TOO RAPID MARKETING

Analyzing the present cotton market, the board is of the opinion that open fall weather in the Southern States has led to too rapid marketing, with world consumption meanwhile on a level equal to that of last year and the total supply of American cotton at a lesser stage than a year ago. More cotton, it believes, has been rushed into the market than it can temporarily absorb, with resulting depressed prices and lack of confidence in cotton values.

To assist the growers to hold back their crop and meanwhile meet their financial obligations, the board proposes to lend to cotton cooperatives, qualified as borrowers under the Capper-Volstead Act, "sums sufficient to bring the total amount borrowed from all sources by such associations to 16 cents per pound on graded and classed cotton, basis middling ⅞-inch staple, less proper deductions to cover freight charges."

TO DRAW ADVANCES

In a statement announcing its plan, the board pointed out that there is a cotton cooperative in every cotton-growing State open to membership of every cotton farmer. The grower may join the cooperative, the statement continued, ship his cotton to its concentration point, and draw his advance after it has been graded and classified.

The cooperative will market the cotton in orderly fashion through the year, said the board, and will finally settle with the farmer "on the basis of the final price obtained."

The statement went on to express the board's confidence in the soundness of the scheme, asserting it to be a "completely safe basis for making loans" from the revolving fund established by the farm relief law.

"The board places no limit on the amount of Government money to be so loaned," the statement said. "Nearly $100,000,000 is available for the purpose, and, if necessary, the board will ask Congress to appropriate more."

SPOT MARKET DESIGNATED

The board said 10 designated Southern spot markets would be used for classification of the loans.

The loan per pound will be approximately as follows at the different markets: Norfolk, Va., 16.54 cents; Augusta, Ga., 16.35 cents; Savannah, Ga., 16.28 cents; Montgomery, Ala., 15.64 cents; New Orleans, La., 16.59 cents; Memphis, Tenn., 15.39 cents; Little Rock, Ark., 15.41 cents; Dallas, Tex., 15.34 cents; Houston, Tex., 16.19 cents; and Galveston, Tex., 16.39 cents.

At all other concentration points loans will be made on the same basis with proper adjustments on account of freight and other expenses.

RECESS

Mr. SMOOT. Mr. President, it would be useless to try to take up casein to-night. I therefore move that the Senate take a recess until to-morrow morning at 10 o'clock.

The motion was agreed to; and (at 5 o'clock and 43 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, October 23, 1929, at 10 o'clock a. m.

SENATE

WEDNESDAY, *October 23, 1929*

(Legislative day of Monday, September 30, 1929)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

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

The VICE PRESIDENT. The clerk will call the roll.

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

Allen	Fletcher	Jones	Sheppard
Ashurst	Frazier	Kendrick	Shortridge
Barkley	George	Keyes	Simmons
Bingham	Gillett	King	Smoot
Black	Glass	La Follette	Steck
Blaine	Glenn	McKellar	Steiwer
Blease	Goff	McMaster	Swanson
Borah	Goldsborough	McNary	Thomas, Idaho
Bratton	Gould	Moses	Thomas, Okla.
Brock	Greene	Norbeck	Townsend
Brookhart	Hale	Norris	Trammell
Broussard	Harris	Nye	Tydings
Capper	Harrison	Oddie	Vandenberg
Caraway	Hastings	Overman	Wagner
Connally	Hatfield	Patterson	Walcott
Copeland	Hawes	Phipps	Walsh, Mass.
Couzens	Hayden	Pine	Walsh, Mont.
Cutting	Hebert	Pittman	Warren
Dill	Heflin	Ransdell	Waterman
Edge	Howell	Robinson, Ind.	Watson
Fess	Johnson	Schall	

Mr. FESS. The junior Senator from Ohio [Mr. BURTON] is still detained from the Senate on account of illness. I ask that this statement may be allowed to stand for the day.

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is absent, ill. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

POLICE DEPARTMENT OF THE DISTRICT OF COLUMBIA

Mr. BLEASE. Mr. President, some time ago I introduced a resolution in reference to the police department of the District of Columbia. When the Senate saw fit to adopt the resolution I presented to the subcommittee of the Committee on the District of Columbia, to which my resolution was referred, certain proof or alleged proof in reference to the matters mentioned. I shall not take the time to read it because I know the Senate is anxious to get along with its work on the tariff bill and I hope it will do so, but I ask to have published as a part of my remarks a list of the evidence and of the witnesses, together with a list of letters and other data filed with the subcommittee.

The VICE PRESIDENT. Without objection, it is so ordered.

The matters referred to are as follows:

1. Article headed "Local Chinatown."
2. Newspaper article from Daily News, August 9, 1929.
3. Hudnaw case: Papers, testimony, etc., by W. E. Lawson, 629 F Street NW., who desires to appear before the committee.
4. Papers from Miss Davis, Winston Hotel, Washington.
5. Letter from Claud M. Johnson, 2750 Fourteenth Street NW.
6. Letter and copy of resolution from Henry Flury, Washington.
7. Letter from W. G. Bennett, Washington.
8. Papers and letter from Miss Mary M. C. Shipley, 1101 K Street NW.
9. Letter from Miss Margaret R. Duvall, Washington.
10. Letters from Hon. CARTER GLASS and Hon. CLAUDE A. SWANSON; also telegrams.
11. Letter from Oscar C. Thomas, Columbian Building, Washington.
12. List purporting to be staff of Leo A. Rover, district attorney.
13. Newspaper article, "Dope Prices Soaring," etc., Washington News, September 24, 1929.
14. Newspaper article, "Rover Statement Lauds Grand Jury," Washington Star, September 25, 1929.
15. Newspaper article, "Jury Bars Collins to Debate on Evidence," Washington Herald, September 26, 1929.
16. "Narcotic Ring Hinted Behind Nurses Death," Washington Post, October 16, 1929.
17. "Slain Nurse Seen as Dope-Ring Tool," Washington Post, October 17, 1929.
18. "Police Still Work on Scrivener Case," Washington Post, October 17, 1929.
19. "Answer to Graft Charges," etc., Washington Post, October 17, 1929.

Witnesses who either themselves request to appear before the committee or were suggested by interested parties:

Sergt. Minor Furr, No. 7 police precinct.
Pvt. Harry A. Reed, No. 7 police precinct.
Sergeant Bahner, No. 1 precinct. First man to reach Scrivener's body.
Policeman Robert J. Allen, No. 8 precinct.
Mr. Howe Totten, Benedict Apartments, 1808 I Street NW.
Sergeant Waldron.
Sergeant Sweeney.
Detective Sergeant Sanders.
Detective Sergeant Mansfield.
Narcotic Inspector Rakusin.
Narcotic Inspector Fortner.
Narcotic Inspector McDonald.

Inquire of commissioners if an act was passed for them to establish a new fire station and that no building was put up, but the additional men for said new station were hired; and if so, are they still in the service and where employed?

(Filed with the committee, October 17, 1929.—BLEASE.)

Mr. BLEASE. I also ask to present for the RECORD a letter received this morning from M. F. Robinson inclosing two newspaper clippings in reference to conditions in the District of Columbia.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter and newspaper clippings are as follows:

WASHINGTON, D. C., *October 22, 1929.*

Senator BLEASE.

DEAR SIR: If you will take time to read the inclosed clippings, you may have an idea—a very slight one—of what the people of Washington have been compelled to endure for years, and how persons who possess information inimical to the gang of ruffians which compose the police department are intimidated and persecuted when they make it known.

The decent people of the city—and there are a few—stand behind you in your efforts to expose the scoundrels who at present render it a national disgrace.

Yours truly,

M. F. ROBINSON.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

[Inclosures]

M'PHERSON WITNESS REPORTS HARASSMENT SINCE TESTIMONY—MRS. ROY HEAVRIN DECLARES SHE HAS BEEN FOLLOWED BY DETECTIVES—ALSO SAYS STRANGERS HAVE LOITERED ABOUT HER APARTMENT DOOR

Shadowed by detectives, harassed by strangers loitering around her apartment door, investigation of her private affairs, and a deluge of police tickets for traffic violations—these have been the rewards to Mrs. Roy Heavrin, of the Park Lane Apartment, for testifying before the grand jury which investigated the mysterious death of Mrs. Virginia McPherson, according to a complaint she made yesterday to Maj. Henry G. Pratt, superintendent of police.

Mrs. Heavrin is the witness who told of hearing the painful screams of a woman on the night Mrs. McPherson met her death in an apartment near the one she occupies.

Ever since the grand jury returned an indictment for murder against Robert A. McPherson, jr., husband of the dead nurse, Mrs. Heavrin said she had been "shadowed," and on one occasion two detectives and a uniformed policeman trailed her to Georgetown.

Aside from these annoyances, Mrs. Heavrin declared her life has been made miserable by the strangers who loiter around her apartment door, and one of them made an attempt several nights ago to break into the apartment.

She also said she had been threatened, but declined to reveal the nature of the threats. And in addition she charged the police apparently were taking pleasure in ticketing her automobile.

In the last three weeks, Mrs. Heavrin said, she had received more tickets and deposited more collateral for traffic violations than for a period of two years. Last Friday morning, she declared, she went to get her car parked in the rear of the Park Lane and found three policemen pushing it, while on the windshield there was a ticket for improper parking.

Mrs. Heavrin and her husband both appeared to be visibly nervous as a result of these experiences, although they declared they were unafraid.

Soon after receiving Mrs. Heavrin's complaint Major Pratt assigned Lieut. H. H. Groves and Headquarters Detective Harry G. Callahan to make an investigation.

MAN GETS 10-YEAR TERM FOR THEFT OF CLOTHING

Convicted of stealing clothes from the Salvation Army, Benjamin Lee, colored, yesterday was sentenced to the penitentiary for 10 years, in spite of his story that police forced a confession by beating him with a rubber hose.

Chief Justice Walter I. McCoy, in pronouncing sentence, charged that the accusation against police was untrue. He further excoriated Lee for victimizing a charitable institution. Assistant District Attorney R. F. Camalier conducted the prosecution.

Mr. BLEASE. The Washington Herald of this morning contains an article headed "Doyle, Allen Suspended—Two to Face Trial for Defiance to Pratt." Another article entitled "Senators Demand Removal of Pratt"; another article entitled "Pratt, Shelby Dodging Tests"; another article entitled "COPELAND Asks Board to Cut Dope Imports"; and an editorial appearing in this morning's Herald entitled "This Police Bureaucracy Deserves Good Shake-up." I ask that the articles and the editorial may be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered. The articles and editorial are as follows:

[From the Washington Herald, Wednesday, October 23]

DOYLE, ALLEN SUSPENDED—TWO TO FACE TRIAL FOR DEFIANCE TO PRATT—DISTRICT OF COLUMBIA COMMISSIONERS REFUSE TO OUST PAIR, BUT APPROVE WHEN CHIEF HIMSELF ACTS

Capt. Robert E. Doyle, commander of the eighth police precinct, and Policeman Robert J. Allen, of McPherson case fame, were ordered suspended from duty last night by Maj. Henry G. Pratt, superintendent of police.

The District Commissioners, meeting in special session, unanimously gave immediate approval to the suspensions.

LEFT UP TO CHIEF

The suspensions developed in an unusual manner. Pratt, earlier in the afternoon, had written to the commissioners recommending that they take disciplinary action against Doyle and Allen. At the meeting last night, however, the commissioners returned Pratt's letter with instructions that "this case be handled in the manner normally employed in maintaining discipline in the department."

Pratt then recommended the suspensions, adding in his communication to the commissioners that charges will be prepared and the two policemen cited to appear before the police trial board. Then the commissioners approved the suspensions.

Both Doyle and Allen will be charged with insubordination and of conduct prejudicial to the reputation, good order, and discipline of the police department.

EFFECTIVE TO-DAY

The suspensions are to become effective at 8 o'clock this morning. Both men will be relieved from duty without pay.

It is expected the charges will be drafted to-day and the date for their trial set.

HISTORY OF CASE

The controversy between Pratt and Allen started with events that followed the mysterious strangling of Mrs. Virginia McPherson, pretty nurse, in the Park Lane Apartments September 13.

This strangling, stamped officially by the police department as a "suicide," was reopened through the persistent efforts of Allen, who accused Inspector William S. Shelby, then chief of detectives, and Lieut. Edward Kelly, then head of the headquarters homicide squad, of "bungling the case."

Pratt, on Shelby's recommendation, suspended Allen on the technical charge of withholding evidence in the McPherson case.

A grand jury upheld Allen's theory of murder and recommended that Shelby and Kelly be relieved from all duty in connection with this case. Shelby and Kelly were transferred. Over the persistent objections of Pratt, Allen was restored to duty by the District Commissioners.

ARRESTS MOFFATT

Soon thereafter Allen arrested William L. Moffatt on the charge of unlawful conversion of funds. Allen was then in the eighth precinct, commanded by Captain Doyle. After his arrest of Moffatt, Allen charged that Moffatt, who had previously been indicted and never brought to trial, was not prosecuted because of laxity in the district attorney's office.

Pratt, resenting the attack on another branch of the Government, asked Allen if he had been correctly quoted in the press regarding his charges against the district attorney's office. Allen, replying to Pratt, repeated his charges against Moffatt and defended his reflection against the district attorney's office. Meanwhile Doyle, in a statement to the press, upheld Allen's conduct in the Moffatt case and defended his (Doyle's) authorization of Allen to handle the case outside the precinct in plain clothes.

Pratt then called upon Doyle for a recommendation and comment concerning Allen and the latter's letter to Pratt. Doyle replied to Pratt lauding Allen highly for his work in the Moffatt case and, obeying request for comment, called upon the police department to forget the petty prejudices against the patrolman.

Pratt thereupon asked the commissioners for disciplinary action against Doyle and Allen, and last night's procedure followed.

DOYLE "DID HIS BEST"

When told that the District Commissioners had approved Major Pratt's recommendation for his suspension, Captain Doyle said:

"I was ordered both to make a comment and a recommendation. I made both to the best of my ability. I felt that I had to be honest in the matter."

Allen refused to comment on his suspension at this time.

Pratt was forced to take this circuitous method in suspending Allen because the District Commissioners restored Allen against his protests after he had suspended him for his activities in the McPherson case.

Doyle has been on the police force 40 years.

Pratt was closeted with the District Commissioners for an hour and 40 minutes. When he emerged he wore a triumphant look, but refused to comment. The commissioners likewise refused to comment on the peculiar manner in which the suspensions of Doyle and Allen were brought about.

THE ORDER TO PRATT

The order of the commissioners to Major Pratt, which paved the way for the suspensions, reads as follows:

OCTOBER 22, 1929.

I move that the report dated October 22, 1929, of the major and superintendent of police with reference to the action of Capt. Robert E. Doyle and Pvt. R. J. Allen be returned to the major and superintendent of police with instructions that this case is to be handled in the manner normally employed in maintaining discipline in the department.

PROCTOR L. DOUGHERTY,
Commissioner, District of Columbia.

Major Pratt's reply, together with the recommendation for suspension, are as follows:

OCTOBER 22, 1929.

MEMORANDUM TO THE COMMISSIONERS

In compliance with instructions of the board of commissioners on jacket No. 67816, you are advised that orders have been issued suspending Capt. Robert E. Doyle, commanding officer of the eighth precinct, and Pvt. R. J. Allen, attached to that precinct, from duty effective 8 a. m., October 23, 1929, and I recommend the approval of the attached order. You are further advised that charges will be prepared and the two officers cited to appear before the trial board at the earliest possible date.

THE APPROVAL

The commissioners' order of approval reads as follows:

OCTOBER 22, 1929.

Ordered: 1. That the action of the major and superintendent of police in suspending Robert E. Doyle, a captain in the Metropolitan police force, from duty without pay effective 8 a. m., October 23, 1929, subject to a reservation of power under the provisions of the commissioners' order of June 26, 1914, to remove such suspension both as to such officer and as to the withheld pay, is hereby confirmed.

2. That the action of the major and superintendent of police in suspending R. J. Allen, a private in class 2 of the Metropolitan police force, from duty without pay effective 8 a. m., October 23, 1929, subject to a reservation of power under the provisions of the commissioners' order of June 26, 1914, to remove such suspension both as to such officer and as to the withheld pay, is hereby confirmed.

By order of the Board of Commissioners, District of Columbia.

DANIEL E. GARGES,

Secretary Board of Commissioners, District of Columbia.

PRATT'S FIRST LETTER

Pratt's earlier letter to the commissioners asking action against Doyle and Allen said in part:

"There can be no question of the attitude of insubordination shown by both [Doyle and Allen], and in my opinion this is an illustration of the inevitable result of the restoration of Private Allen to duty. You will recall that I stated to the Board of District Commissioners that in my opinion there was no useful service which Private Allen could perform in the department, anticipating at the time of that statement some results which have followed.

"It is also apparent that Capt. Robert E. Doyle, the commanding officer of the precinct to which Allen was transferred, has been influenced by the attitude of Private Allen and is equally responsible for his actions in submitting a letter in which he sustains the private in his conduct, not only toward the department but in his criticism of the office of the United States district attorney."

After adding that the situation has a tendency to destroy morale and discipline, Pratt concludes with the demand for the suspension of Doyle and Allen and their trial before the police trial board at the earliest moment possible.

SENATORS DEMAND REMOVAL OF PRATT—BLAINE AND BLEASE DECLARE SITUATION INTOLERABLE—LACK OF MANHOOD CHARGED TO POLICE CHIEF

"The general situation seems to demand that Pratt be removed, not Captain Doyle and Private Allen."

This was the statement of Senator JOHN J. BLAINE, of Wisconsin, member of the Senate District Committee, when questioned by the Herald last night in regard to the suspension of Capt. Robert Emmett Doyle, of the eighth precinct, and Private Robert J. Allen, of his command, for alleged insubordination.

Senator BLAINE added:

"The situation has long since become intolerable. The subcommittee investigating police affairs in the District unquestionably will take up the matter immediately and report back to the committee as a whole."

Charging Major Pratt with trying to lay a "smoke screen to protect other people in two murders" by his suspension of Private Allen and Captain Doyle, Senator COLE L. BLEASE last night declared that Pratt should be dismissed from the police force.

BLEASE said:

"Captain Doyle was asked by Pratt to comment on a letter Allen wrote. Doyle gave Pratt exactly what he asked for—his honest opinion on Allen's conduct. He should certainly be expected to obey orders and give his truthful opinion.

"Now Pratt suspends Doyle for obeying orders. In my opinion, it's a hell of a note. If Doyle and Allen are suspended, Pratt should go the next minute.

HITS ALLEN'S EVIDENCE

"Pratt is simply trying to discredit Allen. He knows Allen is witness in two murders. If he suspends Allen and makes him ridiculous, he can discredit his testimony.

"Pratt didn't have the manhood or the nerve to suspend Allen himself. He tried to switch it over to Doyle. When Doyle refused to become his henchman, then he tried to discredit both of them."

Though not prepared to state what action he would take other than placing the case before the subcommittee, the Senator declared:

"I will certainly do everything I can to reinstate both Doyle and Allen."

SITUATION ROTTEN

He grew indignant over the entire police situation here, which he characterized graphically as "rotten," adding:

"The more you stir it, the more it stinks."

Senator ARTHUR CAPPER, of Kansas, chairman of the Senate District Committee, declared:

"We have a subcommittee especially appointed to deal with local police matters, and I do not feel I should enter the controversy at this time. It does seem, however, as if police morale were pretty badly shattered here."

PRATT, SHELBY DODGING TESTS

Superintendent of Police Pratt and Inspector William S. Shelby have been made so nervous by the recent upheavals over the McPherson and Allen controversies they have asked to have their annual physical examination postponed.

Examination of 136 officers and privates of the local police force who have passed the age of 55 have been completed nearly, according to Dr. James J. Kilroy, chairman of the board of police and fire surgeons.

Of those examined, approximately 20 were found suffering serious ailments and have been advised to seek medical attention immediately. It is expected many of those examined will be retired soon.

COPELAND ASKS BOARD TO CUT "DOPE" IMPORTS—"I WOULD HAVE DESERT WINDS DESTROY EVERY POPPY FIELD," HE SAYS IN PLEA FOR LIMIT

By Kenneth Clark

From the lips of one of the country's health experts, Senator COPELAND, Democrat, of New York, the Federal Narcotic Control Board yesterday heard an impassioned plea to prohibit importation of unconscionable quantities of opium. Urging limitation to barest medical and legitimate needs, he said:

"This devilish narcotic undermines every bit of character the individual may possess. I honestly think the harm done by narcotics outweighs any good that might result from their legitimate use."

ONE HUNDRED THOUSAND POUNDS ASKED

If COPELAND's advice is heeded, the board will cut the imports below 100,000 pounds for 1930. The medical profession already has demonstrated that this figure is not too low, as only 98,000 pounds were required last year.

Another long line of manufacturers and dealers paraded through the closed door of the hearing room to ask for higher importations.

The Public Health Service, in a memorandum presented by Dr. C. C. Pierce, Assistant Surgeon General, seconded COPELAND's suggestion of a scientific inquiry as a means of determining the actual medical needs.

ILLICIT TRAFFIC HUGE

He said:

"There is a tremendous amount of illicit traffic. There never was a time in my 40 years' experience in medicine when the morbidity rate was so low. There are fewer cases of illness to-day than ever before.

"When you combine this with the other fact that the doctors are prescribing better and more skillfully, it must mean that there is less need on the part of the medical profession for narcotics. The trend is against the use of narcotics.

"If I could have my wish I would have the desert winds go across the poppy fields and destroy every one of them."

So much time was consumed with the hearings that the board postponed until Thursday a decision on the new import allotments.

THIS POLICE BUREAUCRACY DESERVES GOOD SHAKE-UP

Major Pratt, superintendent of police, has demanded the suspension of Captain Doyle and Private Allen of the police force on the ground of alleged insubordination.

The insubordination consists, so far as most of us can discover, in the desire of Captain Doyle and Private Allen to perform some useful and energetic work on some of the many crimes that have been committed in Washington recently.

"It must be recognized that the maintenance of discipline is of paramount importance," says Major Pratt in his letter. It is true that there must be discipline in the police department, and properly administered the Herald believes there can and will be.

But most people of Washington, the Herald believes, consider that the proper functioning of the police department is of paramount importance, even if at times the dignity of some police official may suffer. The Herald believes that Captain Doyle and Private Allen are capable, conscientious officers, and it does not consider that they have been guilty of insubordination. But even if they had, it is a question whether insubordination might not have been justified.

A police officer's duty to the public that employs him, pays him, and whose protection he is sworn to effect may well take precedence over his loyalty to a dubiously efficient police bureaucracy. The police department, in case Major Pratt does not know it, is definitely under fire and definitely on the defensive. It is more vital, the Washington public believes, that Major Pratt should justify himself and other officials in authority than that Captain Doyle and Private Allen should be disciplined for doing their duty.

The Herald does not believe that either Captain Doyle or Private Allen would have laid themselves open to criticism from their superiors in the department if those superiors had shown the attitude they should

have shown in making the police department function efficiently. Major Pratt has been mum as an oyster when some of his friends have been shown up as lax or derelict in their duty; but he can hop into the thick of the fray when two men, earnestly striving to do their duty, try to overcome the monstrous inertia of the department as a whole.

As an example, recall Major Pratt's attitude when Kelly and Shelby were discredited as a result of the McPherson investigation. These men, he said, had been on the force 25 or 30 years, and they deserved kindly consideration.

But Captain Doyle has been on the force 40 years, and Major Pratt can be extremely hard-boiled where he is concerned—because Captain Doyle has not exerted himself whole-heartedly to cover up the delinquencies and deficiencies in the department.

The persecution of Private Allen has long been a scandal in the department. It now appears that these tactics of persecution are to be applied to any officer and every officer who falls afoul of the police bureaucracy, however commendable and creditable his motives.

It is time at last for a complete shake-up of the department which will get rid, once and for all, of the deadwood and give faithful, conscientious officers a chance to do their duty without the fear that they may embarrass those who are less able and conscientious.

Mr. BLEASE. Mr. President, I wish to offer to the Senate some tangible proof that "dope" is being sold in Washington. I know the Senator from New York [Mr. COPELAND] to be a very fine doctor, and I understand that he is interested in the subject. I hold in my hand and display to the Senate the actual article that was bought on the 8th day of October here in the city of Washington. I had never seen any opium before. I do not know positively that it is opium except from the statements from those who have had experience with it and profess to know. I wish to file this with the Secretary of the Senate, and I ask that it be turned over to the Committee on the District of Columbia to be used in their investigations and to show that dope is actually being sold within the shadow of the Capitol. I will hand this alleged opium to the Senator from New York [Mr. COPELAND]. I would be glad to have him look at it and examine it. I have witnesses who will testify where it was bought and from whom it was purchased. One of the gentlemen has told me that he has some more of the article called opium. Here [indicating] is the Chinese paper in which it was wrapped.

The VICE PRESIDENT. Without objection, the article will be referred to the committee, as requested by the Senator from South Carolina.

Mr. BLEASE. Mr. President, in the face of all this evidence and in the face of the well-known conditions here in the District, the superintendent of police wrote to one of his subordinates, a captain of police, and not only asked him but demanded of him not only that he make a report on the Allen case but that he comment on it. Understand, Mr. President and Senators, he not only asked for his captain's opinion on the Allen case or a report on the Allen case, but he demanded that Captain Doyle, the police captain in question, comment on the Allen case. There was a direct command to Captain Doyle from his superior officer.

Captain Doyle, as I understand it, sat down and did just exactly what the man Pratt, this autocrat, demanded of him to do. Then when he did it, Pratt went to the Commissioners of the District and demanded of them that Captain Doyle be suspended from his position. In my opinion, Pratt is simply trying to discredit Allen's testimony and the testimony of one or two other men who are on the force, whom he hopes to intimidate and keep from telling the truth on the witness stand, or discredit their testimony and shield a murderer. One of them has already been to me this morning and told me that he has a wife and too many children to run the risk of being thrown out of his job, and asked me to withhold his name and not bring him into the investigation.

I do not know whether the Senate cares to take any action or not. I do not know whether we can take any action or not. But I think the country has reached a very serious and dangerous condition when the chief of police of the greatest Capital City in the world can demand a report from a subordinate officer and then, when he gets the report, turn the officer out for insubordination and because the report did not suit him.

My notion is that this man Pratt is a coward, a moral coward if not a physical coward. He wanted to turn out this man Allen and he wanted to turn out this man Doyle, but he especially wanted to get rid of Allen. He did not have the manhood to turn Allen off. I think he is afraid of him and should be, I expect, so he goes and asks Doyle to make a report, as I believe, for the purpose of getting Doyle to state something that he could use as an excuse to turn Allen off. But when Doyle refuses to be his stool pigeon, refuses to be his tool, then Pratt takes advantage of the situation and gets mad and loses his head and not only turns off Allen but Doyle as well, which I say was a dirty, cowardly, contemptible act on the part of any man, and especially a man who is supposed to be an honorable man at the head of the police department of a city like this.

I can not get testimony; I am not looking it up; but I can not present things to the subcommittee if the witnesses who are to testify are to be told, "If you testify, we will turn you out of your job or we will punish you in some other way." I think there should be somebody—I do not know who it should be; I have not been on the District Committee long enough to know anything of its rights or duties—but there certainly should be somebody to bring this man Pratt to answer for his cowardly acts. If that is not done, more murders are going to be committed; more women are going to be ravished in this city; more robberies will be committed, and other crimes will be perpetrated, because when there is at the head of the department a man who is willing to stifle testimony or to hold an ax over a subordinate's head and tell him that if he testifies he will cut it off, no body of men can be kept together working for the best interests of the city which they are supposed to safeguard. It will make cowards of them all, as the chief now is, as suspending Doyle proves.

Mr. HEFLIN. Mr. President——

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

Mr. BLEASE. I yield with pleasure.

Mr. HEFLIN. I ask the Senator from South Carolina if he read the report in the Evening Star of last night regarding the coroner's verdict on the death of Mrs. Dreyfus?

Mr. BLEASE. I have not had an opportunity to read that.

Mr. HEFLIN. The headline reads:

Woman's death held accidental.

And in the body of the story we find this statement:

The lengthy testimony was climaxed toward the close of the hearing when Mrs. Elsie Knorr, of the 1800 block of Biltmore Street, Mrs. Dreyfus's sister, took the stand and accused McBrien of having made threats against her life and against the life of the dead woman. Mrs. Knorr declared she was present on one occasion when McBrien knocked Mrs. Dreyfus down with his fist.

Then the article goes on to state that McBrien had threatened to kill her sister and threatened to kill her as well, and had knocked her sister down with his fist on a former occasion. They were out there on the veranda of a boathouse that night; he stepped in for something temporarily, and when he came back she was dead on the float below. Whether she was pushed off by somebody or knocked off by somebody, we do not know; but the murders that are being committed here wind up by verdicts that the victims accidentally killed themselves or committed suicide.

