By Mr. MERRITT: Petitions of sundry citizens of Falk, Chateaugay, Ticonderoga, Waddington, and Schroon, all in the State of New York, favoring national prohibition; to the Committee on Rules.

By Mr. J. I. NOLAN: Resolutions of the Fresno Traffic Association, of Fresno, Cal., favoring the passage of House bill 4322, to reduce the rate of postage on letters to 1 cent; to the Committee on the Post Office and Post Roads.

By Mr. OGLESBY: Petitions of Paul I. Aldrich, Leslie J. Tompkins, and 33 others, of Yonkers, N. Y., urging the passage of House joint resolution 277 and Senate bill 4941, for national prohibition; to the Committee on Rules.

Also, petition of Mark Arkison, P. J. Johnson, Charles Stewart, W. C. Schaefer, Hugh Sinclair, C. F. Truax, Otto C. Hedderick, of Yonkers, N. Y., protesting against the Hobson-Sheppard-Works resolutions; to the Committee on Rules.

Also, 17 petitions from railway post-office employees residing in New York City and vicinity, urging a proposed amendment to House bill 17042, to amend postal laws; to the Committee on the Post Office and Post Roads.

By Mr. O'SHAUNESSY: Petitions of sundry citizens of Providence, R. I., protesting against national prohibition; to the Committee on Rules.

Also, petition of the city council of Woonsocket, R. I., favoring the passage of the Hamill bill for retirement of aged Government employees; to the Committee on Reform in the Civil Service.

By Mr. SCOTT: Petitions of 1,001 citizens of Storm Lake, 75 citizens of Marcus, 275 citizens of Correctionville, and sundry citizens of Sioux County and Clay County, all in the State of Iowa, favoring national prohibition; to the Committee on Rules.

By Mr. SELDOMRIDGE: Petition of 8,000 citizens of Colorado Springs, Colo., favoring national prohibition; to the Committee on Rules.

By Mr. SLAYDEN: Petitions of Eleanor Blackenridge, Mrs. William Dunne, and others; N. M. Washer, D. E. Potter, and others, all of San Antonio, Tex., favoring woman suffrage legislation; to the Committee on the Judiciary.

By Mr. SPARKMAN: Petition of sundry citizens of Ocala, Fla., favoring national prohibition; to the Committee on Rules.

SENATE.

THURSDAY, *July 16, 1914.*

The Senate met at 12 o'clock m.

Rev. J. L. Kibler, D. D., of the city of Washington, offered the following prayer:

Our heavenly Father, we desire to approach Thee in the simplicity of our faith and in deep humility of spirit, for Thou art the great God who inhabiteth eternity, the Creator of all the worlds, the Preserver of all things, and the Judge of all men. Thou hast a right therefore to demand our service. We can not hide from Thy presence. No thought can be withholden from Thee, O God. We pray that Thou wilt bestow upon us, therefore, Thy rich grace that we may accomplish Thy purposes and that we may honor Thy great name. We ask it for Jesus' sake. Amen.

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

MESSAGE FROM THE HOUSE.

A message from the House by J. C. South, its Chief Clerk, announced that the House had passed a bill (H. R. 17824) making appropriations to supply deficiencies in appropriations for the fiscal year 1914 and for prior years, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 13297. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 13920. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 14546. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 15071. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; and

H. R. 15504. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

PETITIONS AND MEMORIALS.

Mr. WORKS presented a petition of sundry citizens of Riverside, Cal., praying for national prohibition, which was referred to the Committee on the Judiciary.

He also presented a memorial of sundry citizens of San Francisco, Cal., remonstrating against national prohibition, which was referred to the Committee on the Judiciary.

Mr. NORRIS presented a resolution adopted by Captain J. H. Freas Post, No. 163, Grand Army of the Republic, Department of Nebraska, of Beaver City, Nebr., favoring an appropriation to aid in the celebration of the peace jubilee to be held at Vicksburg, Miss., which was referred to the Committee on Appropriations.

Mr. BRISTOW presented petitions of sundry citizens of Du Quoin, Junction City, Lucas, Belleville, Derby, Mulvane, Wichita, Salina, Winfield, and Topeka, all in the State of Kansas, praying for the adoption of an amendment to the Constitution to prohibit the manufacture, sale, and importation of intoxicating beverages, which were referred to the Committee on the Judiciary.

Mr. HITCHCOCK presented resolutions adopted by Local Union No. 621, Brotherhood of Locomotive Engineers of Wymore, and of the Brotherhood of Railroad Trainmen, of Chadron, in the State of Nebraska, favoring the enactment of the so-called antitrust legislation, which were referred to the Committee on the Judiciary.

He also presented petitions and telegrams in the nature of petitions from sundry citizens of Tobias, Stratton, Pawnee, Valley, Nelson, and Wolbach, all in the State of Nebraska, praying for national prohibition, which were referred to the Committee on the Judiciary.

Mr. McLEAN presented a petition of Local Union No. 608, Brotherhood of Locomotive Firemen and Enginemen, of New London, Conn., and a petition of Local Union No. 39, Cigar Makers' International Union, of New Haven, Conn., praying for the enactment of the so-called antitrust legislation, which were referred to the Committee on the Judiciary.

He also presented petitions of the congregations of sundry churches of New Britain and Bridgeport, in the State of Connecticut, praying for national prohibition, which were referred to the Committee on the Judiciary.

Mr. NELSON presented petitions of sundry citizens of Duluth, Minn., praying for national prohibition, which were referred to the Committee on the Judiciary.

He also presented memorials of sundry citizens of St. Paul, Minn., remonstrating against national prohibition, which were referred to the Committee on the Judiciary.

Mr. BRANDEGEE presented a petition of the congregations of sundry churches of Bridgeport, Conn., and a petition of sundry citizens of West Hartford, Conn., praying for national prohibition, which were referred to the Committee on the Judiciary.

Mr. JOHNSON presented petitions of sundry citizens of Mexico, Rumford, Cornish, and Ridlonville, all in the State of Maine, praying for national prohibition, which were referred to the Committee on the Judiciary.

He also presented a petition of the Board of Fire Underwriters of Franklin County, Me., praying for the enactment of legislation to prohibit the use of the mails in procuring or effecting insurance in companies not duly authorized to transact business in the various States, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of Local Union No. 217, Plumbers and Steam Fitters, of Portland, Me., praying for the enactment of the so-called Clayton antitrust bill, which was referred to the Committee on the Judiciary.

Mr. GRONNA presented a petition of sundry citizens of Rolette County, N. Dak., praying for national prohibition, which was referred to the Committee on the Judiciary.

Mr. COLT presented a petition of sundry citizens of Newport, R. I., praying for the adoption of an amendment to the Constitution granting the right of suffrage to women, which was ordered to lie on the table.

REPORTS OF COMMITTEES.

Mr. DU PONT, from the Committee on Military Affairs, to which was referred the bill (H. R. 962) for the relief of William H. Shannon, reported it without amendment and submitted a report (No. 672) thereon.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

He also, from the same committee, to which was referred the bill (S. 1231) for the relief of Lemuel H. Redd, reported it with an amendment and submitted a report (No. 673) thereon.

Mr. STERLING, from the Committee on Public Lands, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 10765. An act granting a patent to George M. Van Leuven for the northeast quarter of section 18, township 17 north, range 19 east, Black Hills meridian, S. Dak. (Rept. No. 675); and

H. R. 16205. An act for the relief of Davis Smith (Rept. No. 674).

Mr. THOMAS, from the Committee on Public Lands, to which was referred the bill (H. R. 1528) for the relief of T. A. Roseberry, reported it without amendment and submitted a report (No. 676) thereon.

Mr. PITTMAN, from the Committee on Public Lands, to which was referred the bill (H. R. 17045) for the relief of William L. Wallis, reported it without amendment and submitted a report (No. 677) thereon.

Mr. BRYAN. The Committee on Claims, to which was referred the bill (S. 5489) making appropriation for payment of certain claims in accordance with findings of the Court of Claims, reported under the provisions of the acts approved March 3, 1883, and March 3, 1887, and commonly known as the Bowman and the Tucker Acts, having had the same under consideration, I am directed by that committee to submit a report (No. 680), accompanied by a bill (S. 6120) for the allowance of certain claims reported by the Court of Claims, in lieu of the bill heretofore referred to that committee.

The VICE PRESIDENT. The bill will be placed on the calendar.

Mr. SWANSON, from the Committee on Naval Affairs, to which was referred the bill (S. 1267) to transfer Capt. Armistead Rust from the retired to the active list of the United States Navy, reported it with amendments and submitted a report (No. 681) thereon.

Mr. NORRIS, from the Committee on Public Lands, to which was referred the bill (H. R. 16431) to validate the homestead entry of William H. Miller, reported it without amendment and submitted a report (No. 678) thereon.

Mr. SMOOT, from the Committee on Public Lands, to which was referred the bill (H. R. 11745) to provide for certificate of title to homestead entry by a female American citizen who has intermarried with an alien, reported it with an amendment and submitted a report (No. 679) thereon.

Mr. MYERS, from the Committee on Public Lands, to which was referred the bill (H. R. 1698) to amend an act entitled "An act to provide for an enlarged homestead," and acts amendatory thereof and supplemental thereto, reported it without amendment and submitted a report (No. 683) thereon.

Mr. WORKS, from the Committee on Public Lands, to which was referred the bill (H. R. 1516) for the relief of Thomas F. Howell, reported it without amendment and submitted a report (No. 682) thereon.

COMMITTEE ON EXPENDITURES IN THE DEPARTMENT OF LABOR.

Mr. WILLIAMS, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported the following resolution (S. Res. 422), which was considered by unanimous consent and agreed to:

Resolved, That the Committee on Expenditures in the Department of Labor be, and it hereby is, authorized to employ a clerk at $2,220 per annum, an assistant clerk at a salary of $1,440 per annum, and a messenger at $1,200 per annum, the same to be paid out of the miscellaneous items of the contingent fund of the Senate until otherwise provided by law.

BILLS INTRODUCED.

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

By Mr. SMOOT:

A bill (S. 6106) validating locations of deposits of phosphate rock heretofore made in good faith under the placer-mining laws of the United States; to the Committee on Public Lands.

By Mr. KENYON (for Mr. LA FOLLETTE):

A bill (S. 6107) to amend an act approved February 20, 1908, entitled "An act to authorize the Interstate Transfer Railway Co. to construct a bridge across the St. Louis River between the States of Wisconsin and Minnesota"; to the Committee on Commerce.

By Mr. HITCHCOCK:

A bill (S. 6108) to investigate the claims of and to enroll certain persons, if entitled, with the Omaha Tribe of Indians; to the Committee on Indian Affairs.

By Mr. LANE:

A bill (S. 6109) for the relief of Emmett W. Entriken; to the Committee on Claims.

A bill (S. 6110) granting an increase of pension to Francis E. Curtis; to the Committee on Pensions.

By Mr. WHITE:

A bill (S. 6111) to incorporate the Federal Council of the Churches of Christ in America; to the Committee on Corporations Organized in the District of Columbia.

By Mr. WORKS:

A bill (S. 6112) granting a pension to Alice L. Cochran (with accompanying papers); to the Committee on Pensions.

By Mr. BURTON:

(By request): A bill (S. 6113) to authorize the closing to navigation of Swan Creek in the city of Toledo, Ohio; to the Committee on Commerce.

A bill (S. 6114) granting an increase of pension to Henry T. Herslet; to the Committee on Pensions.

By Mr. WARREN:

A bill (S. 6115) for the relief of B. D. Sheffield; to the Committee on Claims.

By Mr. OVERMAN:

A bill (S. 6116) to amend section 195 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; to the Committee on the Judiciary.

By Mr. BRISTOW:

A bill (S. 6117) granting a pension to George R. Carver (with accompanying papers); and

A bill (S. 6118) granting a pension to William McClure (with accompanying papers); to the Committee on Pensions.

By Mr. O'GORMAN:

A bill (S. 6119) for the relief of Leon Greenbaum; to the Committee on Claims.

AMENDMENTS TO DEFICIENCY APPROPRIATION BILL.

Mr. KERN submitted an amendment authorizing the Secretary of the Treasury to refund out of any moneys in the Treasury not otherwise appropriated to any trust company or other claimant taxes erroneously assessed or illegally collected under section 2 of the war-revenue act of June 13, 1898, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. SHEPPARD submitted an amendment proposing to enable the Secretary of Labor to carry out the provisions of Senate resolution 68, authorizing an investigation and report upon the mortality and disability by accident or by disease incident to or resulting from the various occupations in which the wage earners of the United States are engaged, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. JONES (for Mr. CLAPP) submitted an amendment proposing to appropriate $3,000 to pay the persons who compiled, annotated, and indexed volume 3, Indian Laws and Treaties, under Senate resolutions of March 3, 1907, and August 14, 1912, etc., intended to be proposed to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. SMITH of Maryland submitted an amendment proposing to erect at Fort McHenry, Baltimore, Md., under the direction of the Secretary of War, a monument in memory of Francis Scott Key, author of the Star Spangled Banner, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. McCUMBER submitted an amendment providing for the refund of sums paid for documentary stamps, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment proposing to enable the Secretary of the Senate and the Clerk of the House of Representatives to pay to the officers and employees of the Senate and House borne on the annual and session rolls on the 1st day of July, 1914, a sum equal to one month's pay, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

RIVER AND HARBOR APPROPRIATIONS.

Mr. O'GORMAN submitted an amendment intended to be proposed by him to the river and harbor appropriation bill, which was ordered to lie on the table and be printed.

KANAWHA, GAULEY, AND NEW RIVERS, W. VA.

Mr. CHILTON. I submit a resolution which I ask may be referred to the Committee on Military Affairs.

The resolution (S. Res. 420) was read and referred to the Committee on Military Affairs, as follows:

Resolved, That the Secretary of War be, and he is hereby, instructed to investigate and to report to the Senate as soon as practical, whether or not the waters of the Great Kanawha, the Gauley, or the New Rivers, in West Virginia, are being polluted, and if so, how and by what means; also whether or not the ore washings on the New River, by which the New and Kanawha Rivers were heretofore polluted, have been stopped, and if not, why not.

Mr. CHILTON. To accompany the resolution, I submit an editorial from the Charleston Mail, of West Virginia, explanatory thereof, which I ask may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RIVER POLLUTION.

For some half dozen years or more there has been an annual complaint about the pollution of the rivers, with especial reference to the Kanawha. In the case of the Kanawha this complaint, so far as Charleston is concerned, relates more to the aesthetic than to utility, as the city gets its water from the Elk—a stream that in the last few years has been the subject of very great pollution. The water we drink, however, is filtered and also chemically treated to make it pure, and tests have shown that it is pure.

However, there are persons in this valley who depend upon the waters of the Kanawha for drinking purposes, and to these persons the condition of that stream is a very serious matter. In this connection it must be said that it is extremely dangerous to drink the raw water out of any American river. All of them carry a fluid that is not fit to drink from a sanitary point of view. We make our rivers vast natural sewers, emptying into them the filth of all our cities, and then taking this filthy water and by filtering and chemical processes we attempt to restore the pristine purity with more or less success, but always with the danger that some portion will escape purification, as is sometimes the case.

In Germany, the country that has taken the lead in so many things, they do things differently. There the sewerage of the city is not turned into the streams. It is turned into vats and is made into fertilizers at a commercial profit, and thus an economic waste is prevented and the streams are kept free from a great source of contamination. The Germans, thrifty folk that they are, thus kill two birds with one stone.

We in this country have yet some things to learn; and learning them, to practice them. We should take more pride in our streams—pride in their appearance and pride in their purity. We should not only insist that other persons shall not pollute them, but we should likewise be sure that we do not dump our own filth into them. A pure looking, clear stream is not necessarily a safe stream to drink from or even to bathe in. In fact, its very clarity may be dangerous in that it leads to belief that the water is pure when it is dangerously germ laden.

PAUL M. WARBURG.

The VICE PRESIDENT. The following resolution, Senate resolution 413, comes over from a preceding day, which the Chair, in accordance with the decision heretofore made, decides to be a resolution that should be presented in executive session.

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Ashurst	Hitchcock	Norris	Thomas
Borah	Hollis	Perkins	Thompson
Brady	Jones	Pittman	Thornton
Bristow	Kenyon	Poindexter	Tillman
Bryan	Kern	Pomerene	Townsend
Burton	Lane	Ransdell	Vardaman
Camden	Lea, Tenn.	Shafroth	Warren
Catron	Lee, Md.	Sheppard	Weeks
Chamberlain	McCumber	Simmons	West
Clapp	McLean	Smith, Ga.	White
Crawford	Martin, Va.	Smoot	Williams
du Pont	Martine, N. J.	Sterling	Works
Gallinger	Nelson	Stone	
Gronna	Newlands	Swanson	

The VICE PRESIDENT. Fifty-four Senators have answered to the roll call. There is a quorum present. The Chair had reached the conclusion of morning business and announced that in accordance with the decision of the Chair heretofore made Senate resolution 413 is a resolution which should be presented in the executive session of the Senate.

FEDERAL EMPLOYERS' LIABILITY LAW.

Mr. STONE. I understood the Chair to state that morning business has closed. I got in here about 5 minutes after 12. It must have been closed very soon after the Senate met.

The VICE PRESIDENT. The Senate convened at 12.

Mr. STONE. I know it did; but it usually takes more than five minutes to go through with the routine business.

The VICE PRESIDENT. It did not this morning. The statement is incorrect. The Chair did not announce that morning business had closed. The Chair had reached resolutions coming over from a preceding day.

Mr. STONE. I have a letter received this morning containing a little over two typewritten pages that I should like to have read. It is in the nature of a petition or request of Congress. I should like to have it read and referred to the Committee on the Judiciary.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read it.

The Secretary read as follows:

KANSAS CITY, MO., *July 9, 1914.*

Hon. WM. J. STONE,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I take the liberty of calling your attention, in behalf of the railroad men, to the two recent decisions of the Supreme Court of the United States construing the Federal employers' liability act of 1908, as amended in 1910, to wit: Behrens against Illinois Central Railroad Co., decided April 27, 1914, and Horton against Seaboard Air Line Co., decided about the same time.

In the Behrens case the court held that an employee injured or killed did not have the right to bring, or his administrator bring, an action under the Federal employers' liability act, unless the employee was actually engaged in handling interstate commerce at the time of the accident. While the court reaffirmed its former decisions in holding that the act was constitutional and clearly within the powers of Congress to enact, it said, with reference to the clause "shall be liable in damages to any person suffering injury while he is employed by such carrier in such commerce" (sec. 1 of act) that "giving the words their usual meaning, as we think must be done, it is clear that Congress intended to confine its action to injuries occurring when the particular service in which the employee is engaged is a part of interstate commerce."

It is apparent from this decision that to give railroad employees the relief that Congress evidently intended by this act, section 1 thereof should be amended, the words "while he is employed by such carrier in any commerce handled by such carrier" being substituted for "while he is employed by such carrier in such commerce."

Such amendment would bring all railroad men within the provisions of the act regardless of whether they were engaged in interstate or intrastate commerce at the time of accident and would be of great benefit to railroad employees.

Sections 3 and 4 of said act deny to the railroads the defenses of contributory negligence and assumption of risk when the negligence complained of is a violation by such common carrier of any statute enacted for the safety of employees, and in the Horton case, supra, the court decided that said sections 3 and 4 only applied where the negligence was a violation of the Federal statutes.

If the act can be amended in said sections 3 and 4 thereof by adding after the word "statute" and before the word "enacted," in the proviso of said sections, the words "Federal or State," so that said sections will read: "where the violation by such common carrier of any statute, Federal or State, enacted for the safety of employees," etc., then the railroad will receive the protection that Congress has evidently intended to give them by this law, which said Horton case, supra, practically denies where the negligence causing the injury or death was a violation of a State statute.

By section 6 of the act, as amended in 1910, the State courts are given equal jurisdiction with the Federal courts. If Congress has power to do this, why can not sections 3 and 4 be amended so as to put in active operation the various State safety-appliance acts?

Thanking you in advance for any efforts made by you along the lines herein suggested for the benefit of the railroad men, I beg to remain,

Yours, very truly,

E. C. WHITESITT,
Secretary-Treasurer Missouri State Legislative Board of the Brotherhood of Locomotive Firemen and Enginemen and Attorney for said Board.

The VICE PRESIDENT. The letter will be referred to the Committee on the Judiciary.

YOSEMITE NATIONAL PARK.

Mr. WORKS. From the Committee on Public Lands I report back favorably without amendment the bill (H. R. 1694) to amend an act approved October 1, 1890, entitled "An act to set apart certain tracts of land in the State of California as forest reservations," and I submit a report (No. 671) thereon. I ask for the present consideration of the bill.

The VICE PRESIDENT. The Senator from California asks unanimous consent for the present consideration of the bill reported by him.

Mr. SHAFROTH. I ask that the bill may be read.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill.

Mr. SHAFROTH. I should like to have the bill go over, as I desire to examine it closely. I may not object to its consideration finally; but it announces a principle to which I have objection, and this land is upon the public domain.

Mr. WORKS. Will the Senator allow me to explain the bill before he objects to its consideration?

Mr. SHAFROTH. Certainly.

Mr. WORKS. There is some reason why the bill should be passed expeditiously.

Mr. SHAFROTH. I did not hear the remark of the Senator from California.

Mr. WORKS. Will the Senator allow me to make an explanation which I think may satisfy his mind on the subject?

Mr. SHAFROTH. Yes, sir.

Mr. WORKS. The only effect of the bill will be to allow the Secretary of the Interior to lease a place for the construction of a hotel in the Yosemite National Park. Such a provision is already in existence as to other parks, and this only proposes to extend the right.

Mr. SHAFROTH. Does the bill propose to extend it only as to one site?

Mr. WORKS. That is all.

Mr. SHAFROTH. Is it a general clause?

Mr. WORKS. There is a general statute already in existence, and this is an amendment of that statute so as to include the Yosemite National Park. It is quite desirable that there should be a hotel built there, and that it may be in operation by next year, when, it is hoped, a great many people will desire to visit the Yosemite National Park.

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

Mr. SHAFROTH. Does this bill propose to give the right to the Secretary of the Interior to lease any land on the public domain?

Mr. WORKS. Only as to land in the Yosemite Park.

Mr. SHAFROTH. In the park itself?

Mr. WORKS. In the park itself.

Mr. SHAFROTH. Well, then, I withdraw my objection to the consideration of the bill.

Mr. SIMMONS. Mr. President, I do not propose to object, unless this bill leads to debate, and, if it does, I shall do so.

Mr. WORKS. I do not think the bill will lead to debate.

By unanimous consent the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 1694) to amend an act approved October 1, 1890, entitled "An act to set apart certain tracts of land in the State of California as forest reservations."

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

EMPLOYMENT OF ASSISTANT CLERK.

Mr. BANKHEAD submitted the following resolution (S. Res. 421), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Post Offices and Post Roads be, and it hereby is, authorized to employ a temporary clerk, at a salary of $120 per month, the same to be paid out of the miscellaneous items of the contingent fund of the Senate until otherwise provided by law.

METHODIST BOOK CONCERN SOUTH.

Mr. LEA of Tennessee submitted the following resolution (S. Res. 423), which was read, considered by unanimous consent, and agreed to:

Resolved, That there be printed 3,000 additional copies of Senate Report No. 1416, Fifty-fifth Congress, second session, entitled "Methodist Book Concern South," for the use of the Senate document room.

NEW YORK, NEW HAVEN & HARTFORD RAILROAD.

Mr. NORRIS. Mr. President, the other day the Senate passed a resolution providing for printing the evidence taken before the Interstate Commerce Commission in the New York, New Haven & Hartford Railroad investigation. The printing clerk tells me that in the evidence there are some maps and charts, and that under the law he has no right to authorize the printing of them unless they are specifically mentioned in the resolution. Therefore I ask unanimous consent for a reconsideration of the resolution in order that it may be amended by specifically providing for the printing of illustrations.

Mr. SMOOT. There is no need of the Senator asking for a reconsideration. He can ask the unanimous consent of the Senate now that the illustrations be included in the order for printing. That is all that is necessary.

Mr. NORRIS. I have no objection of course to putting it in that form. I make that request.

The VICE PRESIDENT. The Senator from Nebraska asks unanimous consent that the maps, charts, and other illustrations contained in Senate Document No. 543, Sixty-third Congress, being the evidence and the report of the Interstate Commerce Commission, be printed as a part thereof. Is there objection? The Chair hears none, and it is so ordered.

AFFAIRS IN MEXICO.

Mr. JAMES. I ask unanimous consent to have printed in the RECORD an editorial from the New York World of to-day, entitled "Wilson's Triumph in Mexico"; and also an editorial taken from the New York Times, headed "Huerta's Ending."

There being no objection, the articles were ordered to be printed in the RECORD as follows:

WILSON'S TRIUMPH IN MEXICO.

The President's Mexican policy, concerning which there have been many misgivings, has triumphed. The dictator has resigned. A constitutional government is to be established. There will eventually be peace at home and peace with the United States.

When Gen. Huerta, on the 18th of February, 1913, telegraphed to President Taft: "I have overthrown this Government and the forces are with me," he had no thought of the man who in two weeks was to be President of the United States or of the forces that that man would array against the Mexican usurpation.

One week after Mr. Wilson's inauguration he gave due warning to Gen. Huerta and all other Latin-American chieftains who gain office by intrigue and assassination when he said: "We can have no sympathy with those who seize the power of government to advance their own personal interests and ambitions." Huerta laughed at this avowal, and not a few citizens of the United States pronounced it visionary and fantastic.

Yet the new American doctrine that usurpation is not to be recognized in this hemisphere has been established in the one country where its success seemed most doubtful. Against Huerta's airy assumption Wilson arrayed adamantine conscience. In opposition to the tyrant's armed forces Wilson marshaled the forces of liberty and justice.

It has taken some hard fighting in Mexico to overthrow the man who overthrew the Government, but moral courage of a higher order has been needed to enable the administration at Washington to hold true to its principles. The triumph is ours as well as Mexico's. The honor of victories won in the realm of morals is no less than that of battles gained on bloody fields.

Thanks to Woodrow Wilson, a great country and an oppressed people are upon the threshold of a new epoch.

HUERTA'S ENDING.

President Huerta has resigned, his resignation is accepted by the deputies, and Francisco Carbajal rules as provisional president in Mexico City. The revolutionary leader, Villa, assumes that, with the doffing of the presidency, Huerta will again put on the general and will take the field. But the Mexican revolution has been won—not in the riven republic, but at Niagara Falls, at Washington.

Woodrow Wilson is the restorer of peace in Mexico, not by invoking the horrors of war, but by virtue of reason among nations. Whether the fallen dictator now leaves the country or remains to die fighting or a captive is of little moment in Mexican history. President Carbajal is a man of peace, who would offer little resistance to the forces of Carranza. Powers are now in being in Mexico which, we believe, will effectually prevent a long military occupation of the capital.

PROPOSED TRUST LEGISLATION.

Mr. WORKS. Mr. President, I desire to give notice that to-morrow, immediately after the close of routine morning business, with the permission of the Senate, I shall submit some remarks on trust legislation.

HOUSE BILL REFERRED.

H. R. 17824. An act making appropriations to supply deficiencies in appropriations for the fiscal year 1913 and for prior years, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

AFFAIRS IN MEXICO.

Mr. POINDEXTER. Mr. President, I ask to have laid before the Senate resolution No. 419, which went over on yesterday.

The VICE PRESIDENT. The Chair will lay the resolution down in the order in which it came over. There is a preceding resolution. The Chair lays before the Senate resolution No. 415, coming over from a preceding day, which will be read.

The Secretary read the resolution (S. Res. 415) submitted by Mr. SMITH of Michigan on the 13th instant, as follows:

Whereas the publication of certain correspondence has been made the basis of allegations in many newspapers that certain persons owing allegiance to and domiciled in the United States have been engaged in correspondence with the authorities of the so-called constitutionalist government of Mexico for the purpose of thwarting the designs of the United States Government and for the promotion of their own interests; and

Whereas in certain of this correspondence agents of the President of the United States have been represented as affording advice to the agents of the said rebellion against the Government of Mexico, intended to enable said revolutionists to evade the orders of the President of the United States against the shipment of arms and munitions of war into Mexico: Therefore be it

Resolved, That the Committee on Foreign Relations or a subcommittee thereof is hereby authorized and directed to inquire, investigate, ascertain, and report whether any person, associations, or corporations domiciled in or owing allegiance to the United States have heretofore been or are now engaged in correspondence with those in rebellion against the Government of Mexico and in violation of the laws of the United States, or whether any persons, associations, or corporations have heretofore been or are now engaged in financing, encouraging, or inciting civil strife in Mexico for the promotion of their own interests or for any other reasons, and whether any agents of the President of the United States have been heretofore or are now engaged in giving advice to those in rebellion against the Government of Mexico to enable or lead such agents or authorities to constructively evade the orders of the President of the United States against the shipment of arms or munitions of war into Mexico, or whether any agents of the Government of the United States may be in any way personally or financially interested for their own gain or profit in the regrettable strife in Mexico.

Resolved further, That said committee or a subcommittee thereof is hereby empowered to summon witnesses, to send for persons or papers, to administer oaths, and to take and secure whatever testimony and evidence that may be required to ascertain and report upon the matters aforesaid; and said committee or a subcommittee thereof is hereby authorized for the purpose aforesaid to sit wherever necessary and act as well when Congress is not in session as when in session.

Resolved further, That the said committee is hereby directed to report the result of said investigation and inquiry to the Senate during the first month of the next session of Congress; and the expenses incurred by such investigation and inquiry shall be paid from the contingent fund of the Senate upon vouchers to be approved by the chairman of the committee.

Mr. SIMMONS. I desire to inquire if the Chair did not announce some time back that morning business had closed and if we have not been proceeding by unanimous consent?

The VICE PRESIDENT. The Chair had no authority so to announce. These resolutions came over from a preceding day and are now being laid before the Senate.

Mr. SIMMONS. I understood the Chair at one time to announce that morning business had closed. I evidently misunderstood the Chair.

The VICE PRESIDENT. The Chair revised the statement upon examining the calendar at the desk and finding that resolutions had come over from a preceding day.

Mr. TOWNSEND. Mr. President, the senior Senator from Michigan [Mr. SMITH] is not here, and I have been unable to find him. I should like to have the resolution which has just been read go over until to-morrow morning without prejudice.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the resolution goes over. The Chair lays before the Senate a resolution coming over from a preceding day, which will be read.

The Secretary read the resolution (S. Res. 419) submitted by Mr. POINDEXTER on yesterday, as follows:

Resolved, That the Secretary of the Navy is requested to inform the Senate as to the truth or falsity of the press report sent out from Vera Cruz, Mexico, June 17, 1914, and published in the United States, that an ensign in the United States Navy caused to be shot unarmed Mexican prisoners under the so-called Mexican "ley de fuga"; and to inform the Senate of all the circumstances relating to said act if it occurred.

Mr. STONE. Mr. President, I ask to have the resolution go over. I have not had an opportunity to examine it.

Mr. POINDEXTER. Mr. President, I can explain the resolution to the Senator from Missouri, I think, in a moment. It is not a matter which is at all complicated, and its terms are so expressed that nothing could be gained by any further investigation. The resolution simply asks for a report from the Secretary of the Navy as to the truth or falsity of a charge that was made by a newspaper correspondent, which has been published very generally in this country, that an ensign in the Navy, who had a squad of men under his command and had captured some prisoners during the occupation of Vera Cruz, applied the so-called Mexican system of execution, the law of flight, or "ley de fuga." That question having been raised in the country, it is in the interest of the ensign, of the Navy, and of everybody else that there should be an opportunity given to ascertain the facts and for the Navy Department to state what the facts are. I think the Secretary of the Navy would probably welcome the occasion for stating the facts, which would be given him by the passage of this resolution.

Mr. STONE. Mr. President, I did not see the article published to which the Senator refers, and I have not heard of it. Do I understand that it was printed in some paper in this country that an American officer, under some pretense or excuse of flight by prisoners, had them shot?

Mr. POINDEXTER. Yes; that report was sent out by a newspaper correspondent in some detail.

Mr. STONE. Mr. President, if that is all there is to it, I think it entirely proper that the department should be given an opportunity to report the facts to the Senate.

Mr. POINDEXTER. That is the purpose of the resolution.

Mr. McCUMBER. Mr. President, I want to ask the Senator from Washington, if such a charge has been made and published and such a charge is untrue, why is it necessary for the Navy Department to get authority from the Congress of the United States to deny the charge? Can not the Secretary of the Navy deny it or give an explanation of it without being required to do so by Congress?

Mr. POINDEXTER. Undoubtedly he has the power to issue a statement, not to the Senate, however, or to Congress. I suppose he could give a statement to the press to be published.

Mr. McCUMBER. He could give a statement to the public, could he not?

Mr. POINDEXTER. He has not seen fit to do so, and I do not know that the matter has been called to his attention.

Mr. McCUMBER. The thing that surprises me is that, if there is such a charge and it is without foundation, the Secretary of the Navy does not of his own volition give a denial of that charge to the press.

Mr. STONE. More than that, Mr. President, if the Senator will permit me, if such a charge has been made and there is foundation for it, it would be surprising that the Secretary of the Navy had not taken some very drastic action with regard to it, not only to let the country know the facts, but at the same time to punish any man who was guilty.

Mr. McCUMBER. I would naturally suppose so.

Mr. STONE. I can not, therefore, believe, Mr. President, that there is any substantial foundation for this publication. I am inclined to think that we are dignifying a sensational penny-a-liner's article in some sensational newspaper. Nevertheless, if the Senator from Washington deems it of sufficient gravity and importance to call the attention of the Senate and of the department to it, I can not see that there is any objection to having the report made for which he calls.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

CAPT. JOHN H. GIBBONS, UNITED STATES NAVY.

The VICE PRESIDENT. Morning business——

Mr. SMITH of Michigan. Mr. President——

The VICE PRESIDENT. Is closed.

Mr. SIMMONS. Mr. President——

The VICE PRESIDENT. The Senator from North Carolina.

Mr. SIMMONS. I ask unanimous consent——

Mr. SMITH of Michigan. I thought I addressed the Chair before the announcement of the conclusion of morning business was made; but, if the Senator from North Carolina will permit me, I simply desire to have read into the RECORD an editorial from the Public Ledger, of Philadelphia, of Wednesday, July 15, upon the naval service of Capt. John H. Gibbons. It is very brief, and if the Senator will permit me to have it read, I will be very glad.

Mr. SIMMONS. Mr. President, I have no objection to the Senator having it printed in the RECORD, but I hope he will not insist upon having it read at this time.

Mr. SMITH of Michigan. Very well, I ask unanimous consent that it be printed in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the editorial will be printed in the RECORD.

The editorial referred to is as follows:

THE CASE OF CAPT. GIBBONS.

Capt. John H. Gibbons has won the highest honors which his profession has to give an officer of his rank. He has been naval attaché at London, commander during two administrations of the presidential yacht *Dolphin*, and Superintendent of the Naval Academy. Each of two ships which he has commanded won the gunnery trophy as first in the fleet in marksmanship. During the hurricane years ago in the harbor of Apia, Samoa, when two-thirds of our squadron there were wrecked, Gibbons, then a young lieutenant, led his men up the weather shrouds of the *Vandalia* to form a human sail. He has served ably and with honor in all our wars since then—in Cuba, the Philippines, in China, and off the Mexican coast, commanding a force of 3,000 seamen on shore at Vera Cruz. And yet this gallant and distinguished officer, when he returned as captain of the dreadnaught *Utah* from months of enervating duty in these southern waters, was abruptly notified by telegram that the plucking board had marked him for retirement; that his country had no more active duty for the man who had served with such ability and devotion for 35 years.

This sort of thing is simply brutal; it is an arrant mockery of the "square deal." Except to make a vacancy, there was apparently no reason for it, since the Secretary of the Navy has publicly exonerated all of the officers thus compulsorily retired this year from any defects in habit, temperament, or professional qualifications. He adds, too, and truly: "The present method (plucking) is too cruel. The retirements to-day are tragedies."

This matter should not be allowed to rest here. Neither the Navy nor the Nation can afford to wrong such men as Capt. Gibbons. Congress should at once repeal the "plucking" provision of the personnel law; and the legislation should be retroactive, so that officers such as Gibbons, Potts, Rust, and others who, with a clear record, were thus forcibly retired may be returned to their old place on the active list. These officers, like those promoted for gallantry in action, can then be carried as "extra numbers" in their grade without interfering with the flow of promotion. If, when justice is thus done, elimination is found to be necessary to obtain promotional flow, let the Navy Department find some more "human and humane" method than the present barbarous system.

ADDRESS BY THE COMMISSIONER OF PENSIONS.

Mr. HITCHCOCK. I ask unanimous consent to have printed in the RECORD an address by the Commissioner of Pensions, Mr. Saltzgaber, to the employees of the Pension Office, and commended as a high-minded and worthy expression of a bureau chief to his employees.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The address referred to is as follows:

AN ADDRESS BY THE COMMISSIONER OF PENSIONS.

To the employees of the Pension Bureau:

The necessity for a reduction in the number of employees in the bureau has caused the officials much regret. Our noble and kind-hearted Secretary of the Interior enjoined upon us that in effecting reductions and removals we should be guided by considerations of efficiency and humanity. These cardinal principles we have endeavored to follow, but we were well aware that there could be no exact measurement of comparative justice in making selections from the nearly 1,400 employees of the bureau. We have done the best we could. The task has been laborious, continuous, and disheartening, but our labors were made easier by manifestations of the loyalty and forbearance of the employees themselves.

The painful experience through which we have just passed should impress on our minds very seriously and forcibly at this time a few important lessons. One is that we have no certain tenure of employment; the Government is under no moral or legal obligation to keep us on the pay roll when it has no work for us to do.

Each has his own ideas about retirement laws and civil-service pensions, but these are subjects wholly within the province of and to be determined by the Congress. We can only deal now with the situation as it is. Other lessons are that the work of the Pension Bureau is diminishing; that the number of old soldiers and their widows is decreasing rapidly; that the act of May 11, 1912, as amended by the act of March 4, 1913, has greatly curtailed the work to be done in their behalf; that the force now in the bureau must soon be still further largely reduced. We should prepare now to be ready.

Now, this is to notify you that changes may be expected at the end of this fiscal year; circumstances will imperatively require them. Therefore you should make such arrangements in the Government service or elsewhere as will best promote your own welfare. Frugality is commended; lay aside something for the day of need. Transfers to other branches of the public service will be encouraged.

Let us remember that our rating depends upon our own qualities. Nature deals more generously with some than others but all can overcome handicaps by continued effort. Let us continue true to our high ideals; let us aim to do a little better this year than ever before, and thus continue to deserve the high praise that is now given to the employees of this bureau. Let us appropriate and apply the precepts of President Wilson and regard service as an opportunity.

For your loyalty and kindness all have my heartfelt thanks.

G. M. SALTZGABER, *Commissioner.*

RIVER AND HARBOR APPROPRIATIONS.

Mr. SIMMONS. I ask unanimous consent that the Senate proceed to the consideration of the river and harbor appropriation bill.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Idaho?

Mr. SIMMONS. Yes.

Mr. BORAH. Mr. President, I am not going to delay action on the request of the Senator from North Carolina, but I should like to say that before a great while I desire an executive session. I shall not insist on it now; but I shall undertake in the course of an hour or two to get it. I want some little matters which are in executive session disposed of, and, while I will not interfere just at this time, I will later.

Mr. SIMMONS. I hope the Senator will not ask for an executive session until after 2 o'clock.

The VICE PRESIDENT. The Senator from North Carolina asks unanimous consent that the bill commonly known as the river and harbor bill be laid before the Senate. Is there any objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13811) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. BURTON. Mr. President, I do not wish to monopolize the time on this bill, and if the Senator from North Carolina or if any Senator on the other side would like to proceed at this time, I will be glad to waive my right to address the Senate. Other things being equal, I should like to proceed with my remarks, as they are intended to constitute a consecutive and a logical development of the whole subject.

Mr. SIMMONS. I do not know of any Senator on this side who desires to speak until after the Senator from Ohio has concluded his remarks.

Mr. BURTON. Mr. President, I am satisfied that if the people understood the nature of the pending river and harbor bill, it would not be enacted into law. I am equally well satisfied that if the Members of the Senate understood this measure, it would not pass this body. One reason—indeed, I may say the main reason—why several recent river and harbor bills have been enacted, notwithstanding severe criticisms visited upon them, is the lack of facts, the absence of properly arranged statistics upon this subject, and it is to that point that I wish to address my remarks this morning, at the same time making some further suggestions relating to the deficiencies of our system and to the reforms which should be adopted.

If anyone will undertake the nerve-racking task of seeking to ascertain definite tendencies and generalizations from the statistics which are available, he will find that he must labor under the very greatest difficulty, although there are figures sufficient to show certain tendencies, such as the decrease of river traffic, save in exceptional instances easily understood, and also the decrease of the average haul.

What are the defects in the present system of gathering the facts and collating statistics relating to our river and harbor system? In order that the measure may be intelligently framed and made a real benefit to the country it is necessary that we shall have a full understanding of the results and tendencies of existing river and harbor improvements and the results likely to be achieved from proposed river and harbor impovements as well.

The first objection to the statistics which we now have is their lack of uniformity. Some of the figures given with relation to tonnage and the nature of the traffic pertain to the fiscal year ending June 30, while others relate to the calendar year ending December 31. I suppose the main reason for this discrepancy is that in many instances the figures published in the reports are furnished by boards of trade and commercial organizations, and it is more convenient for them to furnish tables for the calendar year, while on the other hand statistics taken immediately by the officers of the Engineer Corps conform to the general rule relating to the financial operations of the Government, under which the year is held to close on June 30. This creates confusion, but it is not the most serious instance of lack of uniformity. In the classification of commodities different classes of traffic on different rivers and in different years are not uniformly stated or sufficiently analyzed.

In its report of 1910 the National Waterways Commission pointed out the defects in this regard in the following words. I begin to read on page 73:

> In the course of their investigations the members of the commission have observed the lack of comprehensive statistical information upon inland waterway traffic.
>
> And for the most part I shall direct my attention to inland waterway traffic pertaining to rivers and canals.
>
> In some localities, as at the locks at Sault Ste. Marie, detailed statements are carefully prepared under the direction of the Army Corps of Engineers, giving the quantity and quality of the freight and the number of passengers carried through the locks. Other reports made by the Corps of Engineers afford valuable information, though in some instances incomplete.
>
> Available statistics are furnished by several different bureaus of the Government, but are strikingly lacking in uniformity and in sufficient classification as well. The terms "general merchandise," "miscellaneous merchandise," "unclassified freight," and "package and packet freight" are used in the same general sense, though quite ambiguously as to what categories of freight are included.
>
> It is recommended as desirable that a uniform system be established applicable to all waterways under which statistics may be collected, showing the volume and different kinds of traffic carried on the rivers and inland channels of the country. This will not only be valuable in affording suggestions as to the extent to which waterway traffic is increasing or diminishing, and thus assist in determining the legislative policy to be pursued, but will also afford information of very considerable service to the commercial interests of the country. It is to be noted that we are far behind several countries of Europe in the accuracy of statistics relating to inland navigation. It is desirable that the statistics should show not merely the number of tons carried and the money value of the same but the distances over which commodities are transported, so that not only the number of tons carried may be ascertained but the ton mileage as well. In many respects statistics of the latter are more valuable than of the former. In some instances ferry traffic which is carried a half mile or less is placed upon the same footing with traffic carried a thousand miles or more.
>
> It is a question of detail for Congress to consider what agency shall be intrusted with the collection of these statistics. It is thought that the necessary information can be obtained by the expenditure of a comparatively trivial sum of money, and the duty may be imposed upon existing bureaus and officials, such as the Army Engineer Corps, the collector of customs, where the navigable channels are near to customhouses, and those engaged in the Steamboat-Inspection Service. Rules requiring masters or owners of boats to report the quantity of freight and the distance it is carried should be enforced.

We already have statutes on this subject. Under a statutory provision adopted nearly 50 years ago the masters of boats are required to report the quantity of freight they carry, as well as the distance. Furthermore, in pursuance of this recommendation of the Waterways Commission, a clause was inserted in the river and harbor act of 1910 requesting the report of ton-mileage as well as of the total number of tons of traffic; and in a limited number of instances—perhaps some fifteen or twenty—that request has been complied with.

I stated a few days ago, and I repeat it to-day, that the statistics of ton-mileage throw a flood of light on the condition of our river traffic. Formerly when a report stated that a river or canal carried a certain number of tons of freight it has been the general understanding that that freight was carried for the whole stretch of the river, or for the greater share of it. For instance, it would be presumed that freight carried on the lower Mississippi was to be carried from Cairo to New Orleans. These statistics show, however, that on streams of considerable size and length the average haul is less than 100 or even less than 50 miles; in some instances it is less than 20 miles. The inference from this is plain that, save in the case of special commodities, the river is no longer used on any extensive scale for the carriage of traffic; that commodities are picked up at landings or in the smaller cities and carried to the nearest railway crossings. This is especially noticeable on the upper Mississippi River, extending from St. Paul to the mouth of the Missouri, where, with a length of 658 miles and a tonnage of 1,830,000 tons, the average haul is only 31.6 miles.

These classifications of traffic, to return to that subject, should be made uniform by general order; and again the classification should be as minute as possible. Generally speaking, the articles designated as "merchandise," "miscellaneous freight," and "package freight" all refer to a class of commodities which are being carried in diminishing amounts upon the rivers. The railroads have absorbed most of this traffic. It is especially desirable, however, that there should not be one rule on the Missouri and another rule on the upper Mississippi; that the traffic passing along the Ohio should be classified in the same manner as that passing along the Hudson; in brief, that there should be one general classification which everyone making any report should sedulously adopt and follow.

Again, Mr. President, there should be a uniform rule governing the reports of ferriage freight. It is perfectly clear that a ferry, generally speaking, is a substitute for a bridge, and as

the country develops it is often followed by the construction of a bridge. But if we look through these statistics, what do we find? In some years of the last decade on the upper Mississippi, say, between Davenport and Rock Island, or Davenport and Moline, ferriage traffic was included as a part of the tonnage carried on the river and placed on just the same footing as if it had been carried from St. Paul all the way to St. Louis. On the portion of the lower Mississippi from St. Louis to the mouth of the river ferriage traffic is omitted, or, rather, it is reported separately. It does not figure as a part of the alleged traffic of the river.

So here we see on one stream different rules prevail in the reports made on different sections. On the Ohio River ferriage traffic is included. In the report for the last year for which statistics are available—from April 1 to December 31, 1912—the total traffic of the stream, given as 8,316,369 tons, included 1,619,621 tons of ferriage traffic. In the harbor of Philadelphia, with enormous traffic, there is included 4,000,000 tons carried across from Philadelphia to Camden. In the tonnage of the harbor of New York ferriage traffic is included.

I do not think I need to further argue, first, in favor of the rule of uniformity, and second, that this ferriage traffic should be separately stated. Certainly it is very different from over-sea traffic in New York Harbor, and clearly the same distinction would exist between commodities carried across from St. Louis to East St. Louis and traffic carried down the river from St. Louis to Memphis or any other point down the river which involves a haul of hundreds of miles.

Moreover, there is no uniformity in these statistics as regards stretches of a river. In some cases the traffic is given for the river as an entirety and in other cases it is given by sections, which necessarily involves much duplication. Perhaps the best illustration of this, again, is to be found upon the Ohio River. On this stream, in a distance of a little less than 1,000 miles, 54 locks are projected. The traffic is classified according to the tonnage passing Locks 1, 8, 18, 26, 37, and 41. There are certain modifications which, I am frank to say, I am not able to fully understand from an examination of the figures. On page 2541 the last report of the Chief of Engineers states:

> In order to facilitate the collection of commercial statistics vessels operating on the Ohio River are required to make a report of tonnage and passengers carried each time they pass one of the following locks and dams: Nos. 1, 8, 18, 26, 37, and 41.
>
> Special blanks, printed with a penalty stamp, are furnished each vessel, and by proper folding they can be addressed and sent to the proper lockmaster.
>
> Steamboats operating in pools between movable dams or not passing one of the above-named locks make report at the close of each month.
>
> Boats with through coal tows or through packet boats make a report at only the first lock through which they pass.
>
> Ferries report direct to this office monthly.
>
> Reports of traffic are required, at the close of each month, of lockmasters of all locks and dams now in operation.

Presumably, on that basis, coal destined from Pittsburgh to New Orleans would be reported only at Lock No. 1, while the figures on such shipments would be omitted at Locks 8, 18, 26, 37, and 41; but as I read the reports, the amount is apparently included at Lock 41, which seems to violate the general rules laid down. This constitutes a serious defect in the manner of preparing statistics. But there is another defect more serious still in the figures relating to the traffic on the Ohio River.

Whenever it is necessary for a boat or a tow to pass the location of a lock and dam, whether it passes through the lock or through the open river depends upon the stage of water. Each dam is movable, and when there is a sufficient stage of water the dam is put down flat on the bottom of the river and preferably the boat goes through the open, natural stream; but if the water is low the dam is put up, a pool is formed, and the boat goes through the lock. Now, in the statistics reported there is no distinction between traffic passing through the lock and traffic passing through the open river. Yet the difference between them is of the very greatest importance. Indeed, the most essential figures required relate to the use made of those locks, and the proportion of the traffic relatively aided by the locks in passing and that not aided and which is able to go through the open river. I have regarded this as a subject of enough importance to frame an amendment with reference to it, and perhaps in the course of this discussion other amendments will be offered for the purpose of securing more accurate statistics.

Another illustration of the stretches of a river is furnished by the Mississippi from St. Louis to New Orleans. This portion is divided into four sections—from St. Louis to Cairo, from Cairo to Memphis, from Memphis to Vicksburg, and from Vicksburg to New Orleans. The traffic is given separately by these sections, and it is absolutely impossible to tell from the general figures what portion is through traffic and what portion of it is local. The Board of Engineers chosen to examine into the proposed project for a 14-foot waterway made a report on the traffic for 1907, in which they sought to show approximately what was through traffic and what was local traffic. It is found on page 344 of the document containing their report, and at a later time I shall make reference to it.

Presumably there are very considerable duplications, for a portion of the traffic proceeding from St. Louis to Cairo and reported as of that stretch also passes over the stretch from Cairo to Memphis, and then perhaps on from Memphis to Vicksburg and from Vicksburg to New Orleans; but none of the statistics with which we are furnished annually will give us any light upon this subject.

I do not think I need to argue that in order to judge of the extent of traffic on that river it is absolutely necessary that we should know how much it is through traffic and how much of it is local. We should not only be furnished with the tons of traffic which are handled in different sections of the river, but the ton mileage as well, so that we may know what the tendencies really are.

I may add that on most rivers, such as the Hudson, the Red, and the Arkansas, and most shorter streams, the traffic is given in its entirety for the whole river.

I may say in this connection that there is a notable tendency toward shorter hauls on all our rivers. By that, of course, I do not mean to include such traffic as that through the St. Marys River and on the Great Lakes. The traffic carried through the Soo Canal has for many years been conveyed by boats an average distance of between 800 and 900 miles, while on many inland streams the average length of haul has fallen to a mere fraction of what it was formerly.

I call attention to certain points.

Mr. TOWNSEND. Mr. President, will the Senator from Ohio yield to me for the purpose of making a motion at this time?

Mr. BURTON. As far as I am concerned personally, I am certainly willing to yield.

VOLUNTEER OFFICERS' RETIRED LIST.

Mr. TOWNSEND. Mr. President, I realize that a measure which has been on the calendar for a long time is entitled to consideration, as it seems to me, and I move that the Senate proceed to the consideration of Senate bill 392, Order of Business 209, being what is known as a bill creating a volunteer officers' retired list.

The VICE PRESIDENT. The Senator from Michigan moves that the Senate proceed to the consideration of the following bill.

The SECRETARY. A bill (S. 392) to create in the War Department and Navy Department, respectively, a roll designated as "the Civil War volunteer officers' retired list," to authorize placing thereon with retired pay certain surviving officers who served in the Army, Navy, or Marine Corps of the United States in the Civil War, and for other purposes.

Mr. SIMMONS. Do I understand that this is a request for unanimous consent or a motion to proceed to the consideration with a view to supplanting the river and harbor bill?

Mr. TOWNSEND. That is the idea.

The VICE PRESIDENT. It is a motion. The question is on the motion of the Senator from Michigan.

Mr. SIMMONS. I ask——

Mr. TOWNSEND. The motion is not debatable, I understand.

The VICE PRESIDENT. The question is on the motion of the Senator from Michigan to proceed to the consideration of the bill.

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

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

Mr. CATRON (when his name was called). I am paired with the senior Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the Senator from Illinois [Mr. SHERMAN], who is absent on account of sickness in his family, and vote "yea."

Mr. CHILTON (when his name was called). I have a general pair with the Senator from New Mexico [Mr. FALL], who is necessarily absent. I therefore withhold my vote.

Mr. HOLLIS (when his name was called). I am paired with the junior Senator from Maine [Mr. BURLEIGH]. I transfer that pair to the junior Senator from Tennessee [Mr. SHIELDS] and vote "nay."

Mr. SMITH of Georgia (when his name was called). I transfer my general pair with the senior Senator from Massachusetts [Mr. LODGE] to the junior Senator from Indiana [Mr. KERN] and vote "nay."

Mr. SMITH of Maryland (when his name was called). I have a general pair with the senior Senator from Vermont [Mr. DILLINGHAM], which I transfer to the senior Senator from Indiana [Mr. SHIVELY]. I vote "nay."

Mr. STONE (when his name was called). I have a pair with the Senator from Wyoming [Mr. CLARK], which I transfer to the Senator from South Carolina [Mr. SMITH]. I vote "nay."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from New York [Mr. ROOT]. As he is absent, I withhold my vote.

Mr. TILLMAN (when his name was called). I have a general pair with the Senator from West Virginia [Mr. GOFF]. In his absence, I withhold my vote.

Mr. TOWNSEND (when his name was called). I transfer the pair I have with the junior Senator from Arkansas [Mr. ROBINSON] to the senior Senator from Iowa [Mr. CUMMINS] and vote "yea."

Mr. WARREN (when his name was called). I have a pair with the Senator from Florida [Mr. FLETCHER]. I do not know how he would vote. If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. WILLIAMS (when his name was called). I have a general pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I am unable to procure a transfer of the pair and I withhold my vote.

The roll call was concluded.

Mr. WEEKS. My colleague [Mr. LODGE] has a general pair with the senior Senator from Georgia [Mr. SMITH]. If my colleague were present, he would vote "yea" on this question.

Mr. SMITH of Georgia. I transferred my pair to the junior Senator from Indiana [Mr. KERN].

Mr. GRONNA (after having voted in the affirmative). I inquire if the senior Senator from Maine [Mr. JOHNSON] has voted.

The VICE PRESIDENT. He has not.

Mr. GRONNA. I have a general pair with that Senator. I will transfer my pair to the Senator from Vermont [Mr. PAGE] and allow my vote to stand.

