the Government, both Federal and State, should be divided in proportion to the ability to pay of those who are taxed. It has been clearly shown and conclusively proven by members of the Ways and Means Committee who have discussed and explained this bill that it will reduce the price of sugar to the consumer to the amount of the present duties about 2 cents per pound, which will save to the people on this article alone more than $100,000,000 annually. And yet the gentleman frm Illinois, the distinguished minority leader, Mr. MANN, still desires information and continues to call for more light on this measure. The sober truth is, that it is not so much light and information that the gentleman needs as it is to have the scales of prejudice removed from his understanding [applause on the Democratic side]; and that is something which no one can be expected to do for a man who believes that the special interests have vested and sacred rights to tax the people, and that one man should be taxed in order to guarantee prosperity to another.

In my opinion, the man who discovers and puts into successful operation and practical use perpetual motion will have passed from the earth more than a thousand years before the man will be born who can convince a stand-pat Republican that the tariff is a tax. [Applause on the Democratic side.] If the information and explanations furnished do not convince him, then he could not be convinced though one rose from the dead.

When at the extra session of Congress last summer the distinguished ex-Speaker of the House, Mr. CANNON, rose in his seat and asked the minority leader to spell for him the word "innocence," that inspired the hope in my mind that both he and his followers had been taught a lesson by the chastisement administered by the American people, and that, though late in life, he desired to atone for the many wrongs committed against the American people and bring forth fruits worthy of repentance by at least allowing some measure of relief to be afforded without bitter opposition and protest. But, alas, my fairest hopes were soon dashed to the ground as I saw the stand-pat element of that party arrayed in solid phalanx and breathing out cursings and threatenings against the Democratic Party for every attempt made to keep faith with the people. Like Pharaoh of old, they continued to harden their hearts, and the sow that seemed to have been washed returned again to her wallow in the mire. [Laughter on the Democratic side.]

What is now bringing the greatest distress to the Republican camp, what is wormwood and gall to its very soul, is the fact that the Democratic Party is keeping the faith by redeeming its pledges made to the American people. The national Democratic platform of 1908 declared for a gradual, not a radical, reduction of the tariff to a revenue basis; but it also declared that articles which come in competition with trust-made articles should be placed on the free list. And the Sugar Trust is one of the most diabolical, arrogant monopolies that ever preyed upon the American people. It has not only plundered and pillaged the people of many millions of dollars, but has robbed the Federal Treasury of equally large amounts by means of false weights, secret springs, etc., which is too fresh in the minds of the people to need discussion at this time.

In 1908 the Republican Party promulgated a new doctrine. It for the first time admitted in its platform that tariff taxes were too high, and pledged that, if again trusted with power, a revision would be had by special session of Congress immediately after the inauguration of the new President. Hitherto the Republican Party had always taught that the tariff was not a tax, or if a tax at all it was paid by the foreigner, and if we continued the high protective system that prosperity would be guaranteed to every line of American industry; that capital would be rewarded by liberal dividends; that labor would be employed on full time at a remunerative wage; and that we would be entirely immune from all financial disturbances, and that prosperity would abide forever. Then why did they abandon this position, which they had taken for a generation, and promise a revision of the tariff—mark you, that they ingeniously used the word revision instead of reduction. Their reason was apparent to everyone; it was born of necessity.

The guaranty which had been given by that party in all of its platforms by all of its candidates from President down to township constable, in all of its newspapers, both daily and weekly, that a continued high tariff meant prosperity had come to naught. The Roosevelt panic, which started in 1907, was in full sweep, banks were closed, factories idle, labor unemployed, and distress abroad in the land, and that at a time when the earth had brought forth abundant crops and when no unusual symptoms of financial distress were being felt in any other part of the globe. Soup houses were the only institutions which were doing a thriving business; the "full dinner pail" had disappeared from the land, and old General Prosperity, that famous old knight, had departed to the realm of the unknown. Under these embarrassing and distressing conditions the Republican Party was forced, if it should have any chance at all of success, to admit what it had always denied—that the tariff was a tax—and promise what it had no intention to perform, a reduction of high tariff taxes. The Democratic Party, still torn by internal strife and dissensions, was unable to marshal all of its fighting strength and the Republican Party was again successful and continued in control of every department of the Federal Government. Pursuant to promise, President Taft, shortly after his inauguration, convened Congress into extraordinary session and recommended a revision of the tariff. And so the dance started, all was merry, joy was unconfined; the gentleman from Illinois [Mr. CANNON] was made Speaker, the gentleman from New York [Mr. PAYNE] chairman of the Ways and Means Committee, the Senator from Rhode Island, Mr. Aldrich, was in charge at the north end of the Capitol. Everyone realized that nothing more than a hollow mockery was to be expected under such leadership.

The work had progressed but a short way till the Democrats and Progressive Republicans began to protest that the schedules, as they were being made, were not reductions but rather increases. Such patriotic Republicans in the House as NORRIS, MURDOCK, WOODS, LENROOT, LINDBERGH, COOPER, and others, and at the other end of the Capitol such distinguished Republicans as Senators Dolliver, CUMMINS, LA FOLLETTE, Beveridge, and BRISTOW voted against the measure and denounced it as a violation of the platform pledges and promises and a betrayal of the American people. It was such a flagrant violation of the Republican platform that the present distinguished minority leader, Mr. MANN, refused to give it his support on the final passage. However, CANNON, Aldrich, PAYNE and company had their way, the President joyfully gave it his indorsement and bestowed upon it his blessing by calling it the "best tariff law ever enacted." During this battle in the House, while the Democrats were unable to prevent the passage of this iniquitous law, they were able, under the leadership of our present wise and distinguished Speaker, to unite themselves into a solid, compact, aggressive party.

In the first two preliminary skirmishes following the enactment of the Payne-Aldrich law, in Massachusetts and New York, where special elections were held, in strong Republican districts the Republican Party was completely routed on its tariff record and Democrats were elected. In the general election of 1910 a Republican majority of 40 in the House was changed to a Democratic majority of 66; Democratic governors were elected in New York, New Jersey, Connecticut, Ohio, Indiana, and even in the rock-ribbed old State of Maine, where for 40 years the Democrats had wandered in the wilderness, a Democratic governor was chosen and a legislature which sent two stalwart Democrats to the United States Senate.

And to-day the Democratic Party is united as it has not been in 20 years; the Republican Party is divided, discordant, belligerent, rent with family feuds, and soiled with fraternal blood, and even President Taft is having to fight with desperation and resort to all the tactics of a ward politician for an indorsement and renomination, which he is by no means certain to receive. His predecessor in office, the man who brought about his nomination and election, is declaring that the President has not kept faith; yet their party will perhaps be forced to give him the nomination, well knowing that if the Democrats still continue to stand together during the remainder of this session of Congress and to fulfill their pledges and keep faith with the people, that he can no more be elected than the law of gravitation can be suspended.

But while President Taft has signally failed as the great heralded reformer, he has more than made good as an agitator, and will go down in history as the greatest agitator ever elected to the exalted position of the Presidency. Our political enemies have often taunted us with the charge that we do too much agitating and that the business interests of the country have been greatly damaged by too much agitation; but what can they say now when it is an undeniable fact that from the time of his inauguration down to the present our distinguished President has kept up a continuous agitation of the tariff question; first, by calling the Sixty-first Congress into extra session immediately

after his inauguration and agitating the tariff; then, by numerous speeches throughout the country after the enactment of the Payne-Aldrich law, trying to placate the people, but finding that the damage was too great and the people too indignant and sore he subsequently admitted that the Payne-Aldrich Act was not a full compliance with the Republican platform, and admitted in the most significant way possible the failure and untrustworthiness of his own party by convening the Sixty-second Congress into extraordinary session and again agitating the question of tariff taxation, as he had done throughout the whole of the Sixty-first Congress, admitting, as no other President had ever done, that his party, after having been in unbroken power for 14 years, had been so derelict in duty that he was forced to renew the agitation by calling the Sixty-second Congress together and appealing to the Democrats for help.

If confession is the strongest possible testimony as to guilt, then what more need be added in this case. Furthermore, at the close of the extra session of the present Congress, after having vetoed the measures of reform passed by the people's representatives, he again served notice on Congress that he would continue to agitate the tariff question again at this present session, which he has faithfully done, knowing at the same time that he would again veto all measures of reform which the people's representatives might enact. When the Republican Party again goes before the people in the approaching campaign with this famous agitator as its candidate, or, perchance, with the apostle of new nationalism, which can mean anything or nothing, to suit the fancy of its author, the man who was such a great terror to the lions of Africa, but at whose feet the lion of monopoly could always sleep with the feeling of utmost security, I say with either of these candidates, representing as they do diametrically opposing views, each denouncing the policies and views of the other, and with its record of extravagance, of broken promises, and unfulfilled pledges, the verdict of the American people will doubtless be, "Depart, ye workers of political injustice and iniquity, we regret that we ever knew you."

On the other hand, the Democratic Party will go before the people—it may be with the distinguished governor of Ohio, who swept that Republican State into the Democratic ranks with a majority of over 100,000; or with the great educational governor of New Jersey, who was elected by an overwhelming majority in that hitherto strongly Republican State; or, perhaps, with one of our dearly beloved sons of this House, with whose public services the country is so well pleased, our distinguished Speaker or the majority floor leader, the chairman of the Ways and Means Committee—and with either of these men as our nominee, with a record of fidelity to the people, political promises redeemed, and pledges faithfully kept, standing for economy and justice, a fair race in life for every man, and for equal opportunities for all and special advantages to none, the people will respond by saying, "Well done, good and faithful servants, ye have been faithful over a few things, ye shall be made ruler over many things." [Applause on the Democratic side.]

[Mr. GOLDFOGLE addressed the committee. See Appendix.]

Mr. J. M. C. SMITH. Mr. Chairman, in the short time allotted to me I wish to speak upon the purpose of this bill, its effect, and why I shall oppose it.

The purpose of this bill is to reduce the cost of sugar. I can not look at it as a reasonable business proposition that the cost of an article will be reduced when the production is curtailed or when the manufacturing industry is destroyed. If the price of sugar is to be reduced, how or where is it to be lowered? If this industry is to be destroyed in the United States, which seems to be almost admitted here, where are we to look for the establishment of the price of sugar? Is it to be in Europe, where the Brussels convention seems to be a monopoly and has full power to direct and control the price and the output of sugar? Do you expect to get your supply from Europe under such an arrangement as they have in Europe now for the output of their sugar? Can a man rise on the floor of this House and say that we are not now getting our sugar cheaper than any country in Europe save England? And if sugar can be sold in other countries for more than it sells for in this country, how do you expect to import from Europe?

During the six weeks of taking testimony and the great agitation upon the subject of the tariff on sugar in this country, I have received but one letter, out of a constituency of more than 200,000, asking me to vote for free sugar, and one letter stating that the writer was opposed to free sugar.

From the minority report of the Ways and Means Committee I find that during the calendar year of 1897—the first calendar year after the passage of the Dingley bill—the amount of sugar consumed in the United States was 2,002,902 long tons. Of this amount 1,483,544 long tons, or 74.1 per cent, paid full duty. During the calendar year 1910 the total consumption of sugar in the United States was 3,350,355 tons, of which amount 72,393 long tons, or 2.1 per cent, paid full duty; and that of the total consumption of sugar in the United States during the calendar year 1910, 2.1 per cent paid full duty, 48.9 per cent paid 80 per cent of the full duty, and the balance, or 49 per cent, paid no duty.

I leave it to any gentleman, as a fair business proposition, whether this magnificent industry ought to be destroyed. I have never been more charmed with the conditions of my country than when I have heard Member after Member rise upon this floor and tell of the development of the production of sugar in this country. Every other nation has aided and protected and built up its sugar industry. The effort now is to wipe it out in this country and to close the factories. A few years ago we had the furnaces put out by the Wilson bill, and now you are going to put out the fires in this magnificent industry by one fell swoop. Who then will fix the price of sugar in America if the beet-sugar industry is destroyed? It will be the Sugar Trust. What has been our experience with the Sugar Trust in the last few years? They have paid in judgments and fines to the Government more than $4,000,000 as penalties for their chicanery, and now we are asked to destroy the industry that is the only competitor of the trust. [Applause on the Republican side.]

Mr. Chairman, it has been said here that the greatest authority, not only in the United States but in the world, upon the sugar industry is Mr. Willett, of the firm of Willett & Gray, of New York. What does he say? He says that when the sugar of the sugar-beet industry comes upon the market the price of sugar immediately falls. I quote from the hearings this testimony of Mr. Willett:

Mr. WILLETT. There is no question whatever, Mr. Chairman, that the coming onto the market in October of the Michigan sugars and other domestic sugars dropped the price from 6.57 in October down to 6.11 in November, and December 5.63.

Will not the price of sugar, then, immediately rise if we destroy the competition? Is it not a plain business proposition to any man here, and will he not say, that we should not destroy this industry which regulates and keeps down the price of sugar, a necessary article of food for every man, woman, and child in the country? We should not turn the sugar-beet industry over to other countries and then pay to those foreign countries between fifty and sixty millions of dollars a year for sugar that we could have produced here. That is no small item. We need to support this Government. We are sent here to vote and to legislate for a great Nation. Is it our duty to cripple and weaken the industries of the country and to receive no benefit thereby? [Applause.]

Mr. Chairman, I am opposed to the passage of this sugar bill because it puts sugar upon the free list. No other civilized nation has sugar on the free list. I am opposed to putting sugar on the free list because it will not only prejudice but utterly destroy one of the most valuable industries of the American farmer and the American people. I am opposed to the passage of the bill because it is against the principles of the Republican Party, which elected me to Congress. I am opposed to the passage of the bill because it is in violation of the principles of the Republican national platform. I am opposed to the bill because, if anything is proven by the hearings and testimony taken by the committee upon the sugar schedule, it is that we can not produce sugar as cheaply in the United States as they can in foreign countries; that the cost of labor there is only one-third what it is in this country. It could not be established more strongly by the testimony, which to me is quite equivalent to an admitted fact, that the free importation of sugar would destroy the industry in this country. The beet-sugar industry in the United States, although scarcely two decades old, has proven one of the most beneficial, prosperous, and satisfactory of all our industries. This bill would deprive our Treasury of $52,000,000 revenue annually and turn our valuable market over to foreign countries.

I was not elected upon a free-trade platform. I was not elected to destroy or cripple the industries of the United States. I was not elected to legislate for the industries or peoples of foreign countries. I was not elected to aid the trusts or build up monopolies. I voted against the Canadian reciprocity treaty because it discriminated against the American farmer and was not a measure that came within the tenets of the party I represent.

The passage of this bill will not only jeopardize but will destroy the sugar-beet industry of the United States. This industry has grown to one of large magnitude in recent years and is the only competitor of the sugar refineries and Sugar Trust in our Republic. If it had not been for the beet-sugar industry, the arbitrary rise in the price of sugar in the fall of 1911 undoubtedly would have continued through the whole season.

It was demonstrated by the testimony taken at the hearings of the committee that the price of sugar established by the American sugar-refining companies—the so-called Sugar Trust—dropped almost immediately after the beet-sugar factories put beet sugar upon the market. The sugar industry is of the utmost importance to our national prosperity. It furnishes a market for one of the most remunerative crops raised by the farmers of the North, of the East, and of the West, as well as to the cane growers of the South.

If the sugar-beet industry of the United States is destroyed, we have only to look to the great sugar refiners for our supply. They then would fix the price—we import no sugar of consequence from Europe. The price of sugar is higher in every country in Europe except England, where it is only a fraction of a cent less, than the price in the United States. The world's price of sugar is not fixed by competition, but by manipulation by the Brussels convention in Europe and by the Sugar Trust in the United States. It would be a good business policy for us to keep at home the millions of dollars paid by us annually to foreign countries for sugar.

Mr. Chairman, I am in favor of such a reduction of the tariff on sugar as will equalize the difference in the cost of production in this country and in foreign countries, so that our American farmers and laboring men will be protected against the cheap labor of other sugar-producing countries. I am in favor of a Tariff Board or Tariff Commission and a scientific revision of all our tariff laws based upon the report of such a nonpartisan scientific board of experts appointed to investigate the cost of production in this country and in foreign countries. The people are in full accord with this or a similar commission, and to abolish the same would meet with their disapproval.

The Ways and Means Committee have reported that it costs 3.54 cents per pound to manufacture beet sugar in the United States and 2.415 cents per pound in Germany. It costs practically the same to manufacture cane as beet sugar in the United States. This shows that it costs 1.125 cents per pound less to produce sugar in Germany than in the United States, and in the absence of the report of the Tariff Commission I would favor a reduction of the tariff on sugar to meet this difference.

The people of the United States consumed 7,663,000,000 pounds of sugar in the year 1911, equivalent to 3,821,000 short tons. Of this vast amount sugar beets produced 550,000 tons from 35,000,000 tons of sugar beets raised by the American farmers. Sugar beets are grown in 16 different States of the Union. There were in operation 71 beet-sugar factories in the year 1911, and at the present time there are many new factories awaiting the action of Congress on this schedule. The factories are located as follows:

Arizona	1
California	10
Colorado	17
Idaho	4
Illinois	1
Kansas	1
Michigan	17
Minnesota	1
Montana	1
Nebraska	2
Nevada	1
Ohio	3
Oregon	1
Utah	6
Iowa	1
Wisconsin	4

The following is a practical estimate of the condition of the sugar-beet industry in the United States in the year 1910–11:

Number of acres of sugar beets raised	400,000
Amount paid to American farmers for sugar beets	$21,000,000
Amount invested in various factories in the United States	$100,000,000
Amount paid for labor in the growing of beets and the manufacture of the sugar	$23,000,000
Tons of sugar consumed in the United States	3,500,000
Tons of beet sugar grown and manufactured in the United States	550,000
Tons of cane sugar from Texas and Louisiana	350,000
Tons of sugar imported from our colonial possessions, duty free	1,000,000
Short tons imported from Cuba	1,600,000

This magnificent industry has grown up in recent years, receiving its first real impetus from the Dingley tariff law of 1897.

In Michigan raising sugar beets is an industry especially valuable to the farmer. In the year 1911 there were grown in Michigan 152,000 acres of sugar beets, which produced about 140,000 tons of sugar. There was paid out to the Michigan farmers last year for sugar beets the sum of $8,000,000. The capital invested in factories in Michigan alone is approximately $17,000,000, and there was paid out for labor to operate the factories more than $2,000,000. The destruction of the sugar-beet industry will be a great injury to Michigan and the Michigan farmers and prove costly to the consuming public. The sugar-beet industry in Michigan reaches out and affects other allied business, and in its production consumed last year 250,000 tons of Michigan coal, 100,000 tons of Michigan limestone, and 420,000 barrels made by Michigan workmen. All this in addition to the benefits accruing to the farmers engaged in raising beets and the workmen employed at good wages in Michigan sugar factories.

The effective tariff is that levied on Cuban sugar, and is $1.34 to the hundred pounds. The United States is not the only country that charges a tariff upon imported sugar. The tariff charged is for the double purpose of raising revenue and encouraging and protecting the home industry in the production of beet sugar, except in the case of England, which produces no sugar and has a tariff purely for revenue. The following table shows the duty charged in the different countries per hundred pounds:

England	$0.40
Germany	2.00
France	2.19
Russia	5.50
Austria-Hungary	3.99
United States duty on Cuban sugar	1.34

So it is readily seen that the United States by imposing a duty upon imported sugar is only following the custom of the principal sugar-producing countries of the world in protecting its sugar industry and raising revenue.

The effect of putting sugar on the free list in the United States would be to destroy the sugar-beet industry and turn that industry over to the uncertainty of conditions in foreign countries and the Sugar Refining Trust of the United States. The farmers and sugar-beet growers are actual producers of property and wealth. The refiners are not. They only change the condition of raw sugar into its refined state.

Senator BRISTOW, of Kansas, during the course of debate in regard to free raw sugar had this to say in the Senate:

> The only competitors of any consequence that the American refiners have in this country are the American beet-sugar producers, and free raw sugar from the West Indies would, as the Senator from Utah knows, destroy the beet-sugar industry in the United States and thereby destroy the only competitor that the American sugar refiner has. If he can have free raw sugar, so that he could get it from the West Indies without paying any duty, it would then cost him $1.34 a hundred less than it does now. Having a monopoly of the refining business in the United States, he would be able to crush the beet-sugar industry in this country. Therefore he is now engaged in a propaganda to induce the American Congress to repeal all sugar duties.

And the gentleman from Nebraska, Judge NORRIS, in opening his remarks in the House to-day on the sugar schedule, said:

> Mr. Chairman, I think it will be admitted by all candid-thinking men that if the bill is passed without amendment the result will be that all the beet-sugar factories in the United States will have to suspend operation and go out of business.

Mr. Chairman, the price of sugar has steadily fallen in this country during the last 40 years, and I believe, if our sugar industry is properly protected by a reasonable import duty that it will fall still lower, as the farmer and the manufacturer become more efficient in growing the crops and manufacturing the sugar. In 1870 we were paying 13.51 cents per pound wholesale for our sugar; in 1880 we paid 9.8 cents; in 1890, 6.27 cents; in 1900, 5.32 cents; and in 1909 it had fallen to 4.76 cents per pound wholesale. At the present time it is around 5.5 cents.

Taking the tariff off hides did not reduce the price of harness, shoes, or leather goods to the consumer, and taking the tariff off sugar will not permanently reduce the price, because the price is not now fixed by competition, but in Europe is controlled by the Brussels convention and in America by the Sugar Trust, based upon European quotations, except where the American sugar refiners are brought in competition with the domestic product.

The following table, taken from the majority report of the Ways and Means Committee, shows the growth of the industry in the United States and the production and imports from 1879 to 1909, inclusive:

Production, imports, exports, and consumption of sugar in continental United States for selected years: 1879 to 1909.

Year.	Production.			Imports.			Exports.	Retained for consumption.
	Total (tons).	Cane (tons).	Beet (tons).	Total (tons).	From noncontiguous United States (tons).	From all other countries (tons).		
1909	835,800	334,100	501,700	2,887,100	927,800	1,959,300	94,600	3,628,300
1904	668,900	415,000	253,900	2,392,500	591,000	1,801,100	13,700	3,047,700
1899	243,000	161,300	81,700	2,009,000	313,400	1,695,600	13,500	2,238,500
1889	153,100	150,600	2,500	1,467,000	280,600	1,186,400	23,700	1,596,400
1879	90,800	89,400	1,400	914,600	139,200	775,400	20,300	985,100

All the sugar we consume could be grown and produced from sugar beets raised by the American farmer. The Secretary of Agriculture officially states—Senate Document No. 22, Sixty-first Congress, first session, page 28—that there are 274,000,000 acres of sugar-beet land in the United States, and that if 1 acre in 50 suitable for beet culture were put out to sugar beets it would supply all the sugar used in the United States in any one year, and that in some parts of the United States the soil and climatic conditions possess material advantages over those of Europe.

The reason the United States can not compete with foreign countries in the production of sugar is that our farmers are paid more for their beets and our laborers are paid more for their work.

Germany in the last three years produced an average of 2,082,000 tons of sugar each year on 1,107,000 acres of land. This is nearly two-thirds of the sugar consumed annually in the United States. In the United States we have 274,000,000 acres of land suitable for beet culture, so there is no question but that we have a sufficient area to supply the United States many times over if a small part of the sugar area were planted with beets and we had the sugar factories and sugar-factory capacity to do the manufacturing.

Before the Ways and Means Committee in 1909 Mr. W. H. Baird, who had made an inspection of the American and European factories for that purpose, testified as to the wages paid in the different countries. I incorporate his statement as to the wages paid in this country and in foreign countries.

American wages.	European wages.
General foreman, $150 to $160 per month	Germany, $22 to $37.50 per month.
Beet shed men, 22½ cents per hour	Germany, 5 cents per hour; Austria, 7 cents per hour.
Flume feeders, 17½ cents per hour	Germany, 6½ cents per hour; Austria, 7 cents per hour.
At the beet washers, 17½ cents per hour	Germany, 5 cents per hour; Austria, 5½ cents per hour.
At the beet cutters, 20 to 25 cents per hour	France, 8 to 10 cents per hour.
Sharpening knives, 22½ to 27½ cents per hour	France, 5.7 to 10 cents per hour.
At the diffusion battery, 25 cents per hour	Germany, 6 to 10 cents per hour; Austria, 4 to 5 cents per hour; France, 9 to 10 cents per hour.
Battery helpers, 20 cents per hour	Germany, 4 cents per hour; Austria, 4 to 6 cents per hour; France, 9 to 10 cents per hour.
Carbonation men, 25 cents per hour	Germany, 5 cents per hour; Austria, 5 cents per hour; France, 8 cents per hour.
At the filter presses, 17½ to 25 cents per hour	Germany, 4 to 5 cents per hour; Austria, 5 cents per hour; France, 7 to 8 cents per hour
Evaporation men, 25 cents per hour	Germany, 4.4 cents per hour; Austria, 5.8 cents per hour; France, 8 cents per hour.
Vacuum-pan boilers, $100 to $125 per month	Germany, $18 to $22 per month; Austria, $18 per month.
Firemen, 25 cents per hour	6½ to 7 cents per hour.
Boiler cleaners, 20 cents per hour	France, 6 cents per hour
Blacksmiths, 40 cents per hour	Germany, 7½ cents per hour; Austria, 7 cents per hour; France, 8 cents per hour.

Factory wages per day in the United States.

California:	
White	$2.00 to $2.75
Asiatics	2.10 to 2.50
Colorado:	
Whites	2.50 to 2.75
Asiatics	2.50
Utah, whites	2.50
Field labor	1.65 to 2.50

Just how the American beet-sugar companies can produce sugar as cheaply as it is produced in foreign countries while paying so much more for their beets and higher wages to their workmen, is not quite so apparent; but, as in the case of tin plate, pearl buttons, steel rails, picture cards, and other manufactured articles, if given an opportunity and a reasonable protection, there can be no question but that, with our superior machinery and the permanent investment of American capital and the application of American skill and workmanship, in another decade or two, at the furthest, we will produce in the United States all the sugar we consume, and the price will be reduced and kept down by fair competition.

The report of the committee seems to have given great importance to the testimony of Mr. Claus A. Spreckels, who is the president of the Federal Sugar Refining Co., and who testified before the committee that beet-sugar factories located in proper localities, such as Colorado, California, Utah, Idaho, and Oregon, should and, he was informed, did produce granulated sugar at 2.5 cents per pound.

The committee reports that the average cost of producing beet sugar in 11 plants in the United States is shown to be 3.54 cents per pound. This is a fair average of the cost of producing a pound of beet sugar. Of this amount there is paid to the farmer 2.4 cents per pound for the sugar in the beets before refining and to the manufacturer 1.14 cents per pound for manufacturing the beets into sugar.

The beet-sugar factories pay $6 per ton for beets that produce 250 pounds of sugar to the ton. This is 2.4 cents a pound to the farmer for the sugar in his beets, and allows 1.14 cents for manufacturing, providing the total cost is 3.54 cents per pound.

In the committee hearings it was shown that the cost of producing beet sugar for the season of 1910–11 for each of the following companies was as follows:

	Per 100 pounds.
Michigan Sugar Co	$3.48
Great Western Sugar Co	3.43
Billings Sugar Co	3.49
Scott's Bluff Sugar Co	3.85
Amalgamated Sugar Co	3.05
Lewiston Sugar Co	3.03
Utah-Idaho Sugar Co	3.53
Alameda Sugar Co	4.32
Spreckels Sugar Co	2.70
Menominee Sugar Co	4.39
Continental Sugar Co	4.08
Iowa Sugar Co	5.14
Carver County Sugar Co	3.75

These are the figures for the year 1910–11, and they do not cover the items of selling expense, including brokerage, discount, insurance, and storage, nor do they include any charge for plant depreciation or interest on the investment.

The price of sugar is shown by the following table taken from the majority report of the committee, and shows that even in the United States, with a tariff, the price of sugar is lower than in any of the principal countries of Europe except England, which does not produce sugar, but levies a duty of 40 cents per hundredweight for revenue.

Average quotations, net cash, in cents per pound, in 1910.

Country.	Raw in bond.	Tax refined.	Wholesale refined tax paid.	Refined in bond.
England	2.848	0.400	4.101	3.706
Germany	2.656	1.510	5.150	3.640
Austria	2.593	3.498	7.298	3.800
France	3.134	2.380	6.450	4.070
United States	2.840	1.900	4.972	3.532

Another table which I wish to incorporate in my remarks is taken from the same committee report, and is a comparison of the export price of sugar at Hamburg and the wholesale price of the same at New York, from 1900 to 1911, inclusive:

Year.	Raw sugar.			Granulated sugar.		
	Export price at Hamburg.	Wholesale price at New York.	Difference between export price at Hamburg and wholesale price at New York.	Export price at Hamburg.	Wholesale price at New York.	Difference between export price at Hamburg and wholesale price at New York.
	Per 100 lbs.	*Per 100 lbs.*	*Per 100 lbs.*	*Per 100 lbs.*	*Per 100 lbs.*	*Per 100 lbs.*
1900	$2.24	$4.56	$2.32	$2.64	$5.32	$2.68
1901	1.88	4.04	2.16	2.29	5.05	2.76
1902	1.43	3.54	2.11	1.79	4.45	2.66
1903	1.81	3.72	1.91	2.11	4.63	2.52
1904	2.14	3.97	1.83	2.55	4.77	2.22
1905	2.55	4.27	1.72	3.00	5.25	2.25
1906	1.87	3.68	1.81	2.31	4.51	2.20
1907	2.05	3.75	1.70	2.40	4.65	2.25
1908	2.29	4.07	1.78	2.63	4.95	2.32
1909	2.35	4.00	1.65	2.78	4.76	1.98
1910	2.74	4.18	1.44	3.22	4.97	1.75
1911	2.82	4.45	1.63	3.20	5.34	2.14

I call attention to the fact that this table gives the market price, but not what the refiners paid for their sugar during 1911 or what was the occasion of the sharp rise in the price during the fall of that year.

I have received from the Bureau of Statistics a statement showing the imports of sugar into the United States from Cuba and the Philippines and the domestic shipments of sugar to the United States from Hawaii and Porto Rico during the calendar years 1909, 1910, and 1911. The statement proves conclusively that there was no shortage in the sugar crop to warrant the arbitrary rise in prices last fall, and is as follows:

	1909	1910	1911
	Pounds.	*Pounds.*	*Pounds.*
Cuba	3,250,337,047	3,673,173,609	3,192,697,996
Philippine Islands	108,498,523	217,771,700	401,748,936
Hawaii:			
Unrefined sugar	1,032,082,985	981,143,651	1,106,409,289
Refined sugar	33,927,400	27,575,800	29,305,650
Porto Rico	502,568,682	625,982,342	653,819,757

The question arises as to how much the refiners paid last year for their raw material, all of which was imported from our insular possessions and Cuba except 200,000 tons imported from foreign countries. The shortage was not sufficient to warrant a rise in price of 2 to 3 cents a pound. If it be claimed that the tariff was the cause of the increase in the price of sugar, it no place appears that the refineries paid more for their raw sugar during the year 1911 than during previous years. It seems that the increase in the price of the sugar during the year 1911 was an arbitrary raise on the part of the sugar refineries and that the price was reduced only when the beet-sugar companies put their sugar upon the market, in October, 1911. If the beet-sugar manufacturers were able to reduce the price in the year 1911, they can do so any other year, and in this will greatly benefit the consumer.

How much the beet-sugar companies of the country reduce the prices of the refiners is not known, but if it had not been for the beet-sugar companies the consuming public undoubtedly would have had to pay an increased price of at least 2 cents per pound indefinitely. This was a direct saving to the public of more than the whole tariff duty and an object lesson to the Sugar Trust. It is estimated that the consumption of sugar in the United States amounts to 70,000 barrels of sugar a day. A barrel of sugar weighs 350 pounds, and an increase of 2 cents a pound, or $7 a barrel, would amount to $490,000 a day. The unjust, arbitrary, and unwarranted advance in the price of sugar last fall shows the avariciousness of the trust and its disregard of fair dealing.