Mr. BLEASE. I thank the Senator for the information which he has supplied.

Mr. KING. Mr. President——

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

Mr. BLEASE. I will yield in a second. I say to the Senator from Alabama: If he or I or some other Senator should get in Pratt's way, it would not surprise me if he should be found accidently dead some night or some morning. I now yield to the Senator from Utah.

Mr. KING. Mr. President, a resolution was adopted by the Senate which referred these matters and cognate questions to the Committee on the District of Columbia. That committee has met and has appointed a subcommittee consisting of very able members of the committee; they have this matter in charge; and if Mr. Pratt or any other official has been guilty of delinquencies it seems to me that the attention of the committee should be brought to the fact. I do not think we ought to endeavor to try these cases here in the Senate. I am sure the Senator from Kentucky [Mr. SACKETT] and his fine committee will take cognizance of the statements made by my friend; and if any of the officers of the police department have been denied justice or have been terrorized by any person, I think the committee will ascertain that fact, and we will soon be put in possession of such information as will enable the District of Columbia Committee and the Senate to take such action in the premises as they may regard fair and just.

Mr. WALSH of Massachusetts. Mr. President, do I understand the Senator from Utah [Mr. KING] to state that the police conditions in the city of Washington are being investigated by a subcommittee of the Committee on the District of Columbia of the Senate?

Mr. KING. What I said, Mr. President, was that the Senator from South Carolina [Mr. BLEASE] offered a very sweeping resolution a few days ago which I think called for an investigation of the police department; that the resolution was adopted by the Senate and referred, of course, to the Committee on the District of Columbia, and that committee met and appointed a subcommittee, of which the Senator from Kentucky [Mr. SACKETT] is chairman, to make such investigation as is called for by the resolution. I have no doubt that the committee will very promptly make such investigation, and will cover the ground referred to by the Senator from South Carolina this morning.

Mr. WALSH of Massachusetts. Mr. President, I want to approve of what the Senator has said with reference to the necessity and importance of a thorough and impartial investigation into the alleged disorganized police conditions that have aroused public attention here in Washington. I believe the conditions have been exaggerated—at least I hope so. In my judgment, there must be many conscientious public officials in the police department of the District of Columbia, and it seems clear also that there are some officials who may need to be disciplined or reprimanded. We should refrain from passing judgment until we hear all the evidence. Before taking sides or accepting ex parte evidence, let us find out where the blame should be placed, as well as the exact extent of the alleged incompetency. If injustices have been done, they should be rectified; but I want to protest against attempting to try officials of the District of Columbia here, without giving them a chance to be heard, and condemning and denouncing those who, after a fair and full investigation, may be found to be faithful and conscientious public officials, deserving of commendation rather than denunciation. I think the situation is such that there ought to be an immediate effort made by some governmental agency that the people of Washington have confidence in to find out who is responsible for the alleged conditions and punish those who are responsible, but all honest, conscientious police officials ought to be given the support and the confidence of the Members of Congress in their efforts to enforce the law and to perform their duties satisfactorily.

Mr. KING. Mr. President, I have been a member of the District Committee ever since I have been in the Senate; I have come in contact with a large number of officials of the District of Columbia; and I think that, taking them by and large, they compare favorably with the officials of any city in the world. I have found them, as a rule, to be energetic and zealous for the interests of the people, desiring with fidelity to discharge the responsibilities that rest upon them. I have only words of commendation for the overwhelming majority of the officials of the District of Columbia, and I take pleasure in so testifying now because of my knowledge of the fine work which they have done in the past and which they are doing now.

That there are some delinquencies will be obvious, because in a city of this size, and with the large number of officials, there will be some, of course, who are lax, some who misconceive their duty, some who may not be diligent and faithful, and, as stated by the Senator from Massachusetts, in cases of that kind their delinquencies will soon be made known and they will receive such punishment as their delinquencies may justify.

Mr. OVERMAN. Mr. President——

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

Mr. KING. I yield.

Mr. OVERMAN. I should like to know if the Senator is acquainted with Captain Doyle, who has been on the police force for forty-odd years, and who is one of the best men on the force. He has just been turned off for obeying his commanding officer. He was invited to report and make comment. He did no more than that, but we are informed by this morning's paper that he is turned off without any pay. What does the Senator think of that?

Mr. KING. Mr. President, I do not wish to pass judgment; I am not trying those men; we have a committee for that purpose. Mr. Pratt—and he was not my choice, may I say—is entitled to be heard. He doubtless has reasons for his action. Whether they were satisfactory or not I do not state; I do not know; but I withhold any judgment upon those matters, Mr. President, until the subcommittee has made its report. I have perfect confidence in every member of the committee, and when they have heard all the testimony and made their report, if it deserves the approval or the disapproval of the Senate, I shall be glad, I am sure, to follow their recommendations. I repeat, I have confidence in them, and when they investigate and make a report, then we shall be fully enlightened. However, I object now to trying any of these men. I do not think it is for the best interest of the city to bring these matters to the Senate when we have a committee appointed for that purpose. Why appoint committees and subcommittees if after they have been appointed we bring the matters to the Senate and endeavor to try the cases here?

Mr. OVERMAN. Mr. President, I agree with the Senator as to the work of the committee; I have great confidence in the committee, and I believe they will go to the bottom of this situation. They ought to do that and to see that the police officer to whom I have referred is treated justly. He has, as I have said, served his city and the country faithfully and well for forty-odd years, and against his record there is nothing. Yet he is turned off because he answers Pratt's letter, submits a report, and makes a simple comment. There is no reason for the action which has been taken in his case.

The conditions now existing have lasted for years. In the other body a committee was appointed to investigate the local government. There has been scandal after scandal. The whole country is aroused as to what is going on in Washington. Therefore, I agree with the Senator from Utah that the subcommittee, in which I have the greatest confidence, should go to the very bottom of conditions, explore every angle of the situation, and report to the full committee, and then the full committee should report to the Senate as to what is best to do.

Mr. KING. Let me say to my friend from North Carolina that Mr. GIBSON and the members of the House committee made an investigation of the police department and other conditions in Washington, carrying on their investigation for two years. I do not think, Mr. President, that that investigation, which was comprehensive, revealed a condition in the District of Columbia that is so reprehensible or that should hold the city up to the obloquy of the world. I think that, taken by and large, the facts disclosed represent the officials of the city of Washington to be, in the main, as I said a moment ago, discharging their duties with fidelity. I am very proud of the government of the District of Columbia. I think it is one of the best governed cities in all the world.

Mr. BLEASE. Mr. President, I merely wish to say that I appreciate the Senator from Utah being so proud of this city. I presume I know about as much concerning it as he does, and I am absolutely ashamed of the administration of the law. If my friend from Utah knew some of the things that I know, I think he would be ashamed of the whole police department, so far as the top heads are concerned, and especially chief high executioner, Lord Pratt, backed by their excellencies Taliaferro, Dougherty, and Grant.

I do not care to try District affairs here, but I want the people who read the CONGRESSIONAL RECORD to know that I had sufficient information, by letters, personal talks, and otherwise, to justify me in presenting the resolution that I did for a thorough investigation of the police department of this city.

I doubt if it is done, but here is hoping.

REPORTS OF POSTAL NOMINATIONS

Mr. PHIPPS, as in open executive session, from the Committee on Post Offices and Post Roads, reported sundry postoffice nominations, which were ordered to be placed on the Executive Calendar.

RECORDS IN AIRPLANE FATALITIES

Mr. JONES. I am directed by the Committee on Commerce, to which was referred the resolution (S. Res. 135) submitted by the Senator from Tennessee [Mr. MCKELLAR] to report it favorably with amendments to the resolution.

Mr. MCKELLAR. I ask unanimous consent for the immediate consideration of the resolution. It is reported unanimously by the committee.

There being no objection, the Senate proceeded to consider the resolution.

The amendments in the resolution were, on page 2, line 2, after the word "is," to strike out "directed" and insert "requested," and in the same line, after the words "the Senate a," to strike out "copy of the record in each of the said cases for the use of the Senate" and insert "statement of the causes of each of the accidents referred to in this resolution as found by the department," so as to make the preamble and resolution read:

Whereas on the 6th day of September, 1929, one Frank Hays, an unlicensed pilot, at a field near Memphis, Tenn., was allowed and did take up in an airplane, licensed by the Department of Commerce, under license No. C 9985, and carried two passengers, Ennis M. Douglass, jr., and Ruth Greer, and that said plane fell and both passengers were killed; and

Whereas the airplane *City of San Francisco*, owned by the Transcontinental Air Transport (Inc.), while engaged in interstate air commerce, was wrecked near Mount Taylor in the State of New Mexico, September 3, 1929, resulting in the death of eight persons; and

Whereas by the act of Congress approved May 20, 1926, it is provided that it shall be the duty of the Secretary of Commerce "to investigate, record, and make public the causes of accidents in civil air navigation in the United States"; and

Whereas the Secretary of Commerce has made such investigation and recorded the same in each of the above-named cases, but refuses to make the causes of such accidents public or to furnish copies of the record to Senators of the United States upon request, except in confidence: Therefore be it

Resolved, That the Secretary of Commerce be, and he hereby is, requested to furnish to the Senate a statement of the causes of each of the accidents referred to in this resolution as found by the department.

The amendments to the resolution were agreed to.

The resolution as amended was agreed to.

The preamble was agreed to.

FRENCH BROAD RIVER BRIDGE

Mr. BROCK. I am directed by the Committee on Commerce, to which was referred the bill (S. 1764) to grant the consent of Congress to the Highway Department of the State of Tennessee to maintain a bridge across the French Broad River on the Newport-Asheville (N. C.) Road near the town of Del Rio, in Cocke County, Tenn., to report it favorably with amendments, and I submit a report (No. 41) thereon. I ask for its present consideration.

By unanimous consent, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendments were, on page 1, line 5, after the word "operate," to strike out "a" and insert "its"; in line 6, after the word "thereto," to strike out "originally constructed by the Highway Department of the State of Tennessee"; on page 2, beginning in line 1, to strike out "without the prior approval of plans and location by the Chief of Engineers and by the Secretary of War"; and in line 5, after the figures "1906," to insert a comma and "other than those requiring approval of plans and location by the Chief of Engineers and by the Secretary of War before the bridge is commenced," so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the Highway Department of the State of Tennessee, its successors and assigns, to maintain and operate a bridge and approaches thereto across the French Broad River on the Newport-Asheville (N. C.) Road near the town of Del Rio, in Cocke County, Tenn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, other than those requiring approval of plans and location by the Chief of Engineers and by the Secretary of War before the bridge is commenced.

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

The amendments were agreed to.

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

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

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. 1930) to provide for the construction of the Flaming Gorge project, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. HALE:

A bill (S. 1931) authorizing the Secretary of War to convey to the State of Maine certain land in Kittery, Me., formerly a part of the abandoned military reservation of Fort McClary; to the Committee on Military Affairs.

By Mr. NORRIS:

A bill (S. 1932) to amend section 284 of the Judicial Code of the United States; and

A bill (S. 1933) providing for punishment of assaults upon letter or mail carriers; to the Committee on the Judiciary.

By Mr. CAPPER:

A bill (S. 1934) granting an increase of pension to Prudence M. Towner (with accompanying papers); to the Committee on Pensions.

By Mr. DILL:

A bill (S. 1935) granting a pension to Alma Holmes;

A bill (S. 1936) granting a pension to Sarah E. Klock;

A bill (S. 1937) granting an increase of pension to Millie Lawson; and

A bill (S. 1938) granting an increase of pension to Justina A. Zeller; to the Committee on Pensions.

By Mr. KING:

A bill (S. 1939) authorizing the Secretary of the Interior to construct a power and irrigation dam and reservoir at Flaming Gorge, on the Green River, in the State of Utah; to the Committee on Irrigation and Reclamation.

By Mr. TYDINGS:

A bill (S. 1940) for the relief of George B. Moore (with accompanying papers); to the Committee on Claims.

AMENDMENTS TO THE TARIFF BILL

Mr. CAPPER, Mr. GOLDSBOROUGH, and Mr. COPELAND each submitted an amendment, and Mr. GOFF submitted three amendments, intended to be proposed by them, respectively, to House bill 2667, the tariff revision bill, which were severally ordered to lie on the table and to be printed.

SERVICE OF TEXANS IN THE NAVY DURING THE WORLD WAR

Mr. SHEPPARD. Mr. President, I present for publication in the RECORD a letter from the Acting Chief of the Bureau of Navigation of the Navy Department transmitting, on my request, a list of the names and location of burial places of citizens of Texas who served in the Navy during the World War and who died abroad and at home, and also giving the number of persons from Texas who served in the Navy during that war and the casualties they suffered.

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

DEPARTMENT OF THE NAVY,
BUREAU OF MEDICINE AND SURGERY,
Washington, D. C., October 11, 1929.

Hon. MORRIS SHEPPARD,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Your letter of September 27, addressed to the Secretary of the Navy and referred by him to the Bureau of Navigation, was further referred to this bureau in order that the information you requested concerning the names and locations of the burial places of Texas soldiers in the World War who served in the Navy, and who died abroad and at home, might be compiled in one list.

From the list of members of the Navy from the State of Texas who died during the World War, supplied by the Bureau of Navigation, this bureau has compiled the inclosed list showing the various places of burial.

In addition, the Bureau of Navigation has furnished the following data respecting the number of persons from Texas who served in the Navy during the World War:

ENLISTED

Male:	
United States Navy	13,599
United States Naval Reserve	4,505
Female:	
United States Navy	6
United States Naval Reserve	107
Total	18,217

OFFICERS

United States Navy	303
United States Naval Reserve Force	(1)

CASUALTIES (DEATHS)

Enlisted	251
Officers	12

Trusting that the information supplied will be satisfactory to your purpose, I am,

Sincerely yours,

H. C. CURL,
Acting Chief of Bureau.

Officers from the State of Texas who died while serving in the Navy during the World War

Name	Rank	Place of burial
Bean, Paul Jones	Lieut., C. E. C., U. S. N.	Troy, N. Y.
Benedict, Carl S	Midshipman, U. S. N.	Austin, Tex.
Holmes, Arthur V	Lieut. (j. g.) U. S. N.	Drowned; body not recovered.
Carriger, Harry John	Ensign, U. S. N. R. F	Menard, Tex.
Easterwood, Jesse Laurence	Lieut. (j. g.) U. S. N. R. F.	Wills Point, Tex.
Hall, Clifford Conley	Ensign, U. S. N. R. F	Forney, Tex.
Kiester, George Wilbert	do	El Paso, Tex.
King, Norman	Lieut. (M. C.), U. S. N.	Waco, Tex.
Payne, Albert Limuel	Lieut. (j. g.), U. S. N.	San Diego, Calif.
Queen, Dudley W	Lieut. (M. C.), U. S. N.	Georgetown, Tex.
Reinle, Willy Stephen	Ensign, U. S. N. R. F	Galveston, Tex.
Vaughan, Robert Louis	Lieut., U. S. N.	Arlington National Cemetery.

[1] This figure is not available. Can be secured from adjutant general of Texas.

Enlisted men from the State of Texas who died while serving in the Navy during the World War

Name	Rating	Place of burial
Abel, Luther Velvin	Seamen 2 cl	Keene, Tex.
Adams, Joe Louis	Apprentice seaman	Center, Tex.
Aiken, Thomas Hermon	Pharmacists' mate 3 cl	Cross Plains, Tex.
Allen, Earl William	Ship's cook 4 cl	Crockett, Tex.
Anderson, Lee Manly	Apprentice seaman	Llano, Tex.
Anderson, Rufus Kyle	Seaman 2 cl	Bonham, Tex.
Barnard, Jesse Larkin	Blacksmith 2 cl	On missing Cyclops.
Batte, Thomas Drayton	Apprentice seaman	Orange, Tex.
Beard, Perl Alexander	Fireman 3 cl	Dialville, Tex.
Beaty, Charles Leffler	Machinist's mate 1 cl	Beaumont, Tex.
Bednorz, Peter	Fireman 3 cl., U. S. N. R. F.	Yorktown, Tex.
Bell, Julian S	Seaman 2 cl	Shepardsville, Ky.
Bell, Roy Edward	Fireman 2 cl	Weatherford, Tex.
Belt, John Robert	Seaman	Drowned; body not recovered.
Bennett, Edgar D	Seaman 2 cl., U. S. N. R. F.	Mount Vernon, Tex.
Bird, Elmer	Baker 1 cl., U. S. N. R. F.	Edgewood Cemetery, Crystal City, Tex.
Bivins, Edwin Lee	Yeoman 1 cl	Arlington National Cemetery.
Bohne, Charles Wolfred	Apprentice seaman	Cuero, Tex.
Bohne, Jesse James	do	Do.
Bohne, Joseph Lawrence	Seaman 2 cl	Do.
Booker, Oscar Ray	Fireman 2 cl	Hughes Springs, Tex.
Brannan, Arthur Ross	Apprentice seaman	Brownwood, Tex.
Brelsford, Charley Frank	Fireman 3 cl., U. S. N. R. F.	Nixon, Tex.
Brooks, Jessie Walter	Seaman	Waco, Tex.
Brown, Robert Roy	Hospital apprentice 2 cl	Liberty Hall, Tex.
Brown, Robert S., jr	Seaman 2 cl	Pottsboro, Tex.
Brundrett, Oscar Bernard	Apprentice seaman	Rockport, Tex.
Burckhartt, Montgomery P	Fireman 2 cl	Pasoka, Tex.
Burgess, Lenon Thomas	Baker 2 cl	Drowned; body not recovered.
Burkart, Roy Louis	Seaman 2 cl	Fort Worth, Tex.
Busch, Charles Edward	Coxswain	Foreign Cemetery, Nanking, China.
Byers, Connie Randal	Apprentice seaman	Winters, Tex.
Cain, Otto Lee	Ch. Q. M. (aviation)	Yoakum, Tex.
Callahan, Frank Verlin	Apprentice seaman	Red Rock, Tex.
Cameron, Samuel Scott	Yeoman 1 cl., U. S. N. R. F.	Whitewright, Tex.
Cansler, Charles Oscar	Apprentice seaman	Paducah, Tex.
Cartan, George Hall	Seaman	Fort Worth, Tex.
Carter, Connie Joseph	Apprentice seaman	Houston, Tex.
Causey, Buford	Fireman 3 cl	Mount Vernon, Tex.
Chancey, Osborne Beal	Hospital apprentice 1 cl	Hondo, Tex.
Childress, Samuel T	Seaman 2 cl	Wills Point, Tex.
Christian, Leslie David	do	Waco, Tex.
Compion, Amos Grady	Apprentice seaman	Texarkana, Tex.
Cook, Elbert Sidney	Seaman 2 cl	Drowned; body not recovered.
Cook, Holland Benjamin	Chief yeoman	Waxahachie, Tex.
Cook, Paul James	Seaman 2 cl	Groveton, Tex.
Cook, Jay Gould	Boatswain's mate, 2 cl., U. S. N. R. F.	Waco, Tex.
Cornett, Julius Victor Lee	Ch. M. M., U. S. N. R. F.	Galveston, Tex.
Cowan, Samuel Luther	Boatswain's mate, U. S. N. R. F.	Midland, Tex.
Craig, David Earl	Seaman 2 cl	Midlothian, Tex.
Crawford, Earl Hastings	Fireman 3 cl	Austin, Tex.
Crawford, Frank Montgomery.	Lds. Q. M., U. S. N. R. F.	Alpine, Tex.
Crawford, Ralph Cody	Fireman 1 cl	Dallas, Tex.
Darrow, Everett Lelon	Ship's cook 3 cl	Snyder, Tex.
Deskin, Otis Oran	Seaman 2 cl	Bonham, Tex.
Dewberry, Albert	Apprentice seaman	Lynchburg, Tex.
Dickerson, Paul	Fireman 3 cl	Lost life in sinking of Ticonderoga.
Dismuke, Edward Tom	Gunner's mate 2 cl	Lost life in sinking of Jacob Jones.
Ditzler, Earl Raymond	Seaman 2 cl	Cleburne, Tex.
Douglas, Joseph Byron	Apprentice seaman	Athens, Tex.
Downey, Roscoe Conklin	Fireman 3 cl	Lorena, Tex.
Duckworth, Sena Maurice	Ch. yeo., U. S. N. R. F	Dallas, Tex.
Duncan, Earl	Seaman 2 cl	Mount Pleasant, Tex.
Durrett, John Austin	do	Dallas, Tex.
Dye, James Walter	do	Onalaska, Tex.
Eckart, Herbert Herman	do	Orange, Tex.
Edds, William W	Fireman 2 cl	Lost life in explosion of U. S. S. Manley.
Elliott, William Wesley	Seaman 2 cl	National Cemetery, San Antonio.
Ellis, William Avery	Fireman 3 cl	Chandler, Tex.
Estep, James Vasco	Seaman 2 cl	Anna, Tex.
Estill, Leonidas Robert	Boatswain's mate 2 cl	Houston, Tex.
Evans, George Newton	Seaman 2 cl	Liberty Hill, Tex.
Evans, Hudson Clay	Apprentice seaman	Hutto, Tex.
Feagin, Richard Henry	Seaman 2 cl	Hempstead, Tex.
Ferguson, DeVoe	Gunner's mate 3 cl	Joaquin, Tex.
Ford, Charley	Mess attendant 3 cl	Trinity, Tex.
Frost, Wyatt Benjamin	Fireman 2 cl	Roscoe, Tex.
Gantt, James Robert Sloss	Apprentice seaman	Princeton, Tex.
Garcia, Leopoldo Esteban	Coxswain	Lost life on Cyclops.
Garlin, Helmuth Adolph	Apprentice seaman	Fayetteville, Tex.
Gibson, Barnie Hague	Seaman 2 cl	Texarkana, Tex.
Gideon, Oscar Wesley	Fireman 2 cl	Lost life in sinking of Ticonderoga
Giles, Elige Monroe	Fireman 1 cl	Malakoff, Tex.
Gillespie, Claude Lorely	Seaman 2 cl	Sinton, Tex.
Goode, Lorne Alexander	Seaman	Buried at sea.
Gragg, Ernest H	do	Portacloy, County Mayo, Ireland.
Greene, Clifton Eugene	Fireman 3 cl	Mount Calm, Tex.
Greene, Walter Maurice	Seaman 2 cl	Ratcliffe, Tex.
Griffin, George Alexander	Gunner's mate 3 cl	Naples, Tex.
Griffin, Oscar Lee	Apprentice seaman	Athens, Tex.
Grizzell, Wade Cleava	do	Dallas, Tex.
Hall, John Marshall	Seaman, 2 cl	Flynn, Tex.
Hambrick, Frank Henry	Shipfitter 2 cl	Dallas, Tex.
Hamner, Rufus Chester	Engineer 2 cl	Buried at sea.

Enlisted men from the State of Texas who died while serving in the Navy during the World War—Continued

Name	Rating	Place of burial
Hanson, Helmer	Machinist's mate 2 cl	Kingsville, Tex.
Hardy, Lambreth	Fireman 2 cl	Calhoun City, Miss.
Harper, Howard Webster	Seaman 2 cl	North Zulch, Tex.
Harper, William Fred	do	Seadrift, Tex.
Hart, Iva Thompson	G. M. 3 cl., U. S. N. R. F.	Voth, Tex.
Hawkins, Frank Augusta	Ship's cook 3 cl	Roane, Tex.
Hellums, Jacobs Leslie	Seaman 2 cl	Belton, Tex.
Helton, Garrett Monrow	Fireman 3 cl	Canadian, Tex.
Hempel, Herman John	Seaman 2 cl	Bartlett, Tex.
Herring, Clyde Luther	Apprentice seaman	Mount Moriah Cemetery, Philadelphia, Pa.
Higginbotham, James H	Seaman 2 cl	Dallas, Tex.
Hildebrand, Joseph William	Seaman	Valley Mills, Tex.
Hill, John Page	Seaman 2 cl	Alto, Tex.
Hillman, Herbert William	Hospital apprentice 2 cl	Mart, Tex.
Hodgdon, Edwin Flavius	Fireman 3 cl., U. S. N. R. F.	Drowned; body not recovered.
Holleman, Asa Calvin	Fireman 1 cl	Waco, Tex.
Holloway, Carroll Dyer	Lands. for elec. N. R. F	Midland, Tex.
Holt, George Milton	Fireman 1 cl	Como, Tex.
Holt, James Archie	Seaman	San Diego, Calif.
Holyfield, Charles Monroe	Seaman 2 cl	Naval Hospital Cemetery, Norfolk, Va.
Hopper, Clarence Melvin	do	Quail, Tex.
Horne, Edwin	Electrician 1 cl	Marlin, Tex.
Hunter, Robert Bruce	Hospital apprentice 2 cl	Granger, Tex.
Jackson, Hugh Walton	Apprentice seaman	Clarksville, Tex.
Jessup, All Brand	Seaman 2 cl	Mount Pleasant, Tex.
Johnson, Robert Bryan	Chief machinist's mate	Princeton, Tex.
Johnston, Jno. Wesley	Seaman 2 cl	Drowned; body not recovered.
Jones, Julius Robert	Fireman 2 cl	Do.
Keith, Orvin Durward	Apprentice seaman	Cookville, Tex.
Kemp, John Elson	Coxswain	Austin, Tex.
Key, Archie Eugene	Quartermaster 1 cl	Canyon, Tex.
King, Terrell Jaynes	Seaman 2 cl	Atlanta, Tex.
Klements, James E	Mess attendant 3 cl	Austin, Tex.
Kuester, James Frederick	Lands. for electrician	Houston, Tex.
Kunz, Joseph Anthony	Machinist's mate 1 cl	Canacao, P. I.
Lancaster, Aubry	Apprentice seaman	Lampasas, Tex.
Langlatz, Charles Edward	Seaman 2 cl	Caldwell, Tex.
Langston, John Reubin	Fireman 3 cl	Winchester, Tex.
Laskowsky, Felix	Qtrmaster 2 cl., U. S. N. R. F.	Dallas, Tex.
Latimer, Oscar	Hospital apprentice 2 cl	Center, Tex.
Lee, Randolph Thomas	Seaman	Dolus, Ile d'Oleron, France.
Lockhart, Josiah David	do	Naval Cemetery, Norfolk., Va.
Love, Coleman Stevens	Seaman 2 cl	Buried at sea.
Lyles, Clay Tenny	Seaman	Garland, Tex.
Mackey, William Edward	Fireman 3 cl	Drowned; body not recovered.
McCormick, Emmett Lawrence.	Apprentice seaman	Crystal City, Tex.
McDonald, Jesse Eliars	Fireman 3 cl	Spurger, Tex.
McElyea, George Green	Apprentice seaman	Yoakum, Tex.
McMillan, Garnett Edward	Chief pharmacist's mate	Charleston, S. C.
McReynolds, Taylor Leech	Seaman	Denton, Tex.
McSpadden, Frank Garrett	Seaman 2 cl	Wichita Falls, Tex.
Marshall, Clifford Frank	do	Bastrop, Tex.
Martih, George Edward	do	Goodnight, Tex.
Mathews, William Clyde	do	San Augustine, Tex.
Mayes, Charles Wesley	Seaman	Barker, Tex.
Maynard, Harry Arnel	Seaman 2 cl	Paris, Tex.
Miller, Bernard Robert	Boatswain's mate 2 cl	Hondo, Tex.
Miller, Jasper Clifford	Gunner's mate 3 cl	On board missing Cyclops.
Mook, Orrie Clair	Fireman 2 cl	Port Arthur, Tex.
Moore, Lawrence Henry	Fireman 1 cl	Tyler, Tex.
Moore, Winfield Herbert	Apprentice seaman	Blythedale, Mo.
Morris, Albert Sidney	Fireman 1 cl	Drowned; body not recovered.
Morris, Wendell Ney	Seaman 2 cl	Rhome, Tex.
Mullan, Jesse	Fireman 3 cl	Alto, Tex.
Mullican, John Bethel	Seaman 2 cl	Baird, Tex.
Munn, Harvey	Fireman 2 cl	Winfield, Tex.
Murphrey, Charles High	Shipfitter 1 cl	Burried at sea.
Murphy, Michael Vincent	Pharmacist's mate 3 cl	Calexico, Tex.
Myers, Grover William	Gunner's mate 1 cl	Italy, Tex.
Newsom, John Robert	Boilermaker	Mesquite, Tex.
Nicholson, William Ashford	Ship's cook 4 cl	Perrin, Tex.
O'Rourke, John Francis	Electrician 1 cl	Tacoma, Wash.
Owens, John Burleson	Fireman 1 cl	On board missing Cyclops.
Patton, Willie Earl	Water tender	Lost in sinking of Ticonderoga.
Patterson, Charles Hazen	Pharmacist's mate 3 cl	Houston, Tex.
Pederson, Eddie Gus	Yeoman 3 cl	Clifton, Tex.
Pellitt, William James	Engineer 1 cl	Dallas, Tex.
Percifield, Arley	Boilermaker	El Paso, Tex.
Perry, Donovan Carlton	Chief boatswain's mate	N. H. Cemetery, Norfolk, Va.
Perry, Willie Loyd	Fireman 3 cl	On missing Cyclops.
Plowman, Gordon Harden	Yeoman 3 cl	Dallas, Tex.
Polk, George Russell	Apprentice seaman	Phelps, Tex.
Powell, James Polk	Seaman 2 cl	On missing Cyclops.
Quota, Thomas Guy	Apprentice seaman	Yoakum, Tex.
Renfro, Iss D	Water tender	Arlington National Cemetery.
Rhotenberry, Elda Hershell	Fireman 3 cl	Waxahachel, Tex.
Richardson, Robert Evans	Electrician 3 cl	Sherman, Tex.
Roach, Aubrey Lee	Apprentice seaman	Mertzon, Tex.
Roberts, Preston Alward	Pharmacist's mate 3 cl	El Paso, Tex.
Robertson, Bibb Bounds	Fireman 1 cl	On missing Cyclops.
Robey, Walter	Quartermaster 2 cl	Round Rock, Tex.
Rodgers, Weaver	Fireman 3 cl	Pine Hill, Tex.
Rogers, Daniel Talket	Water tender	On missing Cyclops.