Mr. KENYON. I wish to announce the unavoidable absence of the senior Senator from Wisconsin [Mr. LA FOLLETTE] on account of illness, and the absence of my colleague [Mr. CUMMINS] from the city.

Mr. SMOOT. I desire to announce the unavoidable absence of my colleague [Mr. SUTHERLAND], who has a general pair with the Senator from Arkansas [Mr. CLARKE], and also the absence of the junior Senator from Wisconsin [Mr. STEPHENSON].

Mr. CHAMBERLAIN. I have a pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence I withhold my vote.

Mr. WARREN. I wish to announce the unavoidable absence of my colleague [Mr. CLARK of Wyoming], who is paired with the Senator from Missouri [Mr. STONE] as stated. If my colleague were present, he would vote "yea."

The result was announced—yeas 26, nays 35, as follows:

YEAS—26.

Borah	Crawford	McCumber	Smoot
Brady	Gallinger	McLean	Sterling
Brandegee	Gronna	Nelson	Townsend
Bristow	Hitchcock	Norris	Weeks
Catron	Jones	Perkins	Works
Clapp	Kenyon	Poindexter	
Colt	Lippitt	Smith, Mich.	

NAYS—35.

Bankhead	Lewis	Ransdell	Stone
Bryan	Martin, Va.	Reed	Swanson
Camden	Martine, N. J.	Saulsbury	Thompson
Hollis	Myers	Shafroth	Thornton
Hughes	Newlands	Sheppard	Vardaman
James	O'Gorman	Simmons	Walsh
Lane	Overman	Smith, Ariz.	West
Lea, Tenn.	Pittman	Smith, Ga.	White
Lee, Md.	Pomerene	Smith, Md.	

NOT VOTING—35.

Ashurst	Dillingham	Lodge	Shively
Burleigh	du Pont	Oliver	Smith, S. C.
Burton	Fall	Owen	Stephenson
Chamberlain	Fletcher	Page	Sutherland
Chilton	Goff	Penrose	Thomas
Clark, Wyo.	Gore	Robinson	Tillman
Clarke, Ark.	Johnson	Root	Warren
Culberson	Kern	Sherman	Williams
Cummins	La Follette	Shields	

So the Senate refused to proceed to the consideration of Senate bill 392.

Mr. TOWNSEND. Mr. President, I am very sorry the motion we have just voted upon has been decided as it has been decided, and by what appears to have been a party vote. I do not think it was generally understood by the friends of the measure that it had no support on the other side of this Chamber, and I am not now convinced that it has none. I am not sure that some Senators may not have voted against my motion with the idea that it was supplanting——

Mr. NORRIS. If the Senator will yield a moment, I think he ought to modify his statement a little. It was not entirely a party vote.

Mr. TOWNSEND. I did not know that. I am glad I was mistaken.

Mr. NORRIS. I remember hearing at least one Senator on the other side, my colleague, the Senator from Nebraska [Mr. HITCHCOCK], voting "yea."

Mr. TOWNSEND. I am very glad of the exception. I will not at this time criticize Senators too severely. I was going to say that it is possible there are Senators on the other side who are friendly to this measure, but who feel that it ought not to supplant the appropriation bill now before the Senate. I have recognized that feeling and have tried to accommodate the measure to the reasonable convenience of Senators. I have been waiting day after day and week after week in the hope that a time would arrive when the Senate would consent to the consideration of this measure.

I am convinced that the appropriation bill now before the Senate is going to be pending here for a great many days. It has dragged its weary way for weeks through this body, and no possible harm could come to its consideration if it were temporarily laid aside. The bill which I presented is one which could be disposed of in a very short time, and, as I have stated on the floor before, if it is ever to be acted upon favorably to the beneficiaries of the measure, that disposition should be made now; at least, it ought to be brought before the Senate, so that its merits could be discussed. I have such confidence in its merits and justice that I feel sure that an understanding of it would insure it support. I regret that I could not have got it up this morning, because I believe that between this hour and 2 o'clock we could have disposed of it, and it would have settled a question of vital and immediate importance.

I desire to state, however, Mr. President, that the matter is not going to end here. Every possible excuse for not considering it now, which is offered by those who would support it at another time, is going to be met, if it is possible to do so. The junior Senator from Iowa [Mr. KENYON], the senior Senator from Kansas [Mr. BRISTOW], and myself have tried hard and often to secure consideration of this bill. We have been unable to receive recognition when no other matter was before the Senate. We are not, however, entirely discouraged. The justice of this cause should be irresistible. If time was not of the very essence of our cause, I could wait the inevitable success which must come with understanding. But every day of delay means irreparable worry to the men entitled to its benefits. It must at least be brought before the Senate for consideration on the merits.

The Volunteer officers of the Civil War are dying fast. Two thousand of them passed away within the last year. They are past 77 years of age on the average. Holding the views I do, it seems to me that it is absolutely criminal for the Senate to neglect longer what I regard as a plain duty in order that the Senate may continue the consideration of the river and harbor bill, which some Senators who voted against this measure have characterized as a pork-barrel bill, a bill for distributing doubtful, local benefits. You have voted to continue the consideration of such a bill in preference to one which is but a belated recognition of the Nation's duty to men who organized, trained, and led the forces which preserved our Nation and made it possible to have a Government which could make appropriations for internal improvements.

To me it is little less than criminal on the part of the Senate to put this measure aside in the face of the fact that it possibly can not be reached during the present session of Congress, because there will always be the same excuse presented that something of an apparently more pressing nature requires the attention of Congress. In an hour we could have performed an act of justice that would have brought sunshine into the lives of 14,000 old men who deserve more from the hands of the Government than it can ever pay. The last hours of those who will pass away to-night and to-morrow would have been made a little brighter, even though no material benefits would have reached them.

Mr. KENYON. Mr. President——

Mr. TOWNSEND. I yield to the Senator from Iowa.

Mr. KENYON. I simply wanted to suggest to the Senator and to ask him if he knew that of the six of the committee who appeared before the Military Committee of the Senate to present this matter last December, three since that time have passed away?

Mr. TOWNSEND. I have been so informed.

Mr. KENYON. And these old soldiers are passing away at a rapid rate. If there is any merit in this bill, and if we are

going to do anything for them, it should be done at this session of Congress, and not be any longer delayed.

Mr. TOWNSEND. Mr. President, I quite agree with the Senator from Iowa. To me it is a very serious matter. Since I introduced this bill, I have met the committees of the old soldiers who have had it in charge. There have been four different chairmen, distinguished soldiers, men who had the confidence of the Army and of the country, and three of those four chairmen have now been mustered out and can not be here to share in whatever victory might come; but neither will they be affected by the humiliation which to-day's vote would have brought them.

Mr. President, I can not properly now go into the merits of this matter as I should like in order to present them to the Senate and to the country. I am forced to wait now, and to allow the bill to rest until possibly some more favorable occasion may arise.

RIVER AND HARBOR APPROPRIATION.

The Senate, as in Committee on the Whole, resumed the consideration of the bill (H. R. 13811) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. BURTON. Mr. President, I have dwelt on the lack of uniformity of our statistics relating to river and other traffic, but more important still is the inadequacy of those statistics. They are insufficient to furnish a satisfactory basis for formulating a policy that we may adopt. I think, perhaps, I ought to qualify that statement by saying that we have sufficient statistics to indicate certain marked tendencies, but if we had them in more lucid shape we could be more assured of our conclusions. In order that statistics may be adequate, I repeat, the details as to ton mileage as well as the number of tons is absolutely essential, as that affords the best test of the use of a navigable stream. The average haul and ton mileage is given on some rivers, but not on others. These statistics have only been given, as I recall, since the recommendation of the National Waterways Commission in 1910. In order that the increase or decrease in traffic may be recognized, comparisons should be given for successive years. It should be stated that in volume 1 of the Report of the Chief of Engineers for 1912 many of these comparisons are given—some of the figures relating to tonnage go back as far as the year 1890—but, generally speaking, figures are only given for the year for which the report is made. It is perfectly evident that, if we wish to ascertain whether or not an improvement is judicious and profitable, we should know the extent to which these channels have been used for a period of years, whether river traffic is increasing or diminishing, and this can not be ascertained by taking up each stream with its traffic for one year as if that stood out by itself.

In this regard I wish to call attention to a French publication, Statistique de la Navigation Interieur, which is perhaps the most perfect book published for the presentation of statistics on inland waterway traffic. I will say to my friend the Senator from North Carolina [Mr. SIMMONS], who more than a week ago expressed a wish that I might finish my remarks during that afternoon, and to my friend from Iowa [Mr. KENYON], who seemed to have some degree of apprehension that my remarks might continue for a very long time, that while this is a most formidable appearing book, I shall read from it only very briefly.

Mr. KENYON. I did not want the Senator to shorten his remarks out of any consideration for me.

Mr. SIMMONS. The Senator from Ohio does not mean to imply that by what I said I wanted in any way to unduly push or press the Senator?

Mr. BURTON. Oh, no; I suppose it was possibly only in anticipation of the length of my remarks and not from any effort at all to limit my time.

The French statistics relating to rivers and canals divide the traffic into two classes: First, that originating on the river or on a stretch of a river; and, second, that originating outside the river or the particular stretch in question.

The first class of traffic, that originating on the river, is again subdivided into two varieties—traffic between portions of the river in question and that which originates within and is shipped outside.

Suppose we take, as an illustration, the Mississippi River between St. Louis and Cairo. The first variety of the first class of traffic would be that on the portion of the river between St. Louis and Cairo, and the second, that originating somewhere at or between St. Louis and Cairo and going outside. The second class is subdivided into two varieties or kinds—that made up of freight originating outside, and includes, first, what are called arrivals, those coming from outside the stretch or the river to a point on the stretch or river; and, second, that passing clear through without stopping. The second variety of the second class would be illustrated, using the same example as before, the Mississippi River from St. Louis to Cairo, by traffic originating at Keokuk or Burlington, passing through this stretch from St. Louis to Cairo and going to Memphis or to New Orleans.

The French statistics give other facts which are vital to this inquiry—the general condition of all traffic, the number of miles or kilometers that are under improvement in the whole country, and so forth.

For the year 1904, which is the date of the volume I have before me and which seems to be the latest available in the Congressional Library, the total length of waters in France is given at 16,687 kilometers, of which 12,070 were used in that year, showing the abandonment of 4,617 kilometers. It again gives a description of lines principal and lines secondary. The lines principal are those which are 2 meters or more in depth—that is, about 6.6 feet—and those of less depth than that. The volume states the total tonnage and the total kilometric tonnage for each year, the latter with quite as much care as the former, and a list of freights by routes of navigation, so that we may know in what particular portions of France certain commodities are shipped upon the rivers.

It gives carefully a separate statement of that traffic which is carried by self-propelling boats and that carried by barges, towed by steamers or from the banks. The tendency is very decidedly toward an increase in the traffic carried in barges as against that carried in steamers running by their own power. Anyone who studies this subject can realize how important that is. If any persons were thinking of engaging in the traffic, say, on the Mississippi River, and the question should arise, "Shall we ship from St. Louis to New Orleans by steamer or by barge?" they would not be safe in determining which of the two should be adopted without knowing what the tendencies are not only in this country but abroad. So far as our statistics are concerned, unless one gather it from personal observation or from some merchants' exchange or commercial organization in this regard, he would be very largely in the dark.

Another thing: A comparison is given of the traffic on the rivers from the year 1847 to date. French economists use these tables to aid them in pointing out for a period of more than 60 years which years were prosperous and which were not. No one could exaggerate the value of this class of statistics if we possessed them in our own country.

Again, there are more extensive and more detailed figures, beginning in 1892, on which comparisons can be made from year to year, and they are published in the same volume, and side by side.

Still further, the tonnage is given by ports or cities on the different streams and also the tonnage passing through the city of Paris. One important item which is carried in each report is the total amount of traffic on all the rivers and canals in France. Other European countries, though in less detail and with less frequency, furnish the same figures. In Great Britain and Wales the total amount of tonnage carried on inland waters is between 30,000,000 and 35,000,000 according to last reports; in France in the year 1912 it was 40,000,000, speaking in round numbers; in the little country of Belgium it is even more; Germany has the largest waterway traffic of all of the European countries, aggregating, according to the last available annual report, some 90,000,000 or more. I believe the figures are not available for the last few years.

It would be impossible by any amount of labor to ascertain the total tonnage on the rivers of the United States. In making a rough approximation, I would say that more than one-half of the inland traffic on all our rivers and lakes was on the Great Lakes and connecting waters, and, if we were to multiply the amount of tonnage and the distance hauled the proportion on the Great Lakes would probably constitute not less than nine-tenths of the whole.

I submit that we should not be left altogether in the dark as to the facts which indicate the tendencies of traffic. It is, perhaps, an appropriate time to repeat that quotation of Mr. Gradgrind, from Mr. Dicken's novel Hard Times, "What I want is facts"; and we do not have them in any official report now before us. We can gather them from a multitude of publications of trade organizations, from official reports of the Census Bureau, the Bureau of Corporations, and the Engineer's reports; but we are more or less in the dark as to what the tendencies are not only as to traffic on rivers but on all related questions of transportation by water in the United States.

And yet the figures could be furnished without very great difficulty.

I want to refer again to another important line of figures contained in the French report, and that is as to the commodities that are carried. When compared from year to year these show very distinctly the tendency, namely, that river traffic is made up almost entirely of coarse material. I will read briefly from the figures given for the year 1904.

Mr. KENYON. Mr. President, I should like to inquire of the Senator if these figures have ever before been presented to the Senate?

Mr. BURTON. I think not in detail. Some references have been made to these figures in certain reports, especially in the reports of the National Waterways Commission, and to a slight extent in the report of the Inland Waterways Commission.

Mr. KENYON. It does seem to me that during the presentation of such important figures as these there ought to be a larger attendance of the Senate. I will not suggest the absence of a quorum, because it will break into the Senator's argument; and I realize that the Senator wants to finish his remarks.

Mr. BURTON. I realize, Mr. President, that figures are dull and in no sense attractive. I hope, however, to bring these facts to the attention of the public; and those who are responsible for the collection of statistics, I trust, will profit by them; and I have no reason to complain of the attention paid right here in the Senate.

Mr. KENYON. I observe, Mr. President, that on the side of the party charged with responsibility there are only seven Senators present, and one, I think, is now passing out of the room, or probably two are passing.

Mr. BURTON. There is one on this side.

Mr. KENYON. And one on this side. It does seem to me that in voting away such a large sum as $53,000,000 the party responsible for the conduct of the Government ought to have a larger representation present to listen to these figures.

Mr. JONES. Mr. President, the Senator did not mean to say that there was only one present on the minority side. He meant that one of the majority was sitting on the minority side.

Mr. KENYON. That one member of the majority party was sitting on this side.

Mr. BURTON. Mr. President, I think I should prefer to proceed.

Mr. SIMMONS. I want to say that I think the Senator from Ohio in his discussion of this subject has ordinarily had a pretty fair attendance of the Senate. We all understand that at this hour, for reasons I need not state, a number of Senators are generally absent.

Mr. BURTON. Mr. President, I recognize that the material which I am using now is the least attractive—I trust, at any rate, that that which I shall present later will prove more attractive—of anything pertaining to this subject; but I am dwelling on it at considerable length because it is vital. We can not know how to frame river and harbor bills without having these facts before us.

Now, I ask leave to have printed in the RECORD a translation from this statistical statement of interior navigation in France for 1904, taken from the top of page 54. It is brief, and I will refer to it in my argument.

The VICE PRESIDENT. In the absence of objection, permission is granted.

The translation referred to is as follows:

Statistics 1904.

Types of traffic or merchandise.	Tonnage in 1904.		Average haul in 1904.
	Tons.	Ton mileage.	
		Kilometers.	*Kilometers.*
Combustible materials	9,785,796	2,187,681,379	223
Material for construction	11,776,648	871,321,678	74
Fertilizers	1,549,849	113,926,077	73
Wood fuel and lumber	1,819,949	315,460,592	173
Metals and machinery	821,625	227,771,154	277
Raw materials in metallurgic industry	1,522,066	338,221,336	222
Industrial products	1,065,607	298,109,202	280
Agricultural and food products	3,791,274	575,047,099	152
Miscellaneous	323,556	31,701,382	98
Wood floated, of all kinds	151,075	9,145,000	60
Total	32,607,447	4,968,385,799	152

Mr. BURTON. Mr. President, in the first place, this table shows very clearly the tendency toward the limitation of the traffic on rivers to coarse material. The two leading articles which stand out by themselves are, first, combustible materials, 9,785,796 tons. In order that I may be thoroughly understood I should say that in the year 1904 the total traffic on the rivers of France was 32,607,000 tons, but on these rivers in the year 1912 the traffic had increased to 40,000,000 tons, and 9,785,796 tons of that traffic were made up of combustible material, practically coal, lignite, and coke. The next is materials for construction, including minerals, 11,776,649 tons. That is the largest item. Those two together constitute almost exactly two-thirds of the actual tonnage for the total traffic on all French rivers and canals. Next come agricultural products and provisions, 3,791,000 tons. Next to that come wood to burn and wood for service, which means lumber for use in building. Next to that comes fertilizer.

Anyone who studies the statistics will see in the figures of the first two items, coal and building material, a very important point. The average haul of the coal is 223 kilometers. The average haul of the building material is only 74 kilometers, a little less than a third as much. That is, the building material is made up of quarry stuff, of bricks, of material for plaster, that will not bear the expense of a long haul; so the kilometric tonnage or ton-mileage for those articles is less than for any other important article. Very much of this coal comes from Belgium, and is hauled a considerable distance to the city of Paris.

One very interesting fact in regard to the French river statistics is that the traffic very largely focuses around the city of Paris. The city of Paris has a much larger tonnage in water traffic than any of the seaports of France; and building material, coal, and other articles of kindred nature are brought in there by boat.

Mr. WORKS. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from California?

Mr. BURTON. Yes.

Mr. WORKS. The Senator from Ohio, who has had large experience in formulating and participating in the passage of legislation of this kind, is endeavoring, I understand, to inform us how this legislation should be formulated and enacted. I wish to ask the Senator whether he has formulated any plan or system that he has submitted or expects to submit to the Senate for enactment?

Mr. BURTON. That is, for the whole bill or for the statistics?

Mr. WORKS. For the whole bill; the manner of making appropriation for rivers and harbors.

Mr. BURTON. No doubt I shall do so before I finish. I will answer the Senator from California by an illustration. In one of our colleges a distinguished professor being asked his views on a certain subject replied to the student, "You will find that treated in my works, volume so-and-so, page so-and-so." The student said, "Yes; but, Professor, I have already examined that volume and I do not altogether understand it." The professor replied, "Well, those are the best views I have on the subject."

I have pointed to the act of 1907, which I think in itself, and in the report accompanying it, furnishes a guide to follow, namely: Begin no new projects unless you provide for their completion. That, of course, does not apply to an indefinite, indeterminate project like the Mississippi River below Cairo, where levees and revetments are to be constructed from year to year, but it does apply in a general way. I will point out another idea which is exemplified in that bill: Make progress on the old projects. If a dozen are up for attention, instead of going along as in this bill and making insufficient, almost trivial, appropriations on the entire dozen, postpone 9, 10, or even 11, and take up one and finish it.

I think in any consideration of the bill the fact will have to be taken into account that our appropriations for harbors have been far more profitable than those for rivers. I would take into account—and I want to dwell on that at length before I conclude my remarks—the different conditions pertaining to our inland waterways. There has been a revolution in that regard. I do not blame the men who in the past have made appropriations for these various rivers with the idea of developing navigation. There is a certain class of them for which appropriations can be made now. But we are not keeping pace with the times. We are seeking to develop and utilize obsolete methods of transportation.

I would take that into account. I would especially have regard for avoiding waste in the construction of locks and dams on many of our rivers. When we come to that point we shall find that right there has been the very worst extravagance and waste of public moneys.

I have gone over this matter in a somewhat fragmentary way, and I thank the Senator from California for asking the very practical question whether I propose any substitute. Before we are through with this bill I shall seek to formulate

and put into the form of amendments some definite propositions on this subject. I will say, further, that if a certain amount of this bill were stricken out—I do not want to say what fraction—it would not be objectionable. I saw a statement a few days ago to the effect that only one-half of 1 per cent of this bill was objectionable. I am inclined to think that in the course of the debate any contention for such a percentage as that will be abandoned, and some very much larger fraction will be conceded.

Mr. WORKS. I was wondering whether an independent act might not be passed providing how these appropriation bills should be made up or how they should not be made up. Of course, if you simply go on formulating these river and harbor bills without any guide or any means of determining how they shall be drawn, you will probably have this trouble every time an appropriation bill is presented here. I think the Senator has been struggling against this very condition of affairs, at least ever since I have been in the Senate, and I suppose for years before I came here, and nothing seems to be accomplished. The same condition of things arises every year. Now, if some independent statute could be formulated that would provide the system which should be adopted in making these appropriations and formulating a bill, it might be very effective.

I wish to say to the Senator that I am very much in sympathy with a good many of the things he is saying here. I think we are squandering a good deal of money in these river and harbor appropriations which, in some way, ought to be avoided.

Mr. BURTON. I do not think the great fault lies in the system. After the adoption of the act creating the Board of Review, in 1902, and during the years in which the members exercised conservatism it was comparatively easy to frame a bill that should have no objectionable items; that is, no new ones. There were a number of old ones, features that it was difficult to get rid of. The committee for about 10 years preceding and including 1907 put them out—eliminated them. They did it against popular pressure, against attacks in Congress, in the House and Senate, and much more bitter attacks by newspapers and others outside. I think we were making progress, so that by 1907 a very much better bill was framed, though it was not entirely free from objectionable items. Indeed, Mr. President, while I have a certain amount of pride in that measure, I would be willing to concede that there was more than one-half of 1 per cent of undesirable items in the $87,000,000 carried in that bill. We did the best we could at the time; but some of them have proven, while not absolutely wasteful, to be injudicious.

In any system of public works there is the danger of making mistakes; but since about 1907 this enormous pressure for river and harbor improvements has grown surprisingly. I have dwelt on that subject before, but I might take it up again. All sorts of clubs and organizations have been established; some of them for the express purpose of promoting some river and harbor improvement, sometimes with ample salaries, with a president and a secretary coming down to Washington to press particular projects. All this elaborate campaign has been carried on to influence Congress.

Before I am through, though with sincere regret, because of my long association with them, I must criticize the present standards of the Engineer Corps. It is time for us to overhaul some of the reports that have been made; but I shall not do so without saying what I have repeatedly said, that it is not so much their fault as it is the pressure from the people behind them, a pressure which judges a Member of the House of Representatives, and even a Senator, by his ability to get appropriations. The more objectionable, the larger, and the more wasteful the appropriation, the more credit the Representative or Senator seems to obtain for having secured its insertion in an appropriation bill.

Mr. CLAPP. Mr. President——

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

Mr. BURTON. I do.

Mr. CLAPP. I think the Senator, by his last expression, would leave an impression that perhaps he did not mean to leave. Of course it is undoubtedly true that the bigger an appropriation the more credit there is to getting it, and it is probably equally true that the bigger the appropriation, if, in fact, reprehensible, then the more reprehensible and less justifiable it is; but the credit is not accorded on account of the recognized absence of justification for the appropriation, which might be inferred from the manner in which the Senator left the statement. It results from the fact that the bigger the appropriation the more credit, and the bigger the appropriation, if, in fact, reprehensible, then the more reprehensible it is.

Mr. BURTON. Mr. President, I have known of some small appropriations that were worse in their quality than the big ones.

Mr. CLAPP. Yes; but I do not think the Senator really means that the credit is given for appropriations because of the fact that they are reprehensible.

Mr. BURTON. Oh, no.

Mr. CLAPP. That is what I was pointing out.

Mr. BURTON. If you should go into the locality where the projects are, the people would all say: "This is a commendable appropriation, and all the rest is 'pork.'"

Mr. CLAPP. Yes.

Mr. KENYON. Mr. President——

Mr. BURTON. Just a minute. People have false standards as to value. Only a comparatively small number understand or make any study of this problem. They have an exaggerated idea of the benefits that will come, say, from canalization or some other improvement; but judged by the standards of commerce and engineering in their modern development, some of the projects that are approved in the community, and that they advocate in the utmost good faith, are among the very worst.

Mr. KENYON. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Iowa?

Mr. BURTON. Yes.

Mr. KENYON. I do not believe the philosophy of the Senator from Minnesota [Mr. CLAPP] can be absolutely true—if so, it is a very severe indictment of the honesty of thought of our people—that the people of a community are gratified by the size of an appropriation even though possibly the appropriation may not be necessary.

I know of one instance in a community where a Congressman, possibly in conjunction with a United States Senator, secured a very large appropriation for a Federal building. A campaign was coming on. The general sentiment of the community was that the old Federal building was good enough. They had to tear it down; they had to dynamite the foundation of that splendid building in order to spend this large amount. Now, that had just the opposite effect. The people of the community were indignant over that waste of public money; and while a monument is there in the form of a fine Federal building, there was a general feeling that it was money wasted, and the vote of the community went overwhelmingly against the candidate for Congress who secured it. They understood it; they thought of it.

Mr. CLAPP. Yes; I quite agree with the Senator from Iowa that where it is recognized that the appropriation is not warranted the people resent it. Perhaps in calling attention to what might be misunderstood in the remarks of the Senator from Ohio I was somewhat careless in my own statement. Of course I did not mean that in cases where the appropriation was recognized as unjustifiable, of the fact that the larger the appropriation the more it was to be condemned, the size of the appropriation increased the appreciation for it.

Mr. KENYON. I think sometimes it increases the disgust that public money is spent in that way.

Mr. CLAPP. Yes; when it is recognized that it ought not to be spent. But it is natural that we appreciate favors or benefits, as we may regard them, in proportion to the size of the benefits. What I meant was, the individual looking at the appropriation as a benefit, that the larger the appropriation the more credit was accorded for it; and consequently if the appropriation was in fact a reprehensible appropriation, then it might be said as a sequence that the more reprehensible it was the more credit there was for it.

I think we understand one another.

Mr. BURTON. This opens up a very broad field. There is a great difference between people inert and taking no interest in public affairs and an enlightened public sentiment and popular opinion. I have confidence in the people when they are once aroused. There are no better electors or no more intelligent or patriotic people than the people of the United States, but everyone knows that oftentimes a few who have some selfish interest to gratify are very much more potent in an election than the great mass of people who are indifferent. In all that I say I am making a criticism on the indifference of the average voter, his inattention to public affairs and lack of appreciation of the benefits of the Government under which he lives.

I in a measure concur with what the Senator from Iowa has said. I think there is a very great exaggeration of the benefit obtained by a candidate in promoting his chances through the obtaining of appropriations. I have known many instances in which persons had obtained large appropriations, having

plead for them before committees, and afterwards gained no benefit from them, but rather condemnation.

FEDERAL TRADE COMMISSION.

The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the unfinished business, which is House bill 15613.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 15613) to create an interstate trade commission, to define its powers and duties, and for other purposes.

Mr. NEWLANDS. I should like to inquire whether there is any Senator who wishes to speak on the trade commission bill to-day?

Mr. McCUMBER. I should like to take at this time about 10 minutes for the discussion of the bill.

Mr. WEEKS. Mr. President——

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Massachusetts?

Mr. McCUMBER. I yield, Mr. President.

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Ashurst	Hollis	Nelson	Sterling
Borah	James	Newlands	Stone
Brady	Johnson	Norris	Thomas
Bryan	Jones	Overman	Thompson
Burton	Kenyon	Perkins	Thornton
Camden	Kern	Poindexter	Tillman
Catron	Lane	Pomerene	Walsh
Chamberlain	Lea, Tenn.	Ransdell	Weeks
Chilton	Lee, Md.	Shafroth	West
Clapp	Lewis	Sheppard	White
Clarke, Ark.	McCumber	Simmons	Williams
Colt	McLean	Smith, Ariz.	Works
Gallinger	Martine, N. J.	Smith, Ga.	
Gronna	Myers	Smoot	

The PRESIDENT pro tempore. Fifty-four Senators have answered to their names. A quorum of the Senate is present. The Senator from North Dakota will proceed.

Mr. McCUMBER. Mr. President, a commission appointed to assist in the general development of the business interests of the country might be of benefit to the American people. One with constructive powers undoubtedly would be of some good. One with powers that were designed to prevent improper practices might possibly in the end tend to constructive business and also be beneficial to the country. So there may be some fair features of this bill. I shall not go into the details, but I shall confine my few remarks to-day to only one feature of the bill, and that is section 5.

There are two vices in section 5, vices that must not only seriously affect the producer and seller of commodities but more disastrously affect the consumer. First, this section destroys the main purpose of the antitrust law. Second, it destroys the incentive for any new and untried project by surrounding the individual and hemming him in between two conflicting laws—one law that enforces full competition and another that prevents it—one that punishes him if he does not compete and one that punishes him if his competition is too ardent or too strong.

The antitrust law prohibits a monopoly. It prohibits any and all agreements to fix uniform prices. That law prohibits an agreement even to maintain a just and very reasonable price. It prohibits an agreement to maintain a price which would allow but fair living profits to all. Such is our jealous regard for freedom of competition in trade that we will not allow the benefits that flow naturally from competition to be checked or hindered by any benefit that may flow from an agreed even reasonable price to be fixed upon the disposition of commodities.

In the antitrust law we proceed upon the theory that it is no part of our legislative duty to protect competing businesses against each other, but simply to protect the people against the combination of any business interests. We declare that the interest of the public demands that competition be encouraged to the limit and that combination be discouraged in every respect. Every thoughtful American must admit that this is the only true policy; that while there may be here and there an injustice inflicted as against an individual by reason of too close a competition, by reason of some peculiar advantage which one business is possessed of that is not held by another by reason of practices possibly which we might hold to be perfectly fair, nevertheless the interest of the public demands this free and open competition. The moment we check that, that moment we make fixed and unchangeable the prices of all commodities; that moment we discourage the inventive genius that is ever directed toward the cheapening of production, for why should anyone strive to cheapen production if he can call upon the Government to compel his competitor in business to hold the prices of his commodities and to proceed through such business methods as shall allow him to continue his business with a reasonable profit and without modification?

Now, Mr. President, for the first time in our history we propose to put a limit upon competition and the methods of competition. We propose to declare that all competition shall be fair, and we create a commission, one of whose great duties it is to see that there shall be no competition which does not accord with that commission's idea of justice and fairness. Was ever individual, or any number of individuals, clothed with such vast and far-reaching powers? Of course, no one who will stop to consider for a moment can maintain the proposition that this commission will be able to cover the immense field over which it is given jurisdiction. Incapable because of human limitations to cover the entire field, it will apply its powers and its corrective influences over such few lines of industry as it is able to do, and will omit, from sheer necessity, all other lines of business. It will therefore in its operation bring about one rule of conduct for the few it can not reach and another rule of conduct for the many. But while the many may be ostensibly free, the specter of interference will always hang above every line of business, checking its energy and destroying its courage.

Section 5 is another one of these great governmental steps into the vast field of paternalism, a proposition on its face that is always persuasive. It is worse than paternalism, because it assumes paralysis to a great degree. It says to every American citizen who may be possessed of a reasonable degree of individual initiative and who may be willing to chance his property or his labors in an uncertain undertaking, providng that that uncertanty is compensated by the supposed alluring profits, "You may enter into this enterprise, and if it is successful you may have a fair return upon your investment. If it is unsuccessful and you lose your capital, that is your concern and not the concern of the Government."

All the world's progress, commercial and industrial, has so far been founded upon exactly the opposite theory. Our Nation's progress has demonstrated the propriety of the old theory. Our reason, if we will use it, convinces us that the other method can produce nothing but industrial stagnation in the end. Of course a too rigid control of all business enterprises directed toward minimizing the profits of such enterprises naturally calls for the guaranty of those reasonable profits by preventing unfair competition, but the two combined spell death to the enterprising spirit of the people.

If we need section 5 at all, it is to meet only one practice for which, while there may be adequate laws in the States, there is no adequate governmental provision. No competition should be covered by this bill except that competition which is intended in the end to create a monopoly and destroy competition. The practice of the great business interests, wherever competition originated at any particular point some years ago was to sell its product at a losing price at such point, until it had destroyed its competitor, while it was able to recoup its losses at other points; or, on the other hand, to pay beyond a profit-making price at any point of purchase until it had destroyed its competitor at such point, had become so common and the injustice flowing from it so flagrant that State laws were enacted to check the evil. With these provisions in our Federal statute and covering interstate commerce, section 5 would operate most justly if properly managed.

The question whether or not the competition is in fact in furtherance of a monopolistic design ought to be the only question submitted to the decision of this commission. The mere fact that a manufacturer or merchant may sell his product at a particular point at a loss would not constitute an offense against the term "unfair competition" as defined by the amendment which I propose. For the purpose of disposing of a surplus or of getting rid of an accumulation at the end of a season, the sale of such product at a loss is not only proper and just but often necessary, but if that sale is made not for these purposes, but from all of the evidence it should appear that it is persisted in for the main purpose of getting rid of a competitor, it ought to be stopped, and it ought to be stopped not because it is competition, but because in the end it is destructive of competition and is intended to be destructive of competition.

This commission ought not to be given power itself to determine the multiplex methods of conducting business to determine whether or not the method is fair to a competitor. That shackles trade and destroys competition. Under such an authority the commission could inquire into the merits of the claims of a merchant or manufacturer as to the comparative value of his respective products. In all cases of fraud there is a remedy in the courts of law at the present time. Those courts are created to afford relief in such cases. There is the proper

place to litigate all questions of that character. In all cases of trade-mark infringement the remedy in the courts is full and complete. We therefore, Mr. President, do not need a commission for that purpose.

Section 5 in its entirety ought to go out of the bill. If it does not go out, then it ought to be so modified that its only purpose will be to forbid practices that would operate to destroy competition in the end and thereby create a monopoly.

In the discussion of this question a number of days ago I asked the Senator from Nevada [Mr. NEWLANDS] if in case a manufacturer of automobile tires, who was selling his product 25 cents cheaper than that of other reputable manufacturers, should give out as a declaration that in their manufacture, and in every other respect, they were up to the standard of the best makes, whether or not the commission would be authorized to investigate that question to see whether the competition created by that declaration and method of advertising would be fair; and the Senator from Nevada concluded that that would be one of the cases which the commission, upon a proper complaint, would be authorized to investigate. That is only one out of hundreds of thousands of practices that are indulged in in the close competition between the manufacturers and the merchants dealing in all kinds of commodities in order to create the competition which the public are demanding.

Mr. WILLIAMS. Mr. President——

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

Mr. McCUMBER. In just one moment. Therefore, Mr. President, if we clothe the commission with authority to investigate all questions of unfairness, there is absolutely no limitation to their jurisdiction, and there is no business that dare enter upon a close competition through the methods usual to-day that would not fear that its energies in the competitive line might be checked by the order of this commission.

I now yield to the Senator from Mississippi.

Mr. WILLIAMS. Mr. President, I wanted to ask the Senator from North Dakota if he did not think that possibly the idea lying in the mind of those using the phrase "unfair competition" is really the idea of preventing the destruction or the stifling of fair competition, and whether it would not be better to express it in that way, to forbid any combination or others from destroying or seeking unfairly to stifle fair competition. That would maintain a law of competition by forbidding competition from being destroyed or stifled by unfair means, whereas the general phrase "unfair competition" has not been sufficiently specific.

To forbid a company from unreasonably and unfairly destroying competition, it seems to me, bears a definite meaning, whereas to generally forbid unfair competition does not, because it would be left to somebody to determine what is fair and what is unfair, and perhaps after an honest man has been guilty of an act which in the ordinary course of business is taking place frequently and which is afterwards adjudged to be fair, whereas the court in foro conscientiae pronounces it to be unfair. Is not what we want to do to forbid the stifling of fair competition?

That is the question I wanted to ask the Senator. I wish to say that those phrases were used in a bill which was introduced by me, but the credit of drawing which was for the most part due to a young lawyer in New York by the name of Robert R. Reid. It made that distinction, and I think it is a distinction that will recommend itself to one's intellect.

Mr. McCUMBER. Mr. President, the suggestion of the Senator from Mississippi is right along in harmony with the remarks that I have just made, that if we are to use the term "unfair," the term ought to have a definition applied to it, so that the commission will know it is intended for the same purpose the Senator thinks it is intended for.

The word "unfair" is a very broad term. It is the converse of "fair," anything that this commission would consider as not entirely within the lines of morality in commercial transactions, of course, would be called unfair, and yet you might not call it unfair; I might not call it unfair. There ought to be a limitation, and that limitation should be fixed in the law itself.

Mr. WILLIAMS. But, if the Senator will pardon me for a moment, I go a step further than that. I do not think you ought to destroy competition at all, but you ought to destroy all combinations seeking to destroy fair competition.

Mr. McCUMBER. How will you destroy them?—because that will lead us to the particular point I am thinking of.

Mr. WILLIAMS. I will give the Senator several ways in which to do it. You ought to forbid them from unreasonably and unfairly destroying competition. I always maintain the right of competition, and the only thing I insist upon is that it shall not be stifled by unfair methods.

Now, I will give the Senator an illustration. Here is the Standard Oil Co. They proposed at one time to fight a man in Marietta, Ohio, who was selling oil in competition with them. They immediately reduced the price of oil within the district in which he could sell to a price where it was ruinous for him even to sell. When they got it to that point, they went so far in the little town of Columbus, Miss, as to purchase a general furnishing store. That, Mr. President, is an old-fashioned city, with which you are acquainted [Mr. CLARKE of Arkansas in the chair]. It is one of the few old places left with the fragrance of antebellum civilization, the peculiar southern civilization, about it.

Those merchants had agreed to buy oil of this man Rice, of Marietta. In came the Standard Oil Co. which said, "Well, but we will sell you this oil at half the price." Of course, the merchants knew that they could not sell the oil at half the price profitably, and they were merely trying to run Wright out of Columbus and then later on raise the price of oil. This happened to be in an old-fashioned community, and these men said to one another, "Now, we will not do that." They held a meeting and they said, "We will not do it." They published an article in the newspapers and they said, "We will not do it. This object is first to put the other competitor out of the field and later to raise the price." So that little Columbus town, with no great wealth or anything else, is the only thing upon the American continent that ever whipped the Standard Oil Co.

Finally the Standard Oil Co. came down there and opened a store and sold general supplies, calico, tobacco, and one thing or another in competition with the merchants to make them quit. The merchants said, "We will not quit. We are gentlemen, as our fathers and our grandfathers were; we have given our word to one another, and we have given our word to the community, and, what is more, the customers will not quit us; they will not patronize you." Sometime after that in this peculiar old-fashioned community a man or two did go and buy some things from the Standard Oil commission house, but in the next morning's paper they were out in an apology, saying they had not been advised about it at all and they were not going to do it any more; showing that where real honor amongst gentlemen prevails these trusts can be defeated; but the point I was using as an illustration was not so much to praise a little town, although it deserves great praise, as to show what are unfair efforts to stifle competition.

Mr. McCUMBER. The Senator has given one.

Mr. WILLIAMS. And what these people call "unfair competition" is not competition at all; it is an effort to stifle competition; it is an effort to take competition by the throat and choke it to death. That is what they were doing, and they were doing it only in a limited field where Rice in Marietta, Ohio, could sell oil, while they were selling oil at the original price or at even an increased price in other places.

Mr. McCUMBER. Mr. President, just a moment. The Senator from Mississippi has reiterated in a particular case the same thing that I have been talking about as a general proposition—of one of the cases that should be reached by a proper definition in section 5. Right there will the Senator allow me to carry it a little further on and give him another case where the Standard Oil or some other company may pay higher to stifle competition? Out in my own State years ago, when we had our old-line elevators, with an elevator at every little station—there might be a hundred of them in the State—they, not wanting competition at a particular point, when another elevator would be started they would immediately pay a higher price for grain in its purchase than the other elevator could afford to pay; but they would recoup by cutting down the price at the several stations where they had no competition. That gives you the two points—the one which the Senator has suggested and the one which was in my own mind—of selling really at a loss, and the other in purchasing at a loss at a particular point, one of the things already covered by State laws in purely intrastate business, but is not upon our statute books in relation to interstate business.

Mr. WILLIAMS. If the Senator will pardon me——

Mr. McCUMBER. Just one moment. We want to reach those two forms of competition. I now yield to the Senator from Mississippi.

Mr. WILLIAMS. If the Senator will pardon me a moment, of course I understand, as he does, that there are certain things, as a combination to buy as well as a combination to sell, buying trusts as well as selling trusts and as well as holding trusts and as well as the old-fashioned trustees' trust; but what I was trying to get clear in my mind by suggestion from the Senator—and it was done sympathetically and not critically at all, because I had been listening to what he said with a great deal of interest—was that in speaking of "unfair competition"

they have got themselves upon the wrong horse. There is no unfair competition, unless by confusion of ideas a profitless stifling of competition be accepted to mean the same thing.

Mr. McCUMBER. Now for the Senator's definition.

Mr. WILLIAMS. That profitless stifling of competition may take either one of two directions. It may mean selling goods within a restricted area or for a restricted time at less than the cost of production, in order to drive out of trade a restricted competitor—one geographically restricted—or it may be buying the raw material at a price so high that the restricted competitor can not afford to pay for it, and thus drive him out; or it may be by buying the raw material, again, at a price so low that the men who have the raw material can not afford to produce it; but when you go through with it all, it is not always competition, but a stifling of competition, a murder of competition, by unfair and frequently dishonest methods; because some of these people have not stopped merely at that sort of thing, but they have gone further and torn up pipe lines and done a great many other similar things.

In the bill to which I had reference those phrases are used rather than the words in the pending bill. I do not want to take up the Senator's time too long, but the central idea of that bill is that while the Federal Government can not interfere with the State in making a charter to a corporation, the Federal Government can say when a given corporation with a given charter shall be permitted to engage in interstate commerce, and that that shall not be permitted whenever there lies within the charter granted by the State the potentiality of a trust or the actuality of a trust—either one; and that, as the very first thing, we shall go back to the old common-law principle, that where a charter expressly gives power to a corporation to purchase the stock of another corporation of a competitive character, it contains within it the potentiality of a trust—in fact, the actuality of a trust—and that where that express power is not given, then by the common law one corporation can not own the stock of another at all. So all your trust evils come out of the law—out of express law. They come by the law of favoritism; they come by the fact that the charter, which is the law of the being of the corporation, grants rights which were unknown at common law.

What I want to direct the Senator's attention to and the attention of the Senate to, so far as I can, is that the great weapon—I might say shield, too—but the principal weapon that the United States Government has is to deny the right to enter into interstate commerce of any corporation which has a charter, which either has already made out of it a trust or may make out of it a trust from the very provisions of the charter itself, some of them going so far as to give a right to do certain things everywhere else, except in the State of its creation. New Jersey and Delaware have given such charters as that. I would provide that wherever a corporation attempted to step into the national arena with a charter provision that gave it a right to do certain things outside of the State of its incorporation and not to do them inside of the State of its incorporation it should not be permitted to enter into interstate commerce at all, that being one of the illustrations of the things that a corporation ought not to be permitted to enter the field with a power to do whether it did it or not.

Mr. BORAH. Mr. President——

Mr. WILLIAMS. The Senator from North Dakota has the floor, and I was interrupting him.

Mr. McCUMBER. I merely wish to say to the Senator from Mississippi that I feel complimented that, with his careful analytical mind, he entirely agrees with me concerning what the definition ought to be; in other words, that it ought to be a prohibition against the stifling of competition by unfair means.

Mr. WILLIAMS. That is it exactly. That is the language of the bill which I have introduced.

Mr. McCUMBER. Well, why not say so in the definition of this term "unfair competition"? Under the terms of the bill the thing that you are to stop is, first, competition; it is to be checked if it is unfair; but after all it is the question of competition. No matter how unfair a proposition may be, if it is not unfair competition you are not going to check it in business. Therefore under the plain terms of your proposed law you are striking at competition. I asked the Senator to give me the occasions under which he would say that "competition" was "unfair competition." He has practically given me two—the main two that have been in my mind.

Mr. WILLIAMS. If the Senator will pardon me, I will give him a few more.

Mr. McCUMBER. I want to finish my sentence. Therefore I have drawn an amendment intended for exactly the same purpose that the Senator intends his words to mean, namely, that the words "unfair competition" shall be construed to mean: "The sale or purchase at a loss of any article of commerce at any particular point for the purpose of destroying competition at such point." This amendment has in view but one thing, and that is practically the same thing of which the Senator approves, to prevent the destruction of competition by unfair means. If the Senator can secure an amendment to section 5 which will either strike out the words "unfair competition" and substitute the words that he has used, or define "unfair competition" to mean any practices that tend to destroy competition by unfair means, then I could see my way clear to vote for section 5; otherwise I could not.

Mr. WILLIAMS. If the Senator will pardon me, this bill—and I perhaps ought to admit that it should be made the subject of a separate and independent speech, instead of intruding it here—provides that a corporation shall not enter into interstate commerce unless it is organized under laws with a charter that shall do or fail to do various things, which I need not now enter upon; but upon the point that the Senator was directly talking about a moment ago it uses this language:

3. If it, directly or indirectly, of itself or in connection with others destroys or seeks unfairly to stifle fair competition in any part of the United States in the manufacture, production, mining, purchase, sale, or transportation of any articles of commerce not the subject of any patent, copyright, or trade-mark held by it either by making or effecting exclusive contracts, rights, or privileges relating thereto—

And the Massachusetts statute already forbids that—

by restricting its customers or other persons with regard to price, territory, or otherwise, in freely buying, selling, or transporting any such article, by securing the monopoly or control of raw material or sources of supply—

That is what was done out in Minnesota, you know, when you went into those new fields—

or of any business connected therewith, by temporarily or locally reducing prices with intent to stifle competition—

Which facts must be proven to the satisfaction of a jury, of course—

by accepting rebates, or by any other act, device, or course of business that is unfair and tends to secure an unfair advantage and unreasonably and unfairly to destroy competition.

That is the definition which I have given.

Mr. McCUMBER. Yes, Mr. President; but that is not the definition which would naturally flow from the consideration of the terms used in the bill. If the Senator from Mississippi will secure the modification of section 5, so that it will be directed against stifling competition by unfair means——

Mr. WILLIAMS. That is the point I am making.

Mr. McCUMBER. I do not believe that any of us would oppose it.

Mr. WILLIAMS. What is really meant in the bill when it says "unfair competition" is the unfair stifling of competition.

Mr. McCUMBER. Then, why not say "the unfair stifling of competition"?

Mr. WILLIAMS. And if it is amended so as to include that, I think, then, it would do away with the objection to that section.

Mr. McCUMBER. Let me ask the Senator why not say, then, in so many words, "the stifling of competition by unfair means," and prohibit that instead of prohibiting "unfair competion." There is a great difference between the two.

Mr. WILLIAMS. I am agreeing with the Senator as well as I can——

Mr. McCUMBER. I am glad of that; and I hope the Senator will act with me to make it effective.

Mr. WILLIAMS. I agree with the Senator that really the phrase "unfair competition" is too broad, and that it really does mean in the minds of even those who proposed it the stifling of fair competition, and that it ought to be so expressed, and I would go further and indicate how fair competition is stifled.

Mr. BORAH and Mr. NEWLANDS addressed the Chair.

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

Mr. BORAH. Mr. President, I suppose the bill to which the Senator from Mississippi has been referring is the bill which he introduced some time ago on the subject of trusts and their regulation.

Mr. WILLIAMS. Yes. I will say it is the last one; I have amended it several times since first introducing it.

Mr. BORAH. I have reference to the last one.

Mr. WILLIAMS. It is to be found on page 717 of "Bills and Resolutions Relating to Trusts," fourth print, and is Senate bill 1138.

Mr. BORAH. Mr. President, I had been giving some consideration to that bill, and I want to say, in passing, that I think it is constructed on a sound principle. The truth is that we have no monopolies in the industrial world in this country except those that arise by reason of charter privileges, by reason

of the law granting special privileges or special powers or special favors. It is perfectly within our power to control those monopolistic powers by shearing the corporation of the powers, and it is also perfectly within our power to deny the channels of interstate trade to the commodities of any corporation which possesses or undertakes to practice any of those powers.

Mr. WILLIAMS. Just call them "undesirable persons in interstate commerce."

Mr. BORAH. Exactly. While the State can organize the corporation and give it its existence, it is within our power, nevertheless, to say whether it shall engage in the business of interstate trade; and we can say: "You shall not engage in interstate trade until you comply with all the conditions which we denominate as necessary."

Mr. WILLIAMS. And give them a reasonable time in which to get proper amendments to their charters.

Mr. BORAH. Certainly. Then we would have a law with which all must comply, and it would not depend upon the judgment of a commission with reference to the details of business, which, in my judgment, it is impossible for a commission successfully to oversee. I agree very thoroughly with the principle upon which the bill referred to by the Senator from Mississippi is constructed.

Mr. WILLIAMS. Mr. President, I want to say one word more, and then I shall not further intrude upon the time of the Senator from North Dakota. What the Senator from Idaho [Mr. BORAH] has just said is not only true, to wit, that there are no trusts and no monopolies that do not grow out of a special charter privilege, a legally conferred privilege of some description, a privilege conferred by law; but it is also true that if any monopoly could grow up without a legal privilege merely by fair competition and by producing as good an article as some one else, or a cheaper article and a better one, both at the same time, it would have a God-given right to the monopoly. If I could go out to-morrow and raise cotton cheaper than any man in the South without any legal privilege of a special character conferred upon me, without any distinction being given me by law, without any right outside of the law being granted to me specially—if I could raise cotton cheaper than the Senator from Arkansas, cheaper than the Senator from Georgia, and then go further and raise it cheaper than anybody in the South, I would have conferred a benefit upon mankind; in other words, it is not the size of the business that hurts; it is the nature of the business that hurts. You may have a monopoly that has not a capital of over $50,000, and you may have a large business, which is not a monopoly, with a capital of $50,000,000. The first may have gained its purposes by bribery of the town council, and the second may have gained its purposes by fair competition, by exceeding its competitors in the cheapness and quality of its production.

If I can exceed you in cheapness and quality of production or you can exceed me, that is your right, and no man has any right to do away with it until we are prepared to go to socialism and to do away with property rights altogether, and that I am supposing not to be discussed right now. But there is not a trust, there is not a monopoly, there is not a quasi monopoly, there is not a thing of any sort that exists in this country that hurts the industrial character of the people that does not owe its existence to special privilege conferred by law, and generally by charter law.

Mr. BORAH. Mr. President, the Senator says that if a combination or an individual can produce an article cheaper than anybody else and thereby get control of the market and in a sense create a monopoly, that would be a blessing to mankind. I agree with that proposition, but it would only be a monopoly, in all probability, if he were not protected by special privilege, for a limited time.

Mr. WILLIAMS. I do not believe there ever would be one.

Mr. BORAH. Even if there were it would only be for a limited time.

Mr. WILLIAMS. I was merely supposing that if a man acquired a monopoly in that way it would be all right; but no man ever acquired one in that way in the entire history of the world, and I do not believe anybody ever will.

Mr. BORAH. Somebody else would get onto his scheme unless it was protected by law; so if you were producing an article cheaper and putting it upon the market, finally you would find a competitor, if everybody had an equal chance, who would do the same thing, and it would only be a monopoly, if at all, for a limited time. A monopoly comes from the fact that through a corporate charter certain privileges are granted and certain advantages given which are utilized for monopolistic purposes, and which protect the corporation from competition, when they can dispose of goods, not of better quality, but of worse quality, by reason of certain privileges granted by law.

Mr. WILLIAMS. And as a consequence of special privilege they produce inferior goods.

Mr. BORAH. Exactly.

Mr. NEWLANDS. Mr. President, the Senator from North Dakota [Mr. MCCUMBER] finds fault with the phraseology that is used in section 5 and indicates that if that phraseology is changed, in order to suit his views as to what should be forbidden under this phrase, he would vote for the bill. He is reenforced by the Senator from Mississippi [Mr. WILLIAMS], who declares the term "unfair competition" is hardly an accurate expression; that what we are seeking to do is to prevent the stifling of fair competition; and the Senator from North Dakota declares that the two Senators are in accord. We are discussing the question of a phrase, the meaning of that phrase, and the adaptation of that phrase to certain conditions which we seek to correct by law.

I want to do the same thing that the Senator from Mississippi and the Senator from North Dakota want to do—to prevent the stifling of competition by unfair methods. The courts have given us a phrase and the economists have given us a phrase in "unfair competition" that covers that very ground.

It is true that there is contention upon the floor of the Senate as to what the term "unfair competition" covers; but it is admitted now by all that it has a legal significance. The Senator from Missouri [Mr. REED] at first claimed that it had no legal significance which could be enforced. Later, however, he admitted that it did have a legal significance, but that that significance applied to only one form of stifling fair competition, and that was the passing of goods of one man off as the goods of another, vulgarly known as "passing over"; and he complains that our purpose would be defeated if the operation of the proposed statute were confined to that single method of stifling fair competition by unfair methods. Those who support the bill, however, have presented authorities, both in economics and in the decisions of courts and the decrees of courts, showing that the words "unfair competition" have the very meaning of stifling fair competition by unfair methods.

Mr. WILLIAMS. Destroying or stifling.

Mr. NEWLANDS. Destroying or stifling by unfair methods. Legal terms are elastic. The common law would not be what it is if it had not adapted itself to new conditions and new circumstances. During the last 20 years the question of trusts and monopolies has become the absorbing question of discussion in this country, and we find that the courts, in passing upon the Sherman law, have in their decisions and in their decrees used this phrase as an all-embracing phrase.

Chief Justice White, in the Standard Oil case, speaks of "unfair competition, such as"—not simply such as "passing over," as the Senator from Missouri would contend—but "such as discrimination in price, bribery of employees," and two or three other instances in a carefully considered decision of the court, where every word was weighed, not only by the learned Chief Justice, but by every Associate Justice on that bench; and we find the term used in decrees as an all-embracing phrase. I will not weary the Senate by reading these decisions or decrees. They will be found in the remarks which I made in presenting this bill, in the remarks of the Senator from Arkansas [Mr. ROBINSON], in the remarks of the Senator from Iowa [Mr. CUMMINS], and in the very able address of the Senator from New Hampshire [Mr. HOLLIS] yesterday, in which he met fully and completely every criticism that has been made upon this phrase, and I beg Senators who did not have the pleasure of hearing that speech to read it, for it is a strong, close, legal argument upon this single proposition.

Mr. STERLING. Mr. President, I had the pleasure of hearing the Senator from New Hampshire [Mr. HOLLIS] yesterday, but I am not able to say that I agree with him at all in his conclusions with reference to the application of the term "unfair competition." It seems to me, having in view the colloquy between the Senator from Mississippi [Mr. WILLIAMS] and the Senator from North Dakota [Mr. MCCUMBER] a moment ago, that nothing is to be gained by in general terms "prohibiting the stifling of fair competition," for in such case unfair methods are resorted to by a competitor, and it all comes back to the question as to what is "unfair competition" and to the fundamental question whether a statute authorizing a commission, in the broad terms of this bill, to prevent "unfair competition" is not a delegation of purely legislative power.