The reason given for the increase in the price of sugar last fall was the shortage of the crop in Europe on account of the drought. This argument loses weight when it is known that we imported practically no sugar from Europe during the year 1911 and that we found a full supply for our needs in the United States and from our insular possessions and Cuba. If the mere rumor of a shortage of crop in Europe is sufficient to increase the price abnormally 2 to 3 cents a pound, it can readily be seen how sensitive the sugar market is to mere rumors, and in no instance can the sugar business of this country become stable when the price is subjected to fluctuation from mere talk. What will be the rumor next year? Will it be floods or drought? We ought not to subject this important industry to the mere caprice of foreign conditions, but it should be established on a firm basis, an American policy, a permanent condition, and, above all, we should manufacture our own sugar and assert our own independence in that regard.

That the refiners will take advantage of every condition to benefit themselves, with small thought as to the welfare of the country or the rights of the public, is abundantly proven by a reading of the history of the proceedings had against them in our courts in recent years. And even now the Government is pushing its prosecution of them for illegal practices, notwithstanding that these same sugar refiners have been repeatedly convicted of defrauding the Government, by short weights and otherwise, and have paid vast sums into the Treasury of the United States as penalties for their misdeeds and sharp practices.

In New York alone the sugar companies have been made to disgorge the following amounts from their store of ill-gotten gains:

American Sugar Refining Co.:	
March, 1909, judgment for penalties	$135,486.32
April, 1909, settlement of other penalties and duties	2,000,000.00
Jan. 30, 1911, amount collected for drawbacks fraudulently withheld	700,000.00
Arbuckle Bros.:	
Dec. 4, 1909, duties and penalties	695,573.19
National Sugar Refining Co.:	
Feb. 19, 1910, duties and penalties	604,304.37

And will it be claimed that the consuming public will receive just treatment, fair prices, or a square deal at the hands of these great sugar-refining companies if all competition is destroyed and our American beet-sugar industry put out of business?

From a business standpoint there is every reason why we should give support to and encourage the beet-sugar industry in the United States. We have in this country favorable conditions for sugar-beet culture, and by American ingenuity and the efficiency of our more intelligent laborers we ought to overcome the handicap of lower wages in foreign countries in due time.

It has been testified to by a number of expert witnesses at the hearings of the committee that removing the tariff on sugar would destroy the beet-sugar industry of the United States. If this is correct, and we are to rely on or believe such testimony, is it possible that any Member of this body believes that the consumers of sugar in this country would get a square deal from the Sugar Trust in the matter of prices when all competition from the beet-sugar companies had been swept away? Judging the future by the past, we have no ground for such a faith.

Mr. Chairman, I am loath to think that there are any who would be in favor of the destruction of this industry for the benefit of the Sugar Trust, and I submit from the testimony that such would be the effect.

Mr. Willett testified during the hearings:

We had a very present example—

This year—

that the moment our American beet-sugar production became available on the market the rise stopped, and, owing entire and totally to this American production, refined sugars were a cent and a half lower than they were at the highest point. But for that American production we to-day would be buying sugar at the world's prices. We can not get rid of it. There is no other source from which we could get sugar.

Mr. SULZER. And another way to get cheaper sugar for the people of the United States would be to encourage the production of beet and cane sugar in the United States and in our insular possessions?

Mr. WILLETT. Yes, sir.

Now, let us see who it is that wants the duty taken off raw sugar. According to the hearings before the committee the gentlemen who were the most insistent that this action be taken were the following philanthropists and benefactors of the poor: Claus A. Spreckels, president of the Federal Sugar Refining Co.; Charles Heike, secretary of the American Sugar Refining Co. from 1887 to 1910; William G. Gilmore, a partner of Arbuckle Bros., sugar refiners; James H. Post, president of the National Sugar Refining Co.; William A. Jameson, another partner of Arbuckle Bros., sugar refiners; Edwin F. Atkins, vice president and acting president of the American Sugar Refining Co.

And Mr. Heike testified that if the duty were removed on sugar we could produce neither cane nor beet sugar in this country, the following being his reply to an inquiry of Congressman FORDNEY:

Mr. FORDNEY. Now, if the duty were removed absolutely on sugar could we produce either cane or beets in this country?

Mr. HEIKE. I doubt it very much.

Mr. FORDNEY. Then that would destroy the industry absolutely in this country?

Mr. HEIKE. Yes.

Now, Mr. Chairman, I wish to incorporate in my remarks a little testimony at first hand from some of the farmers of my own State in regard to the great benefit to the soil of raising sugar beets, and also a statement showing the cost per acre of raising and marketing the crop:

I wish to say that I have grown sugar beets for the last three years and I can truthfully say that the growing of sugar beets is a benefit to the soil if the crop is given proper rotation. I have received the best results by following the crop with a crop of oats. This season (1909) I thrashed from 5 acres of measured ground, which was in sugar beets last season, 270 bushels of oats, or an average of 54 bushels per acre. The balance of my oat crop which was on ground following a corn crop (equally as good soil) is yielding about 40 bushels per acre. Therefore I feel that I am justified in making this statement. (Alex. Larkins, Carleton.)

I have raised beets for the last seven years and have averaged about 16 tons per acre. I also find that oats will do better on the ground where I raise beets than they will on other ground. This year the oats on my beet ground produced 75 bushels per acre, while the others only produced about 60 bushels per acre. (Sam Seizert, Blissfield.)

In regard to beet culture, I wish to say that I have raised sugar beets for six years and consider it one of the most profitable crops that a farmer can raise. Not only because he gets the greater return for his labor, when they are properly cared for, but because the ground is left in the best possible condition for the next crop, for since raising sugar beets my land has been gradually increasing her yield per acre. The increase in yield of oats has been from 15 to 25 per cent, or from 40 or 45 to 55 bushels per acre, and on wheat the increase has been about the same. When I have raised beets two consecutive years on the same piece of ground and then sowed oats they were extra. We as farmers are satisfied that we get better crops since raising beets. (S. S. Teed, Middleton.)

In regard to the condition of ground that beets have been grown on, will say that I have grown beets quite extensively and find that it is an improvement rather than a detriment to the soil. In 1901 I grew 2 acres of beets; went about 18 tons per acre; followed with beets, besides adding 29 acres, making 31 acres for 1902, average yield, about 11½ tons. Out of 31 acres, 17 acres to beans following, yielding 14 bushels per acre. Same 12 acres to wheat, yielding 37 bushels per acre, following with the biggest crop of hay ever cut in the neighborhood, and 5 acres of 17-acre bean ground went to oats the following spring, yielding 53 bushels besides one-third loss on account of being lodged, average for year in neighborhood being about 27 bushels. In 1904 had 2½ acres of beets, yielding about 9 tons, following with oats yielding 45 bushels per acre; average in neighborhood, about 30 bushels per acre. In 1905 had 40 acres of beets, 8 tons; following 8 acres to beets again, yielding about 10 tons second year; following next with oats yielding 51 bushels per acre. Balance of 40 acres, 12 acres went to beans; balance of 20 acres were sown to oats, yielding about 47 bushels per acre; following same with wheat, yielding about 28 bushels, when average in neighborhood was about 13 bushels. In 1906 had 14 acres to beets, about 10 tons yield, following same with 14 acres to oats, yielding about 47 bushels per acre; then to wheat, yielding 28 bushels per acre; average for wheat that year in neighborhood about 13 bushels per acre. In 1907 had 17 acres in beets, average about 11 tons. Of 17 acres 3 acres went to oats, and seeded 6 acres to beets again, yielding about the same, and balance of 17 acres, or 8 acres, went to oats, yielding 68 bushels per acre; then to wheat, yielding this year 38 bushels per acre, and good seeding in sight. In 1908 had 15 acres of beets, about 10 tons average yield; 12 acres now to oats with a prospect for a bumper crop, and balance of 15 acres, or 3 acres, are to beets again this year. This year have 26 acres to beets with good prospect for 11 or 12 tons. This report was made and kept on one of my "eighties." On the other have grown in the last four seasons, including 13 acres this year, 71 acres, with about the same results in regard to following crops, although have no record of different fields and yield. (W. J. Davis, Sunfield.)

It gives me great pleasure in having a chance to show to my brother farmers the little I know about sugar beets placing the soil in a better chemical condition for other grain crops than any other crop in the rotation. On a 6-acre lot of beets I harvested 11 tons per acre of beets. I followed the beets with barley and got 50 bushels per acre, an increase of 50 per cent as compared with crops raised by my neighbors and myself formerly. The above 6 acres was put to wheat after the barley and made 35 bushels per acre, and the stand of clover is good for sore eyes. I am more than satisfied with the beets, not alone for the money crop, but also the permanent good to the land. (W. L. Huber, Charlotte.)

The following shows the average cost of raising an acre of sugar beets and marketing the crop, and shows that a large part of the expense is labor. And I submit that it is better for our domestic prosperity that this money should be earned and spent in this country than that we should turn to foreign lands for our sugar:

Fall plowing	$1.50
Harrowing, disking, and planking	2.00
Seed, 20 pounds, at 10 cents per pound	2.00
Drilling the seed	.75
Hand labor, which consists of blocking and thinning, weeding twice, pulling, and cutting off the tops	20.00
Six horse cultivations	3.00
Hauling (varies with the tonnage and distance to the factory or beet dump)	6.00
Rent	5.00
Incidentals, including depreciation of machinery and interest on the investment	1.00
Fertilizer, 125 pounds	1.75
Total	43.00

Mr. Chairman, this is a contest between the beet and cane growers of the United States on the one side, and the sugar refiners on the other. For me I cast my lot with the producers, believing that by removing the tariff there will be a great American industry ruined and no permanent, substantial reduction in the price of sugar to the ultimate consumer. Europe is the great sugar-producing country of the world. It has built up its sugar industry by tariffs and bounties. The price of sugar in Europe is controlled by the Brussels convention, and the proceedings in the United States courts against the sugar refineries in our own country are based upon the fact that they are a trust. The industry outside of America and its possessions is guided and directed by a combined agreement which limits the output in Russia, which stifles competition in England, and manipulates the trade of the great countries of Germany, France, Austria, and Holland.

I ask every Member of this great law-making body to protect by his vote this American industry in the interest of the producer, the consumer, and the country as a whole.

Mr. MARTIN of Colorado. Mr. Chairman, I think I can understand, if I can not sympathize with, the desire of gentlemen to rush this legislation through this House with just as little noise as possible. I have no doubt they would like to deliver this measure out of this body as silently and expeditiously as it was conceived in the committee and ratified in the caucus, and that, I think, Mr. Chairman, was a record in such legislation, considering the fact that this measure involved the certain wiping out of between fifty and sixty millions of dollars of revenue and the certain crippling and possible wiping out of a great American industry. Confronted with a situation such as that, I think that any time for the consideration of this bill would be too much time for those gentlemen who favor it. But perhaps I ought not to be too severe in my observations about the manner of enacting such important legislation, because I am perfectly well aware of the fact, notwithstanding what the vote on this bill will be, that there are many gentlemen on this side of the House whose position with reference to this legislation differs from mine only by reason of the fact that I am knocking it publicly as well as privately. I know full well, Mr. Chairman, that they are just as relieved as I am by the knowledge that it will soon be on its way, destined neither to reach its destination nor to return to its origin.

Mr. Chairman, while five minutes may be ample time for gentlemen who have anything to say in favor of this bill [laughter], it is very little time indeed for a man who has many things to say against it. I can not consume the balance of my few precious minutes in general observations, but I want gentlemen here present who listened to the opening statement of the majority leader on yesterday to take their CONGRESSIONAL RECORDS and turn to page 3442 and follow what I have to say. The following colloquy appears near the bottom of the second column on that page:

Mr. MARTIN of Colorado. Mr. Chairman, I dislike to interrupt the gentleman from Alabama, but I am very anxious to ask him a question on the point that he is just making. I am not sure that the figures which I have are correct, I am not authority for them, but I have been informed that for the 4 years during the operation of the McKinley bill, under free sugar, the average wholesale price of sugar in New York City was $4.84 per hundred, and that during the 16 years since that time, excluding last year, the price ranged about $4.60 per hundred; in other words, the average price for the 4 years under the McKinley bill, the wholesale price, ranged slightly higher than it did during the 14 years succeeding, under the Dingley law.

Mr. UNDERWOOD. Mr. Chairman, the gentleman is mistaken. Here are the figures:

Average American prices of raw and refined sugars before and after formation of the trust (terms net cash).

[Bureau of Statistics, Department of Commerce and Labor.]

Years.	Raw 96° test centrifugals.	Tariff changes.	Refined granulated.	Margin between raw and refined.
	Cents.		*Cents.*	*Cents.*
1885	5.729	June 1, 1883: 96°, 2.24; 4 cents per degree; refined, 3½. Apr. 1, 1891: Raws free; refined, ½ cent: bounty on domestics. Aug. 28, 1894: Raws, 40 per cent; ⅛ cent added for refined; 1/16 cent countervailing duty. July 24, 1897: 1.685, 3½ cents per degree; refined, 1.95.	6.441	0.712
1886	5.336		6.117	.781
1887	5.245		6.013	.768
1888	5.749		7.007	1.258
1889	6.433		7.640	1.207
1890	5.451		6.171	.720
1891	3.863		4.691	.828
1892	3.311		4.346	1.035
1893	3.689		4.842	1.153
1894	3.240		4.120	.880
1895	3.270		4.152	.882
1896	3.624		4.532	.908
1897	3.557		4.503	.946
1898	4.235		4.965	.730
1899	4.419		4.919	.500
1900	4.566		5.320	.754
1901	4.047		5.050	1.003
1902	3.542		4.455	.913
1903	3.720		4.638	.918
1904	3.974	Jan. 1, 1904: Cuban sugar, raw, 1.348	4.772	.798
1905[1]	4.278		5.256	.978
1906[2]	3.686		4.515	.829
1907	3.756		4.649	.893
1908[3]	4.073		4.957	.884
1909	4.007	Aug. 6, 1909: Refined, 1.90	4.765	.758
1910[4]	4.188		4.972	.784

[1] Decrease in European crop supply of 1,000,000 tons.
[2] Increase in European crop supply of 2,000,000 tons.
[3] Short crop in Cuba.
[4] Short crop in Europe.

Mr. Chairman, the figures were not available to me at that time, but they have been put into the RECORD since, and I have analyzed them and I have done some adding and dividing, and I find, according to the gentleman's own figures, this result: That while during the four years of free sugar under the McKinley bill the average wholesale price of sugar in New York was $4.50 per hundred pounds, during the 16 succeeding years, under a duty of $1.95 per hundred on refined sugar, the average wholesale price was only $4.77½. What does that mean? It means that under a duty of $1.95 per hundred pounds the wholesale price advanced only 27½ cents per hundred pounds.

Mr. Chairman, if there has been any one statement vociferated on this floor since this debate began yesterday noon, it is the proposition that upon sugar, above all other things, was it demonstrated that the tariff was an exact addition to or an exact subtraction from the price of the article; that just as the tariff went down the price of sugar went down, and just as the tariff went up the price of sugar went up.

But that is not all. Mr. UNDERWOOD's table shows, in the footnotes, a shortage of 1,000,000 tons in the European sugar crop in 1905, a short crop in Cuba in 1908, and a short crop in Europe in 1910; and these notations are given to explain the increase in prices for those three years, which, of course, increased the average of prices for the 16 years under the Dingley law.

Assuming that with normal crops the price of sugar in each of these three years would have remained the same as in the preceding year, and deducting accordingly, we find the wholesale price of sugar for the 16-year period averages $4.71, an increase over the free-sugar period of only 21 cents per 100 pounds.

There can be no doubt the tariff duty adds to the price of sugar in this country, but that it adds the full duty, or half the duty, is clearly refuted by the table of prices furnished by the chairman.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. MARTIN of Colorado. I ask permission to extend my remarks in the RECORD.

There was no objection.

THE SPRECKELS CANE-SUGAR REFINERIES CARRIED ON THE FREE-SUGAR PROPAGANDA.

Mr. MARTIN of Colorado. I am opposed to the pending free-sugar bill for several substantial reasons:

First. I am not a free trader, and the pending measure affords neither protection nor revenue, but is a free-trade measure pure and simple.

Second. I pledged myself to my constituents and was pledged by my party State platform against free trade in sugar, which will seriously injure, if not destroy, our beet-sugar industry.

Third. This bill is in clear violation of the last Democratic national platform, which declared for material reductions in the tariff on the necessaries of life and for free trade only upon wood pulp, print paper, lumber, timber, and logs.

If you say that sugar is a trustized product and ought to go upon the free list, then I reply that you are discriminating against this industry when you leave upon manufactures of steel rates of duty which you admit are just as prohibitive as the existing rates and in addition give the Steel Trust free iron ore and a 50 per cent reduction on pig iron, thereby actually increasing its margin of profit.

The steel industry is trustized; it is shown by the reports of the Stanley steel committee and the Hardwick sugar committee to be much worse trustized than sugar; therefore put steel on the free list. The woolen and cotton manufacturing industries are trustized, therefore put manufactures of wool and cotton on the free list. Be consistent or be silent.

Fourth. The propaganda for free sugar was instigated by the Sugar Trust, whose principal refiners have appeared before the Hardwick sugar committee and advocated free sugar, and this propaganda has been carried on by the wholesale patrons of the Sugar Trust in the United States. I shall insert in my remarks an editorial from the New York American approving this bill, for the reason, among other things, that the Sugar Trust has heretofore written the sugar schedules, both Republican and Democratic, under Cleveland as well as McKinley; and I shall place in juxtaposition the testimony of the Sugar Trust refiners, including its criminally convicted secretary, before the Hardwick committee, advocating at this time free sugar, as well as the testimony before that committee showing the persistent and consistent efforts of the Sugar Trust, which consists of the cane-sugar refiners of the United States, to destroy or control its only competitor in this country, the beet-sugar industry.

Some gentlemen on this side profess to attach great weight to the flood of sugar petitions prepared by one F. C. Lowry, the paid agent of the Spreckels refineries, and circulated by him under the name of a fake committee of 24 wholesale grocers, who naturally expect to divide with the refiners the hog's share of the tariff.

I have here a bunch of these petitions inclosed fo me in a letter from Mr. Lowry, written on his fake committee letterhead, which I shall insert in my remarks and which letter reads as follows:

COMMITTEE OF WHOLESALE GROCERS,
New York, January 5, 1912.

Hon. JOHN A. MARTIN,
House of Representatives, Washington, D. C.

Dear Sir: Constituents of yours have mailed me the inclosed petitions, duly signed, and have asked me to have same forwarded to you with the request that they be properly filed with the Ways and Means Committee of the House of Representatives.

Trusting to have your valuable cooperation in the effort which we are making to secure a reduction in the present duties on raw and refined sugars, I am,

Yours, respectfully, *F. C. Lowry,*
Secretary.

I desire to call particular attention to a sheet of 12 of these petitions which the circulator did not even take the trouble to detach from each other and which I shall insert in my remarks just as I received it. One of the striking features of this sheet of petitions is that probably a majority of the signers can not read or write the English language. I am satisfied that Juan de Jesus Galegos can not, because Juan de Jesus has not even spelled his name right.

To the honorable the House of Representatives, Washington, D. C.:

The undersigned respectfully ask for a reduction in the duty on raw and refined sugars, in the interest both of the 80,000,000 consumers of the country and the manufacturing industries in which it is an important material. This tax amounts to 2 cents per pound on refined sugar, equivalent to an 80 per cent ad valorem duty.

This exorbitant tax is not justified by the conditions relating to the production or refining of sugar in this country. Leading sugar refiners have testified that they need no tariff protection against foreign refiners, and there is no good reason why all the people should be heavily taxed in the interest of one industry.

The relatively high price of sugar operates to prevent its more general use in the manufacture of preserved fruits of all kinds, and by adding to the cost of these articles limits their consumption. While this is the greatest fruit-growing country in the world, our exports of jams, jellies, etc., are comparatively small, as we can not compete in neutral markets with countries like Great Britain, which have the advantage of cheap sugar. A reduction of the sugar tax would greatly increase domestic consumption of these articles, and would give us a much larger share of the export trade. In many cases the canners would be enabled to buy and preserve fruits that are now wasted for lack of a market.

We believe that this is a matter which should be decided by Congress in favor of the policy which will benefit the greater number of the people, and that the interests of the consumers should receive the consideration to which they are entitled. The tax on sugar is paid wholly by the consumers and is an unnecessary burden on one of the principal articles of their food. A reduction in this tax would, therefore, be an unquestioned advantage to the people of the entire country.

E. GIRARD, *Capulin, Colo.*

MAY 27, 1911.

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JOSE A. VALDEZ, *Capulin, Colo.*

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DAVID MARTINEZ, *Capulin, Colo.*

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JULIAN GOMEZ, *Capulin, Colo.*

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JOSÉ A. GARCIA, *Capulin, Colo.*

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I. V. DE HERRERA, *Capulin, Colo.*

MAY 27, 1911.

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MELQUIADES VALDEZ, *Capulin, Colo.*

MAY 27, 1911.

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PEDRO A. DOMINGUEZ, *Capulin, Colo.*

MAY 27, 1911.

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LUCAS DE J. CHAVES, *Capulin, Colo.*

MAY 27, 1911.

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JUAN DE JESUS GALLGAS, *Capulin, Colo.*

MAY 27, 1911.

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P. G. ROYBST, *Capulin, Colo.*

MAY 27, 1911.

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MR. LOWRY BEFORE THE HARDWICK COMMITTEE.

Frank C. Lowry, agent Federal Sugar Refining Co., secretary committee of wholesale grocers.

Mr. FORDNEY. How much money has been spent in distributing literature by that committee?

Mr. LOWRY. Somewhere in the neighborhood of $12,000.

Mr. FORDNEY. Who paid that money?

Mr. LOWRY. When the committee was first formed I wrote to a number of importers—*not refiners*, but importers of sugar—and said that this committee would be formed, and stated its objects and solicited subscriptions from them. They had great faith in the political activities and abilities of the domestic sugar producers and said that they were in sympathy with me, but that I was pounding my head against a stone wall to try to get a reduction in the tariff; and the only one that subscribed was the *Federal Sugar Refining Co.*

Mr. FORDNEY. So that the Federal Sugar Refining Co. have paid in this $12,000 for the distribution of the literature?

Mr. LOWRY. Yes. (P. 1608, Hearings.)

It will be noted in the foregoing answer (see italics) that while Mr. Lowry wrote only to importers for contributions, his sole contributor was the Spreckels Co.

Mr. FORDNEY. So the committee itself has never done anything?

Mr. LOWRY. Oh, yes. The members of the committee have done a great deal of work. *All of these men have been instrumental in circulating information about the tariff, and in writing to their Congressmen and Senators, and getting petitions signed.* Perhaps some of you have gotten petitions asking for a reduction of the duties on sugar. They have helped very materially in that work. They have given their services, but not their money.

Mr. FORDNEY. That was all done at your request, was it not, and the literature sent out by you to them?

Mr. LOWRY. How is that question?

Mr. FORDNEY. Did not each and every member of the committee that has done any work in the way of soliciting the aid of the Members of Congress send that literature to the Members of Congress at your request, through this literature that you have sent out?

Mr. LOWRY. At my suggestion; yes.

Mr. FORDNEY. You first sent to them the literature and requested them to communicate with their Congressmen?

Mr. LOWRY. That was the nature of the work we did.

Mr. FORDNEY. *That was all at the expense of the Federal Sugar Refining Co., was it?* You have said that they contributed all of the money.

Mr. LOWRY. *They contributed the money that enabled us to carry on that campaign.*

Mr. FORDNEY. *The Federal Sugar Refining Co. has paid, then, for the distribution of all this literature?*

Mr. LOWRY. *Yes; so far they have.* (Hearings, p. 1609.)

REFINERS BEFORE THE HARDWICK COMMITTEE—BEET SUGAR A DANGEROUS COMPETITOR.

The Sugar Trust officials and allied refiners testified before the Hardwick Sugar Investigating Committee that domestic beet sugar is a strong, growing, and dangerous competitor of the cane-sugar refiners in the United States.

Copious extracts (not mere garbled quotations) of the testimony of these gentlemen before that committee are herewith given. The list comprises:

Edwin F. Atkins, vice president and acting president of the American Sugar Refining Co.; William G. Gilmore, general manager of the Arbuckle Bros.; Robert M. Parker, president of the Brooklyn Cooperage Co.; Washington B. Thomas, former president of the American Sugar Refining Co.; Claus Spreckels, president of the Federal Sugar Refining Co.

The companies represented by these men own and control all of the cane-sugar refineries and do all of the cane-sugar refining in the United States, and their business comprises all of the cane sugar consumed in this country.

References are to pages of the Hardwick hearings.

EDWIN F. ATKINS, VICE PRESIDENT AND ACTING PRESIDENT AMERICAN SUGAR REFINING CO.

Mr. HINDS. Is the condition of the sugar business in this country, the refining business, in your judgment, such as to induce men who know about the sugar business as practical men to come back or attempt to go back into the business?

Mr. ATKINS. Not at the present time; the margin is too small. It has been very slight for the past two or three years.

Mr. HINDS. That is, the sugar business of the country is to-day in such shape that those who know about it think it ought to be held by the individuals?

Mr. ATKINS. I judge so. The competition is so sharp that people who know about the business are willing to keep out.

The CHAIRMAN. Is it really on account of the competition, Mr. Atkins? Is it not a fact that the sugar business, as held to-day, is held at a price that practical men would shrink from, considering the physical valuation of the property, and all that, would practical men wish to go in and buy it at $120 on its existing capitalization?

Mr. ATKINS. I think so. I do not think it is owing to that, but owing to the general business condition, the overproduction of refined sugar. There is very much larger capacity than is required, *and the beet sugars are taking away the trade of the refiners year by year.* (P. 48.)

* * * * * * *

Mr. MADISON. Is it not also true that the beet-sugar people only produce one kind of sugar—granulated sugar?

Mr. ATKINS. Exactly.

Mr. MADISON. So you can hardly ascribe it to the fierce competition by the beet-sugar people?

Mr. ATKINS. Certainly. All that beet sugar comes on the market at a certain season of the year. It is all produced in about three months' time. They all want to market it just as rapidly as possible, and in order to do that they come to the eastern points. California sugar comes into Chicago, and the Michigan sugar into Buffalo and Pittsburgh and eastern refineries; *not only the American Sugar Refining Co., but the others, have to reduce or close down until the beet sugars are out of the way.* Any refining that is done between the 1st of October and the 1st of January is done without any profit and very often at a loss.

Mr. MADISON. Then, as a matter of fact, your competition with the beet-sugar people only exists during the few months of the year?

Mr. ATKINS. Three months, and that is 25 per cent of the whole time. (Page 49.)

* * * * * * *

Mr. MADISON. You stated a moment ago, Mr. Atkins, or this morning, that you decidedly opposed going into the beet-sugar business. What was the reason of that? Why was it that you opposed that at the time when you went to Mr. Havemeyer and called on him and said: "Now, if you are going into that business I am going to quit; I am going to sell my holdings"?

Mr. ATKINS. Yes, I did. This company was organized for the purpose of refining sugars.

Mr. MADISON. Yes.

Mr. ATKINS. The beet-sugar business was a competitive business. It produced in the western territories where our market lay. That is, I say "our market"—I mean the market of the refiners, the various refiners. As that industry grew—*and I foresaw that it would grow rapidly—I believed that it would reduce the volume of business, not only of the American Sugar Refining Co., but of all the refiners on the Atlantic coast;* and, although we had millions of dollars invested in the business there, we were building up a competitive business, *one that would compete with ourselves, and one which was bound to get away from us; we could not control it in the end.* I say "we"—I had no connection whatever with it; that was simply a business man's opinion. (Pages 85–86.)

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Mr. GARRETT. Do you know whether last year, at the time the beet-sugar manufactories began operations, any of the refining plants belonging to the American Sugar Refining Co. received instructions to, or did, without instructions, withdraw from the territory usually covered by the beet-sugar trade?

Mr. ATKINS. No; not through any instructions. They were forced to withdraw from the territory, owing to the cutting of prices. *We could not pay duty on imported sugars and get them so far west as would enable us to sell in competition with those beet sugars.* (Page 94.)

* * * * * * *

Mr. RAKER. How far west do you ship?

Mr. ATKINS. We ship, when we are able to do so, out to Omaha and Kansas City.

Mr. RAKER. You ship no farther than those points?

Mr. ATKINS. We would if we could, *but we can not get in there, owing to the competition of the beet factories.* If you will allow me to explain, I will tell you that the country west of the Missouri River produces an excess of sugar.

Mr. RAKER. That is not what I want now. I am trying to get the exportations from the East to the West.

Mr. ATKINS. They are very light.

Mr. RAKER. If we will just confine ourselves to that, there will not be any conflict.

Mr. ATKINS. They are very light.

Mr. RAKER. How much do you ship west of the Missouri River?

Mr. ATKINS. A very small quantity.

Mr. RAKER. Can you give me an idea in barrels?

Mr. ATKINS. I can not give you any idea at all.

Mr. RAKER. Can you furnish that before we get through?

Mr. ATKINS. We used to have a large number before beet-sugar competition. (Page 99.)

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WILLIAM G. GILMORE, GENERAL MANAGER ARBUCKLE BROS.

Mr. RAKER. *This beet-sugar industry and the competition between that and you is more of an imagination than it is of a reality, is it not?*

Mr. GILMORE. *No; I think it is an actuality.*

Mr. RAKER. Can you name any concrete case or place or time when you came into actual competition; in other words, when you found the beet sugar in the same point where you were handling your cane sugar?

Mr. GILMORE. *In the last two years very seriously in Pittsburgh, Pa.*

Mr. RAKER. *The beet-sugar people got in Pittsburgh, Pa.?*

Mr. GILMORE. *Yes.*

Mr. RAKER. From where?

Mr. GILMORE. I do not know where from. I do not know what the brand was or anything about it. I know the fact.

Mr. RAKER. What time of the year was it?

Mr. GILMORE. I know that it was so much so that a house owned by Arbuckle Bros. there was compelled to take the beet-sugar business in and buy it and sell it in competition. That is bringing coals home to Newcastle.

Mr. RAKER. Pretty close, if it is a fact.

Mr. MADISON. They did what, you say?

Mr. GILMORE. A house in Pittsburgh——

Mr. DYKMAN. Give the name of it.

Mr. GILMORE. Arbuckle & Co., a wholesale grocery house, were obliged to buy beet sugar there. This is offered in explanation of the fact——

Mr. MADISON. I just did not hear you, that is all. I beg your pardon.

Mr. RAKER. That is all right. What was the name of this firm that did this?

Mr. GILMORE. That did which?
Mr. RAKER. That had to take in the beet sugar?
Mr. GILMORE. Arbuckle & Co.
Mr. RAKER. Arbuckle & Co., located in Pittsburgh?
Mr. GILMORE. Yes.
Mr. RAKER. That was two years ago?
Mr. GILMORE. Last year and year before, I think—both.
Mr. RAKER. 1910 and 1909?
Mr. GILMORE. Yes. (Pages 1158–1159.)

ROBERT M. PARKER, PRESIDENT BROOKLYN COOPERAGE CO.

Mr. MALBY. Does the American Sugar Refining Co. at the present time ship any granulated sugar to the various States in the Mississippi Valley and in the Missouri region?
Mr. PARKER. Yes, sir; a very great deal.
Mr. MALBY. And at all times of the year?
Mr. PARKER. Yes, sir; until the price is so low that it is impossible to ship it at a profit.
Mr. MALBY. Who makes the prices low or creates the condition to which you refer?
Mr. PARKER. The San Francisco cane *and the beet sugars from Colorado and Utah and Michigan.*
Mr. MALBY. When the competition becomes sharp or gets to that point where it ceases to yield a profit, of course you cease to ship?
Mr. PARKER. Probably; yes, sir. (Pages 1463–1464.)

WASHINGTON B. THOMAS, FORMER PRESIDENT AMERICAN SUGAR REFINING CO.