Enlisted men from the State of Texas who died while serving in the Navy during the World War—Continued

Name	Rating	Place of burial
Rondeau, James Arnett	Fireman 3 cl	Woodville, Tex.
Ross, Hubbard Cecil	App. seaman U. S. N. R. F.	Mexia, Tex.
Rouse, Robert Jeff	Hospital apprentice 2 cl	Dalhart, Tex.
Rucker, William Erwin	Apprentice seaman	McKinney, Tex.
Sarran, Dave Alexander	Seaman	San Antonio, Tex.
Scherding, Walter Tips	Ch. Q. M. (Avia.), U. S. N. R. F.	Austin, Tex.
Schmidt, Will	Fireman 2 cl	Freeport, Tex.
Scoggins, Roy	do	On missing Cyclops.
Sergai, Bennett	Machinist's mate 2 cl	Belfast, Ireland.
Sevcik, Conrad Frank	Seaman 2 cl	LaGrange, Tex.
Shepheard, Sandy	Gunner's mate 2 cl	Newport, R. I.
Shockley, John	Fireman 2 cl	On missing Cyclops.
Simmons, Charles Robert	Machinist's mate 1 cl	Lost in sinking of Jacob Jones.
Sims, Henry Louis	Apprentice seaman N. N. V.	Naval Cemetery, Great Lakes, Ill.
Sisson, Emett Leroy	Seaman 2 cl	Ballinger, Tex.
Skraggs, Andrew Donnie	Lands. for QM. (A)	Newbern, Tenn.
Sleeper, Lawrence Maxwell	Apprentice seaman	Newkirk, Okla.
Smiley, Louis Adolphus	Electrician 1 cl	On missing Cyclops.
Smith, Aquila Goodwell	Hospital apprentice	Mount Pleasant, Tex.
Smith, Elbridge Gerry	Seaman 2 cl	Buffalo, Tex.
Smith, Mitchell	Mess attendant 3 cl	National Cemetery, Brooklyn, N. Y.
Smith, Rina Otis	Seaman 2 cl	Hico, Tex.
Smith, Sam	Fireman 3 cl., U. S. N. R. F.	North Zulch, Tex.
Samohyl, Henry Ignac John	Apprentice seaman	Plum, Tex.
Spangler, George Andrew	Seaman 2 cl	National Cemetery, Brooklyn, N. Y.
Spickeimier, Harry Elmiser	Engineer 2 cl	Placerville, Colo.
Steenbergen, Lee	QM. 3 cl., U. S. N. R. F.	Fort Worth, Tex.
Stephens, Marion Edward	Fireman 1 cl	Eden, Tex.
Stewart, Oscar Will	Fireman 3 cl	Round Rock, Tex.
Stovall, Desford Ewing	QM. 2 cl	Troup, Tex.
Stovall, Lucius Bryant	App. seaman U. S. N. R. F.	Streetman, Tex.
Stribling, Jonathan William	Oiler	Drowned; body not recovered.
Stuart, Ben Chester	Seaman 2 cl	Arlington National Cemetery.
Suter, Richard William	Fireman 2 cl	Galveston, Tex.
Swinburn, George Washington.	Fireman 3 cl	Drowned; body not recovered.
Taggart, Harry	do	Lost in sinking of U. S. S. Lakemoor.
Tauch, Adolph	Electrician 1 cl	Flatonia, Tex.
Terry, Floyd Thorn	Hospital apprentice 2 cl	Saline, Tex.
Thetford, Eb	Apprentice seaman	Balsora, Tex.
Timmons, Claude	Pharmacist's mate 1 cl	Meuse-Argonne American National Cemetery, France.
Truitt, James Paul	Apprentice seaman	El Campo, Tex.
Trumbo, William H	Fireman 1 cl	Houston, Tex.
Walker, Ben Lawrence	Seaman 2 cl	Viejo, Tex.
Ward, Homer Frank	Seaman	Lytle, Tex.
Wasson, Robert Henry	Apprentice seaman	Rice, Tex.
Waters, Watt Chrinshaw	App. seaman U. S. N. R. F.	Corsicana, Tex.
Watkins, Walter Wallace	Apprentice seaman	Llano, Tex.
Watson, William Franklin	Seaman 2 cl	Driftwood, Tex.
Webb, Barney	Apprentice seaman	Timpson, Tex.
Weber, Pleaz Lee	do	Nixon, Tex.
Whitmire, Walter	do	Cleveland, Tex.
Whittington, John Thomas	Seaman 2 cl	Rogers, Tex.
Wiggins, Edward Welton	Hospital apprentice	Honey Island, Tex.
Williams, Bruce Brecheen	Yeoman 3 cl	Drowned; body not recovered.
Williams, Manie	Fireman 3 cl	McLean, Tex.
Williams, William Allen	Ch. M. M.	Suresnes American National Cemetery, Suresnes, France.
Williamson, Lemuel Loyd	Seaman 2 cl	Drowned; body not recovered.
Wilson, Fred William, jr	Yeoman 2 cl. U. S. N. R. F.	Lost in sinking of U. S. S. President Lincoln.
Wilson, Herbert Clifton	Apprentice seaman	Leonard Cemetery, Leonard, Tex.
Wilson, Robert Lee	Coxswain	El Paso, Tex.
Wrotenberry, William	Seaman 2 cl., U. S. N. R. F.	Mount Selman, Tex.
Youree, James Frederick	Apprent ce seaman	Savoy, Tex.

DEATH OF THOMAS HASTINGS

Mr. COPELAND. Mr. President, yesterday Mr. Thomas Hastings died in the city of New York. He is best known to us as the architect who made the wonderful plans for the remodeling of this Chamber.

Mr. Hastings was the architect also of the interior of the Metropolitan Opera House in New York, of the Century Theater, and of the Victory Arch in Madison Square. He was the architect of the Memorial Amphitheater at Arlington and of the Unknown Soldier's Tomb. He was architect of the Senate Office Building and of the American Embassy Building in Paris.

Mr. Hastings was, as I view it, one of the world's greatest architects. His death has made poor indeed his great profession.

If Mr. Hastings had a fault as a friend, Mr. President, I never discovered it. I am sure that in these poor words I voice the sadness and regret of this great body over the untimely death of Mr. Thomas Hastings. We desire to express the sympathy of the Senate with the family of a great American.

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. SMOOT. Mr. President, last evening we passed over paragraph 16, calcium carbide. I should like to have that amendment now considered by the Senate.

The VICE PRESIDENT. There is pending an amendment which has been offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. SMOOT. I have spoken to the Senator from Wisconsin in regard to the procedure.

The VICE PRESIDENT. Does the Senator from Wisconsin consent that his amendment may be passed over temporarily and that the Senate shall return to the amendment which was passed over last evening.

Mr. LA FOLLETTE. I do, Mr. President.

Mr. SMOOT. On page 7, paragraph 16, the amendment relative to calcium carbide was passed over. I ask that it be now considered by the Senate.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. In paragraph 16 on page 7, line 1, after the word "carbide," it is proposed to insert "one-half of," so as to read:

Calcium carbide, one-half of 1 per cent per pound.

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

Mr. SMOOT. Mr. President, I have been instructed to ask that that amendment be rejected.

I understand that the Senator from West Virginia [Mr. GOFF] desires to be heard upon the question. I will simply state that the present law provides a duty of 1 cent per pound on calcium carbide. In view of the amount of importations, it was originally agreed by the members of the committee that one-half cent per pound would be sufficient to protect the industry. That view was based upon the importations and the costs as submitted to the committee at that time. Since that time a development has been brought to the attention of the members of the committee, and a vote was taken, and I was asked as chairman of the committee to have the committee amendment rejected. If that action is taken, the rate will be 1 cent per pound, as the existing law provides.

Mr. LA FOLLETTE. Mr. President, I should like to ask the Senator from Utah to give to the Senate the information upon which the committee has reversed its position. The Senator says something was brought to his attention. I think the Senate is entitled to know what that information was.

Mr. SMOOT. If the Senator will allow me, I will state that I want the Senator from West Virginia [Mr. GOFF] to bring up the matter and discuss it at this time, as well as other Senators. They no doubt have some information which has been reported indirectly to the committee. The Senators who desire to speak upon this matter perhaps have later information which was not submitted to the committee at the time it acted. It is for that reason that I ask the Senator from West Virginia now if he is ready to proceed to discuss it?

Mr. GOFF. I am, Mr. President.

Mr. LA FOLLETTE. Mr. President, will the Senator tell us whether or not this vote of the majority members of the committee was unanimous?

Mr. SMOOT. No; it was not unanimous.

Mr. LA FOLLETTE. Was it another one of those 5 to 4 decisions?

Mr. SMOOT. No; I would not say that.

Mr. COUZENS rose.

Mr. LA FOLLETTE. I should like to ask the Senator from Michigan if he will tell us how the vote went?

Mr. COUZENS. As I remember, there was not a roll call, and I thought the committee was unanimous. I did not hear any objection to putting the rate back to the rate of the existing law.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. The Senator from Nebraska.

Mr. NORRIS. I should like to ask the Senator from Utah whether it is not true that the only concerns seriously competing with our manufacturers of calcium carbide are located in Canada?

Mr. SMOOT. Oh, no; Norway is the principal competitor.

Mr. NORRIS. Is it not true that in making this product a large amount of power is required?

Mr. SMOOT. Yes; and that is one reason why——

Mr. NORRIS. And the reason why our manufacturers need and ask a protectitve tariff is because electric power is higher in this country than in the competing countries?

Mr. SMOOT. Yes. Norway has six-dollar horsepower and she has no particular industries to utilize it.

Mr. NORRIS. And Canada has cheaper power. Is there not a good deal of it that comes in from Canada?

Mr. SMOOT. There is some that comes from Canada; but the potential competition is from Norway, which has six-dollar horsepower, and almost the entire cost of this product is the cost of power.

Mr. NORRIS. Let me ask the Senator another question. Is it not true that, notwithstanding Norway's cheap power, the Norwegian manufacturers do not export any of this product to Ontario, Canada?

Mr. SMOOT. Mr. President, I have not looked that up. I do not know what the importations are into Canada. I do know, however, that some importations come from Canada into the United States.

Mr. NORRIS. Yes; I understand that; but I was trying to find out whether the Senator could give me any information as to the amount of importations into Canada from Norway.

Mr. KING. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. KING. First, let me say to the Senator that our production was 403,900,000 pounds in 1927, and it was much larger in 1928. The importations from all sources—and they were from Canada; none from Norway, except a very few pounds—were just 1.10 per cent of the domestic production.

Mr. NORRIS. That is exceedingly interesting.

Mr. KING. The Senator ought to remember, though, that the Union Carbide Co., which manufactures this product, is a poor company. It has only about $300,000,000 of assets.

Mr. NORRIS. Yes; we had an illustration of it here the other day.

Mr. KING. Its dividends are only about seventy or eighty million dollars.

Mr. SHEPPARD. Mr. President, will the Senator allow me to make a remark?

Mr. NORRIS. I yield to the Senator from Texas.

Mr. SHEPPARD. The Summary of Tariff Information, page 98, states that practically all of our imports come from one plant in Canada.

Mr. NORRIS. In Canada; yes.

Mr. LA FOLLETTE. And, furthermore——

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

Mr. NORRIS. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. Furthermore, according to the Summary of Tariff Information, the sales area of this Canadian plant are very much limited by the freight rates. The rate on this product is very high.

Mr. NORRIS. Why, of course.

Mr. President, I do not intend to go into the debate fully now, but I wanted to develop, and it has developed, that our competitor in this product is Ontario, Canada.

Mr. SMOOT. Owned by Americans.

Mr. NORRIS. The Senator from Utah says, "owned by Americans." Probably that is true, but that has nothing to do with the matter. Here is a proposition the long and short of which is by this tariff to protect the Power Trust in America. Before this debate is over I am going to show it.

I understand that the Senator from West Virginia [Mr. GOFF] desires to discuss the question.

Mr. GOFF. I do.

Mr. NORRIS. I am willing to yield the floor now and let him proceed.

Mr. GOFF. Mr. President, as I understand the proposition before the Senate in paragraph 16 of the Senate bill, the duty on calcium carbide was reported at one-half of 1 cent per pound, and calcium oxalate at 4 cents per pound. The committee has receded from that position, and has, in effect, substituted a tariff of 1 cent a pound.

The question has been propounded, "Why does the committee take that position?" As I understand, the Tariff Commission in effect has reported that under present conditions the cost of producing calcium carbide in the United States is from $55 to $58 a ton, and the cost of producing calcium carbide in Europe is $30 a ton. The difference in cost of production between the United States and Europe is, therefore, approximately $25 a ton.

Mr. LA FOLLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Wisconsin?

Mr. GOFF. I yield.

Mr. LA FOLLETTE. I should like to ask the Senator where he gets those figures on the cost of production. Are they from the Tariff Commission?

Mr. GOFF. That is my understanding, that they come from the Tariff Commission. I can not refer the Senator to any page or document of the Tariff Commission, but my report indicates that they come directly from the Tariff Commission.

Mr. LA FOLLETTE. If the Senator will yield further, I will ask the Senator from Utah if those are the figures of the Tariff Commission.

Mr. SMOOT. Mr. President, the evidence before the committee was that they are now making every effort in the world to get the latest costs of production from Norway and Canada, and that that examination has not been finally completed.

Mr. LA FOLLETTE. If these figures come from the Tariff Commission, then they are preliminary figures?

Mr. SMOOT. They are preliminary figures.

Mr. GOFF. I understand that that is correct—that they are preliminary—and that the investigation is still continuing.

Mr. KING. Mr. President, will the Senator permit an interruption?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Utah?

Mr. GOFF. Yes.

Mr. KING. If the costs abroad are so small as the Senator indicates, why is it that we are exporting?

Mr. GOFF. We are not exporting, and I take it that the distinguished Senator from Utah knows that we are not exporting any calcium carbide that we produce in the United States.

Mr. SMOOT. Mr. President——

The VICE PRESIDENT. Does the Senator from West Virginia yield to the senior Senator from Utah?

Mr. GOFF. I do.

Mr. SMOOT. I will say to my colleague that there are a few tons exported to Cuba. That is where the exports go from the United States.

Mr. GOFF. Mr. President, right in this connection I wish to define, that we may have it before us, the processes used in the manufacturing of calcium carbide; and exactly what it is.

Calcium carbide is produced from limestone and coke in the intense heat of an electric furnace, where the calcium of the limestone and the carbon of the coke are chemically combined. The resultant product resembles a gray crushed stone in appearance, and, when brought in contact with water, produces acetylene gas. It is used for industrial welding and also for cutting; it is used in mines and for lighting; and it is a very important basic material for the manufacture of industrial chemicals in different fields throughout the United States.

In the United States—and I think it important that we have this before us—we have very few plants. There are eight manufacturing plants in this country. They are located in Michigan, at the Soo; at Niagara Falls, N. Y.; at Keokuk, Iowa; at Kanawha Falls, W. Va.; at Bluefield, W. Va.; at Duluth, Minn.; at Ivanhoe, Va.; and at Anniston, Ala.

The Senator from Utah propounded to me the query, "What is the necessity of having a tariff under these conditions?" I wish to state in reply, somewhat responsively to the Senator's query, that the competing foreign countries are not alone Canada; they are Norway, Sweden, Switzerland, France, Germany, Italy, and Albania.

It is further stated, and it has been suggested, that the largest manufacturers in the United States also have plants in Canada and in Norway, with a capacity great enough in Norway to make all of the carbide which is required for use in the United States.

Mr. BROOKHART. Mr. President, will the Senator yield?

Mr. GOFF. I yield.

Mr. BROOKHART. On that point, then, the situation is somewhat similar to what it is in connection with automobiles. If we put on a tariff rate high enough, the American companies will manufacture the article in the United States, and if we take the tariff off they will move over to the foreign country and produce the article. Is that the situation?

Mr. GOFF. It is within the possibilities, I will say to the Senator from Iowa. I will say to him further, that, in asking the question which he propounds, he anticipates exactly what I intended to say.

Some time ago, I do not recall whether the Senator was in the Chamber or not, I listed and assumed to criticise many American manufacturers who were making their capital under the principles of a protective tariff, and investing their surplus in foreign countries.

Mr. BROOKHART. On the principles of free trade.

Mr. GOFF. On the principles of free trade.

Mr. BROOKHART. Mr. President, will the Senator allow me to suggest that a tariff rate—and I want to emphasize this idea in connection with many other phases as we go through the bill—is not an adequate protection to the American people in that sort of a situation, and the Government is helpless and is in the hands of those profiteering combinations of capital? It calls for the suggestion I made in the amendment that was withdrawn, that in order to meet that, we have to regulate and control the earnings of these industries which come to the Government for protection at the hands of the Government.

Mr. GOFF. Mr. President, in reply to the Senator from Iowa, the questions which he raises are not in any sense logically determinative of the proposition now before the Senate for discussion. The fact that error has been committed in a previous law, the fact that advantage is being taken of beneficiary opportunities, is in no sense controlling on the question which is now before the Senate for its consideration.

It is immaterial, as far as this real decision is concerned, whether people take advantage of a protective tariff and become free traders, or whether they do not make their money in that particular way.

Mr. BROOKHART. Mr. President, the Senator states that that is immaterial, but I would suggest to the Senator that right now it would be perfectly material for me to offer my amendment, to provide for the control of the profits of these institutions which are disloyal to the protective system which they demand from the Government of the United States. It is material, if we decide that we want to consider it in that way, but of course we can pass it over and use this impotent and ineffective way of simply sliding the rate up and down, which has no effect in controlling that situation whatever.

Mr. GOFF. Mr. President, I fully appreciate what the Senator from Iowa has said, and I repeat that I am not going to admit that the determination of this question will be reached or controlled by or that it must in any way depend upon the enforcement of another law, or the enactment of separate and distinctly controlling legislation.

What we have before us now is not the punishment of those who have made money and see an opportunity to make more money by going abroad, but the question we have before us is whether or not, under a strict application of the economic principles of protection, this industry is entitled to the benefits of this increase.

Mr. EDGE. Mr. President, will the Senator yield at that point?

Mr. GOFF. I yield.

Mr. EDGE. Following that very well expressed thought to its final conclusion, if the protective system means anything, it means protection to the men employed in the shops. Surely, if we do not protect a local industry, whether there is an American owner in Norway, or a foreign owner in Norway, the American shop closes.

Mr. GOFF. Mr. President, the Senator from New Jersey has well expressed the thought I had intended to leave before finally disposing of this matter, that the main suggestion, the sole determinating factor, in adopting this increase, is to furnish employment to American labor. If you can produce more calcium carbide in the United States, you are employing more labor in the United States. If you exclude this product manufactured in any of these countries in Europe I have mentioned, you thereby increase and make necessary the production of the quantity of the article consumed in the United States, and if you do that, you are increasing the employment of labor, and if you increase the employment of labor in the United States, regardless of what can be done in a foreign country, even with American money, then I say that you have justified the application of the protective principle, because you have created a market, by the employment of that labor, for the very products of the farm for which my distinguished friend from Iowa is here as the chief contender.

Mr. BROOKHART. Mr. President, on that proposition I want to ask the Senator if he has any evidence to show that these carbide manufacturers could not produce carbide in competition with the world at a fair profit, even without any tariff protection, and employing American labor, as he suggests, at the same time?

Mr. GOFF. I think I can develop that, and I will develop it before I shall have finished this discussion.

Mr. BROOKHART. If it is a question of whether these manufacturers shall move across the line and make greater profits in a foreign country, then the argument of the Senator from West Virginia has no force; it is a case of protecting profits, then, and not protecting labor.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from New York?

Mr. GOFF. I yield.

Mr. COPELAND. It seems to me that the Senator might well develop the thought he brought out a moment ago. In the United States some companies are operating which own plants in Canada. If we create a condition here which will make it more profitable for those operators to go back into Canada, with the cheap power there, it means that unless we do afford protection we are neglecting American labor. American capital is not involved. It will make money whether the plants are operated in the United States or in Canada. But American labor is not protected unless they can be encouraged to operate in the United States. I think that is the point.

Mr. GOFF. Mr. President, I think that is a very apt suggestion.

Mr. BROOKHART. On that proposition it may be true that they can make profits enough in the United States, but if we lower the tariff they can make more by going into a foreign country, and they are disloyal to the protective system itself when they do that. I maintain that we have to reach into this matter. Carbide is only one little item that is involved in the consideration of it. We will find, as we go through the bill, a large number of cases where these companies have made their money in the United States, have taken it from the American people in excess profits under a protective tariff, and then moved over into a foreign country with a part of that capital and built up organizations to hold us up, as it were, on the tariff question. If they can make enough of a profit, a reasonable profit, under a free-trade system, they should not demand any protective rates. That is why I am asking the Senator to develop that idea.

Mr. GOFF. I shall develop that idea. I want to say in reply to the suggestion of the Senator from New York that, of course, what he said is one of the details of the general proposition.

The suggestion of the Senator from New York really amounts to this, that if men who have made their capital under a protective tariff invest that capital in foreign countries, then the only way to expatriate them and keep them out of the competitive domestic market is to increase the tariff, so that they will not find it remunerative to take the risks of cheaper labor in a foreign country and produce for competitive purposes the products which we need at home.

Mr. COPELAND. Mr. President, if the Senator will yield, the beneficial effect of the protection which was placed on this article in the last tariff act is shown by the fact that American capital operating plants in Canada, when the protection was given, came back to the United States. There is no reason to doubt that if the process were reversed and the tariff taken away they would go back to Canada and produce the article.

Mr. GOFF. There is no doubt about that.

Mr. COPELAND. I think that is perfectly logical.

Mr. GOFF. Mr. President, I desire to hurry on and not detain the Senate.

Mr. VANDENBERG. Mr. President, will the Senator yield for just a moment before he leaves that point?

Mr. GOFF. I yield.

Mr. VANDENBERG. The Senator has referred to the existence of the carbide industry in Michigan. The carbide industry in the city of Sault Ste. Marie represents 41 per cent of the total valuation of the city. It pays 41 per cent of all the city taxes and 30 per cent of all the county taxes, and employs probably a third of the labor that is actively at work in Sault Ste. Marie. In other words, its destiny is fundamental to the destiny of that community. Is not our problem in connection with the tariff law, not the ethics of the operator, but the destiny of these American people?

Mr. GOFF. Unquestionably. The illustration of the Senator from Michigan is this, that the manufacturing plant at the "Soo" is forced to compete with American capital at its very threshold in Canada.

Mr. President, to proceed, and just refer to the question of costs, which has been raised by the Senator from Iowa, the power cost in Canada is just about one-half what it is in the United States .

Mr. BROOKHART. Mr. President, is not that due to the fact that power is government-owned in Canada and is produced in the interest of the people, but is privately owned by profiteers in the United States?

Mr. GOFF. Mr. President, I am going to say this, with all due respect to my friend from Iowa, that in my conception of this issue that is purely immaterial. I do not care about the question of how power is owned or produced or utilized. I care nothing about the motive that actuates the execution of the purpose; it is merged in the purpose. The cost of this power, whether it be due to cheap labor, or whether it be due to the fact that it is Government owned, is purely immaterial. We are faced with the fact that the power is cheaper in Canada, regardless of how that condition is reached or brought about.

Mr. BROOKHART. Are we not also faced with the fact that that is due to the fault of our own Congress and our own Government in failing to do its duty and give the people cheap power in the United States as the Canadian Government has done over there?

Mr. GOFF. I must again say to my friend from Iowa that I do not consider that point material to the issue which we have before us.

Mr. COPELAND and Mr. HOWELL addressed the Chair.

The VICE PRESIDENT. Does the Senator from West Virginia yield; and if so, to whom?

Mr. GOFF. I will yield first to the Senator from New York, who rose first, I believe.

Mr. COPELAND. I would like to say, if the Senator will permit me, that it seems to me every man in the Senate who is interested in power and in the development of American water power should be vitally interested in this bill. Here is an article which in its manufacture depends upon power, and wherever these great plants are operated, no matter whether in our country or some other country, the operation is at the site of water power. So if we had no other incentive for the encouragement of this industry than the development of our own water plants and our own water power, it seems to me we should be for its protection.

Mr. GOFF. I now yield to the Senator from Nebraska.

Mr. HOWELL. Mr. President, I recognize that the chief factor of cost in the production of carbide is power. Therefore, when we protect an article which is produced chiefly by power we are protecting power; and that power we allow to be produced and sold in this country at rates which are double what they are in Canada. Therefore one of the chief purposes of the tariff on carbide is to protect not merely the production of carbide so far as power is concerned but to protect the producers of power.

Mr. LA FOLLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Wisconsin?

Mr. GOFF. I yield.

Mr. LA FOLLETTE. I have some sympathy with the Senator from West Virginia and I am not going to interrupt him further.

Mr. GOFF. I like to be interrupted.

Mr. LA FOLLETTE. I wanted to point out in connection with the statement made by the Senator from Nebraska that in so far as the plant of the Union Carbide & Carbon Co. located at Soo is concerned, they own apparently their own power plant, having acquired the Michigan Northern Power Co. under a foreclosure sale in 1913.

Mr. GOFF. Mr. President, when I was interrupted I was discussing the question of costs. I wish now to refer in detail to the comparative costs of calcium carbide in the United States and in Europe per ton of carbide.

Mr. BLACK. Mr. President, may I ask the Senator a question before he goes to that feature of his discussion?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Alabama?

Mr. GOFF. I yield.

Mr. BLACK. From what source does the Senator's information come? Is it from the Tariff Commission?

Mr. GOFF. The information comes from the comparative investigations of the Tariff Commission, which have not been completed.

Electric power in the United States costs $17.50 and in Europe $4.

Coke in the United States costs $6 and in Europe $4.

Lime in the United States costs $6 and in Europe $5.

Electrodes in the United States cost $3 and in Europe $2.

Drums in the United States cost $8 and in Europe $6.

Labor in the United States per ton of carbide costs $9.50 and in Europe $4.50.

Plant upkeep in the United States is $6 and in Europe $3.

Management in the United States costs $2 and in Europe it costs $1.

The total cost in the United States is $58 and in Europe is $29.50.

In this connection, after making the showing that the difference in cost is $28.50 in favor of Europe, I will now descend somewhat to a particularization of the labor cost in the United States, Canada, Norway, and Europe generally.

In the United States unskilled labor costs from $4 to $6 a day; skilled labor costs from $6 to $10 a day; technical labor varies from $3,000 to $10,000 a year.

In Canada unskilled labor is from $2.50 to $4 a day; skilled labor is from $4 to $6 a day; technical labor is from $2,000 to $5,500 a year.

In Norway unskilled labor is $1.50 to $2 a day; skilled labor is from $2 to $3 a day; technical labor is from $1,500 to $3,000 a year.

In Europe generally labor of the unskilled character is from 80 cents to $1.50 a day; skilled labor is from $2 to $2.50 a day; technical labor is from $1,000 to $2,500 a year.

Mr. President, that illustrates—and to my mind illustrates conclusively—the greatest advantage which Europe and other countries have in competing with the United States in the production of calcium carbide.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER (Mr. WALCOTT in the chair). Does the Senator from West Virginia yield to the Senator from Iowa?

Mr. GOFF. I yield.

Mr. BROOKHART. The Senator, I believe, has not pointed out the difference in transportation rates. What is the total difference in cost that he gets per ton?

Mr. GOFF. It is $28.50.

Mr. BROOKHART. What would be the cost in transportation of bringing carbide from Europe over to Iowa, for instance, for the farmers of Iowa?

Mr. GOFF. I have not the cost per ton of bringing it across the water and I have not the cost per ton of taking it by freight or by water, as the case might be, from the port of entry to the port of embarkation.