Under section 5 of this bill there is no rule or standard by which the commission is to be governed. There is no named contingency on the happening of which the powers of the commission are to be exercised. As to what will or will not constitute unfair competition, the Legislature, in section 5, gives no hint

whatever. It fixes no standard of just dealing between competitors. It does not even venture to say that methods which in the manufacture, production, or distribution of a commodity will give undue preference or advantage to one competitor over another, or will be to the prejudice or disadvantage of another competitor, shall be deemed unfair competition and under the ban of the law.

There is this further thing to be noticed in the bald terms in which section 5 is framed: The element of injury to the individual or to the public is not necessarily involved, I think, in any term or phrase or paragraph of the bill. The Legislature, having furnished no test or guide, throws upon the commission the whole burden of investigating, comparing, speculating, and finally declaring for itself the various elements that enter into unfair competition. This certainly involves a legislative *function*, a power we are forbidden under the Constitution to delegate.

Mr. President, this commission, no more than we ourselves, can find a precedent—notwithstanding what has been said by the Senator from Nevada [Mr. NEWLANDS]; notwithstanding anything that was said, I think, by the Senator from New Hampshire [Mr. HOLLIS] in his able speech of yesterday—for its guidance under a statute like this, failing as it does to give instance, example, or definition of "unfair competition" or to specify any condition upon which the commission would be authorized to exercise its power to hear, determine, and restrain any alleged act or condition on the ground that it constituted unfair competition.

Reference has been made to the statutes of several States; and in the speech of the Senator from New Hampshire [Mr. HOLLIS] the titles of the acts were given, and just enough of the statute to indicate that it was a prohibition against unfair methods in buying or selling any commodity without naming the methods which under the acts constitute unfair competition. If, however, the commission should take for its guidance the acts which by statute in different States constitute unfair competition, that would be the same as to declare that Federal law should follow State law, and what power on earth can do that but the Congress of the United States?

Mr. CLAPP. Mr. President, will the Senator pardon an interruption?

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

Mr. STERLING. Certainly.

Mr. CLAPP. I think the fact that the Senator has an amendment pending is a very strong argument in support of the Senator's position. The Senator has an amendment pending designed to prohibit local underselling, as it is called.

Mr. STERLING. Yes.

Mr. CLAPP. Now, without that amendment being adopted, assuming that the provision in section 5 is constitutional, the commission could declare the act prohibited in the Senator's amendment, and make it unlawful. On the other hand, without the declaration of the commission or of Congress, local underselling is now lawful. In other words, if the authority sought to be conferred by section 5 is valid and constitutional and as far-reaching as the friends of the bill contend, we absolutely delegate to the commission power to enact a law prohibiting local underselling, or refuse to act. It seems to me the Senator's relation to that very amendment is a complete support and justification of his argument.

Mr. STERLING. I thank the Senator for his observation; it is very pertinent.

Mr. President, it is urged that the powers given the Interstate Commerce Commission afford an analogy for section 5, and justify conferring upon the trade commission power to prevent unfair competition; but, according to my view, the cases are not parallel. Why? Because, first, the statute, the interstate-commerce act, requires that the rates of the common carrier shall be just and reasonable; and, second—and this is the important thing that distinguishes the power of the Interstate Commerce Commission from any power given the trade commission under this bill—with the Interstate Commerce Commission, and under the law governing it, there are the known or ascertainable factors from which it can be determined whether the rates are reasonable and not confiscatory. There is the element of physical valuation of the railroad, the value of roadbed, of iron, of rolling stock, the element of operating expenses, of depreciation, of the volume of business, and of reasonable profit.

Mr. NELSON. Mr. President——

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

Mr. STERLING. I yield; certainly.

Mr. NELSON. I do not want to interrupt the Senator if it is not agreeable to him.

Mr. STERLING. It is entirely agreeable, Mr. President.

Mr. NELSON. Back of all this lies the chief feature that distinguishes one case from the other. In the case of railroads, because they are quasi-public corporations, we assume the power to regulate the rates; not only to prescribe the mode in which they shall do business, but also the rates they shall charge the public.

Mr. STERLING. Yes.

Mr. NELSON. We have no such power to fix rates in respect to other corporations or other businesses. We may in a measure regulate them; but when it comes to telling them what they must charge for their commodities, and what service they must render the public, we are perfectly powerless. So the proposed trade commission can not operate like the Interstate Commerce Commission to protect the public to that extent.

Mr. STERLING. Mr. President, I thank the Senator from Minnesota for calling attention to the distinction. It is a very important one. In the one case it is a quasi-public corporation and in the other a private corporation.

Aside from that, however, I have mentioned the elements that can be considered in fixing rates. These elements present, their use in determining a reasonable rate for the carriage of persons and of property is a matter of figures, of computation; and the legislature having prescribed that the rates shall be just and reasonable, the problem of determining whether under given material conditions they are so or not may well be left to an administrative board or tribunal. The fact that it is does not make of such board a legislature.

I speak of the material conditions with which the Interstate Commerce Commission has to deal. I do so to distinguish such conditions from the varying speculative and ethical conditions and standards with which the trade commission must be confronted if it has no other guide than a statute authorizing it to prevent "unfair competition."

There are a few methods of competition which we know to be unfair. Some of them have been enumerated here. They are the subjects of various State statutes already. They cause injury and financial loss to competitors and in turn to the public. I would see that these have the mark of our disapproval in a measure which shall, in general language, describe them rather than burden this commission with that which, in the nature of things, is impossible of achievement.

These now present themselves to my mind as practical considerations: In the work of the commission, in the questions that will be brought before the commission to decide under a law such as is proposed by section 5 of this bill, we open wide the doors to a consideration of the innumerable standards of business morals, to questions of business ethics, varying as they will with the individual, with the community, with the particular trade or with the times. What a fine opportunity for the man who never is, but is always afraid he is, going to be hurt. What a fine chance for the overzealous and self-constituted guardian of the business morals of the community. And how tempting the situation will be to the man inspired by fear or jealousy of a business rival.

I think it requires no great stretch of the imagination to see these as some of the possibilities arising out of the very generality of the term "unfair competition," and the prohibition against the use, not of any known or designated method of "unfair competition" causing some known or designated injury, but just "unfair competition."

Mr. President, if I may be allowed to paraphrase, I think it is better to cure the ills we have than dare fly to others that we know not of.

In view of the intensity of competition now in many lines of trade, perfectly independent concerns will, without combining in restraint of trade at all, without discrimination between communities or individuals at all, be induced to cut prices to the general public. Some competitors with fewer facilities, or whose pay rolls show a higher wage, will be hurt, and may be forced out of business, and there will be many who will be heard to say that competition of this kind is unfair and ought to come under the ban of the law.

Mr. McCUMBER. Mr. President, will the Senator allow me to ask him a question right there?

Mr. STERLING. Certainly.

Mr. McCUMBER. I wish the Senator from Nevada [Mr. NEWLANDS] might answer it, as he is fathering this bill; but I should like to ask the Senator from South Dakota the same question that I intended to ask the Senator from Nevada.

Take, for instance, an illustration of this kind: Here are two manufacturers of proprietary medicines. One of them has an elixir that may be possibly of some benefit in the cure of tuber-

culosis, and he advertises it as a cure. Some one else gets up a concoction, and he also advertises that it is a cure for tuberculosis, and he puts his product in competition with the other product. It may be absolutely valueless, having no medicinal power or efficacy whatever. Now, would the trade commission, under the term "unfair competition," be authorized to investigate the question of the merits of those two proprietary medicines?

If I understand the word "unfair," I can not imagine anything being more unfair than to put a spurious article against one that might have some virtue. If that would not be unfair competition, then I should like to know what would be unfair competition or where would be the limit of the jurisdiction of this commission.

Mr. STERLING. I think under the terms of the bill the jurisdiction and power of this commission are limitless. They can make all such inquiries, without regard to whether or not the competition has served in any sense the interests of the public or contributed to the public welfare.

That calls to mind a clipping made from a Washington paper just a few days ago in regard to competition in the sale of oil and gasoline. It is headed:

GASOLINE PRICES ARE MANY—REFINERS' WAR REDUCES GALLON COST TO 10½ CENTS IN MICHIGAN—COAL OIL AND NAPHTHA ALSO GREATLY CHEAPENED AS RESULT OF PRODUCERS' FIGHT IN INDIANA.

I will read just a paragraph or two from this clipping:

As a result of the cuts in the prices of petroleum products it is stated that most of the Standard Oil refining companies will not make as good a showing in net earnings for the first six months of the current year as in the same period last year. The gasoline business is in a very good condition, a large increase having been made, but the consumption of lubricating oils, particularly in the East, has taken a big drop.

That must mean that the gasoline business is in good condition so far as the public is concerned; and yet probably under the provisions of this bill some firm or corporation engaged in the sale of gasoline would be heard to say that somebody had practiced unfair competition.

Crude oil prices generally have been cut anywhere from 20 per cent to 30 per cent, while prices of refined products have shown reductions of from 20 per cent to as high as 40 per cent in some cases. In the Middle West the consumption of refined oil is understood to have increased greatly this year, but prices have been reduced more in this territory than any other, principally owing to severe competition.

The concluding paragraph of the article is:

A price war being held by garage owners in Jersey City has reduced the price of gasoline from 20 cents to 9 cents a gallon. The Standard Oil Co. started the fight by selling to a combination of garage owners at greatly reduced figures. Rival garage men combined and made an arrangement with the Gulf Refining Co. to buy at a price less than quoted to their rivals.

Now, whether either of these named companies would complain of unfair competition or not, it is easy to conceive of a situation and of parties wherein the cry would be made that there was unfair competition, although the public was getting the benefit of it. In any event the commission would have a case before it.

Mr. NEWLANDS. Mr. President——

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

Mr. STERLING. Yes.

Mr. NEWLANDS. I will ask the Senator, if one of these corporations was cutting the price with a view to destroying its competitor, and with a view to afterwards raising the price to a high monopolistic price, whether he would not regard that as a method that should be condemned by law?

Mr. STERLING. In answer to that, Mr. President, I think I would say "yes"; I would regard it as such a method; but as to whether or not it would be a method covered by this bill is another question. The only way I see by which we may reach that condition of things is by a section which will describe and define that as a method of unfair competition which the commission may prevent and prohibit.

Mr. NEWLANDS. I will say with reference to that, that this phrase would cover just such a transaction, according to the decision of Chief Justice White in the Standard Oil case. He spoke of unfair competition, such as discrimination in price, with a view to destroying a competitor. I do not quote his language exactly, but that was the tenor of it.

Mr. STERLING. Mr. President, I think a wrong interpretation has been put upon the language of Chief Justice White in the Standard Oil case. Reference has been made to it in a number of instances by the Senator from Nevada [Mr. NEWLANDS], by the Senator from New Hampshire [Mr. HOLLIS], and by some others here. Under what was the prosecution in the Standard Oil case and in the Tobacco Trust case? The Sherman law. Section 2 of the Sherman law prohibits monopoly and attempts to monopolize. In the opinion by Chief Justice White discrimination in price under certain conditions was mentioned as one of the instances of a monopoly or an attempt to monopolize—by thus securing the market or trade away from a competitor; that is all. It does not at all follow from that that this or that act or conduct will be unfair competition under the terms of section 5 of this bill.

In the stress of competition—another practical consideration here—in the methods adopted by the ambitious to succeed as they reach out after business, it will be found that while individuals and corporations keep within the law and do not combine in restraint of trade, nor quite create or attempt to create a monopoly, yet in their advertising methods, in puffing their own, in depreciating the like commodities of others, in the wages paid, in the quality of their output, they will be just on the border line between the fair and the unfair; and it is easy to see that amid such conditions the commission will not be lacking in business.

As to the possibly varying views of different commissioners at different times regarding what would constitute unfair competition, it being to such an extent an ethical question or an economic question, I am sometimes reminded of the saying of the old common-law lawyer, John Selden, who had his misgivings in regard to what the chancellors might do in their decisions. You will remember he said:

'T is all one as if they should make the standard of measure we call a foot a chancellor's foot; what an uncertain measure this would be! One chancellor has a long foot, another a short foot, a third an indifferent foot; and 't is the same thing in the chancellor's conscience.

When you come to consider the different elements and considerations involved in many cases likely to be brought before the commission, and the temptation there will be to bring cases of alleged unfair competition before the commission, the burden that will be imposed upon it can be seen.

Uncertainty in the law, Mr. President, relating to any of the relations of life, whether they are personal, whether they are domestic, whether they are public, is bad enough; but there is trade—"trade, the calm health of nations"—to be subjected to all the uncertainties which may arise from the administration of this uncertain law. I can not contemplate the result with quite a serene mind.

We must concede, I think, that business has suffered severely in the past because of uncertainty in the law, at least in the meaning of the law, which is the same thing; and as business has suffered, so has the public. Happily, however, both the interstate-commerce law and the antitrust law have at last, in their main and most mooted features, received certain and reasonable construction and interpretation. Their administration is wholesome and more effective than it was once thought it ever would be. Through these great acts of legislation as now understood the people of this country have demonstrated their capacity to govern. The instrumentalities of production and commerce can be permitted to live, compete, and at the same time be subject to reasonable control. But business has no sooner understood and adjusted itself to the situation than we are threatened with an act which will open the floodgates of conjecture and speculation as to what business may depend upon.

The difference between the other acts to which I allude and this is that they more nearly define something, and this, too, in terms of the law, so that under given conditions it is not difficult to say whether the law has been violated; but here we turn it over to a commission, to a nonlegislative and a nonjudicial body with all the latitude of prohibition against unfairness in competition that the boys at school used to impose on each other when they went into a fight, where "no scratchin', no kickin', no bitin', no pulling hair, no gouging" was allowed. Which will the commission declare is permissible under the rules of the game prescribed by the commissioners, or will they bar all these and limit the war to a straight stand-up and knockdown and out? It is understood, of course, that they are not to prevent the fight. A waiting and expectant public insists that that shall go on.

No, Mr. President, we overload this commission. Instead of giving them something reasonable, tangible, certain, or even in the language of the law "capable of being made certain," we give them something to keep them guessing, to keep business guessing, to keep the public guessing, to the injury of both business and the public. Business now frets and hesitates under the uncertainties of this bill and the pending antitrust bill. And no wonder, when we consider all that they involve. As I look at the language of that portion of this bill relating to unfair competition, I think if it stood alone I would be tempted to entitle it "A bill to perpetuate uncertainty in business."

I think it clear that the powers conferred upon the Interstate Commerce Commission are not analogous to the powers proposed to be conferred by this bill on the trade commission.

Let us see if they are really and fairly supported by the authorities relied on in the course of this debate by those who advocate this amendment offered by the committee.

The case of Field *v.* Clark and the cases cited therein are relied upon by the advocates of section 5 of the bill as it stands. Field *v.* Clark (143 U. S.) is typical of a number of cases which construe acts of Congress conferring certain powers upon the Executive or some executive official of the Government.

The case arose under the tariff act of 1890. The claim was made by Marshall Field & Co., against whom duties were imposed under the act on goods imported, that the act was unconstitutional, because it delegated legislative powers to the President in giving him power under certain conditions to suspend the operation of the law with reference to imports from certain countries; but the authority given the President under the act of 1890 to suspend the provisions of the act relating to the admission, free of duty, of sugar, molasses, coffee, tea, and hides is not comparable with the authority conferred by the terms of this bill.

There was no uncertainty about the act of 1890. It admitted the articles free of duty. In the interests of reciprocal trade, however, the President was authorized to suspend this provision if countries exporting these articles insisted on imposing a duty on agricultural and other products. It was purely an administrative power, depending for its exercise upon a contingency within the control of other exporting nations. The legislature simply said definitely what should happen in the event of a contingency of which the Executive could take notice as well as the legislative branch of the Government.

The legislature prescribed the exact duties which should be imposed on the goods imported in the event the President should, for the reasons named in the act—not his own—suspend the operation of the act.

To quote from the opinion of the court very briefly in that case:

> He had no discretion in the premises except in respect to the duration of the suspension so ordered. But that related only to the enforcement of the policy established by Congress. As the suspension was absolutely required when the President ascertained the existence of a particular fact, it can not be said that in ascertaining that fact and in issuing his proclamation, in obedience to the legislative will, he exercised the function of making laws. Legislative power was exercised when Congress declared that the suspension should take effect upon a named contingency. What the President was required to do was simply in execution of the act of Congress. It was not the making of law. He was the mere agent of the law-making department to ascertain and declare the event upon which its expressed will was to take effect. It was a part of the law itself as it left the hands of Congress that the provisions, full and complete in themselves, permitting the free introduction of sugars, molasses, coffee, tea, and hides from particular countries should be suspended in a given contingency and that in case of such suspensions certain duties should be imposed.

The court in Field against Clark quotes from the case, Locke's Appeal (72 Penn. St., 491, 498), as follows:

> To assert that a law is less than a law because it is made to depend on a future event or act is to rob the legislature of the power to act wisely for the public welfare whenever a law is passed relating to a state of affairs not yet developed or to things future and impossible to fully know.

The proper distinction the court said was this:

> The legislature can not delegate its power to make a law, but it can make a law to delegate a power to determine some fact or state of things upon which the law makes, or intends to make, its own action depend. To deny this would be to stop the wheels of government. There are many things upon which wise and useful legislation must depend which can not be known to the lawmaking power, and must therefore be a subject of inquiry and determination outside of the halls of legislation.

But, Mr. President, of course, what will constitute unfair competition is not one of the many things which can not be known to the lawmaking power. Presumably it is better known to the lawmaking power than to any other power, and under our system the lawmaking power can not shift the burden and responsibility of determining what is unfair competition upon any other power or department of government. It must be determined within "the halls of legislation."

The case of the brig *Aurora* (7 Cranch., 382) cited in Field against Clark is not in point, nor is it authority for the proposition involved in this bill. Under the act considered in that case the President was simply authorized in case either France or Great Britain should modify her edicts so that they should cease to violate the neutral commerce of the United States, he should declare the same by proclamation, and that thereafter trade suspended by the act should be renewed with the nation so revoking or modifying her edicts.

The legislature did not transmit any power of legislation to the President by this act. "It only prescribed the evidence which should be admitted of a fact upon which the law should go into effect." It was competent for Congress to make the revival of an act depend upon the proclamation of the President showing the ascertainment by him of the fact that the edicts of certain nations had been so revoked or modified that they did not violate the neutral commerce of the United States.

The case of the brig *Aurora* is in line with other cases which have been cited. I do not now recall the titles of all of them, but there is the case arising out of the statute authorizing the Secretary of War to remove unreasonable obstructions to navigation in a river. What is the situation with regard to it? The engineer can determine the fact as to whether a bridge is an unreasonable obstruction or not, and that is altogether different from the case here. So with reference to the case growing out of the statute to prevent the importation of impure tea. Buttfield *v.* Stranahan, 192 U. S., 470. It rests on the same principle.

Mr. BURTON. Mr. President——

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

Mr. STERLING. I yield.

Mr. BURTON. Before passing from that subject, as to the jurisdiction which the Secretary of War has to declare a bridge an unreasonable obstruction to navigation, I am quite familiar with those decisions and have been connected with some litigation on the subject. First, the right of the Secretary of War to make that kind of a decision was denied quite strenuously. The Senator from South Dakota said that that case can be very clearly distinguished from this case, in which there is the right to decide what is unfair competition. I would prize the opinion of the Senator from South Dakota on that subject and his statement of the particulars in which they differ.

Mr. STERLING. They differ in this, according to my view, Mr. President, that in the power to prevent unfair competition the question is more or less speculative. It is a question of the ethical or economic standard of different individuals as to what constitutes unfair competition. There is no basis, we may say, of physical facts upon which to base the opinion as to whether it is a case of unfair competition or not, whereas in the case of the power given the Secretary of War to remove a bridge or other obstruction that is deemed to be an unreasonable obstruction in a navigable river it is a question of an ascertainable physical fact to be determined by the expert or by the engineer, and which will show whether under given conditions as to the flow of water in the river, the height of the bridge, the size and carrying capacity of the boats, they have been unreasonably obstructed by that bridge. It is a question of computation and of figures, whereas the question of unfair competition may be altogether outside the realm of figures and calculation based on physical facts. In my opinion, I will say to the Senator, there is a marked distinction between the two classes of cases. As is suggested to me by the Senator from West Virginia [Mr. GOFF], one is the opinion of individual men and the other is a matter of exact measurement by those qualified and competent to make it.

Mr. NORRIS. Mr. President——

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

Mr. STERLING. I yield.

Mr. NORRIS. Right on that point, according to the Senator's definition, would it not be the opinion of men as to whether the obstruction was reasonable or not? I can see how there might be no opinion involved if it just said there should be no obstruction; but the words used are, I think, "unreasonable obstruction." Would not the word "unreasonable" be similar to the word "unfair," and imply an opinion?

Mr. STERLING. I think not, Mr. President. The question as to whether it is an unreasonable obstruction in the river will depend, as I said, upon the size of the boats, the depth of water in the river, and other facts easily ascertainable. Whether the bridge will in any way obstruct the traffic is a physical fact to be determined.

Mr. NORRIS. That would be true, it seems to me, if the word "unreasonable" were not used; but two men equally intelligent might disagree as to whether the obstruction was of such a nature as to be unreasonable. One man might think it was only a reasonable obstruction, the other might think that it was an unreasonable obstruction.

Mr. STERLING. But, after all and in the last analysis, I would say, although the word "unreasonable"—and I appreciate the force of the Senator's suggestion—is used, it is a question largely of figures and of expert knowledge.

Mr. McCUMBER. Mr. President——

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

Mr. STERLING. I yield.

Mr. McCUMBER. Let me ask the Senator wherein this proposed law as to "unfair competition" would differ from a law declaring that every man should be good and should be

punished if he were not; and authorizing a commission to determine whether he is good or bad?

Mr. STERLING. I will say to the Senator from North Dakota that according to my view the bill admits of a possibility of that kind, the determination upon the part of the commission as to whether a man is good or not.

Mr. President, the Senator from New Hampshire [Mr. HOLLIS] yesterday cited the statutes of several States and from those statutes sought to deduce the conclusion that section 5, although in bare terms preventing unfair competition, was sufficient. But, Mr. President, no State statute prevents unfair competition and stops there. The Senator will be able to produce no such statute. A State statute simply prohibiting unfair competition would be quickly adjudged by the court as void for uncertainty.

I have taken the pains to look over the statutes cited by the Senator from New Hampshire, and I find that in every case the specific acts or conduct which will constitute unfair competition are fully set forth.

Mr. President, this ought to be a hint to us here. The very fact that State legislatures in enacting laws of this kind have, without exception, felt it necessary to specify and define the particular things which shall constitute unfair competition is a very good reason why we should follow the same safe course.

Nearly all these statutes, I think all of them, are leveled against unfair competition in buying and selling, and thus discriminating between different sections and cities and communities for the purpose always of crowding out or destroying a competitor. In most States that have such statutes the offense is a discrimination in selling. In a few States, notably in North Dakota, I think, and in Montana, either buying or selling with such intent is an offense.

So the statutes of other States specifying and defining what is "unfair competition," or, in a term more frequently used, "unfair discrimination," instead of affording an argument for the bill as it is, afford the reason why we should specify in this bill what we deem to be unfair competition in commodities in interstate commerce and in providing against such unfair competition. With that in view, Mr. President, I presented several days ago an amendment in which I, in the main, followed the statute of the State of South Dakota. I wish to read this amendment, or a portion of it:

> It shall be unlawful for any person, firm, or corporation engaged in the production, manufacture, or distribution of any commodity in general use and which is the subject of or intended for commerce, as herein defined, to intentionally and for the purpose of destroying the competition of any regularly established producer, manufacturer, or dealer in such commodity, or to prevent the competition of any person who in good faith intends and attempts to become such a producer, manufacturer, or dealer, make or give any undue or unreasonable preference or advantage to any particular person, firm, or corporation in the sale or disposition of such commodity, or to discriminate between different States, sections, communities, or cities by selling such commodity at a lower rate in one State, section, community, or city than such person, firm, or corporation charges for such commodity in another State, section, community, or city, after equalizing the distance from the point of production, manufacture, or distribution and freight rates therefrom.

Now, there is this clause, which is new and is not embodied in the South Dakota statute, namely, that which relates to the making or giving any undue or unreasonable preference or advantage to any particular person, company, firm, or corporation in the sale or disposition of such commodity.

Then follows this, which I adapt from section 3 of the interstate-commerce act. I want to read that section, and then I will read that part of my proposed amendment of which it is the counterpart. Section 3 of the act provides:

> That it shall be unlawful for any common carrier subject to the provisions of this act to make or give any undue or unreasonable preference or advantage to any particular person, company, firm, corporation, or locality, or any particular description of traffic, in any respect whatsoever, or to subject any particular person, company, firm, corporation, or locality, or any particular description of traffic, to any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

The corresponding part of my amendment reads:

> And it shall be unlawful for any such person, firm, or corporation so engaged in the production, manufacture, or distribution of any such commodity to subject by any charge, rebate, or other unfair means or method of competition any particular person, company, firm, corporation, or locality to any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

There is this further important difference, Mr. President, between my amendment and section 5 of the bill. Section 5 is limited to unfair competition practiced by corporations, and corporations alone, but individuals of vast wealth and vast facilities and partnerships with vast wealth and facilities engage in interstate trade and business. Why should they not be under the ban of any law against unfair competition as well as corporations?

Now, Mr. President, there is one other point on which I wish to speak briefly while I have the floor, although I had not expected to speak at all to-day, and that relates to the part of the act conferring jurisdiction upon the courts, or rather that part of the act which fails to confer jurisdiction upon the courts.

As I read this bill when it was first brought into the Senate I arrived at the conclusion at once that no power was given the court to review the proceedings or the order of the trade commission. I thought, indeed, the exercise of any power upon the part of the court to review, on appeal or otherwise, any order of the commission was by a plain implication prevented. Now, note the reading of this particular paragraph:

> Whenever the commission, after the issuance of such order, shall find that such corporation has not complied therewith, the commission may petition the district court of the United States, within any district where the method in question was used or where such corporation is located or carries on business, praying the court to issue an injunction to enforce such order of the commission; and the court is hereby authorized to issue such injunction.

This is the sum total of the power of the court under section 5.

Yet it has been said again and again by the Senator from Nevada [Mr. NEWLANDS] that the commission is an auxiliary to the court. Under the plain language of this act the court is the auxiliary to the commission, and the court has as much judicial power as the sheriff or the clerk of a court would have, its business being simply to enforce the order of the commission, and that is all. Its powers here are ministerial, not judicial.

Wishing to ascertain the views of some of the advocates of this feature of the bill, I made inquiry of the senior Senator from Iowa [Mr. CUMMINS] when the bill first came under discussion here in the Senate.

On page 11105 of the RECORD the following occurred:

> Mr. STERLING. I should like to ask the Senator from Iowa a question as to whether or not he is in favor of conferring upon this commission the power to determine absolutely, and without appeal or review upon appeal, the question of unfair competition in any given case?
>
> Mr. CUMMINS. I am. I have the same confidence in the commission—or I shall have—that I have in the court. I believe it will do justice in a greater number of cases than will be done in the courts. Neither am I disparaging the courts, for I think no man excels me in reverence and admiration for our judicial system; but whenever you attempt to regulate commerce in this way through the medium of lawsuits, you have a miserable failure.

Without reading further from that answer and paragraph, I then asked and received answer as follows:

> Mr. STERLING. Mr. President, I should like to ask the Senator one further question. Does the Senator from Iowa understand the bill to so exclude the courts from reviewing and rendering a decision on the question?
>
> Mr. CUMMINS. In helping to prepare this legislation I tried to make it so that the courts would not have the power to review the discretion and the judgment exercised or the facts passed upon by the trade commission.

Mr. President, I have always believed it was the law that in any controversy arising between an individual or a citizen and an administrative or other branch of the Government in which property or contract rights were affected or to be affected the individual had the right some time to invoke the exercise of the judicial power, and in the case of our most summary proceedings (necessarily so, because of the necessities of government), namely, tax proceedings for example, there was somewhere between the time of the listing of the property for assessment and valuation and the time of the payment of the tax or the sale of the property for the taxes the right on the part of the citizen to have the question as to whether it is an illegal tax or an unjust tax or whether the property is subject to taxation submitted to a court for determination.

Mr. KENYON. I should like to ask the Senator a question along that line. I am very much interested in his argument. Under this act, if the commission should decide that something was unfair competition and start to make an order as authorized by the act, would not the party have a right to go into a court of equity and enjoin the commission from making that order?

Mr. STERLING. He might, were it not for the reading of this bill, I would say.

Mr. KENYON. The Senator thinks, from the reading of the act, that it excludes that equity jurisdiction?

Mr. STERLING. Yes, sir; from the reading of the bill and from the interpretation put upon it by the Senator's colleague, the senior Senator from Iowa [Mr. CUMMINS], it seems to me that that is its plain intent.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Connecticut?

Mr. STERLING. Yes.

Mr. BRANDEGEE. If a court of equity has power to enjoin the commission from issuing an order, which is the sole

function of the commission and the reason for its creation, then how does the administrative commission take all of these business questions away from the court?

Mr. KENYON. I should like to ask the Senator if he believes the court would have no power in equity to determine the question of whether an act did constitute unfair competition; whether, if this commission tried to make an order that something was unfair competition when it was palpably not so, that power is withdrawn from the courts under this bill?

Mr. McCUMBER. Under the law or under the principles of right?

Mr. KENYON. Under general principles.

Mr. BRANDEGEE. Mr. President, it was clearly the intention of those who drew the act, if that has any bearing upon the construction of the act, that the commission shall have sole and exclusive power to determine what is fair and what is unfair in methods of competition as to corporations engaged in commerce among the States. The whole idea back of the act, in the minds of its proponents and advocates, as stated by the quotation which the Senator from South Dakota [Mr. STERLING] read from the RECORD from the answer of the senior Senator from Iowa [Mr. CUMMINS], is to take this matter of the method of competition among corporations engaged in interstate commerce away from the courts, because you can not decide these business questions by the slow and tedious process of the courts, as they phrase it. They say that system has been tried and been pronounced a failure. Therefore they attempt to confer that power upon this commission, not of lawyers who know anything about what the courts have heretofore decided to be a fair or unfair method of competition, but upon a commission of business men, experts skilled in business, as they say; and that commission of expert business men are to pronounce by their fiat, evolved from their inner conciousness, without any rule to guide them laid down by the legislative branch of the Government, what is a fair and what is an unfair method of competition.

To be sure, the act states that they are only authorized to prohibit unfair competition, or at least an unfair method of competition; but in order to determine what is an unfair method they have got, in their own minds at least, to fix the standard, to wit, what is a fair method, because "unfair" can not mean anything except what is not fair, any more than "abnormal" can mean anything except what is not normal. So, if a court can intervene when a competitor has been disappointed in securing a contract and comes to this commission, either in the attempt to make the successful competitor relinquish half of his contract or sublet a part of it to him or for any other purpose, and can say that the commission which this great Congress has just set up, these experts at $10,000 a year each, sitting continuously in Washington, with power to strangle or to promote such business competition and methods as, according to their unbridled imagination, may from day to day each, sitting continuously in Washington, with power to strangle action of the commission at the start, it shows what an absurdity it is for Congress to set up this tribunal and leave the power with the courts—and I do not believe we can take it away—to strangle the very creature that we are setting up to supersede the courts.

Mr. KENYON. Then if the Senator says we can not take it away, that answers my question; the power will remain in the courts, and a party aggrieved can go into a court of equity and secure his relief. So this would amount to nothing.

Mr. BRANDEGEE. I think he could. I think this is absolutely worse than nothing, because it evidences such a fundamental misunderstanding of the whole principle upon which our Government is founded—the division of powers into the legislative, executive, and judicial departments—for Congress to sit here solemnly enacting a statute for the purpose of getting away from the courts when they know that under the Constitution a man in this country can not be held in prison at the arbitrary dictum of an executive commission. It not only makes Congress ridiculous, but it puts Congress in the attitude of relegating the free institutions of this country back to the days when executive authority was supreme.

I will not intrude further upon the Senator from South Dakota. I beg his pardon, but I could "orate" upon this subject.

Mr. GRONNA. Mr. President——

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

Mr. STERLING. I yield.

Mr. GRONNA. This is a very important bill, and I believe Senators ought to be present to hear this interesting discussion. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from North Dakota suggests the absence of a quorum. The roll will be called.

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

Bankhead	Jones	Norris	Smith, Mich.
Borah	Kenyon	O'Gorman	Smoot
Brady	Kern	Overman	Sterling
Brandegee	Lane	Perkins	Swanson
Burton	Lea, Tenn.	Poindexter	Thomas
Camden	Lee, Md.	Ransdell	Thornton
Catron	Lewis	Shafroth	Tillman
Chamberlain	McCumber	Sheppard	Vardaman
Crawford	Martin, Va.	Simmons	White
Gallinger	Martine, N. J.	Smith, Ariz.	Williams
Gronna	Nelson	Smith, Ga.	Works
James	Newlands	Smith, Md.	

Mr. VARDAMAN. I desire to announce the unavoidable absence of the junior Senator from Tennessee [Mr. SHIELDS]. This announcement may stand for the remainder of the day.

Mr. KERN. I desire to announce the unavoidable absence of my colleague [Mr. SHIVELY] on account of illness. This announcement may stand for the day.

The PRESIDING OFFICER. Forty-seven Senators have answered to their names; not a quorum. The roll of absentees will be called.

The Secretary called the names of absent Senators, and Mr. LIPPITT, Mr. REED, and Mr. WALSH having entered the Chamber, answered to their names.

Mr. CHILTON, Mr. COLT, Mr. CULBERSON, Mr. CLAPP, and Mr. STONE having entered the Chamber answered to their names.

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

Mr. STERLING. Mr. President, a few words more. Whether or not the Senator from Connecticut [Mr. BRANDEGEE] may be right in his view that the power of the courts could be invoked in case of an erroneous order made by the commission, I think it should be so written in the bond. As I recall, one of the great controversies before the Senate at the time the rate bill was under discussion in 1906 related to the question whether or not there should be power conferred upon the courts to review the orders and decisions of the Interstate Commerce Commission, and that bill was not enacted into law until such power was conferred upon the courts.

So here, Mr. President, the powers of the proposed trade commission are greater than, and different from, those which relate merely to investigating and supervising corporations engaged in commerce as defined in the pending bill. Under the orders of the commission as authorized by section 5 property rights and contract rights may be affected; and I insist that power should be conferred upon the courts to review the decisions and orders of the trade commission and to prevent the taking of property without due process of law.

Upon this commission, as this bill stands, both legislative and judicial powers are conferred. The legislative power is vested in the Congress; the judicial power is vested in the "Supreme Court and such inferior courts as Congress may from time to time ordain and establish." Neither of these powers can, under the Constitution, be conferred upon this commission.

So, having the objections I do have to the bill as it stands, and in view of the extreme doubt, anyhow, as to whether a court can review the orders of the commission, I have prepared an amendment. I wish to say that in the preparation of this amendment I have followed largely the statute with reference to the powers conferred upon the courts in reviewing the orders of the Interstate Commerce Commission, especially the powers as at first conferred upon the commerce court and then by recent act, of course, transferred to the district courts of the United States. I will read the amendment:

After line 22, page 21, insert the following:

"And jurisdiction for the enforcement of any order so issued by said commission restraining and prohibiting the use of any such unfair method of competition is hereby conferred upon the district courts of the United States. Such district courts shall also have jurisdiction of suits to enjoin, set aside, annul, or suspend any order of said commission restraining or prohibiting the use of any method of competition as unfair: *Provided*, That the pendency of such suit shall not of itself stay or suspend the operation of such order of the commission, but said court in its discretion may restrain or suspend in whole or in part the operation of such order pending the final hearing and determination of the suit: *Provided further*, That the procedure in said district courts shall be the same as near as may be as the procedure heretofore prevailing in cases in the Commerce Court and arising out of the orders made by the Interstate Commerce Commission, and that the venue of any suit hereafter brought to enforce, suspend, or set aside in whole or in part any order of said commission restraining or prohibiting the use of any particular method of competition as unfair shall be in the judicial district wherein is the residence of the party or any of the parties upon whose application or petition the order was made or in the district wherein the method or methods complained of as constituting unfair competition are used or employed."

Mr. President, I am not opposed to a trade commission bill as such; I am in sympathy with the provisions of the bill relating to the supervision and investigation of corporations

and with its requirements in regard to publicity of the acts of corporations. I wish the bill may be perfected so that beyond question it will serve what I believe to be a fine and useful purpose; but in conferring upon the commission the power to prevent unfair competition we are, as I have said, delegating both legislative and judicial powers. With the amendment to the substantive law which I first read, or a similar amendment, extended if you please to acts of unfair methods in buying as well as in selling, and with this amendment conferring upon the courts jurisdiction to review and annul or to modify any order of the commission, I believe we will have a wholesome and practical piece of progressive legislation.

Mr. NEWLANDS. Mr. President, in reply to the Senator from North Dakota [Mr. McCUMBER] and the Senator from Connecticut [Mr. BRANDEGEE], I wish to call attention to the fact that this is an act to regulate commerce. Under the Constitution this power is given to Congress, and it has been determined that this power can be exercised by an administrative tribunal created by Congress under a rule prescribed by Congress. The proponents of this bill believe that they have in this bill presented a rule of action, and that the action of this administrative board under that rule is absolutely constitutional.

Mr. President, with reference to the review in the courts, I have to say that it is true, as alleged by the Senator from Iowa [Mr. CUMMINS], that it was the purpose of the committee not to make all the facts reviewable by the court. It was the purpose of the committee in framing this bill to make the decision of this tribunal a final one. That, however, has its limitations under the Constitution and the law. The courts can at any time condemn any action under this exercise of power that is confiscatory of property and also can condemn any act that is not authorized by the statute itself; so that, as to the question of authority and as to the question of confiscation of property rights, the courts will be open whatever may be the phraseology of this bill.

As to the wisdom of having a review by the court, that review can be limited to the law or it can cover both the law and the facts, according to the way in which we write the statute. There are amendments now pending covering these questions which I have no doubt will be fully considered by the Senate. Among them is an amendment offered by the Senator from Delaware [Mr. SAULSBURY], a member of the committee, in which is provided a review by the courts both as to the law and as to the facts.

Mr. McCUMBER. Mr. President, the main difficulty that some of us have on this side is in the matter of the construction of the words "unfair competition." Most of us here, I think, are inclined to give those words their usual, common-sense meaning; and, giving them that meaning, they cover an immense field. The Senator is inclined to give them a most restricted meaning, a restriction that holds them within the definition that there must be in the end a destruction of competition, and a meaning almost the opposite of what the words are themselves.

We can sometimes arrive at the necessity and propriety of any legislation by understanding how we can apply it to a given set of facts, and we may understand the view of the proponent of a measure by asking him a question or two relative to the application of his proposed measure to a fact.

Let us suppose that the Senator himself is to draw an indictment against some one who has violated the provisions of the law prohibiting unfair competition. Let us see, for a moment, what he would have to allege. I assume, in the first place, that he would allege that the party had been guilty of unfair competition as against a certain statute. He would then set out, as a second proposition, the facts constituting the offense, wherein the competition had been unfair. He would necessarily have to follow that up with some kind of a result. That is, he would have to declare what the result of that competition had been in order to demonstrate that it had been unfair.

Now, let us suppose that the Senator follows those usual rules in drafting an indictment for a criminal offense. Let me ask him if he would not, under his construction, be compelled to declare in the indictment that the unfair competition had resulted in the destruction of competition; in other words, that it had stifled competition, and that that was its purpose?

I am inclined to believe that the Senator would assume that all those allegations would have to be made, and they would all have to be proven. Therefore, if it is necessary to establish the fact in order to constitute the offense, that the competition had not only been unfair, but that it had resulted or would result in the elimination or the stifling of real competition in the end, why would it not be the proper thing to declare that meaning and intent in the bill itself?

If the purpose of section 5 of this bill is to prevent the unfair competition which results in the end in stifling competition, what possible objection can there be to declaring, in a definition, what you would have to prove if you were to establish the offense in the eyes of any court? Could there be any possible objection to making it so clear as that?

I want to carry that just a step further. The Senator would have to prove that there was competition. He would have to prove that the competition was unfair. Then he would have to prove some kind of a result from that unfair competition. What result would he have to establish under the provisions of his bill? Would he not have to prove the fact that the result was such as to destroy the competition entirely, to destroy his competitor, and thereby create a monopoly?

Mr. NEWLANDS. I presume the Senator would not contend that the result must be proven if we prove that this practice was indulged in with the intent to injure or destroy.

Mr. McCUMBER. The offense certainly must result in something, else you could not say that it was unfair competition. In the end it is competition and the character of competition that is to be proven, is it not?

Mr. NEWLANDS. Then the Senator's idea is that the complainant should have no remedy at all until the destruction is complete?

Mr. McCUMBER. No; I simply say that you would have to allege the inevitable result of that competition, and to prove it, or else you would have to allege that it had accomplished such results. One of those two things must be done. Now, then, what constitutes the competition? Suppose here is one concern, and you force down prices to such an extent as to prevent its making more than 1 per cent upon its investment. You have competition. Your method has been unfair, perhaps; but as long as your competitor is still in business, and is able to make 1 per cent on his investment, is it such competition as the courts would take cognizance of or this commission would take cognizance of?

Will the Senator answer that query?

Mr. NEWLANDS. Mr. President, it is impossible for me to answer "yes" or "no" to every inquiry that can be imagined, with reference to a case that would come under this statute. I should say, with reference to stifling competition, that all you would have to prove would be an unfair method whose tendency was to stifle competition. I do not think you would have to wait until the destruction was complete in order to entitle you to make the complaint. I presume the commission would inquire into the general tendency of the practice; and if the tendency was, by the employment of an unfair method, to injure or destroy——

Mr. McCUMBER. Right there is a question: Must it be just to injure or must it be to destroy? There is the crux of the whole case.

Mr. NEWLANDS. Either. Of course, the Senator is aware that in charging an offense against the criminal law it is necessary to be very much more precise and definite than it is under the civil law; and there is, of course, a definiteness of statement in an indictment that would not be required in civil pleadings or in the proofs under them. There is quite a distinction between the civil and the criminal law.

Mr. McCUMBER. We all understand that.

Mr. NEWLANDS. This is simply a civil proceeding, and no penalties are attached to it.

Mr. BRANDEGEE. Why, Mr. President, if a man is enjoined by the commission from continuing a practice that the commission says is unfair, and the commission applies to a court for an injunction to restrain him, and obtains it, and he violates the injunction, he is put in jail for contempt of court. While this does not purport upon its face to be a criminal statute, the man finds himself in jail without any judicial process whatever. He is there; and the refinements which the Senators draws between the civil law and the criminal law are of very little satisfaction to the gentleman who is sitting on the stone floor of a cell, and is wondering by what sort of American law he has been landed there.

Mr. WHITE. Mr. President, I should like to suggest one idea to the Senator.

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Alabama?

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

Mr. WHITE. Yes, sir.

Mr. NEWLANDS. I will state that the defendant can immediately purge himself by complying with the order of the court.

Mr. BRANDEGEE. Without any due process of law whatever? The court has not adjudicated anything. The commission brings you an arbitrary order.

Mr. NEWLANDS. There is no question of being in jail unless he disobeys the injunction of the court.

Mr. BRANDEGEE. No; he has disobeyed the judgment of the commission. If it were left to the judgment of the court, the Senator from South Dakota would be satisfied. The Senator from Nevada proposes that this commission shall decide whether the method of competition in trade is unfair, and then the commission sends its secretary or its attorney to the court, and it says: "Here is the order of the commission, and here is the seal of the commission. Now, you issue an injunction to enforce this order." As the Senator from South Dakota has said, the judiciary of the United States is to be made the administrative branch of this judicial-executive commission, and compelled to issue this injunction against the business man who has been illuminated by this sort of a process as to exactly what he can do in business; and a man is sent to jail; and then, perhaps, upon a writ of habeas corpus alleging that he has been unlawfully kidnaped and landed in a dungeon in this free country, he can get some sort of a review of the constitutionality of this act.

That is the way the poor, puzzled business man, who is looking for this beacon light of the "new freedom," plaintively singing—

Lead, kindly light, amidst the encircling gloom—

is led straight into a dungeon. This bill, which is to uplift and help the psychologically depressed business men of this country [laughter] and guarantee them a new Magna Charta of liberty—for we do not deal in anything less than "constitutions" and "Magna Chartas" and "emancipation proclamations" in these days—is an ignis fatuus. [Laughter.] The "Statutes of the United States" is no longer a sufficiently dignified name to characterize our imperial processes. They must be denoted by grandiloquent and epoch-marking titles.

That is all there is to this bill. When the Senator from North Dakota asks the Senator from Nevada, who is actuated by charitable and benevolent and cheerful optimism about all these things which are perfectly simple in his mind, and who says, "Let us poke it right out, especially as the administration insists upon it"—when the Senator from North Dakota asks the Senator from Nevada to what extent a gentleman can go in indulging in his propensities and ingenuity for unfair competition without landing in a dungeon, whether he has got absolutely to annihilate competition in toto, the Senator from Nevada informs him, radiating geniality upon the Senator from North Dakota, that if the method of competition which falls under the ban of the infallible judgment of this commission has a tendency to unfairness, why, then the court comes right down. The Senator from Nevada would not claim that it had got to be absolutely annihilated, but if it "tends" toward it, or has a "tendency" to impair competition, then the commission acts; and the Senator from Nevada, when he has illumined the situation with that brilliant light, feels perfectly satisfied, and I have no doubt in 5 or 10 minutes will demand unanimous consent for naming a day to vote upon this bill and all amendments to final passage.

The truth of it is, the Senator from Nevada is living in an incandescent fog of optimism and illusion on this matter. He has not landed anywhere upon his feet. The country knows absolutely nothing about what he proposes to give them. They think it is a sort of anodyne of all soporific and oleaginous substances which will be a poultice to the ends of its shattered nerves, when really it is nothing but a scourge and a dose of Spanish fly and cayenne pepper to irritate and drive them to distraction.

If these poor, misguided "uplifters" and business men who delight to come down here and attend a function at the White House and then go away and give an interview about how prosperous their business is in consideration of the free lunch to which they have been treated understood in the faintest degree what sort of a dose is going to be administered to them, to their private books and private business, charged with no public use, heretofore supposed to be allowed to proceed as business men are able to compete with each other in a free country—if they understood that any time they uttered some remark as to politics or business which savored of lese majesty, the next day they were to be visited by a little snooper or spotter from Washington who would pull out his credential card and demand the combination of their safe and all their documents and books and papers and contracts and affiliations with other corporations and individuals—they would subside, both as to their political and their humanitarian sentiments, very quickly. If they understood what this dose of help to the poor business man was to be, they would see that their only salvation is to nip this sort of legislation in the bud, to brand it as undemocratic and un-American and tyrannical; and instead of trying to get this bill amended here and amended there, they would scotch this snake right at its birth and, in fact, never allow it to be born.

The American people know that business will not tolerate such things in this country as a commission to be continually snooping around, charged with nothing but the power to arbitrarily promulgate an infinite and unregulated series of "don'ts." If this commission is fit to decide what is an unfair method of competition, it is certainly fit to decide what is a fair method of competition; and it has got to decide what is fair before it can decide what is unfair. If, in their inquisition based upon an anonymous letter or the complaint of a competitor, they find that the practice is fair upon a complete show-down; if they find that the party who is dragged down here to defend what he has heretofore considered to be lawful competition in business has engaged in no unfair practice, then the man ought to be allowed to proceed in it with confidence, and not be subject, as he would be under this bill, to a suit by the Department of Justice, brought about by the investigations of another series of snoopers and spotters and Government spies.

I say to them that when they have come on here and have shown everything, and have gotten a verdict that they are innocent, and have gotten the indorsement of the very commission that this Government has set up as the criterion of what is fair and unfair, unless there is something put into this bill that when they have been told by one branch of the Government that what they are doing is fair they shall not be prosecuted by the Department of Justice and pronounced by a court to be engaged in an unfair practice or a violation of the Sherman law, then the result of this bill will simply be to make confusion worse confounded. It is not fair for Congress to set up a tribunal to determine the rules of justice and fair play among competitors, and then, after they have gotten the judgment of the Government that what they are doing is fair, to have another branch of the Government free to proceed under another criminal statute and get a judgment of a court that although they were proceeding in accordance with one branch of the Government still they are guilty of a crime and liable to go to jail for it.

Yet such is the half-baked character, not only of what is written in this bill, but such is the confusion of thought among committees and individuals, among newspapers, and among the Cabinet, and in the mind of the President himself that they do not know what is going on. They do not compare the provisions of these bills with the recommendations that the President himself has made to Congress.

If the country knew in what sort of fog we are proceeding, under the pretense of lending firm guidance to their wandering footsteps, there would be a panic in this country. But the country apparently is afraid to attempt to find out. When the great business men of the country come down here to tell us and our committees what they think would be beneficial to them, they are persecuted and hounded as conspirators and lobbyists; and then the same men, or men of equal character or no better character, are invited in honor to the White House, and go away singing the praises of the fountain of all knowledge and bending their pliant necks to the yoke.

Mr. McCUMBER. Mr. President, if there is any one thing that ought to be certain—and I will direct my remarks to the Senator from Nevada, and he can answer them when he answers the Senator from Connecticut—it is a criminal statute. It is a statute which can destroy my business or send me to jail.

I want to know where I am going to land under the provisions of this bill as construed by the Senator from Nevada. The Senator from Connecticut and myself, we will say, are engaged in a competitive line of business. He may have more capital than I have. He may take means that I consider unfair and which are unfair in his competition, and he may drive down the price of the commodity that we are both selling, until he is able to drive me out of business, and then obtain a monopoly. If that is the limit of the extent to which this provision will go, and no further, it may be all right; but suppose the public gets the benefit of this close competition in a cheaper product, and suppose he has not destroyed me entirely but has merely injured me. Suppose he has made my property so nearly valueless that while I may continue in business at a 1 per cent profit it would scarcely pay me to do so, but I am still continuing in business. Can he be indicted for unfair practices so long as I am keeping alive and keeping up a competition, when the result of that competition is for the benefit of the purchasing public which buys our commodities?

If I understand the Senator correctly, he can be so indicted. If that is true, then this commission has got to say somewhere that I am entitled to some reasonable profit, and it has got to

determine what that reasonable profit is, in order to determine whether or not his unfair means is destroying competition.

Is that the authority the Senator is going to confer upon this commission—to determine when that competition has gone far enough, and to say, "Thus far and no further you can go in your competitive methods"? I am assuming all the time that they are unfair.

If the Senator says that they must not be such as will merely cripple me in my business, but must be such as will absolutely destroy my business, then he may find some basis for his claim that a benefit will be obtained by preventing the people getting lower prices, because by doing that temporarily he will hold the competitive field open; but if I understand the Senator correctly, he says that if the unfair practices cripple me as a competitor, if they injure me as a competitor, then, although they do not drive me out of business, the commission could investigate the matter and issue an order that I shall be injured no longer. If that is the case, then I think we are stifling competition, and in the end are doing a great injury to the country.

Mr. STERLING. Mr. President, I have here copies of several statutes from various States, defining "unfair competition." The States from which I have quoted are Nebraska, North Dakota, Montana, Iowa, California, Utah, Wyoming, Louisiana, and South Dakota. I think perhaps the printing of these in the RECORD may be of some use to the Senate by way of affording examples of "unfair competition," and may be suggestive as to amendments offered or to be offered. Therefore I ask leave that they may be printed in connection with my remarks.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

STATE STATUTES—UNFAIR COMPETITION.

Laws of Nebraska, 1907, chapter 157:

SECTION 1. (Local unfair discriminations.) Any person, firm, company, association, or corporation, foreign or domestic, doing business in the State of Nebraska and engaged in the production, manufacture, or distribution of any commodity in general use that shall intentionally, for the purpose of destroying the business of a competitor in any locality, discriminate between different sections, communities, or cities of this State by selling such commodity at a lower rate in one section, community, or city than is charged for said commodity by said party in another section, community, or city, after making due allowance for the difference, if any, in the grade or quality and in the actual cost of transportation from the point of production, if a raw product, or from the point of manufacture, if a manufactured product, shall be deemed guilty of unfair discrimination, which is hereby prohibited and declared unlawful.

Laws of North Dakota, 1913, chapter 287:

SECTION 1. (Unfair competition.) Any person, firm, or corporation, foreign or domestic, doing business in the State of North Dakota and engaged in the production, manufacture, distribution, purchase, or selling of milk, cream, butter fat, grain, or any commodity in general use that shall, with the intention of creating a monopoly, or of destroying the business of a competitor or of any regular established dealer, or to prevent competition of any person who in good faith intends and attempts to become such a dealer, discriminate between different sections, communities, towns, or cities, or portions thereof, in this State by purchasing at a higher or selling at a lower rate or price in one section, community, town, or city, or portion thereof, in this State than is paid or charged by such person, firm, or corporation for such milk, cream, butter fat, grain, or commodity in general use in another section, community, town, or city, or portion thereof, in this State, after making due allowance for the difference, if any, in the actual cost of transportation of such commodities, shall be guilty of unfair discrimination.

Laws of Montana, 1913, chapter 7:

SECTION 1. Any person, firm, or corporation, foreign or domestic, doing business in the State of Montana and engaged in the production, manufacture, or distribution of any commodity in general use that intentionally, for the purpose of destroying the competition of any regularly established dealer in such commodity, or to prevent the competition of any person, firm, or corporation who in good faith intends and attempts to become such dealer, shall discriminate between different sections, communities, or parts of this State by selling such commodity at a lower rate or price in one section, city, or community, or any portion thereof, than such person, firm, or corporation, foreign or domestic, charges for such commodity in another section, community, or city, after equalizing the distance from the point of production, manufacture, or distribution and freight rates therefrom, shall be deemed guilty of unfair discrimination.

Laws of Montana, 1913, chapter 8:

SECTION 1. Any person, firm, or corporation, foreign or domestic, doing business in the State of Montana and engaged in the buying, selling, production, manufacture, or distribution of any commodity in general use that intentionally, for the purpose of destroying the competition of any regularly established dealer in such commodity, or to prevent the competition of any person, firm, or corporation who in good faith intends and attempts to become such dealer shall discriminate between different persons, sections, or communities in, or parts of this State, by buying such commodity at a higher rate or price in one section, city, or community, or any portion thereof, than such person, firm, or corporation, foreign or domestic, pays for such commodity in another section, community, or city, after equalizing the distance from the point of production, manufacture, or distribution, and freight rates therefrom, shall be deemed guilty of unfair discrimination.