Mr. MALBY. *You have to-day competition among the beet-sugar industries of the United States, have you not?*
Mr. THOMAS. *We have.*
Mr. MALBY. *And good, sharp competition, say, with the Michigan Sugar Refining Co.?*
Mr. THOMAS. *We have.*
Mr. MALBY. Notwithstanding the fact you have an interest in that company?
Mr. THOMAS. Yes; notwithstanding that fact.
Mr. MALBY. The fact is the beet sugar usually sells for about 20 cents per hundredweight below what the refined sugar sells for, does it not?
Mr. THOMAS. Cane sugar—10 to 20 per cent.
Mr. MALBY. I think the evidence is substantially 20, although sometimes 10.
Mr. THOMAS. Yes.
Mr. MALBY. During the time you were putting your sugar upon the market they were putting their sugar upon the market—I mean the beet-sugar men? The American Sugar Refining Co. scarcely ever attempts to invade their territory, do they?
Mr. THOMAS. Oh, yes; we go into any territory, whenever the price permits us to.
Mr. MALBY. I know; and that is just what I am inquiring about. Does the price permit you to go into Michigan territory when they are attempting to sell their sugar?
Mr. THOMAS. Only to a small extent; but they invade our territory here in the East during the same period.
Mr. MALBY. They do, because they can undersell you or sell at a price which you do not want to take. *You find also competition in Colorado beet-sugar men, do you not?*
Mr. THOMAS. *We do.*
Mr. MALBY. And those in Utah and more in California?
Mr. THOMAS. We do not reach quite as far west as that.
Mr. MALBY. Why do you not sell in California?
Mr. THOMAS. Because their prices there are such and the freight is so against us that we can not reach there.
Mr. MALBY. That is to say, they can sell sugar to the consumer cheaper than you can afford to sell?
Mr. THOMAS. We can not reach there on account of the freight. The freight is prohibitive.
Mr. MALBY. You do not sell on the Pacific slope for two reasons, probably; one is the freight rate. That is, your cost would be greater than that on the Pacific slope?
Mr. THOMAS. Yes.
Mr. MALBY. Does that same reason hold good with reference to Utah, Colorado, and Michigan?
Mr. THOMAS. I think so.
Mr. MALBY. So that, reverting to the question once more, *if the beet-sugar industry was wholly destroyed, then you would get in there, would you not?*
Mr. THOMAS. *We would extend our sales, undoubtedly.*
Mr. MALBY. *Let us be frank about it. You would extend your sales to every single household where beet sugar is now sold which would pay the price, would you not?*
Mr. THOMAS. *Oh, yes; it would take the place of beet sugar.*
Mr. MALBY. And the purchasers in such localities, if no refineries existed there to-day, would be obliged, from the very nature of things, to pay you such additional cost and expense as would be necessary to put your sugar into their market?
Mr. THOMAS. I would hardly say "us," meaning the American Sugar Refining Co., because they would deal with our competitors as well.
Mr. MALBY. I mean you, if you put any in there. You understand my statement, I assume? Suppose the beet-sugar interest of Utah, Colorado, and Michigan were wiped out, the territory in which you now sell but little, would the consumer not have to pay the additional price on account of their disappearing as a competitive company or factor, whether to you or somebody else, I do not care whom?
Mr. THOMAS. That would depend largely on the price of sugar throughout the world.
Mr. MALBY. I am speaking of the present situation, so we will not have any question about what is going on throughout the world.
Mr. THOMAS. Will you please repeat your question or have the stenographer read it to me?
Mr. MALBY. I ask, *in case of the beet-sugar industry being wiped out in Colorado, Michigan, and Utah to-day, whether or not the consumer in the localities supplied by such beet-sugar companies would not have to pay a higher price than they do to-day?*
Mr. THOMAS. *I can not answer that question.*
Mr. MALBY. There would be so much less sugar in the world, if they did not manufacture it, would there not?
Mr. THOMAS. Yes.
Mr. MALBY. You have very readily answered me that a diminution of a million tons did actually very greatly increase the price, although the million tons was a million tons in the world's supply. You have answered that that affected the American market?
Mr. THOMAS. Yes.
Mr. MALBY You have also answered that a 2,000,000-ton surplus greatly decreased the market, have you not?
Mr. THOMAS. Yes.
Mr. MALBY. Why have you any hesitation in saying that if the beet-sugar industry in this country were wiped out that would not have a like effect upon it?
Mr. THOMAS. I think it would have an effect to a certain extent. How much of an extent I can not tell you.
Mr. MALBY. I did not ask how much effect. I asked whether it would increase the price of sugar to the consumer, and you told me you did not know. Do you want to change that?
Mr. THOMAS. I think it possibly might increase, but to what extent I can not tell you.
Mr. MALBY. I am not asking about the extent; I know perfectly well you do not know to what extent.
Something has been said—and I think I will close with this—*about the directors of your company desiring to sell certain beet-sugar stock. Is that a fact?*
Mr. THOMAS. *Yes; that is correct.*
Mr. MALBY. *Are the members, likewise, who want to sell the beet-sugar stock, also in favor of a lower tariff on sugar?*
Mr. THOMAS. *Yes.*
Mr. MALBY. *They do not want to hold the beet-sugar stock if the tariff is to be lowered, in other words?*
Mr. THOMAS. *I think that is their position.* (Pages 2013, 2014, 2015.)

CLAUS SPRECKELS, PRESIDENT FEDERAL SUGAR REFINING CO.

Mr. HINDS. Mr. Spreckels, you testified this morning as to how far in the South and the West you were able to market cane sugar.
Mr. SPRECKELS. Yes, sir.
Mr. HINDS. Can you tell me how far in the East the beet-sugar people are able to market their sugar?
Mr. SPRECKELS. There is the dividing line on the Missouri River. They sometimes come as far as Pittsburgh. I think the American Beet Sugar Co. has come once as far as New York City.
Mr. HINDS. Have they not come into New England, Mr. Spreckels?
Mr. SPRECKELS. They have come into the State of New York.
Mr. HINDS. Have they not also come into New England some?
Mr. SPRECKELS. I think so.
Mr. HINDS. One member of the firm of Arbuckles testified that they had come into New England.
Mr. SPRECKLES. Yes, sir.
Mr. HINDS. *Are they showing a tendency to come farther east all the time?*
Mr. SPRECKELS. *They are.*
Mr. HINDS. *And make the competition severer, if it is competition?*
Mr. SPRECKELS. *Yes.*
Mr. HINDS. *Continually?*
Mr. SPRECKELS. *Yes, sir. They have frequently come as far as Pittsburgh.* (Page 2269.)

REFINERS BEFORE THE HARDWICK COMMITTEE—FREE TRADE OR LOW DUTIES AS A "REMEDY" FOR BEET-SUGAR COMPETITION.

The Sugar Trust officials and allied refiners advocated free sugar before the Hardwick sugar investigating committee and advocated it as a means of crippling or destroying their domestic beet-sugar competitor.

Copious extracts (not mere garbled quotations) of the testimony of these gentlemen before that committee are herewith given. The list comprises:

Edwin F. Atkins, vice president and acting president of the American Sugar Refining Co.; Charles R. Heike, former secretary American Sugar Refining Co.; James H. Post, president National Sugar Refining Co. of New Jersey; William A. Jamison, manager of Arbuckle Bros.; William G. Gilmore, general manager Arbuckle Bros.; Claus Spreckels, president Federal Sugar Refining Co.

Particular attention is directed to the statements of Mr. Post, Mr. Jamison, and Mr. Gilmore, although it would be a mere juggler of words who would pretend that the hostile meaning of either Mr. Atkins, of the Sugar Trust, or of Mr. Spreckels, the "angel" of the Hardwick committee, is any less clear and manifest.

References are to pages of the Hardwick hearings.

EDWIN F. ATKINS, VICE PRESIDENT AND ACTING PRESIDENT AMERICAN SUGAR REFINING CO.

Mr. HINDS. *If we should reduce in this country the tariff on sugar, if we should wipe it out, you say it would almost destroy the cane-sugar industry in this country and the beet-sugar industry?*
Mr. ATKINS. *Why, I think it would, because $1.34 a hundred is a great part of the price, you know.*
Mr. HINDS. And I suppose a reduction of the duty would tend proportionately to check the industry?
Mr. ATKINS. I think that a moderate reduction could be made without any serious injury.
Mr. HINDS. But *if it went beyond a moderate reduction it would check the industry?*
Mr. ATKINS. *It would.*
Mr. HINDS. *If our best beet-sugar and cane-sugar industry was checked, where would we look for the sugar to make up the difference?*
Mr. ATKINS. *Russia is increasing at the rate of about a million tons a year. There are rafts and rafts of sugars all over the world. I think the world's production is 17,000,000 tons.*
Mr. HINDS. Where should you say we would get it? Would Cuba be able to furnish part of it?
Mr. ATKINS. Cuba would increase somewhat. Java, probably, would be the country to make up the deficiency.
Mr. HINDS. What would they send to us—what kind of sugar?
Mr. ATKINS. They send sugar that tests about 96, the same as the Cuban sugars.
Mr. HINDS. That would be raw sugar?
Mr. ATKINS. Raw sugar.
Mr. HINDS. How would that get to the American people? That would come to New York to be refined, or to New Orleans, would it?
Mr. ATKINS. To all of the Atlantic ports and Gulf ports; yes.
Mr. HINDS. And there it would be refined?
Mr. ATKINS. Yes. Every year, now, we import Javan sugars late in the season, after the Cuban sugars give out.

Mr. HINDS. That is, there would be a considerable increase of the cane sugar to take the place of the beet sugar that would go out under a lowering of the tariff?

Mr. ATKINS. If you wiped out the domestic production.

Mr. HINDS. Yes; or if you checked it?

Mr. ATKINS. Yes; if you seriously checked it.

Mr. HINDS. Yes.

Mr. ATKINS. But a moderate reduction would not check it.

Mr. HINDS. So that a serious check to that industry by lowering the tariff would tend to increase greatly the business of the refining companies?

Mr. ATKINS. It would increase the business of the refining companies.

Mr. HINDS. So that a reduction of the tariff passing beyond a moderate amount would tend to the prosperity of the refiners and to the detriment of the beet-sugar people?

Mr. ATKINS. Take the independent refiners, outside of our concern at all, that represent more than half the supply of the United States. They say, and I think they say truly, *that it is for the refiners' interest to have a low rate of duty rather than a high rate of duty*, and reduce the basis of value upon which they can sell. The lower the price of the refined sugar the greater is the consumption. I think their position is well taken. (Pages 173–174.)

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CHARLES R. HEIKE, FORMER SECRETARY AMERICAN SUGAR REFINING CO.

Mr. FORDNEY. Now, *if the duty were removed absolutely on sugar could we produce either cane or beets in this country?*

Mr. HEIKE. *I doubt it very much.*

Mr. FORDNEY. *Then, that would destroy the industry absolutely in this country?*

Mr. HEIKE. *Yes.*

Mr. FORDNEY. *And you would approve of that?*

Mr. HEIKE. *Yes.*

Mr. FORDNEY. As a refiner and an importer of raw sugars, you would approve of that?

Mr. HEIKE. As a private citizen; yes.

Mr. FORDNEY. But as a manufacturer?

Mr. HEIKE. Yes; but I would take 20 years to do it in. Louisiana, for instance, would have to grow cotton and stop growing sugar cane (p. 292).

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JAMES H. POST, PRESIDENT NATIONAL SUGAR REFINING CO. OF NEW JERSEY.

Mr. SULZER. *Do you consider the beet-sugar industry a competitive industry?*

Mr. POST. *It certainly is; yes, sir.*

Mr. SULZER. The beet-sugar prices and the cane-sugar prices are about the same?

Mr. POST. About 10 cents a hundred difference only. That is a condition that has arisen from custom for a great many years.

Mr. SULZER. It is so small that it does not amount to anything to the consumer?

Mr. POST. No; but it amounts to a good deal to the manufacturer.

Mr. SULZER. I am especially interested in the consumer.

Mr. POST. Yes; but he is not worrying about the price he pays for sugar.

Mr. SULZER. The consumer is not?

Mr. POST. No; he is not.

Mr. SULZER. Why do you say that?

Mr. POST. Because the price has been so terrifically low for years as compared with the cost of producing it.

Mr. SULZER. Do you mean to say that the consumers of this country are satisfied with the prices they are paying to-day for sugar?

Mr. POST. They seem to be.

Mr. SULZER. You have not heard any complaints?

Mr. POST. Not where I come from; no.

Mr. SULZER. You have heard no complaints at all?

Mr. POST. No.

Mr. SULZER. If you were a Member of Congress you would hear complaints, I think.

Mr. POST. If Congress did not need the revenue from sugar. That is a different proposition. But they have to have it from something, and sugar seems to be the thing that has paid a part of it for a great many years. *As far as I personally am concerned, I would like to see free sugar.* As we look at the country at large, however, I think it would be a very unfair proposition.

Mr. SULZER. But you do say that free sugar would give the people of the country sugar at least a cent a pound cheaper?

Mr. POST. Oh, yes; that is, 80 cents to each person throughout the country every year (p. 527).

Mr. Post, it may be noted, gave the qualification to his testimoney which enables members of the Hardwick Committee and others to deny that the Sugar Trust officials or its allies advocated free sugar. Mr. Post said: "As far as I am personally concerned I would like to see free sugar." Seizing upon the use of the word "personally" Members pretend that Mr. Post does not speak with authority. How anxious they are to escape the appearance of acting in this matter in a way pleasing to the Sugar Trust. Of course nobody will be so obtuse as to contend that if Mr. Post and his refining interests were not anxious for free sugar he would "personally" suggest anything that could be distorted into free sugar.

WILLIAM A. JAMISON, MEMBER OF ARBUCKLE BROS.

Mr. RAKER. You people are not affected in any way by the sugar-beet industry in the West, are you? Leave out Michigan to start with. I mean out in Utah, Colorado, and California.

Mr. JAMISON. We are only affected so far as they come East to interfere with the distribution of sugar in the fall and spring. They come pretty well east.

Mr. RAKER. Are you in any wise affected by the cane-sugar people in Louisiana and Texas, so far as prices are concerned?

Mr. JAMISON. We are a competitor with New Orleans.

Mr. RAKER. To what territory?

Mr. JAMISON. Chicago is the principal point.

Mr. RAKER. The Louisiana cane sugar goes to Chicago?

Mr. JAMISON. Yes; at times.

Mr. RAKER. There is not much, though, is there?

Mr. JAMISON. I think the rate is the same to both points. Cincinnati——

Mr. RAKER. Michigan sugar, you say, competes with yours in New York?

Mr. JAMISON. Yes; the Michigan sugar has been down to New York State and all through there. It has interfered with us very largely in sales in Ohio and Pennsylvania.

Mr. RAKER. And West Virginia?

Mr. JAMISON. Yes.

Mr. RAKER. *How would it affect you if there was no tax on the importation of sugar—raw sugar?*

Mr. JAMISON. *I think it would enable us to run more constantly.*

Mr. RAKER. *What do you mean by that, now?*

Mr. JAMISON. *To keep up the capacity.*

Mr. RAKER. *Will you explain it?*

Mr. JAMISON. *I mean we would be able to sell more sugar.*

Mr. RAKER. *Do you not have a supply all the time?*

Mr. JAMISON. *Well, we are not able to run full at all times.*

Mr. RAKER. *Because of the way raw sugar is shipped into the United States?*

Mr. JAMISON. *Oh, no; on account of the beet product. If there was no duty, I do not think the beet would be so prosperous and we would probably sell more sugar. If the duty was removed, I mean to say.*

Mr. RAKER. *Suppose the duty was taken off. Where would the beet-sugar man land?*

Mr. JAMISON. *Some of them, I suppose, would still be able to compete. Others would have to——*

Mr. RAKER. Have you investigated that subject so as to be able to inform the committee on it from a fairly close analysis of the matter?

Mr. JAMISON. No; I hardly think I could give you much information on that subject.

Mr. RAKER. You are not prepared to give us any?

Mr. JAMISON. No.

Mr. RAKER. You do not know whether that is simply a clear bonus or not, and whether or not they could get along just as well without it as with it, do you?

Mr. JAMISON. I do not think they could.

Mr. RAKER. You do not think they could?

Mr. JAMISON. No, sir.

Mr. RAKER. Have you anything on which you could base that statement? I am seeking information. Of course, several men have said so, but when you get right down to asking them to explain it, they say, "You can not do it, because you can not." That may be a good explanation, but it never appeals to me very strongly.

Mr. JAMISON. I do not think I could give any information that would be authentic or that would help the committee in any way.

Mr. RAKER. Then we shall have to leave it at that. Do you know anybody that could?

Mr. JAMISON. I guess a good many beet-sugar men would be able to give you all the inside information you want.

Mr. RAKER. But that comes from an interested source, you know. I wanted some one who had made a study of the sugar business but was not interested in that particular line.

Mr. JAMISON. Well, we certainly believe that they do need the protection that they have to-day.

Mr. RAKER. Well, from your investigation and analysis of the subject, from a clean-cut business point of view, considering not only the manufacturer, but the consumer—and I think both of them ought to be treated fairly—with that idea in view, what would you think would be a fair compensation?

Mr. JAMISON. I think there should be a cent a pound taken off at the present time at least; and later——

Mr. RAKER. A little more?

Mr. JAMISON. Yes; until it is entirely removed.

Mr. RAKER. Can the sugar-beet men come back and say that you make this statement because you are not interested in the beet-sugar industry, and therefore are prejudiced against them?

Mr. JAMISON. I do not think that would be the correct way of putting it.

Mr. RAKER. I put it strongly in that way, so as to give you a chance to explain it. That is the reason I do that.

Mr. JAMISON. *An industry that does not promise to be able to take care of itself, as I have gathered from them they would not be, with free sugar is not worthy of saddling on the American people to the extent of the enormous amount they have to pay in the way of duties.*

Mr. RAKER. You mean, then, that the American consumer is paying entirely too much for giving a few men an opportunity to be engaged in one small business?

Mr. JAMISON. That is exactly it.

Mr. RAKER. Do I use that word offensively in any way.

Mr. JAMISON. No.

Mr. RAKER. Is it small compared to the amount of sugar produced and used?

Mr. JAMISON. About 450,000 tons, approximately, I guess. (Pages 1195–1197.)

It may be said for Mr. Jamison that he did not speak "personally" or as an "individual." He simply advocated free trade as a means of killing off beet sugar and permitting the poor, harassed, cane-sugar refining trust a clear field, and the ultimate enlargement of its ability to plunder the consumer. Surely, in the case of the Sugar Trust one may ask, Can any good thing come out of Nazareth?

WILLIAM G. GILMORE, GENERAL MANAGER ARBUCKLE BROS.

Mr. MADISON. *I was very much interested in your expression awhile ago that the beet-sugar people got into the New England trade at one time*, and while the gentleman minimized it, you seemed to feel that they caused some damage. When was that, and what was the extent of the injury?

Mr. GILMORE. *The actual injury was not as great, perhaps, as the fright.* It was an unheard-of condition, and we thought an untoward condition. If they had margin enough to land and absorb the differential in freight and bring it from the source of its production into New England, we thought that was a very fat margin that would stand that.

Mr. MADISON. What effect did it have on prices?

Mr. GILMORE. It did not have any effect, except that it displaced that much eastern sugar.

Mr. MADISON. *Suppose, as a matter of fact, they get to a point where, instead of producing about 600,000 tons of sugar a year, they actually produce a million and a half tons of sugar, what effect would that have?*

Mr. GILMORE. *It would shut down most of the eastern refineries for a part of the season.*

Mr. MADISON. *You would have to quit the business?*

Mr. GILMORE. *Yes.*

Mr. MADISON. Then, as a matter of fact, do you regard them as a very serious element of competition in this country?

Mr. GILMORE. As they are now protected?

Mr. MADISON. As they are now protected.

Mr. GILMORE. Yes.

Mr. MADISON. Suppose we just went to work and took the duty off, then what would occur?

Mr. GILMORE. There would be cheaper sugar.

Mr. MADISON. What would be the effect as to you people—beneficial or otherwise?

Mr. GILMORE. It would be beneficial insomuch that we would have only about half the money invested in the job.

Mr. MADISON. *It would be beneficial inasmuch as it would destroy the beet-sugar people?*

Mr. GILMORE. *It would keep them at home.*

Mr. MADISON. Keep them in a limited locality?

Mr. GILMORE. Yes.

Mr. MADISON. And leave the field to you people that is naturally yours, as you feel?

Mr. GILMORE. Our natural field; yes.

Mr. MADISON. In other words, you feel that all east of the Mississippi River, where they can not very well produce sugar beets, is the natural field of the cane-sugar refiner, while the plains and Mountain States, where conditions are favorable to the production of beet sugar, is the natural field for the beet-sugar people?

Mr. GILMORE. Yes; I think so.

Mr. MADISON. And you think they ought to stay there?

Mr. GILMORE. I do not object to their coming on as they are able to do on a commercial basis, but when they come with hothouse protection and invade my territory, I do not like it.

Mr. MADISON. That is the thing that causes you a feeling of resentment against them?

Mr. GILMORE. *Of course I would feel that way about it; yes.*

Mr. MADISON. *In other words, you think the thing to do is to take off the duty, and that it would be to your advantage to take it off as a refiner of cane sugar?*

Mr. GILMORE. *Yes, sir.*

Mr. MADISON. *And you would advocate the taking off of the duty?*

Mr. GILMORE. *I would personally. I am only speaking now personally.*

Mr. MADISON. *Oh, certainly.*

Mr. GILMORE. *I am not involving any other of my associates in business.*

Mr. MADISON. *Certainly; I understand that. You are answering as one student of the proposition.*

Mr. GILMORE. *As an individual; yes, sir.*

Mr. MADISON. That would leave these people in their territory and would leave you east of the Mississippi River in possession of the field?

Mr. GILMORE. Yes. (Pages 1168–1169.)

Mr. Gilmore, general manager of the Arbuckle's refineries, one of the closest allies of the Sugar Trust, it will be observed, also spoke "personally" and as an "individual" in favor of free sugar, from which fact, as in the case of Mr. Post and others, the Hardwick committee and others are able to say the trust is not in favor of free sugar:

CLAUS SPRECKELS, PRESIDENT FEDERAL SUGAR REFINING CO., YONKERS, N. Y.

Mr. HINDS. Now, Mr. Spreckels, it was testified in Washington that the movement for lowering the tariff on sugar, the movement which is going on now and in which you are interested, that your company had expended $12,000 for literature, etc.

Mr. SPRECKELS. Possibly. I do not know what the amount is. I dare say we have.

Mr. HINDS. I am not criticizing that expenditure. If you have a belief in a certain policy as beneficial to a certain industry, it is perfectly legitimate for you to propagate that idea and the arguments which sustain it. What I want to get at is this: Whether or not your willingness to take trouble and expense in this matter—what the object of that is? Why do you go to so great an expense to accomplish it?

Mr. SPRECKELS. Because it has an advantage in many ways.

Mr. HINDS. To the cane-refining business?

Mr. SPRECKELS. *And ultimately to the consumer.* Now, if I may answer the question——

Mr. HINDS. Yes.

Mr. SPRECKELS. It gives a larger market not alone for ourselves, but for the beet industry and everybody else.

Mr. HINDS. Now, what I want to get at is, I think we are all interested that the consumer should get sugar as cheaply as possible, consistent with such demands as the Government may have for revenue. What we want to get at is in what method he is going to get sugar the cheapest in the long run.

Mr. SPRECKELS. Well, my answer to that is, *remove the tariff absolutely.*

Mr. HINDS. Yes; but what I want to get at is this: Whether in doing that you are having in mind a judicious consideration of the interests of the consumer in the long run or whether, possibly, you may not be a little swerved, as we all are, by this imminence of the danger to the cane-sugar industry?

Mr. SPRECKELS. Cane sugar down in Louisiana?

Mr. HINDS. Danger to cane-sugar refining in your refinery and other similar refineries, whether or not you may feel that cane-sugar refining in the United States is menaced as it is in Europe or has been in Europe. It is nearly obsolete there now.

Mr. SPRECKELS. In other words, you want to find out the motive that inspires me?

Mr. HINDS. I think, perhaps, that would be a proper subject of inquiry.

Mr. SPRECKELS. Very well; I will tell you. The larger and the more we can refine, the cheaper the cost per unit. We have less capital invested. We have capital, practically half of it, tied up in tariffs. The interest on that money is worth something, and all that will be eliminated, and we can produce double the quantity with the same capital then that we can now.

Mr. HINDS. Well, that is a legitimate business interest.

Mr. SPRECKELS. And ultimately, the consumer gets the benefit of it.

Mr. HINDS. Now, what I would like to get at, Mr. Spreckels, is whether the Sugar Trust sympathizes with you in this matter—whether they are with you in this view and idea.

Mr. SPRECKELS. I do not think they are. I do not know

Mr. HINDS. Have you had any consultation with any of them?

Mr. SPRECKELS. I have talked in a general way, but I do not think they and I agree. I have talked with Mr. Atkins about it. He is the only man I have talked with.

Mr. HINDS. Well, Mr. Atkins is favorable to a reduction of the duty on sugar?

Mr. SPRECKELS. I do not think quite in the same way I am.

Mr. HINDS. In other words, perhaps *you would take it all off, would you not, and have free trade?*

Mr. SPRECKELS. *I would have free trade.*

Mr. HINDS. *You would have free trade in sugar?*

Mr. SPRECKELS. *Absolutely.* (Pages 2276–2278.)

SPRECKELS, THE ANGEL.

Mr. Spreckels may be considered the "angel" of the Hardwick committee, the chairman of which piloted the Ways and Means Committee of the House through the tangled labyrinth of sugar tariff reduction into the clear footing of free trade. Mr. Spreckels it was that financed the propaganda for free trade that ultimately brought in many yellow petitions signed by John De Jesus Galegos and others.

While the sugar-refining business in the United States has been nearly as crooked as the moonshine whisky industry, Mr. Spreckels has remained pure and undefiled, and now appears in the guise of the one altogether unselfish and philanthropic sugar refiner, who is deeply concerned, not so much for his own profit as for the pocketbook of the consumer. It will be noted, however, that free trade will only be an "ultimate" advantage to the consumer. Says Mr. Spreckels, "And ultimately to the consumer. Why "ultimately"? Why will not free trade be an immediate advantage to the consumer? Is it possible Mr. Spreckels, the one pure, clean, unselfish, philanthropic cane-sugar refiner, proposes to recover all his expense money before slicing the melon with the consumer? According to Mr. Spreckels, the poor "ultimate consumer" will "ultimately" derive an advantage from free sugar. Obviously Mr. Spreckels does not contemplate anything rash in the way of knocking the bottom out of the sugar market, else the ultimate consumer, being always at the bottom himself, would get in on the ground floor and begin absorbing benefits even before the philanthropic Mr. Spreckels and his fellow refiners.

Obviously, also, Mr. Spreckels, in saying that he did not think the Sugar Trust sympathized with him in his free-sugar ideas, was in ignorance of the same views, already expressed to the Hardwick committee by Mr. Jamison, of the Arbuckles; Mr. Gilmore, of the Arbuckles; Mr. Heike, of the American; Mr. Post, of the National, as well as Mr. Atkins, of the American—all Sugar Trust officials and its allies, and all of them for free sugar.

BEET SUGAR NOT TRUSTIZED.

Fifth. The alleged saving of $107,000,000 per annum will not be passed on to the consumers. One-half of this sum must be taken out of their pockets in some form of taxation to replace the lost sugar revenues and so much of the other half will be absorbed by the cane-sugar refiners, no longer hampered by beet-sugar competition and by the middlemen, that the minor portion net to the consumer may be fully offset and more by the loss of the domestic beet-sugar supply, to say nothing of the loss of that industry, which is yet only in its infancy in this country.

Sixth. The Hardwick committee reported, and I quote the report:

> That the evidence as taken does not disclose combinations between manufacturers in the beet-sugar industry that have caused or had a tendency to cause a decrease in the cost of sugar beets—

Which means that the farmer is getting paid for his beets; and the alleged showing of the committee that the beet-sugar industry is trustized consists of the following mathematical legerdemain, to wit: The Sugar Trust owns 41 per cent of the stock of those beet-sugar companies that produce 54 per cent of all the beet sugar in the United States.

The Sugar Trust, therefore, controls only about 20 per cent of the total beet-sugar output in the United States, and it is not trustized even under Mr. Bryan's trust plank in the Democratic national platform in 1908, which provides that a corporation shall—

> take out a Federal license before it shall be permitted to control as much as 25 per cent of the product—

And shall be prohibited from controlling more than 50 per cent of the total amount of the product consumed.

But may I inquire, even though the Sugar Trust had a monopolizing control of the American sugar market, is your remedy the destruction of the trust, or the destruction of the domestic sugar industry?

And where is your justification, and where is the benefit of striking down the wholly independent beet-sugar companies producing one-half of the domestic beet sugar, which companies, in the language of the Hardwick report, "are real competitors of the American Sugar Refining Co."?

HARDWICK REPORT ANALYSIS—CONCLUSION DISPROVED.

The pending bill, being the aftermath of the Hardwick report, I want to give some attention to a report which has played such an important part in this tariff legislation.

It is claimed in the Hardwick report that—

The influence of combination upon the price of refined sugar must be found in the margin between the price of raw sugar and that of refined sugar.

At this point in my remarks I shall insert an analysis of the figures set out on pages 16 and 17 of the Hardwick report in support of the statement I have just quoted, which analysis will clearly show that the figures quoted in the report instead of proving the contention of the report absolutely disprove it. I lay stress upon this analysis because this section of the Hardwick report has been incorporated bodily in the majority report of the Ways and Means Committee, appearing on pages 7 and 8 of that report, and the statement and figures of the Hardwick report is strongly relied upon in the Ways and Means report in support of free sugar.

But in passing let me direct your careful attention to a few of the figures which disprove the proposition said in the Hardwick report and in the Ways and Means report to be proven by them.

The Hardwick report, on page 16, says:

In the four years preceding the formation of that organization—the Sugar Trust—severe competition among the refiners had reduced it—the margin between raw and refined sugar—to an average of 79.6 cents per hundred. In 1885 it was 71.2 cents, and in 1886 it was 78.1 cents per hundred pounds. In 1887, prior to the formation of the trust, 76.8 cents.

Now, mind you, this was in the years preceding the formation or organization of any refiners' trust or combine, and was in the language of the report itself, in the era of "severe competition among the refiners."

Yet, turning now to page 17, and to the year 1909, when trust control had become supreme, even including a sufficient control of the leading beet-sugar companies to support the committee's proposition that this industry is trustized, we find that in that year of grace the margin between raw and refined sugar was only 75.8 cents, that in 1910 it was 74.8 cents, and that in 1911 it was only 89.2 cents, an average of 80.9 cents, as against 75.4 for the antetrust period.

In other words, an analysis of these figures shows that in the era before the Sugar Trust was organized and during a time of severe competition among refiners, and in the present era, when the industry is so trustized that it can only be cured by free trade, the marginal difference of prices between raw and refined sugar was absolutely the same.

But let us look even closer at these figures. In 1886 it was 78.1 cents per hundred pounds and in 1910 it was 78.4 cents per hundred pounds. Further analysis of these figures is unnecessary. You can take the three years preceding the first formation of a sugar combine and you can take the three years preceding the present year of 1912 and you will find, so far as the contention of the committees based on these figures is concerned, *an absolutely fatal lack of material difference.* I shall, however, for the sake of simplifying the study of them in the RECORD, set down each of these three-year periods in parallel columns:

1885	71.2	1909	75.8
1886	78.1	1910	78.4
1887	76.8	1911	89.2
Average	75.4	Average	80.9

Or a microscopic and wholly negligible difference of 5½ cents per hundred pounds.

Nor are the committee's explanations or lack of explanations as to variations that actually did occur altogether satisfactory. For instance, the drop in the marginal differences between raw and refined sugar for the years 1898, 1899, and 1900 are attributed to a sugar war between Arbuckles and the Sugar Trust, but no explanation is given for an almost equally marked falling in marginal differences in 1894 and 1895, following the absorption of the Philadelphia independents by the Sugar Trust.