Mr. BROOKHART. That difference alone would probably cover more than the $28 difference in cost.

Mr. GOFF. That I question very much. I do not think it would do so.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. GOFF. Certainly.

Mr. SMOOT. In answer to the suggestion of the Senator from Iowa, the freight cost from Norway to New York is $5 a ton.

Mr. BROOKHART. What is the railroad rate out to Iowa?

Mr. SMOOT. That is not included in the $5. The $5 is from Norway to New York. I do not know what the local freight charge is.

Mr. BROOKHART. The carbide must be used by the Iowa farmer and so has to be transported from New York to Iowa, and that freight is an additional protection to our home industry.

Mr. GOFF. And if brought by railroad it would be more expensive than if it went, say, to Chicago by water.

Mr. BROOKHART. But even so, it would have a big freight rate from Chicago out into Iowa. When the Senator figures a difference of $28 per ton, he is not considering all of the elements of protection, because our freight rates are a protection to our home industries against foreign industries.

Mr. SMOOT. Carbide can be shipped from Norway to New York for $5 a ton and from Niagara Falls to New York for $6.82.

Mr. BROOKHART. From Niagara Falls to New York?

Mr. SMOOT. Yes; for $6.82.

Mr. BROOKHART. That is barge traffic or rail traffic?

Mr. SMOOT. That is rail traffic.

Mr. BROOKHART. That still, of course, would not cover the freight rate to Iowa.

Mr. SMOOT. It would give Norway $1.82 advantage as far as the freight is concerned in landing the product at New York.

Mr. BROOKHART. Niagara Falls is a long way from Iowa. The farmer has to pay the rail freight and a good deal more.

Mr. SMOOT. Nearly all commodities such as cement, brick, and heavy commodities of that character involve the same question.

Mr. BROOKHART. I notice in the figuring of the Senator from West Virginia that the item of transportation is not considered. It should be considered in the difference of the cost of production at home and abroad.

Mr. GOFF. I wish to say very frankly to the Senator from Iowa that the matter of protecting American labor and the general principles of the American Government does not in my judgment depend in the least upon the facility of distribution of the product after it is finished and after it is ready for sale in the market. We are confronted in this instance with a condition and not a theory. The question is, Shall we grant this increase in tariff and at the time we do it employ American labor, or shall we yield to the cheaper markets of Europe and buy in the cheapest market at the expense of unemployment?

Mr. BARKLEY. Mr. President——

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

Mr. GOFF. I yield.

Mr. BARKLEY. A moment ago the Senator referred to certain estimated costs of production, basing his statement on investigations of the Tariff Commission. The Tariff Commission has made no investigation of the cost of producing this product in the United States. Upon what ground does the Senator from West Virginia claim that his figures are based upon investigations made by the Tariff Commission?

Mr. GOFF. Only that I have had it reported to me as coming from the Tariff Commission. I will say very frankly I have not been to the Tariff Commission and obtained the information from the Tariff Commission. I can not state any more than any other Senator on this floor who refers to facts and figures that come before committees can state that he has obtained them from their original source and that his knowledge is the best possible evidence.

Mr. BARKLEY. I appreciate the Senator's candor in that regard, but I am wondering by what authority he uses the figures and attributes them to the Tariff Commission. Are they the result of investigations made officially by the Tariff Commission, or are they figures filed with the Tariff Commission by private interests and transmitted by the Tariff Commission to the Senator?

Mr. GOFF. As to that detail I can not answer the Senator. I do not know. I know that the figures came to me from men in whose word I have unqualified faith and whose conclusions and judgment as a source of evidence I do not question.

Mr. BARKLEY. But the men referred to are not members of the Tariff Commission.

Mr. GOFF. No; and I have not had any contact with the Tariff Commission and have not seen any member of the Tariff Commission.

Mr. President, since the present rate of protection of 1 cent, which is the rate provided in the present law, that of 1922, went into effect, imports have fallen off, because American manufacturers who owned foreign plants have brought those plants from foreign countries and located them in the United States. That is carrying out very definitely, and in a very practical way, the suggestion made by the Senator from New York [Mr. COPELAND] when he said—and he stated an economic truth as well as it could possibly have been stated—that if American manufacturers had gone to Canada or to other countries to take advantage of the cheaper manufacturing conditions, the only way the matter could be righted in the interest of American labor and the domestic market would be to raise the tariff or, in effect, to keep the tariff at the same rate which it now is upon the law books of the country.

Calcium carbide, Mr. President, was a new discovery, and was protected in 1912 by patents in the United States. Those patents, so I am informed, have all expired. It is stated that in 1922 the price of carbide was $112 a ton. At that time in the debate the question was asked on the floor of the Senate, "If protection is granted, what will be the effect on the price?" The answer to that question is to be found in the development of the production of carbide during the past eight years in the United States. The price of carbide has steadily declined until to-day it is not more than $90 a ton in the United States.

One very significant fact is that here is a decline under protection of $22 a ton, which is the difference between $112 and $90. It is also significant that no one appeared before the House committee or the Senate committee or filed a brief during this session asking for any change in the rate. That, I repeat, is quite significant; that demonstrates that we have been producing in this country a sufficient quantity of carbide to meet our needs; that the industry is self-sustaining; that the industry asked for no more; and that the people who depend upon the industry are satisfied with the price asked for the product.

Mr. COPELAND. Mr. President, will the Senator from West Virginia yield to me?

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

Mr. GOFF. Yes.

Mr. COPELAND. It seems to me that what the Senator has just now stated is very significant. I asked the question some time ago of the chairman of the Committee on Finance, the Senator from Utah [Mr. SMOOT], whether anybody had come here representing this industry or from any other source seeking a change in the tariff rate. The answer was exactly that given by the Senator from West Virginia, who now has the floor; that nobody had asked for any change; that the tariff as it had been fixed was satisfactory; that the conditions were operating to the satisfaction of everybody; and there was no reason to make any change in the tariff rate.

Mr. GOFF. Mr. President, it has been suggested several times during the debate that the United States was exporting this article. That would, of course, indicate that under the protective tariff of 1 cent, which is now the law, the United States was producing more calcium carbide than was demanded for home consumption and was exporting its surplus. The statistics compiled by the Tariff Commission, and set forth on page 98 of the Tariff Information Series, Schedule 1, give the impression that carbide made in the United States is exported in foreign trade. Before I began the argument this morning several of my colleagues suggested to me that we were exporting calcium carbide and they referred to the tariff report to justify the statement. I do not think the report of the Tariff Commission was intentionally erroneous, but it is erroneous. We are dealing with the facts of the situation, and I say that the statement in the report of the Tariff Commission, regardless of the purpose, the motive, or the intention, is erroneous. Carbide manufactured in the United States is not exported. The exported carbide listed in the Tariff Information Series is made in Canada, it is shipped to the United States in bond, and in that way is exported from the United States to foreign countries.

Mr. President, some one may ask, "Why can we not interfere with people who are investing their money in such enterprises?" I say that we can not do so and keep not only within the fair purview of trade but we can not do it and keep within the confines of the Constitution of the United States. We can not interfere with the liberty of contract and tell individuals how they shall invest their money if such investment is not against good morals.

Mr. BLACK. Mr. President, will the Senator from West Virginia yield to me?

Mr. GOFF. I yield.

Mr. BLACK. I am really seeking light on this matter, because I do not know how I am going to vote on this particular item.

Mr. GOFF. I will give the Senator any assistance I can; and I am very glad to have the Senator interrupt me, because I think his questions, as well as the questions of all other Senators, are contributions toward the elucidation of this discussion.

Mr. BLACK. The Senator states that all the carbide which is listed as having been exported from the United States was really manufactured in Canada and shipped through in bond. I have read the so-called report of the Tariff Commission and I find no statement of that kind. Does that information come from the Tariff Commission?

Mr. GOFF. Oh, no; it does not come from the Tariff Commission, because if it did then the Tariff Commission would not make the erroneous statement it does make.

Mr. BLACK. Have they given any later information?

Mr. GOFF. Not to my knowledge.

Mr. BLACK. I will say to the Senator that I am asking for this reason: There is a plant down in Alabama, and a report was made to me that the tariff rate on calcium carbide had been reduced without a hearing. I endeavored to find why the committee had reduced it. I looked at the report, and it showed that the only plants were in the State of my friend the Senator from Iowa [Mr. BROOKHART] and his colleague [Mr. STECK], the State of Alabama (a Southern State), the State of Virginia, the State of Minnesota, the State of Michigan, and the State of New York. When I endeavored to find out why the reduction was made, I say frankly that it looked to me—I may be wrong about it—that there was a desire to make a report showing reductions which would look large in the aggregate without a sufficiently fair investigation to determine whether or not the rate should be reduced. That is the way it looked to me.

Mr. SMOOT. I want to say to the Senator that there was no one who appeared before the committee and requested an increase in the tariff rate.

Mr. BLACK. Was there any hearing on the matter before the rate was reduced?

Mr. SMOOT. No one asked to be heard for or against the duty on calcium carbide. It was reduced, however, because of the exportations, just as reductions were made in other instances on account of exportations. I want to say frankly to the Senator that the Tariff Commission has not concluded its investigation as to the cost of production. As I have stated, they are undertaking to investigate it at the present time. Much information has been collected, but not sufficient to say what was the difference in cost of production as between Norway and other foreign countries and the United States. The committee, therefore, decided that, based upon the exportations, they would decrease the rate from 1 cent to half a cent. Now the committee has reversed that action and is asking that the 1 cent duty provided in the House bill be retained.

Mr. EDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from West Virginia yield to the Senator from New Jersey?

Mr. GOFF. I yield.

Mr. EDGE. Supplementing the statement made by the Senator from Utah, my recollection, I will say to the Senator from Alabama, is that in addition to the small total of imports I think the question of exports entered into the equation. The exports, as I recall, showed increases in the last year or so. That would indicate that the industry was fairly prosperous. However, it has been since explained, and I think the Senator from West Virginia was analyzing this feature as I entered the Chamber, that those exports were not really United States exports; that a large portion were exports from Canada which came to this country in bond and were then shipped to various countries of the world.

Mr. BLACK. I am interested in knowing whether that information is authentic.

Mr. EDGE. The information was given us in briefs, and I assume it was correct. The Senator from West Virginia knows more about the details than I do, but that information was presented to us in the committee, and I assume it is accurate.

Mr. BLACK. A man who is interested in the carbide business told me——

Mr. COUZENS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from West Virginia yield; and if so, to whom?

Mr. GOFF. I yield to the Senator from Michigan.

Mr. COUZENS. I think the Senator from West Virginia and the Senator from New Jersey are both in error. I am convinced that the domestic exports are not simply exports of Canadian goods which are brought into America in bond and then shipped out. All we have got to do is to refer to page 98 of the Tariff Summary, to which the Senator from West Virginia was just referring, and it will be found that the exports of calcium carbide are chiefly to Cuba, Mexico, and the Philippines.

It is perfectly plain why that is so. There is no tariff in the Philippine Islands on American goods. We should get a preference for our products in the Philippine Islands. We have a preferential rate under a treaty with Cuba, and, of course, we should get the Cuban business. We are next-door neighbors to Mexico and have a freight advantage. So it is perfectly obvious how we come to export the domestic production chiefly to Cuba, Mexico, and the Philippines, as is stated correctly in the Summary of Tariff Information. I am satisfied that by conference with the Department of Commerce, where the figures are obtainable, it will be found that these are domestic exports and are properly explained and have no reference at all to foreign competition.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from West Virginia yield to the Senator from Utah?

Mr. GOFF. I yield.

Mr. SMOOT. Mr. President, I think the Senator from Michigan is absolutely correct in the statement which he has made. There is no need of my repeating the reasons which he gave, but if Senators will investigate the report of the Commerce Department, I think they will find that the few exportations were of domestic production, and the reason why they were exported has been given by the Senator from Michigan.

Mr. WAGNER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from West Virginia yield to the Senator from New York?

Mr. GOFF. I yield.

Mr. WAGNER. I should like to ask if there is any information that there is any export of this commodity into any country where our manufacturers do not enjoy the preferential rates which they enjoy in Cuba, and, of course, which they enjoy in relation to the Philippines?

That would explain the reason for these large exports. It is because the producers of other countries could not compete with us because of the preferential rates; not because the cost of production here is as low as in these other countries.

Mr. GOFF. I will say to the Senator that I have no reference to that.

Mr. President, the Senator from Michigan [Mr. COUZENS] says that he reads on page 98 that the exports of calcium carbide are chiefly to Cuba, Mexico, and the Philippines. He argues from that that the character and the quality of the export is domestic, and not foreign. Taking his major premise as he enunciates it, it is clearly a non sequitur, because either in his minor premise or in his conclusion he has lacking entirely any evidence of the character or the quality of the article exported. If the Senator has evidence which I have not been able to find that the goods exported are domestic and not Canadian, I am perfectly willing to concede it, perfectly willing to meet it, and perfectly willing to discuss it; but there is no proof in such a statement as that which in any way refutes or contradicts the general statement which I advanced a few moments ago that the exports of calcium carbide are Canadian, and that they pass through the United States in bond.

Mr. EDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from West Virginia yield to the Senator from New Jersey?

Mr. GOFF. I yield to the Senator.

Mr. EDGE. I desire to correct a statement I made a moment ago. I find on consulting the Summary of Tariff Information, that as a matter of fact the exports have recently decreased instead of increased. For the past year they have actually decreased.

I want to put the figures in the RECORD, because I made an incorrect statement. They have decreased from 4,873,000 pounds in 1927 to 3,745,000 pounds in 1928; which fact no doubt entered into the committee's decision to retain the existing rate.

Mr. GOFF. Mr. President, as was suggested a moment ago, calcium carbide is not very largely made in the United States. On page 97 of the Summary of Tariff Information we find that calcium carbide is made from lime and coke in an electric furnace. Domestic production in 1925 was by seven firms, located as follows: Two in Iowa, and one each in Alabama, Michigan, Minnesota, New York, and Virginia. Domestic consumption ran from 120,000 to 127,000 tons per year, about 96 per cent being furnished by domestic production.

To contend that this domestic production, which does not meet the domestic demand, is the basis of the export, it seems to me is to deal entirely in assumptions and not in facts.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from West Virginia yield to the Senator from Kentucky?

Mr. GOFF. I yield.

Mr. BARKLEY. I notice in the Tariff Commission's report that they say that practically all of our imports are from Canada, and that the Canadian plant is limited in its ability to export from Canada into the United States this calcium carbide on account of the cost of freight.

If that is true, how can the Senator contend that these exports into Cuba, Mexico, and the Philippines which are credited to the United States as domestic exports can be claimed as Canadian exports? If the freight rates are so high that they can ship only a small quantity into the United States, how would they be justified in shipping a larger quantity through the United States into Mexico, Cuba, and the Philippines so as to claim that the export was Canadian and not domestic?

Mr. GOFF. My answer to the Senator from Kentucky is this: I can not now furnish the figures; but where goods are shipped in bond through the country they have a special lower freight rate than if they are shipped into the country in short hauls for domestic use. Then, furthermore, many of the shipments from Canada can go to the Philippines and Cuba by water, either from Vancouver or from Quebec.

If the Senator will state to me that he has facts showing that all of these exports that go to Cuba and the Philippines pass through the United States from the Lakes to the Gulf, or come through the United States on their way to the Philippines, then, if he has such facts, they would raise an entirely different issue which I would frankly concede.

Mr. BARKLEY. The burden of proof in this sort of a situation is on the Senator from West Virginia.

Mr. GOFF. And I have met that burden of proof; and the only reason why I have not met it in the mind of my distinguished friend from Kentucky is that he is dealing in a beautiful theory which will run into an economic dream before we finish this discussion, while I am dealing with the hard facts of the situation as they have been found and propounded by the Tariff Commission.

Mr. BARKLEY. My recollection is that the Senator has not submitted to the Senate any hard facts to prove that these exports are Canadian and not domestic; and I assume that when the Tariff Commission makes an official report crediting to the United States between three and four million pounds of exports of calcium carbide, it means domestic exports and not Canadian exports, unless the report of the commission itself on the face of it shows the contrary.

Mr. COUZENS. Mr. President——

Mr. GOFF. Now, I am going to propound to my friend from Kentucky a question that involves two questions in one. I am going to ask my friend from Kentucky if the exports to which he refers are purely domestic and not Canadian in bond; then, if it is possible under the 1-cent tariff to produce more than the needs of home consumption, does the Senator from Kentucky advocate the reduction of the tariff so as to deny employment to American labor and American capital in the production that finally ends in an export trade?

Mr. BARKLEY. I will answer the Senator by saying that on a commodity of this sort, used very largely by American labor in the mines of the country and by American farmers on the farms to light their humble homes, where we export twice as much as we import, I should be in favor of a reduction in the tariff on that article; and that is the situation in the case of calcium carbide.

Mr. GOFF. And if that be the Senator's conclusion, will he concede that he would relatively deny to the poor people on the farm the domestic market for the production of farm products?

Mr. BARKLEY. No, sir; I would not. My contention is that the American manufacturer of calcium carbide already has the American market; and that American market is in the mines of the United States, where the product is used for lighting the way of miners down into the ground, and on the farms, where it is used by farmers in their homes. The American manufacturers possess the American market to the extent that they are able to supply it and export as much as we import. The importation comes only from Canada, and is limited, because of the freight rate on it, even into the parts of the United States along the border.

I do not think the situation described by the Senator from West Virginia justifies the Senate in refusing this reduction as originally proposed by the Senate committee; and I have not yet been afforded any additional facts brought out by the hearings or by the secret conferences of majority members of the Senate Committee on Finance that have justified them, in my judgment, in going back on their original proposition, and proposing a duty of 1 cent, instead of a reduction to one-half cent as they proposed in their original amendment.

Mr. COUZENS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from West Virginia yield to the Senator from Michigan?

Mr. GOFF. I yield to the Senator from Michigan.

Mr. COUZENS. I should like to say, in response to the statement of the Senator from Kentucky, that if he will observe the Summary of Tariff Information which he was just discussing, he will find the reasons for these exports.

I agree with the Senator that we have the domestic market. I am anxious to keep it. I am satisfied that the committee, when they suggested the reduction from 1 cent to one-half cent, made a mistake. They had before them no figures or facts except what were contained in the Summary of Tariff Information. We had no record of any differences in cost of production at home and abroad. We thought there was a chance to reduce the rate, but we found that we made an error, because it appears that many of the companies that produce in America own plants in Canada, and some are interested in plants in Norway; so, if we reduce the rate, they will switch production from one country to another.

I want the Senator to bear with me a minute concerning the exports.

Mr. BARKLEY. If the Senator will permit me right there, what information has been brought to the attention of the majority members of the Senate committee that we do not possess that justified them in changing their position; or has there been some avenue of secret information that is not available to us all?

Mr. COUZENS. Oh, no; I can bring all the correspondence over to the Senator if he wants it. It will all come out in debate. There is no secret information. We found that it was represented in letters and communications sent to the committee that this thing would happen. There is no secret about it. We will put them all in the RECORD before we get through.

I rose merely for the purpose of pointing out that these exports are not exports to countries that produce. They are not exports to countries that compete with us. They are exports to countries where we have other advantages. For instance, the Senator will observe that the exports are to Cuba, where under a treaty we get a preferential rate over Canada or Norway or any other producer of calcium carbide. We also export to the Philippines, where we pay no tariff. So it is perfectly obvious that we have the advantage over other producing countries. We export to Mexico, where we are right on the border line, and have advantages in freight rates over the other producing countries. So that all of our exports are accounted for because of the preference that the United States has, which other producing countries do not have.

Mr. BARKLEY. I do not regard those preferences as decisive. The fact is, we possess the American market; we ship to these other countries; we supply this market, and ship abroad twice as much as we import. The fact that there are certain preferences probably makes it more advantageous to ship calcium carbide to these three countries than to any other countries; but there is no proof here that if these preferences did not exist we would not still export nearly twice as much of this product as we import into the United States.

Mr. COUZENS. The fact is that we do maintain the market in this country, I do agree with the Senator, and we want to maintain it. We want to maintain the production in this country, instead of permitting it to go to foreign countries as the result of our reducing the tariff, and letting foreign producers ship into this country at lower rates.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. GOFF. I yield.

Mr. EDGE. It should be emphasized that the market has been maintained upon the present duty of 1 cent, the duty we are now asking to have retained.

Mr. COUZENS. Absolutely.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. GOFF. I yield.

Mr. BLACK. The question which comes up in my mind in this issue is this: Clearly, there was no sufficient evidence to base a reduction to one-half a cent on when the committee originally voted. They might just as well have reduced it to three-quarters of a cent, or a quarter of a cent, or have put it on the free list. There seems to have been no evidence upon which the committee could base the half-cent reduction.

Therefore there seems to be no evidence on which we can determine whether a half cent reduction would result in the moving of the plants into Canada, or whether a quarter of a cent reduction or whether a three-quarters of a cent reduction would do that. It looks to me, from the report, as if the product would stand a reduction, although we have a plant in the State in which I in part represent. What I am getting at is, how can we determine, without any report as to the effect, whether the reduction should be a quarter of a cent, a tenth of a cent, a half a cent, or three-quarters of a cent?

If we should reduce the duty to half a cent, and that would actually result in driving the plants to Canada, that would be bad, and I do not think any of us would want to do that. Perhaps it would not have that result. I would like to hear from somebody in this argument who favors the half-cent duty as to how we may know that the half-cent duty will not result in driving the plants from Iowa, from Alabama, from Michigan, and from other places into Canada, and if a half cent is not the correct rate, what is correct? Should it be three-quarters of a cent, or should the article be on the free list?

It seems to me clear that there was no evidence before the committee, and there is no evidence before the Senate, on which we can justly base a particular reduction, although I think a reduction should be made from what I can see. There is no evidence on which we could base a particular reduction which might not result in serious injury to the industry in the United States.

Mr. GOFF. Mr. President, on page 98 of the Summary of Tariff Information we find this statement:

> In the past European carbide has been inferior, but at present it is said to be equal in quality to that of the domestic product.

The Senator from Alabama suggests, what evidence was there before the committee to justify the committee in reducing the tariff one half cent? The reply of the chairman of the committee, as well as the general information which has reached me, is that no one requested the reduction, and that no one appeared before the committee to ask any increase in this tariff rate.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. GOFF. I yield.

Mr. EDGE. In justice to the committee's original action, which, however, I believe was an error, may it be said that, in the absence of any witnesses either for or against the reduction, reference to the Summary of Tariff Information discloses the fact that, figuring in pounds, the local production was something like 254,000,000 pounds, as compared with an export of some 3,000,000 pounds, and imports of some 2,000,000. The bare fact that the exports and imports were almost negligible in comparison to the home production I assume moved the committee to recommend this reduction.

Upon later information, as very well demonstrated by the Senator from Alabama [Mr. BLACK] and the Senator from Michigan [Mr. COUZENS], I was convinced that we better let well enough alone, as under the rate of 1 cent per pound which had existed for the past seven years, we had held the market, and developed the business and the proposed reduction might be unfortunate.

Mr. GOFF. Mr. President, since this question of the imports and the exports has been so definitely discussed, I wish to insert as a part of my remarks the computations in reference to imports and exports which appear on pages 97 and 98 of the Summary of Tariff Information.

The PRESIDENT pro tempore. Is there objection?

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

Production: Calcium carbide is made from lime and coke in an electric furnace. Domestic production in 1925 was by seven firms, located as follows: Two in Iowa, and one each in Alabama, Michigan, Minnesota, New York, and Virginia. Domestic consumption runs from 120,000 to 127,000 tons per year, about 96 per cent being furnished by domestic production. Production figures follow:

Year	Number of firms	Production	Value	Unit value
		Short tons		
1923	6	118,702	$8,818,221	$74.28
1925	7	127,600	6,559,378	51.40

Imports: Imports were not reported separately prior to September 22, 1922. Practically all imports since then have come from Canada. Statistics of imports follow:

Calendar year	Rate of duty	Quantity	Value	Duty collected	Value per unit of quantity	Actual or computed ad valorem rate
	Per pound	*Pounds*				*Per cent*
1922 (Sept. 22-Dec. 31)	1 cent	3,293,498	$124,744	$32,935	$0.038	26.40
1923	do	14,251,562	509,762	142,516	.036	27.96
1924	do	15,524,821	587,428	155,248	.038	26.43
1925	do	14,240,645	515,014	142,406	.036	27.65
1926	do	21,844,504	846,624	218,445	.039	25.80
1927	do	4,450,726	167,406	44,507	.038	26.59
1928	do	2,527,215	91,975		.036	

Exports: Exports of calcium carbide are chiefly to Cuba, Mexico, and the Philippines. Statistics of exports follow:

Year	Quantity	Value	Year	Quantity	Value
	Pounds			*Pounds*	
1922	12,835,916	$633,297	1926	4,533,725	$184,094
1923	8,244,408	384,166	1927	4,873,260	197,361
1924	9,667,546	428,492	1928	3,745,899	173,382
1925	4,854,637	208,354			

Prices: Quotations for calcium carbide in car lots, at works, follow:

	Cents per pound
January, 1923, to April, 1924	4½
April, 1924, to October, 1925	4¼
October, 1925, to July, 1927	5½
January to October, 1928	5

Mr. BROOKHART. Mr. President, will the Senator yield?

Mr. GOFF. I yield.

Mr. BROOKHART. I want to ask the Senator one more question. Has he any information as to the profits of these carbide companies under the present operation?

Mr. GOFF. No; I have not.

Mr. BROOKHART. How about the income-tax returns? Were these companies included in the list of those whose returns were requested?

Mr. GOFF. I can not answer that question.

Mr. BROOKHART. Let me ask the chairman of the Committee on Finance are the income-tax returns of these carbide companies included in those we requested from the Treasury?

Mr. SMOOT. I have not examined all of them and I can not say, but I will say that I have this morning instructed my clerks to deliver to the office of every Senator a copy of the list so far as it has been printed, and I suppose the Senator will find that copy in his office at the present time.

Mr. BROOKHART. We have some information about the Union Carbide Co. from the chart presented by the Senator from Wisconsin [Mr. LA FOLLETTE]. I presume that is quite reliable, too, for that matter.

Mr. SMOOT. The Senator asked me as to the returns.

Mr. BROOKHART. Yes.

Mr. SMOOT. There were between 900 and 1,000 asked for, and a document covering many of them was delivered to me this morning from the Printing Office. I can not say whether the carbide company was included in the first four or five hundred or not.

Mr. BROOKHART. Will each Senator have a copy of that?

Mr. SMOOT. I am sure the copy has been delivered to the Senator's office by this time, because I instructed my clerks at 10 o'clock to deliver a copy to the office of every Senator.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. GOFF. I yield.

Mr. COPELAND. What difference does it make in this particular argument, I want to ask the Senator from Iowa, whether the American Carbide Co., for instance, is making a lot of money or not? The question involved here, as I see it, is, What will happen to the plant in the United States making this particular article if this tariff is removed? Whether they are making a lot of money or not has no particular reference to the matter, because if, for instance, the plant in Niagara Falls is closed so far as making this article is concerned, and the capital involved in that goes over to Canada to make carbide, I know that thousands of men now employed in Niagara Falls will be out of work. That is the question that is involved.

The Senator from Wisconsin made very clear yesterday on his chart that the Union Carbide is making a lot of money. How much of that is made out of this particular article I do not know. But I am convinced that if this tariff is reduced or removed, in all human probability the Union Carbide Co. will open the Canadian plants and make the article in Canada and employ Canadian labor, or that the Norway plant of the same company will open. That is the question involved.

Mr. BROOKHART. The Senator considers the Government of the United States utterly impotent and incompetent to meet that situation and to take care of its labor and its capital.

Mr. COPELAND. The Government of the United States has not been able to prevent Mr. Ford from going to Cork and opening a great plant there. I myself a few weeks ago saw a plant where 4,700 people were employed. How could the Government of the United States prevent that? It has not done so.

Mr. BROOKHART. The Senator assumes, then, that Mr. Ford is bigger than the Government of the United States, and that the Government is entirely impotent and powerless to protect its people from these profiteers. I think there is a lot of difference whether highway robbery is legalized or whether it is outlawed. This excess-profit business has reached a stage where it is not much less harmful than highway robbery itself.

I concede that we can not do that with a mere tariff rate. It seems to me that this is one of the cases where whatever we do is wrong. But we can do it. There are methods by which we can do it, and one purpose I have, as we go through this discussion, is to call the attention of the Senate and of the country to that situation and to the fact that something does need to be done by this Government to really protect the rights of its citizens and not leave them to the mercy of profiteers.

Mr. COPELAND. Mr. President, will the Senator pardon me a moment?

Mr. GOFF. I yield.