Iowa Reports, Cornwall, 153, page 704:

Any person, firm, company, association, or corporation, foreign or domestic, doing business in the State of Iowa and engaged in the business of buying milk, cream, or butter fat for the purpose of manufacture, or of buying poultry, eggs, or grain for the purpose of sale or storage, that shall, for the purpose of creating a monopoly or destroying the business of a competitor, discriminate between different sections, localities, communities, cities, or towns of this State by purchasing such commodity or commodities at a higher price or rate in one section, locality, community, city, or town than is paid for the same commodity by said person, firm, company, association, or corporation in another section, locality, community, city, or town, after making due allowance for the difference, if any, in the grade or quality, and in the actual cost of transportation from the point of purchase to the point of manufacture, sale, or storage, shall be deemed guilty of unfair discrimination, which is hereby prohibited and declared to be unlawful, but prices made to meet competition in such locality shall not be in violation of this act; and any person, firm, company, association, or corporation, or any officer, agent, receiver, or member of any such firm, company, association, or corporation found guilty of unfair discrimination as defined herein, shall be punished as provided in section 5028–c of the Supplement to the Code, 1907.

The above section is an amendment to section 5028b of the Code Supplement.

Statutes and amendments to the codes of California, 1913, chapter 276, page 508:

SECTION 1. It shall be unlawful for any person, firm, or corporation doing business in the State of California and engaged in the production, manufacture, distribution, or sale of any commodity of general use or consumption, or the product or service of any public utility, with the intent to destroy the competition of any regular established dealer in such commodity, product, or service, or to prevent the competition of any person, firm, private corporation, or municipal or other public corporation, who or which in good faith intends and attempts to become such dealer, to discriminate between different sections, communities, or cities, or portions thereof, of this State by selling or furnishing such commodity, product, or service at a lower rate in one section, community, or city, or any portion thereof, than in another, after making allowance for difference, if any, in the grade, quality, or quantity, and for cost differences between such places due to distance from the point of production, manufacture, or distribution and expense of distribution and operation. This act is not intended to prohibit the meeting in good faith of a competitive rate or to prevent a reasonable classification of service by public utilities for the purpose of establishing rates. The inhibition hereof against locality discrimination shall embrace any scheme of special rebates, collateral contracts, or any device of any nature whereby such discrimination is in substance or fact effected in violation of the spirit and intent of this act.

Laws of Utah, 1913, chapter 41, page 53:

SECTION 1. (Unfair competition and discrimination prohibited.) Any person, firm, or corporation, foreign or domestic, doing business in the State of Utah and engaged in the production, manufacture, or distribution of any commodity in general use, that intentionally, for the purpose of destroying the competition of any regular, established dealer in such commodity, or to prevent the competition of any person who, in good faith, intends and attempts to become such dealer, shall discriminate between different sections, communities, or cities of this State by selling such commodity at a lower rate in one section, community, or city, or any portion thereof than such person, firm, or corporation, foreign or domestic, charges for such commodity in another section, community, or city, after equalizing the distance from the point of production, manufacture, or distribution, and freight rates therefrom, shall be deemed guilty of unfair discrimination.

Session laws of Wyoming, 1911, chapter 62, page 84:

SECTION 1. That any person, firm, or corporation, foreign or domestic, doing business in the State of Wyoming and engaged in the production, manufacture, or distribution of any commodity in general use, that shall intentionally, for the purpose of destroying competition, discriminate between different sections, communities, or cities of this State, by selling such commodity at a lower rate in one section, community, or city, or any portion thereof, than is charged for such commodity in another section, community, or city, after equalizing the distance from the point of production, manufacture, or distribution, and freight rates therefrom, shall be deemed guilty of unfair discrimination: *Provided, however*, That this act shall not apply to any case where, by reason of different railroad rates or other natural things in favor of any manufacturer or dealer of goods of this or another State, such manufacturer or dealer sells at a different price than he does in another, in order to meet the competitive rates or other natural things in favor of such other manufacturer or dealer: *Provided further*, That this act shall not apply to any case where any manufacturer of or dealer in goods manufactured or produced in this State sells products in one place cheaper than in another to meet upon the same or more favorable basis any competition from foreign States or this State: *Provided further*, That this act shall not prevent the sale of goods at proper commercial discount customary in the sale of such particular goods.

Acts State of Louisiana, 1908, act 128, page 187:

SECTION 1. *Be it enacted by the General Assembly of the State of Louisiana*, That any person, firm, company, association, or corporation, foreign or domestic, doing business in the State of Louisiana and engaged in the production, manufacture, or distribution of any commodity in general use, that shall intentionally, for the purpose of injuring or destroying the business of a competitor in any locality, discriminating between different sections, communities, cities, or localities in the State of Louisiana, by selling such commodity at a lower rate in one section, community, city, or locality than is charged for such commodity by said person, firm, company, association, or corporation in another section, community, city, or locality, after making due allowance for the difference, if any, in the grade or quality of such commodity and in the actual cost of transportation of same from the point of production, if a raw product, or from the point of manufacture, if a manufactured product, shall be guilty of unfair discrimination, which is hereby prohibited and declared unlawful and to be a misdemeanor; and that all sales so made shall be taken and considered as prima facie evidence of unfair discrimination.

Laws of South Dakota, 1907, chapter 131, page 196:

Any person, firm, or corporation, foreign or domestic, doing business in the State of South Dakota and engaged in the production, manufacture, or distribution of any commodity in general use, that intentionally, for the purpose of destroying the competition of any regular, established dealer in such commodity, or to prevent the competition of any person who in good faith intends and attempts to become such dealer, shall discriminate between different sections, communities, or cities of this State, by selling such commodity at a lower rate in one section, community, or city, or any portion thereof than such person, firm, or corporation, foreign or domestic, charges for such commodity in another section, community, or city, after equalizing the distance from the point of production, manufacture, or distribution and freight rates therefrom, shall be deemed guilty of unfair discrimination.

Mr. STERLING. While I am on my feet I want to call attention to the statement made by the Senator from Nevada [Mr. NEWLANDS] in regard to the amendment offered by the Senator from Delaware [Mr. SAULSBURY]. I regret that the Senator from Delaware is not here; but I understand the Senator from Nevada to say that the Senator from Delaware had offered an amendment which permitted a review by the courts of the orders and decisions of the commission. I have what I think to be the only amendment offered by the Senator from Delaware on that subject, and I wish to call the attention of Senators to it.

On page 21, strike out lines 15 to 22, inclusive, and insert:

If any corporation fails or neglects to obey any order of the commission while the same is in effect, the commission, or any person for whose benefit such order was made, may file in the district court of the United States within any district where the method in question was used, or where such corporation is located or carries on business, a petition setting forth briefly the grounds on which relief should be granted the petitioner and the order of the commission in the premises. Such suits in the district courts of the United States shall proceed in all respects like other causes or actions, except that on the trial of such cause or action the findings and order of the commission shall be prima facie evidence of the facts therein stated, and except that the petitioner shall not be liable for costs in the district court nor for costs at any subsequent stage of the proceeding, unless they accrue upon his appeal. If the petitioner shall finally prevail, he shall be allowed a reasonable attorney fee, to be taxed and collected as a part of the costs of the suit. All petitions for the enforcement of an order of the commission under this section shall be filed in the district court of the United States within one year from the date of the order, and not after. And said court is hereby authorized to enter such judgment, order, or decree as may be appropriate in such cause or action.

It will be seen that under the amendment of the Senator from Delaware no relief whatever is given to the party or the corporation against whom the order is made. He has no right under this to seek a review by the court. If this amendment were adopted, there would then be no question whatever but that the court would have no power to review on the application of a person against whom the order was made. Under the principle that the expression of the one excludes the other, any other proceeding by the court than a review of the order on the application of the Government or on the application of the party in whose behalf it was made could not be had.

Mr. BRANDEGEE. I wish to ask the Senator from Nevada in relation to the statement he made a few minutes ago. If I understood him correctly, he said that his position was based upon this, that inasmuch as the Constitution gives Congress the power to regulate commerce among the States, Congress may authorize an administration commission to regulate commerce, provided it lays down the rule within which the commission shall act. The Senator from Nevada states that this bill does provide a definite rule within which they shall decide what unfair competition is. I should like him to state what that rule is.

Mr. NEWLANDS. I will state that the phrase "unfair competition" has both an economic and a legal significance.

Mr. BRANDEGEE. Which does the Senator think the commission is bound to follow, or both?

Mr. NEWLANDS. The legal significance, and the legal significance is the same as the economic significance. This matter has been discussed now for 20 years. There is hardly an economic writer who has not spoken of unfair competition as expressing something else than the mere offense of passing over, to which it was originally confined. There is hardly a court that has acted in any large trust case that has not used the words "unfair competition" as words of perfectly ascertainable meaning. Those words have been used in not only carefully considered decisions of courts but in decrees themselves.

I do not profess to be either able or willing to stand here and answer every possible conundrum that may be proposed to me in possible cases arising under this phrase, with all kinds of fine distinctions, and so forth. All I say is that we have laid down the rule and we propose a tribunal to administer that rule, and that is the regulation of commerce under the Constitution. That regulation can not take away any man's right of property; it can not confiscate it; nor can the power be exercised except within the limits of the authority. The courts can intervene at any moment to protect either property against confiscation or an individual against an unauthorized act by a commission of this kind.

Now, we can, if we choose, go further and give a right of review; and that is being considered by the Senate and it will be presented in various amendments. That review may be confined to the law, and it may cover both the law and the facts.

I was greatly amused with the facetious speech of the Senator from Connecticut. It was amusing to us all. Of course he could hardly be serious in the exaggerated view that there is no difference between a criminal prosecution and a proceeding in equity by injunction; that there is no difference between a proceeding which lands a man in jail as the result of an indictment and a proceeding under which the defendant can absolutely protect himself from going to jail by obeying the judgment of the court given under the Constitution and the law.

So, from the terrors that the Senator depicts of criminal proceedings and landing in jail all citizens of the Republic are quite exempt. This power has been exercised by the Interstate Commerce Commission, the power of making an order to cease and desist. These orders have been enforced by the court. There have been no terrors connected with the proceedings, except perhaps of evildoers who might finally land, through really criminal proceedings, in jail, just as the man whom we seek to control in these practices could finally land in jail through a perfection of monopoly.

Mr. President, the business man of this country has no fear of this method of inquiry. He wants a tribunal of experts consisting of lawyers and economists and men trained in business to act in judgment upon business matters.

The boards of trade of this country have been almost unanimous in their indorsement of such a proposal, with a full knowledge of all of the provisions presented to them by the National Chamber of Commerce through a referendum. These chambers have been debating this matter for months, and the demand has largely arisen from them. They know what they want. The business men have no fear of such a tribunal, nor have they fear of any substantial injustice being done.

Had we yielded to the terrors which the Senator describes we would have never organized an Interstate Commerce Commission. Had we yielded to such terrors we never would have passed the antitrust act. If such terrors are to control, we never will pass any adequate measure that will meet the evils that are apparent to all, of practices in embryo which finally ripen into monopoly.

We are merciful to these men who are thus offending against good morals in business by checking them in their mad career, and we are merciful to the business men of the country when we give them a tribunal in which, without expense to them, they can meet their giant opponents and secure administrative justice.

Mr. BRANDEGEE. Mr. President, I had hoped to get some light from the Senator as to what is the accurate definition and rule that he has laid down for this commission to delimit its powers with.

The Senator has referred to my facetious speech. I will do him the compliment to say that I consider his to have exceeded mine in that line. When the Senator says, in answer to the inquiry of another Senator as to what the thing in this bill which is declared to be unlawful is, he is met with the response that the chairman of this committee does not care to stand here to answer conundrums and to go into the refinements of distinction, and flippantly waves his hand and waves them all into thin air.

If Congress is declaring something to be unlawful, the people of the country are entitled to know what we mean by that language, and the Senator from Nevada does not know. If he does, he failed to state it.

Mr. NEWLANDS. Mr. President, I have stated again and again that in my judgment this phrase covers all practices——

Mr. BRANDEGEE. I do not yield to the Senator at this time.

Mr. NEWLANDS. Against morals and——

Mr. BRANDEGEE. The Senator must not interrupt me, as I did not interrupt him.

The Senator says that "unfair competition" means what it means in law and what it means in economics. I do not know what economists say about unfair competition, neither do I know whether they agree in what they say about it, and I do not believe the commission who are sitting in judgment as between two corporations of this country, one of which is charging the other with having gotten some of its business which it otherwise would have gotten by unfair methods of competition, would get the slightest illumination from these anonymous economists who exist in the Senator's mind. Economists do not make the

statutes and they do not make the laws of this country, neither do magazine writers nor charitable institutions nor boomers of particular cults or factions; but the Congress of the United States is declaring something or other to be unlawful here, and it is alleged that the business men of this country are demanding that legislation. Now, I deny it.

Mr. President, I have been a member of this committee for three or four years. I sat for months in 1911 under a resolution introduced by the Senator from Minnesota [Mr. CLAPP], and we took testimony to the extent of three volumes as large as that [exhibiting], which may be had by any Senator, as to whether any additional legislation was necessary or not to enforce the Sherman law in this country. There appeared before our committee representatives of pretty nearly every class of people in the country—if it is proper to speak of classes of people in this country—representatives, I will say, of employers and employees and leading lawyers and presidents of chambers of commerce, writers and thinkers on these subjects.

Now, what legislation did the great mass of those people demand of Congress? They did not one of them ask that any statute should be passed prohibiting anybody from doing anything. They said that they wanted remedial legislation. They wanted legislation so that they could know what they could do without violating the Sherman law. Mr. George Perkins came here, and his testimony is all extant and is very informing. I am speaking now simply from memory—I have not read it lately—but Mr. George Perkins, who believes in large units and large corporations and the economies that he says are produced by large units in the industries of this country and in others, and who says that they are necessary to compete with the similar units into which our foreign competitors are organized, wants something that will allow combinations without danger of prosecution under the Sherman law.

I have no doubt the Senators here from the coal-producing States know what the situation is in their States as to the soft-coal industry. The former Senator from West Virginia, Senator Watson, who was a member of our committee, brought on here from West Virginia, that great coal-producing State, representatives of both the large and small coal operators, and they swore before the committee that the condition in that industry was something awful. What they were complaining of was cutthroat competition. They said that the resources in the soft-coal fields were being ruined by the way that industry was compelled to be conducted under the present straightjacket Sherman antitrust law. They said that only the richest mines could be operated, and the competition was so fierce that only that coal could be taken out which was the cream of the mine; that the rest of it was abandoned; that they were skimming the cream and leaving millions upon millions of tons of coal in mines under this unscientific method of cutthroat competition, which could probably not be recovered hereafter, whereas if they were allowed to have a trade commission which would have authority to set the seal of approval of this Government upon an agreement that those otherwise competing coal miners and coal companies might make with each other to stop this wasteful competition, to fix the price of coal higher, it would result in a great economic operation of their coal properties, that the supply would last longer, and that they could all make a little something, instead of only the richest miners or those who had the richest holdings making it all and leaving the rest abandoned.

That was the burden of the refrain of nine-tenths of the expert witnesses who appeared before our committee, and that was the kind of trade commission they were demanding, as they described it, a trade commission that would help business. There has been nobody here demanding a trade commission as an additional scourge to business. No business man has come on here and said that he thought a commission of the Government that should act as a Pinkerton police department or a secret-service agency or a mere smelling committee would help anybody's business.

Mr. NEWLANDS. Mr. President——

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

Mr. BRANDEGEE. I do, for a question.

Mr. NEWLANDS. Does the Senator recall that the Chamber of Commerce of the United States, which is affiliated with all the boards of trade and commerce of the country, has recently had a referendum which presented this bill with all its details, and that upon that referendum the boards of trade and chambers of commerce by a very large majority declared for this measure, and particularly for the provision relating to unfair competition?

Mr. BRANDEGEE. No, I do not; and I deny that it is the fact.

Mr. NEWLANDS. Is the Senator also aware that the Merchant Retailers' Association sent a telegram yesterday, which was put into the RECORD, urging the Senate particularly to adhere to section 5 of the bill?

Mr. BRANDEGEE. Mr. President, I heard the Senator have a telegram read from somebody, I think in St. Louis or some western city, which was immediately exposed by the Senator from Minnesota [Mr. NELSON], as I recall, who said he had received a similar telegram from a similar association in his State and that they were acting under an entire misapprehension of the situation, as I think they are.

I will say when I say that——

Mr. NEWLANDS. Will the Senator permit me?

Mr. BRANDEGEE. Certainly.

Mr. NEWLANDS. The Senator from Minnesota indicated that the dissatisfaction with the proposed law was that the provision was confined to corporations and was not extended to individuals.

Mr. BRANDEGEE. Perhaps if it covers corporations it should be extended to individuals. But that is another question. I am saying that what the Chamber of Commerce of the United States—if that is the institution that the Senator refers to as the national chamber—did was to poll their constituents around this country, and they sent to them a copy of the House Clayton bill as a sample. That is my recollection about it.

Mr. NEWLANDS. They sent a referendum also for the Senate bill.

Mr. BRANDEGEE. Now, there appeared within a day or two of that same occurrence—and I will read it to the Senate later from the testimony, that there may be no mistake about it—some business gentlemen who said they represented I do not know how many millions, over one hundred, I do not know, but several hundred million dollars invested in industries in Indiana.

Mr. NELSON. Mr. President, will the Senator yield to me?

Mr. BRANDEGEE. I yield to the Senator.

Mr. NELSON. Is it not possible that these business men may not know what is for their own good, and that it is wise for us to administer such remedy as we think is best for them?

Mr. BRANDEGEE. I think we ought to act according to the duties and powers of our office. If we are not fit to legislate, we ought to go home and let the business men do the legislating and let us do the business. Probably we would both do better or worse than we do now; I do not know which. But these men from Indiana went to the White House, and they were told by the President that their troubles were purely psychological and they ought to go home and brace up and talk cheerful and chipper, and then everybody else would be chipper. Then they came over to us. The testimony will show what they said. I asked one of them who testified if he and his friends were in favor of a trade commission. He replied that they thought it would be a great thing. I said, "What trade commission bill are you in favor of?" He did not know. I asked him if he thought those whom he represented when they voted had known what was contained in the bill which they said they were in favor of, and he said he did not think they did. I then took the Newlands trade commission bill and read to him what the commission was authorized to do in the inspecting and investigating line, and asked him if that was the kind of a trade commission these business men had petitioned for; and he said, "Oh, no; that is not what we want at all." "Well," I said, "do you not think it would help business to have that?" "No," he said; "I do not." Said I, "Do you think it would restore business confidence if Congress should adjourn?" "I certainly do," he said. Well, that gentleman did not think——

Mr. NEWLANDS. Mr. President——

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

Mr. BRANDEGEE. I do.

Mr. NEWLANDS. The Senator will recall that three associations were represented there, I think, one from Ohio, one from Indiana, and another from Illinois; and whilst one of the gentlemen did respond as the Senator has indicated, the Senator will recollect that the others responded favorably, and that one of them, from Chicago, a very intelligent man, declared that it would be impossible to attempt to define the various trade practices that ought to come under the condemnation of the law, and he said if there were 20 of these practices to-day, and they were forbidden expressly, there would be 20 more invented to-morrow just as effective.

Mr. BRANDEGEE. I agree to that; and I agree that that gentleman was in just the same position of absolutely guiltless

knowledge of what this language means as the Senator from Nevada is in; but the Senator from Nevada is so anxious to get through the Newlands Federal trade commission bill, or the title of it, that he does not care what is in the bill, if he can only get it through and have the framework established.

Mr. GALLINGER. Mr. President——

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

Mr. BRANDEGEE. I yield.

Mr. GALLINGER. Is this the Newlands Federal trade commission bill?

Mr. BRANDEGEE. I think, if you tried to take that title away from it, you would have trouble.

Mr. GALLINGER. I read this, which bears the signature of my colleague:

Moreover, we propose to elect in the place of Senator GALLINGER this fall another man who shares my views on these subjects—Congressman STEVENS, who is the author of the trade commission bill now pending in the Senate.

Mr. BRANDEGEE. As between such high authorities, I would not know how to decide.

Mr. NEWLANDS. The statement read by the Senator from New Hampshire is probably confined to section 5 of the bill. It is a fact that the origin of section 5 is a bill introduced by Mr. STEVENS, of New Hampshire, but I will state further that the very first trade commission bill which I offered in the Senate over three years ago provided against "unfair competition."

Mr. GALLINGER. The junior Senator from New Hampshire [Mr. HOLLIS] did not confine his statement to section 5, his exact words being:

Congressman STEVENS, who is the author of the trade commission bill now pending in the Senate.

I do not know who is the author of this bill.

Mr. SMITH of Michigan. Is that a letter?

Mr. GALLINGER. It is from a letter; yes.

Mr. STONE. What difference does the authorship of the bill make?

Mr. BRANDEGEE. I do not know that it makes any difference who is the author of this bill. The Senator from Nevada, as he says, has had the honor of introducing a great many bills on this subject. No one of them has been like any other one of them, but they have all been trade commission bills, and they have all provided for another Government commission. Nobody knows who is the author of this bill. It is a composite production. It does not proceed upon any particular theory that is coherent or consistent. In section 5——

Mr. NEWLANDS. Mr. President, the Senator is quite correct in stating that it is "a composite production." It was very effectively amended by the Interstate Commerce Committee during the last Congress, when the Senator from Minnesota [Mr. CLAPP] was chairman of that committee. It was only tentatively amended at that time, it is true, and never perfected with a view to its report, for it was not reported. That committee reported no particular bill, but simply made a report covering the general principles of legislation which it recommended; but, among other things, it recommended a trade commission bill. The bill which that committee considered was a bill which had been introduced by myself in 1911, and I have to say that I was very much indebted to some of the Republican members of that committee for valuable suggestions in regard to the bill.

Mr. BRANDEGEE. Mr. President, we did secure the elimination of some objectionable features in the bill, but the Senator from Nevada has stated his views in the written report he has made upon this bill, and in remarks upon his previous bills, as well as on the pending bill, and I should like now to have a little time to give a few views of mine in a more or less connected way.

Mr. STONE. Does the Senator desire to go on this afternoon?

Mr. BRANDEGEE. I am perfectly willing to continue my remarks from day to day or week to week at any time, at the convenience of the Senator.

Mr. STONE. Or from month to month?

Mr. BRANDEGEE. Or from month to month; yes. I yield to the Senator from Missouri.

EXECUTIVE SESSION.

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

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 37 minutes spent in executive session the doors were reopened, and (at 6 o'clock and 3 minutes p. m.) the Senate adjourned until to-morrow, Friday, July 17, 1914, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate July 16, 1914.

SECRETARIES OF EMBASSIES.

George L. Lorillard to be secretary of the embassy at Buenos Aires, Argentina.

Hugh R. Wilson to be second secretary of the embassy at Buenos Aires, Argentina.

Sheldon L. Crosby to be second secretary of the embassy at Madrid, Spain.

SECRETARIES OF LEGATIONS.

Robert B. Davis to be secretary of the legation at Port au Prince, Haiti.

Oscar L. Milmore to be secretary of the legation at Asuncion, Paraguay.

H. F. Arthur Schoenfeld to be secretary of the legation at Montevideo, Uruguay.

William P. Cresson to be secretary of the legation at Panama, Panama.

POSTMASTERS.

NEBRASKA.

Ralph L. Duckworth, Indianola.

NEW YORK.

John A. Ganey, New Hartford.
Glenn F. Pollard, Oriskany Falls.

OKLAHOMA.

J. Lee Smith, Waynoka.
L. B. Sneed, Guymon.

RHODE ISLAND.

Thomas F. Cavanaugh, Woonsocket.

SOUTH DAKOTA.

William Lowe, Madison.

VIRGINIA.

Thomas S. Burwell, Lexington.
Robert J. Northington, South Hill.

REJECTION.

Executive nomination rejected by the Senate July 16, 1914.

G. T. Breckenridge to be postmaster at Paragould, Ark.

HOUSE OF REPRESENTATIVES.

THURSDAY, *July 16, 1914.*

The House met at 12 o'clock noon.

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

Thy spirit, O God our Father, be upon us to uphold, sustain, and guide us in every act looking to the larger application of justice, that every man, woman, and child throughout the length and breadth of the land may have an equal chance to live, grow, and enjoy the fruits of their own labors; that wrongs may be righted, discords cease, and every virtue encouraged; that brotherly love may have its sway—each for all and all for each. In the spirit of the Master. Amen.

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

SWEARING IN OF A MEMBER.

Mr. UNDERWOOD. Mr. Speaker, the credentials of Hon. W. O. MULKEY, elected a Member of Congress from the third district of Alabama, are on the Speaker's table, and I ask that the oath of office be administered to him.

The SPEAKER. The Chair has examined the gentleman's credentials and finds them correct.

Thereupon Mr. MULKEY, accompanied by Mr. UNDERWOOD, appeared at the bar of the House and took the oath of office prescribed by law.

PAYMENTS UNDER RECLAMATION PROJECTS.

The SPEAKER. By order of the House, in effect this is Calendar Wednesday, and the bill that came over from yesterday is the bill S. 4628, the irrigation bill. Before going into Committee of the Whole House on the state of the Union, the Chair, at the request of the gentleman from Alabama [Mr. UNDERWOOD], announces that as soon as the House adjourns this afternoon there will be a Democratic caucus held in the Hall for the purpose of electing Members to fill vacancies on committees.

Mr. TAYLOR of Colorado. Mr. Speaker, before going into Committee of the Whole, I want to inquire if we can not agree upon a limit for general debate?

The SPEAKER. Has the gentleman any suggestion to make?

Mr. TAYLOR of Colorado. I am willing to agree to one hour on a side, or two hours on a side, if necessary. I will ask unanimous consent that general debate on this bill be limited to four hours, one half to be controlled by myself and the other half by the ranking minority member of the committee, Mr. KINKAID of Nebraska.

The SPEAKER. The gentleman from Colorado, pending going into Committee of the Whole, asks unanimous consent that general debate on the irrigation bill be limited to four hours, one half to be controlled by himself and the other half by the gentleman from Nebraska [Mr. KINKAID].

Mr. FOSTER. Mr. Speaker——

Mr. MANN. Reserving the right to object——

Mr. FOSTER. I want to inquire if debate will be restricted to the subject of the bill?

Mr. TAYLOR of Colorado. I am perfectly willing—in fact, would be glad—to so limit it.

Mr. MANN. Mr. Speaker, this is one of the most important bills that has been before Congress for a long time. I do not know how much debate gentlemen desire to have upon it, but in view of the fact that the two gentlemen who are to control the time are both in favor of the bill—and I have no objection to that—I do not think the time ought now to be limited.

Mr. TAYLOR of Colorado. I will say to the gentleman from Illinois that I am perfectly willing to give those who are opposed to the bill one-half of the time.

Mr. MANN. The gentleman would not be able to carry that into effect if the time was limited and those opposed to the bill wanted two hours.

Mr. TAYLOR of Colorado. I do not think they would make any unreasonable request. If those who are opposed to the bill want half of my two hours, I will give it to them. Personally I would like to have less general debate than that if we could agree upon it.

Mr. BURKE of South Dakota. Mr. Speaker, I desire to make this observation: The debate, as I understand it, is to be on the bill.

Mr. TAYLOR of Colorado. I hope so, if we can agree to it.

Mr. BURKE of South Dakota. I presume that the gentleman from Illinois and some others, who may think as he does about it, may want to talk when the bill is under consideration under the five-minute rule. I am opposed to the amendment of the committee, which strikes out section 16 from the bill. I want to discuss it at some length. I do not care to discuss it in Committee of the Whole under general debate when there is no one here. I would rather see the time for general debate limited, and then have an understanding that under the five-minute rule there shall be considerable latitude in discussing the different provisions of the bill.

Mr. TAYLOR of Colorado. I would be very glad to agree to that.

Mr. UNDERWOOD. Mr. Speaker, if the gentleman will yield, I want to say that I think this bill is a very important one. It does not affect my own constituency, but I realize the importance of the bill to the western country. I am in hopes that the bill will be modified to some extent and then passed. I think the bill ought to be amended to some extent before it becomes a law, and then it ought to pass.

I have no objection to giving the settlers 20 years instead of 10, but there are some other provisions in the bill that I would like to see changed. But what I wish to say is this: I do not think we will accomplish anything by agreeing to four hours of general debate to-day. I believe it will be absolutely wasted. I would like to see the debate on this bill limited to two hours, with the understanding of gentlemen in charge of it that we will have a reasonable latitude for debate under the five-minute rule. I do not think it is necessary to make an agreement as to that, for the House always lives up to a gentleman's agreement. Let us have some latitude under the five-minute rule, and two hours of general debate. I will ask the gentleman to modify his request to that extent.

Mr. MONDELL. Mr. Speaker, reserving the right to object, I want to make this observation: There are many Members of the House who are not at all familiar with the provisions of the reclamation law, and they can not well become familiar with the provisions of the reclamation law by the discussion which would be had under the five-minute rule. There ought to be some discussion in general debate on the general provisions of the bill, in order that Members may be informed as to the entire matter, before we begin the discussion of the provisions in the bill.

There ought to be latitude of debate under the five-minute rule; personally I should like to make a general statement of 20 or 25 minutes, as to the law and the workings of the law and the reasons why it is necessary for these modifications. That can not well be done under the five-minute rule.

Mr. TAYLOR of Colorado. What does the gentleman from Wyoming suggest?

Mr. MONDELL. I think if we make an agreement at all it should be for four hours; that would be satisfactory, with the hope that the discussion be confined to the bill. Of course if, before that time, gentlemen get through with the discussion on the bill, the debate ought to close.

The SPEAKER. The Chair will state to the gentleman from Iowa that he understands the gentleman from Illinois [Mr. FOSTER] makes it conditional that he will object unless the debate is confined to the bill.

Mr. FOSTER. I think the Speaker hardly got my idea——

The SPEAKER. The Chair wants to get it. The Chair wants to ask the gentleman from Nebraska [Mr. KINKAID] a question of his own. Both the gentleman from Colorado [Mr. TAYLOR] and the gentleman from Nebraska [Mr. KINKAID] are for this bill. The Chair does not know that there is a soul in the House who is against it, but it is a wretched, bad practice to have all the time on any bill controlled by one side. The gentleman from Colorado [Mr. TAYLOR] says he is willing to yield one-half of his time to anybody who is opposed to the bill. Is the gentleman from Nebraska [Mr. KINKAID] of the same frame of mind?

Mr. KINKAID of Nebraska. I think that would be a very good disposition of the time. We might select some one who was representing the opposition, and let him control the time on that side.

The SPEAKER. No; the Chair does not suggest that.

Mr. MANN. Oh, no.

Mr. KINKAID of Nebraska. That is, to sublet it. The gentleman from Colorado [Mr. TAYLOR] and I can divide the time; but, as far as I am concerned, I have thought of letting some one who is opposed to the bill parcel out the time to those who are opposed to it.

The SPEAKER. The reason the Chair made the remark is that he has seen the time here when it was almost impossible for any Member to get any time against a bill, because the proponents of the bill monopolized the whole thing.

Mr. TAYLOR of Colorado. The gentleman from Nebraska [Mr. KINKAID] will yield, will he not, time to the opponents of the bill?

Mr. KINKAID of Nebraska. That is satisfactory to me.

The SPEAKER. The gentleman from Colorado [Mr. TAYLOR] asks unanimous consent——

Mr. MORGAN of Oklahoma. Mr. Speaker, reserving the right to object, this is a bill of very great importance to my people, and I would not like to give unanimous consent unless it is understood that I can have 30 minutes in which to discuss this bill in general debate.

The SPEAKER. The Chair suggests to the gentleman that he negotiate with the gentleman from Colorado [Mr. TAYLOR] or the gentleman from Nebraska [Mr. KINKAID].

Mr. MANN. As far as I am concerned, I am perfectly willing that the time be divided equally between the two gentlemen, and take chances on that; but I am not willing, under these conditions, to agree to closing general debate at this time.

The SPEAKER. Is there objection?

Mr. MANN. Mr. Speaker, I object.

The SPEAKER. The gentleman from Illinois objects.

Mr. MANN. It will save time to have an understanding that the time be controlled by the two gentlemen.

Mr. TAYLOR of Colorado. I ask unanimous consent that the time for general debate be controlled one-half by the gentleman from Nebraska and one-half by myself.

The SPEAKER. The gentleman from Colorado asks unanimous consent that the time for general debate be controlled half and half by himself and the gentleman from Nebraska [Mr. KINKAID]. Is there objection?

Mr. TAYLOR of Colorado. I want to make an additional request—that the debate be confined to the bill.

Mr. MANN. I shall object to that, although I hope gentlemen will start in with a lot of other debate; but somebody might want time for something else.

The SPEAKER. You had better leave out that condition, then.

Mr. TAYLOR of Colorado. All right, then. I will withdraw that latter part of the request.

The SPEAKER. The gentleman from Colorado asks unanimous consent that one half of the time for general debate be controlled by himself and the other half by the gentleman from Nebraska [Mr. KINKAID]. Is there objection?

Mr. MADDEN. Reserving the right to object, the request should provide that these two gentlemen be required to yield half the time——

The SPEAKER. They have already agreed to, and the Chair will take their word for it.

Mr. MADDEN. I think the House ought to have something to say about it.

The SPEAKER. Of course. The Chair thinks that, too. Does the gentleman add that?

Mr. MANN. I think that is unnecessary.

Mr. MADDEN. Then, I will withdraw the suggestion.

The SPEAKER. The gentleman withdraws it. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The SPEAKER. The gentleman from Virginia [Mr. FLOOD] will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 4628) extending the period for payment of reclamation projects, and for other purposes, with Mr. FLOOD of Virginia in the chair.

Mr. TAYLOR of Colorado. Mr. Chairman, I desire to say to the House that in view of the statement of the Speaker that there is a notice out for a Democratic caucus in this room immediately after the adjournment of to-day's session, to fill some vacancies in committees, I will notify the Members that I will ask the committee to rise about 5 o'clock this afternoon. Will the gentleman from Nebraska [Mr. KINKAID] now consume some of his time?

Mr. KINKAID of Nebraska. Yes, Mr. Chairman. I will yield 30 minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, there is a general desire among those favorable to this legislation to consume as little time as possible in general debate. I certainly share in that desire and feeling in regard to the matter. I should take no time at all in general debate if it were not for the fact that there are quite a number of gentlemen in the House who were not here at the time of the passage of the reclamation law, who are not familiar with that law and its working, and it has occurred to me that a general statement of facts and figures with regard to the operations under the reclamation law might be helpful in the consideration of the measure under the five-minute rule.

It was my good fortune to belong to and be a member of the unofficial committee of 17, representing the Western States and Territories, that drafted the original reclamation act. I was a member of the Committee on Irrigation of Arid Lands that considered the act in committee. I had the honor of reporting the bill to the House and had charge of the debate, and President Roosevelt was kind enough to hand to me for my State the pen with which the act was signed. I was also the author of the legislation under which a loan of $20,000,000 was made to the reclamation fund. I live in the part of the country in which these projects are being developed, and have kept in close touch with that development, not only in my own State, but throughout the West. I have personally visited many of the projects under construction, and think I am fairly well informed as to the conditions under which this great work has developed, and the present situation with regard to the projects, both from the engineering standpoint and the standpoint of the men who are trying to conquer the desert, and make homes in the wilderness under these great projects.

PROMISED BY THE REPUBLICAN PLATFORM.

Mr. Chairman, I want to say that while this is not in any way a party measure, and should not be so considered, for it has had and has support on both sides of the House, gentlemen on the Republican side of the House should not forget that in the passage of this legislation, as in the passage of some other legislation that has been presented by our friends on the other side, we are simply carrying out Republican platform pledges. The last Republican national convention made this declaration:

> We favor the continuance of the policy of the Government with regard to the reclamation of arid lands. For the encouragement of the speedy settlement and improvement of such lands we favor an amendment to the law which will reasonably extend the time within which the cost of any reclamation project may be repaid by the landowners under it.

So that this Congress, controlled by a Democratic majority, has in this legislation acted in accordance with the platform pledges of the Republican Party, confessing, of course, as in many other matters, that the only wise legislation that can be had is legislation that has been recommended and pledged by our party.

EXTENSION OF RECLAMATION PAYMENTS.

Mr. Chairman, the reclamation law of June 17, 1902, authorized the Secretary of the Interior to make examinations and surveys for, and to locate and construct, irrigation works for the storage, diversion, and development of waters for the irrigation of arid lands in certain western public-land States to which, by subsequent enactment, the State of Texas was added. The funds for this work were to be derived from the proceeds of the sale of public lands. These funds proving inadequate for the completion of projects which have been undertaken as rapidly as the public interest seemed to demand, the act of June 25, 1910, provided for advances from the Treasury to the reclamation fund of sums not to exceed in the aggregate $20,000,000.

The receipts from the sale of public lands flowing into the reclamation fund up to the end of the fiscal year ending June 30, 1913, amounted to $81,504,919.82, to which is to be added the available loan of $20,000,000. The expenditure on account of all projects and undertakings up to April 30, 1914, amounted to $86,374,066.01. Twenty-seven primary projects have been undertaken. The estimated area of the irrigable lands under these projects when completed is 2,447,966 acres. Of this area 1,015,064 acres were public lands and 1,432,902 acres are in private or State ownership.

PRESENT STATE OF PROJECTS.

The Reclamation Service is at this time prepared to furnish water for irrigation to 1,261,704 acres, of which 28,732 is public land which on the 1st of May was unentered and approximately 50,000 acres are State lands unirrigated. It is estimated that 886,967 acres of the lands for which water is available are actually being irrigated the present season. Taking from the total of the lands for which water is available the public lands still unentered and the 50,000 acres of State lands leaves 296,014 acres included in farms occupied by owners or entrymen which have not yet been actually brought under cultivation. It ordinarily requires from three to five years from the beginning of irrigation for the owner or entryman to get all of his land under water and cultivation; therefore this difference between the acreage of land occupied and the acreage cultivated will eventually be wiped out as to these lands.

PAYMENTS DUE.

On the 27 primary projects above referred to there are 9,645 users subject to building charges, in addition to which there are 1,263 persons having old or preexisting rights not subject to building charges, but which are subject to operation and maintenance charges. Up to the date of the last report available there has been returned to the reclamation fund in the payment of building charges $2,915,303, and on account of operation and maintenance charges there has been paid $1,855,141, or a total of $4,770,444. The reclamation law provides for the return to the reclamation fund of the estimated cost of constructions in 10 years.

Very soon after the first payments became due it became apparent that, owing to a variety of circumstances and conditions, entrymen and owners would not be able to meet their payments if they were divided into 10 equal annual installments. The Secretary of the Interior therefore, by regulation, provided for a system of graduated payments, beginning with a sum considerably less than one-tenth of the total charge and gradually increasing in amount so as to cover the entire building charge in 10 years. On a considerable number of projects, at least, this arrangement might have proved permanently satisfactory and landowners and entrymen might have been able to meet these payments had conditions been as favorable as was anticipated, and particularly had the cost per acre remained as low as was originally expected or estimated.

FORMER ESTIMATES OF COST.

When the reclamation law passed a cost of $25 an acre for a water right was, in most parts of the arid West, considered high, and the original estimates of the Reclamation Service were even less than that as to some of the projects. For instance, on the Minidoka project in Idaho and the Truckee-Carson project in Nevada the original estimate was $22 an acre; on the Huntley project in Montana $30 an acre; on the Carlsbad project in New Mexico $31 per acre. The actual cost on these projects will run from $40 to at least $55 per acre, and on some of the projects of considerable area the construction cost will be upward of $65 an acre; on a few in the neighborhood of $100 per acre.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield at that point?

Mr. MONDELL. Certainly.

Mr. MURDOCK. What is the reason for that tremendous discrepancy?

Mr. MONDELL. I propose to discuss that. If I do not go into it sufficiently in detail, the gentleman may interrupt me a moment later.

CAUSES OF INCREASED COST.

These increases of cost arise from a variety of causes, which in the limited time I have for the discussion of the matter I can not go into in detail. But in addition to these increased costs are a variety of causes not fully realized at the time the reclamation law was passed, which render it difficult for any landowner or entryman to meet his payments in 10 years, and utterly impossible for the owner or entryman of limited means, who most needs a home, to do so. On many of the projects—in fact, nearly all of them—the cost of clearing, leveling, and preparing the land for the growth of crops has been greater than anticipated. The cost of the necessary buildings and other improvements has been greater than was calculated. Furthermore, on many of the projects it has required a longer time than was expected to bring these wild lands, lacking in vegetable mold or humus, to grow the kind of crops which would bring the best return. In some localities unexpected seepage and waterlogging has occurred, which, though it has been or will be remedied by drainage, for the time being deprives the owner or entryman of the full use of his land.

I have not discussed the reasons for the increased cost of construction which, perhaps, the gentleman from Kansas [Mr. MURDOCK] had in mind. That arose from a variety of causes. It arose very largely from the very general increase and advance in the cost of material and in the wages of labor about the time the reclamation law went into effect. The eight-hour provision of the law also had some effect. It also came about by reason of the fact that the reclamation engineers, in the first instance, based their estimates very largely on private construction. Mr. Chairman, it is notorious that Government construction costs more than private construction. I do not mean to say that it costs the Government any more to get the same amount of work done, to secure the same results, than it does a private individual, but it is necessary, apparently, under Government construction, Government supervision, to be more thorough than it is often considered necessary to be in this class of construction by private enterprise. For one thing the Government engineers feel compelled to require the contractor to finish his work better, perhaps, than as a practical proposition it is essential it should be done. The gentleman realizes how an engineer of the Reclamation Service, like an Army engineer on river and harbor work, would be subject to criticism if he allowed the contractor to leave the work with an unfinished and slovenly appearance, although the work might for practical purposes be perfect. A private contractor could let a contract with a view of having the work completed without what they call a "sandpaper finish," and have the work done more cheaply, and possibly in the long run it would be just as good. I do not think we ought to criticize Government engineers because of the necessity, as they understand it, of finishing work perfectly. Further, a private constructor may figure and believe that he can get along with wood structures or relatively light or temporary structures for a part of his work. The Government engineer feels that he would be subject to criticism if he did not build all of his work practically for all time. The result is that we use concrete and stone almost exclusively for this work, for turnouts, and for the minor structures, as well as the larger structures, with the result that the cost is higher than was anticipated, based as it was largely on construction not so permanent in character, not so well finished.

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

Mr. MONDELL. Certainly.

Mr. MURDOCK. Aside from the causes the gentleman has given, it struck me, from the fact that he said the original estimates were $25 an acre and in some cases they had reached as high as $65 an acre, that possibly some unusual physical obstacle had been met with. Is not that true?

Mr. MONDELL. That is true in some cases, and the gentleman understands this, that in some cases the increase of cost has been due to unexpected seepage and necessity for drainage. A project in my State has been increased in acre cost $5 or $6 on account of the necessity of constructing a complete drainage system, and a drainage system. I will say to my friend, that could not have been anticipated by the best irrigation engineers at the time the project was undertaken, for the country has every indication and appearance of a territory that would be naturally perfectly drained. The engineers, not being able to look down below the surface, were unable to determine as to conditions that no one anticipated, which necessitated drainage at considerable cost. That is true on many of the projects.

Mr. MURDOCK. What was the cause where the cost has reached $65 an acre? Was that one of those cases of unforeseen seepage?

Mr. MONDELL. The projects on which very low estimates were made were the first projects undertaken. On some of the projects more recently undertaken the estimated price was $50 or $60 an acre at the beginning. They are more difficult; they were not the character of projects which were anticipated to be undertaken as the first projects when the law was passed. They were undertaken later because it was believed that the land values were enough to justify the expenditure of that amount. For instance, on one project in Idaho we have spent $34 per acre for the whole project for storage alone. In addition to all the cost of the construction of the ditches the storage works alone lay that enormous cost upon the land, and yet I think that no one who knows the situation of the Boise Valley will doubt, if not the propriety of undertaking that work at this time, at least the fact that the work will be paid for.

Mr. MOORE. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. MOORE. The gentleman dealt only with the construction cost when he mentioned $25 to $65 per acre?

Mr. MONDELL. Yes.

Mr. MOORE. Is there an original land-value cost in addition?

Mr. MONDELL. There is no land value that the Government is interested in primarily for this work. These lands are of two classes. They are either privately owned lands—I have just given figures of the two classes—they are either privately owned lands, which are pledged to the repayment of the expenditure before the project is undertaken, or they are public lands which are entered under the provisions of the homestead law with the obligations of the irrigation law added thereto.

Mr. MOORE. Whether private or public lands, they come under the reclamation law?

Mr. MONDELL. They come under the reclamation law, because there are public lands on all projects and practically all projects have some private lands.

Mr. MOORE. I asked the question with regard to the cost to ascertain if the gentleman could tell what the price of the land to the farmer would be when it was in a state of cultivation.

Mr. MONDELL. Well, in some cases farmers, whose lands are to be irrigated, did spend large sums of money attempting to irrigate them before the Reclamation Service took charge, and in some cases as much as $50 an acre had been spent on the lands before the Reclamation Service took up the project. Of course such owners must have laid upon that original investment whatever is the burden of the reclamation charge. In addition to that the reclamation law requires a subdivision of privately owned lands and will not allow anyone to secure a water right for more than 160 acres, so that the owner of large areas must subdivide and sell the excess. On some projects the excess amount is sold for a considerable sum. On most of the projects in the North the selling price has been comparatively low, but on the Salt River project, for instance, they have sold lands as high as $80 an acre, perhaps more, in addition to which must be the burden of the reclamation charge.

Mr. MOORE. If it costs $25 to $65 an acre, taking the extreme figures which the gentleman gave, to prepare the land for cultivation, $80 an acre would be a fair selling price?

Mr. MONDELL. Twenty-five dollars to sixty-five dollars. Does the gentleman mean the cost of the land ready for cultivation; is that what he has in mind?

Mr. MOORE. That I understood to be the construction cost.

Mr. MONDELL. That is the construction cost.

Mr. CARR. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. CARR. The gentleman has stated that the amount of money that has been appropriated or received from the sale of public lands has been about $81,000,000.

Mr. MONDELL. Up to last June, a year ago.

Mr. CARR. A further appropriation of $20,000,000 has been made which would bring the total amount up to $101,000,000.

Mr. MONDELL. Yes, sir.

Mr. CARR. Now, having already expended more than $86,000,000 in this project, the Commissioner of the Reclamation

Service testified before the Committee on Appropriations that the probable cost on the completion of the 3,000,000 acres of land now in progress of irrigation would amount to about $165,000,000, or an average of $55 an acre. And what I wanted to ask the gentleman, if he knows, is whether the amount that will probably be received in the future from the sale of public lands will be sufficient to complete these projects?

Mr. MONDELL. Well, the gentleman asks me for an expression of opinion which might or might not be valuable; it will all depend upon what the income from the sale of public lands is. If the income from the sale of public lands is large enough, yes. If it decreases and diminishes, no; but the gentleman is not entirely accurate in his figures as to the estimate of the total cost of these primary projects. The last estimate which I have here is $149,051,407. Of course, it is a question that can not very well be known by any of us at this time just where we are going under this fund. If we can receive into the fund $10,000,000 a year these projects can be carried on and extended possibly as rapidly as it is necessary to carry them on, although the people who live in the vicinity of the projects would very much prefer to have their construction expedited, but that is a matter that we can not decide at this time here in connection with this discussion.

Mr. CARR. Does the gentleman recall the acreage of the land irrigated which is now water-logged?

Mr. MONDELL. No; no one knows the exact acreage, but it is not very great in the aggregate and is being reduced by drainage.

Mr. CARR. I recall the commissioner testified that these projects did not take into contemplation the clearing of these lands of their water-logged condition.

Mr. MONDELL. I am inclined to think the gentleman is mistaken about that.

Mr. CARR. Let me ask the gentleman this question——

Mr. MONDELL. Well, I want to answer that proposition. There were some rather loose statements made in connection with that situation, and the figures of actual irrigable lands which I have given are the figures after all nonirrigable lands are eliminated, and the total that I have given of $149,051,000 is the sum for the complete construction of these projects, drainage included. So that the figure that is given includes the drainage.

Mr. CARR. You have already expended, according to your figures, $86,000,000.

Mr. MONDELL. Yes.

Mr. CARR. Now, the commissioner testifies it would take perhaps $165,000,000 to complete the project?

Mr. MONDELL. I do not agree that anyone in authority has testified that it will take $160,000,000 for the construction of the projects undertaken. It will take approximately $150,000,000. But I do not see that that really has anything to do with the discussion. And while I would like to yield to the gentleman, my time flies.

Mr. CARR. Three million acres?

Mr. MONDELL. Less than 3,000,000 acres. The fact that the cost is going to be so heavy before we get these lands all under irrigation is a very strong argument in favor of the extension of the payments.

EFFECT OF SUGAR DUTY ON PROJECTS.

While I do not want to inject into this discussion anything political in character, as that is never my disposition in any discussion, I can not properly refrain from referring to the effect of the policy relative to the sugar-beet industry inaugurated by the Underwood tariff bill on many of these lands. There are a number of projects whose lands are peculiarly adapted to the growing of sugar beets; in fact, most of them are adapted to that class of agricultural industry. With a duty on sugar sufficient to make the growing of sugar beets and the manufacture of beet sugar successful in this country, it was anticipated and logically expected that in a comparatively short time most of these projects would secure beet-sugar factories and the people engage to a considerable extent in the growing of sugar beets. This was a consummation devoutly to be wished and confidently looked forward to; for the sugar beet not only thrives well on most of these lands, but the cultivation of the beet enhances the value of the land for other crops. The presence of a beet-sugar factory furnishes employment for some months each year to a considerable number of persons, and the by-products of the factory are helpful to the dairying and stock-raising industries by furnishing a large amount of nutritious and fattening stock food.

While the reduction which has already taken place in the duty on sugar under the Underwood bill is probably not enough in itself, if that were the end of it, to render the sugar-beet industry impossible on these areas, the ultimate free trade in sugar, which the bill provides, if it should bring the reduction in the price of sugar which it was claimed it would, will render impossible the production of sugar from beets on these lands.

Of course, if the wiping out of the tariff does not produce a lower price for sugar, as the reduction of the tariff has not, it may be claimed that the beet-sugar industry would still be possible; but that view entirely overlooks the fact that under free sugar the importer could lower his price without loss long enough to bankrupt the American sugar producer and then raise it again. In this condition of uncertainty no one seriously contemplates or expects the erection of new beet-sugar factories. Leaving out of the discussion the question as to the wisdom, propriety, or advisability, from a national standpoint, of wiping out the tariff on sugar, the fact remains that as to these communities the Government has, since it made its original contract or offer with regard to the irrigation of their lands, adopted a policy which deprives them of an important source of income which they were justified in believing would be available to them.

Mr. RAKER. Will the gentleman yield?

Mr. MONDELL. Yes, sir.

Mr. RAKER. What particular project is there where there has been any decrease in the acreage since the passage of the Underwood tariff bill?

Mr. MONDELL. The acreage of sugar beets?

Mr. RAKER. Yes. What project?

Mr. MONDELL. I am not fully informed as to the decrease of the acreage of sugar beets since the passage of the Underwood bill. I presume there has been, but I do not know as to that. But the gentleman knows, as I know, that sugar-beet enterprises that were projected for these areas before the passage of the Underwood bill have been entirely abandoned, and while there should have been a large increase of the amount of sugar beets grown there has been no increase of the acreage and there has probably been a considerable decrease. I know that in my own State we would probably have had one or two sugar-beet factories under the process of erection at this moment if it had not been for the passage of the Underwood bill. And that is true of Nevada, Colorado, Montana, as well as Wyoming.

Mr. ROBERTS of Nevada. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. ROBERTS of Nevada. Is it not a fact, in answer to the question of the gentleman from California [Mr. RAKER], that in the State of Nevada, where the Truckee project is, one of the largest irrigation projects in the world, a sugar-beet factory was erected in 1910 and was running full blast, but has closed down and all the farmers have quit raising beets? It is as silent as the tomb to-day.

Mr. MONDELL. That is a pretty conclusive answer to my friend from California [Mr. RAKER].

Mr. KENT. Does the gentleman from Wyoming [Mr. MONDELL] know what became of all those beet factories that were going to be built for the purpose of defeating the Underwood bill?

Mr. MONDELL. I did not understand the gentleman's inquiry.

Mr. KENT. What happened to all those beet factories that were going to be built for the purpose of defeating the Underwood bill?

Mr. MONDELL. I have not any knowledge of any beet factories that were to be built to defeat the Underwood bill, but I do know quite a bit concerning the sugar-beet factories that the Underwood bill defeated. I have positive personal knowledge that factories would have been undertaken but for the Underwood bill, and the gentleman from California knows it just as well as I do.

The CHAIRMAN. The time of the gentleman from Wyoming [Mr. MONDELL] has expired.

Mr. MONDELL. I hope the gentleman from Nebraska will give me a little more time. I have been interrupted a good deal.

Mr. KINKAID of Nebraska. I will yield 20 minutes more to the gentleman from Wyoming.

Mr. MONDELL. I thank the gentleman. I realize there is a great demand for time. I am discussing the matter——

Mr. CRAMTON. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. CRAMTON. In reference to the inquiry of the gentleman from California [Mr. KENT], I would like to suggest that in my district, at the town of Pigeon, although a site had been selected and the building of a beet-sugar factory determined upon, and some of the material was on the ground when the

Underwood law went into effect, the building of the factory has been abandoned.

Mr. MONDELL. The testimony of the gentleman from Michigan is in line with the facts that are known to us all.

I know that in my own State options had been taken on sites for factories, and contracts had been made or were in contemplation for fuel—natural gas—for use of the factories; but they were all abandoned at a considerable loss, the bonus being surrendered, as the result of the Underwood tariff bill. I did not suppose that anybody would be simple enough to deny that sort of thing.

Mr. RAKER. Mr. Chairman, will the gentleman yield there?

The CHAIRMAN. Does the gentleman from Wyoming yield to the gentleman from California?

Mr. MONDELL. Yes.

Mr. RAKER. I want to make first a statement, and then ask a question.

Mr. MONDELL. Make it short.

Mr. RAKER. I observe that the gentleman mentions projects where contracts for improvements had been abandoned. Will the gentleman give the House information as to where on any of these projects it was contemplated to erect a sugar factory that was not erected because of the Underwood tariff bill?

Mr. MONDELL. Oh, yes.

Mr. RAKER. Where?

Mr. MONDELL. The Shoshone project, Big Horn and Sheridan Counties, was a promising site for a factory; elsewhere too numerous to mention. Besides that, a factory closed down on the Truckee-Carson project. A factory was contemplated in the State of Montana, on the Clarkes Fork of the Missouri River—a beautiful, purling stream in the district represented by my handsome young friend from Montana [Mr. STOUT]—and they were practically ready to construct it, and that factory would have utilized beets from the Shoshone project. But of course they could not undertake to build the factory after the enactment of the Underwood bill.

Mr. CARR. Mr. Chairman, will the gentleman yield there?