Nor is any reference made to any of the extraneous causes which may have affected the sugar market, such as war, big crops, short crops, and so forth.

The Hardwick report also says, and it is quoted in the Ways and Means report:

It is worthy of note in connection with the figures for the years 1904 to 1909, inclusive, during which the refiners' margin ranged lower, with the exception of the year 1905, than the years immediately preceding them, that the American (the trust) was subjected to the active and progressive competition of independents.

Now, then, may I inquire if the "active and progressive competition of independents" held the margin in 1909 down to 75.8 cents per hundred, what held it down in 1910 to 78.4 cents? And what held it down in 1911 to 89.2 cents? The report saith not.

But these are not the only regards in which this feature of this report falls short. Why the committee saw fit to begin at the year 1885 I do not know, but I do know that the marginal differences between raw and refined sugar for a period of years prior to that year were greater than any that have occurred since that year, the differences being:

	Cents per hundred.
1879	1.88
1880	1.92
1881	2.08
1882	2.06
1883	1.86
1884	1.46

I know there is a Sugar Trust. I know there is a Sugar Trust which has robbed the Government and the people of the United States, and which dictates prices both to the producers and the consumers of sugar, and that it has been aided in its career of oppression and extortion both by excessive tariffs and by tricks and jokers in the law. But when a committee undertakes legislation vitally affecting the national revenues and a great national industry and bases its action upon statistics, then I say it ought to quote all the figures and properly analyze them.

The following are the years and marginal differences given in the Hardwick report, arranged in tabular form and followed by the reason given in the report for such variation:

Variation of margin in raw and refined sugar.

Year.	Marginal difference.	Reason.
1885	0.71½	No trust.
1886	.78	Do.
1887	.76⅝	Do.
1888	1.25	Refiners trust organized.
1889	1.20½	
1890	.72	Spreckels's competition.
1891	.82½	
1892	1.53½	Philadelphia independents bought up.
1893	1.15½	
1894	.83	Why this drop?
1895	.88½	Do.
1896	.90½	
1897	.94⅝	
1898	.73	Arbuckles' competition.
1899	.50	Do.
1900	.75½	War letting up.
1901	1.00½	Peace with Arbuckles.
1902	.91½	Beet sugar competition.
1903	.91½	Do.
1904	.79½	Competition of independents.
1905	.97½	Do.
1906	.....	Omitted.
1907	.....	
1908	.88½	Competition of independents.
1909	.75½	Do.
1910	.78½	
1911	.89½	

EFFORTS OF THE SUGAR TRUST TO DESTROY AND CONTROL BEET SUGAR.

I am well aware of the fact that the majority wish and intend this bill to be considered by the great mass of the people in this country as an attack in their behalf upon the Sugar Trust. I am aware of the further fact that this view is taken of this bill by some of my own constituents, and I have read in the public press of my own State the bald assertion that the Sugar Trust was the sole beneficiary of the tariff. So that opposition to this bill may put one in the false attitude of opposing legislation aimed at the Sugar Trust.

I have already incorporated in my remarks the testimony of Sugar Trust officials and refiners before the Hardwick committee in favor of free trade in sugar, and the testimony of the refiners showing that they all regard beet sugar as a strong, dangerous, and growing competitor.

I have already referred to and proven the fact that the petition propaganda for free sugar was instigated, carried on, and paid for by cane-sugar refiners.

And I shall insert here the summarized findings by the Hardwick committee of the repeated efforts of the Sugar Trust to destroy its beet-sugar competitor. I am at a loss to understand how any member of that committee can vote for free sugar. He must do it knowing that he is playing into the hands of the Sugar Trust.

BEET-SUGAR OPERATIONS OF THE SUGAR TRUST.

[Copied verbatim from Hardwick report.]

(9) The trade war waged in September, 1901, by the American Co. and its allies upon the beet-sugar companies in order to obtain control of them and destroy competition.

(10) The appointment, in December, 1901, by the directors of the American Co. of a committee of four, consisting of Messrs. Havemeyer, Thomas, Palmer, and Donner, for the express purpose of acquiring a large interest and influence in the beet-sugar interests of the United

States, the beet-sugar factories having by that time become serious competitors of the cane-sugar refiners.

(11) The purchase by the American Sugar Refining Co., in December, 1902, of $7,500,000 of the capital stock of the American Beet Sugar Co. This has since been sold.

(12) The contract of December, 1902, between the American Sugar Refining Co. and the American Beet Sugar Co. by which the latter company constituted the former its factor or agent for the disposal of its product, agreeing to "avoid the markets of the Refining Co." This agreement has not been in force since 1905.

(13) The agreement in August, 1894, between the Western Beet Sugar Co. and the Western Sugar Refining Co. (American) by which the beet-sugar company agreed to cease to manufacture and sell refined sugar and to manufacture raw sugar only, which the refining company agreed to buy.

(14) The purchase in 1897 by the American Sugar Refining Co. of one-half of the capital stock of the Spreckels Sugar (beet) Co. of California.

(15) The purchase of large blocks of stock from 1902 to 1906 by the American Sugar Refining Co. in the Michigan Sugar Co.

(16) The acquisition by the American Sugar Refining Co., between 1902 and 1906, of large interests in the Great Western Sugar Co., a corporation under the laws of New Jersey, which is influenced by the American Co., through its stock ownership therein.

(17) The acquisition by the American Sugar Refining Co., in 1901, 1902, and 1903, of one-half interest in "The Utah-Idaho Sugar Co."

(18) The purchase by the American Sugar Refining Co., in 1902, of one-half of the capital stock of the Amalgamated Sugar Co.

(19) The acquisition, in 1903, by the American Sugar Refining Co. of a large interest in the Lewiston (Utah) Sugar Co., a projected competitor.

(20) The purchase, in February, 1903, by the American Co. of a large interest in its competitor, the Alameda (Cal.) Sugar Co.

(21) An unlawful agreement of February 19, 1903, between the Alameda Sugar Co. and the American Sugar Refining Co. by which the former company constituted the latter company its factor or agent for the disposal of its product, agreeing to "avoid the markets of the refining company."

Indeed, it seems to us that from its organization, on January 10, 1891, until 1907, at least, almost every step in the industrial development of the American Sugar Refining Co. was a well-considered part of a carefully planned campaign to secure and maintain a monopoly in interstate trade in sugar, to obtain complete control thereof, and *to forestall, destroy, or weaken competition therein.* Since 1907 new influences have controlled the company, and the testimony does not show a continuation of the policy in investing in competing concerns, but does show that some of the properties previously acquired have been sold.

HOW THE FREE-SUGAR BILL AFFECTED SUGAR-TRUST STOCKS.

But I want now to direct special attention to facts which expose the utter fallacy of any pretense that this legislation is aimed at the Sugar Trust or is regarded by the Sugar Trust or the investing public with any apprehension whatever.

It has been said in explanation of the secrecy in which this bill was evolved, that it was desired to avoid disturbance on the stock exchange, and that this was the reason this proposed legislation was not made public until 5 o'clock p. m., the hour of the convening of the caucus. One would think that as a result of this terrific and unprecedented attack upon the Sugar Trust they would be throwing Sugar Trust stocks into New York Harbor. But what are the facts?

The facts are these—and I quote from the reports of the New York Stock Exchange in the Washington daily papers—the facts are these:

That when the New York Stock Exchange closed on Friday, March 1, 1912, which was before the hour this trust-busting piece of legislation was thundered into the ear of a startled world, the stock of the American Sugar Refining Co. closed at 118½; and that on the following day, to wit, Saturday, March 2, 1912, after this wreck of matter and crash of worlds, the stock of the American Sugar Refining Co. opened on the New York Stock Exchange at 118⅝, an advance of one point. This stock closed on March 9, one week after the publication of this bill at 118½, and on March 12 it reached 119⅝.

On March 14, 1912, the day before the passage of the free-sugar bill in the House of Representatives and while the bill was under debate and when it was known to a certainty that it would pass by an overwhelming majority, the stock of the American Sugar Refining Co. reached 123½ on the New York Stock Exchange, *which was the highest point reached by that stock during the years 1911 and 1912.*

The highest point reached by the stock of the American Sugar Refining Co. during the year 1911 was 122½ per share.

The highest point reached by the stock of the American Sugar Refining Co. during the year 1912 and prior to Sunday, March 10, 1912, was 120⅝.

By March 14 it had jumped to 123½, as stated.

Between the time, therefore, of the closing of the New York Stock Exchange on March 1, 1912, an hour before the publication of the free-sugar bill, and March 14, 1912, the day before its passage, the stock of the American Sugar Refining Co. advanced from 118½ to 123½, an increase of $5[1] *per share.*

So this proposed legislation is busting the Sugar Trust like the Supreme Court busted the Oil and Tobacco Trusts, by increasing the market value of their stocks.

[1] NOTE: During the last week of March, 1912, this stock reached 129½, an increase of $11 per share.

Some severe things will be said about this proposed legislation, but nothing so crushing and unanswerable as the stock quotations of the concern at which this legislation is supposed to be aimed. And it is no exaggeration to say that if the pending bill simply provided for the removal of the Dutch standard and nothing else, it would give vastly greater concern to the Sugar Trust than the proposition to wipe out not only the Dutch standard and all other tests, but the tariff as well.

SOME ADDITIONAL REASONS ASSIGNED IN FAVOR OF FREE SUGAR AND ANSWERS THERETO—THE LARGE PROFIT IN SUGAR BEETS.

The alleged large profits in the raising of sugar beets is one of the reasons advanced why sugar can go upon the free list without destroying or badly crippling the domestic beet-sugar industry. I have already referred to the specific finding of the Hardwick committee that—

> The evidence as taken does not disclose combinations between manufacturers in the beet-sugar industry that have caused or had a tendency to cause a decrease in the cost of sugar beets.

I have commented upon this finding as indicating that the farmer gets a fair price for his sugar beets. This was the testimony before the committee of Mr. John H. Riley, of Fowler, Colo., Mr. John W. Edgar, of Rocky Ford, Colo., and other beet-sugar raisers in Colorado, who stated that they had no interest whatever in any beet-sugar company. It is true that the fact that farmers, according to the testimony of these witnesses, receive a fair price for their beets is largely due to organized or independent efforts among the farmers themselves, who by reason of the rich and varied crop possibilities of their land may profitably raise other than sugar-beet crops, and who, therefore, are able to negotiate for a fair price for their sugar beets and enforce the same.

Now, these gentlemen testified, and so did other witnesses in the same line, that after paying out $35 and $40 per acre in the production of sugar beets they received $75 or $80 for the product, leaving a net profit of $35 or $40 per acre, and there is some testimony in the hearings showing that sugar-beet farmers have realized more than $50 per acre for their output.

But what Members do not understand is the very limited tracts or areas owned by the beet-sugar farmers and upon which this plant is produced. They do not understand that one man probably could not cultivate and entirely care for more than 5 or 6 acres of sugar beets in a season, which, even at $50 per acre, would yield him very little for his year's work. They do not understand that sugar beets must be produced by hard scientific work and with the aid of floating labor, going from field to field, and that after two or three or four such crops there must be a rotation of crops. To one who knows there is much that is very deceptive in this seeming large profit in sugar beets; there is much hazard in the raising of them; and, taking the proposition by and large, many deductions must be made to arrive at the true profits of the business.

BEET SUGAR AS AN "EXOTIC."

In the same speech in which the foregoing argument is found will also be found the paradoxical statement that beet sugar is an exotic in this country; that it does not belong here; that it is not indigenous; that it is a hothouse proposition, fostered by high tariffs at too great an expense to the American people. The cane lands of the Tropics—of Java and the West Indies and Hawaii and the Philippines—will be described as the natural sugar-producing regions of the earth. Let nature have its own is the substance of this plea.

Yet on page 19 of the Hardwick Report appears the following:

> In the year 1910 the world's production of sugar was almost 17,000,000 tons. Of this amount almost one-half (49.5 per cent) was cane and just a little over one-half (50.5 per cent) was beet sugar.

Europe alone produced 8,000,000 tons of beet sugar. Furthermore, beet sugar is rapidly overtaking and forging ahead of cane sugar. Investigations and reports of the Department of Agriculture show that the United States possesses more than 200 times the beet-sugar land of Europe. In the face, therefore, of all the facts, and I have barely touched upon them, the argument that beet sugar is an exotic falls to the ground. I believe the time will come when the United States will produce its own sugar, and that the time may come when it can produce it without the assistance of a bounty from the Government, but that time, in my judgment, has not yet come.

And there is absolutely no reason in statesmanship or economy why sugar should not bear some of the burdens of government, *as it has done throughout the entire history of this Government, and as it does in every civilized government on earth,* especially when a moderate tax upon it will materially assist in sustaining a national industry, which is an item of great value in the national economy.

DOMESTIC SUGAR CAN NOT WITHSTAND FREE TRADE.

It has been well said that no man ever makes a tariff argument without contradicting himself, and it may be especially noted in the sugar tariff debates that Members blow hot and blow cold with the same breath. In one moment a Member will exclaim that the farmers are making too much money out of sugar beets, and in the next moment he will exclaim that the sugar beet is an exotic, not suited to the conditions in this country. The Member will also make it equally clear in one and the same breath that the large profits of the beet growers and beet manufacturers indicate that they can still profitably continue in business under free sugar, and that the cost of production here is so high that in the general interest the gates ought to be thrown down and the industry swept away in the flood of free sugar. That it would be so swept away there can be little doubt.

The Hardwick report contains the following figures on the cost of beet-sugar production in the United States:

	Per hundred.
Michigan Sugar Co	$3.48
Great Western Sugar Co. (Colorado)	3.43
Billings Sugar Co	3.49
Scottsbluff Sugar Co	3.85
Amalgamated	3.05
Lewiston	3.03
Utah-Idaho	3.53
Alameda	4.32
Spreckels	2.70
Menominee	4.39
Continental	4.08
Iowa	5.14
Carver County	3.75

An average cost of $3.54 per hundred.

The report then proceeds to state that—

Some territory, best adapted to the cultivation of sugar cane, produces raw cane sugar at a cost of about 1½ cents per pound.

And gives the following figures as the cost of producing raw sugar in the countries named: Java, 1½ cents per pound; Philippine Islands, 84 per cent raw cane sugar, three-fourths of a cent per pound; Cuba, 2 cents per pound. To these figures must be added the cost of refining, which is about one-half cent per pound.

With this cost added, therefore, Java can produce refined sugar at 2 cents per pound and Cuba for 2½ cents per pound and the Philippine Islands for 2¼ cents per pound. There can be little doubt that Cuba and the Philippine Islands can produce refined sugar for less than these figures.

Mr. William L. Bass, a sugar planter of Santo Domingo, testified before the Hardwick committee, with reference to his raw sugar, as follows:

I deliver it for 2 cents to the United States. (P. 3931.)

The Hardwick hearings also show that the cost of producing refined beet sugar in Germany averages about $2.40 per hundred, and the ocean freight rate upon this sugar from Hamburg to New York City is only about 12 cents per hundred. From all of the foregoing it is plain that the refined beet sugars of Europe and the refined cane sugars of the Tropics can be laid down in New York at $2.50 per hundred.

The problem therefore confronting us is a simple one. It is this: CAN THE BEET-SUGAR PRODUCERS OF THE UNITED STATES COMPETE WITH $2.50 PER HUNDRED REFINED SUGAR?

On an average it will require 8 tons of 12½ per cent beets, or 6⅔ tons of 15 per cent beets—and I use these two grades only by way of illustration—to produce a ton of sugar, costing the sugar company in either case between $40 and $45 per ton of sugar content. I believe there are exact figures showing that the per ton cost of beet-sugar content to the manufacturer is at the very bottom $2.20 per hundred, or $44 per short ton of 2,000 pounds. This leaves a margin of 30 cents per hundred between what the sugar in the beet costs the manufacturer, say in Colorado, and the price for which imported refined cane or beet sugar can be laid down in New York. Out of this 30 cents the manufacturer must make a profit on the million-dollar investment ordinarily represented by a sugar plant. He must meet depreciation, improvement, and repairs, and all labor and operating expenses. He must also pay freight rates to his markets. What is the freight rate on sugar from Colorado manufacturing points to Kansas City, to St. Louis, to Chicago? Will less than 50 cents per hundred meet this charge?

It does not entirely meet the situation to say that Hamburg sugar could be laid down in New York for 12 cents per hundred. If Hamburg sugar can be laid down in New York for 12 cents per hundred, it can be laid down in Chicago for 12 cents per hundred. Under foreign steamship and American railroad freight traffic and rate arrangements there would be no such thing as an American railroad freight rate on the imported sugar. I mean substantially speaking. I mean that the railroad freight rate would be a wholly negligible quantity. It is a well-known fact that wool can be shipped from Australia to England and from England back to Chicago cheaper than it can be shipped from Denver to Chicago. Any freight-rate expert could fill pages of such instances. Let no mistake be made upon this proposition. The freight rate would afford very little protection and that of the most uncertain and unreliable character. It is a well-known fact in freight traffic that the local freight and its local rate bear the major burden. If the cost of sugar production at Hamburg and Denver were the same, Denver sugar could never get to Chicago. It could never get to St. Louis. It is doubtful if it could ever get to Kansas City. Under such equality of conditions in the cost of production there would be only a local market for the domestic product, and it would not and could not be produced under such conditions. It would simply be another case of the big outside interests killing off the little local concern. The cane-sugar refiners made this so clear to the Hardwick committee that he who runs may read.

The only tenable ground that can be taken and sustained in behalf of free sugar; the only ground that is taken by its advocates in private and also as publicly as they dare, is that the preservation of the domestic industry is not worth the price; therefore let it perish. It is foolish and assinine to deny this. It is flying in the face of all the figures, and in the face of all the contentions of the advocates of this measure, that with free sugar the market price will instantly drop 1½ to 2 cents per pound. If it does it will close every sugar factory in the United States.

DOUBTFUL BENEFITS.

Even under the Wilson bill raw sugar carried a duty of 40 per cent ad valorem, which, with the price of raw sugar 2 cents per pound on the New York market, would be a duty of 80 cents per hundred, plus a differential duty of one-eighth of a cent per pound, or 12½ cents per hundred on refined sugar. There is no precedent in this country to which to appeal in behalf of this legislation. The only issue presented by this legislation is whether, in the belief that we will get domestic sugar a cent and a half per pound cheaper, we will destroy the domestic supply and throw ourselves wholly upon foreign production and place ourselves under the mercy of the International Sugar Syndicate, which fixes the world's sugar prices and determines not only to what countries shall sugar be exported but in what quantities.

And it is not unlikely that we will repeat the experiment on coffee. It will be remembered that at one time the United States derived a considerable revenue from the tariff taxation of coffee, and as the result of an agitation for the "poor man's breakfast table" coffee was placed on the free list. Immediately Brazil laid a heavy export duty on coffee, and from that day to this, we have paid the revenue in the shape of the increased price caused by Brazil's export tax, and Brazil has collected the revenue. There are export duties on Russian sugar. There may be export duties placed upon other sugars. It is not likely that other countries will overlook the opportunity to get their bit out of the great free-trade market of which they are to be made a present in the United States. So that between export duties, the International Sugar Syndicate, the American refiners, wholesalers, and other middle men, we will eventually find ourselves paying nearly as much for sugar as we do now. But meanwhile the domestic industry will have been stricken down and must go through another slow and painful process of rehabilitation.

Members have asked, what do you fear, if the International Syndicate and foreign countries and the refiners and wholesalers and retailers and other things are going to absorb all of this proposed reduction, so that the price of sugar will remain the same; what have you to fear in such an emergency? A nice catch question, but nothing in it. The damage will be done. The cane-sugar refiners will have stricken down their domestic foe, knowing full well that it can not be rehabilitated in many years. Taken all in all, there is more than a possibility, there is a strong probability that free sugar will not be worth the price. These free things seldom are. In the last Congress we threw hides on the free list. We threw away three millions of annual revenues and the price of leather and all manufactures of leather immediately went up and have remained up ever since. Twenty years ago the coffee that is now selling in the grocery stores of this country for 30 cents per pound could be bought for 10 cents per pound.

REFINERS ENTITLED TO NO CONSIDERATION.

The Ways and Means Committee says the refining interest is the most important factor connected with sugar manufacturing in the United States, and requires primary consideration, whereas it is of no importance and requires no consideration.

What is the cane-sugar refiner? What does he make? What does he produce? What does he contribute to the national wealth? Why, he is nothing more than a sort of middle man. He merely puts the raw sugar through a finishing process, which could be as well given it by the maker of the raw sugar, if it were not for the Dutch standard. What difference does it make to the people of the United States whether the sugar refineries are on the East River in New York or in Habana? It simply makes the difference of a few large plants and their employees. For the Committee on Ways and Means to assign to this handful of sugar refiners and their handful of refining plants the place of first importance and entitled to primary consideration in the American sugar question, evinces a fundamental lack of knowledge on the subject, which is about on a par with its scheme of crushing the Smelter Trust by taking zinc ore, carrying a duty of $20 per ton, and throwing it on the free list. The Smelter Trust will be thankful for small favors. It may be pleaded, however, in extenuation of the action of the committee with reference to zinc, that this product is a necessary of life, and that the poor man is entitled to his daily zinc unburdened by tariff taxation. Zinc is a very large item in the poor man's cost of living. Therefore let it be free. The poor man, it is true, may not be aware of the great burden of zinc taxation he is staggering under; he may not know what a large part of the crushing load of the high cost of living is due to the existing duty on zinc ore; but he shall have his zinc free, whether or no.

HIGH SUGAR AT HOME.

The business practice of sugar manufacturers in shipping their product long distances and there selling it cheaper than at the point of production is a much-used argument against domestic sugar concerns since the pending bill came up. In the estimation of many such a condition is an all-sufficient reason for free sugar.

I remember when I was a boy, living in a small Missouri town, hearing my father complain that the flour ground in the near-by mill could be bought cheaper in St. Louis than at home. I have heard this complaint against home industries ever since. I have heard it said that the apples and peaches grown upon the great western slope of the Rocky Mountains in Colorado could be bought in Denver and elsewhere cheaper than in the orchard towns. I have heard it complained that the fruits of California could be bought cheapest in New York; that the watches of Elgin, Ill., can be bought cheapest in Europe; that the John Deere plow can be bought cheapest in South Africa; that the products of the Steel Trust can be bought cheaper any place in the world than in the United States. There seems to be some universal law of trade productive of these results. I do not know what it is. I simply know it is not the tariff, because if it was the tariff, then I should expect it to be confined only to protected industries and only to subjects of import taxes and only to things coming into the United States from some other country, whereas I find it in all things everywhere and whether taxed or untaxed.

THE REMEDY?

Are the beet-sugar manufacturers making undue profits? Perhaps they are. The advocates of this bill have produced figures to prove that they are.

Are the beet-sugar growers getting too much for their beets? Perhaps they are. The advocates of this bill have produced figures to prove that they are.

Do the sugar makers charge the home folks more for sugar than they charge outsiders? Perhaps they do. And, so far as I am informed, I believe they do.

Is the price of sugar too high? I believe it is, although this is due not to one cause but to many causes. Like the high cost of living generally, it is made up of a multitude of things, whether these things are under high tariff, low tariff, or no tariff, and whether produced in this country or other countries.

All of the foregoing things being true, what are you going to do about it? Close the sugar factories? Is this the remedy? The patient having a number of bad symptoms, must he therefore be killed? Do not take a good slice off the tariff and off the refiners and off the beet growers and off the wholesalers and off the retailers, but just take it all off in one place.

I have studied this question a great deal. I have sought information from every source. I have felt the force and justice of the general demand for substantial reductions in tariff duties and that each industry and each section of the country must contribute to the common cause. And I stood ready to do my part and vote to cause the State I represent and its products and industries to make their just contribution. And when I voted for a reduction of 50 per cent in the duties on raw wool I cast a vote that met with the approval of my conscience, whether it met with the approval of the woolgrower or not, and enabled me with a clear conscience to vote for similar reductions in cotton manufactures, of which my State has none.

But I did not know that when I returned to the regular session of Congress I would be called upon to make contributions as follows: Tungsten, 100 per cent; zinc ore, 100 per cent; zinc pig, 60 per cent; lead ore, 60 per cent; lead pig, 70 per cent; sugar, 100 per cent; and now, in all probability, wool, 100 per cent.

I repeat, I did not know that I would be called upon to make such contributions as these in order that the majority in the House of Representatives would be able to show the country that it was making *average reductions of 35 per cent* all along the line.

And I do not believe that when the record is finally made up I will be called upon, or that my State will be called upon, to make any such contributions. The voice of the West is weak in the House of Representatives. Its numerical strength is small. But elsewhere, and by virtue of that constitutional equality of representation which was intended to guarantee each section of the Republic, and the interests of each section, equality of representation, the matters of which I complain will receive consideration which they have not received here; and when this is done I shall confidently anticipate a result which will not strike down any industry or which will make any industry, by reason of its locality or by reason of the numerical weakness of its representatives, contribute more than its share to the general welfare in order that more widely distributed industries or industries more powerfully represented numerically may contribute less than their share.

Mr. GUERNSEY. Mr. Chairman, during the discussion of the agricultural bill I tried to call attention to the fact that tariff legislation enacted by the majority party so far, as well as proposed legislation, was unfavorable to the agricultural interests of the country. The proposed bill, it seems to me, is against the agricultural interests of the country. It surrenders an important market for American products in Cuba. The Spanish-American War brought us into closer relations with the Cuban people, and as a result a preferential treaty was negotiated which gave the products of the soil of the United States admission into Cuba at 20 per cent under the regular custom rates, and the chief product of Cuba, which is sugar, was admitted to this country at 20 per cent preferential rates as against the world. If this bill passes admitting sugar of the world free, there will no longer be a reason for the continuance of the preferential treaty between this country and Cuba, as the sugar rebate is the Cuban end of the treaty. Since that treaty went into effect our trade with Cuba has doubled. In 1909 we sold there $48,000,000 worth of American products. During the calendar year of 1911 the sales amounted to $62,000,000. The cancellation of that treaty will not only affect the beet-sugar farmer, but it will affect the wheat fields of the West, the products of which go to Cuba in the shape of a million barrels of flour annually. Not only that, but the potato growers of the Northern States, from Maine to the Dakotas, sent in 1910 to Cuba potatoes to the amount of more than a million bushels, and during the calendar year of 1911 they sent to Cuba potatoes to the amount of a million and a half bushels. That does not take into account shipload after shipload of Maine potatoes that went to Cuba and were sold in that market through the port of St. John, New Brunswick. It seems to me that we should not trifle with so important a market.

If we pass this bill, in my judgment, the result will be that we will simply turn a sixty-two million dollar Cuban market over to Canada. Canada is already negotiating with the British West Indies for the purpose of securing the flour trade now controlled by the United States in those islands, amounting to millions and millions of dollars. By giving Canada a preferential rate of 24 per cent, her flour would go in there to the exclusion of ours. The New York Produce Exchange is raising its voice at the present time trying to engage the Government in activities to prevent the enactment of that treaty. If we pass legislation which results in the cancellation of the Cuban treaty, Canada, naturally, will at once seek to get control of a far better market in Cuba than the British West Indies would be to her. I do not believe that we can afford to throw away so good a market, which has been won through war and is practically the only commercial result of the Spanish-American War, in which we expended lives and treasure.

The CHAIRMAN. The time of the gentleman from Maine has expired.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. BULKLEY having taken the chair as Speaker pro tempore, a message from the

Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed the following resolutions:

Resolved, That the Senate has heard with profound sorrow of the death of the Hon. WILLIAM PIERCE FRYE, late a Senator from the State of Maine.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay proper tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate a copy of these resolutions to the family of the deceased.

Resolved, That as a further mark of respect to the memory of WILLIAM PIERCE FRYE the Senate do now adjourn.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the joint resolution (S. J. Res. 89) to amend joint resolution to prohibit the export of coal or other material used in war from any seaport of the United States.

THE SUGAR SCHEDULE.

The committee resumed its session.

Mr. GOOD. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read:

The Clerk read as follows:

Strike out the words "shall be admitted free of duty," line 10, page 2, and insert in lieu thereof the following: "Ninety-five and one-half hundredths of one cent per pound."

Mr. GOOD. Mr. Chairman, the amendment which I have offered and which I hope will prevail will reduce the present duty on sugar one-half. I offer this amendment not because I believe the sugar industry is in need of protection, for I do not believe that it needs any protection, but I offer it because the Government is in need of revenue until some change is made in our revenue laws which will more safely permit the removal of all the duty on sugar. I believe we find ourselves in about the same condition, except with reference to revenue, which existed in this country when the McKinley act was under consideration. The author of that measure, when that bill was before the House, made use of the following language:

I would have preferred, Mr. Chairman, if the article of sugar could have been left in the tariff schedule upon the dutiable list. This, however, was not practicable in the presence of an almost universal sentiment in favor of the removal of the entire duty upon this great article of universal family use.

Public sentiment is and should be back of every statute. It should be the foundation of every great reform. If our acts are to be truly representative of those whom we represent, we should, in the determination of these questions, give heed to the public sentiment. When the McKinley bill was passed there was a universal demand for the removal of the duty on sugar. There is a universal demand now for the removal of this duty, if I read public sentiment aright, and I for one believe that this sentiment is founded upon a sound governmental policy.

Four years after the passage of the McKinley bill, and at the time the House was considering the Wilson bill, the distinguished gentleman from New York [Mr. PAYNE], who is an authority on all tariff questions, made use of this language:

The so-called McKinley bill found this article (sugar) bearing a heavy duty. It was a revenue duty, because only one-tenth of our entire consumption was produced in this country and the other nine-tenths was produced abroad. The tariff became a direct tax upon the consumer and was paid by him.

[Applause.]

For more than 100 years we have been giving protection to this industry—first by tariff duties, then by bounties, and again by tariff duties—and yet to-day we produce in continental United States only about 20 per cent of our entire consumption of sugar and import from our insular possessions and foreign countries about 80 per cent of our consumption. The present duty of $1.90 per hundred pounds on refined sugar I believe is as much of a tax on the consumer to-day, and he has to pay it just as truly as he had to pay it when we produced but 10 per cent of what we consumed. [Applause.]

Mr. Chairman, I am in favor of that degree of protection that measures the difference in the cost of production at home and abroad, but I do not believe there is any material difference in the cost of producing sugar at home and abroad. It is a well-known fact that we receive every year from the Hawaiian Islands about $40,000,000 worth of sugar. This sugar is produced in the cane fields of those islands by Chinese and Japanese laborers, who work at from $16 to $20 per month. These laborers board themselves and commence work at 4 o'clock in the morning and quit work at 4 o'clock in the afternoon, with only one-half hour for noon. I understand that practically the same conditions surround the production of sugar in Porto Rico and the Philippine Islands, and we all know that the conditions of labor in the cane fields of Louisiana are but little better than slavery.

The great policy of protection has been maintained in the past and is maintained to-day on the broad principle of protecting American labor and maintaining an American wage scale; but here we are asked to vote protection to an industry that does not employ American labor, nor does it pay an American wage scale. That is protection run mad. So far as cane sugar is concerned, therefore, I am satisfied that the cost of production in this country does not exceed the cost of production abroad, and that, measured by the rule of the Chicago platform, the cane-sugar industry is not entitled to any protection whatever.

But the beet-sugar industry presents a more difficult problem. While the report of the Hardwick investigating committee contains the statement that it costs more to produce beet sugar in this country than it does abroad, that committee was not commissioned to, and did not carefully consider, the question of the cost of producing beet sugar either at home or abroad. It made no such investigation of the cost of the production of beet sugar as the Tariff Board made on the woolen and cotton schedules. While I have no desire to minimize the work of that committee, yet I submit there are not sufficient facts in the report to warrant the statement which is contained therein with regard to the cost of producing beet sugar at home and abroad. This statement is largely made from the statements sent to the committee by the various beet-sugar companies of this country, the publication of which statements, for some unaccountable reason, has been suppressed. That this investigating committee did not go carefully into the question of the cost of production, but rather accepted these statements made by the various managers of beet-sugar factories, who were interested in showing large production costs, is apparent from the following table:

Cost of producing beet sugar in 13 factories for 1910–11, as claimed by such factories.