Mr. COPELAND. I simply want to say that, while I have sympathy with what the Senator from Iowa has said to the effect that we can not expect everything from the Government, I wish we could accomplish everything by Government enactment, but I doubt whether we can. It will be a long time before these great economic problems are solved by legislation in this body or any other body.

Mr. BROOKHART. Mr. President, in that regard I want to say that I have great confidence in my Government. I believe in it, and I believe that it can right these wrongs among its citizens, and I shall continue to raise this question until the Government does consider the matter in an efficient sort of a way.

Mr. GOFF. Mr. President, I do not intend to yield the floor any further. I would rather sit down and listen to this discussion than stand up here and hold the floor in order to hear it, and from now on I am going to proceed to complete this argument.

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from West Virginia yield to the Senator from New York?

Mr. GOFF. No; I do not yield. The Senator from New York has made the statement, which I think was very apt, that these men who have made large sums of money are investing their money in other countries, as well as in this country. I want to make this statement, that if you desire, at any place on the face of the earth, to employ labor, you must employ it by capital that knows it can increase its dividends. You can not induce capital to employ labor unless capital knows that its investment is safe, and that it will reasonably offer the opportunity of a fair return.

This argument has taken the turn here that we should try to curtail the excursions of men like Mr. Ford and others to foreign countries. There is only one way to do that, and I want to say without fear of successful argument in contradiction, it can only be done by bringing about in the United States of America a revolution that will take out of the Constitution of

the United States the words "liberty and the pursuit of happiness."

I have no sympathy with the idea that you can say to men, "We are going to penalize you because, by your genius and your industry, you make a surplus return on your investment, and you see fit to put it elsewhere."

If we are going to confine ourselves to an observance of the letter and the spirit of the Constitution of the United States, then we can not in any sense curtail men under the term, "liberty of contract," in pursuing the freedom of investment along the lines of their pursuit of happiness. It was by putting the phrase "life, liberty, and pursuit of happiness" into the Constitution of the United States that democracy excluded autocracy from our form of government. To say now that we are going to have the employment of American labor and the production of American markets depend upon the chastisement and the penalization of men who see fit to take advantage of their opportunities and pursue what they desire under our form of government is to my mind preposterous.

Under the situation as it exists to-day, with higher labor, power, and material costs, American manufacturers can not compete in the markets of the world against carbide which is produced in Canada and continental Europe. European nations do undersell American manufacturers in the export markets, and the effect is that no carbide made in the United States under those circumstances can be successfully and remuneratively exported. If we reduce the tariff, if we take away from the manufacturers now so engaged the protection which they have enjoyed since 1922, then we have reduced in duty that protection to the point where we invite a total abandonment of American plants.

I understand that the pay roll now expended to American labor in the production and distribution of carbide is approximately $4,000,000 a year. It is the desire of the industry to keep this pay roll in the United States, where the market for the final product of the United States carbide industry is located. Unlike most manufacturing operations, the operation of an electric furnace in which carbide is made either runs to capacity on the product which it makes or it stops entirely. Any diminution of tariff duty which lessens the protection to the extent where foreign competition can undersell the American product in the American market will not mean the gradual reduction in production by the carbide industry. It will mean the total cessation of production in the United States and the transfer of the industry to those countries where the costs are much lower. We will then eliminate the smaller manufacturer, and the larger manufacturers will be forced to abandon their production here.

I have been furnished with what I understand to be reliable computations that the total annual production in the United States is approximately 225,000 tons valued at $20,000,000, and that the manufacturers of this product are in the situation I have indicated.

Mr. President, due to interruptions I have taken more time than I anticipated it would be necessary to consume in the discussion of the necessity of continuing in effect the rate of 1 cent as provided in the present law and in the House bill. For the reasons which I have indicated and because I feel that it is necessary to the employment of American labor and consequently the protection of consuming markets for this country, relatively and actually, I trust that the Senate will accept the change proposed by the committee.

Mr. BROOKHART. Mr. President, as I have already said, this is one of the situations where whatever we do is wrong. The Senator from West Virginia [Mr. GOFF] is demanding this rate for the protection of labor, and yet the very last figures he quoted show that labor in this industry will get $4,000,000, and that the entire value of the product is $20,000,000. How much of that $20,000,000 is profit is not disclosed and whether the rate will in fact protect labor or will protect profits can not be decided on the record as it stands before us at this time.

I wish to refer to the constitutional question raised by the Senator from West Virginia. He said the Constitution declares for liberty and the pursuit of happiness. Is that the liberty of capital to rule the country as autocrats? Is that the sort of liberty it means? Or is this liberty the liberty of men and is this pursuit of happiness to be the pursuit of people?

I fail to understand that interpretation of the Constitution of the United States. I think the revolution has already occurred in this country. I think that liberty and the pursuit of happiness of people has been taken away in a large degree by this autocratic organization of capital which comes in here under the pretense, and a false pretense as it were, of protecting labor, when in fact it is protecting profits. There is not a schedule in the tariff bill from start to finish but what ought to be determined in view of the profits of the capital that is invested in the enterprises, and yet those things are neglected, unless we find them in the reports of the income taxes which the chairman of the Finance Committee assures us we will receive to-day.

Mr. KING and Mr. COPELAND addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Iowa yield; and if so, to whom?

Mr. BROOKHART. I yield first to the Senator from Utah.

Mr. KING. I was somewhat surprised at the statement made by my friend from West Virginia [Mr. GOFF], who is an able lawyer, that the words in the preamble of the Constitution were grants of both personal and property rights and guaranties of personal and property rights.

The words of the preamble of the Constitution to which he referred, as I understood him, were those which state that the Constitution was ordained and established to promote the general welfare and secure the blessings of liberty. These words are not grants of power and are not fundamental or substantive law.

The fundamental principles of the Constitution are found not in the preamble but in the Constitution itself. There limitations are prescribed and the authority which the Federal Government may exercise is defined. We rely upon the Constitution and the amendments thereto for certain guaranties to life and property, for restraints upon Federal action, and to inhibit States from specified activities. I repeat, there is nothing in the preamble to restrain Congress or to confer upon it authority to legislate or to prohibit the States from exercising the rights which they enjoy.

Mr. BROOKHART. The Senator's observation, I think, is very appropriate.

Mr. LA FOLLETTE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wisconsin?

Mr. BROOKHART. I yield.

Mr. LA FOLLETTE. I would like to have the attention of the senior Senator from Utah [Mr. SMOOT]. I understood the Senator to say a few moments ago that the bound copies of the income-tax reports were to be delivered to the offices of Senators. I find upon inquiry at my office that such delivery has not been made. I ask the Senator if there is any reason why I can not get a copy of it from the Finance Committee for immediate use on the floor of the Senate?

Mr. SMOOT. None whatever.

Mr. LA FOLLETTE. If I send over there now, will the Senator authorize his clerk to make a copy available?

Mr. SMOOT. I suggest to the Senator that he telephone to his office and have his clerk bring his copy over here just as soon as it is delivered.

Mr. LA FOLLETTE. But it has not been delivered. The Senator said it is in his office and I do not see why we can not get it here on the floor.

Mr. SMOOT. I had 125 copies delivered to my office before 12 o'clock when I made the announcement, and my clerks are now delivering those copies to the individual offices of Senators.

Mr. LA FOLLETTE. Has the Senator a copy of it here?

Mr. SMOOT. It was brought to me just now.

Mr. LA FOLLETTE. That is what I would like to have done. The Senator can not use 125 copies. I would like to have my copy here. Instead of having it wandering around the corridors of the Senate Office Building, I would like to have it here on the floor of the Senate for use.

Mr. SMOOT. I beg the Senator's pardon; I ought to have told my clerks to bring certain copies of it here to the floor of the Senate, but I did not designate any Senator in particular——

Mr. LA FOLLETTE. The Senator has just told the head of the pages that a Senator could not get a copy by sending to the Senator's office and that he would have to sign a receipt for it. I am willing to sign anything if I can get the document for use on the floor. I do not want to use it in my office at this moment.

Mr. SMOOT. I do not care what the Senator does with it; after it is delivered to him my responsibility ceases. He can do just what he pleases with it then. But I am responsible for the 125 copies and I am going to be in a position where I can say I delivered a copy to each and every Senator and that I have a receipt for each copy. I shall have the balance of the copies available for the use of the Senate, but when they are to be distributed they shall be distributed by order of the Senate. I want to say to the Senator that they can not be delivered all at once, but I shall telephone to my office now and get one of my clerks on the telephone and tell him to deliver a copy to the Senator's office at once.

Mr. LA FOLLETTE. I appreciate that action on the part of the Senator, but I would like to get the Senator's point of view concerning copies of the document. He said he is labor-

ing under a great responsibility concerning them. Is it the Senator's attitude that the information contained in the document is not to be used on the floor of the Senate?

Mr. SMOOT. Each Senator can do as he pleases. I think copies of the document will be used, but the law says they shall be for the information of the Senate. The committee has no power whatever unless it is authorized by the Senate to do just what we have been doing.

Mr. LA FOLLETTE. I would like to get the Senator's point of view concerning it, because if a Senator has not any right to make use of the information publicly, then, in my estimation, it is worthless.

Mr. SMOOT. The Senator can use his own judgment in the matter. I think it is for the use of the Senate under the resolution, and Senators can use their own judgment as to whether it is to be used publicly or not. In my opinion it will be used here whenever a case comes up in which it is particularly applicable. I shall endeavor to see right now that there is a copy delivered to the Senator.

Mr. LA FOLLETTE. I thank the Senator very much.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from North Carolina?

Mr. BROOKHART. I yield.

Mr. SIMMONS. I think this is a very important matter the Senator from Wisconsin has been discussing with the Senator from Utah. The law, as I understand it, provides for secrecy of the returns, but it also provides that the Finance Committee of the Senate or the Ways and Means Committee of the House may ask for and be entitled to receive these returns. It provides also that they may furnish these returns to the Senate or to the House when duly authorized. Of course, if the returns are furnished to the Senate the Senate could order them to be printed if it so desired. So in the meeting of the committee it was determined that the reports should be called for, and after we were notified that a number of them, some 500, were ready the committee decided to have 125 copies printed and to furnish each Senator with a copy. The balance of the quota of 125 is to be retained by the committee to be delivered to Senators upon written application only. Of course, when a Senator receives that he has a right to use it in such way as he may see fit in connection with the tariff bill.

Mr. LA FOLLETTE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wisconson?

Mr. BROOKHART. I yield.

Mr. LA FOLLETTE. I should like to address a question to the senior Senator from North Carolina [Mr. SIMMONS]. Does the Senator feel that any Senator in using on the floor of the Senate information obtained from this document would be transgressing in any way the spirit or the letter of the law?

Mr. SIMMONS. Absolutely not.

Mr. LA FOLLETTE. Then, Mr. President, I am at a loss to understand why there should be any feeling about it. If the document is going to be made public, I am at a loss to understand why it should be hedged about with so much secrecy and red tape. If it is going to be printed in the newspapers tomorrow, then I do not see why the document should not be made available just as any other public document would be made available.

Mr. SIMMONS. Mr. President, the adjustment of the matter in committee was, I think, in the nature of a compromise. The committee, however, I think, recognizes the fact that a Senator receiving the document would have a right to use it in connection with the consideration of the pending tariff bill in such way as he might see fit; but the committee did not authorize the publication of the document through a newspaper, though the committee realized that the newspapers would be certain to get it.

Mr. SMOOT. Mr. President, if any Senator wants to give a copy of the document to the newspapers, I have not any doubt that he may do so, but that is the Senator's own responsibility. The law, however, authorizes the information to be given by the Secretary of the Treasury only to the Ways and Means Committee of the House, to the Finance Committee of the Senate—I will read the law, so that there will not be any question at all about it.

Mr. SIMMONS. The information was to be given for use in connection with the consideration of the tariff, and we were stickling when we held to the strict construction of the law.

Mr. SMOOT. I wish again to say to the Senator that he may do as he pleases, but all the committee has done is to go as far as the law would allow it to go, and every Senator——

Mr. BROOKHART. Mr. President, I am anxious to conclude; so I shall not yield further for this discussion.

Mr. SMOOT. I trust the Senator will excuse me for taking any of his time.

Mr. GOFF. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from West Virginia?

Mr. BROOKHART. I yield.

Mr. GOFF. Mr. President, I shall take only a moment, but let me say that as I understood my distinguished friend, the Senator from Utah [Mr. KING], in his reply to the application I made about the phrase "life, liberty, and the pursuit of happiness," and my esteemed friend from Iowa agreed with him, that it was not the preamble of the Constitution of the United States or the Declaration of Independence that should control in a matter of this kind, and he did not think my remarks had any bearing on the subject under consideration.

I invite the attention of my two distinguished friends to the fifth amendment to the Constitution, which provides:

> Nor shall any person be deprived of life, liberty, or property, without due process of law.

I was referring to the expression, "life, liberty, and property," all of which are involved ultimately in the phrase, "the pursuit of happiness," all of which is a part of the substantive and the fundamental law of this Nation. The difference between my distinguished friend from Utah and myself is that he confines himself to the preamble to the Constitution, while I find it not only necessary but imperative to go down into the bill of rights of the United States Constitution, which every Senator upon this floor knows was the embodiment of the substance of the original bill of rights by George Mason, of Virginia, and which was written into the Constitution of the United States. That is exactly the reference I intended to make, and which I did make. And I repeat that we can not say to a citizen, "You can not invest your money in any lawful particular if you make a greater income than we think you are entitled to receive." If an investment does not violate the moral or the common law, all of which is within the letter and the spirit of the Constitution—it is protected and guarded by the Constitution. If Senators are to contend that we may enact a law to-day in the United States Congress which will limit the contractual rights and the contractual liabilities of people within such meaning of the Constitution, then I again say it will take a revolution to eliminate democracy from the Constitution and substitute autocracy therefor in this great document.

Mr. KING. Mr. President, will the Senator from West Virginia yield to me?

The PRESIDENT pro tempore. The Senator from Iowa has the floor. Does he yield to the Senator from Utah?

Mr. BROOKHART. If the Senator will permit me to reply to the Senator from West Virginia [Mr. GOFF], I will yield the floor in a moment.

The fifth amendment to the Constitution, which has been quoted by the Senator from West Virginia, instead of declaring life, liberty, and the pursuit of happiness for capital and for property, authorizes the condemnation of property. It is therefore exactly to the opposite purpose for which the Senator has just made his argument, and it gives the Government the full power to condemn and take any property. The only limitation imposed is that for the property taken there must be compensation. That is the purpose of that provision, and its only purpose.

Mr. NORRIS. Mr. President, may I ask the Senator a question?

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield; and if so, to whom?

Mr. BROOKHART. I yield to the Senator from Nebraska for a question.

Mr. NORRIS. I merely desire to ask a question for information. I have not heard all of the discussion, but, in view of what the Senator from West Virginia has said during the course of his interruption, I want to ask the Senator from Iowa if the question involved is whether we have no constitutional right to lower tariff rates on the theory that such action might destroy a man's property? Is that the contention that is being made in opposition to the amendment?

Mr. BROOKHART. That is not the specific proposition, but that is a fair inference to draw.

Mr. GOFF. I never advanced such a proposition, and I do not think it is a fair inference from anything that I said, thought, insinuated, or did.

Mr. BROOKHART. The Senator might not have intended that inference, but nevertheless it seems quite a fair one to make.

Mr. President, the Constitution says, "We, the people of the United States." The Senator from West Virginia has brought

up the question of revolution and says, "We, the capital or the property of the United States," and he reasons it all out from that standpoint. I have not acceded to any such revolution. I want to stand by the people under the Constitution itself as it was originally framed.

In regard to the question of profits as they relate to the tariff, industries come to the Congress and ask for protective rates so that they may build up their business and may earn profits. Yet the Senator from West Virginia would have us believe that they can take those profits, derived under authority of Congress, and that Congress has no power to limit or regulate or control them in any way, and that it would be unconstitutional to do so. The Senator from West Virginia has entirely forgotten the taxing power conferred by the Constitution. We have already taxed profits up to 85 per cent, and that action was constitutional. Under the taxing power we can regulate the profits of a protected industry, but we have neglected that phase of the matter.

The inequalities that have grown up under the protective system are almost beyond belief. New circumstances which have created other inequalities have arisen since the days of Hamilton. Railroad rates, to which I made reference during the course of the Senator's discussion, have been so arranged that at some points in the United States one rate is an adequate protection while at another point it is inadequate. We have neglected all such inequalities, and we are going ahead in this tariff bill upon the theory that we will protect the least of the industries; we will protect what are called the little but efficient industries, even though we give extortionate profits to the big industries, and we make no provision for correcting that inequality among the industries themselves. I say, Mr. President, that if the tariff system is to continue, if it is not to destroy itself by its own injustices, the time is at hand when we must consider the regulation of the profits of the industries we set up by law under the protection given by act of the Congress itself.

Mr. NORRIS. Mr. President, this is a committee amendment; it reduces the tariff duty on carbide from 1 cent a pound to one-half cent a pound. The committee now asks the Senate to disregard the amendment, and to vote it down. So we are in a parliamentary situation where those who believe the tariff on carbide should be reduced must vote to adopt the committee amendment notwithstanding the committee is going to vote the other way. Therefore I am taking the floor in support of the amendment of the committee, which reduces the tariff rate on calcium carbide from 1 cent a pound to a half a cent a pound.

Mr. President, the main point involved in this question as I look at it—not the only point perhaps, but the main point involved—is the interest of the Power Trust of the United States.

Mr. COUZENS. Mr. President, will the Senator yield to me at that point?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Michigan.

Mr. NORRIS. I yield.

Mr. COUZENS. I wish to make a statement for which I ask the indulgence of the Senator. I have looked into the question as it affects the Union Carbide Co. plant at Sault Ste. Marie and find that the company produces its own power and does not buy it. I wanted to get that statement in the RECORD.

Mr. GOFF. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from West Virginia?

Mr. NORRIS. I yield.

Mr. GOFF. There is a plant of the same company in West Virginia. At that plant the company produces its own power; it is in no way a purchaser of power from the trust, and has no connection, so far as the production of this commodity is concerned with the Power Trust.

Mr. LA FOLLETTE. Mr. President, will the Senator from Nebraska yield to me?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Wisconsin?

Mr. NORRIS. I yield.

Mr. LA FOLLETTE. So far as the Union Carbide & Carbon Corporation is concerned, with its subsidiary plant at Sault Ste. Marie, it maintains a separate power corporation, namely, the Michigan Northern Power Co., which it acquired in 1913. I have not the figures, but I suggest that it may very well be that the Michigan Northern Power Co. is charging the Union Carbide Co. the going rate for power; in other words, the parent company owns both subsidiaries, and it is a question of a bookkeeping operation whether it is charging itself the going rate for power or whether it is charging what it costs to generate the power.

Mr. ODDIE. Mr. President——

Mr. NORRIS. Mr. President, if any other Senators who have carbide factories in their States want to interrupt me at this time, I will yield to them all now and then discuss their suggestions all at once.

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Nevada?

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

Mr. ODDIE. In connection with the question which has been discussed relating to the Union Carbide Co., I think I can throw some light on the interest Nevada has in the Union Carbide Co. by referring to the great Boulder Canyon Dam enterprise. Just now the Secretary of the Interior is discussing with the representatives of the three lower basin States the question of the allocation of power from that dam. Nevada wants its share of that power, because with that power Nevada can have certain industries with pay rolls within the State which it has not now; and on behalf of Nevada I have asked that company to consider this matter carefully, and to take some of this power, with the idea of starting an industry in the State at the Boulder Canyon Dam for the manufacture of carbide. Our State needs that industry; and we hope these people will come in and establish it there.

Mr. NORRIS. And therefore the Senator wants a pretty good-sized tariff on carbide, so that they will do it.

Mr. ODDIE. I want a tariff on it, Mr. President, so that that company can operate and manufacture carbide in the United States. If the tariff is taken off, they will not do that.

Mr. NORRIS. Exactly. If the tariff is taken off, they at once become paupers; but up here on the chart we have the record which the Senator from Wisconsin [Mr. LA FOLLETTE] read yesterday, I think; and the Union Carbide Co., of course, is in a very peculiar condition financially. It must have some opportunity to put its hand into the United States Treasury and get a tariff.

Probably every other State in the Union is making the same kind of a bid that Nevada is making; and that is a good way to get votes in Congress. It works like a charm. Say to this pauper corporation, "Come into my State; manufacture carbide," and while the negotiations are going on, the matter comes up in Congress, and we say, "Let us give them a big tariff in order that they may do this. Let us protect the Power Trust in the United States in order that it may continue in its nefarious, disgraceful, unpatriotic methods that have been disclosed by the Federal Trade Commission in the propaganda that it has been carrying on all over the United States. Let us now indirectly protect the Power Trust by levying on the manufacturers in the United States a tariff high enough so that they can continue to charge the exorbitant rates for power that they are charging the manufacturers of the United States."

That is what this proposition means; and the fact that they have a factory in West Virginia and are making their own power, and have one in Michigan and are making their own power, has nothing whatever to do with the fundamental proposition involved here. It may be that in West Virginia they have a subsidiary corporation, like they have in Michigan, or they may not have. I do not care which is the case. In any event, whether they buy power of themselves or buy it on the market, under their own statement, under the evidence before the Ways and Means Committee, under the evidence taken several years ago when we had another tariff bill before the Finance Committee of the Senate, under their own statement when they want a tariff they are telling us how cheap power is in Canada, and how expensive it is over here; and when we are legislating about power and trying to protect the people of this country against the cruel exactions of the Power Trust and the power rates, practically these same identical people come before us and say, "Why, all this talk about cheap power in Canada is buncombe. We have cheaper power over here—cheaper than they have anywhere else in the world—because we have the wonderful private initiative," they say, "and over in Canada they have Government ownership and operation, which always blasts everything, and makes it expensive and corrupt and inefficient. Over here we have private ownership, private efficiency, private initiative, and therefore cheaper power."

When are these people telling a falsehood and when are they telling the truth? If they tell us the truth when we are trying to legislate on Boulder Dam or Muscle Shoals, then they are telling us a falsehood now. They can take their choice. Practically the same outfit takes one side of the proposition on one occasion and the other side on the other. This is a question of power in the main; and now they come before the American Congress and back up upon the old claim, "We want to save American labor. We want to protect the American workman.

We do not care for anything but the poor man who toils. Give us a high tariff on carbide in order that we may pay high American wages."

They do not say a word about power, the principal ingredient of expense; but when they get before the committee, and are crowded to it, then they say, "Why, we must have this tariff on carbide, on crushed rock, on stone, and on other materials that it takes power to prepare or to maufacture; and the reason we must have it is because across the border line over in Canada they have a Government-owned system of production and distribution and sale of electric power, and it gets that power to the people at 60 per cent of what the American private owner gets it to the people for, taking his power from the same river, from the same Niagara Falls."

That is their statement, not mine, before the Finance Committee when they want a tariff on something that has a good deal of power in it.

Let me read—I read it before—some evidence before the Ways and Means Committee when they had this identical bill before them.

There appeared before the Ways and Means Committee the National Sand and Gravel Association. They were asking for a tariff on sand and gravel and crushed rock. The association is a large one. It covers the United States; and here is what these people say in their written brief before the Ways and Means Committee. This is not ancient. It is in connection with this very bill, the hearings on the identical bill now before the Senate. They give several reasons, and the first reason they give why they must have a tariff is as follows. I am reading now from their own written brief, a public document, filed with the Ways and Means Committee. I read from page 8823 of Volume XV of the hearings:

> Power: The power used in land pits by the Ontario manufacturers is supplied by a publicly owned hydroelectric power commission, known as the Ontario Hydroelectric Power Commission. This power is manufactured from natural water power resources, and is supplied to the public approximately at cost. The power necessary to the operation of the American plants is obtained from private corporations operating at a profit, which must produce their power from coal and other high-priced fuels. The consequence is that the cost of power to the Ontario manufacturer is approximately 60 per cent of the cost of power to the American manufacturer.

Mr. BLACK rose.

Mr. NORRIS. Just a moment, Mr. President, and I will yield.

As to the statement in regard to the power on the American side all being produced from coal, the fact is that there is practically as much power produced on the American side of the line from Niagara as there is on the other side, coming from the same river, from the water tumbling over the same precipice; and it is not true, either, that all the power on the Ontario side is derived from Niagara Falls. They have, I think, 13 sources of power in Ontario at different places; but in the State of New York, just across the line from Canada, and in the State of Michigan, just across the line from Canada, are practically the only places where calcium carbide, or in this case sand and gravel, can come in competition with the American product, because freight alone is a protection to all interior points upon calcium carbide as well as upon gravel and upon crushed stone.

Mr. BLACK. Mr. President, will the Senator yield now?

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

Mr. NORRIS. I yield to the Senator.

Mr. BLACK. I want to call the Senator's attention to another statement in reference to the difference in the cost of power in Canada and in the United States.

In looking up the report of the Commerce Department on graphite, I discover that one of the reasons given by the Commerce Department why Alabama can not compete with Canada in graphite is on account of the fact that power is cheaper in Canada than it is in Alabama. I desire to call the Senator's attention to the fact that most of the graphite found in Alabama is in a county which adjoins Tallapoosa County, in which there is one of the biggest power dams in the South.

Mr. NORRIS. Yes; I have seen that power dam. I thank the Senator for his interruption. That is the same story everywhere, Mr. President; and the argument being used now is to protect labor.

Another amendment is coming up here later which is not only urged in the interest of labor but it will be found that the local Legion passed a resolution advocating it in order to protect labor. These big interests, these monopolies, these trusts, when they want us to pull their chestnuts out of the fire, always ask us to do it in the name of labor or in the name of the farmer or in the name of the soldier or some other respectable organization or society of people.

Mr. COPELAND. Mr. President——

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

Mr. NORRIS. I yield to the Senator.

Mr. COPELAND. Does the Senator question that if we were to wipe out this protection American labor would suffer in consequence?

Mr. NORRIS. This particular one?

Mr. COPELAND. This particular one.

Mr. NORRIS. It would not, in my judgment. I will say to the Senator that I think we could put it on the free list with perfect safety. This amendment, of course, does not do that. It leaves a tariff on it.

Let me say to the Senator, taking these power magnates' word at 100 per cent, that we ought to put calcium carbide on the free list, because from the beginning of the water-power investigation down to now they have been claiming and arguing that we had cheaper power on this side of the Canadian line than they have on the other side. The Power Trust has sent men over there to investigate, to write books, to write magazine articles; and under the auspices of the Power Trust they have gone into Canada and written books, and bring out the result, according to their theory, that power is cheaper in the United States than on the Canadian side of the line. This man Murray wrote a book. He was sent over there by the Power Trust, by the National Electric Light Association, to write this book. We did not know at that time that he had been sent over there by the Power Trust, that it was paid for by the Power Trust, and we never did know it until the Federal Trade Commission investigated and brought out from the records of these power concerns the fact that they had not only hired dozens of other men but they had hired and paid Murray for his article; and so it developed that they had paid for this book. They have paid these men to go over and bring back these reports which say that power is cheaper in the United States than it is in Canada.

If that be true, then carbide ought to be on the free list, then there is no reason why we should have any tariff upon carbide. So if they are not lying to us one time, they are not entitled to what they are claiming now, and asking us to give.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. COPELAND. If we may depend upon the figures given by Government authority, how does the Senator account for the fact that when carbide was on the free list these factories developed, I suppose largely because of the cheap power in Canada—and I am with the Senator in the matter of the Power Trust. Where we were getting from Canada previous to 1927, 21,000,000 pounds of carbide——

Mr. NORRIS. When was that?

Mr. COPELAND. That was in 1926; in 1926 there were 21,000,000 pounds, in 1925 there were 24,000,000, in 1924 there were 14,000,000, and in 1923 there were 14,000,000.

It was discovered by the operators of these carbide plants that, with the protection afforded in the 1922 tariff law, they could profitably operate in the United States. So this company, the Union Carbide Co., which owned plants in Canada, found they could come to the United States and operate. Therefore in 1927 we find the importations reduced to four and one-half million and in 1928 to two and one-half million. In other words, by the imposition of the tariff the economic condition was so changed that the Union Carbide Co. came to the United States to make this product.

Granting everything the Senator says about the statements made by these various concerns, the fact remains, and I know the Senator thinks that I am sincere in the belief, that in all human probability, if this article were placed upon the free list, as the Senator suggests it should be, the Union Carbide Co. would reopen their Canadian plants and American labor would suffer. That is my conviction.

I want the Senator to bear in mind, too, that the Union Carbide Co. did not appear before the committee, and nobody appeared before the committee, advocating this change. I can not for the life of me see why any amendment was put in the bill on this subject, and if there had not been an amendment the Senator would not be on his feet to-day to discuss the matter.

Mr. NORRIS. I would not be on my feet to-day for that purpose, but I would have been on my feet when it was proper to offer individual amendments.

If the Senator will do me the honor to read the remarks I made some time ago, when I had occasion to speak on this matter, he will see that I stated that when we had a tariff bill before us I would be heard from on the subject.