The CHAIRMAN. Does the gentleman from Wyoming yield to the gentleman from Pennsylvania?

Mr. MONDELL. Yes.

Mr. CARR. Will the gentleman state to the House whether there was anything else that could be raised on these projects?

Mr. MONDELL. Yes; but they had good reason to believe that they would have the oportunity to raise sugar beets. If the gentleman wants to defend free sugar, he has a perfect right to do it. But if I were a Democrat and wanted to defend free sugar, I would defend it squarely and take the consequences. I would not attempt to blow hot and cold and to play fast and loose and pretend you could reduce the price of sugar so low that no one but a peon could make it, and then try to claim that American factories, paying high wages, could continue in business under those circumstances. It is preposterous, ridiculous, and illogical, and the gentleman ought to be ashamed of it. [Applause on the Republican side.]

Mr. CARR. Does the gentleman say that the price of sugar has not been reduced?

Mr. MONDELL. Oh, I am a man of family and a householder and a housekeeper, and I know that the price of sugar to the consumer has not come down; and I know, further, that the Sugar Trust has gained what the United States Treasury has lost by the reduction of the duty.

Mr. CARR. Has the price really come down?

Mr. MONDELL. I explained to the gentleman that so long as the importer has the power to reduce the price and can drop it without losing a cent he will do so as long and as often as it is necessary to put his competitor out of business, and only long enough to do that; and under those conditions no man with money to invest, no farmer with muscle to expend, is willing to go into an industry when he knows that after his investment shall have been made it can all be taken away from him.

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

The CHAIRMAN. Does the gentleman from Wyoming yield to the gentleman from Montana?

Mr. MONDELL. Yes; I yield.

Mr. STOUT. I understood that the gentleman spoke of the contemplated construction of a factory on Clarkes Fork, Mont.?

Mr. MONDELL. Yes.

Mr. STOUT. Is it not a fact that they have been contemplating the construction of that factory for at least 10 or 12 years?

Mr. MONDELL. Oh, no; not that long, because it is not that long ago that that region was in a position to raise beets enough to admit of the construction of a factory. The factory at Billings was constructed only about eight years ago.

Mr. STOUT. Make it eight years ago.

Mr. MONDELL. Then there were scarcely beets enough raised in the Yellowstone and on the Clarkes Fork Valleys to keep the Billings factory going, but as soon as sufficient acreage was obtained they began to discuss the building of a factory on Clarkes Fork; and a distinguished Democrat, a friend of mine and of the gentleman from Montana was down here during the consideration of the Underwood bill pleading with a Democratic Congress to save them from the destruction of their industry of raising sugar beets and their hope of a new factory.

Mr. DONOVAN. Mr. Chairman——

Mr. TAYLOR of Colorado. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman from Wyoming yield to the gentleman from Colorado?

Mr. MONDELL. I do.

Mr. TAYLOR of Colorado. Is not the gentleman in favor of this bill?

Mr. MONDELL. I am, as the gentleman knows.

Mr. TAYLOR of Colorado. Does not the gentleman think that, as friends of the measure, as he and I are, that we ought not to indulge in this tariff talk? [Applause on the Democratic side.] Is not this measure in the interest of the West and in the interest of our constituents?

Mr. MONDELL. Oh, I object to the periodical scoldings that come from that side of the House and to the lectures as to what I shall do and what I shall not do. In the first place, I did not discuss this as a political proposition at all. Sugar is going on the free list, and the gentleman from Colorado [Mr. TAYLOR] who has just spoken knows just as well as I do that of the factories in his State some of them are closed and no new ones will be built.

Mr. TAYLOR of Colorado. Even if that were true, which it is not, what has that to do with this bill? I object to this cheap peanut politics being played and jeopardizing this important measure.

Mr. MONDELL. I am trying to call attention to the fact that these people went onto these projects and made these contracts with the understanding that——

Mr. GORDON. Mr. Chairman, will the gentleman yield to me?

The CHAIRMAN. Does the gentleman yield?

Mr. MONDELL. No; I have not the time. I would like to say a word or two myself.

Mr. GORDON. I would like to know whom they made those contracts with.

Mr. MONDELL. Farmers went on to these projects and made these contracts with the Government with the understanding they were to pay so much per acre for water rights on lands that were valuable, most of them, for sugar-beet production—the best sugar-beet lands in the world. On some of those projects it is best to grow some sort of root crop at the beginning to bring the lands into condition for other crops. I say these people looked forward to sugar-beet production as one of the most certain sources of income. You take it away from them. You say you do it in the interest of the people. Stand by it, and have the courage of your convictions, and then help us to extend the terms of payment that these people are entitled to by reason of the fact that you have taken these opportunities away from them.

Mr. ROBERTS of Nevada. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. I yield to the gentleman.

Mr. ROBERTS of Nevada. I wanted to ask the gentleman if it is not a fact that the gentlemen on the other side were playing politics when they asked the gentleman what factory had closed and what ones had not?

Mr. MONDELL. Yes; that is the fact. I simply called attention to the facts as to the fiscal policy of their party and they get excited and say I am playing politics.

EXTENSION OF PERIOD OF PAYMENTS.

In view of the conditions which now confront and surround entrymen on these projects it is proposed to extend the period of payments from 10 to 20 years, and in doing so to make some changes in the reclamation law which are needed and essential to the successful carrying out and continuation of irrigation enterprises by the Government. On June 23, 1913, the Secretary of the Interior issued public notices under which he readjusted the payments on a number of projects. Under that readjustment there became due, and remains due at this time, the sum of $1,897,406 in building charges.

Mr. RAGSDALE. I desire to call attention to the fact that the gentlemen on the other side of the House are not listening

to their distinguished orator. Many of them are engaged in conversation——

Mr. MANN. The statement is not true. What is the use of making it? I want that to go into the RECORD—that the statement is not true.

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] does not yield. The gentleman from South Carolina is not in order.

Mr. MONDELL. I think it is about time that side of the House learned something about the rules of debate. They may not like the pointed arguments that are being made, but it is their duty to keep silent. The frothy and windy gentleman from South Carolina [Mr. RAGSDALE] can speak in his own time and make his own arguments if he has any which he desires to make.

Mr. RAGSDALE. Mr. Chairman——

Mr. MONDELL. I do not yield, Mr. Chairman.

Mr. RAGSDALE. Nor am I asking the gentleman to yield.

The CHAIRMAN. The gentleman from South Carolina is not in order. The gentleman from Wyoming has the floor.

Mr. RAGSDALE. Mr. Chairman, I rose for a proper purpose, believing myself to be in order——

The CHAIRMAN. The Chair will state to the gentleman that he is not in order unless the floor is yielded him by the gentleman from Wyoming.

Mr. MONDELL. Anticipating action by Congress on the subject of payments the Secretary of the Treasury refrained from making demands for payments due until he can readjust under the new law. And my own opinion is that the passage of this law on this important matter will not reduce the income into the reclamation fund in the next year or two, but that, as a matter of fact, it will have the opposite effect, because under the terms of the bill on a number of projects the payment of 5 per cent will be required where no payments for building charges have heretofore been made. The probability is that the adjustments under the 20-year law will not for the coming year materially reduce the total amount that will come in; but it will readjust them so as to take the load from those who are least able to pay and place a part of the burden on those who are better able to pay it.

I understand that no final figures have been made as to the immediate effect in the matter of payments under the plan, but inasmuch as on a number of projects the payments will not be very materially reduced below the payments now due, and other projects not now paying building charges will have the building charge fixed and the notice issued under which the initial payment is to be made, my own impression is, although that impression is, I admit, rather in the nature of a guess, that the payments for the coming fiscal year will not fall far below, if, as a matter of fact, they do not equal or exceed the amounts now due under the old plan.

EARNEST, HONEST, AND DESERVING FARMERS.

Approximately 10,000 honest, earnest American farmers, most of them with wives and families, have gone upon these lands at the invitation of the Government. They have not only encountered the difficulties and the hardships incident to pioneer life, but added to that have been the peculiar trials and difficulties which surround irrigation development, the winning of arid lands from their aridity, the building of homes and communities in arid and desert places. The soil has not always yielded as quickly or as generously as was expected. The markets have not always developed as promptly or favorably as was anticipated. The hope and expectation of at least one profitable crop has been taken from them by a change in our tariff policy. Added to all this has been the very considerable increase above what was estimated, promised, or fixed as to the cost of the water rights per acre. In this condition of affairs we feel fully justified in asking on behalf of these good people a liberal policy in the matter of payments. Ultimately these projects on which approximately $86,000,000 has been expended will cost, when fully completed and the full acreage is brought in, nearly $150,000,000, but this will all be repaid eventually under the plan we propose. When you take into consideration the fact that we have spent upward of a billion dollars for rivers and harbors, no dollar of which has been repaid to the Government, it surely can not be said that we are asking more than is proper on behalf of these people who are doing the pioneer work of bringing arid and unfruitful acres into bearing and productiveness. The work the people on these projects are doing is not for themselves or their posterity alone, but it is a work which will, so long as time runs and these fluctuating waters flow, redound to the benefit of mankind. They have not simply made two blades of grass grow where but one grew before; they have created orchards, fertile fields, and fruitful gardens where only the cactus, the sagebrush, and the greasewood flourished. They have banished the senseless chatter of the prairie dog and the weird cry of the coyote and substituted for them the sounds of civilization, the laughter of children, and the melody of village bells. They deserve all and more than we ask in their behalf. [Applause.]

I present for the consideration of the House a number of tables, which afford information as to the state of the reclamation fund and status of reclamation projects.

Statement showing, by projects, the estimated area of public and private irrigable lands, the average size of farm unit, the approximate number of homestead and private purchases of water rights, the price per acre for which water has been sold, and the date when payments began to be made.

State.	Project.	Estimated area of irrigable lands under project (acres).			Average farm unit (acres).	Approximate number of homestead and private purchases of water rights.			Price per acre for which water has been sold.		Date when payments began to be made.
		Public.	Private.	Total.		Public.	Private.	Total.	Building charges.	O. and M.	
Arizona	Salt River	20,074	198,526	218,600	40-42						Rental.
Arizona-California	Yuma	74,000	57,000	131,000	40	171	1	172	$55, $66	$1.00	Jan. 12, 1910
California	Orland	4	19,996	20,000	[1]						Rental.
Colorado	Grand Valley	30,070	22,930	53,000	25-55						Do.
Do	Uncompahgre	34,000	106,000	140,000	40-80						Do.
Idaho	Boise	67,711	139,289	207,000	40-80						Do.
Do	Minidoka	96,725	22,000	118,725	40-80	1,115	110	1,225	$22, $30, $40	.75	May 9, 1907
Kansas	Garden City		10,677	10,677	[1]				$37.50		[2] Mar. 6, 1908
Montana	Huntley	29,213	3,192	32,405	40-52	542	9	551	$30, $50	1.00	May 21, 1907
Do	Milk River	72,000	147,557	219,557	80-92						Rental.
Do	Sun River	74,974	31,372	106,346	40-80-62	187	11	198	$30, $36	1.00	Mar. 26, 1908
Montana-North Dakota	Lower Yellowstone.	17,913	42,203	60,116	80-56	103	180	283	$42.50, $45	1.50	Dec. 21, 1908
Nebraska-Wyoming	North Platte	83,358	45,912	129,270	40-80-65	820	130	950	$45, $55	1.10	July 29, 1907
Nevada	Truckee-Carson	140,451	65,549	206,000	40-80	262	257	519	$22, $30	.75	May 6, 1907
New Mexico	Carlsbad		20,277	20,277	[1]		516	516	$31, $45	1.75	Dec. 17, 1907
Do	Hondo	240	9,760	10,000	[1]						Rental.
New Mexico-Texas	Rio Grande	13,039	141,961	155,000	[3]						Do.
North Dakota	North Dakota pumping.	882	11,357	12,239	34-4	9	127	136	$38	1.00-1.50	Apr. 8, 1908
Oregon	Umatilla	22,336	33,164	55,500	40	125	317	442	$60, $70	1.30	Dec. 27, 1907
Oregon-California	Klamath	32,000	38,700	70,700	58 [4]	2	428	430	$30	.75	Nov. 18, 1908
South Dakota	Belle Fourche	44,631	55,369	100,000	40-80-33	321	359	680	$30, $35, $40	.60	June 21, 1907
Utah	Strawberry Valley		60,000	60,000	[1]						Rental.
Washington	Okanogan	1,324	8,837	10,071	40	46	366	412	$65, $110	2.25	Nov. 12, 1908
Do	Yakima:										
	Sunnyside	2,565	100,259	102,824	20-32-45	57	3,293	3,350	$10, $31, $52	1.80-.95	Nov. 18, 1908
	Tieton	2,175	32,362	34,537	31	58	996	1,054	$93	1.50	Nov. 7, 1910
Wyoming	Shoshone	155,469	8,653	164,122	40-80-75	395	7	402	$45, $47, $50, $52	1.00	Nov. 25, 1907
Total		1,015,064	1,432,902	2,447,966		4,213	7,107	11,320			

[1] Private land. [2] Refunded. [3] Not established. [4] Average size.

Statement showing acreage to which water can be supplied, acreage which is being irrigated, and public land unentered on Apr. 30, 1914.

State.	Projects.	Acreage for which service can supply water, 1914.	Acreage estimated to be irrigated, 1914.	Public land unentered Apr. 30, 1914.
				Acres.
Arizona	Salt River	203,431	190,000	
Arizona-California	Colorado River			
Do	Yuma	[1] 61,575	[2] 32,000	60
California	Orland	14,300	9,000	
Colorado	Grand Valley			
Do	Uncompahgre	[3] 53,000	36,000	
Idaho	Boise	207,000	100,000	
Do	Minidoka	118,000	85,000	859
Kansas	Garden City			
Montana	Huntley	30,649	18,000	1,595
Do	Milk River	15,000	4,500	
Do	Sun River	16,346	12,000	2,845
Montana-North Dakota	Lower Yellowstone.	36,578	15,000	847
Nebraska-Wyoming	North Platte	85,828	70,000	4,287
Nevada	Truckee-Carson	65,000	48,000	265
New Mexico	Carlsbad	20,267	20,267	
Do	Hondo	1,200	1,200	
New Mexico-Texas	Rio Grande	35,000	35,000	
Do	Rio Grande Dam appropriation.			
North Dakota	Missouri River pumping.	12,239	6,000	580
Oklahoma	Cimarron			
Oregon	Central Oregon			
Do	Umatilla	16,750	6,000	116
Oregon-California	Klamath	[4] 35,500	[5] 30,000	23
South Dakota	Belle Fourche	68,870	50,000	3,843
Utah	Strawberry Valley			
Washington	Okanogan	9,000	8,000	
Do	Yakima:			
	Sunnyside	81,000	68,000	
	Tieton	34,000	20,000	
Wyoming	Shoshone	41,171	23,000	13,403
Total		1,261,704	886,767	28,723

[1] 49,000 water-rental basis; 12,575 public notice.
[2] 26,500 water-rental basis; 5,500 public notice.
[3] Gunnison water will also be furnished to canals in private ownership for 6,000 acres.
[4] 27,000 public notice; 3,000 water-rental basis.
[5] 27,000 public notice; 8,000 water-rental basis.
Acreage is 35,000 to Oct. 1; after that, 55,000 acres.

Statement of receipts and expenditures, by States, to Apr. 30, 1914.

State.	Receipts.		Expenditures.
	Bond loan (36 Stat., 835).	Sale of public lands.	
Arizona	$1,455,000	$1,140,660.74	$15,594,211.31
California	390,000	5,358,943.03	2,683,542.59
Colorado	2,500,000	6,680,991.93	6,337,577.56
Idaho	2,000,000	5,039,708.90	14,081,170.51
Kansas		963,080.07	376,471.29
Montana	1,000,000	8,588,290.73	7,334,430.39
Nebraska	1,400,000	1,664,013.83	4,397,553.83

Statement of receipts and expenditures, by States, to Apr. 30, 1914—Con.

State.	Receipts.		Expenditures.
	Bond loan (36 Stat., 835).	Sale of public lands.	
Nevada	$1,193,000	$541,596.96	$5,588,272.03
New Mexico	2,700,000	3,939,790.95	3,831,423.80
North Dakota		11,921,898.43	1,947,467.20
Oklahoma		5,783,557.84	72,512.10
Oregon	775,000	10,413,928.22	3,596,791.08
South Dakota		6,823,778.66	3,219,007.83
Texas	1,800,000		1,017,928.90
Utah	2,272,000	1,890,479.34	2,380,949.61
Washington	1,915,000	6,433,299.73	7,560,583.36
Wyoming	600,000	4,320,900.46	6,014,027.90
Preliminary investigations			80,488.73
General accounts			259,655.99
Total	20,000,000	81,504,919.82	86,374,066.01

Statement showing total estimated building cost of all primary projects.

[Prepared Apr. 2, 1914.]

State.	Project.	Estimated gross building cost to completion.
Arizona	Salt River	[1] $11,862,972.46
Arizona-California	Yuma	9,899,495.96
California	Orland	936,000.00
Colorado	Grand Valley	4,595,020.00
Do	Uncompahgre	9,192,396.83
Idaho	Boise	14,434,653.47
Do	Minidoka	4,955,992.23
Kansas	Garden City	391,082.51
Montana	Huntley	1,447,050.26
Do	Milk River (includes St. Mary Storage)	7,746,837.05
Do	Sun River	8,387,605.00
Montana-North Dakota	Lower Yellowstone	2,836,626.32
Nebraska-Wyoming	North Platte	12,828,014.66
Nevada	Truckee-Carson	8,449,853.11
New Mexico	Carlsbad	1,040,253.05
Do	Hondo	[1] 439,351.10
New Mexico-Texas	Rio Grande (includes Elephant Butte Storage).	9,771,100.00
North Dakota	North Dakota Pumping	[2] 714,175.48
Oklahoma	Lawton	100,000.00
Oregon	Umatilla	3,841,324.78
Do	Oregon Cooperative Work	[3] 500,000.00
Oregon-California	Klamath	4,331,756.55
South Dakota	Belle Fourche	3,583,081.43
Utah	Strawberry Valley	3,407,000.00
Washington	Okanogan	858,543.88
Do	Yakima (including Storage, Sunnyside, and Tieton).	13,049,157.92
Wyoming	Shoshone	9,452,000.00
	Total	149,051,407.05

[1] This does not include the cost of operation and maintenance during construction, the earnings of which are estimated to equal the cost.
[2] Does not include construction of E. and W. Bottom, Williston; Upper and Lower Bottom, Buford; Canal Extension "A," Buford; and Trenton Flat.
[3] Amount allotted for cooperation work with the State of Oregon. No data in office showing the estimated completed cost.

Department of the Interior, United States Reclamation Service.

[Balance sheet showing financial conditions on April 30, 1914.]

PROJECT ACCOUNTS.

Projects.	Assets.					
	Net cost of project.		Inventory of stock on hand.	Accounts receivable.		
	Building.	Operation and maintenance.		W. R. building charges.	W. R. O. and M. charges.	Miscellaneous.
Arizona, Salt River	$9,931,205.42		$212,438.51			$59,318.16
Arizona-California, Yuma	6,416,557.46	$189,036.98	307,754.82	$128,014.42	$18,391.32	3,324.49
California, Orland	607,471.14		13,693.47			46.97
Colorado, Grand Valley	997,901.27		67,535.71			445.50
Colorado, Uncompahgre	5,292,361.97		83,825.13			1,240.00
Idaho, Boise	8,995,671.94		330,924.22			18,494.40
Idaho, Minidoka	4,309,346.00	836,443.81	134,884.28	53,198.73	72,199.20	150,483.34
Kansas, Garden City	374,502.68		5,684.07			
Montana, Huntley	1,134,037.28	166,231.63	28,477.09	78,974.49	17,693.76	121.39
Montana, Milk River	1,690,394.17		73,906.42			845.69
Montana, St. Mary storage	656,495.56		110,392.06			7,982.04
Montana, Sun River	1,303,900.32	65,168.25	146,897.93	73,932.77	12,686.34	33.50
Montana-North Dakota, Lower Yellowstone	2,821,069.42	402,187.04	34,771.16	44,008.47	127,359.76	52.50
Nebraska-Wyoming, North Platte	6,176,879.77	274,265.35	120,029.08	325,745.95	111,883.45	
Nevada, Truckee-Carson	5,373,723.34	286,658.52	126,710.34	68,429.04	4,451.23	575.89
New Mexico, Carlsbad	876,472.49	115,501.73	17,090.07	43,446.70	4,637.50	
New Mexico, Hondo	361,246.58		610.05			103.93
New Mexico-Texas, Rio Grande	731,022.13		39,938.08			
New Mexico-Texas, Elephant Butte storage	1,662,371.22		300,279.81			43.55
New Mexico-Texas, Rio Grande Dam appropriation	1,000,000.00					
North Dakota, North Dakota pumping	695,483.81	238,037.48	15,365.56	74,535.51	34,062.76	1,500.00
Oklahoma, Lawton	109.88					

Department of the Interior, United States Reclamation Service—Continued.

PROJECT ACCOUNTS—Continued.

Projects.	Assets.					
	Net cost of project.		Inventory of stock on hand.	Accounts receivable.		
	Building.	Operation and maintenance.		W. R. building charges.	W. R. O. and M. charges.	Miscellaneous.
Oregon, Umatilla	$1,469,300.25	$176,385.93	$38,940.44	$150,477.88	$23,849.92	$304.22
Oregon-California, Klamath	2,379,217.06	159,911.80	45,263.15	60,427.00	788.62	537.75
South Dakota, Bellefourche	3,128,249.02	222,272.08	52,500.84	167,220.00	41,276.69	199.20
Utah, Strawberry Valley	2,285,139.24		73,197.06			1,124.71
Washington, Okanogan	602,697.16	62,000.00	9,000.00	52,387.70		1,368.00
Washington, Yakima-Storage	1,128,774.07		208,122.35			35,537.59
Washington, Yakima-Sunnyside	2,335,428.69	471,832.02	23,085.04	230,618.30	19,830.88	12,469.90
Washington, Yakima-Tieton	2,963,842.11	114,850.22	26,040.69	218,863.48	20,856.02	51,095.05
Wyoming, Shoshone	4,010,772.83	118,921.44	90,555.64	127,126.04	7,934.66	10,656.02
Preliminary investigations	80,488.73					
Secondary projects	774,456.94		90,003.30			157.81
Jackson Lake enlargement			93,669.45			[1]111,372.55
General expenses			60,019.26			78.05
Indian projects:						
Montana, Blackfeet	6,166.17		39,796.10			9,074.43
Montana, Flathead	8,616.66		104,068.80			69,231.62
Montana, Fort Peck	300.83		38,541.56			7,807.18
Total	82,581,673.61	3,890,704.28	3,078,011.54	[2]1,897,406.48	[3]517,902.05	332,880.33

Projects.	Liabilities.							Net investment of the United States.
	Accounts payable.	Water right repayment accruals.						
		Building charges.			O. and M. charges.			
		Accrued.	Forfeited.	Advanced.	Accrued.	Forfeited.	Advanced.	
Arizona, Salt River	$39,056.73	$100,000.00						$10,003,905.36
Arizona-California, Yuma	130,341.73	269,530.18	$754.00	$617.50	$62,445.70	$251.00	$8.17	6,599,131.21
California, Orland	9,381.41							611,830.17
Colorado, Grand Valley	78,447.39							987,435.09
Colorado, Uncompahgre	31,641.63							5,345,785.47
Idaho, Boise	222,647.78							9,122,442.78
Idaho, Minidoka	73,244.13	402,462.80	6,667.78	96,846.27	365,703.90	1,687.49	905.04	4,609,037.95
Kansas, Garden City	3,715.46							376,471.29
Montana, Huntley	20,066.66	308,827.88	3,289.68	5,873.37	84,942.91	851.23	9.75	1,001,674.16
Montana, Milk River	89,469.42							1,675,676.86
Montana, St. Mary storage	40,365.66							734,504.00
Montana, Sun River	89,669.14	163,437.47	1,264.53	278.63	41,865.28	211.86	63.60	1,305,828.60
Montana-North Dakota, Lower Yellowstone	34,767.57	51,272.59	255.00	26,138.95	162,546.34	95.50	390.00	3,153,992.40
Nebraska-Wyoming, North Platte	56,976.89	501,479.43	3,539.70	4,102.80	344,339.17	871.55	370.59	6,097,123.47
Nevada, Truckee-Carson	65,088.04	304,961.13	1,317.80	1,693.65	144,562.12	1,275.07	175.94	5,341,474.61
New Mexico, Carlsbad	5,683.76	114,026.80	108.50	39,922.60	115,757.45	85.95	714.24	780,849.19
New Mexico, Hondo	229.31							361,731.25
New Mexico-Texas, Rio Grande	13,283.05							757,677.16
New Mexico-Texas, Elephant Butte storage	175,549.49							1,787,145.09
New Mexico-Texas, Rio Grande Dam appropriation								1,000,000.00
North Dakota, North Dakota pumping	3,760.29	80,883.54	152.00	30.40	46,654.36	74.70	.40	927,423.43
Oklahoma, Lawton								109.88
Oregon, Umatilla	12,375.41	307,448.22	1,371.22	28,360.10	75,296.83	390.53	6,511.38	1,427,594.95
Oregon-California, Klamath	16,733.51	318,394.00	9.00	4,543.00	99,197.25	3.75	8,341.13	2,189,923.74
South Dakota, Bellefourche	95,679.89	273,097.56	588.00	936.00	129,629.65	180.40		3,111,606.27
Utah, Strawberry Valley	31,388.42							2,328,072.59
Washington, Okanogan	5,500.00	68,228.40		130.00	34,566.87			619,027.59
Washington, Yakima-Storage	36,759.53							1,330,674.48
Washington, Yakima-Sunnyside	11,298.97	811,789.45		5,819.15	446,931.55		512.11	1,816,913.60
Washington, Yakima-Tieton	14,726.97	406,968.59		2,020.11	128,982.08	3.00	178.50	2,842,668.32
Wyoming, Shoshone	26,556.56	329,900.99	2,101.94	2,805.21	89,621.96	1,480.61	692.46	3,912,806.90
Preliminary investigations								80,488.73
Secondary projects	1,673.97							781,944.08
Jackson Lake enlargement	16,565.85							[4]34,268.95
General expenses	12,547.05							47,550.26
INDIAN PROJECTS.								
Montana, Blackfeet	6,074.21							48,962.49
Montana, Flathead	21,984.38							159,932.70
Montana, Fort Peck	9,170.08							37,479.49
Total	1,502,420.34	[5]4,812,709.03	21,419.15	220,117.74	2,373,043.42	7,462.64	18,863.31	83,342,542.66

[1] Advance receipts. [2] This is balance now due on building. [3] This is balance now due in O. & M. [4] Credit balance. [5] This is total, both due and paid on building.

Mr. Chairman, I yield back the remainder of my time.

Mr. KINKAID of Nebraska. I yield 15 minutes to the gentleman from Idaho [Mr. FRENCH].

The CHAIRMAN. The gentleman from Idaho [Mr. FRENCH] is recognized for 15 minutes.

Mr. FRENCH. Mr. Chairman, to save time, I ask unanimous consent to extend my remarks on this subject in the RECORD by adding data that I do not desire to give in full as I speak.

The CHAIRMAN. The gentleman from Idaho [Mr. FRENCH] asks unanimous consent to extend his remarks on this subject in the RECORD. Is there objection?

Mr. DONOVAN. I object, Mr. Chairman.

The CHAIRMAN. The gentleman from Connecticut objects.

Mr. FRENCH. Mr. Chairman, my only object was to save time. I shall need to ask for more time at the conclusion of the 15 minutes.

Mr. Chairman and gentlemen of the committee, as has been said by one or two who have preceded me, this bill is rather a compromise measure and the result of several bills that have been offered by Members from the Western States, one of those bills being offered by myself, proposing an extension of time to the homesteaders in the arid lands of the Western States. It is, as has been justly stated, one of the most important bills

that this Congress has been called upon to consider, and while it directly affects but a small portion of our country, it is of immense importance to the people who are affected.

Prior to some 20 years ago all the work that had been done in the way of reclaiming the arid lands of the West, that up to that time had been indicated upon the map as the Great American Desert, had been the result of private initiative, the individual reclaiming by irrigation 160 acres of land or less; by the organization of individuals into associations and the construction of irrigation works; by the building of smaller or larger irrigation systems by private capital. In that way we succeeded in reclaiming hundreds of thousands of acres of arid lands in the West and in demonstrating that the so-called desert, if given water, would become a veritable Garden of Eden.

About 20 years ago the Carey Act was passed, which proposed that the arid States could each reclaim an amount of land not to exceed 1,000,000 acres. The work was new. The States did not understand it and did not have the machinery under which to operate, and by the time the States had passed laws and machinery had been established for the reclamation of the land another decade had practically passed by. Then it was that the sentiment in the West and the country over developed along the line that the Federal Government ought to undertake the reclaiming of the desert West. The result was the passage of the national reclamation law in 1902. Since that time both the States of the West and the Federal Government have been working—not hand in hand, but side by side—for the reclaiming of the waste areas. For my part, I think it it a good thing that these two systems have been in operation side by side. I think it has made for greater efficiency upon the part of the Government. I think it has had a wholesome effect upon the States, because the States operating independently of the Government and the Government operating independently of the States have each contributed to the success and the experience of the others, and the result is that to-day, after some 10 years' experience, both the States and the Federal Government are in better shape to go ahead with the great work of reclaiming the West than either would have been if permitted or required to undertake the work without the aid and assistance of the other. Up to this time something like $80,000,000 has been expended by the Federal Government for carrying on the reclamation work. When the law was passed we could not see very far into the future. We could not realize that land, instead of being reclaimed at an expense of some $15 to $20 or $30 an acre, would prove to be land that could not be reclaimed for less than $25 to $100 an acre. I believe $110 represents the highest amount per acre on any Federal Government project. We could not foresee those things; and when the bill was passed it was provided that the payments for the reclaiming of the land should be made by the settlers within a period of 10 years. Another provision of the law was that the lands to be reclaimed should be available for entry, after withdrawal for reclamation purposes, under the homestead law. There were those who felt there was not much demand for reclaimed or irrigated land. There were others who felt that there was great demand; and in order to test that matter out, the Congress wrote into the law a provision that these lands might be entered under the homestead law. Personally, I believe it was a mistake, and some three or four years ago it was corrected, but in the meantime thousands of settlers went upon these lands in the hope, nay, as they felt, the promise of the Government, the invitation of the Government, to settle upon these lands, because the Government intended to reclaim them.

The settlers went from the Middle West, from the Eastern States, from the Southern States, and there is probably not a Member of this House from whose State one or more or many men with their families have not gone to some part of the great western country and settled upon the arid lands. Under the hardship of the strict letter of the homestead law requiring definite residence on the land, under the strict compliance with the rules and regulations of the department touching the administrative features of the law, tremendous hardship has been worked upon the settlers. They went from the Central, Eastern, and Southern States with a few hundred dollars in money, maybe with a few thousand dollars, and with a homestead right, and took their families with them. They made entry on the desert where the Government was planning to build a reclamation system, but after waiting years it developed in some cases that these reservations were merely tentative, and nothing has even yet been done. Even taking the best conditions possible, where the Government within a short time began the construction of an irrigation system, we find the best the settlers could expect was that they would have to wait three years or four or five or six years before they could obtain water from the canals and irrigation system constructed by the Government.

The sentence "Water was turned into the ditches of the Minidoka project" or "the Payette-Boise project" on a given date carries with it to those who have never had an opportunity of observing what reclamation means the complete culmination and triumph of the irrigation project. From the standpoint of the engineer who has undertaken to deliver the water to the main canals and main laterals such may be the case, but from the standpoint of the homesteader it merely means the beginning of his work.

Imagine, if you can, a tract of land of 40, 80, or 100 acres that is partly level, partly rolling; that in part is rocky; that for the most part is covered with a growth of sagebrush, greasewood, and other desert plants, and remember that before the water that is running by, within possibly half a mile, can be made to serve its purpose upon this land laterals must be built that will convey the water to all the lands that can be irrigated.

Further than this, the lands must be cleared of the desert growth, and the clearing of lands of sagebrush and greasewood is a problem that means much work for the homesteader. In most places the land itself must be carefully handled in order that the surface may be brought into such shape that it will receive the water in uniform measure.

Beyond this, the land must be plowed and harrowed; crops must be raised; trees must be set out; homes must be built; barns and outhouses must be erected; fences must be constructed; and, in other words, the work of the homesteader on an irrigated tract during the first year or few years of his settlement is a hard work and a work that yields practically no remuneration.

The orchard will not produce its crop of fruit for several years; the level field will produce an exceedingly small crop the first year, and when all allowances have been made for unforeseen contingencies on account of climate, on account of water, on account of the soil itself, and the handling of the irrigation system, the farmer who has gone to one of our desert farms under the reclamation system with maybe several thousand dollars, has found himself at the end of two years or three years burdened with debt and struggling under responsibilities of which he had not even dreamed when he made his homestead entry.

The fine fruit that you see marketed with the name of Idaho in the Washington markets and that was grown upon irrigated lands was not grown upon lands that were irrigated for the first time last year or the year before last, but was grown upon lands that have been irrigated for many years.

The crops that can be immediately produced the first year—and none of them will do the best at that time—must be of a character necessarily as will go to the local market. With everybody producing all that he can of crops that can go to the local market, necessarily the local market itself must be overstocked, and the result is that farmers upon the irrigated tract must patiently wait.

Now, what does this all mean? It simply means this: That when we provided in 1902 that the payments upon reclamation lands should be made in 10 annual payments, we did not realize that the first few years would be practically unproductive years. We did not realize that during the first few years the expenses to which I have referred and the additional expenses of sustenance and clothing, and many household demands which press hard upon the entryman would be especially burdensome.

In this bill we are asking, not that these farmers be relieved of the payments that they have assumed. We are asking that they be granted 20 years instead of 10 within which to make their payments. We are asking further than that that during the first five years they be exempted from making payments with the exception of the first payment that will insure the good faith of the entryman.

This may not be the time to discuss the amount that the entryman should pay as his initial payment to insure good faith. The committee have proposed fixing the amount at 5 per cent. My own judgment is that for the first five years there should be no payment, or, if any, a payment not to exceed 2 per cent to insure good faith.

Take an entry of 80 acres on a project where $50 per acre represents the cost of irrigation and the entire cost of water for the project will be $4,000; 5 per cent of $4,000 is $200, an amount that could better be expended by the farmer in placing his farm into shape that would make it productive instead of being paid as a part of the cost of reclamation. Two per cent of the amount would be $80. This amount would be an evidence of good faith, and certain it is that unless we recognize that

the individual farmer has a personal interest in making a success of his homestead we may as well abandon all work of this kind.

The individual homesteader is the one who is interested more than we are interested—more, even, than the community in which he lives is interested—and my experience is that he can be depended upon to do the best that is in him to make his home not only attractive from the standpoint of the home, but to make the lands that it contains remunerative in the shortest possible time. Furthermore, it has always been the theory of the homestead law that it was a law for the poor man, that it was to help the individual establish himself in the world, and to that end and carrying out that spirit the reclamation law and the payments thereunder should be made as reasonable as may be possible.

There are a great many features in this bill that I am very anxious to refer to when we consider it under the five-minute rule. There are some features in it that I do not like and that I tried to have omitted when the measure was being considered in the committee. The main thing, however, as I see it and that I urge, is that we pass the bill within the speediest possible time, to grant the settlers upon these projects the boon of a few years, at least within which they may spend all their energies, direct all their attention, and set apart all of their capital to converting the homestead into an area of land that will be productive, and that will make it possible for the homesteader to meet his payments as soon as he may get under way.

Mr. Chairman and gentlemen of the House, a mistake was made when we provided that these payments should be made in so short a time as that set forth in the original bill, but a greater mistake was made when the Congress asked that beginning with the very first year of reclamation the homesteader should be in position to meet his first payment.

Experience has demonstrated abundantly that earnest as these farmers are, resourceful and energetic as they are, they can not from the land itself extract the money with which to make the payments required under the present law.

They are a thrifty people. They are an earnest people. They are a people who want only one thing at our hands and that is an opportunity. They are an industrious people; they are in every way a people than which there are none better in all our land, and who, if they could be given the opportunity of a breathing spell until they can get things going on the farm, will demonstrate within the next few years that the national reclamation law is a success; that desert lands can be made to blossom, and that the only reasonable way of carrying on a great reclamation undertaking such as our Government has inaugurated, is by placing it upon the basis as it concerns the individual farmer as will enable him within reason to maintain his home, to make improvements, and to bring the desert land itself into a state of fruitful production. So much for even the most favorable conditions. The lot of the homesteaders who have been compelled to live on arid lands years before water was made available—and most of the homesteaders have had that experience—is doubly hard.

The settlers were required to live on the lands in order not to forfeit their homestead rights, and required to do a certain amount of cultivation and improvement. It was a desert country and they could not raise crops successfully by dry farming, and as a result they were compelled to expend the substance they brought there with them in order that they might build up and develop their land.

Mr. MOORE. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. MOORE. Will the gentleman explain how long it takes to cultivate crops and have trees come to fruit in a country like that. How long does a settler have to wait?

Mr. FRENCH. I will be glad to answer the gentleman. The point I have been making is that prior to the turning on of the water on the land several years must elapse before the settler can make progress or set out an orchard, for instance, because probably there is no crop that requires water immediately upon its being set out as does a fruit orchard of any character.

Mr. MOORE. He first has to clear away the sagebrush.

Mr. FRENCH. Yes; he first clears away the sagebrush, and it takes several years to clear away the sagebrush and completely subdue a farm of that character and prepare it for the water to be placed on it.

Mr. MOORE. In the meanwhile he has to live and has no fresh vegetables?

Mr. FRENCH. He has to live, and he has little opportunity to raise vegetables from the soil; often he has to buy them.

Mr. MOORE. And his holdings produce nothing.

Mr. FRENCH. In many instances they produce practically nothing. In some instances, under stress of circumstances, settlers have made the desert land itself, through intense cultivation and great care, yield something upon which they could live.

Mr. MOORE. After he gets the brush and cacti removed and has a chance to plant something, how long would it take apple trees or fruit trees to grow and produce a crop?

Mr. FRENCH. Within three, four, or five years a little fruit is raised, but often seven years or longer before a dependable crop can be raised.

Mr. MOORE. And he must maintain himself for four or five years before he gets anything?

Mr. FRENCH. Yes; even after the land is reclaimed.

Mr. MOORE. The cost of construction, if I understood the gentleman from Wyoming correctly, amounts to from $25 to $65 an acre?

Mr. FRENCH. Yes; and often runs up to $100.

Mr. MOORE. And up to that time he gets no return?

Mr. FRENCH. Practically nothing.

Mr. PLATT. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. PLATT. Are not a great many of these landholders speculators, and not farmers at all?

Mr. FRENCH. I am glad to answer that question. The law requires one to be a bona fide homesteader when he enters the land. These lands were taken up by those willing to maintain them in good faith, and there are not many people on reclamation projects that are there for the purpose of speculation, other than that praiseworthy speculation which prompts any man to make a trade or to buy property for a home or to take a homestead in the rainfall belt. Most of the people are people of very small means indeed.

Mr. PLATT. Is it not a fact that a large proportion of these people who took up lands have sold out instead of cultivating it after they got the title?

Mr. FRENCH. The gentleman has asked another question that I am glad he asked. Prior to the repeal of the provision of the law permitting the settlers to enter after the withdrawals had been made, many settlers went upon the projects, and although they were opposed by the forces of nature, they tried to live there until the land could be reclaimed. They were forced by dire necessity to spend two or three years of their lives there, to spend all the substance they had accumulated, and finally some of them threw up their lands and moved off and let somebody else take the burden, being fortunate if they could obtain a little compensation for their relinquishment. There were some who did that, but they were not speculators; they were forced to sell. They would not have been there if it had not been for the practical invitation of the Government to go upon the land several years before the water was available for reclamation.

I want to say that there is probably no system so well calculated to break up large holdings of land as the irrigation system we are developing in our western country. People desire to live upon small units of land—and this is in response to the question or suggestion from the gentleman from New York—and in all the projects the tendency is more and more to break up the 160 and 160 acre tracts into 80 acres, 30 acres, 20 acres, and so on.

I was talking to a gentleman not long ago who told me that already in the State of Utah the average farmer upon irrigated lands owns not far from 30 acres. In my State the projects are newer, and probably the average is a little larger than that, but it certainly can not be greatly larger, and the tendency on all those projects is for the lands to be broken up into smaller and smaller amounts, until the lands can be made to serve the greatest number of people who live upon the lands.

Mr. Chairman, I stated what I did a moment ago—before I was interrupted—to call attention to the great necessity for relief at this time. Thousands of people before water was available for reclamation had expended all of their substance waiting for the water to be turned upon their lands. We repealed the clause permitting advance entries, but that did not help the poor settlers who had already gone there and had established homes.

Let us assume a more favorable condition. Let us assume the people enter upon the lands at the time that the water is made available by the Government. Then what do we have? As has been suggested by the questions that have been asked, it is necessary to wait two, three, or four years for the lands to be brought into shape that they may be productive to such an extent that they can materially reduce the cost of the irrigation system to the settler. The settler who has gone broke, who has absorbed all of his substance by the time that the water is available, is in a bad way. You can readily understand the straits that he is in. I then call attention to the fact that the man who goes upon the land the first year that water is available is also in severe straits, because his orchard that he may set out will not be bearing for the market short of four

to seven years, the lands that he might cultivate for annual crops will not be capable of the greatest production for two or three years, and then, again, settlers make mistakes in not knowing what crops will find ready market.

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

Mr. FRENCH. Yes.

Mr. COLLIER. I would like to know this: What new legislation does this bill seek to enact aside from the 10-year extension without the payment of interest and the administrative features associated with that?

Mr. FRENCH. I will say to the gentleman that that is the heart of the bill. The other features as we get to them can probably be developed best under the five-minute rule; but that is the heart of the bill. It is to extend the number of payments from 10 to 20 years, to provide a small initial payment, and to waive payment for a period of 5 years after that, permitting the settler to get on his feet.

Mr. MOORE. In substance it is a relief bill?

Mr. FRENCH. It is a relief bill, pure and simple, but one that contemplates payment of money originally assumed by the settler to the Government during a period of 20 years.

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

Mr. FRENCH. Yes.

Mr. MANN. The gentleman says that it is a relief bill, pure and simple. Does not the bill provide that people who go upon these irrigated lands hereafter shall be required to pay only 5 per cent of the construction charge when they make their entry, and even not then until they get their water, and that thereafter they shall be required to make no payment for 5 years, and never be required to pay anything for interest?

Mr. FRENCH. Oh, that is true.

Mr. MANN. And that applies to people hereafter?

Mr. FRENCH. Yes.

Mr. MANN. That is not a relief bill, is it?

The CHAIRMAN (Mr. SELDOMRIDGE). The time of the gentleman from Idaho has expired.

Mr. FRENCH. Mr. Chairman, I will ask the gentleman from Nebraska to yield me some more time.

Mr. DONOVAN. Mr. Chairman, I withdraw my objections to the gentleman's request, putting what he sees best in the RECORD. He has talked upon this subject intelligently, and he has stuck to the text of the bill; and that is a great treat after the quibbling that we are obliged to listen to most of the time.

Mr. KINKAID of Nebraska. Mr. Chairman, I yield 15 minutes more to the gentleman from Idaho.

Mr. FRENCH. Mr. Chairman, the gentleman from Connecticut has been so good-natured and complimentary in his remarks that I may avail myself of the privilege of inserting certain data that will be of interest. There may be some things that I would like also to put into the RECORD on account of interruptions. I yield now further to the gentleman from Mississippi.

Mr. COLLIER. Mr. Chairman, what I wanted to know was, if there is anything else to be accomplished by this bill other than the extension of that time?

Mr. FRENCH. Oh, that is the heart of it; and while there are other things embodied in the bill, some things that I favor and some that I do not, that is the heart of it, and it is because of that part of the bill that I am so anxious that the bill shall be enacted into law.

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

Mr. FRENCH. Yes.

Mr. GORDON. The gentleman is especially strong for that part of the bill that provides for loaning money to purchasers without interest. I wish the gentleman would answer the inquiry of the gentleman from Illinois [Mr. MANN], which he made a moment ago upon that subject, and at the same time explain why we ought to loan farmers out in Idaho money without interest when they are refusing to loan the farmers down in Ohio money for which they offer to pay interest?

Mr. FRENCH. To whom is that last criticism directed?

Mr. GORDON. It is directed against this bill; against the very bowels of it.

Mr. FRENCH. That last criticism against not permitting the farmers to borrow money in Ohio? I favored the farm-credit bill some time ago.

Mr. GORDON. Oh, I am opposed to loaning farmers money out of the Federal Treasury, even if they pay interest upon it. But I can not see why you should loan these irrigators out West money without interest, and that is what I would like to have the gentleman elaborate.

Mr. FRENCH. I am glad the gentleman has asked that question, and I was going to answer the question as originally asked by the gentleman from Illinois [Mr. MANN]. In the first place, we ought to pass this bill providing the relief and extension of time for 20 years without interest for the reason that the original bill did not contemplate that interest should be paid, and all the contracts which were entered into were entered into on the distinct understanding upon the part of the settlers that interest should not be paid. I see the point the gentleman has in mind when he says, how about it then as applied to all future entrymen? Now, as applied to all future entrymen as well as those upon the lands now, I would say that this bill ought to pass making that provision for the reason that it affords the best way of developing the western country, in which the whole Nation has a vital interest. It is the same principle we have applied in developing the Mississippi and Ohio Rivers [applause], the same principle as in developing harbors along the Great Lakes, as in developing the great ports along the Atlantic seaboard, as in developing the tributaries of our larger rivers into a network of waterways for the great benefit of the American people. Congress is making appropriations of millions upon millions of dollars for this work, and is not only providing that interest shall not be paid, but with the distinct understanding that the principal itself shall never be paid. [Applause.]

Mr. GORDON. Will the gentleman yield?

Mr. FRENCH. I do.

Mr. GORDON. Permit me to ask right there, what is the analogy between spending money on public highways open to everybody and the spending of money upon private property?

Mr. FRENCH. It seems to me that the gentleman ought to see a very clear analogy between the spending of millions of dollars for the improvement of waterways along our coasts, for the improvement of the Mississippi River and its tributaries, for improvement of all the ports for the use of the trade of this country, for the primary benefit of those immediately concerned in trade or those living near by who are benefited by the improvements and the values they create.

Mr. MOORE. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. MOORE. Mr. Chairman, I think the gentleman weakens his case, as I think the gentleman from Wyoming did, when he makes the comparison between irrigated lands and waterways. The gentleman ought to see the distinction between the improvement of a waterway which is a public project, not for the benefit of any individual, and the appropriations of money, directly or indirectly, as in the case of irrigation, for the ultimate benefit of the individual if not for the present benefit of the individual. Now, I have heard it said that this bill, which I would like to favor as a relief measure, because I think these farmers sorely need the assistance—I have heard it said this bill was to be used to a certain extent as a buffer against the river and harbor bill, which is being held up on the other side of the Capitol. I would very much regret being forced to vote for or against this bill, feeling that it was obstructing a bill intended to appropriate money for the rivers and harbors of this country.

Mr. TAYLOR of Colorado. If the gentleman will permit me at that point, I think the only one I have ever heard make a suggestion of that kind was the Senator from Idaho.

Mr. FRENCH. I will say I never heard even of that suggestion in reference to this bill. However, since the gentleman has referred to the Senator from Idaho [Mr. BORAH], I believe he did suggest that with the same propriety that this Congress should appropriate for rivers and harbors that it ought to pass, not this bill but a bill to create a bond issue which would afford a further extension of the reclamation law.

Mr. MOORE. I raise the question now because two speakers, both of them conspicuous advocates of irrigation projects, have suggested that those projects are worthy as against rivers and harbors projects.

Mr. PAYNE. Do I understand the gentleman is advocating now a bond issue for the reclamation project?

Mr. FRENCH. No; not at all; I am advocating the passage of this bill. I was answering the gentleman from Pennsylvania and the suggestion made by the gentleman from Colorado; and the suggestion was made—I have seen it reported in the papers—that the same argument that has been used in favor of passing a liberal appropriation for rivers and harbors ought to hold good in providing some appropriation or a bond issue for carrying on the reclamation work.

Mr. PAYNE. Is the gentleman in favor of the proposition that the expense of improving the rivers and harbors should be assessed upon the people of the United States according to the benefits they receive?

Mr. FRENCH. They have never been assessed that way.

Mr. PAYNE. I know; but would the gentleman favor it? Of course the gentleman knows that would be very hard on the people of his State to receive as much benefit in proportion to what they have invested in the State as any State in the Union; but why does the gentleman bring in any such argument as

that? Is he willing to have an assessment made upon all the people of all the States according to the benefits they receive from river and harbor improvements? Why not discuss this question by itself on its merits?

Mr. FRENCH. The assessments for river and harbor improvements will, of course, fall upon the country generally, the people of my State as well as the people from the State of New York, and we are glad to bear our part.

Mr. PAYNE. Oh, the difficulty is the people of the State of New York have to pay one-third to one-half of all the assessments of all the States.

Now, if you are willing to have the people of your State assessed according to the benefit, we will take it in New York State, and gladly take it, and pay in that proportion. But I do not think you ought to bring it into an argument for this bill.

Now, when we had this matter up three or four years ago and you were trying to get the loan, which I favored at that time and helped to get through, the statement was made that the people who had gone out there generally in response, not to the invitation of the Government, but to the invitation of the railroad agents and land agents and all that sort of thing, and having hard luck, had found employment, a great many of them, with contractors who were actually building these works, and that that had helped tide them over.

Mr. FRENCH. That has helped out some.

Mr. PAYNE. A good deal, has it not?

Mr. FRENCH. A good deal; yes.

Mr. PAYNE. In telling these hard-luck stories, why do you not tell the whole thing and lay the proposition before the Members of the House, so that they can understand it from the beginning to the end? Of course when you started in with this thing we were promised if we would turn over to the irrigation fund the avails from the sale of land and from the sale of additional land and pay for those first works, it would so increase the irrigation fund the Treasury would never have to pay a dollar. And when we loaned the $20,000,000 the promise was made that we would get this money back. I am in favor of relieving those people out there and extending the time for payment, but it ought to be put on an equitable basis all the way through. And if we made a mistake in not charging interest on the money the Government actually pays out, we ought to provide for that now, and other things, as we go along, and deal fairly with the people who are interested. And while we in the State of New York think we have to pay a good deal more than other sections of the country, we are patriotically willing to stand our full share, and we will not weigh it on apothecary scales either. But sometimes you bear pretty heavily on New York and other eastern States in all of these projects.

And there is another thing I want to ask you about right there. There is a proposition in the sundry civil bill for a survey of the underground streams in some of the States for the purpose of irrigation. Is it proposed to saddle that upon the people of the country, too?

Mr. BRYAN. Let me suggest to the gentleman that the last expenditure I noticed on that line was for measuring the stream flow of the Hudson River.

Mr. PAYNE. Well, the Hudson River benefits every section of the country, but the improvement has generally been paid for by the State of New York. We have also built the canal there and given you the benefit of it, too. So do not throw that at me.

Mr. BRYAN. You can get more benefit from the Interstate Commerce Commission and the Attorney General than from any other department.

Mr. FRENCH. Mr. Chairman, it seems to me in line with the statements I have already made that the analogy is complete, and that the aid that the Federal Government is giving in the development of our waterways and our harbors and other improvements of that character that are shared by the people generally, without the hope of having any interest paid, and without the hope of having the principal paid, ought to be carried further and be maintained as it was maintained when the original law was passed, and let this money, the most of which will ultimately come from the public lands themselves, largely, in fact, on account of the irrigation and reclamation work that we have been carrying on, constitute a fund to be used for the reclamation of our great western country in the carrying on of a work that will be of benefit to the people of my State, it is true, and so, the country; and, indeed, the people of my State are people transplanted from every other State in the American Union. This is a bill that is of interest to all, just as the river and harbor bill is a bill that is of interest to all.

Again, the settlers upon reclamation projects should not be required to pay interest, because this reclamation work is a part of the great homestead policy that the Government has followed for half a century.

The fertile lands of Illinois, of Iowa, of Minnesota required not that they be irrigated when they were given to the people of these States. Yet it is proposed, as regards lands, that without irrigation are desert, the Government shall make them fit for homes providing the settlers then establish their residence and even pay the initial cost to the Government of reclamation work and, indeed, we are requiring more of these settlers than was required of the settlers of the great States of the Plains.

Again, the extension of time should be granted without interest, because public policy in many other lines has made it seem best for the Government to bear largely of the initial burden, bearing the burden collectively, that the great good might come later on because of the completion of the object sustained through Government aid.

Less than one week ago I voted to pass the bill that carried $200,000 for the relief of the sufferers in Salem, Mass., on account of the disaster there. My people are willing to bear their share of this burden.

We have made Federal appropriations for the maintenance of levees to prevent the overflow of the Mississippi River. We have donated millions of acres of the public domain to the building of railroads throughout the country. We have done these things because it was felt that the large public policy of building up our country in these lines could be better assumed by the Government than by the individuals if required to bear the burden or to work out these projects without aid.

Just one other word and then my time will be up, and that is this: These settlers may be able to go ahead if you provide an interest payment in passing this bill. But, gentlemen, it is not right that you require it from them. It is not right, manifestly, that you require it from the settlers who have already gone upon the lands upon the basis of the original law which required no interest payment. It is as much of a violation of our duty to those settlers to require interest to be paid as it would be to impose some other condition that is utterly impossible upon an individual, and then under the stress and coercion of that impossible condition make him agree, voluntarily, then, if you please, and couch his agreement in that language, to submit to the impossible conditions. If I held you up at the point of a gun and asked that you make me a present of your purse and your watch and your chain, and you couched your presentation speech in most beautiful and gracious language to me, I have done a wrong because I have obtained under coercion that which is yours. And the same principle applies here. Many of these settlers are in desperate straits, many of them would be glad to grab at a straw, to grab at anything, to avail themselves of any opportunity, to get relief, and even to agree to pay interest, if necessary, in order to tide them over, but, gentlemen of this House, it is not right that we should require that of them any more than it is right that under the stress of impossible conditions you compel a citizen to agree to conditions that originally he did not want to assume.

I thank the gentlemen. [Applause.]

Mr. KINKAID of Nebraska. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN. Mr. Chairman, I was a Member of the House when the reclamation bill first passed. There was a great deal of opposition to the subject for a good many years. I was one of those who supported the proposition for the Reclamation Service. I think at that time we made a mistake, which I am afraid we may repeat now, of letting those people who are strongly in favor of the irrigation service draw the bill instead of having it drawn by those who were in favor and those who were not so strongly in favor. We undoubtedly made a great mistake when we provided that the money paid into the Treasury from the sale of public lands should be paid out in irrigation work without any control of it by Congress.