	COST PER 100 POUNDS.
Michigan Sugar Co.	$3.48
Great Western Sugar Co.	3.43
Billings Sugar Co.	3.49
Scott's Bluff Sugar Co.	3.85
Amalgamated Sugar Co.	3.05
Lewiston Sugar Co.	3.03
Utah-Idaho Sugar Co.	3.53
Alameda Sugar Co.	4.32
Spreckels Sugar Co.	2.70
Menominee Sugar Co.	4.39
Continental Sugar Co.	4.08
Iowa Sugar Co.	5.14
Carver County Sugar Co.	3.75

Certainly no important legislation should be predicated on such a basis as this. If we examine this showing, we find that for the same year it cost the Spreckels Sugar Co. $2.70 per 100 pounds to manufacture beet sugar, while it cost the Iowa Sugar Co. $5.14 per 100 pounds to manufacture beet sugar. The Iowa Sugar Co. is a prosperous concern, making about $16,000 during the year; and if it can make money on a production cost of $5.14 per 100 pounds, obviously beet-sugar factories like the Spreckels Sugar Co., with an annual capacity of 70,000,000 pounds, can net a fabulous return on a productive cost of $2.70 per 100 pounds. The admitted difference in the cost of production of these two factories is $2.44 per 100 pounds, or $0.0244 per pound. This multiplied by 68,452,800 pounds, the product of the Spreckels Sugar Co. for the year 1910–11, equals $1,670,980.32 in profits to the Spreckels Sugar Co., if its profits were limited to what it saved in the cost of making sugar, as compared with the cost of the Iowa Sugar Co. If the Iowa Sugar Co. can make money on a production cost of $5.14 per 100 pounds, obviously the Spreckels Co.'s profits exceed $1,670,982.32 on a capital stock, the book value of which is shown to be but $2,450,077.48.

Considering the beet-sugar industry, therefore, in the light of the evidence produced before the investigating committee, I am unable to see that the industry needs protection. I do not believe that it does.

But some one may say that the removal of the duty on sugar operates in the interest of the American Sugar Refining Co., the Sugar Trust. Is this true? In times past who appeared before the Ways and Means Committee demanding the retention of the duty on sugar? Was it not the beet-sugar manufacturers? The beet-sugar manufacturer has been loudest in his demand for the retention of the duty on sugar. But who owns the stock in the beet-sugar factories of the United States? Officials of the American Sugar Refining Co., commonly known as the Sugar Trust, appeared before the Hardwick investigating committee and admitted that they owned 41 per cent of the stock in 11 of the principal beet-sugar companies of the United States. These 11 companies produce more than 50 per cent of the beet sugar made in this country. The following information was furnished the committee by the Sugar Trust.

The American Sugar Refining Co.'s interest in beet-sugar companies, May 23, 1911.

Names of companies.	Kind of stock.	Par value of shares.	Capital stock.			Per cent owned by American Sugar Refining Co.	Production campaign 1910-11.
			Total issued.	Owned by American Sugar Refining Co.	Total book value.		
							Pounds.
Alameda Sugar Co.	Common	$25.00	$745,825	$371,250	$203,874.93	+49	12,482,400
Spreckels Sugar Co.	do	100.00	5,000,000	2,500,000	2,450,077.48	50	68,452,800
Utah-Idaho Sugar Co.	Preferred	10.00	9,449,090	4,650,500	3,014,076.88	+49	70,965,800
	Common	10.00	1,470				
Amalgamated Sugar Co.	Preferred	100.00	2,551,400	1,275,700	705,433.50	50	25,801,300
Lewiston Sugar Co.	Common	10.00	606,430	225,000	225,000.00	+37	10,619,300
Great Western Sugar Co., including Billings Sugar Co., and Scottsbluff.	do	100.00	10,544,000	2,735,500	4,052,287.07	26	191,810,800
	Preferred	100.00	13,630,000	5,159,200		38	
Michigan Sugar Co.	Common	100.00	7,471,107	2,607,400	2,428,958.21	35	123,130,991
	Preferred	100.00	3,703,500	2,043,800		55	
Iowa Sugar Co.	Common	100.00	550,000	416,500	405,650.00	+75	7,486,330
Carver County Sugar Co.	do	100.00	000,000	483,700	459,515.00	+80	5,003,695
Menominee River Sugar Co.	do	10.00	825,000	300,000	285,000.00	+36	6,135,583
Continental Sugar Co.	do	100.00	1,200,000	415,440	505,440.00	−35	24,100,176
			56,883,617	23,183,990	14,735,313.07	−41	546,049,181

If, as suggested, the Sugar Trust is the party demanding the removal of the duty on sugar, we have this very anomalous situation. The Sugar Trust wants free sugar. The beet-sugar manufacturers want the tariff on sugar retained. The Sugar Trust owns 41 per cent of the capital stock of the beet-sugar factories, which produce over one-half of the entire beet-sugar production. The hyprocrisy of such a claim is apparent on its face. It may be that the American people will continue to pay the tax on such a theory without protest, but I doubt it. Certainly legislation as important as this should not be predicated upon such a hypothesis.

That the Sugar Trust is anxious to retain the duty of $1.90 per hundred pounds on sugar is apparent when we remember that it has scattered beet-sugar factories over 17 States, interested local capital in them in order to give the investment local color, that it may make its demands through that capital to the Members of Congress in support of what seems to me to be an indefensible tax upon the American people. The tariff on sugar yields to the Government about $53,000,000 annually. The sugar consumed in the United States is largely imported, and as the gentleman from New York [Mr. PAYNE] said in 1894:

> The tariff on sugar became a direct tax upon the consumer, and it was paid by him.

But the $53,000,000 annually is not all that the consumer of sugar pays because of this tax. This amount is collected on imported sugar only. The Sugar Trust and the beet-sugar factories, instead of the Government, collects an additional amount, equal to the tariff, on every pound of sugar which is produced in continental United States, the Hawaiian Islands, the Philippine Islands, and in Porto Rico. The total consumption of sugar in the United States for the year 1910 was about 3,350,000 tons.

We received sugar from our insular possessions upon which we did not pay duty, as follows:

From Porto Rico, 569,039,881 pounds; from the Hawaiian Islands, 1,110,594,466 pounds; from the Philippine Islands, 175,869,739 pounds; or, 1,855,504,086 pounds of sugar from our insular possessions upon which no duty was collected. In addition to this, we produced in continental United States of cane and beet sugar 1,775,338,000 pounds, on which no tariff duty was paid. Last year we consumed in the United States 7,360,126,811 pounds of sugar, on only 3,918,593,677 pounds of which was a duty paid. We consume more than 22 per cent of the world's production of sugar, or 80 pounds of sugar for every man, woman, and child in the United States.

The heavy tax on these consumers of almost 2 cents per pound for all the sugar they consume is unreasonable.

For 10 years the Sugar Trust has been able to purchase raw sugar from Cuba and the West Indies for less than $2.20 per 100 pounds, and the average freight on the same to New York has not exceeded 15 cents per 100 pounds, making the average cost of raw sugar to the Sugar Trust for the last 10 years of less than $2.35 per 100 pounds. During this same period the English refiners purchased raw sugar in the open market on board ship in English ports at $2.37 per 100 pounds. The English refiners refined sugar and, for a period of 10 years, sold it at wholesale at an average of $2.75 per 100 pounds. The Sugar Trust in the United States during the same period has maintained an average wholesale price of $4.84 per 100 pounds. The net result is that the wholesalers in this country have been obliged to pay an average of $2.09 more per 100 pounds than was paid by the English wholesalers for refined sugar. During all that time we have maintained a tariff of $1.95 per 100 pounds on refined sugar, except for the year 1910, when the tariff was $1.90 per 100 pounds.

In this connection the following table, compiled from the Statistical Abstract for 1910, completely demonstrates the proposition laid down by the gentleman from New York [Mr. PAYNE], that the duty on sugar is a direct tax on the consumer and is paid by him.

Wholesale price of granulated sugar per 100 pounds in New York, Hamburg, and Great Britain.

Year.	Export price at Hamburg.	Export price at Great Britain, tariff unpaid.	Wholesale price at New York.	Difference in wholesale price New York and export price Hamburg.	Difference in wholesale price New York and export price Great Britain.	Tariff in United States per 100 pounds.
1900	$2.64	$2.58	$5.32	$2.68	$2.74	$1.95
1901	2.29	2.17	5.05	2.76	2.75	1.95
1902	1.79	1.46	4.45	2.66	2.49	1.95
1903	2.11	2.24	4.63	2.52	2.39	1.95
1904	2.55	2.59	4.77	2.22	2.18	1.95
1905	3.00	2.72	5.25	2.25	2.53	1.95
1906	3.31	2.32	4.57	2.20	2.19	1.95
1907	2.40	2.49	4.65	2.25	2.16	1.95
1908	2.63	2.69	4.95	2.32	2.42	1.95
1909	2.78	2.33	4.70	1.98	1.93	1.95
1910	3.22	2.49	4.97	1.75	2.03	1.90

It seems to me that an examination of this table can not fail to convince one that the tariff on sugar is a consumption tax, and that the consumer pays it. For each year from 1900 to 1910, inclusive, it is demonstrated that the difference in the price of sugar at Hamburg and New York and Great Britain and New York was the amount of our tariff plus freight charges, insurance, and other expenses. It is obvious, therefore, that the increased cost to the consumers of sugar in the United States by reason of the protection that has been maintained on sugar for the past 10 years amounts to at least the amount of the tariff.

But it is said we are developing an industry in the United States. In 1902 we produced in continental United States 1,097,862,181 pounds of sugar, but we consumed that year 5,018,972,657 pounds of sugar. In 1910 we produced in continental United States 1,775,338,000 pounds of sugar and consumed 7,360,126,811 pounds of sugar. In other words, during the last eight years we have increased our production of sugar 677,475,819 pounds, while our consumption of sugar during the same period has increased 2,341,154,154 pounds, or our consumption has increased four times as fast as has our production. Eighty years ago we produced 49 per cent of the sugar we consumed; 70 years ago we produced 48 per cent of our consumption; 60 years ago we produced 47 per cent of our consumption; and to-day, after a century of protection to the sugar industry, we are producing in continental United States only about 20 per cent of our consumption. At this rate, how long will it take to establish the sugar industry? It ought to occur to us that it is too costly to maintain this industry by taxing the consumers of sugar.

In 1883 the Government was collecting in the neighborhood of $80,000,000 annually more revenue than it could expend, and, over the protest of the Commissioner of Internal Revenue, Congress made a reduction of 8 cents per pound on tobacco. The suggestion of the gentleman from Washington [Mr. WARBURTON] that if the Government faced a deficit by the removal of the duty on sugar the internal-revenue tax on tobacco be increased 8 cents per pound, is a good one. Such policy would more than secure the Treasury against a deficit by reason of the removal of this obnoxious tax.

The gentleman from New York [Mr. PAYNE] is no more a protectionist now than he was in 1894. When the Wilson bill was before the House, he said:

> We took the duty off in 1890, and reduced the price of sugar, because we produced but 10 per cent of the sugar we used and imported 90 per cent, and I hope that fact will get to the understanding of my friend from Kansas [Mr. Simpson.]
>
> A vote for the restoration of the duty on sugar is a vote of $5,000,000 a year to the gentlemen who own the sugar plantations in the Hawaiian Islands; it is a vote of $10,000,000 a year to those who own the sugar plantations in Louisiana and other places in the South and West; and therefore I am opposed to voting a tariff on sugar.

But in all justice to the gentleman from New York [Mr. PAYNE] I should say that he argued at that time for the retention of a bounty on sugar. While I am opposed to a tariff on sugar, if that industry needs assistance it should be extended in the way of a bounty raised by a tax on incomes, or a revenue tax upon luxuries, and not by a tax upon the necessities of life, which in the end must be paid by the man that toils. It is high time that we adopt a policy that will compel those who enjoy the luxuries of life to pay their just proportion of the cost of building and maintaining American industries. The tax to maintain such industries should be borne by the people according to their ability to pay it. The duty on sugar is a tax on hunger; if it is maintained it must, in a large measure, be paid by the man who can least afford to pay it—the man that toils. Let us remove this tax from a prime necessity and place it upon a luxury.

I find myself in complete sympathy with the sentiments expressed by the gentleman from New York [Mr. PAYNE] and the late Senator Allison, when the Wilson bill was before Congress. If the duty on sugar was indefensible then, it is indefensible now. I agree with the gentleman from New York [Mr. PAYNE] when he said:

> I oppose the restoration of the duty upon sugar, because it is putting a tax on every man's breakfast of at least $1 a year for each person who sits down to that table.

And I most heartily concur in what was said by the late Senator Allison:

> If I had my way about it I would strike from this bill every vestige which provides for a duty on sugar, * * * and if additional revenue was required, I would look around among the luxuries that are consumed by our people and find that revenue.

Mr. LENROOT. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Strike out the words "shall be admitted free of duty," in line 10, page 2, and insert in lieu thereof the words "1 cent per pound."

Mr. LENROOT. As I listened to the remarks a few moments ago of the gentleman from Colorado [Mr. MARTIN] I wondered if the distinguished Speaker of this House [Mr. CLARK] or the distinguished leader of the majority [Mr. UNDERWOOD] should be the nominee of the Democratic Party for President of the United States—I wondered if either of those gentlemen would visit the State of Colorado in the next campaign. [Applause on the Republican side.]

Mr. Chairman, I have voted for a number of tariff bills since the Democratic Party has come into power in this House, bills proposed by the Democratic majority, but, Mr. Chairman, I have never voted for a tariff bill that in my judgment would strike down a single industry in the United States. [Applause on the Republican side.] And because, Mr. Chairman, it is shown by all of the information at hand that this bill now pending, if enacted into law, will strike down the beet-sugar industry in the United States, I can not support the bill.

But, Mr. Chairman, I do believe, and the evidence does show, that we can and ought to reduce the duty upon sugar, and we can reduce it very substantially without any injury to either the cane-sugar industry or the beet-sugar industry. The report of the Democratic special committee, as has been shown to-day, states that the cost of producing beet sugar in Germany—the lowest cost, the report states, in the world—is $2.41½ a hundred, while in this country it is $3.54 per hundred, a difference of $1.12½ a hundred pounds.

And who is there on that side of the House who will say that that difference of $1.12½ per hundred pounds will not wipe out the industry? But, Mr. Chairman, a tariff rate of $1 per hundred pounds, such as is proposed in the amendment I have sent to the desk, will give relief to the consumers in this country and at the same time do no injury to either the beet-sugar men or the cane-sugar men in this country. It will reduce their exorbitant profits, but we ought to reduce them.

Mr. Chairman, we have four sugar-beet factories in my State, Wisconsin, but I am not pleading that because we have four large factories in my State that we should stand pat on an unjust sugar duty. I believe in giving them a square deal; in giving them such a rate of duty as will enable them to exist and make a fair profit, but not one penny more. And I know, Mr. Chairman, that they are making an excessive profit now, because when their representative called upon me a few days ago he admitted that while he was sending sugar to New York based upon the New York price, the consumers of Wisconsin and the Middle West, Minnesota and Illinois, buying sugar from his factory, were compelled to pay the New York price plus the freight rate back to the State of Wisconsin.

Mr. PAYNE. Mr. Chairman, allusion has been made to the fact that sugar was made free by the McKinley bill some 22 years ago. I made the motion in that committee to put sugar on the free list, and I did make the remark just read. What were the facts? In 1890 we were producing of Louisiana cane sugar 130,413 tons. We produced of beet sugar 2,203 tons only. We consumed about 1,500,000 tons. So that we produced in this country about 10 per cent of what we consumed. Everybody knows in sober, reflective moments, and even the other side would acknowledge, that where we put a duty upon an article and only 10 per cent of that article is produced here it would have no appreciable effect on the price. I do not mean the duty; I mean the production. And I admitted then, as I admit now, that under those circumstances the duty was substantially added to the price. What is the difference?

Mr. WARBURTON. Mr. Chairman——

Mr. PAYNE. The "boss" only allows me five minutes, and I can not yield. But, Mr. Chairman, what is the condition now? Why, we produce in this country 1,711,000 tons of sugar, sugar that is free of duty, in this country, and produced here, in Porto Rico, and in the Hawaiian and Philippine Islands.

We produce in this country, that pays no duty, nearly half of the sugar that we consume. Cuban sugar paid only 80 per cent of the full duty. Only 75,000 tons came from Europe and paid the full duty. Is there any gentleman here so simple-minded as to believe that that reduction has no influence on the price? If so, let him read the testimony before the Hardwick committee, that when the beet-sugar crop came in it reduced the price of sugar, and when the Porto Rican crop came in it reduced the price of sugar, and when the crop came in from Cuba, with a 20 per cent reduction of duty, it reduced the price of sugar in this country and reduced it below the price of foreign sugar and the duty added. It has been demonstrated by the Tariff Board that the duty does not add to the price where there is competition, and there are cases in that report where not half of the duty was added to the price. But we are not in the same position we were in 20 years ago, when the Republican Party removed this duty and still kept up ample protection by a 2-cent-per-pound bounty paid to the producer. The gentleman from Washington [Mr. WARBURTON] and the gentleman from Alabama [Mr. UNDERWOOD] are quarreling over the paternity of this act.

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

Mr. PAYNE. Why, Mr. Chairman, I remember only a short time ago the gentleman from Alabama was interrupted in debate here by a colleague [Mr. CLAYTON] and asked why he did not bring in a bill for free sugar, and he said:

> When we want to play fast and loose with the Treasury of the United States, we will bring in a bill for free sugar.

It is currently reported that two weeks ago the gentleman from Alabama wanted a duty of a cent a pound on sugar, and he wanted an excise tax of a quarter of a cent a pound. He thinks he has discovered something now whereby he can get $20,000,000 on an income tax, provided he can get the Supreme Court of the United States to follow out the decision of those two gentlemen who went out from the committee to decide that point, and so reverse themselves. Whether they got the information in the corridors of the House Office Building or not, or wherever they got it, they came back and reported that there was no doubt of its being constitutional, and hence they voted it in. [Applause and laughter on the Republican side.]

The gentleman from Washington [Mr. WARBURTON] is entitled to credit if he desires it, but I want to put in my claim that 22 years ago I moved in committee to put sugar on the free list, at a time, Mr. Chairman, when we did not have the magnificent sugar industry in this country that we have to-day, and when the sugar refiners did not ask for free sugar and were not the

only people in the United States that seemed really to want it. [Applause on the Republican side.]

Mr. Chairman, it seems remarkable how our Democratic friends simply skim over the surface and give no thought or study to the very important questions connected with the tariff and the revenue. They seem to think that if it was justifiable in 1890 to put sugar on the free list, it is justifiable to-day. They take no thought whatever of the changed conditions that have come about in the production and consumption of sugar in the last 22 years. In 1890 we had revenue laws that produced $100,000,000 annually and more of surplus revenue. We had used it in purchasing all the outstanding bonds in sight that could be bought, at a high premium, and still the revenue was coming in. The committee looked about to cut out some revenue producer in our revenue laws that would offset the greater part of this $100,000,000 and bring our revenues down more nearly to the point of the demands that could legitimately come upon them. Here was sugar producing $48,000,000 annually of revenue, and by cutting that off, together with other revenues cut out by the bill, we largely accomplished the object. But to-day, so well balanced was the tariff act of 1909, that the annual revenue is just about equal to the annual expenditure. No more evenly balanced revenue measure, in proportion to our annual expenditures, was ever devised.

Our friends do not seem to realize that cutting off from $52,000,000 to $60,000,000 annually by putting sugar on the free list will inevitably produce a deficit, or if they do, they have failed most painfully in substituting anything that will produce $60,000,000 of revenue to take the place of the sugar duty. They cut off the revenue sure enough, but they enact a lawsuit in the way of an income tax, when the United States Supreme Court has already decided against it. In the expressive language of the chairman to his colleague [Mr. CLAYTON], they no longer hesitate to "play fast and loose" with the United States Treasury. They say that their measure is constitutional, notwithstanding the decision of the Supreme Court, and they say, with equal assurance and with no more foundation in fact, that their measure will produce $60,000,000 in revenue. They produce no calculation, no facts from which one can judge of the amount of revenue which such an act would produce if constitutional and in good working order. They can not answer the statement made by the gentleman from Ohio [Mr. LONGWORTH], which shows conclusively that the proposed act, working at its best, would not produce $20,000,000 annually.

But they assert that putting sugar on the free list would save annually to the consumer here from 1½ to 2 cents a pound. In the light of facts that assertion is utterly absurd. It is true that the removal of the duty in 1890 removed nearly 2 cents a pound on the wholesale price of sugar. It had some effect on the retail price, but the ultimate consumer got a disappointing amount of good out of it. But then we produced only 10 per cent of what we consumed; the other 90 per cent paid the full duty. Of course in that case the entire duty was added to the price. But it is well known to people who have made any study of economic questions that wherever any substantial part of the consumption of a duty-paid article is produced in the country duty free, the price goes down, often to the whole amount of the duty; but there is always a substantial reduction. Since the report on wool, it takes a very brave and brazen-faced man to deny this proposition.

I will place in the RECORD the annual production of sugar from 1877 to 1911, showing the production in Hawaii, continental United States, beet and cane stated separately, Porto Rico, Cuba, and the Philippine Islands. This table shows the production in the United States of beet and cane sugar in the year 1890, the date of the McKinley law, 132,616 long tons. The following table shows the sugar produced in United States and Cuba and consumed in United States:

Production of sugar, 1877 to 1911.

Year.	Hawaii cane sugar.	United States beet sugar.	Louisiana cane sugar.	Porto Rico cane sugar.	Cuba cane sugar.	Philippines cane sugar.
	Long tons.	*Long tons.*	*Long tons.*	*Metric tons.*	*Long tons.*	*Long tons.*
1877	[1]11,417	100	85,122	57,742	520,000	122,786
1878	17,156	100	65,671	77,271	533,000	117,932
1879	21,884	200	106,910	69,489	670,000	134,805
1880	28,386	1,200	76,654	52,492	530,000	180,723
1881	41,870	500	121,867	56,778	493,000	211,417
1882	50,972	500	71,373	80,066	595,000	152,230
1883	50,940	500	135,297	77,635	460,397	215,236
1884	63,685	535	128,443	96,868	558,937	122,675
1885	76,495	948	94,376	88,960	631,000	202,791
1886	96,528	600	127,958	77,635	731,723	185,799
1887	94,983	800	80,859	96,868	646,578	179,149
1888	105,307	2,055	157,971	60,087	656,719	185,308
1889	108,170	1,861	144,877	63,403	560,333	218,926
1890	115,979	2,203	130,413	58,167	632,368	147,526

[1] Sept. 9, 1876, Hawaiian reciprocity, admitting Hawaiian sugar to the United States free of duty, subject to termination after 7 years by 1 year's notice.

Production of sugar, 1877 to 1911—Continued.

Year.	Hawaii cane sugar.	United States beet sugar.	Louisiana cane sugar.	Porto Rico cane sugar.	Cuba cane sugar.	Philippines cane sugar.
	Long tons.	*Long tons.*	*Long tons.*	*Metric tons.*	*Long tons.*	*Long tons.*
1891	122,760	3,459	215,844	51,210	816,980	166,410
1892	119,034	5,356	160,937	41,866	976,960	246,941
1893	147,688	12,018	217,525	.....	815,894	261,518
1894	136,917	19,950	265,836	48,423	1,054,214	194,320
1895	131,600	20,092	317,351	59,958	1,004,264	230,922
1896	198,022	29,220	237,720	55,783	225,221	229,944
1897	232,213	[1]37,536	282,009	.....	212,051	202,092
1897-98	204,833	40,399	310,447	54,000	[2]314,009	178,000
1898-99	252,506	32,471	245,511	53,825	345,261	76,000
1899-1900	258,521	72,944	132,000	[3]35,000	308,543	62,785
1900-1901	321,461	76,859	270,000	[4]80,000	635,856	55,400
1901-2	317,509	163,126	310,000	85,000	850,181	[5]78,637
1902-3	391,062	195,463	300,000	85,000	[6]998,878	90,000
1903-4	328,103	208,135	215,000	130,000	1,040,228	84,000
1904-5	380,576	209,722	335,000	145,000	1,163,258	106,875
1905-6	383,225	283,717	330,000	213,000	1,178,749	145,525
1906-7	392,871	433,010	230,000	210,000	1,427,673	145,500
1907-8	465,288	440,200	340,000	200,000	961,958	135,374
1908-9	477,817	384,010	355,000	245,000	1,513,582	[7]150,000
1909-10	462,613	450,595	335,000	308,000	1,804,349	120,000
1910-11	485,000	445,000	311,000	320,000	1,900,000	150,000

[1] July 24, 1897, Dingley tariff bill passed, affording protection to home sugar industry.

[2] 1897-1910, long tons. 1898 Hawaii annexed. Free-trade relations permanently assured.

[3] May 1, 1900, Porto Rican sugar admitted to United States at 85 per cent reduction of duty.

[4] July 26, 1901, Porto Rican sugar admitted to United States free of duty.

[5] July 1, 1902, Philippine sugar admitted to United States at 25 per cent reduction of duty.

[6] Dec. 27, 1903, Cuban sugar admitted to United States at 20 per cent reduction of duty.

[7] Aug. 5, 1909, Philippine sugar to extent of 300,000 tons annually admitted to United States free of duty.

Statistics 1877-1897, except United States beet and Louisiana cane, from Summary of Commerce and Finance, July, 1902, Hawaii, p. 2665; Porto Rico, p. 2737; Cuba, p. 2651; Philippines, pp. 2753-2754; statistics for Louisiana cane sugar and United States beet sugar 1877-1897 from 1908 Statistical Abstract, p. 199; statistics for 1897-1909 from Willett & Gray's Statistical Sugar Trade Journal; 1910-11 estimated by Willett & Gray. Louisiana cane and United States beet sugar figures are "production"; all others are "exports."

Last year, of the sugar consumed in the United States, there was produced as follows—the figures being in long tons, except Porto Rico, where it is metric tons—

Hawaii	485,000
United States:	
Beet sugar	445,000
Cane sugar	311,000
Porto Rico	320,000
Philippine Islands	150,000

making a total of 1,711,000 tons of sugar that entered into consumption in the United States, duty free. There was also produced in Cuba 1,900,000 tons that entered into consumption, paying a duty equal to only 80 per cent of the duty on other sugars imported from abroad. The total of the sugars thus entering into consumption free of duty or with a reduction of 20 per cent lacked only 75,000 tons of supplying all the sugar consumed in the United States. It is evident that during the next year the natural growth and increase of production will give us all the sugar which we consume either free or paying 80 per cent of the duty under the present law. One-half the sugar entering into consumption will pay no duty and the other half will pay 80 per cent of the present rates; or the average on the entire crop will pay an amount equal to only 40 per cent of the duty provided against foreign sugar. This is equivalent to six-tenths of 1 cent per pound.

Certainly with the laws remaining as they are to-day it is a good deal more likely that the duty collected will not exceed 40 per cent of the duties prescribed on all sugars consumed in this country than it is to prove that the passage of this bill would be followed by a reduction of 2 cents a pound or of 1½ cents a pound on sugar. All the authorities agree that free sugar, equaling more than one-half our consumption, has a marked effect in lowering prices here from year to year.

Who are asking for free sugar? The refiners of the country. Refiner Claus Spreckels, president of the Federal Sugar Refining Co., said before the Hardwick committee:

I would have free trade—absolutely. (p. 2277 and 2278 of the hearings).

Charles R. Heike, secretary American Sugar Refining Co.:

That (free trade) would destroy the industry absolutely in this country, and I would approve of that (p. 292.)

William G. Gilmore, of Arbuckle Bros., refiners:

The thing to do is to take off the duty, and personally I would advocate it (p. 1169).

James H. Post, president National Sugar Refining Co.:

If Congress did not need the revenue from sugar, I would like to see free sugar (p. 527).

William A. J. Jamison, of Arbuckle Bros.:

If there was no tax on the importation of sugar, we would be able to run more constantly and sell more sugar. I think a cent a pound should be taken off at present, and later a little more, until the duty is entirely removed (pp. 1195, 1196).

Edwin F. Atkins, vice president American Sugar Refining Co.:

I think the independent refiners say truly that it is for the refiners' interest to have a low rate of duty rather than a high rate of duty, and reduce the basis of value upon which they can sell (p. 174). Beet sugars are taking away the trade of the refiners year by year (p. 48).

The testimony before the Hardwick committee shows conclusively that if sugar was made free neither Louisiana with her cane sugar nor the Western States with their beet sugar could continue in the business. The loss would be too great. There would be no duty to make up the difference in the costs of producing sugar here and abroad. If this result should follow there would be an actual shortage in the world's supply of sugar of 445,000 tons of beet sugar and the 311,000 tons of the Louisiana cane sugar, to say nothing of its effect upon the 485,000 tons of Hawaiian sugar and the 320,000 tons of Porto Rican sugar. The price of sugar would inevitably advance.

Another potent lesson is to be gathered from the experience of the past year. An alarm was sounded that the world's beet-sugar crop would be 1,000,000 tons short last year, and on the strength of that alarm as to the world's supply, prices went up to 7½ cents a pound, almost doubling. The alarm afterwards proved groundless, founded on a fake or a mistaken report, and the price of sugar promptly went down in the markets of the world to the price prevailing before the scare.

But when they actually strike down the production of sugar in the United States and take it from the world's supply sugar will not only go up to 7½ cents, but will stay there until common sense prevails and the sugar factories of the United States are again opened.

When we put sugar on the free list under the McKinley law we provided against any such collapse of American industries as would have followed by giving a bounty of 2 cents a pound upon all sugar produced here. This bounty acted not only as protection, but as a very active stimulus to the production of cane sugar in Louisiana, and the crop increased rapidly while the bounty law was in force. The gentleman from Alabama provides nothing to save the industry of producing sugar in this country from the blow it will receive if this bill should become a law. The producers of sugar get no encouragement from him except the everlasting smile of assurance that no business interests will be affected by this radical revolution of the policy of 125 years under the tariff on sugar; by this radical departure from the policy of every nation under the sun, each of which has as great or greater duty upon sugar than the United States has now. Let them no longer cite the act of 1890 as a precedent for this action. We did not "play fast and loose" with the Treasury of the United States. We did not make a bill which created a deficit in the revenues of $60,000,000, and we were careful to guard and protect the sugar interests in the State of Louisiana.

We gave them something besides a smile and an assurance in words. We gave them a bounty fully equal to the difference in cost.

Gentlemen of the majority, you intended one of two things when you introduced these two bills. Of course, you had no hope whatever that either would become a law during this Congress, and you put them in hoping that they might help in the next presidential election; and I am bound to consider you as possessed with the idea that if you should get the three branches of the Government you would enact into law not only these two bills but all the other bills which have been introduced in this Congress. If you could write them on the statute book now your fond hopes would be turned into the ashes of disappointment. And yet I could hardly wish you to get as overwhelming a defeat as we did following the passage of the McKinley bill when we put sugar on the free list.

I rejoice in the bills that you have offered and in the work which you have done during this Congress. The people do not believe your empty promises. They see that you are ruining business; that your policy would destroy not only the capitalist but the labor interests of the country. The people are becoming alarmed, and you will hear and feel the rise of indignation of the people of the United States in November next.

Mr. CONNELL. Mr. Chairman, a little while ago the distinguished gentleman from Iowa [Mr. PROUTY] made one of the characteristic remarks, that have been so plentiful in this debate, when he propounded this proposition: "Suppose," said he, "that the sugar syndicate of Europe should make up its mind not to let America have any sugar. What would we do then?" The inference then must be that he believes that American enterprise, American agriculture, American success, and American industry would go out of business rather than go to work and feed and keep the people of the United States out of the resources of this wonderful country. Did ever masked selfishness grin so mockingly? [Applause on the Democratic side.]

Now, that is typical of the logic of the gentlemen on the other side. It is just about as logical as all the arguments that we have heard here about the silent mills, the rusting machinery, the smokeless chimneys, the gathering of bats in the mining shafts, and so on, because a majority of this House dares to stick up for a program that will carry out the will of the American people as expressed in the elections. [Applause on the Democratic side.]