I had before related how, when we had the McCumber bill before us, I was with the Committee on Agriculture. We had the Muscle Shoals hearings going on, and we had a witness on the stand who had said to that committee that we had cheaper power on the United States side of the Canadian line than the people on the other side had. He was a great engineer, a man from the Senator's city, New York City, an engineer of international reputation, a fine man. I have no doubt he was sincere, as the Senator from New York is sincere, in the belief that he was telling us the truth. He said then, in answer to questions asked by me, that there was not any question but that there was cheaper power on the New York side than there was on the Canadian side. He was a believer in private initiative, private ownership. He was a high-class engineer. He was enthusiastic on that subject, and he did not believe it was possible for public ownership and public operation of electric-light plants to compete with privately owned plants, where the blessed private initiative had full sway.

That engineer was earnest in his position, and he said on the witness stand, "We have cheaper power here than they have in Canada."

About that time the bells rang, calling Senators to report to the Senate Chamber, the committee adjourned, and the members of the committee came over to the Senate. When we came on the floor of the Senate, we found that carbide was under consideration. We were considering the McCumber tariff bill, and a Senator was on the floor defending the tariff on carbide, just as the Senator from West Virginia [Mr. GOFF] and others are defending the tariff on carbide now. Their principal argument was, as I sat down here and listened to it, that "We have such cheap power over in Ontario, that if you do not let this tariff stand"—to which somebody had objected—"we will be driven off the market, our factories will be closed down, and we will not be able to make carbide. Our principal competitor is Canada, and they have such cheap power over there that we can not compete with them."

That was less than half an hour after I had come from the Committee on Agriculture, where one of the greatest hydroelectric engineers in the world had testified before that committee that we had cheaper power over here on the United States side, under private ownership, than they had over in Canada, under Government ownership.

I remember that very distinctly. This very item was being discussed, and I remember that I listened, and when I could get the floor, I told the Senate that I had just come from listening to this great engineer, and that he had said that the reverse was true. I said, "Now, what is the truth?"

I think I know now, I thought I knew then, what the truth was; but we were passing legislation which would affect every man, woman, and child in our country, and we were basing it upon certain things which Senators believed to have been demonstrated. It was important to know, it was necessary to know, before we could pass intelligently on that item, whether the people had cheaper power over in Canada than we had on this side of the line. If they had cheaper power over here than the people over there had, then there was no excuse for any tariff, and that is what these great men have told us all along, practically the same men who are asking for this tariff.

They will be here before long asking for Muscle Shoals, and they will tell a different story. They will say, "The report that they have cheaper power over in Canada is false. There is no truth in it. We have the cheapest power over here. We do not want Government operation of Muscle Shoals. We want private initiative to operate there. We want individual initiative to take charge of the matter. Therefore, lease it to us." Lease it to the Union Carbide Co., for instance, or the Cyanamid Co., or some other private corporation.

They have been knocking at our doors for 10 years to get Muscle Shoals, always on the theory that we have the greatest economy, and the people got the best results from private operation and private development and private distribution of electricity, even though it be made out of the streams that God placed on the earth to carry the power down from the mountain tops to the valleys. The cry was always the same, "Let us handle it. Private initiative can do it so much better."

Now they are seeking to have higher tariff rates adopted in order that they may continue their higher rates upon American manufactures, in order that they may gouge the people still more. They are coming here in the name of labor and asking us to commit another sin, to give them protection so that they can continue in the unholy work they have been carrying on in the United States for, lo, these many years.

It is the same old story, Senators; it is the same old object; it is the same old theory; it is the same old outfit that is now knocking at our doors for a tariff that will be knocking again at our doors to get control of the streams, to get control of Muscle Shoals, to get control of the coal in the bowels of the earth.

All of these things they will be asking for, and they will be asking for them on the ground that it is so much cheaper, so much more economical, so much more efficient, for our people to have this electricity, this unseen power that is now becoming a necessity, developed and distributed by the Power Trust, rather than by any representative of the Government.

Mr. President, we are going to levy a tribute upon our people again, indirectly, tax them, in order that this great octopus may continue to live and spread its propaganda over the United States, to deceive the people of the United States, so that they will get us coming and going. That is what they propose to do.

Let me take up what the Senator from New York called to my attention, the fact that we have these exports. Let us take a later date. I read now from the same volume from which he read, comparing the exports with the imports of calcium carbide.

In 1928 the imports were 2,527,215 pounds; just remember that, in round numbers, two and one-half million. Those are the figures of the imports coming mainly from Canada, where they have cheap power. What were the exports? In the same year, 1928, the exports were 3,745,809 pounds, practically 4,000,000, almost twice as much exported as imported.

Does that look as though this great corporation were a pauper? Does that look as though they ought to come here with their hands outstretched demanding a tribute from the American people, paid out of the American Treasury? Does that look as though they were infants in swaddling clothes? Does that look as though we ought to tax the American people in order to fatten this trust still more, and in order to enable them to work the ends against the middle?

They want to tax the people, first, so that the owner, the Power Trust, will be able to charge higher rates, and then tax them again to protect our manufacturers against those exorbitant and unreasonable rates.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. COPELAND. There is no Member of the Senate who impresses me more as an honest, fair man than does the Senator from Nebraska. He has heard me say that before. I follow him in all his campaigns against the Power Trust, and he knows it. But, in the interest of fairness, I want to ask the Senator where this large quantity goes, this three and three-fourths million pounds of carbide that is exported?

Mr. NORRIS. It goes to the Philippine Islands, to Cuba, and to Mexico, in the main.

Mr. COPELAND. With Cuba and the Philippine Islands we have a preferential tariff?

Mr. NORRIS. Yes.

Mr. COPELAND. Is not that the explanation why there are exports?

Mr. NORRIS. If the Senator's theory is true, and those who are asking this tariff have the correct theory, these markets would all be supplied from Canada; and I have no doubt they are partially supplied from Canada. When we are sending to foreign countries almost twice as much as foreign countries send to us does not that demonstrate—I ought not to say "demonstrate," but is not that excellent evidence that the industry does not need a protective tariff?

Mr. COPELAND. I would at once say yes if those exports were to France or Germany or England, or any other foreign country or countries where we were on the same plane of equality as regards the tariff; but those exports have gone to what we may call our colonies.

Mr. NORRIS. No; we can not call Mexico a colony.

Mr. COPELAND. No; of course not. Mexico has a cheap water rate from Alabama, and that accounts for the exports to Mexico and Central America. But so far as the other countries are concerned, it is because we have that preferential rate. It would seem to me a great pity for the Senator to vote to punish labor in my State and other States in order to establish a certain principle. I do not regard the Union Carbide Co. and the Power Trust as one and the same. The Union Carbide is perhaps much closer to the Power Trust than we are; nevertheless they are the victims of it.

I will go with the Senator to help develop the great water powers of America and have them under public control. The Senator knows that. But here is an industry with a branch in my State which owns factories of the same sort in Canada. If we do not give it ample protection it will operate the Canadian plants and take the business away from the United States, and so labor here would suffer.

Mr. NORRIS. And so we are helpless. Let me call attention to something the Senator has just reminded me of by the

last sentence he uttered. If we take the protection away they will produce somewhere else, because they own plants both ways. What have we done in the United States that enables big corporations to do that? We have had a protective tariff for years, too high, away beyond anything the theory of high protectionists would call for. Behind the tariff wall thus erected great industries have been developed. Andrew Mellon and aluminum are a living illustration of it. The Carbide Co. is another; the Cyanamid Co. is another one. They have built up on this side of the tariff wall large factories and manufacturing plants. They have made untold millions of profits. Because of the favorable legislation of Congress, because of the kindness of this Government in its favorable laws, they have built up those fortunes and made so much money that they hardly know what to do with it. What did they do with it?

They took the money we were enabling them to make behind the tariff wall, went into a foreign country and built a factory and are ready to operate there, and now when we come with the tariff bill they say to us: "Give us this tariff. If you do not we will go over to Ireland or Canada or China or Japan or some other place we have our factory, and we will run in this manufactured article and drive all your people out of employment and put them in the poorhouse. We have you now where you can not help yourselves. Come across with your bill, with your rates that will still continue to build higher and higher this tariff wall behind which we got our millions which we are now using as an enemy to destroy you and this country, your factories, and your labor."

So we are presented with the proposition that we are helpless according to their theory. "Give us what we want or we will ruin you." In the face of that threat Members of the Senate, with the best of intentions, moved by honest intentions, but scared and frightened, are running to cover and voting for another tariff, a bigger tariff, higher protection, with the idea of building the walls still higher. When it is still higher these manufacturers will come with additional threats.

So what are we going to do about it? Are we going to submit? Are we going to sit down quietly and say to these monopolies and these trusts, "Have your way. Tell us what you want. Show us the dotted line and our signature is ready." Or are we going to rise and say, "If you are going to contest with the Government of the United States, go to it. We will see as far as we can that you shall not make a success of it."

Mr. LA FOLLETTE. Mr. President——

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

Mr. NORRIS. I yield.

Mr. LA FOLLETTE. I would like to suggest to the Senator from Nebraska that these threats which are always made of abandoning a business and shutting down plants are not a new proposition. They are not only made when tariff rates are under consideration, but they are also made during campaigns. I wonder if the Senator from New York [Mr. COPELAND] was as frightened in 1928 when the big corporations threatened that if the Democratic nominee for President should be elected plants would be shut down and business would be disturbed, and that there would be a very great business depression, as he now apparently seems to be frightened by the threat of this enormously profitable corporation that if the Senate and the Congress do not do what they want us to do they will shut down their plants and go abroad?

Mr. COPELAND. Mr. President——

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

Mr. NORRIS. I yield.

Mr. COPELAND. I would not for a moment disturb the Senator from Nebraska or the Senator from Wisconsin. They are making such good Democratic speeches that I trust they will continue. I assume both of them would destroy the protective-tariff system if they could.

Mr. KING and Mr. GOFF addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. Let me say a word myself first. I am sorry that when we come here and become good Democrats the Senator from New York immediately deserts us and goes into the high protective tariff camp. [Laughter.]

I yield now to the Senator from Utah.

Mr. KING. I beg the Senator's pardon for interrupting him. He is making such a magnificent presentation of the point that I dislike to interrupt him, but I did not want the Senator to admit in his argument that the statement of the Senator from New York was accurate, namely, that the cost of production in Canada is so much less that companies will go abroad into Canada. I have just talked with representatives of two departments of the Government in charge of the power question and they assure me that power costs to the big plants in Canada are a little bit more than in the United States, but that the consuming public get their power much cheaper than do the consuming public in the United States. However, the big manufacturing plants pay as much or a little more for power in Canada than they do in the United States. In Canada the cost of power is considerably less than $19 per horsepower. Indeed, some of the contracts now outstanding are for $19, but it is made for a great deal less. The power is made by steam in Los Angeles by the Edison people for $8 per horsepower, and it will be made at Boulder Dam, according to information given me by experts, for $8 or less per horsepower.

Mr. NORRIS. I yield now to the Senator from West Virginia.

Mr. GOFF. Mr. President, I desired, before the discussion had gotten away from the pleasantry between Senators over the principles of the Democratic Party, to ask my friend from New York if it were not a fact that the Democratic national platform, as well as the distinguished candidate who ran for the office of President on that platform, guaranteed the very protection that the Senator from New York is now advocating, and that the reason why the Senator from New York has deserted the Senator from Nebraska, as the Senator from Nebraska suggested he had, is because the Senator from Nebraska has repudiated the promises of the Democratic platform as well as the arguments of the distinguished candidate of Democracy for the office of President?

Mr. COPELAND rose.

Mr. NORRIS. I will answer that myself.

Mr. GOFF. I would like to have the Senator from New York answer.

Mr. NORRIS. Perhaps the Senator would, but he can not get the answer now. I have the floor and the Senator from West Virginia must extend to me the courtesy of allowing me to occupy it a little while and of saying something while I have it. I am going to answer his question, so he might as well content himself and submit. He must listen to it if he remains here.

Mr. GOFF. I would appreciate it if the Senator from Nebraska would not monopolize the views of the Senator from New York.

Mr. NORRIS. It may be that I will monopolize his views. I will not promise not to do so.

Mr. GOFF. Very well.

Mr. NORRIS. I would not have said this if it had not been for the interruption of the Senator from West Virginia; but if the distinguished candidate on the Democratic ticket had been elected and were now President of the United States some things we could assure ourselves would be true:

First. There would be no administration at least asking for a tariff of 1 cent per pound on carbide.

Second. The White House would be in favor of the development of the Muscle Shoals situation, and the President would sign the bill which is now on the calendar of the Senate and which was presented to President Coolidge and which he pocket vetoed.

Third. There would be no uncertainty now about who is going to get the power at Boulder Dam. It would not be announced in the papers, as it was announced yesterday, that the power at Boulder Dam is to a great extent going to be given to a private corporation. The power developed from that great public stream would be saved for the people of the United States and not turned over to a private corporation for private profit.

There is no one who will doubt these statements. No one can question any of them, however he may disagree, whatever he may think on the power question. The candidate for President on the Democratic ticket would have saved the natural resources of the country and given them to the people instead of turning them over to private corporations for private gain. That is what the amendment now pending has directly to do with, bearing directly on that subject—letting the Power Trust make another levy upon the people of the United States so that they can charge the manufacturers a higher price, and then the manufacturers, of course, will pass it on and make the consumer in the end pay the bill.

Mr. GOFF. Mr. President, will the Senator yield?

Mr. NORRIS. Very well.

Mr. GOFF. I would like now to ask the distinguished Senator from Nebraska, since he has been read out of his party, whether he has anything to say along the line of reinstatement? [Laughter.]

Mr. NORRIS. Let me say to the Senator from West Virginia that I am not going to permit in my time the turning of this discussion over to that kind of twaddle to find out whether this man or that man is sorry that he supported this man or that man for the Presidency.

Mr. GOFF. Mr. President——

Mr. NORRIS. No; I have the floor.

The VICE PRESIDENT. The Senator from Nebraska declines to yield.

Mr. NORRIS. I hope the Senator will pardon me. The tactics of the Senator from West Virginia are just like the tactics of the Power Trust. They fit in well with this proposition. The Power Trust now in the name of labor are going to pull a big stunt, are going to get a favorable rate on calcium carbide. They are going to deceive the people. They are going to throw dust in their eyes and say, "We are doing this in the interest of the toiling masses," and when the debate gets hot and the facts are being demonstrated, then the Senator from West Virginia undertakes to deviate and detour the discussion and send it out on a side issue in a debate with the Senator from New York that has no more to do with the questions at issue than the flowers that bloom in the springtime. It can not be done while I have the floor. More than that, as suggested by a Senator sitting at my side, it consumes time and is another evidence that those who are behind the bill are really trying to filibuster and take up the time of the Senate.

Mr. President, before I close, I want to read just a few statistics. First, I wish to call attention to the fact—the Senator from Utah being here, I call his attention to it—that when this amendment was first stated the question was asked, "Where do the imports of carbide come from?" The Senator from Utah is not slow. He knews which side he has got to be on in order to be consistent with his past record. He knew well enough that if he answered the question and said, "Why, the imports come from Canada, because the Canadians have cheap water power over there," that he and his colleagues would be running up against an argument that would take all the ground from under their feet when they come to Muscle Shoals, and the consideration of legislation affecting water power. So the Senator replied, "Oh, the imports come from Norway"—Norway—"they do not come from Canada; they come from Norway." I desire all Senators to remember that it is Norway from which the imports come. Well, let us see what the record shows. Here is the Summary of Tariff Information. On page 97 I find:

> Calcium carbide is made from lime and coke in an electric furnace. Domestic production in 1925 was by seven firms, located as follows: Two in Iowa, and one each in Alabama, Michigan, Minnesota, New York, and Virginia. Domestic consumption runs from 120,000 to 127,000 tons per year—

Now listen—

> about 96 per cent being furnished by domestic production.

Ninety-six per cent is furnished by domestic production; only 4 per cent is imported. Does that look as though the article needed a protective tariff? Does that look as though we ought to build the tariff wall any higher for calcium carbide? But let me read on:

> Imports were not reported separately prior to September 22, 1922. Practically all the imports since then have come—

From where? From Norway? No; not from Norway, I will say to the Senator from Utah, but—

> from Canada.

> Practically all imports since then—

December 22, 1922, since they have been making the reports—

> have come from Canada.

They have come from Canada, from the country of cheap electricity; and if we would cease to give special privilege to the Water Power Trust over on this side of the line we would not have that condition existing. There is no reason on earth why Ontario, Canada, should have cheaper electricity than has the State of New York, the State of Michigan, the State of Ohio, or the State of Pennsylvania. There is not any reason whatever why electricity derived from the same river, from the same dam, from the same falls, should be sold at one price and the electricity that goes to the other shore should be sold at double and three times the price. There is no reason on earth for that. So we are confronted with the fact that the imports of calcium carbide come from Canada.

Mr. President, I will say to the Senators who have factories for the production of this article in their States that no imports can come into the territory of Iowa or Alabama and drive out of business the local industry. Freight rates alone will sufficiently protect the industries in those States. I do not know how calcium carbide is classified, but I take it that it bears a high freight rate, because it has to be handled carefully; there is danger of explosion, and I therefore presume it is classified at a high freight rate. Be that as it may, however, when it comes to transporting calcium carbide from Canada to Iowa, the freight itself will take away any possibility that it may have of competing with carbide produced there, assuming it is produced efficiently and according to modern methods and means.

I have given the imports and exports of this commodity for 1928 and showed that they were pretty nearly twice as much as the exports and imports in 1922.

Mr. BARKLEY. Mr. President, will the Senator from Nebraska yield there?

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

Mr. NORRIS. I yield.

Mr. BARKLEY. I will say to the Senator from Nebraska and also to the Senator from West Virginia, who earlier in the day stated that the exports consisted of carbide that came from Canada and went through the United States, that since they made that statement I have received over the telephone a statement from the Commerce Department that not a pound of the Canadian product was exported through the United States, but that the exports were of the domestic product. Furthermore, in their tabulations they never figure on any commodity that goes through this country in bond to another as being either an import or an export. The figures set out in the Tariff Commission report relative to calcium carbide represent the domestic export from the United States and not from Canada.

Mr. NORRIS. I thank the Senator.

Mr. GOFF. Mr. President——

Mr. NORRIS. I yield to the Senator from West Virginia.

Mr. GOFF. Since the discussion which took place this morning between the Senator from Kentucky and myself, in response to a request which I had made of the Tariff Commission, I am informed that in 1928 Canadian carbide in bond amounting to 4,753 tons passed through the United States; that in 1928, 410 tons, and only that amount, of domestic production were exported to foreign countries; that, in addition, 878 tons of domestic production were exported to Hawaii and the Philippines and Porto Rico. Inferentially, therefore, if the only foreign country to which we exported the domestic product was Mexico it would seem to follow that we exported of the domestic production only 410 tons to Mexico.

Mr. BARKLEY. I will state to the Senator that, regardless of the amount of tonnage which was shipped through the United States from Canada to Mexico or any other country, such shipments are not regarded either as American imports or as American exports. The department keeps that information simply as a matter of information, but in its official reports and in the report made here from which the Senator from Nebraska is reading the 3,500,000 tons that were exported, as set forth there, represent not a pound of calcium carbide that has been shipped through the United States in bond.

Mr. NORRIS. Mr. President, I had supposed that no one would claim that any commodity shipped in bond through any country, ours or any other, would ever be considered for a moment as being an export of the country through which it was shipped.

Mr. BARKLEY. Mr. President, if the Senator will permit me to interrupt him further, the Department of Commerce states that the same rule applies to all commodities, not only carbide but everything else.

Mr. NORRIS. It applies to all commodities and to all countries.

Mr. GOFF. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from West Virginia?

Mr. NORRIS. Yes.

Mr. GOFF. I will say to the Senator I doubt if he was in the Chamber at the time this discussion took place, but the question of exports in bond became relevant to the matter which we were then considering because of the general statement made that so many tons were being exported from the United States, and the report of the Tariff Commission was to the effect that that was Canadian carbide shipped in bond. Therefore, the relevancy of the discussion becomes obvious and evident.

Mr. NORRIS. Very well, Mr. President, let me call attention of both Senators who have interrupted me to the fact—and I may have made the same mistake and if so I wish to correct it now—that they used tons when they ought to have used pounds. The figures that I have given as gleaned from the statistics are in pounds, not tons. For instance, in 1928 we exported, in round numbers, 4,000,000 pounds—not tons—and in the same year we imported, practically all of it from Canada and perhaps all of it was imported from Canada, two million and a half pounds—not tons.

Whenever we are manufacturing a product and are exporting more than we import or are exporting practically twice as much

as we import, it is pretty strong evidence that we do not need a tariff on that product. When we are considering a tariff bill and it develops that only 4 per cent of a product is imported, that is pretty good evidence that it does not need protection. We are going across the danger line when we give that kind of a product protection; we are enabling it to build up a monopoly on this side of the tariff wall. Whenever we make a tariff so high that no imports whatever can come into the country, then a combination of manufacturers of the particular commodity on this side of the tariff wall means monopoly, means a trust, means suffering by the consuming public. Therefore, Mr. President, we ought to be careful when we find that we have reached that limit not to permit to remain a tariff rate which will prevent any importations.

In this particular case I think it has been made plain that those who were going to get the benefit of the protection constitute the biggest trust and monopoly that has ever been put together by human ingenuity. They represent the Power Trust, they represent the same trust that has spent hundreds of millions of dollars of our money, of your money, Mr. President, of the washerwoman's money, the poor man's money, out of proportion to what has been spent of the rich man's money. It has spent money it has taken from that kind of people, from the consuming public of America. They represent that interest, and they are going to get additional protection if we permit this rate to stand at 1 cent a pound.

Mr. SHEPPARD. Mr. President——

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

Mr. NORRIS. I yield.

Mr. SHEPPARD. The Senator said that the imports amounted to 4 per cent. As a matter of fact, they amount to only about 1 per cent.

Mr. NORRIS. I thank the Senator for the correction. I took the figures which were given to me and which I think applied to a preceding year. The figure would be about 1 per cent.

Now, Mr. President, I want to read a little further from the Summary of Tariff Information. It says:

> Practically all of our imports come from one plant in Canada. The Canadian plant is limited in its sales area in the United States to a large extent by the cost of freight.

I tried to make that plain previously in my remarks, but here comes an official authority which says that practically all of our imports come from Canada and they necessarily can have a very small effect upon production in the United States because of freight alone.

Let me read that again. It is not my language, but the language of the Tariff Commission:

> The Canadian plant is limited in its sales area in the United States to a large extent by the cost of freight. The Canadian material is stated to be comparable in quality to the domestic—

And so forth.

Mr. COPELAND. Mr. President, why not read the rest of it?

Mr. NORRIS. All right; I will read the rest of it. There is not anything I am trying to hold back, but I do not want to be charged with filibustering. I will read it all:

> In the past European carbide has been inferior, but at present it is said to be equal in quality to that of the domestic product. Calcium carbide is sold in assorted standard sizes. In the United States smaller sizes are used than in Europe.
>
> The users of calcium carbide are widely distributed in the United States. In 1923, 50 per cent of the domestic consumption was used by miners and for the lighting of homes in rural districts.

Another place where the farmer comes in; another place where we are going to levy the heavy hand of the law in the interest of the Power Trust, and going to make the levy upon the farmers of America, because they are the principal consumers in their homes of this product.

Let me read that again. I am glad the Senator asked me to read it all:

> In 1923, 50 per cent of the domestic consumption was used by miners and for the lighting of homes in rural districts. In 1923 the largest domestic producer listed 149 distributing points in 38 States; 3 other domestic manufacturers, 23; and a Canadian company, 38.
>
> The largest domestic producer owns a large plant in Norway.

That is where it is said that calcium carbide is being produced. Let me read the next sentence, now, and see what the report says. The Union Carbide Co. owns a plant in Norway.

> This plant has not produced carbide for several years, but since about 1925 it has been used for the production of ferromanganese.

I suppose we shall have something about that when we come to the steel schedule; and the Steel Trust will have an interest then as the Water Power Trust does now. So we are levying here a tariff of 50 per cent, which comes upon the backs of the toilers in the mines and the farmers upon the farm, according to the official report of the Tariff Commission.

Are we willing to do it? Is the Senate of the United States ready to take that step? Are we going to add to the power and the profit and the influence of the Power Trust by levying a tribute upon those who toil in the mines and those who toil upon the farms?

Mr. President, it seems to me that if there is one place in this tariff bill where we ought to halt, where we ought to hesitate, it is when we come to the proposition of continuing an ungodly and an unconscionable tariff for the benefit of the Power Trust, especially when those who foot the bill are the toilers of America, either in the mines or upon the farms.

Mr. ODDIE. Mr. President, a short time ago, during the remarks of the Senator from Nebraska [Mr. NORRIS], I interrupted him to state that I personally had asked the Union Carbide Co. to come into Nevada and consider taking a certain block of power from the Boulder Canyon Dam.

Mr. President, that will mean much to the State of Nevada. I am speaking as a Nevadan as well as a Senator. We have vast areas in that State that are undeveloped. We need industries. We need pay rolls. Our products of the soil and of the mines must find a larger market. We have many undeveloped mineral and other resources.

For a number of years Congress has been wrestling with the Boulder Canyon Dam problem. At last the bill has gone through; and just two days ago the Secretary of the Interior suggested an allocation of the power—50 per cent of the power to go to the metropolitan water district of Los Angeles, 25 per cent to the city of Los Angeles, and 25 per cent to the Southern California Edison Co., one of the most powerful power organizations in the United States.

Mr. President, I am sure the Senator from Nebraska is laboring under a misapprehension in his attitude on this matter. Nevada wants one-third of that power. We believe that the law provides that Nevada shall have one-third of the power; but under the ruling of the Secretary of the Interior all of this power goes to the Pacific coast, but with the proviso that under certain conditions Nevada can withdraw 18 per cent of it. We have been asking various organizations to come into Nevada and establish industries, in order that we may use our proportion of this power in the State. It will mean manufacturing concerns at the dam site; it will mean the employment of labor at good wages in Nevada; and it will mean prosperity, where to-day we lack as much prosperity as we should have.

Mr. President, in the manufacture of carbide, limestone and coal are used in connection with electric power. Nevada has the limestone in abundance and in good quality. Utah has the coal. Other Western States also have coal; but I am making a plea not only for the State of Nevada but for the industries in the State of Utah. Utah has the coal, or a good part of the coal, that will be needed in manufacturing carbide within the State of Nevada; and I am speaking for the Utah coal industry as well as the lime industry in Nevada and other things in which Nevada will be interested.

Mr. President, this will mean the employment of labor on a large scale in our Western States. Utah coal mines contain inexhaustible supplies of high-grade coal. That coal is looking for a larger market. It will mean, when more coal is produced, the employment of more labor at good wages. It will mean more business for the railroads. It will mean increased markets for the farm products of Utah.

I will not comment on the many and great advantages to the State of Nevada. We do not begrudge any of our sister States prosperity. We want them all to prosper; but we want a little prosperity of our own, and we want to be prepared to take advantage of the conditions that are at hand now.

This Boulder Canyon power is about to be allocated. Twenty-five per cent of it is to go to the Southern California Edison Co. Nevada wants and needs that power. If the Union Carbide Co. come into our State, as I have requested them to, they will use part of that power in the State of Nevada, employing Nevada labor, and in manufacturing a product which the United States needs and which otherwise will be manufactured abroad with cheap labor if the tariff is removed.

Mr. President, the State of Nevada is entitled to consideration in this matter. The intricate question of the relations of the Power Trust do not come into this question at all. I do not intend to discuss them, but I do say that here is a plain statement: This power will be developed at the dam. Who is going to use this power? The great power interests of the Pacific coast, which naturally would like to get it at a low rate and sell it back to Nevada or California, or an industry which

will use it in the State of Nevada and manufacture products which will employ American labor at good wages?

Mr. FESS. Mr. President, will the Senator yield?

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

Mr. ODDIE. I yield.

Mr. FESS. I have entire sympathy with what the Senator is saying, and will join in any legitimate effort to get the Union Carbide Co. to come into Nevada. The question here is whether the rate reported by the committee, one-half of 1 cent, would prevent the Union Carbide Co. coming into Nevada, or whether it actually needs the rate of the present law, 1 cent. That is the thing about which I am concerned. I am not yet convinced about which is the proper course to take.

Does the Senator think—has he any evidence that his purpose would be defeated if this additional half of 1 cent is not given to calcium carbide?

Mr. ODDIE. Mr. President, from the information that has come to me, the cutting of the rate to one-half cent per pound will prevent the Union Carbide Co. coming into the State of Nevada.

Mr. FESS. That is the determining factor with me now. I am not sure that that is true.