The result of that was natural and, I think, inevitable. Everybody became interested in irrigation work. The States, through the Carey Act and through private contractors, and the Government, by the incentive which was given to the movement by a law of Congress, and everybody started in with irrigation projects. Most of them to-day have been unsuccessful, both the Government projects and the private projects, and there are now floating all over the country great quantities of bonds on irrigation projects which are not worth 100 cents on the dollar, and many of which never will be paid.

We started it with a whoop and a hurrah. We have now expended in the neighborhood of $75,000,000 or more, coming in from the sales of the public domain, in carrying on a great num-

ber of reclamation projects. People all over the country were taught to believe that anybody, without knowledge on the subject, could just go out West and take up from 5 to 160 acres of land connected with an irrigation project and be living in easy affluence ever after; and men who did not know a barn from an office building went out on these projects and took up land.

It was inevitable that most of them should fail. There were many eastern farmers—and I use the term "eastern" merely as the western people use it—who went out there who knew something about farming where the Lord provides the water at regular periods, but who knew nothing about farming on an irrigation project, and they did not succeed very well. And then the Government engineers started in to construct these projects, thinking they knew in advance what it would cost, and people crowded upon the projects, and it developed that the cost was much greater than it was anticipated. Where men might have been able to pay the original estimated cost, they were not able to pay the cost which finally developed, and in many cases, owing to the lack of money coming in in such quantity as some gentlemen with iridescent dreams in their heads imagined, the Government was not able to finish the projects and furnish the water within the time that had been anticipated and which had been promised. There were thousands of people upon these lands that were worth nothing without water, and no water; and, of course, they could not succeed, and could not pay their share of the construction charges.

I do not agree with the gentlemen from the Western States that the irrigation service is at all comparable with the construction of rivers and harbors. They are on different lines entirely. It may better be compared to the homestead law, where we give to the man who takes up, for $1.25 an acre or for nothing, land worth from $25 to $100 an acre if it were put up for sale. It may be compared with that system of parting with our public domain. But a river and harbor scheme would never be defensible; no expenditure for river and harbor improvement is defensible, except upon the theory that it is worth what it costs and must pay to somebody—the public as a whole—more than the interest on the investment. When we improve a harbor, if that were just a dead loss, no one could defend it. We assume that when we have improved the harbor there will be such a reduction in the cost of transportation, applicable to all parts of the country, as will more than pay 3 or 4 or 5 per cent interest on the money we have expended.

Now, we come to the question of these settlers out in the West. Undoubtedly some relief must be granted to them. The Government does not desire to dispossess them from the land upon which they have entered. We want to help them to the point where they can cultivate the soil and make it profitable. But, after all, when any investment is made by the Government we must ask the question, Does it pay to make the investment? No one would think of having the Government construct great public works unless we thought it paid, unless we thought that the returns to the public at large would be more than a reasonable rate of interest.

Now, the bill that we have before us not only covers the irrigation projects now in existence, but it also covers all possible irrigation projects in the future. And what is the very first provision in this bill? That is the one as to the irrigation projects hereafter. The Government is to go ahead and spend the money constructing irrigation projects. Then it is to give the land outright to the persons who enter it. That is conformable to our homestead law. The person then pays 5 per cent of the construction charge of the project, the cost of the construction being supposedly charged against the property which receives the benefit of the irrigation. They pay 5 per cent. Then they pay nothing for five years, is it not?

Mr. SMITH of Idaho. Four years.

Mr. MADDEN. Five years.

Mr. GORDON. Yes; five years. You have it right.

Mr. MANN. They pay nothing for five years, not even interest. Now, if the investment of this money on these projects does not produce at least 3 per cent interest, what is the reason why we invest it?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KINKAID of Nebraska. Mr. Chairman, I yield the gentleman 15 minutes.

Mr. MANN. Make it 10 minutes. I shall not use more than that.

The CHAIRMAN. The gentleman from Illinois is recognized for 10 minutes.

Mr. MANN. We would not make an investment anywhere unless we thought there would be some return from it. While it is true in a way that there is a return to the public at large from having anybody cultivate any portion of the soil and produce crops, because we could not live without the cultivation of the soil and without the production of crops, yet no sensible man individually would think for a moment of investing money in a farm which would not pay any interest whatever or any return whatever. And the question is whether the Government is under obligation to furnish the cost of constructing irrigation works and then give the land away, and in addition give the use of the money for 20 years without any interest whatever, because under this bill, after the man pays 5 per cent of the principal, he pays nothing more of the principal for five years. Then he pays 5 per cent of the principal a year for five years. After that he pays 7 per cent, I believe it is, so that the principal is entirely repaid in 20 years' time.

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

Mr. MANN. Certainly.

Mr. SELDOMRIDGE. The gentleman has expressed a desire to give relief to a very deserving class of citizens. Does not the gentleman recognize the fact that if interest charges are imposed on these people in making these payments the time of payment would necessarily have to be extended in which to meet the principal?

Mr. MANN. I have not yet discussed the question that the gentleman is talking about.

Mr. SELDOMRIDGE. Is there not a consideration in the shortness of time for the payment of the principal?

Mr. MANN. I have not discussed that feature as applicable to the present irrigation projects. I was discussing the first section of the bill, which the gentleman from Colorado knows does not apply to anybody now on the irrigation projects, but applies only to those who go upon these projects in the future.

The question is, whether the Government is under obligation now to loan money—because that is what it amounts to—to a farmer out West for the purpose of permitting him to cultivate the soil without interest, without any payment for five years, except 5 per cent of the principal of the loan, and at the same time decline to loan money to the farmers east of the Rocky Mountains, who are willing to pay interest for the construction of barns, for the purchase of stock, for the purchase of farm implements, and possibly also for the purchase of land, all of which they greatly need.

There are thousands of people in my city who would be extremely glad to have the Government say to them, "If you will pay back to us 5 per cent on $10,000, we will advance you the $10,000 to go down into Illinois and buy a farm, and then you do not need to pay any more for five years. You need never pay the interest, but if you will pay back the principal in the course of 20 years you may have the farm." These people would be willing to do more than that. They would be willing to pay 3 per cent interest on the $10,000. They would be glad of the opportunity.

Mr. MONDELL. Of course the gentleman realizes that during these four and a half or five years during which the entryman is not to pay any building charge he is all that time paying a maintenance charge of from one to two dollars an acre.

Mr. MANN. Oh, certainly; he is paying the maintenance charge, but he is paying for water, which he gets when he wants it. In many portions of the country he pays for the water, but the Lord does not always give it to him when he wants it, and sometimes he loses his whole crop thereby.

But I do not complain about anything. I thought it was proper to call the attention of the Members of the House to the propositions involved in the bill, because I was very sure that the gentlemen advocating the bill would never do so. I do not complain of the length of time given to these people, or of the fact that it is proposed to require no payment for five years. The Government would still hold the title to the property. But the proposition to which I am seeking to call the attention of the House is whether we can loan money without any interest to one set of people in the country and then refuse to loan money to other people, equally meritorious, who are willing to pay interest.

Mr. SMITH of Idaho. Has the gentleman taken into consideration the fact that on these new projects that are contemplated the cost of the water will probably be $100 an acre, and if you add to that the interest, it would make it impossible to sell the land?

Mr. MANN. Then what is the reason we do it?

Mr. SMITH of Idaho. Simply because if interest is imposed it would be impossible——

Mr. MANN. There is no reason that can be given, except the fact that gentlemen want it. If the project, when carried into execution, will not pay interest, it ought not to be entered upon. The gentleman might as well propose that if the farmer can not make a living upon these irrigation projects, we ought to

pay him an annuity every year in order that he may buy his groceries and meat. What is the distinction?

Mr. MOORE. Will the gentleman yield?

Mr. MANN. Yes.

Mr. MOORE. The gentleman from Wyoming [Mr. MONDELL], in his address on this subject, indicated that about 10,000 farmers would be affected. According to the ordinary method of calculation that would mean 50,000 people, all told—farmers and their families. Is that the extent of the benefit we would be granting by passing this bill?

Mr. MANN. That is not. The gentleman from Wyoming [Mr. MONDELL] gave the wrong impression, if that is what he stated. I did not hear him make the statement.

Mr. MOORE. I mean to ask whether 10,000 farmers will be affected, and whether those figures are correct?

Mr. MANN. They only apply to 10,000 farmers now on irrigation projects; but the bill contemplates the continuous use for all time of all money coming to the Government from the public domain, in building irrigation projects, and applies to everybody who goes on those projects in the future. There may be 10,000 of them now. I do not know how many of them there will be.

Mr. MOORE. And for those 10,000 farmers we have already expended under the reclamation system about $80,000,000.

Mr. MANN. I do not know how many farmers there are. Somewhere in the neighborhood of $80,000,000 have been expended, I believe.

Now, I have said so much in regard to the future. I leave it to the House to determine how gentlemen will go home to districts which are not in the arid region and explain to their farmer constituents why they voted to give the farmers in Colorado money to the extent of $50 to $100 an acre for 20 years without interest, and voted against or refused to consider a proposition to have the Government loan the farmers in their districts money upon which those farmers were willing to pay 3 to 5 per cent interest. I do not have to meet that question, as far as the farmers are concerned, though I do not know what my constituents who want to build homes will say. Some man might say "I would like to have a little home, and I want to buy a lot. It is just as important for me to have a home as for some man in Montana or Wyoming, and now you are taxing me indirectly to give him money without interest. For God's sake let me have some, and I will pay interest."

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

Mr. KINKAID of Nebraska. I yield to the gentleman five minutes more.

Mr. ROBERTS of Nevada. Is there not a material difference between the farmer who lives in a country where they have rain occasionally and the farmer who lives in a country where they do not have any rain?

Mr. MANN. There is a material difference in his surroundings, but no difference in the farmer himself. All of those people have come from the country where they have rain. They are the same kind of people, all trying to make a living properly. They have my entire sympathy in that respect.

Mr. ROBERTS of Nevada. Is it not a fact that the one farmer needs it and the other does not need it, and the country is getting the benefit of the crops where God Almighty sends the water, and the country is also getting the benefit of the irrigation projects where the water is corralled and brought to them?

Mr. MANN. Oh, the man in the East needs the money, or thinks he does, just as much as the man in the West. The only difference is that the people in the East are a little more modest about the way they ask for it.

Mr. SHERLEY. Will the gentleman yield?

Mr. MANN. Certainly; I yield to the gentleman from Kentucky.

Mr. SHERLEY. I want to suggest to the gentleman that there is a great deal of land on which rain falls that is not being cultivated, and there are a great many men who would be glad to buy it at the Government expense. Would it not be better to help them to buy land in a country where the Lord helps them than to send them out West, where it is necessary to go to the expense of irrigating?

Mr. MANN. There is probably more land within 100 or 200 miles of the Capital of the greatest Nation of the world, which people would be glad to take and cultivate if the Government would loan them the money at interest to buy it, than there is in all of the irrigation projects that the Government has anything to do with.

Now, as to those who are already on the irrigation projects, they have agreed to pay back the construction charges within a certain time, within 10 years. Here is the proposition: Let them pay back 2 per cent a year for 4 years instead of 10 per cent a year, with the hope, as provided in the bill, that they will pay it all back within 20 years' time. Now, that is without interest. If these people upon these projects can not make out of the use of the soil more than 2 per cent a year on the construction charges, I think we had better abandon the whole Reclamation Service. There are thousands of ways by which we can invest money and increase the production of the soil that will pay more than 2 per cent a year. There is not 10 per cent of the farms of the country where they can not by the use of more money increase their product more than 2 per cent on the cost of the increase.

Now, I am perfectly willing to give these people 10 years' time, 20 years' time, 40 years' time, 50 years' time, so far as that is concerned, for the payment back of the money which the Government has invested there. I do not believe that it is profitable to the Government to engage in enterprises of that kind unless the return warrants some payment of interest. True, the law now, drawn by the friends of irrigation—and I do not blame them for getting all they can—does not provide for the payment of interest. Although they drew the law and put everything in they could in their favor, they are now stung. [Laughter.] That is true, and we all admit it.

If these projects will not pay any interest on the investment, why should we make them? These people are asking for delay in payment. I think we ought to give them the delay in payment; but if the projects are worthy at all, they ought in the end to pay interest on the investment. Why should we let even our friends out there have vast sums of money, millions upon millions, which are unprofitable, where the investment is not worth while, investments that no one would make? We either ought to back out or else they ought to be able in some way to pay something for the use of that money. They want the time extended 10 years, and I would be willing to make it a great deal longer than that, but the Government ought under no circumstances to advance to any project any money unless the project is worth the while. The test whether an expenditure ought to be made and whether the project is worth the while is, Is it profitable in some direction? You can not very well differentiate the farmer in one part of the country from the farmer in another part of the country or the crops in one part of the country from the crops in another part of the country. The test is whether he can afford to pay for the use of the money. [Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 15 minutes to the gentleman from New Mexico [Mr. FERGUSSON].

Mr. FERGUSSON. Mr. Chairman and gentlemen of the committee, it must be obvious to all that I labor under a disadvantage, not by design, but by accident, in following the gentleman from Illinois. Still I have some ideas that I would like to present briefly, based largely on a life of about 30 years in the midst of the scenes of these irrigation projects.

Now, as to the return of interest. We spend millions of dollars for great public interests, for great public improvements, affecting all the people, like the rivers and harbors, pensions, and various matters for the general good of the public in this country, and nobody before ever thought of charging interest to be paid by the people who receive benefit therefrom.

I look at this question—the effort to reclaim the great arid lands of the West—as a great public question. Our industrial centers, our cities, are filled with people without a place to lay their heads, without a spot they can call a home. Many of them are burdened or blessed with wife and children. They are anxious to get into the West, where there is a chance to build a home for themselves and children. Why discriminate, why make ingenious arguments, almost Shylock-like, looking at it from a business point, when everybody knows that the effort is to provide homes by law in the great arid West, where alone in our country it is possible for a poor man without a home, with wife and children around him, to make a home for himself and his family.

Now, gentlemen talk about interest. Under this law a man goes out on the land. He expects the Government to furnish him water. He is excused for five years from paying anything, but what does he do? In the general interest of the great public of the United States, in the general interest of the people of the great arid West, he seeks to increase the population and the number of home lovers and those who make patriotic citizens. It is a fact that those who own their homes here are the very best citizens of our country. What does he do in lieu of paying interest? because I think that is the only argument against this bill that has any force in it. What does this man do during the five years? He has to level the land, grub up the roots of the cacti and the mesquite, the roots of which are as big as your leg and run far into the ground, and which they dig up and dry and use for fuel. He has to dig and level

and reclaim the land. Do you want to charge him interest for doing a great public service like that, in addition to all the labor that he has to do to prepare the land for irrigation? Not only does he have to dig up the roots and clear the land from rocks and other obstructions, but he also has to level it, which takes teams and plows and scrapers and labor, a devotion that you who have never lived in the West can not conceive of. He has to do all that in addition to his other duties.

Now, these great appropriations for rivers and harbors are sufficiently paid for by the general good that is done. We are entitled to that argument as much as anyone else. We in the West know the suffering of these poor homeseekers, and when they devote their lives to reclaiming the West, in God's name are they not paying interest? In addition to that, under this general scheme they agree to pay the principal back. Who is going to pay the principal back on all of your money that you appropriate for pensions and for rivers and harbors, which you pile, in addition to labor and cruel privations, upon these poor devils, many of whom I have seen upon the verge of starvation. I have seen a man who tried to make a home under a 160 or a 320 acre homestead and who has failed, and met by absolute suffering for himself and family. You ask why did he go there.

Mr. Chairman, how can he live in the cities when sometimes he can not get work? He wants to go somewhere, and now for 20 years, and latterly still more than earlier, you have driven him to Canada, where the British Government, with a liberality which we might well copy, has made the land laws so that our people, being unable to get homes in the United States, are going to Canada. I will tell you, you need to help these men. Instead of making them pay interest, it would be no more than just that you would excuse them from paying part of the principal back, because of the great natural obstructions which must be overcome by this bold pioneer, who fears no hardship, who fears no deprivation of the ordinary necessities of life, who, driven by dire necessity, by his crying babies and his poor, ill-clad wife, must submit to any hardship that you put upon him. I have seen not one, but a dozen, who have failed utterly for two successive years. No rain. This year in New Mexico it has rained as much as it has in Washington, and those who had the nerve to put in crops again will profit by it; but last year it did not rain at all and the seed did not sprout, and I have seen these men breaking rocks on the streets in my city, with their wives out in the country 20 or 30 miles, in their little shacks, absolutely on the verge of starvation. And now you want to make him pay interest. Is it not a great public question? I have lived for 30 years in these scenes, and I know what I am talking about. Is it not a great public question to so fix these reclamation laws, the one that you are now considering, as that these men can reclaim the land? They can not reclaim the land if you put the screws to them, Shylock-like—every dollar back or you get no chance. If it were a private benefaction to each man, that would be a different question.

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

Mr. FERGUSSON. Yes.

Mr. GORDON. Right upon that point—if it were a private benefaction. Why is not this just as much a private question as it would be if the people in my city who have no homes should come here and press the argument that the American people are interested in having every citizen in the country own his own home?

Mr. FERGUSSON. I would say that you are right, and I will do anything within the power of this great Government, with its limitless wealth, filling up so rapidly now with the increase in its own population and the influx of helpless and hopeless people from other lands. I would say, "Yes: if you are an honest man, if you have a wife and children, if you need a little help, and if you will pay the principal back, I will excuse you from paying interest for 20 or 40 years." I would help that man.

Mr. GORDON. Does the gentleman know what that would bring this Government to? Where would we get the money to do that?

Mr. FERGUSSON. The gentleman does not think we have no money?

Mr. GORDON. We have not any money to engage in such enterprises as that.

Mr. FERGUSSON. How about the $150,000,000 for pensions that we have been expending for the last 40 years? You do not ask the principal or the interest back upon that.

Mr. MADDEN. No; they get that.

Mr. FERGUSSON. But when we from the West come here in good faith, with our hearts beating with sympathy for the efforts of men to make homes, and make a proposition to give to these people the use of the money which will be amply secured, every dollar, because the acre now is not worth two cents; and when the man gets through with it, with the help of the Government in loaning him the money, if you want to put it that way, or with the help of the Government in reclaiming hundreds of thousands of acres by irrigation enterprises—when we come and make that proposition to you, you say, "No; you must pay the interest."

The man says to the Government, "Let me have 40 acres or 60 acres or 80 acres; let me have a chance, and I will make that land so that it will be worth ten times the value of it now, when you gave me the money to use upon it." Is not that something better than interest—the good he does the General Government and the country we live in? My friend, I am thoroughly convinced that if the gentleman from Illinois [Mr. MANN] understood the matter he would look at it differently. This gentleman, the minority leader, with his powerful and ingenious mind, has looked at this only from the Shylock business standpoint, when it is a great public question that ought to challenge the patriotism and the heart, if he has any, of every man upon this floor, to help these people in these cities that can not get work, at least to the extent of excusing them from the payment of interest, when the acre of land when he goes upon it is not worth a dollar. In the course of 20 years he will make that acre worth to the whole Government $20, and he will pay you the principal back besides.

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

Mr. FERGUSSON. Yes.

Mr. COX. What does the gentleman say in response to the argument made by the gentleman from Illinois [Mr. MANN] that on principles of equity and equality, if the Government embarks in this line of work of giving to the gentleman's people all of the money needed to develop irrigation, without interest, the Government should also give to the people in the State of Illinois and the people in the State of Indiana, where we can buy good land and get anywhere from $50 to $100 an acre, an amount of money sufficient to buy from 80 to 160 acres free of interest? What does the gentleman say in response to that argument, which strikes me to be the very gist of the gentleman's argument?

Mr. FERGUSSON. Mr. Chairman, my answer to that is this, that in Illinois, or in the gentleman's own State of Indiana, the land, as the illustration indicates, is already worth $50 to $100 an acre. If the Government furnished the money to go and buy some of that, the man would have to be tolerably well fixed to start with. We would create a market for that land that would make it worth $250 an acre for speculative purposes pretty soon, but the gentleman's question ignores utterly the point that I have been trying to enforce in my inexperienced way here. I have spoken many times in the courts of our country, but seldom in a parliamentary body. Gentlemen, you ignore the fact that the Government of the United States has engaged in great enterprises intended for the general good of the Government. I will say another thing, that your proposition would involve leaving forever unreclaimed these great valuable rich public lands, and I can not overstate the richness of the soil with water on it. It is absolutely astonishing how rich it is with plenty of water on it. You are ignoring utterly this great proposition, the national importance of it. You should put out of your mind the question of dollars and cents. I am willing to vote for any bill here that will help a man with his wife and baby, in the congested cities, or in the big industrial centers, to get a start some way. Ah, my friends, if we do not realize the kind of civilization we are in, as it has evolved up to date; if we do not realize that we must go forward and forward and get the Shylock system back of us, instead of having a great President, a constitutional President, conceiving the principles of government as Jefferson founded it, as Lincoln interpreted it; a Government of the great masses of common people, to be owned by them, to be run by them, for their benefit; if we do not rise up to the occasion, you are going to drive us back to a great oligarchy and despotism, or you are going to have in the presidential chair some Debs and a great cataclysm may come on this country; not as in France, but it will come to this country under the reign of the ballot. In France, the poor devils had nothing but the bullet and guillotine to correct their wrongs, but with universal suffrage in this country you should not stretch the Shylock argument of reactionaryism too far in this day and generation. [Applause.]

Mr. KINKAID of Nebraska. Mr. Chairman, I yield 15 or 20 minutes, as he may desire, to the gentleman from Illinois [Mr. MADDEN].

The CHAIRMAN. The gentleman from Illinois is recognized for 20 minutes.

Mr. MADDEN. Mr. Chairman, I confess, to begin with, I am not very familiar with farming in irrigated territory, but I understand that these projects cover about 3,000,000 acres; that is, that 3,000,000 acres will be the sum total of the land that can be reclaimed under these projects. We were given to understand when we entered upon the development of these arid lands by these irrigation projects that the cost per acre would be about $22.50. We have already expended about $80,000,000 and I believe $20,000,000 has been made available, so that if we were to assume that the money already expended and that which is available would cover the cost of the reclamation projects, totaling 3,000,000 acres of land, we would have expended at the rate of $33 per acre. But I am told that it is estimated to cost about $50,000,000 before these projects can be completed, and I would not wonder if it would cost $50,000,000 more than the estimated $50,000,000 before they will be completed; and if that should be true, we would find ourselves having expended $200,000,000 for the development of 3,000,000 acres of land——

Mr. COX. Pretty expensive land.

Mr. MADDEN (continuing). Or sixty-six and a third dollars per acre. Now, I can see that it would be hard for those who settle upon these lands to meet the payments with such an excessive cost within a period of 10 years, and I am willing, personally, to extend the time to any reasonable limit, so that no hardship may be imposed upon those who have settled in the West where irrigation is necessary; but I can see no good reason why we should say to the people who have settled upon these lands that the Government of the United States will invest $200,000,000 to make the lands in these arid regions tenantable, advance the money, give the land, and charge no interest. It would be a great injustice to the people of all other sections of the Union.

The argument is being made by those favoring the bill that this is the only place where men living in the densely populated sections of the United States can go to get a home. Well, I can point to 10,000,000 acres of land in Wisconsin that can be bought for a bagatelle in a section of the Union where irrigation is not needed and of tens of millions of acres in the center of the country where civilization is complete and where the rainfall produces the crop, and there is no need for those who are said to live in hovels in cities, and I do not agree that they do so live, to go to these arid regions in order to take up a home if they can find a home in the agricultural regions in the Middle West, where lands can be had at a low price and where no risk whatever has to be run in their cultivation.

Mr. RAKER. Will the gentleman yield for a question there?

Mr. MADDEN. I shall be delighted.

Mr. RAKER. Is not the region the gentleman refers to cut-over or logged-over land; that is, the Government sold it to private individuals and they got the benefit of the timber?

Mr. MADDEN. Oh, but I apprehend in the cultivation of land for purely agricultural purposes that they do not need timber on it.

Mr. RAKER. I know; but the land the gentleman referred to had timber on it.

Mr. MADDEN. The land referred to by the gentleman from California, which once was timbered, is now ready for occupation by the man who makes a living by tilling the soil.

Mr. HARDY. Mr. Chairman, will the gentleman yield for a question?

Mr. MADDEN. Surely.

Mr. HARDY. I ask the gentleman for information. What are the terms on which these settlers buy this land from the Government as to any payment to the Government over and above what the Government spends?

Mr. MADDEN. The gentleman refers to this arid land?

Mr. HARDY. Yes.

Mr. MADDEN. They do not pay anything at all for the land. The Government spends money for its development. It turns the water over for the use of the farmer, of the settler, and this bill proposes that he shall pay 5 per cent on the original cost to the Government to begin with, and five years later he makes his first payment, which amounts to 5 per cent, and continues on until at the end of 20 years he has paid the Government back the amount the Government expended 20 years before.

Mr. HARDY. Then whose land is it?

Mr. MADDEN. It is the land then of the man who has paid these 5 per cent for 20 years.

Mr. HARDY. Practically the result is that the Government loaned enough money to this man to buy his land, and he paid it back in 20 years?

Mr. MADDEN. Yes; and without interest.

Now, there is no man in America who has a tendency toward agriculture who would not be glad to have the Government afford him such opportunity as this. I am a farmer—the gentleman from Connecticut [Mr. DONOVAN] laughs, but I say I am a farmer—and I have a farm which is conducted scientifically, operated as a farm and not as a hothouse, and I would be glad if the Government would furnish me the money to buy more land, which I would be willing to cultivate if I were not called upon to pay more at the end of 20 years than what the Government had loaned. Yes, I would be glad to pay the Government interest on the money it advanced to me, and so would thousands of other American citizens everywhere throughout the Union.

Mr. FERGUSSON. Will the gentleman yield?

Mr. MADDEN. Yes; I will yield.

Mr. FERGUSSON. In reference to your assertion that these people could go and get homes in Wisconsin by going there and buying lands, does the gentleman realize when he makes that statement how many millions of men in this country have not a dollar and have not the right to go and settle it and reclaim it?

Mr. MADDEN. Of course, I know that there are millions of men in the United States who have not the money with which to buy land, and I am advocating the loan of money to these men, so that they can buy land in certain sections of the Nation and cultivate crops; and yet the Government refuses to advance it to them, even on the payment of interest. There is no reason why the Government should loan money to people who move onto arid-region land and let them have that money without interest.

Mr. COX. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. COX. I know the gentleman, from personal experience, goes at a matter as a scientific proposition. I want to ask the gentleman if he has made any figures with a view of seeing how much interest would have accumulated to the Government on the total amount of money the Government advanced at 2 per cent, or even 3 per cent, interest?

Mr. MADDEN. We have loaned them the $80,000,000. We have $20,000,000 more at the disposal of the Department of the Interior, if I understand the situation correctly. That amount at 3 per cent would be $3,000,000. We would have earned from the interest payment on money already expended, as nearly as I can calculate, without pretending to be accurate, something in the neighborhood of $10,000,000 from the beginning of the project up to the present time.

Mr. TAYLOR of Colorado. Will the gentleman permit a suggestion? Let me suggest to the gentleman that the Government has not loaned even a dollar—not a nickel; has not loaned a cent.

Mr. MADDEN. What the Government has done is this——

Mr. TAYLOR of Colorado. The Government has simply gone out and tried to build 32 Government reclamation projects, and has invited innocent poor people to come and settle under them, and has told them they could get the land for $10 or $15 an acre. Now, the overhead charges have mounted from $20 to $50 an acre, and they are asking the poor people there to pay it, and they can not do it.

Mr. MADDEN. The statement of the gentleman from Colorado ought not to go unanswered. The gentleman's statement would lead the House and the country to believe that the Government of the United States, whatever mysterious being that might be presumed to be, began an agitation for the development of the arid lands of the West, and suggested that it would like, as a Government, to irrigate the lands, and it put red-lined advertisements in all the newspapers of the United States advising would-be settlers upon irrigated arid lands to come and take the land at Government expense.

Now, the trouble is that the gentlemen coming from the arid regions, and speaking for the people of those regions on the floor of this House, came here as enthusiastic advocates of irrigation projects, and begged on bended knees and pleaded with all the eloquence which they possessed for the development of the territory in which they lived, and promised all kinds of things to get votes to pass the bill that has put us in the condition in which we are to-day.

Now, that is true, and I do not think the statement of the gentleman from Colorado would leave the situation as it ought to have been left. We went on at their earnest solicitation. They were honest in their advocacy of these measures. They believed they could accomplish certain results. They were mistaken in their belief, and the Government of the United States found itself investing vast sums of money to build water projects in order that these lands might be irrigated.

Mr. TAYLOR of Colorado: Now, has any farmer in the United States ever had a word to say of the expenditure of one dollar of that money? Answer that, yes or no.

Mr. MADDEN. Which farmer?

Mr. TAYLOR of Colorado. Any settler under any project. Has he ever been consulted for one minute about the expenditure of that $86,000,000?

Mr. MADDEN. No; I do not suppose he has.

Mr. TAYLOR of Colorado. Of course he has not. He has had no more to do with it than you have.

Mr. MADDEN. If he has not, he has not had much.

Mr. TAYLOR of Colorado. He has not had anything to do with it.

Mr. MADDEN. But gentlemen, like the gentleman from Colorado, are the ones who are responsible for that condition. They came here on the floor of this House and made everybody believe they could make a garden out of a wilderness; that you could do it for a nominal expenditure of public money; that everybody who went onto this arid land watered at Government expense would become rich in no time. And we allowed the Department of the Interior to accept the money coming from the sale of public lands and to expend that money for the development of these irrigation projects. And we found ourselves in the predicament of having begun projects that were impossible of perfection, and we had to appoint a committee of the Senate and of the House and a commission of Army engineers to go out and overlook and revise the work of the Department of the Interior, where it failed, either by lack of knowledge or because of its lack of patriotism, and we were obliged to call a halt. And now we are asked again to continue our confidence in the Department of the Interior and to continue to authorize the Secretary of the Interior to expend moneys received from the sale of public lands in the development of irrigation projects without coming to Congress to tell us why or where or when.

Now, personally, I have the greatest confidence in the Secretary of the Interior, no matter who he may be. But he is human, and he has too much to do, and he can not know; and whoever he may be himself he undoubtedly has under him men who are not always filled with that degree of patriotism which permits the economic expenditure of the public funds, and they have not been expended economically on these irrigation projects. On the contrary, there has been reckless extravagance with the public funds, without the accomplishment of the kind of work that we had the right to hope for.

And while I do believe that we ought to develop these lands and give the people the opportunity to settle upon them, I believe that this legislation, before it is finally enacted, should provide that no money shall be expended on these projects by the Secretary of the Interior, or under his direction, unless he comes with an estimate of the cost of the annual necessary expenditure for their development to the Committee on Appropriations of the House, and that such money as he may require for the expenditure in any given fiscal year shall be authorized by the Congress. We have had no control over the expenditures. We have abdicated our rights and we have created a condition which is unjustifiable.

Mr. HARDY. Mr. Chairman, will the gentleman yield for a question?

Mr. MADDEN. Yes.

Mr. HARDY. I am studying this question for the first time. Are there any other public lands that are given to settlers absolutely without money and without price?

Mr. MADDEN. Absolutely no other public lands within the confines of the United States.

Mr. HARDY. Is there any logic in the proposition that the Government should take lands and make them worth the very highest price and then give them away without money and without price?

Mr. MADDEN. There is neither logic nor reason nor right nor justice in it. And while I favor the most hearty cooperation along legitimate, decent business lines with the people of the arid West in the development of the lands of that section of the country, I believe I would be failing in the performance of my duty under my oath of office if I did not insist that every year the Interior Department shall be compelled to come to the Committee on Appropriations, just as the War Department does, just as the State Department, and as all the other departments do, and state what they want to expend for this purpose, and state why they want to expend it, and make an estimate of the cost and give an opportunity to the committee to examine those in charge of the expenditures.

That is the legitimate, decent business way to conduct this affair, and it is the only way in which it can be successfully and honestly conducted.

Now, I do not want what I have said to be construed as in opposition to this bill, except in so far as I believe the bill as at present drawn does not safeguard the public rights, for I have as much sympathy with these dwellers in the arid West as any man in this House has. I believe that sympathy, however, ought not to be the guiding consideration in reaching a conclusion on so great a matter as this. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. I thank you, gentlemen, for the courtesy you have shown me.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 30 minutes to the gentleman from Arizona [Mr. HAYDEN].

The CHAIRMAN. The gentleman from Arizona [Mr. HAYDEN] is recognized for 30 minutes.

Mr. HAYDEN. Mr. Chairman, the reclamation act was passed a little over 12 years ago; to be exact, it was approved on June 17, 1902. With your permission, I desire to sketch briefly the history of irrigation in the United States in order that it may be understood why our national irrigation policy was adopted—a policy new to this Government and as yet imperfectly appreciated by many of our citizens. I shall then discuss the particulars wherein the reclamation act has failed to realize the high hopes of its authors entirely and will point out how the bill that is before you supplements the original act to the advantage of both the Government and the settlers under the reclamation projects.

But few Americans who reside east of the Great Plains and the Missouri River know anything definite about irrigation or the laws and customs that prevail in irrigated countries. They have had no occasion to learn, since the eastern half of the United States is blessed with an abundant rainfall. Nor is there a tradition among them on this subject, because they or their ancestors all came from western Europe, one of the well-watered regions of the earth.

Our language is derived from a foggy island in the North Atlantic, where most of the tillable land has been obtained by draining marshes and fens. The Bible is the only great work in all English literature that correctly expresses the spirit of those who dwell in the land of little rain, and it is often misinterpreted by men who do not understand the meaning of "living waters."

Our laws are likewise founded on the common law of England, and riparian rights to the flow of streams were recognized from the very beginning by the colonists on the Atlantic coast. For nearly a century after the Revolution the entire energy of the American people was devoted to the settlement of that part of the United States where rainfall is plentiful. But finally the great wave of immigration reached as far west as the one hundredth meridian, which approximately coincides with the line of 20-inch rainfall, and was there halted. Beyond that line lay the arid West.

While it is true that in at least two-thirds of the land area of the world irrigation is necessary in order to produce crops, yet this was the first time that men of our race had been confronted with such a problem. Anglo-Saxon irrigation began in the Salt Lake Valley 77 years ago, when the Mormon pioneers first diverted the waters of City Creek onto the thirsty soil of Utah. The habits of cooperation which the Mormons had learned in Illinois and Missouri enabled them, under wise leadership, to promptly develop an irrigation system that made life possible in an otherwise fruitless land.

To the union colony at Greeley, Colo., belongs the credit of the next advance by men of our race in irrigation. It has been said that these followers of Horace Greeley transplanted the spirit of a New England town meeting to the far West and again demonstrated the great truth that by the combined efforts of men the most difficult problems can be solved. The success of this colony inspired numerous irrigation enterprises until now Colorado ranks first in the area of land under canals.

The successes that I have mentioned caused the pioneers all over the arid West to turn their attention to the advantages of irrigation. They were men without means, so that the first irrigation works were necessarily primitive. But as time went on capitalists from the Eastern States became interested in irrigation enterprises. During the irrigation boom which occurred from 1885 to 1893, large sums of money were invested in the hope of extraordinary returns. The promoters of these schemes, however, overlooked a fundamental fact that is true of every irrigation system in the world. There can be no permanent peace and no real agricultural prosperity where the ownership of the water or the means of conveying it is separated from the land to be irrigated. Where water means life it is not safe and has never been found practicable to permit its control by others than those who use it. Any plan that does not provide for the

ultimate ownership of the irrigation system by the water users under it is foredoomed to failure.

From almost the very beginning the corporations organized to operate canals were engaged in litigation with the farmers. The laws of the States or the decisions of the courts soon declared such companies to be common carriers and prohibited them from charging more than a reasonable rate for the service rendered. Most of the canal companies were overcapitalized, and when they were unable to earn the dividends that had been anticipated western irrigation stocks and bonds received a bad name in the money markets of the world. The failure of most of such enterprises was not due to any lack of feasibility from an engineering point of view, but because they violated the true conception which has been so well stated by Elwood Mead—

That water is public property; that whoever diverts it is a public servant; that whoever uses it in irrigation is a public benefactor; and that rights to the control of streams can only be exercised wisely and safely under public supervision.

When people were few and water in the streams comparatively plentiful no thought was given to water rights, but each individual or association dug its own ditches and appropriated such quantity of water as was needed. But with increasing settlement the time came when there was not water enough in the streams to irrigate all the lands. A series of wet years would breed overconfidence, so that when the dry years came some lands had to go without water. This condition led to disputes, sometimes even to bloodshed. The court calendars were crowded with lawsuits over water. Not only did the farmer lose directly by the drouth, but often what remained of his substance was expended in attorney fees and court costs defending his water rights.

The very necessity of the situation required that some system for the equitable distribution of water be devised, and this was done with more or less success by the legislatures of the Western States and Territories. The English doctrine of riparian rights was almost universally abandoned and the new principle of appropriation substituted in its place. With this change came the idea that the water should be wedded to the land, and that the first in use should be the first in right.

The various irrigation enterprises in the West were widely separated. The Federal Constitution confers no jurisdiction on Congress over the streams within the States, except where navigable rivers are used in interstate and foreign commerce. Consequently there is no uniform irrigation code in the West, but each State has passed laws to meet its particular needs. Wyoming ranks first in the excellence of its laws on this subject. Colorado, Idaho, Utah, and Montana have also successfully solved the problem.

The State of California, however, presents a striking illustration of the conflict between the legal theories that exist in humid and in arid countries. Northern California is well watered, while the average annual rainfall in Southern California is less than 20 inches, so there has been a diversity of interests which is clearly reflected in the statutes of that State. The antagonistic doctrines of appropriation and riparian rights were both recognized, and the result is that its water laws have in reality been written by the courts. Innumerable lawsuits have been tried and the judges have, by their decisions, finally brought order out of chaos. I venture to say that if the money that has been spent in California on water litigation had been devoted to the construction of new irrigation enterprises homes would have been provided for at least a hundred thousand people.

When the early Spanish explorers arrived in what we now call the Southwest they found the Indians watering their crops and observed evidences of ancient aqueducts, which proved that irrigation has been practiced in that region from prehistoric times. There is a canal at Las Cruces, N. Mex., that we know has continuously watered the same land since before the Pilgrim Fathers landed at Plymouth Rock or the Jamestown colony was founded.

The Americans who came into Arizona and New Mexico after the Mexican War soon learned the art of irrigation from the natives. In both Territories the Spanish laws and customs relating to water for irrigation were in a measure recognized by the early legislatures. Arizona, however, borrowed from California the method of settling disputes over water rights by litigation. The idea that the distribution of water is a ministerial rather than a judicial function has never been adopted in my State. In the valley where I was born there have been many bitterly contested lawsuits, but finally the irrigators came to see that instead of quarreling over the meager minimum flow of the stream their only salvation lay in the storage of water that went waste to the sea when the river was at flood.

But as everywhere else in the West the pioneers were poor and the project was so vast that its construction was impossible unless outside help could be obtained. Similar situations had arisen in all of the arid-land States because local development had reached its limit. It was impossible for the States of the arid region to undertake this work because, with more than half their area owned by the Federal Government and therefore not taxable, their sources of revenue were so limited that funds could not be raised for this purpose. Public sentiment soon began to crystallize in favor of national aid for irrigation, and Congress first answered this demand by the passage of the Carey Act in 1894.

Under the terms of the Carey Act each of the arid-land States was granted 1,000,000 acres of desert land on condition that the State should provide for its irrigation. This law was little utilized for a number of years, and even to this date has brought about the reclamation of a comparatively small area out of the total amount of land under irrigation in the West. While there have been other contributing causes, such as the lack of proper engineering supervision by the States, the principal reason for the failure of the Carey Act lies in the fact that interest, often at a high rate, had to be paid on the money borrowed to pay for the construction of irrigation works. It has been exceedingly hard for promoters to finance Carey Act projects because neither the States nor the Federal Government would loan their credit to the enterprises. The promoters were often more interested in their immediate profits than in the ultimate success of the settlers and could not, like a government, wait for time to work its marvels.

All those who had made a study of the situation finally came to an agreement that the only way that the larger western irrigation projects would ever be constructed was by the United States. As the owner of large areas of land, the Federal Government had a proper interest in its development. A population established in these otherwise waste places meant a wider home market for manufactured articles. But, above all, a wise irrigation policy meant the upbuilding of the Nation by providing homes for our own citizens in their own country. These were the compelling reasons that induced Congress to pass the reclamation act in 1902. The act was carefully prepared by men who were familiar with the actual conditions. We who live in the West believe that its fundamental principles are sound, and we are not trying to change them by the bill that is before you.

The reclamation act dedicated the receipts from the sales of public lands in the Western States to the work of reclaiming the desert, and thereby provided a fund that has done and will do wonders for the West. No one who truly desires that the arid region shall continue to develop would change that feature of the law.

The requirement that the cost of all irrigation works shall be returned to the reclamation fund was the height of wisdom: First, because it placed this appropriation in a class by itself, free from the smell of the pork barrel; and, second, because, by this revolving fund, every practicable irrigation project in the entire West will ultimately be developed. No one now proposes to interfere with this excellent plan.

The time has come, however, when, out of our experience, certain amendments to the reclamation act are demonstrated to be necessary. The authors of this act all recognized it to be an experiment, and none presumed to say that it would never need amendment. The bill before you is not a one-sided measure, but is drawn for the benefit of both the Government and the settler.

In the original act no penalty was provided for the failure to pay the construction charges when due. With the time extended to 20 years and the payments graduated, your committee is convinced that the average water user can meet the payments as they fall due. Those who do not should be penalized.

Some have complained that the penalties in this bill are excessive, but upon examination you will find that they are no greater than the penalties for delinquent taxes in most States and not so great as in some Western States. It is necessary that the rate of penalty be higher than the current interest on money. Otherwise the farmer would prefer to owe the United States rather than his local bank in case it was necessary for him to make a loan.

The greatest difficulty about securing the prompt payment of construction charges is that owing to the increased cost of all the projects the annual payments on a 10-year basis are now excessive. As has been explained to you by those who have preceded me, this increased cost is due to a number of reasons; the principal items of increase, as stated by the Reclamation Service, being that works of larger extent were constructed than were first contemplated and that, as we all know, the prices paid for labor and materials have advanced. For instance, in Arizona, on the project where I live, it was understood that the

cost would amount to about $25 or $30 an acre. With that understanding the farmers upon the project mortgaged their lands to the United States.

Mr. HENSLEY. Mr. Chairman, will the gentleman yield right there?

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

Mr. HAYDEN. With pleasure.

Mr. HENSLEY. Is it not a fact that the testimony taken before the committee that sat at Phoenix for some time in April last year shows that the farmers were led to believe that the charge of the Government would not exceed $15 per acre for impounding the water and furnishing it to them as it got in condition to do so?

Mr. HAYDEN. It is true that the original estimate was $15 an acre for the construction of the Roosevelt Reservoir, but I was referring to figures which included a diversion dam and the distributing system. But the private landowner agreed to pay whatever the cost might be. He mortgaged his farm just as he would to a private individual, and his wife signed the mortgage with him. It is of record that their property is mortgaged to the United States for the amount due as their share of the cost of the project.

As a matter of fact, the construction charge on that land will be more than $60 an acre. But my people are not repudiating the debt. They realize that the project is worth to them all that it has cost. It would be difficult to find anybody who would prefer to return to the old conditions that existed prior to the passage of the reclamation act. What I have said of the Salt River project is true of all the other projects in the United States. There is no desire to escape payment. But the water users come to Congress with this reasonable proposition: That inasmuch as the cost of these projects has in all cases more than doubled, they ask that twice the time be allowed in which to pay the debt.

Mr. HARDY. I think the equity of the farmers for more time is absolutely good, but money costs this Government something, because it owes a great debt and it is paying interest, and 20 years' time on an original investment is worth whatever the Government is paying in interest on its debt. If it is 3 per cent, 20 years is worth 60 per cent additional. That additional amount must be paid by taxes collected from the whole people. Now, under what logic can one set of people ask the rest of the people of the United States not simply and solely to give them a home, but also to give them from $50 to $60 an acre on that home in order to build it up? If they pay back the principal, the rest of the people will be out the amount of the interest.

Mr. HAYDEN. If the gentleman from Texas will pardon me, I have a line of argument here that I should like to present just now. I shall answer his question before I conclude my remarks.

So far as the United States is concerned, another difficulty has arisen in connection with these projects, and that is that certain men, taking advantage of the provisions of the reclamation act, have speculated upon the land in the projects. We have attempted in this bill to cure that evil. As the figures stand to-day, there will ultimately be irrigated under all the Government projects approximately 3,000,000 acres of land. Last year the Reclamation Service was prepared to irrigate 1,290,000 acres. Contracts, however, were made for the payment of operation and maintenance charges for only 942,000 acres, and crops were actually grown on but 721,000 acres of land. These figures tell the story of speculation under the reclamation projects. They show that the owners of between 350,000 and 500,000 acres have preferred to let their lands remain in idleness, out of cultivation, in the hope of selling it unimproved to some future settler. Everybody knows that the reclamation act was not intended to serve any such purpose. The act was designed to make homes for the many, not riches for the few.

Your committee has attempted to prevent the acquisition of this unearned wealth by the following provisions in this bill: First, by providing that under all projects there shall be a minimum operation and maintenance charge, whether the land is cultivated or not. That is to say, that whenever the irrigation works are completed so that water is available for delivery to the land, then the owner of the land shall pay his share of the operation and maintenance of the project whether he cultivates his land or not. The Government has done its part, and the water is ready for his use. It is unfair to the bona fide settlers who are improving their lands that the whole of this burden should be put upon them. I know that I speak for all actual cultivators of the soil in my country in saying that they are in favor of this proposition.

We have also presented in this bill a section requiring that in order to maintain his water rights the landowner or entryman shall cultivate a certain proportion of his land, increasing the amount each succeeding year until three-fourths of the entire area is placed under cultivation. If he fails to do this, it is evident he is holding the land for speculative purposes, and we provide in that event for the forfeiture of his water rights.

Mr. HARDY. Do you forfeit the title to the land?

Mr. HAYDEN. We can not forfeit a man's title to his land if it is in private ownership. If it is public land, his entry can be canceled after the lapse of a certain time, and in that way it can be forfeited.

We also have in this bill a provision which is based upon a recommendation made by a congressional investigating committee that visited certain reclamation projects last year, of which my good friend from Missouri [Mr. HENSLEY], who questioned me a few moments ago, was chairman. That committee pointed out the evil of permitting the owners of large areas of land to bring their holdings within these projects without requiring them to fix in advance the price at which it shall be sold to settlers. We provide that any individual who owns more land than one farm unit, who desires in the future to come under one of these projects, shall agree with the Secretary of the Interior upon the terms on which he will dispose of his excess land. Hereafter it will be impossible for a speculator to reap all the advantage that would come from the enhanced value of his land by reason of its inclusion in a new project. The new settler is entitled to a share in this profit, and we intend to see that he gets it.

As I have stated before, the passage of this bill will be to the mutual advantage of the Government and the water users under the projects. The settler will not only obtain twice the time in which to pay his debt to the United States, but we have graduated his payments so that they are smaller during the early part of the payment period. The farmer is thus given an opportunity to improve his land, to bring it all into cultivation, to purchase live stock, or to have an orchard in bearing before the burden of payments become heavy.

We have provided for a separation of the charges for operation and maintenance from the construction charge, so that hereafter the water user will know the exact use to be made of the money he pays to the Reclamation Service. Under certain conditions we provide that the care and operation of a project may be turned over to the water users under it, and the water users' association may do away with a lot of red tape by acting as the fiscal agent of the Government in the collection of all charges due. These are some of the advantages that this measure contains for the irrigators under the projects. I shall point out other benefits that will accrue to them when we take up the bill section by section.

Now, to answer the question of the gentleman from Texas [Mr. HARDY], permit me to say that this fund which we are using to reclaim the desert is not to be considered as the ordinary revenues of the Government. This was explained with the clearness for which he is noted by the gentleman from Alabama [Mr. UNDERWOOD], who, when the bill providing for the issue of reclamation bonds in the sum of $20,000,000 was under consideration in 1910, made this statement:

> At the time that the irrigation bill was passed it was contended that the proceeds of the sale of public lands were not subject to the same limitations under the Constitution as moneys derived from taxation, and the bill segregated the moneys arising from the sale of arid lands in 18 Western States and provided that they should be held as a trust fund for the purpose of irrigating and improving the public lands in those States to encourage the building of homes. The Secretary of the Interior became the trustee for the management of this fund, and the bill provided that such projects as were feasible and practicable should be developed and the lands irrigated should be sold to settlers at the cost of the improvement by the Government and the proceeds of such sales should be returned to the trust fund to be again used for irrigation purposes under the trust. At that time the question was raised by some of the ablest Representatives in the House as to whether the proposition to use money derived from the sale of public lands for the purpose of irrigation was constitutional. It was contended by those who advocated the bill that moneys derived from the sale of public lands were a part of the private purse of the Nation; that the public lands of the country had originally been given to the General Government by the State of Virginia, other public lands had been secured by the purchase of the Louisiana Territory from the Government of France, and others had been ceded by the Republic of Mexico after the Mexican War as a war measure; that the original cost of these lands was very little, a large portion of it coming to the Government without any outlay of money; and that the amount paid by the Federal Government to France for the Louisiana Purchase had long since been paid back into the Treasury many times over, and that, therefore, none of the moneys derived from the sale of these lands at the time of the passage of the bill came directly or indirectly from taxes levied on the people.

Mr. HARDY. Would there be any money derived from the sale of these lands if the settlers on them and the parties to whom we sold them were only to pay back what the Government paid out and that in a period of 20 years?

Mr. HAYDEN. The gentleman should understand that there are different land laws.

Mr. HARDY. How about this land?

Mr. HAYDEN. Some of the land in these projects is entered under the desert-land act, and for that the entryman will pay a dollar and a quarter an acre.

Mr. MADDEN. And they take money from the sale of other lands and put it into this fund.

Mr. HAYDEN. About $4,000,000 was derived from the sale of the public land last year.

Mr. HARDY. The Government not only gets nothing for this land to start out with, but it spends a hundred dollars an acre for it.

Mr. HAYDEN. That is done on the same theory that land is given to the settlers without cost and without price under the homestead law. It is for the benefit of all the people of the United States, not to make a profit out of the public domain, not to use it as a source of revenue, but to provide homes for our people. The only way we can make homes for anybody on most of the remaining public land is to irrigate it.

Mr. EVANS. Will the gentleman allow me to make this suggestion, that a part of the money that comes to this fund comes from the sale of coal lands, from the sale of timberlands, from the sale of phosphate lands, and other lands, for which the Government charges a certain price.

Mr. HAYDEN. I thank the gentleman from Montana for bringing out that fact. Now, let me continue the quotation from Mr. UNDERWOOD:

> The congressional debates in the early history of our Government show that Congress at that time recognized a very marked distinction between the right to dispose of public moneys derived by taxation and the disposition of public lands or the proceeds thereof. Most of the Representatives in Congress in the first half century of our national existence were strict constructionists as to the power of the Government to expend moneys derived from taxation for any other purposes than those within the governmental powers enumerated in the Constitution; but these same Representatives were very liberal in the disposition of public lands for other purposes. In the beginning they gave the sixteenth section of each township of land to the States and Territories for school purposes, and afterwards gave the thirty-second section for the same purpose. They followed that by giving public lands to promote the building of canals in the country, and at a later period large donations of public lands were conveyed to railroad companies, as a direct gift, for the purpose of building railroads and improving the country.

If we can give away the public domain to the extent of 140,000,000 acres, which has been done under the homestead law, does it not logically follow that we can give away the money received from the same source, or we can loan it without interest? It is merely a question of the best public policy. The gentleman from Illinois [Mr. MANN] contends that we can not justify a loan to farmers without interest in one part of the country and refuse to loan money to farmers in another part of the country with interest. I have no controversy with him on that general proposition. If we came to the Treasury of the United States and asked for the loan of money derived from the general revenues of the Government, and if it was necessary for the Government to borrow money to make up the amount loaned, then, of course, we ought to pay interest. But the money in the reclamation fund is of a peculiar character. The sums received from the sale of public lands are so small that if divided among the States and loaned to farmers practically no relief would be afforded. I stand ready to vote for any well-considered rural credit bill that may be offered to this House. To charge interest on the reclamation fund will benefit nobody.

Here we have a fund derived solely from the sale of public lands and a part of the private purse of the Nation. If we can properly give the land itself away, we can loan the money received from the proceeds without interest or give the money away. You can not escape that reasoning. On the other hand, if you follow the argument which the gentleman from Illinois has made to its logical conclusion, we ought to repeal the homestead law. We should consider the public lands as an asset of the Government and endeavor to obtain all we can for them. We should offer them for sale to the highest bidder and thus increase the revenues of the Government.

But such a policy has not been followed. We have sold lands for a nominal sum, or given them away, upon condition that the settlers shall make homes for themselves and families. We have about reached the limit of available public lands and we can not provide any more new homes for our citizens now unless it is on irrigated lands. One-half of the area of the reclamation projects is public land that would otherwise be not cultivated or made into homes for our people. A wise public policy makes it necessary that this plan be continued.

If interest is to be charged we must follow the plan inaugurated in Europe of amortizing the debt and extending it over 50 or 60 years. Twenty years is a reasonable time in which to expect the repayment of the cost of reclamation projects if no interest is charged. The government of no other country in the world has attempted to collect agricultural loans in so short a time as 10 years. The small-holdings act of 1907 passed by the British Parliament provides for a repayment period of 50 years. The estates commission and congested districts boards in Ireland make loans for 62 years. In the State of Victoria, Australia, they are so anxious to get settlers that they not only give away the public domain, but they level it, put it in crops, spend money for houses, and teach the new settler how to cultivate his land. Under the Victorian closer-settlement act the period of repayment is 32 years.

The principal European nations all provide for loans to agricultural associations. In Italy the period of repayment is 35 years, in Austria 54½ years, in Switzerland 50 years, while in Hungary the National Small Holdings Land Mortgage Institute makes loans for a period of 65 years.

It is unnecessary for us to follow such a policy in this country, because our people are not so poor as the European peasants. It is only fair, however, considering the hardships that the settlers in the West are compelled to endure, and considering the benefit that they confer on the whole Nation by making the desert habitable and productive, that we should advance money for the construction of irrigation works without interest. The remission of an interest charge on this money can properly be considered a donation by the United States in behalf of the general welfare.

We ought to consider ourselves fortunate that a fund is available for the development of the West without expense to the taxpayer. All other internal improvements by the Government are paid for out of the Treasury without reimbursement. Anyone who will examine into this question thoroughly will see that the general public is benefited by an increase in the production of foodstuffs. The construction of irrigation projects directly affects the meat supply of this country. The alfalfa fields of the West are all used to fatten the stock that is brought in from the ranges, and if it were not for the fact that we now have over 13,000,000 acres of irrigated land we would be still more embarrassed by the high cost of living.