Now, gentlemen, you might as well face the fact that with all your calamity howling, the time has come when neither the standpatters, the representatives of special privilege on that side of the House, or their allies on this side of the House, will ever again be permitted to do with this tariff bill what they did to the Wilson bill [loud applause], and never again will the Democracy be throttled in the household of its friends by the forces of special privilege, and those who have practiced and built up power under the rule of gentlemen who have nothing but the wail of ruin left in their statesmanship. A party that had so long the confidence and trust of the American people, and which in its day did such magnificent work for liberty, a party that has now no higher statesmanship than references to calamity, silent spindles, drawn fires, stopped locomotives, and all else in that line with which to emphasize their arguments must be pitied indeed. You are in the wrong day now, because there is a new generation in the field, and you shall not be permitted to thwart Democracy in the work it has to do in lifting unnecessary burdens from the shoulders of the people. [Applause on the Democratic side.]

Mr. WARBURTON. Mr. Chairman——

The CHAIRMAN. The gentleman from Washington [Mr. WARBURTON] is recognized for two minutes.

Mr. WARBURTON. May I not have five minutes?

The CHAIRMAN. All debate on the pending amendment is exhausted in two minutes.

Mr. WARBURTON. I want to give a short history of the Wilson bill, Mr. Chairman, and I can not give it in two minutes. [Laughter.]

The McKinley bill placed a duty of one-half a cent on refined sugar, one-half a cent a pound, and gave a bounty of 2 cents a pound. The Wilson bill, as it came into the House from the committee, placed the duty on refined sugar at a quarter of a cent a pound, with a sliding scale on the bounty. By the motion, I think, of the gentleman from New York, the one-quarter of a cent was stricken out, and all reference to the bounty provision was also stricken out.

Mr. PAYNE. What gentleman from New York?

Mr. WARBURTON. The gentleman who is addressing me now. [Laughter.]. I will read his own words.

Mr. MANN. Read his amendment.

Mr. WARBURTON. I will read his words. He said:

The time came for the preparation of a tariff bill. It came to the House from the Ways and Means Committee with a protective duty for the trust and free sugar for the producer. The Democratic House, aided by a solid Republican vote, made sugar free in the bill, and in that way it went to the Senate. Then the State of Louisiana demanded the fulfillment of the Democratic pledge.

Mr. PAYNE a moment ago said that the sugar industry had not increased much from 1890 to 1894. When he made his speech the cane-sugar industry had more than doubled. It had run up from 300,000,000 pounds to 610,000,000 pounds. The beet-sugar industry had increased from 4,000,000 pounds to 44,000,000 pounds.

The CHAIRMAN. The time of the gentleman has expired. All time on the pending amendment has expired. The Clerk will report the amendment offered by the gentleman from Iowa [Mr. GOOD].

The Clerk read as follows:

Strike out the words "shall be admitted free of duty," line 10, page 2, and insert in lieu thereof the following: "ninety-five and one-half hundredths of 1 cent per pound."

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Iowa.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will now report the amendment offered by the gentleman from Wisconsin [Mr. LENROOT].

The Clerk read as follows:

Strike out the words "shall be admitted free of duty," in line 10, on page 2, and insert in lieu thereof the words "1 cent per pound."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was rejected.

Mr. POWERS. Mr. Chairman, I call for a division on that amendment.

The CHAIRMAN. The request of the gentleman comes too late. The Clerk will report the amendment offered by the gentleman from Pennsylvania [Mr. BURKE].

The Clerk read as follows:

Strike out the paragraph from line 7 to line 10, both inclusive, on page 2.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

2. Saccharine, 65 cents per pound.

Mr. MONDELL and Mr. WARBURTON rose.

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] is recognized.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word. I am not sure whether this is a sufficient tariff on saccharine or not, but I am quite confident that the amounts proposed in the last two amendments would not be sufficient to protect sugar.

Mr. Chairman, it may be possible that the present duty on sugar might be lowered somewhat without the destruction of the American sugar industry, but we have not at this time sufficient information on the subject to enable us intelligently to pass upon that question. But when gentlemen say, as one gentleman said on this side a moment ago, that he did not know and scarcely believed that any duty was necessary for the maintenance of the sugar industry in this country, it seems that he and other gentlemen making such statements have failed to read the record.

The gentleman from Georgia [Mr. HARDWICK] stated the facts in his exhaustive speech on yesterday. He spent some time in trying to prove that we might be able to compete with the beet-sugar industry of Germany, and then, in answer to the query of the gentleman from Utah [Mr. HOWELL] as to the effect on the sugar industry of the United States of free importations of cane sugar from the Tropics, he threw his hands up and said in substance: "Of course, no beet-sugar industry, either here or in Europe, can stand the competition of tropical-grown cane sugar." And he stated the facts.

It is not altogether a question of competition with the beet sugars of Germany and Europe, although our beet-sugar industry would be put out of business by that competition. But the destruction of the industry in this country would come from the competition of the great tropical cane-growing regions that can produce cane sugar at a price not to exceed 1½ cents a pound. Nobody denies that, and does anybody believe that you can make sugar either from the cane or from the beet in the United States and pay American wages at any such price?

I want to say to my friends on this side who propose to vote for this bill that they can not be on both sides of this question at one and the same time. Members may justify themselves in voting for this bill on the ground that, without regard to its effect on American industries, there should be cheaper sugar in this country, and that it may be for a time, at least, secured by this legislation. But men can not take at one time both horns of the dilemma. Free sugar means the wiping out of the sugar industry in the United States, and the man who votes for free sugar votes to wipe out the American sugar industry. Anyone who is prepared to do that can vote for this bill, but no one can vote for this bill and lay the flattering unction on his soul that we can maintain the sugar industry of this country and still put sugar on the free list.

This bill means destruction to the sugar industry of this country, just as much as if we should issue letters of marque and reprisal for the destruction of sugar property to the value of $200,000,000. [Applause on the Republican side.]

Mr. UNDERWOOD. Mr. Chairman, I ask unanimous consent that all debate on this particular paragraph close in five minutes.

Mr. LLOYD. Mr. Chairman, I ask leave to extend my remarks in the RECORD and insert therein an address made by the Hon. CHAMP CLARK at Frankfort, Ky., before the members of the legislature of that State.

The CHAIRMAN. The gentleman from Missouri [Mr. LLOYD] asks unanimous consent to extend his remarks in the RECORD by the insertion of the address named. Is there objection?

There was no objection.

Following is the address referred to:

ADDRESS OF HON. CHAMP CLARK BEFORE THE KENTUCKY LEGISLATURE, FRANKFORT, KY., MARCH 8, 1912.

"I am profoundly grateful to the members of the Kentucky Legislature for their cordial invitation to address them. I was born within 14 miles of the spot where I now stand. There is an old saying, 'Once a Kentuckian, always a Kentuckian,' and, while I am ineffably proud of the imperial Commonwealth of Missouri, which has honored me so often and so highly, I never come within sight of the Kentucky hills or hear the name of the State without a pleasant palpitation of the heart. Here as a boy and youth I worked on a farm, clerked in a country store, taught school, and secured the principal part of my education. Neither time nor absence has diminished my affection for the dear old Commonwealth where I first looked forth upon this glorious world, and where my mother's people have dwelt since the first white settlement. For this reason and for a great many others it is a great pleasure for me to be with you here to-day.

"To-day I came through Lexington, where I attended the university for more than three years—pleasant and profitable years.

"Still o'er these scenes my memory wakes,
And fondly broods with miser care,
Time but the impression deeper makes
As streams their channels deeper wear.

DEMOCRATS IN FIGHTING FETTLE.

"The Democrats are in the finest fighting fettle they have been in since the campaign of 1892. From the convening of the extraordinary session of Congress in 1893 till the 19th of March, 1910, the day on which we completely upset and demolished the standpat Republican machine in the House, the Democrats put in most of their time fighting each other, and constituted a weak, wrangling, jangling, dispirited, despised minority, always expecting defeat. But a change came over the spirit of their dream. They got together on the 19th of March, 1910. Every Democrat toed the mark on that historic occasion. 'Twas worth 10 years of peaceful life, one glance at that array,' and they have been together ever since. The getting together of the Democrats after so many years of wandering in the wilderness will constitute one of the most interesting and instructive chapters in parliamentary history. It was a work of infinite toil, patience, and forbearance. To use a common expression, it was accomplished by constantly rubbing the hair the right way of the hide. Though I was minority leader at that time, I do not deserve all of the credit by a long shot. Every Democratic Member of the House of the Sixty-first Congress is entitled to his full share of the honor. In the words of Admiral Schley, after his famous victory, 'There's glory enough for all.' We not only remodeled and liberalized the rules and restored to each Member his quantum of power, which had been gradually usurped by the House machine, but we put up such a fight against the iniquities of the Payne-Aldrich tariff bill as to challenge the attention of the entire country.

"The splendid record of the Democrats of the House in the Sixty-first Congress elected the Democratic House in the Sixty-second Congress, and also elected several Democratic United States Senators and six Democratic governors to replace Republican Senators and governors. I undertake to say without fear of successful contradiction that no minority in any parliamentary body of the world ever made such a record. On that record and on the magnificent record of the Democratic House and the Democrats of the Senate in this Congress we must make the fight this year, not only for the Presidency, but also for the House and Senate.

"In all fairness it should be stated that the insurgent Republicans who helped us win our victories in the Sixty-first Congress acted nobly and deserve their share of the honor. They took their political lives in their hands and fought courageously and patriotically.

KEPT FAITH WITH PEOPLE.

"We have absolutely kept faith with the people. We have redeemed or are in process of redeeming every promise that we made in order to win the election. The people deserve to be treated honestly, fairly, candidly, and courageously. In seeking office men should say what they mean and mean what they say. Pledges made in order to win an election should be religiously fulfilled after the election. The people are entitled to that square deal of which we hear so much and see so little. We achieved the success of 1910 on six principal promises:

"First, to liberalize the rules of the House, which we have done.

"Second, to submit a constitutional amendment for the election of United States Senators by popular vote. This the House did so far as it is possible for the House to do anything. The Senate added certain amendments which threw it into conference; but I have faith that before the session ends the conferees will agree and the amendment will be submitted.

"Third, we promised to economize, and we are doing it.

"Fourth, we promised to pass a bill compelling the publication of campaign contributions and disbursements before the election, and we did that.

"Fifth, we promised to admit New Mexico and Arizona as two separate States, and that has been done. Full-fledged Representatives from these two Commonwealths now sit in the House. It was a great pleasure for me to swear them in.

"Sixth, we promised to revise the tariff downward. There was nothing equivocal about our pledge in that regard. We are fulfilling that pledge as rapidly as possible. We determined to pass one bill for each schedule instead of one blanket revision of the 14 schedules in one bill for three reasons: First, because some schedules are essentially worse than the others; second, because the plan of one bill for one schedule reduces logrolling to the minimum; third, because we thought we had better chances of getting the bills through the Senate, which turned out to be true, for it must never be forgotten that we have not a Democratic majority in the Senate. We also thought we would have a better chance of getting the bills past the President. It turned out that in this we were mistaken, for the President vetoed all our bills, thereby precipitating a tariff fight, which is still on.

TARIFF BILLS PASSED.

"The tariff bills which we passed at the extraordinary session of Congress would have saved to the American people about $500,000,000 a year, and at the same time they would have raised about as much revenue as the Payne tariff bill raises. Five hundred million dollars a year is about $5 a head for every man, woman, and child betwixt the two seas. On an average a family in the United States, which is the unit of civilization, contains five and a half persons. That would have been a saving of about $27.50 to the family. To some people this may seem like a small economy, but the average head of a family in the United States receives only about $400 per annum, and it is a cruel outrage to take from him $27.50 of his meager income and hand it over to the tariff barons. President Taft's veto of our tariff bills at the extraordinary session will prolong the present session for at least two months. Some people think that we went too far in the tariff bills; others think we did not go far enough. That the average citizen indorses our action is demonstrated beyond even the shadow of a doubt by the fact that in the elections last year where the tariff was made the principal issue we won. That was the case in Massachusetts, where Gov. Foss made his fight on the tariff issue almost entirely, and at the by-elections for Congressmen in Nebraska and Kansas. In the latter State we elected two Democratic Congressmen to take the place of two Republicans, the first Democrats to sit in the House from the Sunflower State for a decade. We are now engaged in passing more tariff bills. We have already passed bills revising the metal schedule and the chemical schedule. In a few days we will pass one putting sugar on the free list, and in order to raise the revenues which we lose on sugar we are extending the corporation tax so as to include individuals on net incomes above $5,000, which is to all intents and purposes an income tax, which the consensus of opinion among lawyers holds to be constitutional. We substitute a tax on the incomes of those who are best able to pay taxes for a tax on consumption, which bears heaviest on those least able to pay taxes. We relieve the people of about $150,000,000 of taxes which are paid on sugar, an article of prime necessity, $53,000,000 of which went into the Treasury of the United States and a large part of the rest into the coffers of the Sugar Trust; but the corporation tax will raise about $52,000,000, every cent of which goes into the Treasury of the United States. I feel reasonably certain that the vast majority of the American people will indorse these measures. In my judgment a graduated income tax, with reasonable exemptions, is the fairest and most just tax that was ever levied. It seems that the constitutional amendment authorizing an income tax will be ratified at no distant day by the requisite number of States. Then we will levy a graduated income tax, which will bring into the Treasury of the United States something over $100,000,000 per annum, which will give us a freer hand in revising the tariff. In the passage of the bills which I have mentioned we have literally obeyed the mandate of the Democratic platform adopted at Denver, which declared in favor of an income tax and in favor of reducing the tariff gradually. It must be taken and accepted that no good American citizen wants to see any legitimate industry in the country injured. Under the hothouse process of the high protective tariff business in the United States has been for many years on an artificial basis. Clearly the makers of the Denver platform recognized this fact. Hence they advocated the reduction of the tariff gradually, so that business could readjust itself to the new order of things.

TARIFF MOTHER OF TRUSTS.

"That the tariff is the mother of trusts there can be no question. Cutting the tariff down to a reasonable basis approximating the revenue standard as nearly as possible will have a very strong tendency to put the trusts out of business, a result which is desired by a very large majority of the American people. The truth is that if they had been honestly and vigorously prosecuted since the enactment of the antitrust law, there would not be a trust in America to-day. The antitrust law should be enforced in all its features. There is no reason why a small criminal should be prosecuted and a great criminal should go scot free. There is no reason why small criminals should be sent to prison and big criminals let off with a fine. When Thomas Jefferson delivered his first inaugural address, which has become a classic, he enunciated the Democratic creed. One proposition in that creed runs in this wise, 'Equal and exact justice to all men, of whatever state or persuasion, religious or political.' Wiser words never fell from human lips, and the Democrats stand pledged, if intrusted with power in all the branches of government, to execute all the laws, including the antitrust law. If that law can not be used to punish all criminals that it is intended to punish, we stand pledged to amend it so that it will reach them all.

TARIFF AND TRUST ISSUES.

"In my judgment, while there are many important questions pending before the American people in one form or another, the tariff question and the cognate question of abolishing the trusts will be the overshadowing issue in the impending campaign. It has been given out in a manner which seems authoritative that President Taft proposes to veto any tariff bills that we pass. We welcome the issue. We do not believe that it can be blinked, postponed, minimized, or shunted out of the way. The present tariff law raises about $330,000,000 a year, which goes into the Treasury of the United States. It is estimated by statisticians that every time $1 goes into Uncle Sam's coffers under the high protective system about $5 goes into the pockets of the tariff barons. If that be true, then the high protective tariff system costs the people of the United States about a billion and a half a year. It is a gross outrage and a cruelty upon the taxpayers of the land. The Democratic theory is and always has been that in adjusting the tariff in order to raise the requisite amount of revenue the highest rates ought to be levied on luxuries and the lowest or none at all on the necessaries of life, and that is precisely the kind of a bill and bills on the tariff which we will pass if we ever get possession of the White House, the House of Representatives, and the Senate all at once.

"Of course, in the short time which I can consume on this occasion it is impossible to give many of the particulars of the enormities and iniquities of the Payne tariff bill. One or two must suffice for the purposes of this address. In this changeable climate blankets and woolen clothing are absolutely necessary to comfort and good health. The rich and the poor alike must have them, and yet on blankets 9 feet long, valued at not over 40 cents per pound, the rates of the Payne-Aldrich bill are 33 cents per pound specific plus 50 per cent of ad valorem. When worked out into ad valorem rates they amounted in 1904 to a tax of 182½ per cent. To make it still plainer, when you go to a store and buy a blanket for $2.82½, $1 is what the blanket is worth, and all that it is worth; the other $1.82½ is what you pay for the poor privilege of paying $1 for a blanket that is only worth $1. To show how nearly prohibitive these rates are, it is only necessary to state that in 1907, the last year for which I have the figures, there was imported into the United States only $40.20 worth of that sort of blankets, on which the Government collected a tariff of $60.53. During that year millions of dollars worth of that sort of blankets were used in the United States—domestic blankets to the value of which was added the tariff, not one cent of which went into the United States Treasury but every cent of which went into the pockets of the tariff barons. Anybody who wants to can vote for that outrageous sort of a law. I will not do it. I will go out of public life forever before I will do it. My public career may be long or it may be short, but whenever I retire or am retired to private life it will be with my own self-respect intact.

"The history of Congress for the last three years demonstrates beyond all cavil that there is no hope of relief from burdensome tariff taxes at the hands of the Republicans. They carried the election of 1908 on the promise to revise the tariff downward. Having gotten in they revised it upward. They revised it up and passed a bill so bad that though the roster of the House showed a Republican majority of 47 we lacked only 5 votes of recommiting it, which would have killed it as dead as the men who lived before the flood. For raising the tariff when they had promised to lower it the Republicans were overthrown in 1910. When in the Sixty-second Congress we passed bills to make moderate reductions in certain schedules the President vetoed them, notwithstanding the fact that he had himself de-

clared that the rates of the woolen schedule were too high and ought to be revised. We took him at his word, and the first tariff bill we passed was the one to scale down the tariff rates of Schedule K. His vetoes demonstrated the fact that he has gone over to the standpatters, bag and baggage. They have absolute control of the party machinery.

"There is no hope of any relief at their hands. How, then, can relief from these tariff burdens which have become intolerable be secured? The only remedy is to elect a Democratic President, a Democratic Senate, and a Democratic House. The newspapers, the magazines, and stump speeches are full of theories and generalizations, but an ounce of performance is worth a ton of theory. I propose to state bluntly and frankly how I believe we can achieve success, which is the great desideratum. The words 'progressive' and 'remedial' as applied to legislation are used interchangeably in popular parlance, and I will so use them here.

"Progress is the law of life. To stand still is to stagnate and to stagnate is to perish.

"Democrats desire progressive legislation. Independents and divers Republicans want it. The majority of the American people favor it. The only way to achieve it is at the hands of the Democrats. The Insurgent Republicans would, no doubt, enact some remedial legislation if they could, but the standpatters are in the majority in that party, and it looks as though they will continue to dominate it indefinitely. It may be for years, and it may be forever. They have control of the Republican machine and they will run it over the Insurgents ruthlessly.

SCANT SHOW FOR INDEPENDENTS.

"The Independents, having no separate party organization, will make their influence felt at the polls by voting for those candidates who appear to most nearly approximate their standard, but as they can entertain no reasonable hope of remedial legislation from the Republican Party so long as it is dominated by the standpatters, it is to be hoped that they will give us their aid and comfort by voting for Democratic candidates this year.

"As the insurgent Republicans can achieve nothing except when working in conjunction with the Democrats, they would most easily and most certainly accomplish their purpose by voting for Democrats all along the line. That is the only chance for the independents and insurgent Republicans to secure progressive or remedial legislation.

"The famous old receipt for cooking a hare applies with peculiar force to those desirous of progressive legislation—first catch your hare. In this exigency first elect a Democratic House, a Democratic Senate, and a Democratic President. That is the sine qua non of progressive or remedial legislation.

"In order to reach this consummation so devoutly to be wished, all those who are opposed to the standpatters and to stand-pat policies must stand together. If they do this, they will triumph together; otherwise they will go down to defeat together.

"We are politically somewhat in the same condition which wise old Ben Franklin described himself and his compatriots to be in when, after signing the Declaration of Independence, he exclaimed, 'Now, we must all hang together or we will all hang separately.'

"Consequently, holding the highest office that any Democrat has held in 15 years, I cordially invite all who desire to remedy existing evils to cooperate with us in our efforts to rescue the Government from the hands of the standpatters.

ISSUE MUST NOT BE BEFOGGED.

"I repeat that, in my judgment, the tariff and the cognate question of the trusts will constitute the overshadowing issues in the coming campaign. The Republicans will undoubtedly undertake to befog these issues and lure us away from the tariff question and the trust question, because they realize the fact that on the tariff question and the trust question we will defeat them most decisively. Of course, there are subsidiary questions of more or less importance, some of them of great importance, but the battle for tariff reform and the destruction of the trusts must be fought to a finish. On these questions we are undoubtedly in the right. We have justice on our side, and on them we should win a sweeping triumph.

"'By their fruits ye shall know them' is a rule established by highest authority. It is grounded in wisdom and in justice. By that rule we are ready to be judged.

"In his speech nominating Gen. Grant for a third term, Roscoe Conkling said 'Gen. Grant's fame rests not only on things spoken and things written but upon the arduous greatness of things done.' That sentence fits the Democrats of Congress like a glove.

"The Republicans seem to be utterly demoralized and split to pieces. The gulf which separates President Taft and his adherents from Col. Roosevelt and his advocates is as deep and wide and impassable as the gulf which separated Dives from Lazarus. Senator La Follette has declared their differences to be fundamental, and fundamental differences can not be reconciled or compromised. It looks as though nothing short of a miracle will reunite them. It is not, however, the part of wisdom for us to rely for success upon their dissensions, for they may accidentally get together.

"That their quarrels, unless composed, will help us there can be no doubt. But our chief reliance for success is to give to the people such a record for honest, intelligent, courageous, constructive, progressive statesmanship as to convince the country beyond the shadow of a doubt that we are worthy of the continued and enlarged confidence of the public. To do this we must lead in the enactment of all remedial legislation. That is our duty to our country and our kind.

"That is the straightest, plainest, shortest, and easiest road to complete success. Pursuing that line of conduct, victory will perch upon our banners whether the Republicans patch up their differences or not. We hold our own fate absolutely in our own hands. Let us not lose our golden opportunity through overconfidence or upon ill-advised reliance upon the quarrels and factional fights among our opponents.

"There is a tide in the affairs of men,
Which, taken at the flood, leads on to fortune;
Omitted, all the voyage of their life
Is bound in shallows and in miseries:
On such a full sea are we now afloat;
And we must take the current when it serves,
Or lose our ventures."

Mr. KAHN. Will not the gentleman make it 20 minutes?

Mr. HAYES. I should like five minutes.

Mr. UNDERWOOD. I will ask unanimous consent, Mr. Chairman, that debate on this paragraph close in 10 minutes and on the next paragraph in 10 minutes. Then gentlemen will get the time they want.

The CHAIRMAN. Is there objection?

Mr. MANN. Let us know what the request is. Let the Chair state it so that we will see how the Chair understands it.

The CHAIRMAN. The gentleman from Alabama [Mr. UNDERWOOD] asks unanimous consent that all debate on this paragraph close in 10 minutes and on the next paragraph in 10 minutes.

Mr. MANN. That is, that only 10 minutes debate be allowed on this paragraph and 10 minutes debate on the next paragraph.

The CHAIRMAN That is the effect of the request.

Mr. MANN. The effect as first stated would be to close all debate in 10 minutes on both paragraphs.

Mr. UNDERWOOD. I do not mean that. I mean that there shall be 10 minutes debate on this paragraph and 10 minutes debate on the next paragraph.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HAYES. Mr. Chairman, I doubt if the Members of this House understand the extent to which our sugar industry has developed in the last 10 years under the influence of the protective tariff. This great increase is a striking example of the results of protection. I have collected a few figures from the Bureau of Statistics which show this phenomenal increase. The years that I have compared are 1901 and 1911. They are as follows:

Domestic production of sugar.

	1901	1911	Increase.	Per cent of increase.
	Tons.	*Tons.*		
Hawaii	247,500	568,000	220,500	63½
Porto Rico	81,500	327,000	245,500	301
Philippines (1908)	51,500	201,000	149,500	290
Continental United States:				
Cane sugar	311,887	350,000	38,113	12
Beet sugar	86,082	552,500	476,472	553½
Total domestic	976,992	1,998,000	1,026,008	105

Beet-sugar production in California.

	Tons.
1900	43,370
1910	127,270
Increase	93,900
Per cent of increase	216½

Total consumption of sugar in the United States.

	Tons.
1901	2,750,000
1911	3,835,000
Increase	1,026,008
Per cent of increase	39½

These figures, expressed in short tons, show that cane-sugar production in Hawaii increased from 347,500 tons in 1901 to 568,000 tons in 1911, an increase of 220,500 tons, or 63½ per cent.

In Porto Rico the production in 1901 was 81,500 tons, and in 1911 it was 327,000 tons, an increase of 245,500 tons, or 301 per cent.

In the Philippine Islands, in 1908, the year when the Philippine tariff act went into effect, the production was 51,500 tons. In 1911 it was 201,000 tons, an increase of 149,500 tons, or 290 per cent, in four years.

The cane-sugar industry of Continental United States increased from 311,887 tons in 1901 to 350,000 tons, in round numbers, in 1911, an increase of 38,113 tons, or 12 per cent.

The beet-sugar production of this country in 1901 was 86,082 tons. In 1911 it was 552,500 tons, an increase of 476,472 tons, or 553½ per cent. As we have millions of acres of land adapted to the cultivation of beets, the possible production of beet sugar in this country is almost unlimited.

Our total production of sugar increased from 976,992 tons in 1901 to 1,998,000 tons in 1911, an increase of 1,026,008 tons, or 105 per cent.

If the present conditions were to continue, how long would it take for our production to overtake our consumption of sugar in this country? It seems to be clear that in 10 or 15 years we should be supplying our own demands by the production of sugar in the United States and its Territories and possessions. Our total consumption increased from 2,750,000 tons in 1901 to 3,835,000 tons in 1911, an increase of only 39½ per cent, while the increase in our total domestic production was 105 per cent.

Mr. AUSTIN. How many people are engaged in the cultivation of sugar in this country?

Mr. HAYES. I can not state offhand, but it runs up into the tens of thousands, of course.

In my own district I have three sugar factories in operation, one of which is the largest beet-sugar factory in the world. The production of sugar in California increased from 43,370 tons in 1900 to 127,270 in 1910, an increase of 93,900 tons, or 216½ per cent, although the factories were only increased by 2, 10 being now in operation. Last year the farmers of California were paid $6,000,000 for 1,000,000 tons of beets.

There are now in process of development in California two new beet-sugar factories which, of course, if this legislation is to become a law, will not be built, but must wait until the people of the United States come to the conclusion that it is better for them to produce the sugar that they consume than it is to pay the $100,000,000, which we now annually send out of the country, to the tropical islands or to Germany or France or some other foreign country to buy the sugar which our people consume. The following letter is self-explanatory:

MARYSVILLE, CAL., *March 7, 1912.*

Hon. E. A. HAYES, *Washington, D. C.:*

Sutter County is interested in a protective duty upon beet sugar. Before the end of the season, if the duty is retained, the beet-sugar industry there will have assumed large proportions. Outside capital has come to the county and the farmers have in contemplation the planting of a large acreage to beets. The Alameda Sugar Co. is about to begin the construction at Meridian of one of the largest sugar plants in the United States, but it is very doubtful if it will proceed if the duty is removed. I am voicing the wishes of the farming interest in Sacramento Valley in requesting you to use your influence to have the present duty retained.

A. H. HEWITT,
Speaker of the Assembly.

Mr. WILLIS. Some gentleman upon the other side stated in debate yesterday that the German farmer got more for his beets than the American farmer received, and that the American beets had a higher percentage of sugar than the German beets. Can the gentleman give us any information upon that?

Mr. HAYES. Mr. Chairman, I will say to the gentleman that the German farmer receives about $4.50 per ton for his beets; the French farmer a little over $4 per ton for his. Last year the farmers in California received $6 per ton for their beets. The price in this country varies from $5.50 to $7 per ton. The beets in Germany produce about 17½ per cent of sugar; they produced 17.61 per cent in California last year, not enough to account for any considerable part of the difference in the price.

There is another consideration that should appeal strongly to every Member of this House, and that is the highly beneficial effect upon the soil produced by rotating beets with cereal and other crops. It has been demonstrated repeatedly in this country, as well as in Germany and France, that raising on land a crop of beets once in three to five years will increase the crops of cereals in the intervening years fully 100 per cent after a few years of this rotation. A crop of beets is better than fertilizer for this purpose.

And yet, in spite of this fact, the gentlemen on the other side of the aisle are willing to put sugar on the free list, when it is perfectly apparent to anyone who gives the subject unbiased consideration that the result must be to stop the growing of beets and to totally destroy one of the great and rapidly growing industries of this country.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

3. Sugar candy and all confectionery not specially provided for in this act or in the first section of the act cited for amendment, valued at 15 cents per pound or less, and sugars after being refined, when tinctured, colored, or in any way adulterated, 2 cents per pound; valued at more than 15 cents per pound, 25 per cent ad valorem. The weight and the value of the immediate coverings, other than the outer packing case or other covering, shall be included in the dutiable weight and the value of the merchandise.

Mr. LA FOLLETTE. Mr. Chairman, when the tariff rate on sugar was raised under the Dingley bill 65 cents per hundredweight the tariff on beets to protect the farmer was under the same bill reduced from 25 per cent ad valorem per ton to 10 per cent ad valorem per ton, thus showing great love for the farmer. Ten per cent ad valorem may be protection enough for the farmer, as there were only some 35,000 tons shipped in here under this rate the past year from the fertile fields of Canada, where they have, according to the report of the Tariff Board, a cheaper average wage than in the United States. We presume those importations will increase from year to year to the satisfaction of the sugar factories. The farmer we hear so much of here is supposed to receive his benefits from the tariff second hand through the 1.95 cents per hundred pounds tariff on the finished product. Mr. Chairman, if the beet-sugar factories of this country were honestly capitalized and only striving to earn a fair return on an honest investment, and could show that they could not do so in competition with foreign countries, I would stand with Members on this side in trying to protect those interests to that extent.

But, Mr. Chairman, the sugar investigation and the speeches of various Members in this House show gross overcapitalization of those industries and that enormous earnings and dividends are being made and paid on not only cane refineries, but on overcapitalized sugar-beet factories throughout the United States.

Mr. Chairman, I think the time has arrived when the Congress of the United States should refuse longer by tariffs to foster and protect any industries the large majority of which are overcapitalized, and who are attempting to make the public pay interest and dividends on the same. Mr. Chairman, I think it is time the ultimate consumer should receive some consideration as well as pampered manufacturers, under the specious plea of protection to the farmers.

Next to flour the most important food element and product known to man is sugar, and it has the most intimate relation with his physical well-being, and I submit that we should treat this universal necessity with the greatest degree of liberality possible.

Mr. KAHN. Mr. Chairman, my good friend from Iowa [Mr. GOOD] in speaking of the production of sugar in the islands of the Hawaiian group made the statement, in substance, that the workmen in the cane fields there were Chinese and Japanese, and that therefore he did not believe the measure of protection that is now afforded should be allowed. As a matter of fact, the number of Chinese and Japanese in the Hawaiian cane fields has been materially reduced within the last two or three years. Chinese coolies are no longer admitted to the islands, and after the experience of the planters during the strike of the Japanese about two years ago the latter were put into the class of undesirable citizens in the Territory. Almost all of the workmen in the cane fields of Hawaii to-day are Caucasians. Twenty dollars a month is the amount of wage that is given to the Orientals, said the gentleman from Iowa. I think that is approximately true. The Caucasians receive at least 50 per cent more than that; but they all receive in addition to the cash wage house rent free, medical attendance free, fuel free, gardens with irrigation ditches and water running through them free. Some of the plantations maintain free nurseries for the children. So that when you figure together the value of these various allowances it makes a much more considerable wage than the gentleman from Iowa indicated.