Mr. ODDIE. In my opinion that is the case, Mr. President. I have been informed by people who know, and I have certain information at hand showing that the development of the carbide industry in foreign countries is enormous. I am not speaking particularly of Canada, but of European countries; and those countries are hoping that this tariff will be taken off so that they can flood the American market with their products, produced by cheap labor.

Mr. KING. Mr. President, will the Senator yield?

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

Mr. ODDIE. I do.

Mr. KING. The Senator stated that he had information that if the tariff were fixed at one-half cent per pound the industry would be destroyed. I should like to know who gave him that information. Will he please specify? And may I also, before he does that, call the Senator's attention to the fact that when calcium carbide was on the free list, as it was for a number of years after 1913, the industry had its inception and development?

Mr. ODDIE. The records show plainly that when the tariff was placed on carbide in 1921 or 1922 much of the production of foreign countries came to the United States; and I fully believe that if this tariff is taken off we will lose that business. It will go back to these foreign countries.

I feel very keenly on this subject, because, as a representative of a State that needs help, that wants an opportunity to help itself, as a representative of a State that is vitally interested in this Boulder Canyon Dam legislation, I want Nevada industries to take advantage of the Boulder Canyon power rather than have it to go into the hands of the great power companies of the Pacific coast, to be sold back to us and to others at a much increased cost.

Mr. President, I feel that at least 1 cent a pound duty must be maintained on carbide in order that this industry may continue.

I send to the desk and ask to have printed in the RECORD, without reading, a statement on the carbide industry from the Chemical Age, of London, dated September 7, 1929, which gives an account of the enormous development of the carbide industry in various countries of Europe.

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

The matter referred to is as follows:

THE CARBIDE INDUSTRY—AN EXAMINATION OF THE INTERNATIONAL POSITION

The question of overproduction of carbide has become acute once more in connection with the impending development of Dalmatian water power by a French company, Phosphates Tunisiens. A correspondent of the Manchester Guardian Commercial has recently discussed the subject at some length. The concessions hitherto held from Yugoslavia by the Sufid, a new subsidiary of the Italian Terni, have (he says) passed to the new company formed by Phosphates Tunisiens, known as Sefied; and a very comprehensive plan for the increase in the production of current in Dalmatia from the present 110,000,000 kilowatt-hours to 900,000,000 kilowatt-hours is bound up with the change-over. The intention is to found in Dalmatia an electrochemical and an electrometallurgical industry comparable with those of Norway. Nitrogen products, superphosphates, and especially carbide—particularly calcium carbide and cyanamide—are to be produced in enormous quantities at a capital expenditure estimated at 450,000,000 francs.

IMPORTANCE OF THE PLAN

The plan, which is being strongly backed by the Yugoslav Government, is likely to be of critical importance to the carbide market; even at present, according to expert opinion, the overproduction of carbide is only avoided with difficulty. Since the technical production of carbide from chalk and carbon was begun by means of the electric furnace in 1894 electrification has made such enormous progress that in many instances carbide has become a mere by-product of the consumption of the main current supply. Before the World War, with the wagon and locomotive industries, the armaments industry, naval and commercial shipyards, engineering works and building enterprises, much better engaged than nowadays, the world consumption of carbide and acetylene for cutting and welding and for lighting and heating, together with chemical uses, was estimated at an aggregate of 375,000 metric tons, and the production was only slightly more than this.

Naturally, the immense consumption during the war rapidly sent up the production of carbide, and in the first years after the war it even increased further, owing to the requirements for welding and cutting in the conversion of the old munitions, breaking up of warships, destruction of fortresses, and reconstruction of devastated areas. Today the world-productive capacity is scarcely less than 2,250,000 tons. (A kilogram of carbide requires about a kilogram of lime, 0.7 kilogram of carbon, and 3 to 4 kilowatt-hours of electric energy.) The world capacity increases from day to day, and the world consumption is only about 1,500,000 tons. Lighting is of virtually no significance to consumption, and sales now depend mainly on the calcium-nitrate industry and other chemical processes, together with the old uses for welding and cutting. Lately consumption has further increased through the requirements for the production of acetate rayon—involving the preparation of great quantities of acetone and sulphuric acid—and the considerable use of tetrachloride derivatives as solvents, and so on. This applies even to Germany, where the calcium cyanamide produced (500,000 tons) requires 400,000 tons of carbide, and other requirements of carbide must be estimated at not less than 110,000 tons.

METHODS OF REGULATION

It was these conditions, together with the threatened inundation of the German market with carbide from other countries which must at all costs export that led to the German adhesion not long ago to the international carbide syndicate, which until then had been aimed particularly against Germany. The syndicate has been joined by Norway, Switzerland, Sweden, France, Yugoslavia, Austria, and Italy, and has been trying to regulate market conditions in Britain (which has not a well-equipped carbide industry), Holland, and elsewhere—the markets; that is, which can take big quantities of carbide but are hotly contested. Up to now the syndicate has had a tough struggle for existence in competition with outsiders, although a big part of the world output is required for nitrogen production and does not require watching. It is also no easy task to combat the potential overproduction of the means of production. The water-power stations are expensive to construct, but soon pay for themselves, and, as we have seen, carbide production becomes merely subsidiary to the production of electrical energy.

On the whole, carbide prices are not high in comparison with pre-war, and for this reason the countries with the more recent and better equipped installations are better placed for profitable working than the countries dependent on older installations or on coal-produced electricity. Germany, for instance, has a conventional customs duty of 5 marks a metric centner, reduced to 4.50 for Switzerland; and the German manufacturers have repeatedly declared that in spite of international syndication they could not well dispense with the 5-mark duty. This is mentioned as an indication of the situation.

THE PRODUCING COUNTRIES

The principal producing countries and their capacity as far as ascertainable may briefly be mentioned. The United States and Germany are probably the biggest producers, but it is convenient to begin with Norway. Norway has the advantages of ample water-produced electricity and a good customer in Great Britain. This explains the great expansion in the carbide industry during and since the war. The industry is closely united with the ferrometallic and the whole of the electrometallurgical and electrochemical industries; its expansion was so great that after the war there came an acute crisis, in the course of which the American Electric Furnace & Products Co. had to close down the power station at Sande Falcone, and the Alby United Carbide Co. (Odda) and the North Western Cyanamide Co. also ceased operations. The rest of the works, led by the A/S Hafslund in Oslo and the A/S Meraker Elektrisk Kraft og Smelteverk, and including the Odda Smelteverk (which works in association with the two first named), the Notodden calcium carbide works, and the Norsk Elektrokemisk A/S in Kangero, have done tolerably well, but the existing Norwegian production is no more than 70,000 tons out of a capacity of 105,000 tons a year, although Great Britain continues to buy on a big scale. Even so, Norway exports to Britain about two and one-half times as much as Germany, though the figures vary.

SWISS AND FRENCH CONDITIONS

The situation is less favorable in Switzerland, in spite of long experience and equally rich sources of water power. The production is

about 35,000 tons a year, a considerable number of firms competing, including the Lonza A. G. (Basle), the Société des Produits Azotés, and the Elektrochemische Werke (Berne); capacity is considerably above this figure. France has an equal interest with Norway and Switzerland in the export of carbide, and a growing interest. She has been proceeding on a regular plan with electrification in the south (Pyrenees and Alps), the central massif, and the north, and has become a keen competitor in the world market in this and other electrometallurgical fields. Conflicts are thus bound to arise in connection with the participation in Yugoslavia's carbide industry. No fewer than 23 important firms are occupying themselves at present with the manufacture of carbide in France, including the Manufactures etc. de St. Gobain, the Société d'Electrochimie, etc., d'Ugine, Bozel Malétra, the Péchiney, the Aciéries et Forges de Firminy, and so on; the works are mostly in the Departments of Savoie, Isere, and Hautes Pyrenees. The French industry has a capacity of some 250,000 tons a year.

Naturally there is not the same degree of concentration in the French chemical industry, which is of more recent growth, as in the German. In Germany the great dye trust, the I. G. Farbenindustrie, controls a big proportion of the whole of the country's production, partly through its many participations; in the 13 principal works the name of Dr. Alexander Wacker crops up again and again as holder of a block of shares. As the leading producer of nitrogen the I. G. is able to throw on the world market a big surplus of carbide. In Italy, too, there is less concentration in the carbide industry; Montecatini and Terni—the latter is now extending its activities—account for a considerable proportion of the aggregate capacity, but at least 15 other firms are competing in carbide production for the market. The aggregate capacity is probably about 200,000 tons a year, and only a fraction of this is utilized.

THE UNITED STATES AND CANADA

No estimate can be offered of the productive capacity in the United States, but the consumption in the chemical industry is increasing rapidly, as in Germany. The American consumption, apart from nitrogen, is probably some 50,000 tons more than in Germany. Among important producers are the Shawinigan Products Corporation, the Carbide & Carbon Chemical Corporation, the Union Carbide Co., two firms in Duluth, Minn., and one in Carbondale, Pa., but this is far from completing the tale of producers. In Canada the Canadian Calcium Carbide Co. uses the Niagara Falls as its source of energy; in addition to this firm there are the Canada Carbide Co., in Montreal, the Ottawa Carbide Co., the Canadian Electro Products, Ltd. (Shawinigan combine), and other important firms. It is unnecessary to mention Canada's enormous capacity owing to her resources in water power; it is all the more difficult to estimate it. Present production may be valued at $10,000,000 a year.

In Europe, Poland has benefited greatly in carbide potentialities by her acquisition of the former German works of Chorzow and Carbid Wielkopolski (Bromberg); the carbide production per furnace has been increased by about 50 per cent in the last five years. Production is over 100,000 tons a year. In Czechoslovakia the Verein für Chemische Industrie (Aussig) and Weinmann and Lobkowitz together have a capacity of over 50,000 tons a year. In Russia the industry is still in its infancy. Spain and Rumania (which has the advantage of methane energy) have each a capacity of perhaps 25,000 tons a year; Yugoslavia's capacity may be taken as about three times as much, and that of Austria and of Hungary about half.

Mr. CAPPER. Mr. President, the American Farm Bureau Federation has prepared a schedule of about 150 agricultural and related commodities on which it holds the interests of agriculture demand changes in the present tariff rates.

I have gone through the various schedules, and find that with a few exceptions I can heartily indorse these recommendations.

Mr. JOHNSON. Mr. President, I did not catch what the Senator said. Did he say that he could "heartily" indorse, or "hardly" indorse?

Mr. CAPPER. Heartily indorse.

Mr. JOHNSON. Oh, excuse me!

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CAPPER. I yield.

Mr. BARKLEY. Did the bureau also furnish a list of rates on industrial commodities which they desired reduced?

Mr. CAPPER. I think there is a list being prepared by at least one of the farm organizations, and which I think will be available within a day or two. I hope to have such a list myself.

Mr. BARKLEY. I think that information will be very valuable, and I hope the Senator will urge them to hasten it.

Mr. CAPPER. I am very much interested in some reductions, as well as some increases.

I understand amendments will be introduced by several Senators in line with the wishes of the farm organizations, and with a few exceptions, including the sugar increases asked by the farm organizations, I shall support the amendments proposed in this schedule. I can not see my way clear to placing a higher duty on sugar. The additional burden on the consumer would be too great in comparison with the number of farmers who would be benefited, in my judgment.

But, Mr. President, I feel compelled to state again my conception of the purpose for which this special session was called. It was called for the purpose of placing agriculture, as nearly as is possible through farm relief legislation and revision of the tariff, on a parity with manufacturing and industry. No one realizes more clearly than myself that legislation and governmental aids by themselves can not bring about this parity. But this Congress can go a long way toward making comparative parity possible.

Agriculture was promised legislation toward this end in the last campaign. That promise was renewed, and its purport indorsed, when President Hoover called the special session of Congress. It has been reindorsed time and again on the floor of the Senate. The people of the United States expect Congress to fulfill the campaign pledges of both parties; they expect Congress to carry out the purpose of President Hoover in calling the special session; they expect the additional pledges given by leaders in both branches of the legislature to be redeemed.

But, Mr. President, I must say frankly and with all the earnestness in my power, that neither the National House of Representatives nor the Finance Committee of the Senate has given us a bill in harmony with the campaign promises or in consonance with the expressed desire of the President in calling this special session.

The bill we have before us does give agriculture somewhat better tariff protection, but not the additional tariff protection agriculture understood was promised.

More than this, the pending measure is a distinct violation of the pledges made, and a direct denial of the President's program, in my judgment.

The bill before us is a perversion of those promises and of the President's proclamation and message. Behind the smoke screen of a comparatively few increases for agricultural commodities, it purposes to give undreamed of and entirely uncalled for increases on literally hundreds of manufactured products.

Mr. President, it is the plain duty of the Senate not only to eliminate all but a very few of these increases allowed, but it is imperative, as I see it, that the protection which amounts to embargoes afforded industry as a whole in the tariff act of 1922 be pared down considerably.

To do what the Finance Committee proposes in the measure as it now stands—some increases for agriculture and many unconscionable increases for industry—would be an economic crime against agriculture and against the consumers of this country.

Tariff rates on agriculture in line with protection afforded industry would not be detrimental to the best interests of the consumers of the country as a whole. A prosperous agriculture means that the buying power of one-third of the people in these United States will be increased to the point where their buying of manufactured products will add to the prosperity of the country and give increased wages and returns to the nonagricultural workers of the country.

But the bill proposed will injure not only agriculture but will add a heavy additional burden on all other consumers of the country.

Mr. President, I propose to support and vote for additional tariff protection for agriculture. There are a few industries that may need additional protection. They are very few. I will support these.

But also, Mr. President, it is my purpose to support amendments that will reduce the tariff schedules on the great number of manufactured articles not only below the recommendations of the Senate Finance Committee but also in some instances below the rates in the present law.

But, Mr. President, the Senate can not afford to allow the increased industrial rates provided in this bill. The Senate can not afford to stand for a continuance of the unreasonable rates now in existence on many manufactured commodities. The Senate must afford agriculture more protection and in line with the schedules outlined by the farm organizations.

Mr. President, I ask unanimous consent to have the statement of tariff rates on farm products suggested by the Farm Bureau Federation, which I send to the desk, printed in the CONGRESSIONAL RECORD following my remarks.

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

List of farm commodities and related products on which further tariff adjustments are desired by the American Farm Bureau Federation

Commodities	American Farm Bureau rate	Senate Finance Committee rate
SCHEDULE 1		
Fertilizer materials:		
Phosphoric acid, ammonium chloride, ammonium nitrate, ammonium phosphate, ammonium sulphate, and other fertilizer materials in pars. 1, 5, and 7.	Free entry for fertilizer purposes but dutiable for other uses.	Retained on dutiable list for all purposes.
Animal oils:		
Sod, herring, menhaden.	2 cents per pound, but not less than 45 per cent ad valorem.	5 cents per gallon.
Whale oil	2.7 cents per pound but not less than 45 per cent ad valorem.	6 cents per gallon.
Seal oil	2.4 cents per pound but not less than 45 per cent ad valorem.	Do.
Fish oil, n. s. p. f.	45 per cent ad valorem	20 per cent ad valorem.
Vegetable oils:		
Olive oil, containers under 40 pounds.	10 cents per pound, but not less than 45 per cent ad valorem.	7½ cents per pound.
Other olive oil	9 cents per pound but not less than 45 per cent ad valorem.	6½ cents per pound.
Castor oil	5 cents per pound, but not less than 45 per cent ad valorem.	3 cents per pound.
Hempseed oil	3.9 cents per pound, but not less than 45 per cent ad valorem.	1½ cents per pound.
Linseed oil	do	3.7 cents per pound.
Coconut oil	3.6 cents per pound, but not less than 45 per cent ad valorem.	2 cents per pound.
Rapeseed oil	3.7 cents per pound, but not less than 45 per cent ad valorem.	6 cents per gallon.
Poppy-seed oil	8.8 cents per pound, but not less than 45 per cent ad valorem.	2 cents per pound.
Cottonseed oil	3.6 cents per pound, but not less than 45 per cent ad valorem.	3 cents per pound.
Peanut oil	5.4 cents per pound, but not less than 45 per cent ad valorem.	4 cents per pound.
Palm-kernel oil	3.6 cents per pound, but not less than 45 per cent ad valorem.	1 cent per pound.
Sesame oil	5.4 cents per pound, but not less than 45 per cent ad valorem.	3 cents per pound.
Other extracted oils	45 per cent ad valorem	20 per cent ad valorem.
Oils, when hydrogenated or hardened.	1 cent additional to foregoing rates.	4 cents per pound.
Casein	8 cents per pound	3½ cents per pound.
Starches of all kinds	2½ cents per pound	Potato starch, 2½ cents per pound. Starch, n. s. p. f., 1½ cents per pound. Java and tropical starches, free.
SCHEDULE 5		
Sugar (basic rate, 96°)	3.75 cents per pound	2.75 cents per pound.
	3 cents on Cuban sugar	2.20 cents on Cuban.
Blackstrap molasses, for distilling purposes.	8 cents per gallon	3/100 cents per pound of total sugar (about ⅙ cents per gallon).
Molasses, edible	Restore House rates	
SCHEDULE 6		
Wrapper tobacco:		
Unstemmed	Higher than $2.50 per pound	$2.10 per pound.
Stemmed	Higher than $3.15 per pound	$2.75 per pound. Filler mixed with 5 to 35 per cent wrapper, 87½ cents per pound unstemmed; $1.17½ stemmed.
SCHEDULE 7		
Live cattle:		
Under 700 pounds	3 cents per pound	2 cents per pound.
700 pounds and over	4 cents per pound	2½ cents per pound.
Tallow	3.3 cents per pound, but not less than 45 per cent ad valorem.	½ cent per pound.
Oleo oil	3.7 cents per pound, but not less than 45 per cent ad valorem.	1 cent per pound.
Oleo stearin	4½ cents per pound, but not less than 45 per cent ad valorem.	Do.
Lard	5 cents but not under 45 per cent ad valorem.	3 cents per pound.
Dried whole milk	10 cents per pound	6½ cents per pound.
Cheese (including substitutes.	8 cents per pound but not less than 40 per cent ad valorem.	8 cents per pound, but not less than 35 per cent ad valorem.
Frozen eggs	12 cents per pound	8 cents per pound.
Dried eggs	Yolk, 30 cents per pound; albumen, 60 cents per pound; whole, 36 cents per pound.	18 cents per pound for all.
Buckwheat:		
Hulled or unhulled	50 cents per 100 pounds	25 cents per 100 pounds.
Flour, grits, or groats	2 cents per pound	½ cent per pound.
Corn, including cracked corn.	30 cents per bushel	25 cents per bushel.
Rice:		
Paddy or rough rice	2 cents per pound, but not under 45 per cent.	1 cent per pound.
Brown rice	2½ cents per pound, but not under 45 per cent.	1¼ cents per pound.
Milled rice	3½ cents per pound, but not under 50 per cent.	2 cents per pound.

List of farm commodities and related products on which further tariff adjustments are desired by the American Farm Bureau Federation—Continued

Commodities	American Farm Bureau rate	Senate Finance Committee rate
SCHEDULE 7—contd.		
Rice—Continued.		
Broken rice, meal, etc.	1½ cents per pound, but not under 50 per cent.	½ cent per pound.
Eliminate special privilege on Patna rice.		
Cherries:		
In natural state	4 cents per pound	2 cents per pound, including frozen without sugar; dried, 6 cents per pound.
Sulphured or in brine—		
Unpitted	8 cents per pound (eliminate any distinction as to size).	More than 900 to the gallon, 3 cents per pound; 900 or less to the gallon, 5½ cents per pound.
Pitted	13 cents per pound (eliminate any distinction as to size).	More than 900 to the gallon, 4 cents per pound; 900 or less to the gallon, 9½ cents per pound.
Dates, fresh, dried, or in brine:		
In packages of less than 10 pounds each.	10 cents per pound	Unpitted, 2 cents per pound; pitted, 5 cents per pound.
In bulk	7 cents per pound, but not under 45 per cent.	Do.
Prepared	12 cents per pound, but not under 50 per cent.	5 cents per pound.
Limes	2½ cents per pound, but not under 45 per cent.	1 cent per pound.
Oranges	2 cents per pound, but not under 45 per cent.	1 cent per pound,
Grapefruit	do	Do.
Olives:		
Green, in brine	30 cents per gallon	20 cents per gallon.
Ripe, in brine	6 cents per pound	30 cents per gallon.
Dried ripe olives	do	5 cents per pound.
Pitted or stuffed	40 cents per gallon	30 cents per gallon.
Olives, n. s. p. f.	6 cents per pound	5 cents per pound.
Almonds:		
Not shelled	6¼ cents per pound	5½ cents per pound.
Shelled	19 cents per pound	16½ cents per pound.
Processed and imitations.	22¾ cents per pound	18½ cents per pound.
Almond paste	do	Do.
Chestnuts and marrons:		
Not shelled	4 cents per pound	Free.
Shelled	10 cents per pound	Do.
Prepared	12 cents per pound	25 cents per pound.
Filberts:		
Unshelled	5 cents per pound	2½ cents per pound.
Shelled	10 cents per pound	5 cents per pound.
Peanuts:		
Unshelled	6 cents per pound	4¼ cents per pound.
Shelled	7 cents per pound	6 cents per pound.
Prepared	9 cents per pound	7 cents per pound.
Walnuts:		
Unshelled	6 cents per pound	5 cents per pound.
Shelled	18 cents per pound	15 cents per pound. Prepared, 15 cents per pound.
Pecans:		
Unshelled	6 cents per pound	3 cents per pound.
Shelled	18 cents per pound	6 cents per pound.
Edible nuts, n. s. p. f.:		
Unshelled	2 cents per pound	1 cent per pound.
Shelled	6 cents per pound	Do.
Oil-bearing seeds:		
Castor beans	2 cents per pound, but not under 40 per cent.	½ cent per pound.
Flaxseed	84 cents per bushel	56 cents per bushel.
Poppy seed	3.8 cents per pound, but not under 40 per cent.	32 cents per 100 pounds.
Sunflower seed	3 cents per pound, but not under 40 per cent.	2 cents per pound.
Cottonseed	2 cents per pound, but not under 40 per cent.	½ cent per pound.
Grass and forage seeds:		
Alfalfa	6 cents per pound	5 cents per pound
Crimson clover	2 cents per pound	1 cent per pound.
Red clover	8 cents per pound	6 cents per pound.
Sweetclover	4 cents per pound	3 cents per pound.
Timothy	3 cents per pound	2 cents per pound.
Grass seed, n. s. p. f.	do	Do.
Pumpkin and squash seeds, raw, roasted, or prepared in any manner.	8 cents per pound	6 cents per pound.
Radish seed	do	Do.
Beans:		
Green	3½ cents per pound	½ cent per pound.
Dried	do	2½ cents per pound.
In brine	do	3 cents per pound.
Cowpeas to be dutiable at same rates as beans.		
Celery	2 cents per pound	50 per cent ad valorem.
Peas:		
Green	3½ cents per pound	2 cents per pound.
Dried	do	1¾ cents per pound.
Split	4 cents per pound	2½ cents per pound.
Prepared	do	2 cents per pound.

List of farm commodities and related products on which further tariff adjustments are desired by the American Farm Bureau Federation—Continued

Commodities	American Farm Bureau rate	Senate Finance Committee rate
SCHEDULE 7—continued		
White potatoes	1 cent per pound, but not under 50 per cent.	75 cents per 100 pounds.
Dried	3½ cents per pound	2¾ cents per pound.
Potato flour	do	2½ cents per pound.
Tomatoes, fresh	3 cents per pound	Do.
Turnips and rutabagas	1 cent per pound	20 cents per 100 pounds.
Sweet peppers	4 cents per pound	3 cents per pound.
Chicory roots, crude	2 cents per pound	1½ cents per pound.
Mustard seed, unground	3 cents per pound	2 cents per pound.
The seasonal tariffs on cucumbers and eggplants should be eliminated.		
SCHEDULE 10		
Fiber flax:		
Straw	$4 per ton	$3 per ton.
Unhackled flax	5 cents per pound, but not under 35 per cent.	1½ cents per pound.
Hackled flax	10 cents per pound but not under 35 per cent.	3 cents per pound.
Tow, noil, crin vegetal.	4 cents per pound, but not under 35 per cent.	1 cent per pound.
Hemp and hemp tow	2 cents per pound	2 cents per pound.
Hackled	4 cents per pound	3½ cents per pound.
Jute burlaps and fabrics	10 cents per pound	Unbleached, 1 cent per pound; bleached, 1 cent and 10 per cent.
Jute baggings:		
15 to 32 ounces, per square yard.	1.6 cents per ounce per square yard.	9/10 cent per square yard.
Over 32 ounces per square yard.	10 cents per pound	3/10 cent per pound.
Jute bags:		
Bleached	do	1 cent per pound and 15 per cent.
Unbleached	do	1 cent per pound and 10 per cent.
SCHEDULE 11		
Raw wool	Basic rate of 37 cents per pound (scoured basis).	Scoured, 34 cents per pound. In the grease or washed, 31 cents per pound. On the skin, 29 cents per pound.
Wool wastes:		
Top waste, slubbing, roving, ring wastes.	39 cents per pound	34 cents per pound.
Garnetted waste	36 cents per pound	26 cents per pound.
Noils—		
Carbonized	39 cents per pound	30 cents per pound.
Not carbonized	38 cents per pound	Do.
Thread or yarn waste	29 cents per pound	23 cents per pound.
Shoddy	36 cents per pound	21 cents per pound.
Mungo	12 cents per pound	10 cents per pound.
Flocks	do	8 cents per pound.
Wool rags	29 cents per pound	24 cents per pound.
Other wool wastes	36 cents per pound	Carbonized, 23 cents per pound; not carbonized, 16 cents per pound.
SCHEDULE 15		
Cattle hides and skins	Green, 6 cents per pound; Dry, 10 cents per pound	10 per cent ad valorem.
FREE LIST		
Bananas	75 cents per bunch	Free.
Long staple cotton	7 cents per pound	Do.
Jute and jute butts	8 cents per pound	Do.
Patna rice	Dutiable at same rates as other rice.	Do.
Java and tropical starches	2½ cents per pound	Do.
Oil-bearing seeds:		
Hempseed	1 cent per pound, but not under 40 per cent.	Do.
Copra	2 cents per pound, but not under 40 per cent.	Do.
Palm nuts	1.7 cents per pound, but not under 40 per cent.	Do.
Palm nut kernels	1.2 cents per pound, but not under 40 per cent.	Do.
Tung nuts	2 cents per pound, but not under 40 per cent.	Do.
Rapeseed	1.8 cents per pound, but not under 40 per cent.	Do.
Perilla seed	1.6 cents per pound, but not under 40 per cent.	Do.
Sesame seed	2.4 cents per pound, but not under 40 per cent.	Do.
Seeds and nuts, n. s. p. f.	40 per cent ad valorem	Do.
Extracted oils:		
Palm oil	3.1 cents per pound, but not under 45 per cent.	Do.
Perilla	4.6 cents per pound, but not under 45 per cent.	Do.
Sweet almond	3.4 cents per pound, but not under 45 per cent.	Do.
Tung	5.9 cents per pound, but not under 45 per cent.	Do.
Vegetable or nut, n. s. p. f.	45 per cent ad valorem	Do.

List of farm commodities and related products on which further tariff adjustments are desired by the American Farm Bureau Federation—Continued

Commodities	American Farm Bureau rate	Senate Finance Committee rate
FREE LIST—continued		
Palm-kernel, rapeseed, sunflower, olive, and sesame oils rendered unfit for use as food.	All denatured oils should bear the same rate as the natural product.	Free.

All fertilizer materials should be duty free.

All imports from the Philippine Islands should bear the same rates as imports from other countries; the revenue from imports from the Philippines should be returned to the Philippines.

NOTE.—N. s. p. f. means not specially provided for.

Mr. BARKLEY. Mr. President, will the Senator from Kansas yield?

Mr. CAPPER. I yield.

Mr. BARKLEY. I hold in my hand a clipping from the New York Herald Tribune in which is described a speech made last night in Atlantic City by Representative TILSON, the Republican leader in the House of Representatives, in which he very caustically criticized the Senate for not having up to date accepted the House bill practically as it was sent over to the Senate, and in which he made the statement that unless the Senate does accept the House bill practically as it came over, the House will refuse to enact the legislation. If I understand the Senator from Kansas, he does not share in those views of the Republican leader in the House of Representatives on the tariff.

Mr. CAPPER. I certainly do not, and his views are not in line with the sentiment of the great agricultural West at this time.

Mr. BARKLEY. I am very glad to have that statement from the Senator.

Mr. KING. Mr. President, will the Senator from Kansas yield?

Mr. CAPPER. I yield.

Mr. KING. Does not the Senator think that we would better send word to Mr. TILSON, then, that we will have no tariff bill at all, and that we had better adjourn until December, and then proceed with the regular work of the session? If the House is going to insist upon the bill which they passed, I think the Senator can give notice to the world that there will be no tariff bill.