We believe it is better policy to loan this money without interest so as to get the principal back as quickly as we can. The returned money can then be used to construct other irrigation works and thus provide homes for more people and continue the development of the country.

Mr. SHERLEY. Will the gentleman yield?

Mr. HAYDEN. Certainly.

Mr. SHERLEY. Does not that raise the question whether the same amount of money and the same amount of energy expended on land that is naturally productive and does not need irrigation would give a larger return?

Mr. HAYDEN. I doubt it as a matter of fact. The amount of money available from the sale of public lands is so small that if you once attempted to distribute it over the entire farming area of the United States it would accomplish nothing.

Mr. SHERLEY. Is not the basis of your claim this: That you think the money belongs to that locality because it came from the public domain of that locality and ought to be expended there? I differ completely there with the gentleman. I believe the public domain belongs to all the people of the United States and not to the State in which it happens to be situated.

Mr. HAYDEN. That being the case, would the gentleman advocate obtaining as large a sum as possible from the sale of it?

Mr. SHERLEY. I might and might not; it would depend upon whether I considered it particularly desirable to have homesteads made on it. I do not consider that it is particularly desirable to spend a great amount of money in making arid land capable of producing crops when we have a great deal of land already capable of producing crops that is not being employed. If we were crowded for land, the gentleman's proposition would have more merit, but we are not, and what the gentleman is proposing is that we constantly stimulate immigration into a section which is less worthy of development than other sections of the country.

Mr. HAYDEN. Mr. Chairman, I shall not argue with the gentleman whether my section of the country is more worthy of development than his, because I know that our pride in our States is such that we would never reach an agreement; but if we follow the gentleman's argument to its logical conclusion, we ought never to have passed the homestead law; we ought to have held the public land as a private individual or a speculator would in order to obtain the highest possible price for it.

Mr. SHERLEY. What we did was to take land that was peculiarly adaptable for settlement and get it settled up, and there was a reason, not only economic but national, in favor of

developing the West; but now you have got to a point where you have land that is not worth giving away unless a great deal of money is spent on it, and that raises a question of whether, having other land that is worth developing, we ought to spend the money on these arid lands and offer the tremendous inducement that you are offering of principal without interest.

Mr. FALCONER. Mr. Chairman, will the gentleman from Arizona yield?

Mr. HAYDEN. Yes.

Mr. FALCONER. Where in the United States may people now get free good land?

Mr. SHERLEY. Oh, I did not say that they could get it by having it given to them; but if you will pass a law saying that the people of my State can get from the Government without interest money necessary to buy land, they will buy land in my State, and a great deal of land that is not now in cultivation will be put in cultivation.

Mr. FALCONER. Yes; but I would observe that a great deal of the uncultivated land there, and a great deal of the uncultivated land within 100 miles of the National Capital, to which reference has been made this afternoon, is not worth taking as a gift, and that as compared to some of the land in the West after it is developed, say, for 10 or 20 years, the eastern land is not so productive.

Mr. SHERLEY. If it is so very profitable, then men would jump at the chance to get the loan and pay interest.

Mr. FALCONER. It takes time, of course, to get the land improved, even under Government help. Adverting to a previous remark of the gentleman, I was wondering if the gentleman figured that land in Texas was public land, or if it belonged to the State.

Mr. SHERLEY. If the gentleman knows the history of America, he will know how Texas happened to come into the Union.

Mr. FALCONER. I do.

Mr. SHERLEY. And that the rule that would apply to the public domain of the West would not apply to the State of Texas.

Mr. FALCONER. That is true.

Mr. SHERLEY. Then the gentleman's question does not need an answer.

Mr. FALCONER. There are certain rights in certain States, and the money derived from certain natural resources, some argue, ought to go to a certain extent for the benefit of the State.

Mr. SHERLEY. I know a great deal of the Northwest country became a part of the Union as a result of the energy, courage, and heroism of the people of my State, and I feel that their descendants have an interest in that public domain, and that they have not surrendered it to the few people who have gone out into those Western States.

Mr. HAYDEN. Mr. Chairman, there is one other argument that has been advanced by way of amendment to this bill that I should like to discuss in the few remaining minutes of my time. It has been said by the gentleman from Illinois [Mr. MADDEN] that this bill should be amended to provide for annual estimates by the Secretary of the Interior of the expenditures to be made from the reclamation fund. The act as passed in 1902 made a continuing appropriation. Whatever sums of money received from the sale of public lands may now be expended by the Secretary in the reclamation of arid lands without his coming to Congress for an annual appropriation. I believe that I can speak in fairness on this matter, because the projects in my State are so far advanced that they must be completed under any system of estimates and appropriation.

It seems to me that the record of this Congress, and of past Congresses, on appropriations is not such that we can boast that there would be a material advantage in changing the system. All regular appropriations are made available on July 1, at the beginning of each fiscal year. On any ordinary public work, where the money is not reimbursable, it may be said that it is immaterial whether the appropriation is made at one time or another, because the loss falls on the Government. But in the case of a reclamation project with a large number of farmers absolutely dependent upon the prompt completion of the irrigation works and making their plans accordingly, if we were to repeat the spectacle that we have here to-day of great appropriation bills not yet passed that ought to have been approved long ago, then we will be placing a burden of suffering on a people that already have assumed all the hardships that they should be expected to bear.

There is no inherent virtue in passing a bill through the Appropriations Committee; that process does not necessarily mean economy. Until we adopt a budget system so that we can limit appropriations to certain amounts, and know that this limitation will not only apply in this House but also to another body, I can not see any particular advantage in having the expenditures from the reclamation fund passed upon by the Committee on Appropriations. If a budget were adopted, I should not so much object to this change.

The Secretary of the Interior is now limited by the amount of this fund, and it is in his discretion as to where it shall be expended. One of the troubles with the original reclamation act was that section 9 provided that the major portion of the money should be expended in the States from which it came. The result was that the Secretary of the Interior, in order to carry out the spirit of the act, began the construction of 32 projects, some of them in places where they were not warranted. When the bonding act was passed, in 1910, that section was repealed, as it was seen to be vicious.

It is now proposed that we go back to the same old system and make the expenditure of this fund dependent upon the political influence of Members of this House rather than leave it to the discretion of the Secretary of the Interior. It has been seriously argued that we would save large sums of money in our river and harbor appropriations if a lump sum were given to some department or commission with directions to expend it as they saw best from an engineering point of view, rather than to leave it contingent upon the passage of a bill in which every Member of the House and Senate is interested. Somebody must show me where there is more virtue and more economy in the mere fact of getting a bill through the Appropriations Committee than to leave the expenditure of a limited sum to the discretion of a responsible Secretary, a member of the Cabinet who has pride in his work.

Mr. SHERLEY. If the gentleman will permit.

Mr. HAYDEN. Certainly.

Mr. SHERLEY. There has been no undertaking of the same magnitude as the Panama Canal. That, of course, the gentleman will admit?

Mr. HAYDEN. Yes.

Mr. SHERLEY. Every appropriation that has been made for that canal, beyond the initial appropriation at the time of the purchase of the canal rights from the French company, has been made through estimates submitted to the Committee on Appropriations, and by annual appropriation. If the gentleman is familiar with the history of the building of the canal he will know there has not been a year since those estimates were submitted to the Committee on Appropriations that the appropriation was not much under the amount that was estimated, and the greatest physical undertaking of mankind has been conducted practically without waste and scandal. Now, can the gentleman show anything like that or approaching that with reference to the Reclamation Service that has been beyond the control of Congress?

Mr. HAYDEN. I can say this, that the officials of the Reclamation Service claim that the expenditures made under their direction have been no more wasteful, and, in fact, more economical, than the ordinary governmental expenditures.

Mr. SHERLEY. My only answer to that is that that is the most severe indictment of governmental expenditures that I have ever heard of, because if the rest of the Government is as bad as the Reclamation Service, it is high time we should get a new form of government.

Mr. HAYDEN. I have never had an opportunity to thoroughly investigate the expenditures of the Reclamation Service. I understand that a superficial investigation has lately been conducted by a subcommittee of the Committee on Appropriations, but for some mysterious reason the hearings have not been printed, so that the ordinary Member of this House has had no opportunity to study the facts that have been developed. I have been fortunate enough to secure one copy of a summary of the testimony, which was evidently prepared by a Member who has no personal knowledge of irrigation. I understand that at this hearing the engineers of the Reclamation Service claimed that the expenditures of the service based on the unit of cost of moving earth, stone, and other material, has been no higher, and not as high in many cases, as the expense of similar work by private corporations and much cheaper than other governmental work of like character.

Mr. SHERLEY. I will say to the gentleman that I just recently had an appeal made to me by one of the chief champions of the bill, one of the men who went as a member of the committee to investigate it, and his argument to me to vote for the bill was that there had been such a tremendous unnecessary cost placed upon these farmers as to compel relief to be given to them now.

Mr. HAYDEN. I would have the gentleman from Kentucky to distinctly understand that I am not here to defend any waste or extravagant expenditures that may have been made

by the Reclamation Service. Of course, as in all other Government work, money has been spent in a useless and improper manner by this service. I know of such instances from my own observation. But the question at issue here, however, is not what ought to be done about the mistakes of the past, but whether the submission of estimates by the Reclamation Service and annual appropriations by Congress will cure the evil. I can see nothing in our present methods, as exemplified by other congressional appropriations, to indicate that any saving would be effected.

Mr. Chairman, in conclusion, let me say that in common with every water user on the Federal reclamation projects, I am indeed glad that after a long and wearisome delay we have at last begun the discussion of this measure in the House. I ventured a prediction about a month ago that this bill would pass the House by the 15th of July. As prophets go, I was fairly accurate in that the discussion of the bill was commenced on yesterday. I sincerely trust that we will conclude the general debate to-day, so that we can take up this measure next Wednesday, under the five-minute rule, and pass it.

Mr. KINKAID of Nebraska. Mr. Chairman, I yield 25 minutes to the gentleman from Nebraska. [Applause.]

The CHAIRMAN. The gentleman from Nebraska [Mr. KINKAID] is recognized for 25 minutes.

Mr. KINKAID of Nebraska. Mr. Chairman and gentlemen, I am very glad the relief sought is freely recognized as not being a merely local question confined to a congressional district or one State. Its extensive geographical scope makes it a great national question. It is also politically treated as a national question. I am glad to acknowledge my appreciation of the firm support being given this bill by the Department of the Interior, which presumably correctly represents the attitude of the present administration. Had the Republican national ticket succeeded in the last election there would have also been an administration bill, just such a bill as this, for enactment. It also goes without saying that if the Progressive national ticket had won, the reclamation act would have received the fostering care of the administration of Theodore Roosevelt, because the original act was passed under his administration, assisted by his ardent support. No political party has ever taken a stand against this act, and I am glad no partisan politics is involved in this relief bill. The Republican administration had found by experience of the Interior Department, and I may say a practical demonstration by water users, that this relief by the extension of time from 10 to 20 years was necessary. That was clearly demonstrated, and has been confirmed by the many figures, statements, and reports which the Department of the Interior has from time to time given to the public.

Mr. Chairman, this bill constitutes the present paramount legislative interest of approximately the west one-half of the United States. It is not merely the particular localities now under irrigation which are vitally concerned, but as well the unirrigated country surrounding those localities, and especially as well the many towns to which these irrigated vicinities are tributary.

The bill is not the product or draft of any single Member of Congress, neither of any official. Its provisions represent the consensus of opinion on the one hand of the Secretary of the Interior and his able and experienced corps of reclamation officials, including engineers, legal advisers, and other valuable help——

Mr. RAKER. Will the gentleman yield right there?

Mr. KINKAID of Nebraska. Certainly.

Mr. RAKER. In addition to the Members of Congress from the Western States, practically all of them, is it not a fact that the Senators from the various States also participated in this conference with all those interested in the administration?

Mr. KINKAID of Nebraska. The gentleman from California is entirely correct.

Mr. RAKER. And not only one but many conferences were had on this bill, and it was gone over thoroughly before it was presented to the House?

Mr. KINKAID of Nebraska. It must have been deliberated two or three months before it was drafted, and then it went to the committees and was thoroughly considered by the committees, and it was so acceptable as drafted that it passed the Senate without any resistance whatever.

Mr. Chairman, I had been about to state when I yielded to the gentleman from California [Mr. RAKER] that Senators and House Members from all the irrigation States, and especially the members of the Senate and House Irrigation Committees, participated with the Secretary of the Interior and his very capable and experienced corps of reclamation officials in deliberations had upon the preparation of the bill, the Secretary himself officiating as chairman of the conferences.

Mr. RAKER. Will the gentleman yield further?

Mr. KINKAID of Nebraska. With pleasure.

Mr. RAKER. Is it not a fact that while there has been considerable complaint from the farmers on these projects they were called here a year ago last summer, and were here a couple of months, as representatives from each project, and full hearings were had before the Secretary of the Interior, and volumes of testimony taken, and that this bill is practically the result of that conference, as well as the other one just named, between the Members of the House and Members of the Senate?

Mr. KINKAID of Nebraska I thank the gentleman from California for calling my attention to that. I intended to make that very statement of fact and tell of the long, arduous, painstaking, highly capable, and thorough investigation that was conducted by the Secretary of the Interior in order to ascertain what might be expedient to be done for settlers. The Secretary was most faithful and able in the discharge of this self-imposed official duty. The Secretary reached the conclusion which was inevitable upon the evidence. Besides hearing from the lips of the water users themselves of their efforts and experiences and as to existing conditions the Secretary made an extended tour, seeing for himself most of the projects. I shall read what the Secretary says upon that subject in his annual report.

The Secretary says:

> We mistook the ability of the farmer to pay for his water rights. Ten years was the time given. His optimism and our own was too great. The time should be doubled.

Please observe this further statement of the Secretary, which I read:

> This should be done not alone because of the inability of many to meet their obligations to the Government but because it will prove a wise policy to give a free period in which the farmers may more fully use their farms.

Mr. RAKER. Will the gentleman yield right there? Is it not a fact—and I want it from the gentleman, if it is within his knowledge—that one of the reasons that has raised the cost of these projects is that when they first estimated they simply estimated for a dam and a main ditch, and since that time practically each project has added a distributing system, and there are hydroelectric plants and other drainage systems that were absolutely necessary, and hence the price of the project has been doubled, and having doubled the price of the project, these men ought to have additional time for payment?

Mr. KINKAID of Nebraska. Nobody is better informed on that, I take it, than the gentleman from California, but I would answer in the affirmative the question which he has asked. I will just state in that connection that on the North Platte project the first estimate there was $35, but it was increased first $10, making it $45, and subsequently increased $10, making it $55——

Mr. RAKER. Right in that connection I want the gentleman to explain to the House whether or not it is a fact that when they raised the estimate it was done by virtue of their putting in a distributing system to deliver water to the farmers, when, as a matter of fact, the original only contained the estimate for a main ditch?

Mr. KINKAID of Nebraska. I do not doubt the gentleman is correct about that, but I am not sufficiently informed to answer on that particular point.

Mr. Chairman, 25 or 30 years ago some publicist said, "America is another name for opportunity." Nothing could have been more truly expressed with reference to the boundless opportunities for legitimate endeavor, but especially for homesteading, home securing, and home building in the yet unsettled portions of Iowa, Minnesota, Nebraska, Kansas, and the Dakotas, within the humid limits.

Mr. Chairman, for the several years preceding the enactment of this reclamation law in 1902 opportunity for the securing of homes on the public lands and the extension of agricultural development in the United States had well nigh become exhausted. I mean such opportunity had become almost exhausted in the humid regions of the West; and what was to be done about it? Were our people to be allowed to emigrate to Canada, Australia, or to some other new country, where they would find agricultural lands blessed with adequate rainfall or irrigated by the State?

Mr. Chairman, the result of this ascertainment and the agitation which followed was that the people of the semiarid West appealed to the Congress for a national irrigation law, providing that the funds arising from public-land sales be used in the development of irrigation projects, and the result was the act of 1902.

Mr. Chairman, the membership has been fully advised of the extent of the delinquencies in water-right payments, and I shall not here take the time to go into figures upon this question.

Mr. Chairman, the able and distinguished gentleman from Illinois [Mr. MANN] in the remarks he has made freely accords that the time for making water-right payments should be extended from 10 to 20 years, and the views he expresses show him to be well grounded upon this question. He seems to be convinced, as the Secretary of the Interior and the members of both committees and many other Members of the Senate and House are convinced, that such an extension of the time of payment is a necessity. I personally appreciate the approval of the gentleman from Illinois of this, the main feature of the bill, but I do regret that the gentleman from Illinois [Mr. MADDEN], who has already spoken, and some others, should be impressed that a rider should be imposed upon the extension of time in the form of interest payment.

I contend that interest payment is not tenable at all. I contend that it would be thoroughly and fundamentally repugnant to the original act. I contend that rather than to impose the requirement of interest payment we had better introduce an act to repeal the reclamation act, because interest charge must make its operation a failure.

Mr. Chairman, when the act was passed it was determined it would not be an interest-paying proposition, because it would not endure the payment of interest. It was only because the projects which the Government has taken up and set on foot were not feasible at all as business propositions from a private-investment standpoint that Congress passed the reclamation act and assumed the onus of furnishing the money to settlers without interest. Private capital would only invest where the payment of interest or the return of dividends were assured; where reputable irrigation engineers had ascertained that large or reasonable dividends would be realized. Practically all such feasible projects had already been secured by private capital. The question thus arose whether the development and the increase of population in the western country should be encouraged by Government aid. It was granted that private capital would never undertake the development of what the Government has since undertaken, and that it was not an interest or dividend paying proposition to start with. Mr. Chairman, the arrangement does not constitute a borrowing by water users. Water users are simply going in on the cooperative plan with the Government for the general development of the country. Water users have joined hands with their Government to do something not only for their individual private interests, but for the public interest as well.

The act provides for a policy for internal improvement, looking to a great ultimate good. The Government does not expect to reap immediate advantage. It would be idle to contend for that. But the Government had to undertake this and do this much, allowing money to be used without interest or without any returns, or else allow these fertile lands of the West—which they are, when water is put upon them—to lie idle and unproductive. It is an act to reclaim the desert, to make the unproductive desert productive. And, Mr. Chairman, it is an act also to build up citizenship.

What constitutes a State?
Men, high-minded men.

It is for the benefit of the State and the Nation that we build up our citizenship, and the surest foundation is to secure to them comfortable and profitable homes.

Mr. Chairman, it is not legitimate or fair at all to impose interest payment. To impose interest charge would break the majority of water users; some of them, of course, would survive because they were well-to-do when they took up the land.

Mr. Chairman, I want to read this particular plank from the Republican platform, based upon the experience of the Interior Department:

We favor the continuance of the policy of the Government with regard to the reclamation of arid lands; and for the encouragement of the speedy settlement and improvement of such lands—

Mark the words:

For the encouragement of the speedy settlement and improvement of such lands.

We favor an amendment to the law that will reasonably extend the time within which the cost of any reclamation project may be repaid by the landowners under it.

I want also to read from the report of the Secretary of the Interior upon the same point. He says:

I feel the keenest sympathy with those who are upon these projects, who are entering upon this work of putting the desert into *public service.*

The Secretary of the Interior recognizes that the water users are not only helping themselves in a private way, but are doing a public service, and these reasons are my justification for saying that this is a cooperative plan. These pioneers, helping to develop these lands, are citizen patriots doing a great public service to help develop this country, so that it will cope in population, agricultural production, and power with the other countries of the globe.

We were told in the excellent speech by Mr. Mead, who was at one time in the Reclamation Service here, and who had previously been the highest reclamation officer in the State of Wyoming, when I had the pleasure to know him—he stated in his speech delivered at Denver at the irrigation convention this season that the United States is in competition with Australia, New Zealand, and Argentina for population, in substance. Mr. Mead meant, too, that the kind of laws and policies we applied to irrigation and the manner of help accorded water users would largely determine the question of our supremacy over these competing countries with respect to the settlement and development and production and prosperity of the semiarid regions of the several countries. Mr. Mead explained wherein foreign countries had done and were doing so much more for irrigation by giving the water user a good start and more favorable terms throughout than the United States has undertaken to do for its water users.

While water users in the United States will cheerfully repay to the Government the full cost of construction if they may be afforded reasonable time in which to make the money, or a good portion of it, from the use of the lands irrigated, the State of Victoria, in Australia carries permanently for water users the full cost of construction, requiring from water users annual payments which would be equivalent to a reasonable income on the investment made by the State. So water users in Victoria can invest in live stock and other personal property the $25 or $50 or $75 or more per acre, which a permanent water right costs in the United States, and presumably about the same cost obtains in Victoria. The consequence is that the permanent investment the water user in Victoria has in the land is small, indeed, as compared with the permanent investment the American water user will have in the land when his water right has been paid for. The great advantage the Victoria water user has over the water user in the United States will be obvious to everyone. It is not only that the water user in Victoria is permitted to invest and carry in live stock and other personal property the greater portion of his wealth, but the taxable valuation of his land will be so much lower than the irrigated farm in the United States where the cost of construction charge becomes a permanent investment in the land.

It was not a remarkable or exceptionable arrangement on the part of our Government to provide irrigation out of public-land funds without requiring the homesteader to pay interest. I have just pointed out that Australia has gone away ahead of us in this respect, and I should add New Zealand and in some particular respects should add also Canada, but the Canadian Government does not directly itself develop irrigation projects.

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

Mr. KINKAID of Nebraska. Yes.

Mr. EVANS. Is it not a fact that many of these projects are used for the purpose of retaining the flood waters that otherwise would do damage as they flow down untrammeled through the valleys of this country?

Mr. KINKAID of Nebraska. Yes; certainly. The gentleman from Montana is correct. They do a great service in that respect and will help to avoid the necessity of large appropriations for the improvement of rivers and the construction of levees.

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

Mr. KINKAID of Nebraska. Yes; with pleasure.

Mr. SHERLEY. Will the gentleman state a case where an irrigation reservoir has materially prevented floods in the valleys below? Will the gentleman name just one?

Mr. KINKAID of Nebraska. I had rather refer the question to an expert irrigation engineer—yes; I yield to the gentleman from Montana [Mr. EVANS].

Mr. SHERLEY. You say that that has happened. I want to know of a river where that has happened. All the far West is represented here.

Mr. EVANS. I would not undertake to name one, because very few of those irrigation projects are at the present time completed. But it is a notorious fact that it is the expectation of engineers that when these large bodies of water are impounded the damage below that point will be lessened by the regulation of the flow of this water.

Mr. SHERLEY. All the irrigation is in arid lands, in the arid region?

Mr. EVANS. Yes.

Mr. SHERLEY. Do you have floods in the arid regions?

Mr. EVANS. Yes; when the spring floods come along they come all the way down to the Mississippi River, and they do damage as far down as New Orleans. The construction of these irrigation projects will stop the damage all the way down from St. Louis to New Orleans.

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

Mr. KINKAID of Nebraska. Yes.

Mr. TAGGART. We have a dam on the Platte River in Wyoming. That dam, I believe, is 270 feet high, is it not?

Mr. KINKAID of Nebraska. It is higher than that, but I have forgotten the exact number of feet.

Mr. TAGGART. It is capable of retaining a flood in case there is one, is it not?

Mr. KINKAID of Nebraska. It will impound flood waters.

Mr. TAGGART. And the theory is that if it is allowed to run out in the dry season, it can be used for irrigation purposes, and in case of a flood in spring it will effectually retain the flood?

Mr. KINKAID of Nebraska. Of course it conserves flood water.

Mr. TAGGART. When you get a flood in the arid region, it is usually a serious flood, is it not?

Mr. KINKAID of Nebraska. They have been the most destructive of any in many instances.

Mr. Chairman, the necessity for this legislation is mutual to the water users and the United States. That has been accurately ascertained and determined by the proper officials. The comptroller of the Reclamation Service, Mr. Ryan, was delegated by the Secretary of the Interior to come before the Committee on Irrigation and give his testimony, which expressly represents the views of the Secretary of the Interior, as well as the comptroller himself.

I shall read briefly from his testimony:

Mr. KINKAID. I should like some information on the North Platte project.

Mr. RYAN. I have a statement here which shows the number of payments—the number of water users and the number of payments they have made on each of the projects, showing those who have made payments, and how much they have made. Then here is a statement for each year since the projects were opened. The North Platte project, for instance, the total amount of building accruals is $566,940, and the total amount paid is $162,000, and the total amount unpaid is $404,000.

The CHAIRMAN. Now, what is the reason for that default, if you know, Mr. Ryan?

Mr. RYAN. They have been unable to make the payments; they have been unable to make the land produce sufficient to make the payments.

The CHAIRMAN. Is it your judgment, Mr. Ryan, that, without an extension of time, these water users on that project you just mentioned, for instance, would be able to meet their payments within 10 years?

Mr. RYAN. They would not. I think it problematical on the North Platte whether a sufficient extension of time is made under the provisions of this bill. I have doubts about it.

The CHAIRMAN. Is it probable, Mr. Ryan, that the money for these construction charges could be returned more certainly in 20 years than in 10? That is not the question either that I intended to ask. Don't you think that we can get the money back more quickly by extending the time than by letting it remain as it is?

Mr. RYAN. Yes, sir; absolutely. The 20-year extension is necessary as a business measure in order to get the money back into the reclamation fund. I doubt if you would get it back under the terms of the old bill, but I feel certain that you will get it back under the terms of the new bill.

EXPLAINS WHY.

The example of the discouraged and disheartened settler, unable to succeed on the land he operates will deter new settlers from going on the unoccupied lands. Unless water-right applications are made for large areas not now under contract there will be a large deficit in the repayments to the reclamation fund. In order to secure thrifty and industrious settlers upon all of these lands, it is necessary to make our terms liberal enough to induce them to put their time and their labor against our investment. If we make our present settlers prosperous and contented, we will have no need to fear but that we shall have an abundance of applicants for lands not now in use.

The CHAIRMAN. The gentleman has consumed 25 minutes.

Mr. GREENE of Massachusetts. I yield to the gentleman 15 minutes additional time.

Mr. KINKAID of Nebraska. I have read this statement of Mr. Ryan to show the mutuality of the public with the private water user, as to the development of further projects. Unless these settlers who are already on existing projects get relief, there will be no newcomers and no new takers of the new projects. Unless water-right applications are made for large areas not now under cultivation, there will be a large deficit in the repayments of the reclamation fund. Instead of putting off the day of the payment, this bill, duly enacted, will facilitate and accelerate the payment of funds, because of the increased number of entrymen coming on and taking these lands. The more lands taken, the more entrymen there will be to help make water-right payments. Let me repeat for emphasis that I asked Comptroller Ryan this question: "You regard it as a mutual proposition between the Government and water users that this relief be afforded—that it is in the interest of both?" To which Mr. Ryan replied, "Yes, sir."

Mr. Chairman, this makes it plain it is a mutual proposition between the Government and water users in order to get the money back to the Government and that the water user may have time to make the money. Mr. Chairman, this is a question of internal improvement. It is not a question of money loaning. It is not a question of investment, considered from the business man's standpoint. The gentleman from Illinois [Mr. MADDEN], able and useful Congressman that he is, is also a successful business man, and he is able to perceive at once that this is not an interest-paying proposition to the Government. The gentleman from Illinois [Mr. MADDEN] joins with his colleague from Illinois [Mr. MANN] in his proposal that interest should be paid by water users on the time given for water-right payments. This is not to be viewed as a commercial proposition for investment by the Government. It is a broader question, looking to the future of this country, a great country with a great population and a great people, and we can never be a great people without the material prosperity of the individual.

Some little criticism has been made of the bill, because it allows four years without making any payment, after making the initial payment. This is done for the purpose of enabling the homesteader to get a start, to subdue the soil. The mistake was made in the first place by assuming that water users could make their payments in 10 years. It takes 4 or 5 years to subdue the land. As pointed out by the able reclamation official of Victoria, Australia, at this Denver convention last spring, it was a great mistake not to allow the water user time and sufficient latitude in which to get a start, and that has been the great stumblingblock in our reclamation law. Other countries provide for this. Australia provides for this, New Zealand provides for it, and Argentina is going to provide for it. Are we to be behind these new countries? Are we to pursue a policy that will encourage emigration out of our country into these foreign countries?

Mr. Chairman, I desire to here emphasize as strongly as I can that water users are entitled to 10 years additional time as an equitable right, and they have a strong case at that in equity for such relief. They are entitled to it as a matter of equitable right and equitable relief without having to pay for it a consideration in the form of interest. They are entitled to it as a matter of justice, and they should not be required to buy justice.

Mr. Chairman, they are entitled to it, first, for the reason given by the Secretary—that a mistake was made in the first instance, when 20 years time should have been allowed instead of 10 years in which to make water-right payments. The mistake occurred by reason of an erroneous estimate in the time reasonably required. Who should be responsible for this erroneous estimate? Mr. Chairman, I submit it is not tenable to invoke here or apply the rules of a sharp bargain or of beware and take care of yourself at your own peril when entering into a contract. The application of no such a rule to this condition would become an enlightened people and an enlightened Government. But let me here invoke the Golden Rule. Mr. Chairman, the Government has already required water users to make good for the mistakes made in estimates as to the cost of construction, notwithstanding their bargain with the Government under the law that the first estimates made, which turned out to be too low, was what water users and the Government were both bound by.

In many instances the first estimates made of the cost of construction and what it would cost the water user per acre for his water right were found to be entirely too low, and the construction charges had to be increased. Department officials viewed it that water users were morally required to pay the actual cost of construction, and water users acceeded to the proposition. Such being the case, the Government is now bound by the same rule; it should do as it has required itself to be done by by water users, which means that it should correct the mistake made in the first instance, and that without exacting interest therefor.

Mr. Chairman, I regard it as very pertinent to right here read an excerpt from a letter written me by the Comptroller of the Reclamation Service, Mr. Ryan, in reply to a letter I wrote him about this bill. It reads:

There is one point to which I desire to particularly call your attention, and that is that the people of the various projects were attracted there by the promise contained in the reclamation law that they should have their water-right charges without interest, and that the Government is therefore under a moral obligation not to assess interest against these people now on the projects.

Mr. Chairman, this expression represents the well-settled convictions of the Secretary of the Interior and the reclamation

officials who have had the greatest amount of experience with the operation of the act.

The relief should be cheerfully and immediately granted, and without price.

A second reason why the time should be extended is the greatly increased subsequent estimates of the cost of construction. It is very plain that the more the water user has to pay the longer time it will require him to make it out of the land—and water users are not capitalists, to start with—and the very theory of the reclamation act is that he be given time to make the cost of his permanent water right out of the land.

Mr. Chairman, another cogent and unanswerable reason, as I conceive it to be, why water users should be accorded 10 years extension of time, and without interest, is the necessity involved in the problem. It is necessary that he have not only the time, but also that it be accorded to him without price, because the proposition would not be a feasible one upon an interest-paying basis. To illustrate, we will all agree that there is no legitimate business that can be successfully conducted upon borrowed capital with interest paid at 50 per cent per annum. I mention an absurdly high rate to emphasize that every business has its limits of the cost of operation which may permit of its being successful. I think it will also be granted that some kinds of legitimate business can not be conducted upon borrowed capital and pay interest at even 6 per cent per annum.

Mr. Chairman, there are some branches of business, some enterprises, which would be very helpful in a public way which can never be put upon their feet, never get a start, upon borrowed money at any rate of interest. The question of the feasibility of the payment of interest by water users was determined when the reclamation act was passed. It was then determined that it was not feasible for the water user besides paying the cost of construction to pay interest for the time given him in which to make payment. It was conclusive that this would not be feasible after irrigation capitalists and investors had possessed themselves or secured control of all of the feasible projects, by which I mean such as would pay dividends or interest upon the cost of development. Private investors had left remaining only what could be reclaimed at very great cost, or far greater cost than private parties would ever risk, but large areas of the best of the semiarid lands yet remained unappropriated by private interests. Mr. Chairman, this remaining semiarid area—I mean its development—presented a problem for our Government to solve. It was to be solved in the interest of the public. The reclamation act does not contemplate immediate pecuniary gain by the Government. It does contemplate abundant returns in a public way when development shall have been accomplished.

Mr. POST. Will the gentleman yield?

Mr. KINKAID of Nebraska. Yes.

Mr. POST. I did not quite catch the force of the gentleman's argument as to why the Government should not ultimately recover interest on its original investment.

Mr. KINKAID of Nebraska. Because this land and project will not stand it. The proposition will not stand the payment of interest and allow the water users to live. They can not make a success of it and pay interest. That is the only reason the Government ever undertook the reclamation of arid lands by use of public-land moneys.

Mr. POST. Would not that lead to the conclusion that the project was a failure?

Mr. KINKAID of Nebraska. No; not in the broader view of the question. Of course, from a money loaning or private capital investment standpoint, I grant you would be right. But we are pursuing a broad public policy for agriculture and home building.

Mr. TAYLOR of Colorado. If the gentleman from Nebraska will allow me, I want to suggest that there is a large percentage of land now owned by the Government in the public domain under the reclamation projects. It is open to you or me or anybody, but there will not anybody go there if they have got to pay $100 an acre for it, and pay $100 an acre more in grubbing sagebrush, oak brush, and rock, leveling the land and building ditches, and then try to grow a crop of alfalfa to produce something to sustain the family, and pay annual maintenance charges besides, and then pay interest. In other words, Uncle Sam has got the land, it is on his hands, and if he wants to get his money back he will have to offer terms that will interest settlers.

Mr. KINKAID of Nebraska. I will state, in addition to what the gentleman from Colorado has so well said, that the returns can not come soon. It is a long-time investment which will bring great returns to the public in the end in population and wealth. We might as well dismiss the question of continuing the operation of the reclamation law if we are going to calculate that it must be put on a paying basis at the start.

Mr. POST. Will the gentleman yield?

Mr. KINKAID of Nebraska. Yes.

Mr. POST. I understood the argument a while ago as to why the Government should not recover ultimately was because the construction had doubled what the original estimate was. It is a good deal like the fellow who wants to borrow $1,000 from the bank and afterwards finds that he requires $2,000, and the conclusion would be that the banker ought not to charge any interest at all.

Mr. KINKAID of Nebraska. I perceive the difficulty with the gentleman. He is reasoning from a banker's standpoint, from the investment standpoint. This is not a proposition of that kind. This is a home-building proposition. The Government started out on this with the high purpose of making these desert areas productive.

Mr. HARDY. Will the gentleman yield?

Mr. KINKAID of Nebraska. I am pleased to yield.

Mr. HARDY. Is not the cash value of a debt due in 20 years less than 50 per cent of the face of the debt?

Mr. KINKAID of Nebraska. You and I learned something of that kind in our mental and practical arithmetics when we were in school.

Mr. HARDY. If that be so and the Government spends $100 and requires it to be paid back in 20 years, is not that equivalent to requiring only 50 per cent of the investment?

Mr. KINKAID of Nebraska. The gentleman from Texas is good at figures, and he can figure if he shall choose. The fallacy is in judging this grand policy of internal improvement from a private investment standpoint. It ought not to be considered in that way.

Mr. TAGGART. Will the gentleman yield?

Mr. KINKAID of Nebraska. Yes; I shall be pleased to yield.

Mr. TAGGART. As compared with what the Government might lose in the way of interest on the money invested in reclamation, how would it compare with the vast domain that the Government absolutely gave away under the homestead act without money and without price? If the value of the land that was given away in your State and in mine within the last 50 years is estimated now, I ask how many billions, not millions, of dollars would it be worth at this time?

Mr. KINKAID of Nebraska. I agree with the gentleman from Kansas in the statement he has made, and will add we have given away more than ten times the area of land contained in the semiarid region to the great railways. We also loaned and subsidized them in money and the issue of bonds.

Mr. Chairman, the debate has already developed the issue whether river and harbor expenditures constitute a fair criterion for our contention that no interest should be paid by water users. I shall not extend this argument upon the line thus far conducted; it is a very simple proposition, and what is in it can be seen at a glance. I am frank to say before the debate commenced I had expected to instance that river and harbor appropriations for the last 12 years aggregated $372,000,000, I believe it is, which is just about the cost of the Panama Canal. I had intended to point out how much more bountiful the returns would be to the public for the investments made in arid lands than from river and harbor expenditures, which I grant must be made, the question being the amount of the expenditures. Mr. Chairman, I shall not extend the argument upon this issue, but I do deem it logically and legitimately in point to cite that of the river and harbor appropriations a considerable percentage of it has been used and is being devoted to the construction of levees, not for the purpose of navigation, but for the sole purpose of preventing overflow of rich bottom lands tributary to the rivers.

The percentage expended in this way is for the direct purpose of the reclamation from overflow and swamp, not of the public domain but of lands privately owned. Not one dollar of even the principal is required to be repaid, thus leaving no basis for interest payment. Mr. Chairman, paradoxical as it may seem, it would appear that the reason why water users should pay interest is only because they have agreed to pay back the principal moneys invested. Mr. Chairman, providing as we are so extensively for water transportation by the construction of the Panama Canal and by river and harbor appropriations, and as the Congress has already appropriated for the improvement of public roads through the country, it seems to me that we have thereby created just about a necessity for increasing our resources of agricultural production in order to give both symmetry and consistency to our development by policies of internal improvement. It is very plain that the homes and productive farms which the reclamation of arid lands will bring about

must constitute the principal foundation for the development of the semiarid regions; not only this, but a large part of the foundation for productions and business to justify the expenditures we are making to increase transportation and lessen its cost.

Mr. Chairman, if given ample time, these irrigated farms will become not only very productive but very profitable, and the communities where they are will be made prosperous. I can see the day not very far distant when these farmers, or the communities which they have built up, will be paying back returns to the Government in the form of income tax, besides the good which will be distributed generally.

Mr. Chairman, James Tyson, born in Australia, was one of the first to perceive, also to realize, handsomely upon the possibilities in irrigation. Asked what his pursuit had been, he said:

Fighting the desert. I have been fighting the desert all my life, and I have won. I have put water where there was no water; beef where there was no beef; I have put fences where there were no fences, and roads where there were no roads. Nothing can undo what I have done, and millions will be happier for it after I have been long dead and forgotten.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. KINKAID of Nebraska. I ask but half a minute.

Mr. GREENE of Massachusetts. Mr. Chairman, I yield the gentleman half a minute more.

Mr. KINKAID of Nebraska. Mr. Chairman, these irrigation farmers, with their families, constitute a grand army that has been fighting the battle for greater opportunities—greater opportunities for agriculture, greater opportunities for home building. Where the Government has put water, they have brought the plow, the reaper, and the thrasher. From the seed they have sown they are reaping rich harvests of golden grains; they have increased the supply of bread and meat for the millions that are here and will provide more for the millions that are coming. They have painted the brown and bare lands green with luxuriant alfalfa; they have diversified agriculture by the cultivation of the sugar beet and built million-dollar factories to manufacture their saccharine into sugar; they have brought agricultural form, order, method, prosperity, and landscape beauty out of the unproductive commons, resulting in populous communities with flourishing towns outnumbering the isolated ranches which theretofore constituted the population. The conquest they have been waging for the reclamation of the semiarid West has already been more than half won. In a few years their victory will be complete, if they shall not be encumbered by the payment of interest.

Mr. Chairman, our country leads the world in the republican form of its Government, and this has done much in a political way for its citizenship; but if we are to cope with the newer countries in agriculture and home building, we must lessen rather than add to the burden of the faithful and loyal home builders of the semiarid West. [Hearty applause.]

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

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. FOWLER].

Mr. FOWLER. Mr. Chairman, I have not studied this bill from a scientific standpoint sufficiently to have really made up my mind as to what is best to be done with it. The one thing that I have done is to go into the measure in a general way, and I have reached the conclusion long ago that farming is of such high importance to the American people that no man, either in or out of a legislative body, can afford to do anything to discourage it. Farming stands out among the other businesses of the world like Pike's Peak does among the foothills of the Rockies. On it the Nation depends for its success. From its yield this year we expect to add more than $10,000,000,000 of wealth to our resources. On it all other occupations of the world rest, and without it none of them can survive. For that reason, no man can afford to do anything which would in any way discourage agriculture.

It is plain and must be conceded by everybody that there is in the West a mighty empire, a rainless region, which when irrigated is as fertile as the valley of the Nile or the Mississippi, a region which produces a greater quantity per acre than any other soil in America. I was in Salt Lake City on the fiftieth anniversary of the settlement of that great city, and I found irrigated arid land in that basin producing 100 bushels of wheat to the acre, while down in Illinois where we claim to be the cream of productiveness, we were troubled to get a yield of from 20 to 30 bushels per acre. With the great opportunities in the West, with that vast empire before us, our duty is plain; we can not afford to say that it is an individual project, because it is not. It is like opening up a great river for navigation. It is like building the Alaskan railway to get the coal and other products out of Alaska. It is like digging the Panama Canal to hasten and cheapen the commerce of the world. It is of such high importance that it rises far above an individual proposition and becomes national in character.

The question confronting us is whether we will allow that great productive area to lie dormant, as it has for all ages in the past, or whether we will in our wisdom take hold of it in a businesslike way and provide the people of the West with the proper means of irrigation, so that we can reclaim that vast arid region. There is plenty of water there, I understand, plenty of water to be reached for the purpose of irrigating all of that property, and it ought to be done. We talk of economy—and I am a calamity howler on that subject—but when I see my country giving away 200,000,000 acres of land to corporations, when I see my country giving away vast sums, like a nation's gold, to the same corporations to build transcontinental railways, then I say that a proposition to reclaim the arid lands of the West is so overshadowing in its importance to America that the money required for this purpose is small, indeed, when compared with what we have given away to corporations.

I know that whatever sum may be appropriated here will be a tax on the people. The expense of Government naturally is always a burden. We can not escape it. These burdens sometimes fall more heavily upon one section of the country than another; but whatever may be said, the greatest wisdom that can be brought together here in this body ought to be exercised in order to reclaim this priceless territory.

It may be best to amend the bill in some parts so that the Government will receive a small rate of interest on what is advanced, but it is far more generous to aid the poor homeseekers without exacting usury than it is to give both principal and interest to rich corporations.

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

Mr. FOWLER. Yes; if I can get a little more time.

Mr. RAKER. Well, there are a number of gentlemen who have yet to be heard.

Mr. FOWLER. My time is not yet up and I will yield to the gentleman, but I may want a little more time.

Mr. POST. Section 13 speaks of the farm unit. What is the farm unit under this reclamation project?

Mr. RAKER. Mr. Chairman, if the gentleman will permit, I will answer that by saying that it is a tract of land sufficient to support a man's family and his wife.

Mr. POST. No definite area?

Mr. RAKER. No definite area. It runs from 20 acres up to 150 acres.

Mr. FOWLER. Mr. Chairman, I suppose the able gentleman from California has given the proper definition. I understand that a farm unit is the allotment made to the individual family, whatever it may be. That has always been my understanding of the term. I say whatever may be appropriated here, whether it is loaned by the Government with interest or without interest, it will be a tax upon the people. I have placed my ideas of taxation in a few crude verses, which I desire to recite:

TAXATION SHOULD BEGIN WHERE THE SURPLUS SETS IN.

The taxing power of Government
From the consent of the people flows,
With no right to raise another cent
B'yond what the need of revenue shows.
Its burdens on the people are laid
To encourage the progress of man,
Without which no effort would be made
To endure such a burdensome plan.

To use this power for private gain
Is an invasion of human rights.
More wicked than to plunder the slain
On battlefields after bloody fights.
An equal chance in the race of life
For happiness and prosperity
Should be maintained in all tax-rate strife
And handed down to posterity.

Enough to satisfy man's daily wants
Is demanded by nature's decree.
And should not suffer from hasty jaunts
Of tax collectors, but should be free.
Where shall the taxing power begin
On its mission to raise revenues?
Yonder, just where the surplus sets in,
That's the place to start tax-levy crews.

Begin where no cries are heard for bread;
Begin when the heart ceases to ache,
Because the poor have been clothed and fed;
Begin where want and woe never spake.
Mark well the spot where poverty ends,
And, begin not, till plenty is sure,
For God, to the world, this message sends,
"Rob not the poor because he is poor."

Locate the dividing line between
Toil and treasure and pain and pleasure;
On one side of this line may be seen
Pride and plenty and lust and leisure,
Controlling the policies of state,
While on the other, trouble and tears,
Wail and want, doubt and despair, debate
Grave problems of state for coming years.

Look! Spread out o'er this magic domain,
Wealth, a hundred thirty billions lie,
Piled, like the ir'n ore in fair Loraine,
In heaps, while from hunger millions die.
Here begin, but with caution proceed,
Taxing large fortunes most steadily,
So that hereafter there'll be no need
To tax breadwinners so readily.

[Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I want to ask unanimous consent that those who so desire may have five days in which to extend their remarks in the RECORD upon this bill.

Mr. FOSTER. I would like for the gentleman to confine it to those who have spoken on this bill.

Mr. TAYLOR of Colorado. The reason I put it in that shape was that there are a great many who desire to speak and who can not.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent that those who have spoken upon the bill——

Mr. TAYLOR of Colorado. No; I did not say those who have spoken.

Mr. FOSTER. I suggest that has to be done in the House. The committee has no power to authorize that.

Mr. TAYLOR of Colorado. I withdraw the request; and I yield 10 minutes to the gentleman from Montana [Mr. STOUT].

Mr. STOUT. Mr. Chairman, anyone who has made even a slight study of the conditions which obtain on the 28 Government reclamation projects which have been begun since the passage of the Newlands Act 12 years ago must realize the absolute necessity of remedial legislation, such as proposed in this bill. One of the most beneficent enterprises ever undertaken by this Government, the reclaiming of millions of acres of unused and useless land for the benefit of our people, will fall far short of its splendid purpose if the measure now under consideration fails to pass this House. My personal knowledge of conditions under which thousands of settlers in the State of which I have the honor to be one of the Representatives at Large in this body are struggling has induced me to presume upon the time and patience of the House at this time. As a matter of fact, I possess no particular aptitude for speech making. When I was making my campaign for Congress I promised the good people of Montana that I would not make any speeches if they sent me down here. [Applause.] Those who were fortunate enough to hear my preelection oratorical efforts generally agreed that perhaps it would be just as well if I adhered to that announced determination. Thus far I have religiously observed the promise so solemnly made and so enthusiastically received by my constituents. I have sat here for 15 months and heard about 15,000 speeches. There have been moments when temptation has beset me, but impulse has always yielded to the saner judgment of a second thought, and the voluminous RECORD of two trying sessions has remained unadorned by any extended outbursts from this source. Upon reflection, I may add that the RECORD has not suffered particularly by reason of my self-abnegation. Despite my failure to illumine its pages with occasional discursions into "the state of the Union," the CONGRESSIONAL RECORD has managed to hold its own with an appreciative clientele as the source of considerable wisdom, the very fountain of wit, and the convenient vehicle for the dissemination of enlightenment. [Laughter.] Taken in conjunction with the blessed, though sadly overworked, franking privilege, the CONGRESSIONAL RECORD serves as the bulwark of our sacred institutions by aiding and abetting the lofty aspirations of the Nation's elect. [Applause.]

The only earthly excuse I have to offer for breaking my pledged word to my people, violating a solemn covenant with myself, and interjecting these halting remarks into the proceedings of this day is the profound interest which my constituency has in the measure now before the House for consideration. The success and happiness of thousands of the best people in Montana, which is equivalent to saying the best people on God's footstool, depend upon the passage of this bill. Its enactment into law means for them that hopefulness and good cheer which a future, filled with promise, carries into the hearts of all who toil for better things. Its failure would be the capsheaf of their misfortune, the consummation of years of hopelessness and sturdy sacrifice.

When the reclamation act was passed in 1902 Montana presented greater opportunities for successful operation under the new law than did any other State in the Union. There were millions of acres of as fine soil as can be found in all outdoors, and possessing, in almost limitless quantities and correct proportion, the elements required for the bountiful production of grain and grasses and vegetables. Agricultural science had not yet perfected the marvelous system of dry farming and these vast level bench lands were lying idle and unproductive solely because the rain did not fall in sufficient abundance to inspire the thousands of hungry land seekers with the confidence required to attempt the work of reclamation. Across these plains flowed mighty rivers, fed by the eternal snow on the distant mountain tops, and this combination of unused soil and wasting waters appealed to the men who were placed in charge of the reclamation work as the ideal situation for beginning the task intrusted to their hands. As a further justification for giving Montana the preference it was found that that State was by far the heaviest contributor to the reclamation fund, accumulated by the sale of public lands.

Seven great projects with a total area of 954,924 acres have been started in Montana. Two of these have been practically completed and substantial units of the others made ready for the settler. When all of the projects have been finished they will afford homes for twenty-five or thirty thousand people and will produce annually millions of dollars worth of grain, hay, vegetables, and live stock.

SOME MISTAKES MADE.

In outlining work of the extent of that accomplished by the Reclamation Service, it is impossible to avoid making some mistakes. In view of its magnitude, this was practically a new field of operation and one involving greater engineering feats than had ever before been attempted in that particular line of endeavor. In the beginning estimates were made by the Government engineers of the ultimate cost per acre which the settler, who was to reimburse the Government for its expenditure, would have to pay. It was upon the basis of these estimates that thousands of settlers entered upon these lands and established their homes. They had implicit faith in the Government making good its promises, and so made provisions to take care of their yearly payments. But as the work advanced a number of unexpected situations arose which vastly increased the cost of construction. It was found advisable for the Government to build more lateral ditches than the original plan contemplated, to erect bigger dams and wider and deeper canals. Difficulties in engineering, which could not have been reasonably foreseen, were encountered. But the chief element of increased cost over the first estimates was the great advance in the cost of labor and supplies. I am willing to admit that no one was particularly to blame for these unfortunate conditions, but the fact remains that the burden fell on the settler.

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

Mr. STOUT. I will.

Mr. MOORE. I sympathize as thoroughly as the gentleman does with the men who went on these lands, but I would like to know just what sort of an understanding they had when they entered? Were representations as to the per acre cost made by the Government or its officials, or were they made by individuals?

Mr. STOUT. As I understand it, I am glad the gentleman from Pennsylvania asked the question, many representations were made by representatives of the Government.

Mr. MOORE. In circulars and in literature?

Mr. STOUT. Yes, sir.

Mr. MOORE. The gentleman has conversed with a great many of these people, I assume?

Mr. STOUT. I have seen a good many.

Mr. MOORE. Can the gentleman tell us whether they did go in good faith, believing they could accomplish what they sought to do on the terms and the prices indicated?

Mr. STOUT. I can reply to the gentleman that those with whom I talked went in thinking they could fulfill their obligations to the Government.

Mr. MOORE. In the Eastern States we have large areas of land that could be purchased with improvements, all ready for tilling, at prices less than the cost of the construction we have heard about to-day, which gives rise to the inquiry as to why men should have gone into arid territory and taken these chances.

Mr. STOUT. In order to make an adequate explanation in reply to the gentleman's question——

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. MOORE. Ask for more time.

Mr. TAYLOR of Colorado. Mr. Chairman, we have a call for about two hours' more time right now.

Mr. MOORE. I will say to the gentleman from Colorado that I interrupted the gentleman from Montana in the midst of his address, and therefore would like to see him have more time.

Mr. TAYLOR of Colorado. We have agreed to adjourn at 5 o'clock.

Mr. STOUT. Give me just a moment.

Mr. TAYLOR of Colorado. All right.

Mr. STOUT. I was just going to answer the gentleman's question as to why there are idle lands in the cities back East and the people are going out to the West. In order to do so I would have to make some invidious comparisons between the climate of the West and the climate of the East. Such comparisons might possibly prejudice some of my friends from the East, and therefore I prefer not to answer his question. [Applause.]

Mr. BRYAN. Would the gentleman allow me to suggest that if the people of the reclamation districts asked and got as much protection as the people of the State of Pennsylvania they would certainly bankrupt the country.

Mr. MOORE. The gentleman from Washington does not know what he is talking about. Comparatively Pennsylvania gets as little out of the Congress as any State in the Union.

Mr. STOUT. He found that instead of being obligated to pay $25 or $30 per acre for his water right, he would be compelled in some instances to pay twice that amount and more. Instead of having to pay $2.50 to $3 per acre per year, he discovered that he would have to pay $5 or $6 per acre, not counting the maintenance charge of approximately $1 per acre annually.

It is safe to say that a very large percentage of the settlers on these reclamation projects throughout the West are people of moderate means. Most of them are men with families who seized upon this opportunity to secure some land, build homes, and provide the means with which to educate their children. I have personally met scores of them and can say to you that as a class they are hard working, frugal, patriotic American citizens. On some of the projects in my own State they have been struggling along for several years, facing the discouragements which always fall to the lot of the pioneer with an unwavering faith that their Government would awaken to the disadvantageous conditions under which they have been compelled to exist and render the relief which is so absolutely necessary if they are to succeed in their efforts to build and enjoy homes on those western plains. They are the blood and sinew of the highest type of American citizenship, and ask no odds of Uncle Sam except that he shall grant such conditions as will enable them to discharge their obligations to the National Government without the abatement of a single copper. [Applause.]

I would invite the attention of the House to the difficulties which a new settler on a reclamation project has to face. Assume that he has some means, a thousand or two thousand dollars. Many of them, of course, have much less. He has to build a house, and even the construction of the most modest dwelling eats deeply into his resources. Then there are barns and other outbuildings to be erected. A team of horses must be purchased, and also farming implements, cows, hogs, and chickens. He has to break the sod, a laborious task even with the best of equipment, and frequently level a portion of his claim. He must construct small lateral ditches in order to distribute the water over his farm and then fence the place. Before he has finished these necessary improvements, in all too many cases, his little hoard of savings is wiped out.

It is impossible to get more than a few acres into cultivation the first year, and if the product from this small tract so cultivated is sufficient to provide feed for his few head of stock and vegetables for his table, the settler counts himself fortunate. Certainly there will be no surplus to sell for the money required to purchase clothing for his family and school books for his children. In many instances he is so far from market that any surplus which he might have can not be disposed of at a profit. If the settler comes from some other State, as many of them naturally do, he has to contend with unknown conditions of soil and climate. He has little credit, and if he does happen to possess some collateral upon which to negotiate a loan, the interest rate is high.

Manifestly the settler should be given a few years in which to build his house and other buildings, to get his raw land under cultivation, and to stock up his place, before being placed under the necessity of beginning to pay his water charges. It is equally important that his payments should be as light as possible when he first begins to make them. This bill gives him relief in these two all-essential particulars. It also possesses provisions for more amply safeguarding the great interest which the Government has in the projects and simplifies the administration of the affairs of these giant undertakings. It makes infinitely more secure the Government's investment by making it easier for the settler to return to the reclamation fund the money assessed against him for his water right.

I do not presume that anyone will seriously attempt to controvert the far-reaching importance of the work undertaken by the National Government in reclaiming vast portions of the arid and semiarid States of the western part of this country. At no time in the world's history has there been such a demand for land by the landless as at the present time. "Back to the soil" is a slogan born of the hopes which have welled up in the hearts of millions to possess some of God's domain and to work out their own destinies beneath their own vine and fig tree.