But what is the condition in regard to the growing of cane sugar in Hawaii? Practically every sugar plantation has to pump millions of gallons of water every day for irrigation purposes. One plantation alone, the Ewa plantation, uses 80,000,000 gallons of water per day in irrigating its plantation. The cost of lifting that amount of water to the surface is no small sum. A number of pumping stations are installed. Their cost is not inconsiderable. In addition to that, the cost of carrying the sugar to the mills in Hawaii is generally much greater than it is in the tropical countries that produce sugar. Many of the plantations were run for years over there before they paid a single cent of dividend, and yet people imagine that the raising of sugar cane in Hawaii is an enormously profitable business. The Olaa plantation near Hilo, on the island of Hawaii, has never to this day paid a dividend, although millions

of dollars are invested in the enterprise. So it is with others. There is about one plantation in six that makes any considerable profit on the investment.

The question of labor in Hawaii is a very serious one. It has been difficult to get the right kind of field labor. The producers of sugar in the islands are perfectly willing to pay a proper wage if they can get the right kind of labor; but even at the present time, with the existing duty, they are not able to compete with sugar raised in tropical countries. If the duty be removed, the industry will perish in the islands. Sugar cane planted in the island of Cuba does not have to be replanted for six or seven years. The ratoon crops, as the volunteer crops are called, come up every year for six or seven years. In Hawaii if they get two ratoon crops they are doing very well, indeed. Almost invariably in the fourth year they have to replant, and that is always a very considerable item of expense. Therefore I want to call attention to the fact that the statement made by my friend from Iowa is somewhat misleading as to the cost of production of sugar in the Hawaiian Islands. [Applause on the Republican side.]

[Mr. JAMES addressed the committee. See Appendix.]

Mr. UNDERWOOD. Mr. Chairman, I move that the committee do now rise and report the bill to the House——

Mr. LENROOT. Mr. Chairman, I desire to offer an amendment.

Mr. UNDERWOOD. I will permit the gentleman to offer an amendment.

The CHAIRMAN. The gentleman from Wisconsin [Mr. LENROOT] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Add a new section, to be numbered section 4, to read as follows:
"SEC. 4. This act shall take effect from and after the 1st day of February, 1913."

Mr. LENROOT. Mr. Chairman, the effect of the amendment I have proposed is to postpone the operation of this bill, if it should become a law, until February 1, 1913. Mr. Chairman, I assert that as a general rule every Member of this House ought to vote upon a bill exactly as if his vote would either put that law upon the statute book if he voted for it, or mean its defeat if he voted against it. And, Mr. Chairman, I believe that there is a sufficient sense of justice and fair play in the membership of this House that if they would apply that principle to this bill this amendment that I have now proposed would be adopted.

Gentlemen who are familiar with the situation in this country know that contracts have now been made and signed between the beet-sugar manufacturers and the farmers for the crop of this coming year, binding contracts upon the beet-sugar manufacturer that they can under the law be compelled to carry out. Now, gentlemen upon the other side, is it not enough that you penalize the beet-sugar manufacturer by destroying his industry without at the same time making him liable under the law to the farmers of this country for contracts made with them upon the theory and the basis that a reasonable protection would still be accorded him? There was nothing in your platform that declared for free sugar. You did declare for gradual reduction in tariff rates, and I believe that a reduction ought to be made with reference to sugar. But nowhere have you declared for free sugar, and it is not fair, it is not just, it is not equitable, in view of these contracts that are made and existing now to insist that this drastic law that you propose shall immediately go into operation.

Mr. UNDERWOOD. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. LENROOT].

The question was taken, and the amendment was rejected.

Mr. UNDERWOOD. Mr. Chairman, I move that the committee do now rise and report the bill to the House with a favorable recommendation.

Mr. AUSTIN. Mr. Chairman, I wish to offer an amendment. I do not care to discuss it.

Mr. UNDERWOOD. I must insist on my motion to rise.

Mr. AUSTIN. I have not had an opportunity to discuss this bill or offer an amendment to it.

Mr. MANN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MANN. Is not the right to offer an amendment a preferential motion over a right to rise and report the bill? The gentleman can move to rise at any time, of course.

Mr. UNDERWOOD. Mr. Chairman, I do not think it is a preferential motion, but as the gentleman says he does not care to discuss the amendment, I will call for a vote.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Tennessee [Mr. AUSTIN].

The Clerk read as follows:

SEC. 4. That six months after the approval of this act if there is not a reduction in the cost of sugar to the consumer equal to the present duty this act shall become void, and the existing duty on sugar shall become effective.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. AUSTIN].

The question was taken, and the amendment was rejected.

Mr. UNDERWOOD. Mr. Chairman, I move that the committee do now rise and report the bill H. R. 21213 back to the House, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Speaker having resumed the chair, Mr. ADAIR, 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. 21213) to amend an act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," and had directed him to report the same to the House with the recommendation that the bill do pass.

Mr. UNDERWOOD. Mr. Speaker, I move the previous question on the bill to its final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. PAYNE. Mr. Speaker, I offer the following motion to recommit.

The SPEAKER. The gentleman from New York offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. PAYNE moves:
To recommit the bill to the Committee on Ways and Means with instructions to report the same back to the House amended so as to eliminate from the sugar schedule the Dutch standard color test, the differential on refined sugar, provide for a tariff on sugar that shall measure the difference between the cost of production at home and abroad, and not in conflict with the terms of the treaty with Cuba, such cost of production to be ascertained by scientific investigation and report to be made by the Tariff Board or some similar body.

The SPEAKER. The question is on the motion to recommit with instructions.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. MANN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 102, nays 200, answered "present" 5, not voting 87, as follows:

YEAS—102.

Ainey	Gardner, N. J.	McCreary	Sells
Austin	Good	McKinley	Simmons
Bowman	Green, Iowa	McKinney	Slemp
Browning	Greene, Mass.	McLaughlin	Sloan
Burke, Pa.	Hanna	McMorran	Smith, J. M. C.
Burke, S. Dak.	Harris	Madden	Smith, Saml. W.
Butler	Hartman	Malby	Stephens, Cal.
Campbell	Haugen	Mann	Sterling
Cannon	Hayes	Miller	Stevens, Minn.
Catlin	Henry, Conn.	Mondell	Sulloway
Crago	Higgins	Moon, Pa.	Switzer
Currier	Hinds	Mott	Taylor, Ohio
Dalzell	Howell	Needham	Thistlewood
Danforth	Howland	Parran	Tilson
Davidson	Hughes, W. Va.	Patton, Pa.	Towner
Dodds	Humphrey, Wash.	Payne	Utter
Draper	Jackson	Pickett	Vreeland
Driscoll, M. E.	Kahn	Plumley	Wedemeyer
Dwight	Kendall	Porter	Wilder
Dyer	Kennedy	Powers	Willis
Esch	Kinkaid, Nebr.	Pray	Wood, N. J.
Farr	Knowland	Rees	Woods, Iowa
Focht	Kopp	Reyburn	Young, Kans.
Fordney	Lawrence	Roberts, Mass.	Young, Mich.
French	Longworth	Roberts, Nev.	
Gardner, Mass.	Loud	Rodenberg	

NAYS—200.

Adair	Burnett	Denver	Garrett
Adamson	Byrnes, S. C.	Dickinson	George
Aiken, S. C.	Byrns, Tenn.	Dies	Glass
Akin, N. Y.	Callaway	Difenderfer	Godwin, N. C.
Alexander	Candler	Dixon, Ind.	Goldfogle
Allen	Carlin	Donohoe	Goodwin, Ark.
Anderson, Minn.	Carter	Doremus	Gould
Anderson, Ohio	Claypool	Doughton	Graham
Ansberry	Clayton	Dupre	Gray
Ashbrook	Cline	Edwards	Gregg, Pa.
Ayres	Collier	Ellerbe	Gregg, Tex.
Barnhart	Connell	Estopinal	Gudger
Bartlett	Conry	Evans	Hamilton, W. Va.
Bathrick	Cooper	Faison	Hamlin
Bell, Ga.	Covington	Fergusson	Hammond
Blackmon	Cox, Ohio	Ferris	Hardwick
Boehne	Cravens	Finley	Hardy
Booher	Cullop	Fitzgerald	Harrison, Miss.
Brantley	Curley	Floyd, Ark.	Harrison, N. Y.
Buchanan	Daugherty	Foster, Ill.	Hay
Bulkley	Davenport	Fowler	Hayden
Burke, Wis.	Davis, Minn.	Francis	Heflin
Burleson	Davis, W. Va.	Garner	Helgesen

Helm	Lewis	Prince	Stedman
Henry, Tex.	Lindbergh	Rainey	Steenerson
Hensley	Linthicum	Raker	Stephens, Miss.
Holland	Littleton	Randell, Tex.	Stephens, Nebr.
Houston	Lloyd	Ransdell, La.	Stephens, Tex.
Howard	Lobeck	Rauch	Stone
Hughes, N. J.	McKellar	Redfield	Sweet
Hull	McKenzie	Reilly	Talbott, Md.
Humphreys, Miss.	Maguire, Nebr.	Roddenbery	Talcott, N. Y.
Jacoway	Martin, Colo.	Rouse	Taylor, Ala.
Johnson, Ky.	Mays	Rubey	Taylor, Colo.
Johnson, S. C.	Moon, Tenn.	Rucker, Mo.	Thomas
Jones	Moore, Tex.	Russell	Tribble
Kent	Morrison	Sabath	Turnbull
Kinkead, N. J.	Morse, Wis.	Saunders	Tuttle
Kitchin	Moss, Ind.	Scully	Underhill
Konop	Murdock	Shackleford	Underwood
Korbly	Murray	Sharp	Volstead
Lafferty	Neeley	Sherwood	Warburton
La Follette	Nelson	Sims	Watkins
Lamb	Norris	Sisson	Webb
Lee, Ga.	Nye	Slayden	White
Lee, Pa.	Page	Small	Wickliffe
Legare	Pepper	Smith, N. Y.	Wilson, N. Y.
Lenroot	Peters	Smith, Tex.	Wilson, Pa.
Lever	Post	Sparkman	Witherspoon
Levy	Pou	Stanley	The Speaker

ANSWERED "PRESENT"—5.

Burgess	Hawley	James	Langley
Gallagher			

NOT VOTING—87.

Ames	Dent	Konig	Patten, N. Y.
Andrus	Dickson, Miss.	Lafean	Prouty
Anthony	Driscoll, D. A.	Langham	Pujo
Barchfeld	Fairchild	Lindsay	Richardson
Bartholdt	Fields	Littlepage	Riordan
Bates	Flood, Va.	McCall	Robinson
Beall, Tex.	Fornes	McCoy	Rothermel
Berger	Foss	McDermott	Rucker, Colo.
Bingham	Foster, Vt.	McGillicuddy	Sheppard
Borland	Fuller	McGuire, Okla.	Sherley
Bradley	Gillett	McHenry	Smith, Cal.
Broussard	Goeke	Macon	Speer
Brown	Griest	Maher	Stack
Calder	Guernsey	Martin, S. Dak.	Sulzer
Cantrill	Hamill	Matthews	Taggart
Cary	Hamilton, Mich.	Moore, Pa.	Thayer
Clark, Fla.	Heald	Morgan	Townsend
Copley	Hill	Oldfield	Weeks
Cox, Ind.	Hobson	Olmsted	Whitacre
Crumpacker	Hubbard	O'Shaunessy	Wilson, Ill.
Curry	Hughes, Ga.	Padgett	Young, Tex.
De Forest	Kindred	Palmer	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. CLARK of Missouri, and he voted in the negative, as above recorded.

So the motion to recommit with instructions was rejected.

The Clerk announced the following additional pairs:

On the vote to recommit:

Mr. PUJO (for recommittal) with Mr. TOWNSEND (against recommittal).

Mr. SPEER (for recommittal) with Mr. MCCOY (against recommittal).

Mr. O'SHAUNESSY (against recommittal) with Mr. BARTHOLDT (for recommittal).

Until further notice:

Mr. MCGILLICUDDY with Mr. GUERNSEY.

Mr. MAHER with Mr. CALDER.

Mr. RUCKER of Colorado with Mr. CARY.

Mr. SULZER with Mr. MATTHEWS.

Mr. DENT (against recommittal) with Mr. FOSTER of Vermont (for recommittal).

Mr. JAMES. Mr. Speaker, I desire to inquire if the gentleman from Massachusetts, Mr. MCCALL, is recorded as voting?

The SPEAKER. He is not.

Mr. JAMES. Then I desire to withdraw my vote in the negative and answer "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is, Shall the bill pass? Those in favor will say aye——

Mr. UNDERWOOD. Mr. Speaker, I ask for the yeas and nays.

Mr. MANN. I demand the yeas and nays, Mr. Speaker.

The yeas and nays were ordered.

The SPEAKER. Those in favor of passing the bill will answer "yea" when their names are called; those opposed will answer "nay."

The question was taken; and there were—yeas 199, nays 104, answered "present" 5, not voting 86, as follows:

YEAS—199.

Adair	Ashbrook	Brantley	Candler
Adamson	Ayres	Buchanan	Carlin
Aiken, S. C.	Barnhart	Bulkley	Carter
Akin, N. Y.	Bartlett	Burke, Wis.	Claypool
Alexander	Bathrick	Burleson	Clayton
Allen	Bell, Ga.	Burnett	Cline
Anderson, Minn.	Blackmon	Byrnes, S. C.	Collier
Anderson, Ohio	Boehne	Byrns, Tenn.	Connell
Ansberry	Booher	Callaway	Conry
Covington	Gregg, Pa.	Lever	Scully
Cox, Ohio	Gregg, Tex.	Levy	Sells
Cravens	Gudger	Lewis	Shackleford
Cullop	Hamilton, W. Va.	Lindbergh	Sharp
Curley	Hamlin	Linthicum	Sherwood
Daugherty	Hammond	Littleton	Sims
Davenport	Hanna	Lloyd	Sisson
Davis, Minn.	Hardwick	Lobeck	Slayden
Davis, W. Va.	Hardy	McKellar	Small
Denver	Harrison, Miss.	McKenzie	Smith, N. Y.
Dickinson	Harrison, N. Y.	Maguire, Nebr.	Smith, Tex.
Dies	Hay	Mays	Sparkman
Difenderfer	Hayden	Miller	Stanley
Dixon, Ind.	Heflin	Moon, Tenn.	Stedman
Donohoe	Helgesen	Moore, Tex.	Steenerson
Doremus	Helm	Morrison	Stephens, Miss.
Doughton	Henry, Tex.	Moss, Ind.	Stephens, Nebr.
Dyer	Hensley	Murdock	Stephens, Tex.
Edwards	Holland	Murray	Stone
Ellerbe	Houston	Neeley	Sweet
Evans	Howard	Norris	Talbott, Md.
Faison	Howland	Nye	Talcott, N. Y.
Fergusson	Hughes, N. J.	O'Shaunessy	Taylor, Ala.
Ferris	Hull	Page	Thomas
Finley	Humphreys, Miss.	Pepper	Tribble
Fitzgerald	Jacoway	Peters	Turnbull
Floyd, Ark.	Johnson, Ky.	Post	Tuttle
Foster, Ill.	Johnson, S. C.	Pou	Underhill
Fowler	Jones	Prince	Underwood
Francis	Kendall	Rainey	Volstead
Garner	Kent	Raker	Warburton
Garrett	Kinkead, N. J.	Randell, Tex.	Watkins
George	Kitchin	Rauch	Webb
Glass	Konop	Redfield	White
Godwin, N. C.	Korbly	Reilly	Wilson, N. Y.
Goldfogle	Lafferty	Roddenbery	Wilson, Pa.
Good	La Follette	Rouse	Witherspoon
Goodwin, Ark.	Lamb	Rubey	Woods, Iowa
Gould	Lee, Ga.	Rucker, Mo.	Young, Kans.
Graham	Lee, Pa.	Russell	The Speaker
Gray	Legare	Sabath	

NAYS—104.

Ainey	Fordney	McCreary	Roberts, Mass.
Austin	French	McKinley	Roberts, Nev.
Bowman	Gardner, Mass.	McKinney	Rodenberg
Broussard	Gardner, N. J.	McLaughlin	Simmons
Browning	Green, Iowa	McMorran	Slemp
Burke, Pa.	Greene, Mass.	Madden	Sloan
Burke, S. Dak.	Harris	Malby	Smith, J. M. C.
Butler	Hartman	Mann	Smith, Saml. W.
Campbell	Haugen	Martin, Colo.	Stephens, Cal.
Cannon	Hayes	Mondell	Sterling
Catlin	Henry, Conn.	Moon, Pa.	Stevens, Minn.
Cooper	Higgins	Morse, Wis.	Sulloway
Crago	Hinds	Mott	Switzer
Currier	Howell	Needham	Taylor, Colo.
Dalzell	Hughes, W. Va.	Nelson	Taylor, Ohio
Danforth	Humphrey, Wash.	Parran	Thistlewood
Dodds	Jackson	Patton, Pa.	Tilson
Draper	Kahn	Payne	Towner
Driscoll, M. E.	Kennedy	Pickett	Utter
Dupre	Kinkaid, Nebr.	Porter	Vreeland
Dwight	Knowland	Powers	Wedemeyer
Esch	Kopp	Pray	Wickliffe
Estopinal	Lawrence	Prouty	Wilder
Fairchild	Lenroot	Ransdell, La.	Willis
Farr	Longworth	Rees	Wood, N. J.
Focht	Loud	Reyburn	Young, Mich.

ANSWERED "PRESENT"—5.

Burgess	Hawley	James	Langley
Gallagher			

NOT VOTING—86.

Ames	Dent	Lafean	Pujo
Andrus	Dickson, Miss.	Langham	Richardson
Anthony	Driscoll, D. A.	Lindsay	Riordan
Barchfeld	Fields	Littlepage	Robinson
Bartholdt	Flood, Va.	McCall	Rothermel
Bates	Fornes	McCoy	Rucker, Colo.
Beall, Tex.	Foss	McDermott	Saunders
Berger	Foster, Vt.	McGillicuddy	Sheppard
Bingham	Fuller	McGuire, Okla.	Sherley
Borland	Gillett	McHenry	Smith, Cal.
Bradley	Goeke	Macon	Speer
Brown	Griest	Maher	Stack
Calder	Guernsey	Martin, S. Dak.	Sulzer
Cantrill	Hamill	Matthews	Taggart
Cary	Hamilton, Mich.	Moore, Pa.	Thayer
Clark, Fla.	Heald	Morgan	Townsend
Copley	Hill	Oldfield	Weeks
Cox, Ind.	Hobson	Olmsted	Whitacre
Crumpacker	Hubbard	Padgett	Wilson, Ill.
Curry	Hughes, Ga.	Palmer	Young, Tex.
Davidson	Kindred	Patten, N. Y.	
De Forest	Konig	Plumley	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. CLARK of Missouri, and he voted in the affirmative, as above recorded.

So the bill was passed.

The Clerk announced the following additional pairs:

For the vote:

Mr. MCCOY (for the bill) with Mr. SPEER (against the bill).

Mr. TOWNSEND (for the bill) with Mr. PUJO (against the bill).

Mr. JAMES (for the bill) with Mr. MCCALL (against the bill).

Mr. FLOOD of Virginia (for the bill) with Mr. OLMSTED against the bill).

Mr. DENT (for the bill) with Mr. FOSTER of Vermont (against the bill).

Until further notice:
Mr. COX of Indiana with Mr. HEALD.
Mr. HOBSON with Mr. BARTHOLDT.
Mr. STACK with Mr. MCGUIRE of Oklahoma.
Mr. GOEKE with Mr. MARTIN of South Dakota.
Mr. LITTLEPAGE with Mr. PLUMLEY.
Mr. SAUNDERS with Mr. TOWNER.
The result of the vote was announced as above recorded.
The announcement of the result was received with cheers on the Democratic side.
On motion of Mr. UNDERWOOD, a motion to reconsider the last vote was laid on the table.

EXTENSION OF REMARKS.

Mr. JAMES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.
The SPEAKER. The gentleman from Kentucky [Mr. JAMES] asks unanimous consent to extend his remarks in the RECORD. Is there objection?
There was no objection.
Mr. UNDERWOOD. Mr. Speaker, I desire to ask unanimous consent that all gentlemen who have spoken on this bill may have leave to extend their remarks in the RECORD, and that all other gentlemen in the House may have leave for five legislative days to print on the subject matter of the bill that has just passed.
The SPEAKER. The gentleman from Alabama asks unanimous consent that all gentlemen who have spoken on this bill have leave to extend their remarks in the RECORD, and that those who have not spoken shall have the privilege of printing on this subject for five legislative days. Is there objection?
There was no objection.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted—
To Mr. GREGG of Pennsylvania, for 4 days, on account of important business.
To Mr. MCHENRY, for 10 days, on account of important business.
To Mr. HUGHES of Georgia, for to-day, on account of sickness.

SPEECH OF HON. WILLIAM C. REDFIELD.

Mr. FOSTER of Illinois. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech delivered by Hon. WILLIAM C. REDFIELD before the National Democratic Club of New York on January 3, 1912.
The SPEAKER. The gentleman from Illinois [Mr. FOSTER] asks unanimous consent to print in the RECORD the speech made by the gentleman from New York [Mr. REDFIELD] on the occasion stated by him. Is there objection?
There was no objection.
The remarks referred to are as follows:

ADDRESS OF HON. WILLIAM C. REDFIELD BEFORE THE NATIONAL DEMOCRATIC CLUB JANUARY 3, 1912.

"Just as in Alaska natives set up totem poles and worship spirits, and as in the Philippines the nipa huts are tightly closed to keep out the night-flying demons, so most American manufacturers have belonged to a sort of industrial Shut-in Society devoted largely to a cult of fears of things that are not so. Meanwhile, dreading the phantoms without, they have nurtured demons within. They have adopted and cultivated a mental attitude that has sterilized all initiative, and the fear of the ghosts that do not exist has deprived them of the vision to see and deal with the real demons who injure them.

"Two among the ghosts loom large in our industrial horizons. The first of these is called Rate of Wages. Dire evils are laid to his charge. Books have been written about him, and he has filled the mouths of orators in many places and through many years. What he has done to hold back our poor American industries has been vividly told. He is pictured in part as a handicap upon domestic trade, as part of the high cost of living, as the foe of export business, as a general and serious disturber, and to him is charged both the excessive cost of what we buy at home and of what some of us do not sell abroad.

"A second ghost is called Cost of Production. Most of us know very little about this ghost, but we talk of him volubly and tell how bad he is and how he is related by blood and behavior to the first ghost I have named. Men say how hard they have striven to control the influences of this evil spirit, and declare that only protection from some source stronger than themselves will keep them from serious injury at the hands of these phantoms. For phantoms both these ghosts are. Their dreadful names have hung like shadows over many a shop, but men who have faced them boldly have found they are not what they are thought to be; that instead of direful ghosts filled with possibilities of disaster, they are friendly spirits carrying much possibility of good, and offering harm only to those who do not understand how to treat them.

"But the demons within are real, many, and vigorous, four of them especially so. There is one demon called Waste, who is omnipresent. His brother is Ignorance, and they walk hand in hand through many a shop. Closely related is an evil spirit called Neglect, and the fourth member of the devilish group is Blindness. These baneful four are no dreams, but real destroyers. It is against them that protection is needed. Those strong men among our industries who have learned that the Rate of Wages is a friendly spirit have found him powerful also in overcoming the demon called Waste, and just as with clear minds and fixed purpose they study into the true nature of the Rate of Wages and the Cost of Production do the demons of Neglect, Ignorance, and Blindness cease to trouble.

"In this brief preface I have tried to sketch the fundamentals of our industrial problem as it relates to the tariff. We have been too long ghost fearers and devil conservers. Let us face about, look firmly at the ghosts and squarely at the devils. The ghosts will be found helpful friends and the devils—

"Shall fold their tents like the Arabs,
And silently steal away."

"American manufacturers need tariff reform for certain definite, specific purposes. Among these are:
"1. To enlarge their mental and moral vision.
"2. To increase their efficiency.
"3. To teach them the gospel of self-help.
"I am tempted to add a fourth reason—to get rid of ghosts; but when the vision mental and moral shall have been enlarged and efficiency shall have been learned and self-help acquired, the ghosts will have gone.

"Our manufacturers need to have their mental vision enlarged, because ignorance is a limiting factor. It has always been true that 'a little knowledge is a dangerous thing.' They have been fed on untruths. It is not true, for example, that because a man is paid $3 per day his product necessarily costs more than that of a man paid $2 per day. It is not true that goods cost so much of necessity in an American shop that they can not meet foreign competition. It is not true that our industries would be injured, much less destroyed, by a reduction of the tariff wall. It is more true, far, that this very tariff wall is in danger of creating a sort of industrial "Paresis club." It is true that product is a far more important thing in cost than the rate of wage. It is true that direct labor cost is a small part of the total cost of making goods. It is true that the burden charge is often heavier than the direct labor charge; it is true that the selling expense is often heavier than the direct labor charge; it is true that when comparison is made between the rate of wage in America and the rate of wage abroad, such a comparison is meaningless and silly unless the rate of production and its conditions be stated. It is true that when the difference between the rate of wage at home and abroad is given it is a difference which relates to but a small part of the cost of making goods, and in no sense a major part. For example, if the somewhat mysterious synopsis of the report of the Tariff Board may be quoted, there is said to be a difference in labor cost in making yarn between England and the United States of 100 per cent; but this 100 per cent does not sound so large, even if it be always true, which I doubt, when the report shows that the total proportion of labor cost in making yarn is but 9¼ per cent, and the 100 per cent difference, therefore, is but a difference of 4⅝ per cent of the total cost of the yarn. Other plain truths are: The differences in cost between two American concerns in the same line are often greater than the difference in cost between a concern abroad and one at home in the same line. The difference in direct labor cost between a foreign and a domestic concern in the same line may be entirely overcome by differences in the burden charge.

"I am told, and believe it to be true, that but few American manufacturers really know the cost of their goods, and but very few the cost of each operation in making their goods. An examiner for the Tariff Board told me that in 16 shops he visited they did not know what their goods cost and had no systematic, accurate way of finding out. One of the first and most beneficial results of the removal of artificial protection would be to make our manufacturers learn these facts, to enlarge their mental vision along the line of the old Jewish proverb, 'Physician, heal thyself.'

"But there would be a moral enlargement of vision also, for among our industrial shut-ins strange moral growths occur. For example, what think you of men in control of a large industry buying for their personal gain other factories whose product must be used by the larger one and then arranging to have the output of the one they own purchased at high prices by the other which they control? What think you of concerns employing men at large salaries whose duty in large part it is to copy as nearly as they dare patents having value which

are submitted to them for purchase or of which they learn in order that they may themselves benefit by the inventor's skill without his profiting by it? Or what is your view of their using a department of patent law to protect them against the righteous claims of those whose property they have taken, and what of the morals of a large concern telling a small one that unless they cease suing them for the misuse of patents the little will be driven out of business by the big? Under the genial influence of a reduction of duties some of these processes would become too expensive and legitimate competition would at least offer a larger field for dealing with those whose sense of honor was higher and would open a broader market to the inventor.

"A reduction of tariff would increase the efficiency of the American manufacturer and therefore add to the profits of his business. The fetish of having to cut wages to keep cost down is dead or dying. Even the Tariff Board admits that. It is output that counts. An experienced manufacturer said to me a few days ago: 'The tariff kills initiative and raises the cost.' You have no doubt noticed that the cry as to the inefficiency of their labor comes from those industries that are most highly protected. Provide a profitable market for a manufacturer and why should he spur himself. Like the rest of us he will be as lazy as he dares, and if through the grace of law he may sell, as our wool men are said by the Tariff Board to do, at prices 67 per cent higher than those prevailing abroad, why should he strive to improve himself so long as it pays not to do so? While obsessed with the belief that high wages mean high labor cost and imbued with a conviction of his own helplessness, how can a man become efficient? For efficiency means keen self-criticism. It means to go out into the shop and find nothing there that is sacred or fixed. It means that in that shop six months ago shall be ancient history. It means the dropping of tradition, the forgetting of ghosts, the questioning of everything. It means the old Scripture doctrine, 'Prove all things, hold fast that which is good,' and only that. This means serious, constant, patient study and toil, and it needs a spur to bring men to that labor. True, the men with vision in our industries, who have the sense of the industrial seer, and especially in those industries which have been less protected from the ghosts by law, have done this labor and have found it amazingly lucrative. Here note one vital but not obvious fact. What of the concerns whose names do not appear in our tariff fights.

"Has anyone thought to make a list of the houses that are silent on the tariff? Has it occurred to anyone that a reason for this silence may be that some of these houses feel so competent to meet any tariff situation that they are fearless about it? I have the best of reasons for thinking this is true of two large worsted manufacturers, and I know it is true of other concerns. They do not care to advertise the fact that by keener management, finer equipment, and better methods they are doing so well that the tariff is to them an indifferent thing, because, so to speak, they would put their competitors "onto the game." Look among the names of the manufacturers in our great industries who do not make Washington their Mecca and see what you find. Tariff reduction will bring to the American manufacturer everywhere that spur from legitimate competition which will make him criticize and study his own methods, which will force him to drive out the devils of ignorance, waste, neglect, and blindness.

"And with a larger and purer vision, and with higher efficiency, he will have gone far on the road to the third gain from tariff reduction, namely, he will have begun to learn self-help. And to substitute self-help for dependence, courage for fear, hope for doubt, manliness for cowardice, is the noble task in which the Democratic Party is engaged in its campaign for tariff reform. But self-help means more than anything we have yet said. It means, after doing all we have suggested, stopping the greatest waste in industry and utilizing the greatest force in industry, which waste is now sadly great and which force is too little used.

"Look at the elements in the cost of production—material, that is an inert, dead thing; selling expense, that produces nothing; burden charge, truly described by its name of a burden; labor cost, here you have the one productive element. Is it treated productively? Your building, your machinery, your material, these are investments. Your men—are their wages an investment or an expense? Look at the question squarely. Your whole industrial efficiency rests on the answer.

"If the wages of these men are an expense, then the less of it the better. If your men are an expense, then cutting wages becomes normal and proper. They rank like waste of any kind. They are a thing to be reduced to the lowest limit if you think that pays. But if the wages of these men are an investment, if this one productive element in industry has in the very fact of its productiveness something that separates it from all other kinds of cost, then it is worth conserving. For your investments you cultivate, you develop, you improve, you study their nature, you are deeply interested in their management, you wish them to be efficient, helpful, reliable, steady. Indeed, you look for a growing return from them. It pays to study investments. It does not pay to treat an investment contrary to the laws of the thing in which you invest. It is better, cheaper, more profitable to work with the laws of your investment than against its laws. Self-help means a new outlook on labor for a manufacturer. It means that he has got to cease to profit by it and learn to profit with it. It means that the pay roll is an investment and not an expense, and a chasm of thought divides the two. It means that the old ghost of the rate of wages has turned into a friendly spirit that says to him, 'The more I grow, the larger I am, the more I should produce for you and yours'; and it says to the cost of production, 'The more I produce the smaller you get and the less influence you have.' It says to the man whose vision has been enlarged, 'Do not worry about your rate of wages; think, rather, of your rate of output; get rid of the devil of waste, stop the devil of neglect of your burden charges and blindness to the inefficiency of your equipment and ignorance of your handling expense. Drive out the devil of neglect of your own costs and blindness to your selling charges. Get rid of the things that don't produce and make the most, the utmost, of the one element in your shop that does produce, and above all things do nothing in blindness, ignorance, or neglect, or waste to cramp or antagonize or hamper the only productive element, the only responsive element in the cost of the goods you make.' And so the Democratic position is one that is not negative but affirmative, it is not destructive but constructive, it is in line with all the forces of uplift in our land. It is the gospel of hope and not of doubt, the gospel of courage and not of fear, the gospel of moderation and not of rashness, it is the teaching of that same self-help to our manufacturers which we try to cultivate in our children. It does not let 'I dare not wait upon I would,' but says 'you can.' It is the teaching of industrial freedom, a strong and not a weak faith.

"Let me close with the statement of certain truths which form at least a part of the Democratic declaration of industrial independence and which the Democratic Party believes to be evident.

"There is in the strict sense of language no such thing as the cost (meaning the fixed cost) of production, and the phrase as often used misleads.

"Since there is and can be no such thing as a fixed or uniform cost of producing an article, to base a fixed tax thereon is absurd and impossible.

"The nature of cost being variable, a tax actually based on such differences between cost in Europe and America as might be found to exist would vary constantly. If based on the cost records of an inefficient American shop it might at times be high; if based on best American practice it might not exist at all.

"The difference in cost between American shops in the same industry are as great as or greater than the average differences in cost between America and Europe. The same is to a degree true in each industry of Europe. The relations of these costs each to the other both within and without any industrial country constantly change. The statements, therefore, seriously made by some about basing a tariff on the differences in labor cost between this country and Europe are ridiculous. It would involve preferences in favor of one European country as against another, and if it were to be maintained at the actual differences in cost, it would have to be adjusted frequently to meet changes in efficiency, methods, or invention in the various countries affected by it.

"A tariff based on the difference in the cost of production must, if it be correct, be a different tariff against every country producing like goods for costs in these countries vary. Not only so, but logic requires that a separate tariff be made against separate factories in so far as their costs differ.

"A tariff based on differences in cost of production is a logical and industrial absurdity.

"It is a normal thing that the most highly protected industries should be the most backward.

"The cost of labor is but a minor part of total cost and rarely the controlling element therein.

"The differences in wages between America and Europe affect but a small part of the total cost of manufacture, and is itself so modified by many other conditions affecting cost as to be valueless as a basis for argument.

"The chief controlling factor in production is the rate of output. Other factors therein are burden charge, selling expense, material cost, and lastly, and often least, labor cost. It may therefore pay, often does pay, to increase the wage rate

to induce output and therefore to reduce the relative burden and selling charge.

"The reduction of the wage rate as a means of economy is the foolish resort of the inefficient and the ill-informed.

"Differences in cost may have no relation to labor. In A's shop where total cost is least, labor cost may be most. In B's shop where total cost is greatest, labor cost may be least.

"The possible saving in total cost through eliminating the element of waste in its many forms may amount to one-half even while the daily rate of wage will increase. Under these conditions, despite the increase in wage, the output may so enlarge that profits would be greatly increased even though selling prices were reduced to meet competition.

"The Republican Party undertakes to insure 'a reasonable profit' by law. A reasonable profit has never been defined nor its conditions made known. Such a profit may vary, that being reasonable in one place being unreasonable in another; that which is fair under some conditions would be unfair under others; that which is righteous in some industries would be unrighteous in others; that which is normal in some places, abnormal in others. What are the limits? Who is to decide what a reasonable profit is?

"The Democratic Party believes that the policy of a tariff for revenue only is not only a policy free from the logical absurdities of a tariff based upon the alleged cost of production, but that it is a policy which opens to our industries the way to development on normal and permanent lines where brains, character, and energy may work out their natural results to the profit of the manufacturer, to the advantage of the worker, and to the gain of the consumer.

"The Democratic Party would substitute industrial self-help for tarif protection. By this it does not mean rash, hasty, or even radical removals of existing duties, but reducing them with moderation to a revenue basis. By self-help it means that our manufacturers shall exercise that constant and searching self-criticism into their own plans, methods, and management, which should mark every progressive producer, but which is little likely to exist, and has in many cases not existed, whereas by reason of the tariff a profit has been assured by law. But self-help in industry means more than this. It means replacing doubt with hope and fear with courage. Protection is the gospel of security for the incompetent and inefficient at the national cost. Self-help is the gospel of competence and efficiency to the general gain. But self-help means yet more. It means an altered attitude on the part of manufacturers toward labor. It means the spirit of cooperation between employer and his workman. It means a recognition of the law that a well-paid and well-treated employee is the cheapest producer. It means a true industrial democracy in which owner, workmen, and consumer pull together with greater profit to the first, larger wages with shorter hours and less strenuous labor for the second, and lower prices for the third. This is the aim and the outcome of industrial self-help. It is a teaching opposed to all narrow selfishness, hostile to much of our accepted business economy, but it is in fundamental accord with the laws of human nature and with enlightened self-interest on the part of all dependent on our industries."

ORDER OF BUSINESS.

Mr. UNDERWOOD. Mr. Speaker, it is my desire to call up the excise tax bill (H. R. 21214) to-morrow morning. I would like to make an arrangement with the gentleman from New York [Mr. PAYNE], if I can do so, about the consideration of that bill.

Mr. PAYNE. What does the gentleman suggest?

Mr. UNDERWOOD. How much time does the gentleman think will be required for general debate on the bill?

Mr. PAYNE. There is not so much pressure for debate on that bill as there was on this. A good many gentlemen who wanted to speak on this bill, 20 or more, have taken five minutes and obtained leave to print. Now, I do not know whether some of these gentlemen will come in and want to speak in the open House on the income-tax bill or not. The gentleman will excuse me for not falling into his terms. There are only four or five gentlemen who have indicated to me as yet a desire to speak on that bill.

Mr. MANN. Why not let that remain unsettled and make the other suggestion which the gentleman has in mind, which will give us an opportunity to ascertain better how many gentlemen desire to speak.

Mr. UNDERWOOD. My only purpose in making this suggestion at this time is that to-morrow being Saturday, if we can let the general debate run over until Monday that would enable some gentlemen to go home over Sunday. That is my purpose in making the request. I would say to the gentleman from New York [Mr. PAYNE] that if it is satisfactory to him, and we can arrange to do so, I will be willing to agree to have general debate on this bill to-morrow and Monday, and take it up under the five-minute rule immediately after the reading of the Journal on Tuesday, if we can agree to put Monday's business over until Thursday.

Mr. MANN. I have no doubt that arrangement would be satisfactory, but why not make that request without fixing the absolute time for general debate?

Mr. UNDERWOOD. Then, I ask unanimous consent that the business for next Monday, which is suspension day, be transferred to Thursday, so that the excise bill may be considered on Monday as well as on Saturday.

The SPEAKER. The gentleman from Alabama [Mr. UNDERWOOD] asks unanimous consent that business in order, under the rule, for next Monday be transferred to Thursday. Is there objection?

Mr. MARTIN of Colorado. I object.

The SPEAKER. Objection is made.

ADJOURNMENT.

Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 17 minutes p. m.) the House adjourned until to-morrow, Saturday, March 16, 1912, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. STEPHENS of Texas, from the Committee on Indian Affairs, to which was referred the bill (S. 3686) authorizing the Secretary of the Interior to permit the Missouri, Kansas & Texas Coal Co. and the Eastern Coal & Mining Co. to exchange certain lands embraced within their existing coal leases in the Choctaw and Chickasaw Nation for other lands within said nation, reported the same without amendment, accompanied by a report (No. 417), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. BURKE of South Dakota, from the Committee on Indian Affairs, to which was referred the bill (H. R. 18661) to provide for an extension of payment of all unpaid payments due from homesteads on the Coeur d'Alene Indian Reservation, as provided for under an act of Congress approved June 21, 1906, reported the same with amendment, accompanied by a report (No. 418), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. BURKE of Pennsylvania, from the Committee on Military Affairs, to which was referred the concurrent resolution (S. Con. Res. 19) relating to the fiftieth anniversary of the battle of Gettysburg, reported the same without amendment, accompanied by a report (No. 419), which said bill and report were referred to the Commmittee of the Whole House on the state of the Union.

Mr. JACOWAY, from the Committee on Indian Affairs, to which was referred the bill (H. R. 45) affecting the town sites of Timber Lake and Dupree, in South Dakota, reported the same with amendment, accompanied by a report (No. 420), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. FERRIS, from the Committee on Indian Affairs, to which was referred the bill (H. R. 1332) regulating Indian allotments disposed of by will, reported the same with amendment, accompanied by a report (No. 421), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. KNOWLAND, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 20486) authorizing the construction of a bridge across the Willamette River at or near Newberg, Oreg., reported the same with amendment, accompanied by a report (No. 422), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GRIEST: A bill (H. R. 21958) to exempt cigar manufacturers from payment of internal-revenue taxes on cigars supplied employees for personal consumption; to the Committee on Ways and Means.

By Mr. HAY: A bill (H. R. 21959) to amend an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year 1901, and for other purposes"; to the Committee on Appropriations.

By Mr. DIES: A bill (H. R. 21960) to authorize the Port Arthur Pleasure Pier Co. to construct a bridge across the Sabine-Neches Canal in front of the town of Port Arthur; to the Committee on Interstate and Foreign Commerce.

By Mr. KOPP: A bill (H. R. 21961) for the acquisition of a site and the erection of a building thereon at Lancaster, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. SABATH: A bill (H. R. 21962) to provide a system of compensation for injuries, resulting in disability or death, to employees of common carriers subject to the regulative power of Congress, to civil employees of the United States Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MALBY: A bill (H. R. 21963) to make Fort Covington, N. Y., a subport of entry; to the Committee on Ways and Means.

Also, a bill (H. R. 21964) for the purchase of a site and the erection thereon of a public building at Canton, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 21965) for the purchase of a site and the erection thereon of a public building at Potsdam, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 21966) for the purchase of a site and the erection thereon of a public building at Saranac Lake, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. LOUD: A bill (H. R. 21967) to increase the pay of the secretary to the Admiral of the Navy; to the Committee on Naval Affairs.

By Mr. YOUNG of Michigan: A bill (H. R. 21968) to fix the terms of the district court for the western district of Michigan; to the Committee on the Judiciary.

By Mr. ADAMSON: A bill (H. R. 21969) to provide for the opening, maintenance, protection, and operation of the Panama Canal, and the sanitation and government of the Canal Zone; to the Committee on Interstate and Foreign Commerce.

By Mr. SABATH: A bill (H. R. 21970) to provide for a trial by jury of persons charged with contempt; to the Committee on the Judiciary.

By Mr. WILSON of Pennsylvania: A bill (H. R. 21971) to create a department of agriculture and labor in Porto Rico, the head of which shall be a member of the Executive Council of Porto Rico; to the Committee on Insular Affairs.

By Mr. TAYLOR of Ohio: A bill (H. R. 21972) authorizing an appropriation of $100,000 to defray the expenses of the Ohio-Columbus centennial celebration to be held on August 27, 1912, and continuing two weeks thereafter; to the Committee on Appropriations.

By Mr. LAFFERTY: A bill (H. R. 22002) supplementing the joint resolution of Congress approved April 30, 1908, entitled "Joint resolution instructing the Attorney General to institute certain suits," etc.; to the Committee on the Public Lands.

By Mr. HARRISON of Mississippi: Joint resolution (H. J. Res. 271) directing the Secretary of War to permit emblems or insignias to be inscribed on monuments, tombstones, slabs, or markers in the national cemeteries of the United States; to the Committee on Military Affairs.

By Mr. KORBLY: Joint resolution (H. J. Res. 272) relative to the transfer of all books, maps, and other documents now in the possession of the National Monetary Commission; to the Committee on Banking and Currency.

By Mr. PETERS: Memorial from the Massachusetts Legislature, protesting against the removal or abolishment of the United States navy yard in the Charlestown district of the city of Boston, Mass.; to the Committee on Naval Affairs.

By Mr. CURLEY: Memorial from the Legislature of Massachusetts, protesting against the removal or abolishment of the United States navy yard in the Charlestown district of the city of Boston, Mass.; to the Committee on Naval Affairs.

By Mr. MURRAY: Memorial from the House of Representatives of Massachusetts, against the removal or abolishment of the United States navy yard in the Charlestown district in the city of Boston; to the Committee on Naval Affairs.

By Mr. ROBERTS of Massachusetts: Memorial from the House of Representatives of Massachusetts, against the removal or abolishment of the United States navy yard in the Charlestown district in the city of Boston; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Ohio: A bill (H. R. 21973) granting a pension to John Quinn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21974) granting an increase of pension to Philip Reiter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21975) granting an increase of pension to Joseph Worthington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21976) granting an increase of pension to Jacob W. Shoemaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21977) granting an increase of pension to William Stevenson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21978) granting an increase of pension to Daniel Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21979) granting an increase of pension to James H. Buchanan; to the Committee on Invalid Pensions.

By Mr. ASHBROOK: A bill (H. R. 21980) granting an increase of pension to Thomas M. Walker; to the Committee on Invalid Pensions.

By Mr. CAMPBELL: A bill (H. R. 21981) granting a pension to Thomas Howey; to the Committee on Invalid Pensions.

By Mr. DIFENDERFER: A bill (H. R. 21982) granting an increase of pension to Franklin B. Detwiler; to the Committee on Invalid Pensions.

By Mr. DONOHOE: A bill (H. R. 21983) retiring James J. O'Reilly, a clerk in the Frankford Arsenal, and for other purposes; to the Committee on Military Affairs.

By Mr. GALLAGHER: A bill (H. R. 21984) granting an increase of pension to Peter J. Shanley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21985) granting an increase of pension to James R. Hewlett; to the Committee on Invalid Pensions.

By Mr. GOULD: A bill (H. R. 21986) granting a pension to Lurena A. White; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 21987) granting an increase of pension to Delia R. Goss; to the Committee on Invalid Pensions.

By Mr. HAYES: A bill (H. R. 21988) for the relief of John Brodie; to the Committee on Claims.

By Mr. MARTIN of South Dakota: A bill (H. R. 21989) granting an increase of pension to George A. Howell; to the Committee on Invalid Pensions.

By Mr. PATTON of Pennsylvania: A bill (H. R. 21990) granting a pension to Alfred N. Heard; to the Committee on Invalid Pensions.

By Mr. REYBURN: A bill (H. R. 21991) granting a pension to Delia White; to the Committee on Invalid Pensions.

By Mr. ROUSE: A bill (H. R. 21992) granting a pension to Orla W. Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21993) granting an increase of pension to Emily L. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21994) granting an increase of pension to Francis M. Ryder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21995) granting an increase of pension to Addison Waggaman; to the Committee on Invalid Pensions.

By Mr. RUCKER of Colorado: A bill (H. R. 21996) granting an increase of pension to Jacob Stevens; to the Committee on Invalid Pensions.

By Mr. RUSSELL: A bill (H. R. 21997) granting an increase of pension to Benjamin F. Williams; to the Committee on Invalid Pensions.

By Mr. SIMS: A bill (H. R. 21998) for the relief of the legal representatives of T. E. Robison, deceased; to the Committee on War Claims.

By Mr. SMITH of California: A bill (H. R. 21999) granting a pension to George Tillapaugh; to the Committee on Invalid Pensions.

By Mr. WHITE: A bill (H. R. 22000) granting an increase of pension to Otho M. Shipley; to the Committee on Invalid Pensions.

By Mr. WILLIS: A bill (H. R. 22001) granting an increase of pension to Thomas N. Maple; to the Committee on Invalid Pensions.

By Mr. DAUGHERTY: A bill (H. R. 22003) granting an increase of pension to Clara W. Morgan; to the Committee on Invalid Pensions.

By Mr. GUERNSEY: A bill (H. R. 22004) granting an increase of pension to Seth J. Swanton; to the Committee on Invalid Pensions.

By Mr. WHITE: A bill (H. R. 22005) for the relief of Carl J. Lehnhard; to the Committee on Military Affairs.

PETITIONS, ETC.

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

By Mr. ANDERSON of Minnesota: Petition of Langlie-Olson-Fladager Co. and 10 others, of Lanesboro, Minn., against extension of parcel-post service; to the Committee on the Post Office and Post Roads.

By Mr. ASHBROOK: Petition of Samuel J. White and others, of Newark, Ohio, protesting against legislation tending

to prohibit interstate commerce in liquors; to the Committee on the Judiciary.

Also, petitions of J. D. Bader, of Newark, and Louis Van Dennis, of Utica, Ill., for passage of House bill 20595, to amend the copyright act of 1909; to the Committee on Patents.

By Mr. AYRES: Petition of Griffin Engineers Camp, No. 31, Department of New York, United Spanish War Veterans, for passage of House bill 17470; to the Committee on Pensions.

Also, memorial of Branch No. 9, Socialists of the Bronx, in favor of woman suffrage; to the Committee on the Judiciary.

By Mr. BARCHFELD: Petition of the Master Plumbers' Association of Pittsburgh, Pa., in favor of reduction of postage on first-class mail matter; to the Committee on the Post Office and Post Roads.

Also, petitions of the Men and Religion Forward Movement, of Duquesne, and the Methodist Episcopal Churches of Duquesne and Lebanon, Pa., for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

By Mr. BOWMAN: Petition of Grange No. 308, Patrons of Husbandry, of Wapwallopen, Pa., in opposition to the Lever oleomargarine bill; to the Committee on Agriculture.

Also, petition of Council No. 281, Junior Order United American Mechanics, in favor of the passage of House bill 1343; to the Committee on Immigration and Naturalization.

Also, petitions of Harvey Eggleston, of Edwardsville; J. S. Thomas, of Plymouth; and Clark S. Chapin, of Shickshinny, Pa., for enactment of House bill 20595, amending the copyright act of 1909; to the Committee on Patents.

By Mr. BURKE of Wisconsin: Petitions of citizens of the State of Wisconsin, protesting against passage of the Lever oleomargarine bill (H. R. 18493); to the Committee on Agriculture.

By Mr. BUTLER: Petitions of the Methodist Episcopal Church of Honey Brook, the Woman's Christian Temperance Union of Kennett Square, and Allen African Methodist Episcopal Church, of Oxford, Pa., for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

Also, petition of citizens of Chester County, Pa., for parcel-post legislation; to the Committee on the Post Office and Post Roads.

Also, petition of Grange No. 91, Patrons of Husbandry, for amending the oleomargarine laws; to the Committee on Agriculture.

By Mr. CALDER: Petition of Nathan Leihson, of Brooklyn, N. Y., for enactment of House bill 20595, amending the copyright act of 1909; to the Committee on Patents.

Also, petition of McKesson & Robbins, of New York City, for certain amendment to the proposed sugar schedule; to the Committee on Ways and Means.

By Mr. CAMPBELL: Petition of citizens of Coyville, Kans., for enactment of parcel-post legislation; to the Committee on the Post Office and Post Roads.

Also, petition of citizens of the State of Kansas, for passage of Berger old-age pension bill; to the Committee on Pensions.

By Mr. CLINE: Petitions of Joe Brokaw, of Angolo, and C. Freeland, of Fremont, Ind., for enactment of House bill 20595, amending the copyright act of 1909; to the Committee on Patents.

Also, papers to accompany bills for relief of John Walter, Uriah Clark, Peter S. Hess, and James Hennessy (H. R. 21912, 21913, 21914, and 21915); to the Committee on Invalid Pensions.

By Mr. DANFORTH: Petitions of St. Anthony Benevolent Society, of Rochester, N. Y., and of Branch No. 131, Catholic Mutual Benefit Association, of Rochester, N. Y., relative to House resolution 216, calling upon the Secretary of the Interior for information as to Indian schools; to the Committee on Indian Affairs.

By Mr. DONOHOE: Memorial of the board of directors of the Philadelphia Bourse, for continuance of the Tariff Board; to the Committee on Ways and Means.

Also, memorial of the board of directors of the Philadelphia Bourse, for passage of House bill 9242, providing for retirement of employees in the civil service; to the Committee on Reform in the Civil Service.

By Mr. DANIEL A. DRISCOLL: Petitions of residents of Buffalo, N. Y., for enactment of House bill 20595, amending the copyright act of 1909; to the Committee on Patents.

By Mr. ESCH: Memorial of the members of the St. Joseph Society and citizens of La Crosse, Wis., protesting against the attitude of the chairman of the House Committee on Indian Affairs regarding measures relating to Catholic Indian mission interests, and particularly his resolution of inquiry regarding Government institutions in which American citizens wearing the habit of various religious orders are employed, signed by S. Streicker, president, and C. B. Fries, recording secretary, with membership of 278; to the Committee on Indian Affairs.

Also, petition by John A. Sievert and 26 other dairymen and citizens of Withee, Wis., protesting against Lever oleomargarine bill (H. R. 18493) and favoring, in preference, the Haugen bill (H. R. 19338), except that provision which authorizes the change of the name from oleomargarine to margarine; to the Committee on Agriculture.

Also, petition of Lars Nelson and 38 other dairymen and citizens, of Holmen, Wis., and vicinity, protesting against the Lever bill (H. R. 18493) and favoring the Haugen bill (H. R. 19338), except the provision to change the name of oleomargarine to margarin; to the Committee on Agriculture.

Also, petition of G. H. Voight and 27 other dairymen and citizens, of Spokeville, Clark County, Wis., and of Spencer and Loyal, Wis., opposing the Lever oleomargarine bill (H. R. 18493) and favoring the Haugen bill (H. R. 19338), except that provision to change the name of oleomargarine to margarin; to the Committee on Agriculture.

Also, petition of Anton Nachtwey and 31 other citizens and dairymen, of Dorchester, Clark County, Wis., opposing the Lever oleomargarine bill (H. R. 18493) and favoring, with the exception of the provision to change name of oleomargarine to margarin, the Haugen bill (H. R. 19338); to the Committee on Agriculture.

Also, petition of O. A. Peterson and 12 other dairymen and citizens, of Dorchester, Clark County, Wis., opposing the Lever oleomargarine bill (H. R. 18493) and favoring, with exception of the provision to change the name of oleomargarine to margarin, the Haugen bill (H. R. 19338); to the Committee on Agriculture.

By Mr. FLOYD of Arkansas: Papers to accompany bill for the relief of James Fanning (H. R. 11250); to the Committee on Military Affairs.

By Mr. FOCHT: Petition of citizens of Laurelton, Pa., for amending the present oleomargarine laws; to the Committee on Agriculture.

By Mr. FRANCIS: Petitions of citizens of Steubenville and Jefferson County, Ohio, for parcel-post legislation; to the Committee on the Post Office and Post Roads.

By Mr. FORNES: Petition of McKesson & Robbins, of New York City, for certain amendment to the proposed sugar schedule; to the Committee on Ways and Means.

Also, petition of Camp No. 10, Department of New York, United Spanish War Veterans, in favor of passage of House bill 17470; to the Committee on Pensions.

Also, petition of citizens of Toronto, Ohio, for passage of Berger old-age pension bill; to the Committee on Pensions.

Also, petition of citizens of Flushing, Ohio, for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

By Mr. FRENCH: Petitions of citizens of the State of Idaho, urging passage of old-age pension bill; to the Committee on Pensions.

Also, petition of citizens of Bonner County, Idaho, for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

By Mr. FULLER: Petition of Nelson Bros., of Rockford, Ill., favoring the passage of the Townsend bill (H. R. 20595) to amend section 25 of the copyright act of 1909; to the Committee on Patents.

Also, petition of H. S. Hosler, of Streator, Ill., favoring the passage of House bill 17470, to pension widows of Spanish War veterans; to the Committee on Pensions.

Also, petition of Nelson Morley, of Yorkville, Ill., favoring the passage of Kenyon-Sheppard bill, relating to interstate-commerce shipments of intoxicating liquor; to the Committee on the Judiciary.

Also, petition of Ottawa Deutsche Unterhaltungs Verein, of Ottawa, Ill., in opposition to the passage of pending prohibition or interstate-commerce liquor measures; to the Committee on the Judiciary.

Also, petition of Larkin Co., of Buffalo, N. Y., in favor of the passage of the Sulzer parcel-post bill; to the Committee on the Post Office and Post Roads.

Also, petition of Rockford Merchants and Business Men's Association, of Rockford, Ill., favoring 1-cent letter postage and against the extension of the parcel-post service, etc.; to the Committee on the Post Office and Post Roads.

By Mr. GARDNER of New Jersey: Petitions of owners and managers of moving-picture theaters in the second congressional district of New Jersey, favoring House bill 20595, to amend the copyright act of 1909; to the Committee on Patents.

Also, petitions of individuals and church and other organizations in the second congressional district of New Jersey, favoring passage of the Kenyon-Sheppard bill; to the Committee on the Judiciary.

By Mr. GARNER: Petition of citizens of Floresville, Tex., for enactment of House bill 14, providing for a general parcel-post service; to the Committee on the Post Office and Post Roads.

By Mr. GOOD: Petition of citizens of Cedar Rapids, Iowa, asking that one battleship be constructed in a Government navy yard; to the Committee on Naval Affairs.

Also, petition of the Woman's Christian Temperance Union of Cedar Rapids, Iowa, for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

Also, petitions of citizens of the State of Iowa, protesting against enactment of the Lever oleomargarine bill; to the Committee on Agriculture.

By Mr. GRIEST: Petitions of the Woman's Christian Temperance Union of Ephrata and Young Men's Christian Association of Lancaster, Pa., for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

By Mr. HAMLIN: Petitions of citizens of the State of Missouri protesting against the Lever oleomargarine bill; to the Committee on Agriculture.

By Mr. HAMMOND: Petition of P. J. Ward and others, of Murray County, Minn., protesting against the Lever oleomargarine bill; to the Committee on Agriculture.

By Mr. HARRIS: Petitions of the Baptist, Methodist Episcopal, and Second Congregational Churches and the Woman's Christian Temperance Union of Attleboro, Mass., for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

By Mr. HAYES: Petitions of citizens of the State of California, favoring the building of one battleship in a Government navy yard; to the Committee on Naval Affairs.

Also, petitions of the First Methodist Church of Boulder Creek, Cal.; Mr. and Mrs. A. C. Covert, of Los Gatos, Cal.; the Woman's Christian Temperance Union of Los Gatos, Cal.; Methodist Church of Santa Clara, Cal.; and the Christian Endeavor Society of the Methodist Episcopal Church of Boulder Creek, Cal., favoring the passage of the Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

By Mr. HENRY of Connecticut: Petition of the Baptist Church of Stafford Springs, Conn., favoring the Kenyon-Sheppard bill; to the Committee on the Judiciary.

Also, memorial of Connecticut Dairymen's Association, favoring parcel-post legislation; to the Committee on the Post Office and Post Roads.

Also, memorial of Connecticut Dairymen's Association, protesting against the repeal of the oleomargarine law; to the Committee on Agriculture.

By Mr. HENSLEY: Petitions of Harry E. Miller, Idle Hour Theater, Festus, Mo.; L. H. Jones, Fairyland Theater, Herculaneum, Mo.; T. V. Brown, Amusement Theater, Farmington, Mo.; and J. S. Jarnagin, City Hall Theater, Knob Lick, Mo., favoring House bill 20695, to amend section 25 of the copyright act of 1909; to the Committee on Patents.

By Mr. HINDS: Petitions of the Woman's Missionary Society of North Berwick, the Woman's Christian Temperance Union of Lebanon, and Cumberland District Lodge, No. 4, Independent Order of Good Templars, of Portland, Me., urging legislation to restrict the interstate traffic in intoxicating liquors; to the Committee on the Judiciary.

Also, memorial of Green Mountain Pomona Grange, of Hancock, Me., for parcel-post legislation; to the Committee on the Post Office and Post Roads.

By Mr. HUGHES of New Jersey: Petition of residents of Ramsey, N. J., for enactment of House bill 16819; to the Committee on the Post Office and Post Roads.

Also, memorial of New Jersey Chapter of the American Institute of Architects, for a Lincoln memorial as recommended by the National Fine Arts Commission; to the Committee on the Library.

By Mr. JACOWAY: Petition of Lellard Gould and others, of Little Rock, Ark., for passage of Berger old-age pension bill; to the Committee on Pensions.

By Mr. KINKEAD of New Jersey: Petition of New Jersey Chapter of the American Institute of Architects, for a Lincoln memorial as recommended by the National Fine Arts Commission; to the Committee on the Library.

By Mr. LINDSAY: Petition of Tompkins County Pomona Grange, in favor of the Lever bill; to the Committee on Agriculture.

Also, petition of International Association of Machinists, District Lodge No. 15, favoring building a battleship at the Brooklyn Navy Yard; to the Committee on Naval Affairs.

By Mr. LLOYD: Petition of citizens of Macon County, Mo., for parcel-post legislation; to the Committee on the Post Office and Post Roads.

Also, petition of citizens of New Cambria, Mo., protesting against parcel-post legislation; to the Committee on the Post Office and Post Roads.

By Mr. LOUD: Petition of Post No. 44, Grand Army of the Republic, of Averill, Mich., protesting against passage of Senate bill 4652, for relief of certain Confederate officers; to the Committee on War Claims.

By Mr. McKENZIE: Petition of the Woman's Christian Temperance Union of Leaf River, Ill., for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

Also, petitions of citizens of the State of Illinois, protesting against the Lever oleomargarine bill; to the Committee on Agriculture.

Also, memorial of committee of wholesale grocers, relative to tariff on sugar; to the Committee on Ways and Means.

By Mr. McKINNEY: Petition of the Methodist Episcopal Church of Hillsdale, Ill., for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

By Mr. MADDEN: Petition of Post No. 91, Department of Illinois, Grand Army of the Republic, for a Lincoln memorial highway; to the Committee on the Library.

By Mr. MALBY: Petitions of granges of Patrons of Husbandry, against repeal of tax on oleomargarine; to the Committee on Agriculture.

By Mr. MARTIN of South Dakota: Petition of citizens of Clark County, S. Dak., for parcel-post legislation and repeal of the Canadian reciprocity treaty; to the Committee on the Post Office and Post Roads.

By Mr. MOTT: Petition of Tompkins County Pomona Grange, Patrons of Husbandry, of Ithaca, N. Y., against the Lever bill; to the Committee on Agriculture.

Also, memorial of the Chamber of Commerce of the State of New York, relative to tolls on the Panama Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTON of Pennsylvania: Petition of Grange No. 1146, Patrons of Husbandry, for amending the laws governing the traffic in oleomargarine; to the Committee on Agriculture.

By Mr. RANSDELL of Louisiana: Petitions of citizens of Monroe and Reyville, La., for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

By Mr. REILLY: Petition of Leaver & Busby, of Meriden, Conn., for enactment of House bill 20595, amending the copyright act of 1909; to the Committee on Patents.

By Mr. REYBURN: Petition of the Central Labor Union of Philadelphia, Pa., for enactment of House bill 11372; to the Committee on the Merchant Marine and Fisheries.

By Mr. SCULLY: Petition of New Jersey Chapter of the American Institute of Architects, for a Lincoln memorial as recommended by the National Fine Arts Commission; to the Committee on the Library.

Also, petitions of G. L. Sanford, of Lakewood, and William Brown, of Perth Amboy, N. J., for enactment of House bill 20595, amending the copyright act of 1909; to the Committee on Patents.

By Mr. SIMS: Petition of citizens of Carroll County, Tenn., for enactment of an effective interstate liquor law; to the Committee on the Judiciary.

By Mr. STEPHENS of California: Petition of the First Baptist Church of Covina, Cal., for passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

Also, petition of citizens of the county of Los Angeles, Cal., for enactment of House bill 13500, amending the present immigration laws; to the Committee on Immigration and Naturalization.

By Mr. TUTTLE: Memorial of New Jersey Chapter of the American Institute of Architects, favoring erection of memorial to Abraham Lincoln on site on Mall recommended by National Fine Arts Commission; to the Committee on the Library.

Also, petitions of Howell & McDavit, of Dover, N. J., and of M. J. Wycsoff, of Morristown, N. J., favoring House bill 20595, to amend section 25 of the copyright act of 1909; to the Committee on Patents.

By Mr. VOLSTEAD: Petition of citizens of Glenwood, Minn., for regulation of express rates and classifications; to the Committee on Interstate and Foreign Commerce.

Also, petition of a Catholic society of St. Leo, Minn., in regard to measures relating to Catholic Indian mission interests; to the Committee on Indian Affairs.

Also, petition of citizens of the State of Minnesota, protesting against parcel-post legislation; to the Committee on the Post Office and Post Roads.

By Mr. WILLIS: Papers to accompany House bill 21696, for the relief of John Hendershott; to the Committee on Invalid Pensions.