Every thoughtful student of social economy recognizes the necessity of stemming the tide of immigration to the crowded tenements of the great cities and turning it toward the open country to aid in the production of the things upon which not only the prosperity but the very existence of the cities depends. This land hunger has within the last two decades doubled, trebled, and even quadrupled the price of land in the great agricultural States of the eastern, southern, and central regions of our country. The time has passed when a man of moderate means can go into those regions and acquire sufficient land upon which to earn a livelihood and lay aside a competence for his declining years. He must push on out toward the frontier, on to the Great Plains and into the shadows of the western mountains.

The Government can engage in no greater enterprise than that of encouraging its people to go out there into that great western country, tame the soil, conquer the elements, and attain that independence which is at once the glory of the Republic and the hope of its future existence. Every handicap should be removed, every protection thrown about them while they are engaged in the supreme task of building homes and reclaiming a veritable empire for the benefit of generations to come. Each and every one of them should be made to feel that their Government is in sympathy with their efforts, that it is standing behind them, wishing them success, understanding their needs, and willing to extend a helping hand to aid them in any extremity.

I ask for the settlers on those reclamation projects merely that they may be given a fair show to work out the problems which confront them. Free them from the red tape which so often entangles them, to the impediment of their progress, remove restrictive conditions, open up the way for their advancement by granting them terms possible of fulfillment, and the future for them will be assured. They are not mendicants, appealing to you for special favors, but thrifty, hard-working, self-reliant American citizens, who ask only that which every westener considers eternally sufficient—just an even break. This bill gives them that and nothing more. Enact it into law and within the lifetime of many Members of this House every project now in course of construction will have been completed, every cent of the money invested in them will have been returned to the Government, to be reinvested in other enterprises of even greater magnitude. Our Government can devote its vast resources to no more worthy work than that of providing land for the landless, homes for the homeless, and hope for the hopeless. Such, I submit, Mr. Chairman, are the purposes of the bill now before the House for its consideration. [Applause.]

Mr. KINKAID of Nebraska. I yield two minutes to the gentleman from Idaho [Mr. SMITH].

Mr. STOUT, Mr. FOWLER, and Mr. JOHNSON of Washington by unanimous consent were granted leave to extend their remarks in the RECORD.

Mr. KINKAID of Nebraska. Mr. Chairman, I yield two minutes to the gentleman from Idaho [Mr. SMITH].

Mr. GARNER. Mr. Chairman, will the gentleman yield until I can ask a question of the gentleman from Colorado? Is it the purpose of the committee to close general debate on this bill to-day?

Mr. TAYLOR of Colorado. We were in hopes to close debate at 5 o'clock. I have been liberal with everybody. They have

consumed three times more on the other side of the aisle than we have. I propose to close debate and adjourn at 5 o'clock, and we have promised everybody to be as liberal as possible under the five-minute rule. I even promised one gentleman 30 minutes under the five-minute rule if he would not talk now.

Mr. SHERLEY. Will the gentleman from Colorado permit a question? When are those in opposition to the bill going to be heard?

Mr. TAYLOR of Colorado. We are ready to hear them at any time. There is not a soul in this House who has asked me to speak against this bill.

Mr. SHERLEY. I will say to the gentleman that I was not on the floor when the agreement was made, but since I have been here the debate has been alternating between those who are in favor of the bill.

Mr. MOORE. I want to say to the gentleman from Colorado that we have been tolerant in this matter. Those who have had questions to ask have done so without asking for time. There might be opposition to this bill. There are some gentlemen who have been somewhat pert in their answers.

Mr. DONOVAN. Regular order, Mr. Chairman. The gentleman from Idaho is losing his time.

Mr. TAYLOR of Colorado. So far as I am concerned, and so far as the gentleman from Nebraska [Mr. KINKAID] is concerned, we will give you all the time that is needed.

Mr. MOORE. It is fair for us to know——

Mr. TAYLOR of Colorado. What do you want?

Mr. MOORE. The gentleman can not say whether the opposition had any time.

Mr. DONOVAN. The gentleman is out of order. Time is being used up here.

Mr. MOORE. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE. Is the gentleman from Connecticut [Mr. DONOVAN] the only gentleman in order at all times?

The CHAIRMAN. That is not a parliamentary inquiry. The gentleman from Idaho will proceed.

Mr. RAKER. Mr. Chairman——

Mr. DONOVAN. Mr. Chairman, the gentleman from California [Mr. RAKER] is clearly out of order.

The CHAIRMAN. The Chair can not state whether the gentleman from California is out of order or not until he states his question.

Mr. DONOVAN. He can only make a point of order. The gentleman from Idaho is entitled to the floor. The gentleman from California has no right to interject remarks.

The CHAIRMAN. The gentleman from Idaho [Mr. SMITH] is recognized.

Mr. SMITH of Idaho. Mr. Chairman, if you should purchase a horse for $100 and were unable to meet the payments as they became due and the seller should advise you that in order to get an extension of time you would be expected to pay $300 for the horse and interest on the deferred payments, you would feel that you were not getting a square deal. Yet a transaction of this character represents exactly the situation which confronts the settlers on a great majority of the Government irrigation projects.

The building of the great dams, storage reservoirs, and canals was a work that was entirely new to the engineers of the country, and those employed by the Government to estimate the cost were greatly mistaken in their calculations. In every instance the cost of construction was greatly in excess of the estimates, and in some instances was two and three times the original estimates. These settlers, in entering the land, were naturally under the impression that the first estimates were correct and that the water would cost them in some instances as low as $15, when subsequent developments have shown that it will cost them three and four times as much.

The enactment of the reclamation law in 1902 was hailed with delight by thousands of people who desired a home in the arid States, as well as by the Senators and Representatives from those States, and the economists and philanthropists who recognized the great possibilities of turning hundreds of thousands of acres of worthless lands into productive farms and the establishment of cities and towns, the construction of railroads, and other evidences of progress in a country which for centuries had been nothing but a desert. As quickly as possible after the enactment of this law the Secretary of the Interior, to whom the administration of the law was committed, had the necessary surveys made and the boundaries of the various projects were established. This land was withdrawn from entry under the general land laws and made available only to those who desired to enter under the reclamation law. Notwithstanding that none of these projects could be completed within three to five or more years the land was opened to entry and the people invited to select the land they desired and make entry at the local land offices. Residence was required in order to confirm the right to the land, notwithstanding the fact that there was no water available for even domestic purposes.

Thousands of home seekers flocked upon these various projects, some of them without money and probably only a team of horses, others with several thousand dollars. They established themselves upon the land in such houses and shacks as they could erect, and settled down to wait patiently for the delivery of the water. As heretofore stated, they were required to continue residence upon the land or subject their entries to contest by other prospective settlers who were anxious to get a homestead. The hardships and sufferings of these people living upon the desert, in many instances 10 or more miles from the post office, and being required to haul water a great distance for domestic purposes and to water such stock as they had upon the place, can not be portrayed in words. Only those who have endured them can convey any impression of the agony which they experienced. In nearly every instance those who went there with money consumed it all in maintaining themselves, and after two or three years found themselves reduced to poverty.

Under the Black Canyon project in Idaho, a part of the Payette-Boise project, there are over 900 families who have been on the land for nearly 10 years, who are still waiting for the water to irrigate their lands, but on the Minidoka project and on a portion of the Payette-Boise project in my State water was finally furnished and the people are making every possible effort to build homes and improve their farms, and some of them are succeeding remarkably well. Many of them, having used all of their capital to maintain themselves and families before water was available, are finding themselves unable to meet their payments which have accumulated, and in some instances their claims are now subject to cancellation. The Secretary of the Interior has extended the time of payment from time to time with the hope that this bill would be enacted and the settlers would be able to save their claims. If the relief prayed for is not afforded, or if the settlers are burdened with the necessity of paying interest on the deferred payments as has been proposed, it would simply mean that many of them will be required to give up their claims, and all of their suffering and effort will go for naught and the claims will be canceled. These entries will then be open to the stranger, who will have the unearned benefit of the work done by the original entryman, except such improvements as could be removed from the land.

As heretofore stated, these settlers entered the land with the hope of making a home for themselves and families. They have complied with the law in every respect and are now confronted with the necessity of paying two or three times as much for the water as they originally expected. They are perfectly willing to meet the increased payments, but plead for an extension of time within which to earn the money to do so. The Government can not be injured by the enactment of this bill. No appropriation is asked; it is simply a plain petition from a most deserving class of citizens, who ask that the time of payment of the debt which is hanging over them may be extended, in order that they may save their homes and prevent their families from being thrust out, after having spent years in the struggle to get a home upon the public domain. [Applause.]

Much has been said here to-day in regard to the liberality of the Government with reference to those who go upon the pubilc land with a view of establishing a home. It is true that our Government has been liberal, but not so much so as many other nations throughout the world, who recognize the importance of encouraging the development of their agricultural resources.

The substantial encouragement given the farmers in other countries is well stated in an article prepared by Comptroller Ryan, of the Reclamation Service, printed in the April number of the Reclamation Record, from which I quote:

ENGLAND.

In England, by the small-holdings act of 1907, county councils are authorized to purchase or condemn large estates and subdivide them into small tracts to be sold. The purchaser pays one-fifth down and the balance is spread over a term of 50 years. The money to buy the land and subdivide is loaned by the public works land commissioners at 3½ per cent. The average cost of land acquired under this act was less than $100 per acre. The cost of preparing them for sale to small holders has averaged $10 per acre. During 1908 and 1909, 60,889 acres were acquired under the act. Of this area 34,234 acres were sold in small holdings and 26,655 acres were leased.

IRELAND.

The estates commission and the congested districts board are commissions nominated by the Government, and have for their object the division and sale of estates. The procedure is as follows: A large estate is put up for sale and appraised. If the price asked by the owner is satisfactory, the estate is purchased and the owner is paid in Government land, scrip, or stock bearing 3 per cent interest. Estates sold under compulsion the Government must pay for in cash. The estate is then

divided into tracts of 25 to 30 acres, line walls are built if necessary, a house is constructed at a cost of about $1,000, and the place is sold to a tenant. The land is sold to the small holders at a price not to exceed the purchase price. Frequently it is sold for less. The small holder pays 3 per cent interest at present on the purchase price and one-half per cent amortization, payable in semiannual installments. This rate amortizes the debt in about 62 years. The purchaser is given a title to the land, pays the taxes on it, and may transfer his equity at any time if he chooses.

The local authorities (county councils, etc.) may advance money for the purchase of the property which a tenant occupies to the extent of four-fifths of the purchase price, a limit of $1,600 being placed on the loan. The amount so advanced must be repaid within 30 years. Installments of such payments are of equal amounts, and may be weekly, monthly, or semiannual. The installments are inclusive of interest, the rate of which varies according to the rate at which the money is borrowed for the purpose by the local government, and the only charge for the service is 10 shillings in addition to the interest.

SCOTLAND.

The same law applies to Scotland, with only minor modifications. The small-holdings act is proving a great success in promoting intensive cultivation, dairying, stock raising, etc.

CANADA.

In Canada the provincial government of New Brunswick gives a bonus of $200 to aid in the establishment of cheese factories and creameries. It imports cattle, sheep, and pigs, and sells them at prices far below cost. It encourages by money grants the farm institutes and association of farmers.

SOUTH AUSTRALIA.

In South Australia the State assists the primary producer in many ways. It prepares, packs, exports, sells, and accounts for all kinds of produce. It slaughters and sells his animals for him. It makes and sells his butter. It packs and markets his fruits. It advances to the settler not more than $3,000 for the purpose of improving his farm. This is advanced by installments. If proper use is not made of one installment advances cease. Advances are made to discharge prior mortgages or to purchase Crown lands. Repayments extend over 30 years. Five per cent interest is charged. During the first five years the interest only is paid. Rebates are allowed for prompt payments. Loans may be secured from the State up to 60 per cent of the value of the land. These loans may be repaid in semiannual installments of less than $15 on each $500 borrowed.

NEW SOUTH WALES.

In New South Wales advances are made upon the security of freehold lands, conditional purchases, settlement leases, homestead selections, and grants. The basis of these advances is not fixed by legislation, but by regulation of the "advances to settlers' board." On freeholds advances are up to two-thirds of the unimproved value of the land plus half the official value of the improvements. On homestead selections and homestead grants advances are not to exceed one-half the value of the improvements. A maximum term of 31 years is allowed for repayment. When it is known that settlers can not meet their repayment installments because of adverse natural conditions, great clemency is exercised. The repayment installments are $5 per year on each $100 borrowed for 31 years, or a total repayment of $155 for each $100 borrowed. A system of rebates for prompt payments may reduce this amount to $140. Penalties are assessed upon delinquents. The money for this purpose is raised by the sale of guaranteed stock.

TASMANIA.

In Tasmania any man may select from 50 to 640 acres of public land. He will be given a free grant for 1 acre for each $5 worth of farming implements and improvements he places on the land if he will live on it for five years. He may if he chooses buy land to the value of $666 and pay for it in 14 years, paying $16 down, $25 the first year, $25 the second, and $50 for each of the next 12 years.

VICTORIA (AUSTRALIA).

The government of Victoria assists settlers of experience with sufficient capital to take up further land upon exceptionally easy terms. Three per cent of the value is required as a deposit and the balance of the purchase price, with interest at 4½ per cent per annum, may be spread over a period of 31½ years. The government also assists by erecting houses for the settlers and giving cheap loans to the value of 60 per cent on all improvements effected on the land. This with a view to encouraging progressive and successful settlers.

NEW ZEALAND.

In New Zealand the settler may borrow from the State not to exceed $15,000 for the improvement of his land. The amount is repaid in 73 semiannual installments of 2¾ per cent of the amount borrowed; that is to say in 36½ years at 5½ per cent per year the debt amortizes. This produces an annual profit to the government of over $25,000 on outstanding loans. A poor man may take 5 acres of land in New Zealand and the government will advance him $250 to aid him in fencing, planting, and building a home.

SICILY.

Credit is given on notes which are made payable at the time of harvesting crops, so that the farmers may get the money when they need to work the farm and may pay the note when the crop has been sold. The maximum time for which money can be borrowed from these banks is 50 years; the rate of interest 3½ per cent plus about 2 per cent for amortization.

ITALY.

The maximum length of time for which a loan is made is 35 years, repayable in a lump sum if for less than 10 years, and with amortization in case of loans made for a longer period. The rate of interest as a rule is 4 per cent, but it rises sometimes to 4½ per cent and sometimes as high as 5 per cent, according to the state of the money market. To this must be added a charge for income tax. In the case of long-term loans, made for 35 years, the regulations provide that the rate of interest may vary always remaining at one-half per cent higher than the rate of interest paid by the savings bank to its depositors.

Long-time loans are made to associations for agricultural purposes, for the purchase of live stock, and for improving breeds of live stock. The rate of interest charged is from 2 to 3½ per cent. In some special cases the bank has made mutual loans bearing no interest. Short-time loans for six months are made for the purchase of seed, the rate of interest charged being 2 per cent, and 3 per cent when the loan is for other agricultural purposes. The local banks discounting these notes are allowed to charge an extra 1 per cent on 2 per cent loans and an extra one-half per cent on 3 per cent loans, raising them to 3 and 3½ per cent. Lately the rate of interest was uniformly fixed at 2¾ per cent on condition that the local banks could charge a maximum rate of only 3½ per cent.

ROUMANIA.

Loans are made to members and to nonmembers of cooperative banks, members paying interest at the rate of 8 to 10 per cent, while nonmembers pay from 1 to 2 per cent more. Loans are to be utilized for productive purposes, and are chiefly granted upon personal security, the payment of such loans being guaranteed by the entire estate of the borrower. The duration of the loan is usually from 6 to 9 months, with right of prolongation to 18 months.

HUNGARY.

The Government aids the farmer by supplying him with seeds, saplings, and stock for breeding, requiring a fair interest on the purchase price and insuring the animals for one year. Where sufficient guaranty can be given for advances in the form of State aid, loans are granted at a low rate of interest—in some cases without interest. For the purchase of steam plows, 5 to 10 neighboring farmers come together to form a union. Having out of their own resources subscribed 50 per cent of the purchase price, they received the balance as a loan from the department of agriculture. The terms were for five years at 2 per cent interest. These were later modified, the department granting no advances, but, for five years, subscribing 5 per cent of the arrears of payment.

Mortgage bonds are issued at 4½ per cent, running 63 years, with a yearly charge, including amortization, of 4.85 per cent; also mortgage bonds at 4 per cent, running 50 years, with a yearly charge of 4.7 per cent.

The National Small Holdings Land Mortgage Institute originally made loans at the rate of 5½ per cent and for a period of 33½ years. Later the rate was 5 per cent and the period 15 years or 33½ years. Still later the rate was 4½ per cent, the period 17, 25, 40, or 50 years, and afterwards 4 per cent, with periods of 20, 30, 40, 50, 65 years. On a loan for 65 years the holders of the bonds get 5 per cent, and the debtor pays for 65 years 5.56 per cent, of which 5 per cent is interest, 0.21 per cent is amortization, and 0.35 per cent for administration and commission. For 50 years the interest is 5 per cent; amortization, 0.47 per cent; commissions, etc., 0.35 per cent, making a total of 5.82 per cent. The Government furnishes seed to the farmers at a nominal price for cash or on credit.

AUSTRIA.

The amount of mortgage may be one-half the estimated value of houses and two-thirds the value of agricultural property, in which case the amount of the mortgage will be two-thirds of twenty-five times the net earning capacity of the holding. Loans are not made in cash, but in bonds, the bonds being sold on the stock exchange and the borrower getting the proceeds of the sale. In the event of a loan being contracted at 4 per cent interest the borrower would have to repay 4½ per cent yearly, so that the full loan would be amortized in 54½ years. Every loan must be amortized within 59 years.

BOHEMIA.

Credit for the purpose of improving and purchasing land is given on the security of a mortgage on the land. Loans are based on two-thirds of the value of the land mortgaged and are repayable by amortization at the rate of 1 per cent. The rate of interest charged on loans varies from 4 to 6 per cent.

RUSSIA.

Private land-mortgage systems, Kharkoff. The longest term for which money is loaned is 66 years. In addition to the annual installments on the original loan interest must be paid at the rate of 4 per cent. Cost of administration must also be included. Sixty per cent of the valuation of the estate is the maximum amount which can be loaned.

The Peasants' Land Mortgage Bank, Kharkoff, was established by the Government to do business exclusively with the peasants. Large estates are purchased and sold in small holdings to the peasants. The general policy is to establish a period of repayment extending over 55½ years. The rate of interest charged, including amortization, cost of administration, and repayment of loan, amounts to only 4½ per cent. Any costs above this are borne by the Government. The Government loans money to the peasants, the funds for this purpose being secured by the issue of bonds. The net interest rate on these bonds frequently amounts to 5 or 6 per cent, so that the Government is losing money in the business.

In the fall the peasants need money and are willing to sell their goods at almost any price. To prevent speculation the Imperial Bank grants money to credit associations on the security of grain. The Government takes the grain, puts it into granaries, and loans money on it as security, charging from 5 to 6 per cent on the loan.

GERMANY.

On loans concerned with land cultivation the interest rate of the Royal Land Improvement Institute, of Bavaria, is one-fourth per cent lower than the rate of the agricultural bonds which are issued against the loan; that is, if the loan is granted in 3½ per cent bonds, the borrower pays only 3¼ per cent interest. The other one-fourth per cent is paid by the State.

These State favors to agricultural undertakings are granted for the reason that in many cases projects are initiated from which no income is expected, or only after many years.

The repayment rate is fixed according to the original sum lent and remains the same every year. The amount of the loan may not exceed the estimated increase in value from the agricultural undertaking projected. Neither may the loan exceed the cost of the undertaking. If individuals wish a loan, they must secure it by a first mortgage on their agricultural and forest land, and such loan can not exceed one-half the estimated value of the property.

Money is loaned by the Credit Union of Wurttemberg on first mortgage on city and country property, preference being given to country property. All loans are confined to the amortization plan on terms payable in installments of from 10 to 50 years, at the option of the borrower. On a 50-year amortization mortgage, the interest of the borrower is at the rate of 4.85 per cent—interest, 4 per cent; amortization, 0.66 per cent; advance to reserve, returnable with compound interest at the expiration of the loan, 0.19 per cent. The minimum loan is 300 marks; no maximum. The loan is made on the basis of 50 per cent of the valuation, specially determined by the local municipal authorities where the loans are to be granted.

Landholders' cooperative associations, known as Landschaft and controlled by the Prussian Government, are organized for the purpose of procuring money on mortgage. Loans are made to a borrower on 66

per cent of the value of his land. He receives bonds which pay as a rule 3½ per cent and are sold in the open market, and he pays to the Landschaft 4 per cent interest. The extra one-half per cent goes to pay running expenses and for amortization after a period of from 45 to 54 years.

The German Middle Class Bank and the German Peasant Bank are public-utility corporations. Loans are made to farmers, who pay charges amounting to 4 or 4½ per cent inclusive of one-half or 1 per cent for amortization and 3 or 3½ per cent interest, so that within 64½ or 42 years the mortgage is repaid. Loans are granted in the form of land-mortgage bonds by the Hereditary Estates Credit Society of Saxony. Repayment takes place as follows: Three per cent interest plus one-half per cent additional annual charge, 66 years; 3½ per cent interest plus one-third per cent additional charge, 71 years; 3½ per cent interest plus one-half per cent additional charge, 60½ years; 3½ per cent interest plus 1 per cent additional charge, 44 years; 3½ per cent interest plus one-third per cent additional charge, 69 years; 4 per cent interest plus one-half per cent additional charge, 56 years.

SWITZERLAND.

Canton banks are Government institutions. Loans are made upon land alone up to three-fourths of its value. Repayment is made by payment of interest at the rate of 4½ to 4¾ per cent and amortization payment of from one-half to 1 per cent interest. With a payment of one-half per cent for amortization the loan would run about 50 years.

HOLLAND.

Loans are made by the Land Mortgage Bank of Holland on 50 per cent of the assessed valuation of the land. Term of credit is from 5 to 40 years. Payment for 40 years would be at the rate of 4.5 per cent for interest, 1.05 per cent for amortization, and 0.25 per cent for expenses; total, 5.8 per cent.

DENMARK.

Credit associations loan on 60 per cent of the valuation of the property. Interest rate, 4½ per cent; amortization, 0.5 per cent; expenses, 0.15 per cent.

Small holders' Government loans are made to those who have worked at least four years for other farmers. The loan the Government grants is 90 per cent of the valuation of the land, charging 3 per cent interest for a period of 5 years, and later renewed for 5 or 10 years. The small farms established in this way must be occupied individually. The loans the Government has granted in this way amount to 25,000,000 crowns (about $7,000,000); of this amount the Government has lost practically only 10,000 crowns ($2,800).

FRANCE.

France extends short time agricultural credit. Regional banks distribute to the local banks the funds placed at the disposal of agricultural credit by the Government. The local banks loan money, generally for about one year, on personal credit, with the indorsement of some one of known respectability, at an interest rate varying from 3 to 5 per cent.

Collective long time loans are made to cooperative associations organized for the purpose of purchase, production, and distribution. Interest varies from 1½ to 2 per cent on such loans. This favorable rate of interest is always granted on the basis of the belief that the promotion of agriculture means the promotion of the national interests. Agriculture, it is contended, is more heavily burdened than other industries, and in order to fight rural depopulation and further the social interests of the nation, the welfare of the farming population must be cared for.

Long term individual credit is granted only to small agricultural holdings, the value of the loan not exceeding 8,000 francs. The maximum period for which the loan runs is 15 years, and is only allowed in the case of young farmers. The purpose is to assist the small farmers to purchase holdings and to encourage young men who have finished their military service to take up small farms. The loans are extinguishable by amortization, the rate of interest being as a rule 2 per cent. Security is generally a mortgage on the land, although other securities, such as life insurance policies or personal indorsement will be accepted. The law has been in operation two years, and over 12,000,000 francs have already been loaned.

Under the Credit Foncier, which, like the Bank of France, is subject to the legislative provisions of the French Government, a farmer may borrow money at 4½ per cent interest and 1½ per cent amortization for a period of 30 years.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. SMITH of Idaho. I ask unanimous consent, Mr. Chairman, to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Idaho asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. CONNOLLY of Iowa. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. MONDELL. Mr. Chairman, I ask unanimous consent to extend in the RECORD my remarks on this bill by placing in the RECORD some tables that have been prepared by the Reclamation Service showing the condition of the fund and the projects.

Mr. DONOVAN. Mr. Chairman, I object. The gentleman had general debate here, and if he had not spent his time in talking hot air he would have been able to put it all in. [Laughter.]

The CHAIRMAN. The gentleman from Connecticut objects.

Mr. BAILEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. MOORE. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MONDELL. Do I understand, Mr. Chairman, that there was objection to my request to insert in the RECORD these tables?

Mr. DONOVAN. I objected.

Mr. MONDELL. I am glad to know it. It shows the gentleman's attitude on these subjects.

Mr. TAYLOR of Colorado. Mr. Chairman, I want to ask if there is any gentleman in the House who desires to make a speech against this bill? I know the gentleman from Oklahoma [Mr. MORGAN] does, but I will ask if there is any other gentleman besides the gentleman from Oklahoma who desires to make a speech against this bill? There seems to be no one else who desires to address the House in opposition to the bill. I will ask the gentleman from Oklahoma whether or not we can not agree between himself and the gentleman from Nebraska [Mr. KINKAID] and me for an extension of time to the gentleman from Oklahoma during the consideration of the bill under the five-minute rule, in view of the fact that we have agreed to adjourn to-day in 15 minutes?

Mr. KINKAID of Nebraska. I will say to the gentleman from Oklahoma that I shall be glad to cooperate in that direction.

Mr. TAYLOR of Colorado. We shall endeavor to give the gentleman from Oklahoma an extension of time under the five-minute rule—as much time as he may desire—in order that we may close this general debate and adjourn by 5 o'clock.

Mr. MORGAN of Oklahoma. I would be glad, Mr. Chairman, to expedite the consideration of the bill and the closing of general debate. I have a great regard for the gentlemen who are in charge of the bill, and I have a great deal of sympathy for those men out there on these irrigation projects who are interested and who would be benefited by the enactment of the bill. I have a peculiar view on this matter. There is a peculiar situation that applies to Oklahoma that does not apply generally to the other States, and hence I have felt that I would like to have at least half an hour in which to present some things as a matter of duty.

Mr. TAYLOR of Colorado. If the ranking Member on that side of the House and I will agree, as we offer to do, that the gentleman may have half an hour on next Wednesday, would not the use of that time be considered the gentleman's full duty to his constituents?

Mr. MORGAN of Oklahoma. I will say that in view of that promise of the extension of time for half an hour at the beginning of the consideration of the bill under the five-minute rule, or early in its consideration——

Mr. TAYLOR of Colorado. Yes; as early in its consideration as possible, of course, we shall have to have the sections read——

Mr. MORGAN of Oklahoma. Yes; in view of all the circumstances I do not want to be unreasonable, and I will agree to that.

Mr. KINKAID of Nebraska. Mr. Chairman, there are several gentlemen on this side who want to be heard and who want time.

Mr. TAYLOR of Colorado. My understanding and intention is that we will be exceptionally lenient with the time under the five-minute rule.

Mr. KINKAID of Nebraska. The gentleman from Washington [Mr. LA FOLLETTE] and the gentleman from Nevada [Mr. ROBERTS] and the gentleman from Oregon [Mr. SINNOTT], also the gentleman from Washington [Mr. FALCONER] and some others are desirous of time later on, if we close general debate this afternoon.

Mr. TAYLOR of Colorado. The gentleman from Oregon [Mr. SINNOTT] has been here all day long, and I have promised him that he shall have an opportunity to address the House, and I want to see that he has an opportunity to do so.

Mr. SINNOTT. Mr. Chairman, my State is vitally interested in this bill, and I think my State is interested in the same particular as is the State of Oklahoma. But in the interest of speedy action on this bill I shall be willing to waive my right to be heard to-day if the gentleman can assure me that I shall have an opportunity to speak later.

Mr. RAKER. Mr. Chairman, just a moment, in regard to the general debate to-day: As one of the members of the committee I have given a great deal of time to this bill, whether I understand it or not; but I think I do. It has not only been considered in committee, but we have gone with it to the President, and to Cabinet officers, and to the Speaker of the House, and the

minority leader, and the majority leader, and to the Committee on Rules.

Now, I have waived my opportunity this afternoon to be heard upon this bill, to the end that all other gentlemen might be heard and that we might get an early disposition and enactment of the bill and that general debate might be closed, and I will use a few minutes under the five-minute rule.

Mr. KINKAID of Nebraska. I have an understanding with the gentleman from Colorado [Mr. TAYLOR] in charge of the bill that these several gentlemen shall have their opportunity under the five-minute rule. I should have mentioned the gentleman from Washington [Mr. FALCONER], who has been here all the afternoon ready to speak.

Mr. TAYLOR of Colorado. And the gentleman from Nevada [Mr. ROBERTS] also.

Mr. KINKAID of Nebraska. I would like to have him included by all means.

Mr. TAYLOR of Colorado. Certainly.

Mr. KINKAID of Nebraska. That we shall cooperate to secure them as ample time as possible under the five-minute rule. That is the best we can do. They have all stood ready to do what they could for their constituents here and for the bill.

Mr. FALCONER. I want to say that I have appreciated the situation, and in order to hasten the final vote on the bill I will certainly acquiesce in taking my time under the five-minute rule.

Mr. LA FOLLETTE. I concur in the remarks of my colleague [Mr. FALCONER] and take the same view.

Mr. KINKAID of Nebraska. I yield to the gentleman from Nevada [Mr. ROBERTS].

Mr. ROBERTS of Nevada. Mr. Chairman, I want to say that I am a member of the Committee on Irrigation of Arid Lands, and I did intend to say something this afternoon, but so much has been said that I did not feel it was right to delay so important a bill.

Mr. KINKAID of Nebraska. I do not know that the gentleman heard the statement I made when I stated that the gentleman from Colorado would cooperate to secure as much time as possible under the five-minute rule.

Mr. ROBERTS of Nevada. I understand that. I have been present all day, and I wish to do everything I can to facilitate the passage of the bill.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. SMALL having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed, without amendment, bill of the following title:

H. R. 1694. An act to amend an act approved October 1, 1890, entitled "An act to set apart certain tracts of land in the State of California as forest reservations."

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 6031. An act authorizing the Board of Trade of Texarkana, Ark.-Tex., to construct a bridge across Sulphur River at or near Pace's ferry, between the counties of Bowie and Cass, in the State of Texas.

PAYMENT UNDER RECLAMATION PROJECTS.

The committee resumed its session.

Mr. KINKAID of Nebraska. I yield to the gentleman from Washington [Mr. BRYAN].

[Mr. BRYAN addressed the committee. See Appendix.]

Mr. TAYLOR of Colorado. If there are no further remarks, I will ask the Clerk to proceed with the reading of the bill.

The Clerk read as follows:

Be it enacted, etc., That any person whose lands hereafter become subject to the terms and conditions of the act approved June 17, 1902, entitled "An act appropriating the receipts from the sale and disposal of public lands in certain States and Territories to the construction of irrigation works for the reclamation of arid lands," and acts amendatory thereof or supplementary thereto, hereafter to be referred to as the reclamation law, and any person who hereafter makes entry thereunder shall at the time of making water-right application or entry, as the case may be, pay into the reclamation fund 2 per cent of the construction charge fixed for his land as an initial installment, and shall pay the balance of said charge in 15 annual installments, the first 5 of which shall be 5 per cent of the construction charge and the remainder 7 per cent until the whole amount shall have been paid. The first of the annual installments shall become due and payable on December 1 of the fifth calendar year after the initial installment: *Provided*, That any water-right applicant or entryman may, if he so elects, pay the whole or any part of the construction charges owing by him within any shorter period: *Provided further*, That entry may be made whenever water is available and the initial payment be made when the charge per acre is established.

With the following committee amendments:

Page 2, line 2, strike out the word "two" and insert the word "five."

Page 2, line 5, after the word "shall," insert the word "each."

Page 2, line 6, after the word "remainder," insert the words "shall each."

Page 2, line 14, after the word "available," insert the words "as announced by the Secretary of the Interior."

Mr. MADDEN. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. MADDEN. I rise for the purpose of asking whether or not it is the intention to leave this paragraph open to amendment?

Mr. TAYLOR of Colorado. That is the purpose, and I want the Chair to recognize the gentleman from California [Mr. KETTNER] to ask leave to extend his remarks, and then I shall move that the committee rise.

Mr. MADDEN. It is understood, then, that when the committee takes this bill up for consideration at its next meeting this paragraph will be subject to amendment?

Mr. TAYLOR of Colorado. Yes.

Mr. RAKER. Amendments will be in order.

Mr. TAYLOR of Colorado. Amendments to this section will be in order at that time.

[Mr. KETTNER addressed the committee. See Appendix.]

Mr. RAKER. Mr. Chairman, in regard to the work of the Committee on Irrigation of Arid Lands in preparing this bill, I ask unanimous consent to insert the following statement in the RECORD.

The CHAIRMAN. The gentleman from California [Mr. RAKER] asks unanimous consent to insert a statement in the RECORD. Is there objection?

There was no objection.

The statement is as follows:

CONSERVATION BILLS.

This bill consists of the reclamation extension bill, from the Committee on Irrigation of Arid Lands; the radium bill, from the Committee on Mines and Mining; the Alaskan coal and oil bill, the water-power bill, and the general coal, oil, phosphate, and sodium bill, from the Committee on the Public Lands.

The reclamation extension bill having been placed on the Unanimous Consent Calendar, and upon the call of that calendar objection was made by Mr. MANN, the Committee on Irrigation of Arid Lands of the House met and discussed ways and means of bringing the bill before the House at an early date.

A subcommittee of the Committee on Irrigation, consisting of Mr. TAYLOR of Colorado, Mr. HAYDEN of Arizona, Mr. STOUT of Montana, and Mr. RAKER of California, took the matter up personally with President Wilson, urging him to use his good offices in bringing about early consideration of the reclamation extension bill. These four gentlemen personally interviewed President Wilson upon this bill and also upon the other bills named. The President advised the committee that he was anxious to see the legislation named disposed of at an early date, and would do whatever he could to assist in bringing about early disposition, and that he was very desirous of having the bills disposed of at an early date. The same committee then proceeded to see Mr. HENRY, the chairman of the Committee on Rules, who advised the committee that he would lend every assistance possible to bring about their early consideration. Leader UNDERWOOD was then seen by the committee, who likewise advised the committee that they could rely upon him to assist in bringing about early consideration by the House of these bills. The committee then interviewed Speaker CLARK, who was likewise willing to assist in every way in their early consideration. In this interview with Mr. CLARK it was ascertained that Mr. RAKER was second on the call for suspension of the rules, and had been for some months, and it was then agreed that when Mr. RAKER's turn was reached that the reclamation bill should be called up and should be second on suspension of the rules. If this was in any way delayed, then the Speaker advised the subcommittee that every assistance would be given to bring about an early rule or otherwise so that these bills might be considered.

In the meantime, Dr. FOSTER, chairman of the Committee on Mines and Mining and a member of the Committee on Rules, was interviewed, and signified his willingness to assist in bringing about, by rule or otherwise, the consideration of the reclamation bill, the radium bill, and the three other bills.

During the same time Hon. SCOTT FERRIS, chairman of the Committee on Public Lands, had been giving every consideration to bring about an early disposition of the three bills reported by the Committee on Public Lands, namely the water-power bill, the Alaskan coal bill, and the general coal, oil, phosphate, and sodium bill; had seen the Secretary of the Interior, and also interviewed the President with the Secretary of the Interior in regard to early consideration. Mr. FERRIS then interviewed Messrs. HAYDEN and RAKER as to circulating a petition among the Members asking for a rule from the Committee on Rules. It was then agreed to take this course, and Chairman FERRIS drew up or prepared a petition which was then circulated among the Members of the House by the members of the Committees on Public Lands and Irrigation. A majority of the House was obtained to these petitions, and the same were presented to the Committee on Rules. Messrs. FERRIS, HAYDEN, STOUT, RAKER, and others interviewed the chairman of the Committee on Rules and the members thereof, and also some of them appeared personally before the committee at the time set for consideration of a rule upon these five bills by the committee. The Committee on Rules, after consideration, agreed to a rule that the five bills be considered, namely, the water-power bill, the Alaskan coal bill, the general coal, oil, phosphate, and sodium bill, the radium bill, and the reclamation extension bill. The chairman and members of the Committee on Public Lands of the House, as well as the chairman and members of the Committee on Irrigation of Arid Lands of the House, were active in interviewing the President; the Secretary of the Interior, Mr. Lane; the chairman of the Rules Committee, Mr. HENRY; Speaker CLARK; and Leader UNDERWOOD to assist in bringing about every consideration and disposition of these bills, and every assistance and encouragement was given by

the parties named for disposition of what is known as the conservation bills, and in particular this reclamation bill.

Mr. MONDELL. Mr. Chairman, I think there was some misunderstanding as to what I desired to place in the RECORD in the extension of my remarks. The Reclamation Service prepared some tables relative to reclamation work, and I simply ask to extend those tables in the RECORD.

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] asks unanimous consent to extend his remarks by placing in the RECORD the tables indicated. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. FLOOD of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (S. 4628) extending the period of payment under reclamation projects, and for other purposes, and had come to no resolution thereon.

ENCAMPMENT OF KNIGHTS OF PYTHIAS, TERRE HAUTE, IND.

Mr. MOSS of Indiana. Mr. Speaker, I ask unanimous consent for the present consideration of House joint resolution 304, authorizing the Secretary of War to loan certain saddles and bridles for the use of the national encampment Knights of Pythias, to be held at Terre Haute, Ind., in July, 1914.

The SPEAKER. The gentleman from Indiana asks unanimous consent for the present consideration of a joint resolution which the Clerk will report.

The Clerk read as follows:

House joint resolution 304.

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to loan, at his discretion, to the mount committee of the national encampment, Knights of Pythias, to be held at Terre Haute, Ind., in the month of July, 1914, 200 saddles and bridles: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered to said committee designated at such time prior to the holding of said encampment as may be agreed upon by the Secretary of War and Scott Hanna, chairman of the mount committee: *And provided further*, That the Secretary of War, before delivering said saddles and bridles, shall take from said Scott Hanna a good and sufficient bond for the safe return of said property in good order and condition, and the whole without expense to the United States.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. COX. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an article prepared by Mr. George P. Hampton, published in the Pennsylvania Grange News, July, 1914, on "The administration at Washington fighting for the people's rights."

The SPEAKER. The gentleman from Indiana asks unanimous consent to print in the RECORD an article from the Pennsylvania Grange News entitled "Administration at Washington fighting for people's rights." Is there objection?

Mr. MOORE. Reserving the right to object, Mr. Speaker, my attention was attracted by the reference to Pennsylvania. I would like to know who the author of the article is.

Mr. COX. I stated that it was Mr. George P. Hampton.

Mr. MOORE. That is a very good name, and I have no objection.

Mr. COX. It is a good article, too.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

LEAVE OF ABSENCE.

Mr. GLASS, by unanimous consent, was granted leave of absence, for two weeks, on account of illness.

LEAVE TO PRINT.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that all Members may be allowed five days to extend remarks on the bill under consideration to-day.

The SPEAKER. The gentleman from Colorado asks unanimous consent that all Members be allowed five days in which to extend remarks in the RECORD on the irrigation bill.

Mr. ADAMSON. The gentleman from Colorado means to print remarks, and it is not confined to those who have spoken?

Mr. TAYLOR of Colorado. No; general leave to print on the bill.

The SPEAKER. Leave to insert remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 6031. An act authorizing the Board of Trade of Texarkana, Ark.-Tex., to construct a bridge across Sulphur River at or near Pace's ferry, between the counties of Bowie and Cass, in the State of Texas; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 13297. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 13920. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 14546. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 15071. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; and

H. R. 15504. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and to certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

ADJOURNMENT.

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until to-morrow, Friday, July 17, 1914, 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. KAHN, from the Committee on Military Affairs, to which was referred the bill (H. R. 15376) to amend section 16 of an act entitled "An act for the organization of the militia in the District of Columbia," approved February 18, 1909, reported the same with amendment, accompanied by a report (No. 974), which said bill and report were referred to the House Calendar.

Mr. STEVENS of New Hampshire, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 17893) to amend section 3 of an act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907, reported the same without amendment, accompanied by a report (No. 975), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. WITHERSPOON, from the Committee on Naval Affairs, to which was referred the bill (H. R. 12161) to remove the charge of desertion against John Mitchell, reported the same with amendment, accompanied by a report (No. 976), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 11767) for the relief of I. C. Johnson, jr., reported the same with amendment, accompanied by a report (No. 977), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 12064) for the relief of Lieut. Richard Philip McCullough, United States Navy, reported the same with amendment, accompanied by a report (No. 978), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 8033) granting a pension to William J. Brown; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 15721) granting a pension to Samuel A. Blair; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 16315) granting an increase of pension to Michael F. Conway; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 16564) granting an increase of pension to Maria A. Endsley; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 17569) granting a pension to John J. Harrington; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CULLOP: A bill (H. R. 17924) authorizing the Secretary of War to donate condemned cannon and cannon balls; to the Committee on Military Affairs.

By Mr. THOMSON of Illinois: A bill (H. R. 17925) to authorize the Secretary of War, in his discretion, to deliver to the Indian Hill Club, of the town of Winnetka, in the State of Illinois, one condemned bronze or brass cannon with its carriage and outfit of cannon balls; to the Committee on Military Affairs.

By Mr. HAMILTON of Michigan: A bill (H. R. 17926) to purchase a site for the erection of a post-office building in the city of St. Joseph, Mich.; to the Committee on Public Buildings and Grounds.

By Mr. COADY: A bill (H. R. 17927) to enlarge, extend, remodel, and improve the United States post-office and courthouse building located at Baltimore, Md.; to the Committee on Public Buildings and Grounds.

By Mr. BRYAN: A bill (H. R. 17928) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910; to the Committee on Interstate and Foreign Commerce.

By Mr. TEN EYCK: A bill (H. R. 17929) making appropriation for the continuing improvement and for maintenance of the Hudson River, N. Y.; to the Committee on Rivers and Harbors.

By Mr. JOHNSON of South Carolina: Joint resolution (H. J. Res. 303) appropriating $60,000 for the relief of the sufferers from the hail and wind storm in Spartanburg and Laurens Counties, S. C., in July, 1914; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARLIN: A bill (H. R. 17930) granting a pension to Alfred M. Graham; to the Committee on Pensions.

By Mr. COX: A bill (H. R. 17931) granting an increase of pension to Benjamin A. Miller; to the Committee on Invalid Pensions.

By Mr. DEITRICK: A bill (H. R. 17932) for the relief of Patrick Conley; to the Committee on Military Affairs.

By Mr. DOOLITTLE: A bill (H. R. 17933) granting a pension to Nelson Pennington; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 17934) granting an increase of pension to William C. McCracken; to the Committee on Invalid Pensions.

By Mr. FOWLER: A bill (H. R. 17935) granting a pension to Mary Barfield; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 17936) granting an increase of pension to Milton Mitchell; to the Committee on Invalid Pensions.

By Mr. GITTINS: A bill (H. R. 17937) to remove the charge of desertion against George Wolf; to the Committee on Military Affairs.

By Mr. GLASS: A bill (H. R. 17938) granting a pension to Richard L. Miller; to the Committee on Pensions.

By Mr. GUDGER: A bill (H. R. 17939) granting a pension to Levi Buckner; to the Committee on Invalid Pensions.

By Mr. KENNEDY of Connecticut: A bill (H. R. 17940) granting an increase of pension to Helen J. Goodyear; to the Committee on Invalid Pensions.

By Mr. MADDEN: A bill (H. R. 17941) to correct the military record of Cuthbert W. Laing; to the Committee on Military Affairs.

By Mr. MURDOCK: A bill (H. R. 17942) granting an increase of pension to William F. Pike; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17943) granting an increase of pension to Daniel Sheesly; to the Committee on Invalid Pensions.

By Mr. PETERS of Massachusetts: A bill (H. R. 17944) granting an increase of pension to George H. Homer; to the Committee on Invalid Pensions.

By Mr. TALCOTT of New York: A bill (H. R. 17945) granting an increase of pension to Amelia Heidel; to the Committee on Invalid Pensions.

By Mr. TAVENNER: A bill (H. R. 17946) granting an increase of pension to Richard J. Bauguess; to the Committee on Invalid Pensions.

By Mr. TEN EYCK: A bill (H. R. 17947) granting a pension to Louis N. Hickey; to the Committee on Invalid Pensions.

By Mr. VOLLMER: A bill (H. R. 17948) for the relief of John C. Davis; 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. BAILEY (by request): Petition of Branch No. 101, National Association of Letter Carriers, and Blair County Branch, National Association Supervisory Post Office Employees, of Altoona, Pa., against section 3 of House bill 17042, to amend the postal laws; to the Committee on the Post Office and Post Roads.

By Mr. BATHRICK: Petition of sundry citizens of the nineteenth Ohio district, favoring national prohibition; to the Committee on Rules.

Also, petition of Oscar Nichols, of Akron, Ohio, against national prohibition; to the Committee on Rules.

Also, petition of the Grand Army Post of Ravenna, Ohio, favoring appropriation for Vicksburg celebration, October, 1915; to the Committee on Appropriations.

By Mr. CARR: Petition of sundry citizens of South Brownsville and Connellsville, Pa., favoring national prohibition; to the Committee on Rules.

By Mr. FERGUSSON: Petitions of the Methodist Episcopal Churches of Roy and Solano, by their pastor, Rev. Edwin Gaskill, and of a union mass meeting of the churches of Lakewood, by J. A. Bell, chairman, and S. J. Stevens, secretary, all in the State of New Mexico, favoring national prohibition; to the Committee on Rules.

Also, memorials from 6 citizens of Rosa, N. Mex., protesting against national prohibition; to the Committee on Rules.

By Mr. HARRIS: Petition of various business men of Alabama, favoring House bill 5308, to tax mail-order houses; to the Committee on Ways and Means.

By Mr. HOXWORTH: Petitions of various business men of La Fayette, Galesburg, Knoxville, and Williamsfield, all in the State of Illinois, favoring House bill 5308, to tax mail-order houses; to the Committee on Ways and Means.

By Mr. JOHNSON of Washington: Petition of sundry citizens of Vancouver, Wash., favoring national prohibition; to the Committee on Rules.

Also, petitions of sundry citizens of Twisp, Wash., opposing national prohibition; to the Committee on Rules.

Also, petition of sundry citizens of Everett, Wash., favoring national prohibition; to the Committee on Rules.

Also, petition of sundry citizens of Hoquiam, Cosmopolis, Satsop, Woodland, Raymond, and Aberdeen, all in the State of Washington, favoring national prohibition; to the Committee on Rules.

By Mr. LEWIS of Maryland: Petition of sundry citizens of Carroll County, Md., indorsing House joint resolution 168, to prohibit the sale of intoxicating liquors; to the Committee on Rules.

Also, a resolution of the Christian Endeavor Society of the Presbyterian Church of Emmitsburg, Md., favoring the passage of the Hobson prohibition resolution; to the Committee on Rules.

By Mr. LONERGAN: Protest of Mr. E. Rueber, of Collinsville, Conn., against the adoption of prohibition measures; to the Committee on Rules.

By Mr. MADDEN: Papers to accompany a bill to clear record of Lieut. C. W. Laing; to the Committee on Military Affairs.

By Mr. MURDOCK: Petition of sundry citizens of Whitman Community, Sumner County, Kans., favoring national prohibition; to the Committee on Rules.

Also, petition of sundry citizens of Wichita and Newton, Kans., for the passage of the Hobson-Sheppard joint resolution for a national constitutional prohibition amendment; to the Committee on Rules.

Also, petition of sundry citizens of Mulvane, Kans., forwarded by the Woman's Christian Temperance Union, urging the passage by Congress of the Hobson-Sheppard joint resolution for a constitutional prohibition amendment; to the Committee on Rules.

Also, resolutions adopted at a mass meeting in the Methodist Episcopal Church of Garden City, Kans., for a national constitutional prohibition amendment; to the Committee on Rules.

Also, petition of the Epworth League of Belle Plaine, Kans., for the passage of the Hobson-Sheppard joint resolution for a national constitutional prohibition amendment; to the Committee on Rules.

Also, petition of sundry citizens of Conway Springs, Kans., for the passage of the Hobson-Sheppard joint resolution for a national constitutional prohibition amendment; to the Committee on Rules.

Also, petition of various members of the Women's Home Mission Society of St. Paul's Church, of Wichita, Kans., for the passage of the Hobson-Sheppard joint resolution for a national prohibition amendment; to the Committee on Rules.

Also, petition of a mass meeting in the Methodist Church of Wellington, Kans., for the passage of the Hobson-Sheppard joint resolution for a national constitutional prohibition amendment; to the Committee on Rules.

Also, petition of sundry citizens of Derby, Kans., for a national constitutional prohibition amendment; to the Committee on Rules.

Also, petition of various members of the Grace Methodist Episcopal Church, of Wichita, Kans., for a national constitutional prohibition amendment; to the Committee on Rules.

Also, petition of sundry citizens of Walton, Kans., for a national constitutional prohibition amendment; to the Committee on Rules.

Also, petition of various members of the Men's Sunday School Class of the St. Paul's Church, Wichita, Kans., for a national constitutional prohibition amendment; to the Committee on Rules.

Also, petition of sundry citizens of Louisburg, Kans., for a national constitutional prohibition amendment; to the Committee on Rules.

Also, petition of sundry citizens of Wellington, Kans., for a national constitutional amendment prohibiting the liquor traffic; to the Committee on Rules.

Also, petition of meeting in the Methodist Episcopal Church of Canton, Kans., for the national constitutional prohibition amendment; to the Committee on Rules.

Also, petitions of various members of the German Methodist Church of Wichita, Kans., for the passage of the Hobson-Sheppard joint resolution for a constitutional amendment prohibiting the liquor traffic; to the Committee on Rules.

Also, petition adopted at a mass meeting of citizens of Colwich, Kans., in favor of the early passage by Congress of the joint resolution for a constitutional amendment prohibiting the liquor traffic; to the Committee on Rules.

Also, petition adopted at a mass meeting of citizens of Hunnewell, Kans., favoring the passage of the joint resolution for a constitutional amendment prohibiting the liquor traffic; to the Committee on Rules.

Also, petition adopted at a mass meeting of citizens of Elbing, Kans., in favor of the early passage by Congress of the joint resolution for a constitutional amendment prohibiting the liquor traffic; to the Committee on Rules.

Also, resolutions adopted by the Kansas-Oklahoma jurisdiction of the United Commercial Travelers, in favor of the passage by Congress of the Hobson-Sheppard joint resolution for a constitutional amendment prohibiting the liquor traffic; to the Committee on Rules.

Also, petition of sundry citizens of Newton, Walton, Halstead, Burton, Conway Springs, and Belle Plaine, all in the State of Kansas, favoring national prohibition; to the Committee on Rules.

Also, petition of sundry citizens of La Crosse, Kans., favoring national prohibition; to the Committee on Rules.

Also, petition of sundry citizens of West Mineral, Kans., favoring national prohibition; to the Committee on Rules.

By Mr. NELSON: Petition from W. T. Sherman Post, No. 66, Grand Army of the Republic, of Platteville, Wis., for adequate appropriations for the veterans' reunion to be held at Vicksburg, Miss., in October, 1915; to the Committee on Appropriations.

Also, petition from 2 citizens of Madison, Wis., against national prohibition; to the Committee on Rules.

By Mr. O'SHAUNESSY: Petition of the Trinity Baptist Church of Providence, favoring national prohibition; to the Committee on Rules.

By Mr. PAIGE of Massachusetts: Petition of 57 citizens of Fitchburg, Mass., favoring national prohibition; to the Committee on Rules.

By Mr. PAYNE: Petition of sundry citizens of the thirty-sixth congressional district of New York, favoring national prohibition; to the Committee on Rules.

By Mr. PHELAN: Petitions of sundry citizens of Massachusetts, against national prohibition; to the Committee on Rules.

Also, petition of sundry citizens of Massachusetts, favoring national prohibition; to the Committee on Rules.

By Mr. PLATT: Petition of sundry citizens of Poughkeepsie, N. Y., favoring national prohibition; to the Committee on Rules.

By Mr. ROBERTS of Nevada: Petition from B. Merialdo, Charles Depaoli, John Romano, and 20 other citizens of Eureka, Eureka County, Nev., protesting against the passage of House joint resolution 168 and Senate joint resolutions 88 and 50, for national prohibition; to the Committee on Rules.

Also, petitions of Rev. Harry Sheldon, representing 200 citizens, and Rev. Brewster Adams, representing 300 citizens of Reno, Nev., and J. M. Johnson, representing 20 citizens of Schurz, Nev., favoring national prohibition; to the Committee on Rules.

Also, petition from C. E. Burdick, S. W. Waring, T. W. Harrison, and William Kirwin, of Searchlight, Clark County, Nev., protesting against the passage of House joint resolution 168 and Senate joint resolutions 88 and 50, for national prohibition; to the Committee on Rules.

By Mr. ROGERS: Petition of 500 citizens of Methuen, Mass., favoring national prohibition; to the Committee on Rules.

By Mr. TEN EYCK (by request): Petitions of 100 constituents of the twenty-eighth congressional district of New York, favoring the Hobson resolution for national prohibition; to the Committee on Rules.

Also (by request), resolution signed by 25 people of church organizations in the twenty-eighth district of New York, favoring the passage of the national prohibition bill; to the Committee on Rules.

By Mr. WALTERS: Petition of the Emanuel Presbyterian Church of Philadelphia, favoring national prohibition; to the Committee on Rules.

By Mr. WINSLOW: Petition of sundry citizens of Milford, Mass., against national prohibition; to the Committee on Rules.

Also, petition of sundry citizens of West Brookfield, Worcester, Leominster, and Blackstone, all in the State of Massachusetts, favoring national prohibition; to the Committee on Rules.

SENATE.

FRIDAY, *July 17, 1914.*

The Senate met at 12 o'clock m.

Rev. J. L. Kibler, D. D., of the city of Washington, offered the following prayer:

We thank Thee, our heavenly Father, for Thy many mercies and for Thy love, which is boundless. We thank Thee for our lives and for places where we may labor for the good of others, and so fulfill the law of Christ. We thank Thee for the providence that has given us our opportunities of service for our country. May we be inspired by those high ideals which Thou hast implanted in the consciences of men. May the gentleness of Thy grace lead us on and move us to those things that are pleasing in Thy sight, that we may meet our tasks this day in Thy strength. We ask it for Christ's sake. Amen.

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

THE PUBLIC BUILDING SERVICE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, submitting estimates of appropriations relative to the public building service and recommending their incorporation in the general deficiency appropriation bill, which was referred to the Committee on Appropriations.