Mr. CAPPER. I hope to see a tariff bill come before us that will be far better than the one before us.

Mr. KING. If such a bill does not come before us, there will be no tariff bill at all.

Mr. COPELAND. Mr. President, it is extremely doubtful whether a single vote can be changed in this schedule, or perhaps in any other. The Senate is in the grasp of machinery which is operating under inexorable and unchangeable laws, so I suppose our body is predestined and foreordained to do certain things.

We heard a discussion this morning—and I am sorry the Senator from Nebraska [Mr. NORRIS] is not in his place now—which had no relation whatever to the question at issue, as I see it. I am in hearty sympathy with the position the Senator takes regarding the development of the natural water powers, but that question is not involved here except in the most indirect way. Everybody who knows anything about the question knows, I believe, that power is cheaper in Canada than it is in the United States. I think that must be admitted, but it is not that question which we are here to deal with or to settle.

The largest manufactory of carbide, the article under consideration now, is in my State. I am not at all interested in that company; I own no stock in it, I do not know the officials of it, I do not suppose one of them ever voted any ticket except the Republican ticket, and I am not interested in the company in any manner relating to the tariff, except as it affects the employment of American laborers in my State.

This morning an attempt was made to change the discussion from the immediate question to the attitude of the standard bearer of my party in the last election. Nobody has to wonder where Mr. Smith stands on any question. There is no braver man in public life than he is, and he has said where he stands on matters relating to the tariff. In his Louisville speech Mr. Smith said:

Naturally the Republican Party—

Of course, he was not referring to the wing represented by his cordial supporter, the Senator from Nebraska, but to what we are pleased to call the "reactionary wing" of the Republican Party.

Naturally the Republican Party attempts to link prosperity to the tariff, with the hope that they may create alarm in the business world by forecasting imaginary reductions of the tariff following Democratic success and by appealing for support to special and favored interests that might improperly benefit by an increase in some of the tariff schedules.

In the same address made by Mr. Smith at Louisville on the 13th of October, 1928, he gave what he called his "prescription." I quote:

I have written a prescription that to my mind meets the situation with regard to the tariff, and here it is.

Then he gave the several ingredients in the prescription, and the fifth one is the one which I will quote:

No revision of any specific schedule will have the approval of the Democratic Party which in any way interferes with the American standard of living and level of wages. In other words, I say to the American workingman that the Democratic Party will not do a single thing that will take from his weekly pay envelope a 5-cent piece.

I am willing to stand on the tariff platform of Mr. Smith. It is because this amendment, if accepted, will take from the pockets of the American workingmen and will take money out of every weekly pay envelope. Worse than that, it will require thousands of American workingmen to find other employment.

Are we so much is the grasp and grip of inexorable laws that we are unwilling to pause long enough to give consideration to the merits of an individual question?

To make clear what I mean let me say that if the protection on carbide is reduced from 1 cent to one-half cent these calamities will follow.

Mr. BORAH. Mr. President——

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

Mr. COPELAND. I yield.

Mr. BORAH. Does the Senator, then, believe that labor will get the benefit of this tariff?

Mr. COPELAND. Let me answer the Senator by saying that if we do not maintain the tariff where it is labor in my State will suffer materially.

Mr. BORAH. What becomes of the position of the Senator's party on any tariff at all? It seems to me we are all together here.

Mr. COPELAND. I hope we are together. In this particular matter the American Carbide Co. owns plants at Niagara Falls, N. Y., and it owns plants in Canada. Previous to the imposition of the tariff in 1922 the company operated its Canadian plants at full capacity and employed Canadian labor. When the tariff was imposed in 1922 it moved out of Canada over to Niagara Falls, N. Y., and did all of its manufacturing there, employing American labor. The company still owns its plants in Canada. If the tariff is removed there is no longer any incentive to continue the operation of the plants at Niagara Falls.

Mr. BORAH. And they will go over to Canada and import their product?

Mr. COPELAND. Yes; they will go over to Canada and import here.

Mr. BORAH. That is what they are doing in a great many instances.

Mr. COPELAND. The Senator was not here a while ago when I made reference to Henry Ford. A few weeks ago I saw his plant in Cork, Ireland, employing 4,700 men. I saw in Germany the Woolworth 5-and-10-cent store crowded with people. I saw the Woolworth store in London crowded with people. American capital is going everywhere. But that is not the problem in which I am interested now, except as it relates to the particular question at issue.

If we reduce this protection to one-half of 1 cent I have no reason to doubt from information given me that the plants will go back to Canada and that the goods will be imported into the United States. That is the situation. It is up to the Senate of the United States. If it is desired to destroy the labor of my State in order that there may be promoted what some may believe to be the progress of the fight against the Power Trust, then go ahead and do it. But if Senators are interested in the employment of American labor not alone in my State but in six or seven States the rate should not be reduced.

Most of the debate has related to the Union Carbide Co., when, as a matter of fact, these products are made in seven States. Two of the establishments are found in Iowa and one each in Alabama, Michigan, Minnesota, New York, and Virginia. All of those States are involved and have an interest in the question.

Mr. President, I hope the situation is not such that the matter is settled in advance. I hope that every Senator will give consideration to the welfare of thousands of citizens employed in this industry. I trust that they will not think of this as an abstract tariff question, or that because every Senator has a view one way or the other regarding the general tariff problem, that it should settle his vote in this particular matter. This is a question that has to do with the welfare of thousands of families of working men in the United States of America.

My good friend the Senator from Nebraska [Mr. NORRIS] has spoken about the welfare of those on the farm and those who work in the mines. I do not care how far he goes, I have exactly the same interest in those who work on the farms and who work in the mines, but I have in my mind's eye at this moment a thousand families in the State of New York who will be adversely affected by action such as is under consideration here. I beg of Senators not to take that action.

Mr. EDGE. Mr. President——

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

Mr. COPELAND. Certainly.

Mr. EDGE. Approaching the problem entirely from the standpoint of the protective tariff, there has not been any suggestion made, so far as I have been able to follow the debates—and the Senator will correct me if I am wrong—that the rate of 1 cent per pound is not in every way justified in the consideration of the difference in the cost of producing carbide in this country, and in the various factories abroad. There has been no suggestion that the 1 cent was excessive, has there?

Mr. COPELAND. I have not heard it raised. I have heard these extraneous questions raised, but the merits of the question, as I said a little while ago, have not been considered.

Mr. EDGE. As I recall the figures presented by the Senator from West Virginia [Mr. GOFF]—I will not attempt to repeat them because I do not have them clearly in my mind—the spread or differential, whether represented in lower cost of power or labor or whatever the component reasons might have been, is even greater than 1 cent per pound. Is not that correct?

Mr. COPELAND. I think that is correct.

Mr. KING. Mr. President——

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

Mr. COPELAND. I yield.

Mr. KING. I want to say to the Senator from New Jersey that I do not want him to derive the opinion as stated by the Senator from New York, that there is no challenge to the question of the necessity of a 1-cent tariff. I think carbide ought to be on the free list. I have no doubt about the fact that it could be produced at a profit if it were on the free list and there would be no competition that would threaten it at all.

Mr. EDGE. The Senator's view that it should be on the free list is not developed through his conviction that it costs as much to produce carbide in Norway, for instance, as it does in the United States, is it?

Mr. KING. May I trespass further upon the time of the Senator from New York, and may I say that Norway is not a competitor? The facts are that if there is any competition at all it comes from Germany. We produce coke at $2 plus per ton while in Germany it costs $4 plus per ton. It costs more for limestone there than it does here. It costs more to manufacture power in Germany than it does here. We can produce carbide here in the United States cheaper than it can be produced anywhere in the world, and I do not except Norway. I shall discuss that later if I take the floor.

Mr. COPELAND. Mr. President, a very interesting thing about the entire discussion is that there was no hearing before the committee and no thought except on the part of the committee to make any change in the schedule. I mean no interested party, either consumer or producer, came and asked for a change. If the amendment had not been made by the committee itself it would not be here to-day to be discussed unless the Senator from Nebraska [Mr. NORRIS], who had it away back in his head, after three or four or five months further discussion of the tariff bill, might finally have brought it up for debate. But it was not considered by the committee.

Under the circumstances it is an unfair thing to a great industry to drag into the debates of the Senate the question of the tariff on this particular item. The business has gone along and was prospering, thousands of men and women were employed, and now because we are interested in the power question or some other question or in some theory of tariff it is proposed to destroy this great industry. I plead in the name of those who are employed in the work, with no interest whatever in the dividends of the concern, and I appeal to Senators to cast their votes in favor of the retention of the tariff which now applies to calcium carbide.

Mr. SHEPPARD. Mr. President, calcium carbide, a compound of calcium and carbon, is the source of acetylene gas, a gas used in artificial lighting and for cutting and welding metals with oxacetylene flame. It is made from lime and coke

in an electric furnace. In recent years 50 per cent or more of the calcium carbide produced in the United States has been used in illuminating mines and in lighting rural homes. It is a substance which is making country life more comfortable, more pleasant, more attractive, and more productive, and is therefore of notable importance in the solution of the farm problem, supposedly the principal object of the bill now before us. It is an aid to the farmer himself, the farmer's wife, the farmer's children, the farmer's home. Furthermore, it is a blessing to the miner as he penetrates the dangerous depths of the earth to secure the commodities essential to our present civilization.

Production figures since 1925 are not available, but they were for that year about 254,000,000 pounds, with a value of more than $6,500,000. Imports come mainly from Canada and amounted in 1928 to a little more than 2,500,000 pounds, about 1 per cent of the home production, with a value of less than $100,000. The amount of exports in 1928 was 3,745,899 pounds and had a value of $173,382. The exports went mainly to Cuba, Mexico, the Philippines, and probably to other lands. It is reasonable to assume that the domestic production has continued since 1925 on a scale equal to the production of that year, if not on a greater scale.

In view of these facts there is but little basis for a tariff on calcium carbide. I shall therefore vote for the lowest tariff rate proposed; that is, a rate of one-half cent a pound, which is the committee's original proposal.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the Committee on Finance.

Mr. KING. Mr. President, the Senator from Texas [Mr. SHEPPARD] has marshaled in an able manner some of the objections to arguments of members of the Finance Committee in receding from their former action reducing the tariff rate on calcium carbide from 1 cent to one-half cent per pound. No sufficient reasons have been advanced to justify this surrender to a great and powerful trust—whose profits have been stupendous and whose expansion continues with accelerated momentum.

I am opposed to the action of the committee in recommending a tariff of 1 cent per pound. Before considering the question I desire briefly to refer to a statement made by the Senator from West Virginia [Mr. GOFF] when he was arguing for a duty of 1 cent. Following his colloquy with the Senator from Iowa [Mr. BROOKHART] I commented upon his reference to the preamble of the Constitution of the United States as a grant of power to the Federal Government and as a basis for Federal legislation.

I presume that the Senator in referring to liberty and the promotion of the general welfare mentioned in the preamble, was basing his argument, in reply to the Senator from Iowa, upon the preamble, assuming that it was equivalent to a fundamental law and created personal and property rights in behalf of citizens. The Senator is one of the ablest lawyers in this body and is an honor to the bar of our country. I can not believe that he means that authority is granted to the Federal Government by the preamble, or that rights are acquired or secured from the same source. The Senator in his reply mentioned the fifth amendment to the Constitution. That amendment does protect the property of citizens from being taken by the Federal Government without due process of law, and likewise protects the citizen in his life and liberty, so far as the Federal Government is concerned. As the Senator is aware, the provisions in the first 10 amendments are restrictions upon the Federal Government, but they do not relate to or interfere with the States in the exercise of their sovereign rights or prohibit them from proceeding in conformity with their constitutions and laws.

Mr. GOFF. I will say to my distinguished friend from Utah that when we reason together in conference we never disagree; and when the distinguished Senator sees fit to confer upon me such unmerited honor as he has done we can not disagree in our reasoning.

Mr. KING. Mr. President, a word of comment upon the position just taken by the Senator from Kansas [Mr. CAPPER]. I believe he expressed the view of the overwhelming majority of the American people that the tariff bill passed by the House of Representatives failed to meet the statement of the President in convening Congress and violated pledges made by the Republican Party, and also that the bill reported by the Republican Members of the Finance Committee of the Senate does not meet the approval of the country.

In my opinion, the bill before us meets the desires of the trusts and monopolies that control the industries of the United States. The consuming public, the great mass of the American people, are to be further exploited if the House or the Senate bill should become a law.

In my opinion the Fordney-McCumber Act should have been revised and revised downward. There is no justification for continuing the prohibitive tariff rates in that law. President Hoover would have served the country better, in my opinion, if, after the farm bill had passed, he had recommended to Congress a general revision of the Fordney Act in order that agriculture and industry might be brought into closer relation and the public relieved from the heavy burdens imposed under the provisions of existing tariff law. If no general revision were possible, then there should have been important reductions in those schedules of the tariff bill which specifically deal with commodities vitally important to the agricultural interests of the country.

The Senate has made some improvement in the measure before us. It has eliminated the flexible provision, which gave to the President legislative, if not autocratic, power, and which authorized him to increase or decrease tariff rates, subject only to the limitation of 50 per cent. The Senate also rejected the plan contained in an amendment offered by the Finance Committee, which pointed in the direction of establishing the American selling price as the basis for levying duties.

The Senate has also improved other administrative features of the bill. I have some apprehension, however, that when the bill finally leaves the Senate, it will have many unsatisfactory provisions, and will not materially aid agriculture and will prove injurious to the consuming public.

Mr. President, the position just announced by the Senator from New York [Mr. COPELAND] in my opinion is confirmatory of the view which I have just expressed. He is asking for a high tariff duty upon calcium carbide, a product important to the farmers of the country and to a large part of our population. May I add in passing that the Union Carbide & Carbon Corporation, with its enormous earnings and increasing power, needs no protection. It can produce calcium carbide in competition with Canada or any other country though there were not one farthing of tariff duties levied in its behalf. If the argument made by the Senator, as well as other Senators, is valid then every great trust and manufacturer, no matter how powerful they may be, would be entitled to increased tariff production.

The argument seems to be that the larger the industry the greater must be the protection afforded it. And modern protection seems to mean an industry need only become strong and powerful, so omnipotent that it becomes a monopoly, and then threaten that if its monopolistic control is not continued by prohibitive tariffs, it will go into Canada or some other country, and engage in production there, to justify, or, at least, compel the continuation of high tariffs, or, for that matter, an increase in tariff duties. Whatever argument can be made for the Carbide Co. can be made for substantially all manufacturing concerns. It seems to me a strange argument that when an industry has grown so powerful and has amassed so many millions, that it can continue tariff duties or increase the same upon the threat of transferring some of its activities to a foreign country.

Mr. President, this argument will be used in the consideration of many items in this bill, if it prevails in the matter of the item before us; it will be a deadly and ugly precedent from the effects of which it will be most difficult for Congress to escape. The facts, as Senators know, are, that already there is no competition from any source with respect to the commodity which we are considering. The Union Carbide & Carbon Co. is supreme; it dominates the American market; it fixes prices and they are so high as to result in enormous and unjust profits. If there is no competition, what is the basis of tariff duties? It is clear that the theory of competition is to be abandoned and the demand for exclusion is to be made by many industries in the United States. The Senator from North Carolina [Mr. SIMMONS] indicated in an admirable address a few days ago that many of the protected industries having secured embargoes and obtained absolute control of the domestic markets were now going out into new fields for the purpose of obtaining large interests, if not control, of markets in other countries.

The plan apparently is to place the American market in the hands of American producers by building tariff walls so high as to prevent any possible competition, so that they may impose upon the American people whatever prices their avarice and cupidity may dictate. But the plan extends further; it contemplates that a portion of the enormous profits derived from the home market shall be sent abroad for investment with the expectation of deriving larger profits from production and sale in foreign markets.

Mr. President, there is unmistakable evidence that the present tariff law has enabled many industries to unduly profit at the expense of the consumers. The value of agricultural property has shrunk tens of millions of dollars under the Fordney-McCumber law, and thousands of farmers have been forced into bankruptcy. But the protected industries have reaped enor-

mous profits and the value of manufacturing and industrial properties have risen to unprecedented heights.

It is apparent that our economic system needs adjustment. There are too many disparities and inequalities. An equilibrium must be brought about between agriculture and the manufacturing interests. We can not continue a policy which exalts the big manufacturing organizations of the United States and depresses the millions who toil upon the farms and upon whose backs heavy burdens have been placed. It is regrettable, but nevertheless true, that behind the ramparts of inordinate and unjust protection, monopolies have arisen, threatening and destroying domestic competition, and gradually transferring the earnings and property of the masses into the hands or under the control of a limited number of powerful industrial and financial organizations. A few days ago there was published by a New York bank a statement based upon the returns made by corporations, which showed that during the first six months of this year the profits of a few hundred corporations exceeded by $550,000,000 the profits made by these same corporations in a six months' period of 1928. The net profits of these corporations for the six months ended June 30 of this year were approximately two and one-half billion dollars.

Mr. President, the profits of all the farmers of the United States for the years 1928 and 1929 will not approach the net profits of these 900 corporations, during the 6-month period just mentioned. Indeed, the capital of the farmers has been reduced by nearly $20,000,000,000 since 1921, and they have made no profits during the same period. And these corporations in order to control domestic prices form trusts and monopolies and fix prices through institutes and associations, which they organize and control, and, of course, the public are the victims. If the competitive system in our industrial life is destroyed, then profound political changes will occur in this Republic. No people possessing and desiring liberty and trained in democratic institutions will long endure an industrial oligarchy. Trusts and monopolies may triumph for a while, but eventually the people will rise against them. They will be shorn of their power, even though in accomplishing that end there may be severe wrenches in the political and industrial field.

Mr. President, I am not contending against reasonable tariff rates, but am protesting against a policy that increases the power of trusts and monopolies as will the tariff bill now before us. That there are trusts and monopolies in our industries today must be conceded by those who are familiar with our economic system. They have become so powerful that they are advocating the repeal of all antitrust legislation. I might add that these appeals seem to be unnecessary because the laws against trusts and monopolies are not enforced.

When the tariff act of 1921 was being incubated a representative of one of the largest industrial organizations in the United States was asked by the chairman of the Committee on Finance, Senator Penrose, "What do you want?" He stated in reply that he wanted an embargo, then a tariff so high that if anything should leak through the embargo it would be caught by the tariff wall, and finally he wanted that all antitrust laws should be repealed so that there would be immunity from prosecution.

The other day I asked the Senator from California [Mr. SHORTRIDGE], following a colloquy, if it was not a fact that the Sherman antitrust law was not being enforced. I understood him to dissent from the view which I suggested. I stated then that if it were not enforced, the result would be that industrial activities would soon be controlled by a few giant organizations. The fact is, Mr. President, that the Sherman law has not been enforced. For the first 26 years after its passage the number of suits prosecuted was considerably less than 200, and during the 10 years preceding June, 1926, approximately 140 cases were dealt with in the courts. And I may add that the results of the prosecutions were disappointing, either because of misinterpretation of the law or the failure to obtain all the necessary facts warranting legal proceedings.

It is now being contended that monopoly cheapens products and is, therefore, justified. One writer has stated that to fight monopoly is to try to quicken dead competition.

Mr. President, if the law of competition is destroyed in our industrial life, an irresistible demand will arise, regardless of our political institutions and our economic views, for Government ownership or at least effective governmental control. Either would be, in my opinion, most unfortunate. The path marked out by the fathers indicated a free and fair field and legitimate and honest competition in our economic and industrial life. Let us adhere to that policy. Let us frame our tariff laws so that there may be legitimate and proper protection, not tariff rates that destroy competition and result in monopolistic control, not only of the necessities of life but substantially all domestic production.

Mr. SHORTRIDGE. Mr. President——

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

Mr. KING. I yield to the Senator from California.

Mr. SHORTRIDGE. The Senator having made reference, I take it, to my poor self in regard to the nonenforcement of our antitrust laws, I think I observed the other day that if those laws were being violated we, or the Government in control, are to be censured for not enforcing them. As I recall, Mr. President, if the Senator will indulge me just a moment, it was a Republican convention in Indiana or Ohio that proposed the Sherman law; it was introduced in the House by McKinley; it passed a Republican House; it passed a Republican Senate, and was signed, I believe, by a Republican President, since which time, happily or otherwise, there have been certain Democratic administrations, and there have been Republican administrations which, I imagine, will continue for a good many years to come.

Mr. KING. That is merely imagination.

Mr. SHORTRIDGE. I grant you, but my name is Samuel, who was the first if the least of the prophets.

Mr. KING. I think the Senator is neither.

Mr. SHORTRIDGE. If the laws, as the Senator suggests, are being violated, let us enforce them, and I would join the Senator in any resolution or any movement or any action to enforce those laws which I believe to be wholesome and good and beneficial. Of course, if not enforced, they are idle words. But what, may I ask the Senator, has the nonenforcement of our antitrust laws to do with the enactment of a proper tariff law? Personally, I believe in adequate protection to agriculture, to mining, and to manufacturing. We might disagree as to what rate is adequate, but, be it high or low—1 cent or 40 cents—it should be adequate. I repeat, however, begging pardon for detaining the Senator so long——

Mr. KING. I am willing to yield.

Mr. SHORTRIDGE. What has the enforcement of our antitrust laws to do with the preparation or the enactment of a tariff bill?

Mr. KING. I see a direct relation between trusts and tariff bills. The Senator remembers the statement of Mr. Carnegie that tariff is the mother of trusts. There is a direct relation between high tariffs and trusts. The growth of trusts prior to the passage of the Sherman law was so apparent that the people demanded protection against their aggressions. The discussions throughout the country and in Congress attributed the powerful position of trusts and monopolies, in part at least, to the tariff ramparts created by law. The Senator knows that following the Civil War, because of high tariff rates, certain industries derived enormous profits and grew powerful and opulent. I do not mean to state that there may not be monopolistic control of some commodities where there are no tariffs or low tariffs, but it is certain that where tariff rates are so high as to prevent foreign competition there is a powerful incentive for domestic manufacturers to combine and confederate in order to control prices in the domestic market. And unfortunately when these combinations and associations are consummated they go further, and little by little the small producer, the manufacturer of limited means, is crushed and destroyed or falls into the embrace of powerful organizations.

Senators know that mergers are going on in every form of industry, and rapidly the productive resources of our country are being absorbed or passing into control of a limited number of organizations. There are evidences that the mining industry is controlled by a limited number of corporations. That is particularly true of the copper industry. The Senator from Wisconsin yesterday challenged our attention to a few very large organizations and to the large number of corporations and manufacturing plants which they had acquired. If time permitted I could point to other corporations which exercise monopolistic control in various industries.

Mr. SHORTRIDGE. Mr. President, will the Senator indulge me in a question?

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

Mr. KING. Yes.

Mr. SHORTRIDGE. If we should wipe out tariff duties, does the Senator think that the trusts would be destroyed? Suppose we should wipe out all tariff duties, or levy just such as we think would yield ample revenue, without any regard to the protective theory: Does the Senator think that the inflow of products from Europe or from China would do away with these trusts in America?

Mr. KING. Mr. President, no one is advocating a demolition of tariff walls. In dealing with our present industrial system we can not treat the question de novo. A situation exists brought about by unwise tariff laws. That these laws have

contributed to the formation of monopolistic organizations, I think is conceded by substantially all political economists and by many of our political thinkers. That being true, a step in the right direction would be to adjust our tariff rates, having in view not monopoly or trusts and combinations in restraint of trade, but the interests of the whole people.

It would be unwise, of course, to reduce important tariff duties in a drastic way. A proper survey of our industrial field would indicate to fair and impartial observers the need for reductions in many schedules and the necessity of framing tariff laws to encourage competition, not to discourage it, to afford reasonable protection to those industries requiring it, but not to give embargo protection to giant organizations that have grown rich and powerful from illegitimate profits.

I am afraid the Senator fails to see the importance, indeed, the necessity, of maintaining the competitive system, and by the competitive system I mean a system that not only permits but compels competition. The competitive system does not exist when tariff rates are so high as to exclude products or to permit only infinitesimal amounts to find entrance into our country. There are literally thousands of articles that are prohibited from reaching our shores because of high tariff duties. There are hundreds, if not thousands, of articles the imports of which are less than 10 per cent of our domestic consumption, and a majority of those I have in mind are less than 5 per cent, and no inconsiderable number less than 1 per cent.

High tariff rates are an inducement to monopoly. That is exemplified in our own country. Whenever tariff rates were increased, from the days of the Civil War down to the Fordney-McCumber law, the consolidation of industry and capital in industrial activities increased. I repeat when I say that banks are being merged, vertical and horizontal trusts are being formed and a limited number of corporations to-day control an important part of the industrial capital of our country. Whenever tariff laws are being enacted industries of the greatest magnitude, as a rule, cry for increased tariff duties.

Here we find a corporation with its hundreds of millions of dollars of assets and which has nearly one hundred millions of surplus and reserves asking for a rate of duty above that recommended by the Finance Committee, although, as I believe, is in no danger of any foreign competition.

Mr. SHORTRIDGE. Mr. President, will the Senator permit a further interruption?

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

Mr. KING. I do.

Mr. SHORTRIDGE. Is there any trust among the wool-growers of America? They are asking for protection on wool. Is there a trust among the rice growers of America? Is there a trust with respect to any or all of the agricultural societies of America? They are asking for a tariff; and it may well be, and indeed it is, that they are asking for increased rates of duty.

Mr. KING. Mr. President, I do not desire to be led into a discussion of questions other than those we are considering. Permit me to say, however, that there is no trust among the wool growers of the United States. I know there has been and still is a free field and the assertion of individualism on the part of those engaged in that industry. There are thousands of farmers who are raising sheep and producing wool. There is no combination among them. Nor is there among the flockmasters of the West. And the Senator misconceives my position if he believes I am contending for the abolition of all duties. When the Fordney-McCumber bill was before the Senate I had something to do with presenting a number of the schedules, and, speaking for my party, I stated that we favored reasonable rates and that some of the amendments which would be offered to the bill would be as high or higher than the provisions of the Payne-Aldrich bill, which contained rates higher than those found in any preceding law.

In my opinion, the schedules of the Fordney-McCumber law should be carefully examined and many reductions made, particularly in those commodities controlled by industrial monopolies and trusts throughout the country. I do insist, however, Mr. President, that the antitrust laws be enforced. I believe that the results, if they were enforced, would be highly beneficial. It is manifest if the gravitational forces operating in industry are continued there will arise some powerful monopolies, and the wealth of the country will rapidly be absorbed by great organizations and combinations operating in all industrial and economic fields.

Mr. SHORTRIDGE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Will the Senator yield?

Mr. KING. I yield.

Mr. SHORTRIDGE. I was, however, interested in the Senator's statement that the tariff duties have built up, are buttressing, and in a sense now perpetuate trusts in America. If that is so, there are but two remedies: Either to enforce our domestic national and State laws against these illegal organizations or trusts, or, according to the Senator's argument, to destroy them by reducing tariff duties; one or the other.

I venture, with great respect, to put the question, inviting the Senator's further answer if he desires to make one, How does a tariff duty create a trust? and why are we impotent to enforce our laws against trusts because of a tariff law?

Mr. BORAH. Mr. President——

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

Mr. KING. I yield to the Senator.

Mr. BORAH. If the Senator from Pennsylvania [Mr. REED] comes in this afternoon to lecture the people whom he was lecturing yesterday for wasting time, I hope he will remember that our friend from California, a member of the Finance Committee, started a subject about which there is no end.

Mr. SHORTRIDGE. Mr. President——

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

Mr. KING. I do.

Mr. SHORTRIDGE. I plead guilty, and thereby hope to avoid the lecture.

Mr. KING. Mr. President, I shall feel constrained to make a very brief reply to my friend.

I repeat that if the Senator does not know of the existence of trusts——

Mr. SHORTRIDGE. I have not said that.

Mr. KING. I understood the Senator to take that position.

Mr. SHORTRIDGE. I hope the Senator will not put that statement in my mouth. I do not say that.

Mr. KING. Mr. President, of course I do not desire to misinterpret the position of the Senator. Briefly replying to his suggestions—I believe that the antitrust laws should be vigorously enforced and monopolies and trusts dissolved. I believe that it is essential to the preservation of our form of Government that we preserve the competitive system in industry and in all economic fields. I believe that if great mergers continue so that the credit system of the country is controlled by a few and that if the productive resources of the country pass into the control of a limited number of individuals there will result a condition of industrial servitude utterly incompatible with democratic institutions and our republican form of government. It is important to have political liberty but it can not be enjoyed if there is not industrial liberty.

Professor Jenks himself admits that the normal development of manufacturing industry and distribution seems to be under the direction of giant industry, if not of complete monopoly; and he declares that to legislate in opposition to this normal tendency of industry is sure to make legislation difficult if not impossible of enforcement. He declares that business is hampered by anti-monopoly mandates of the law and, if I understand him correctly, he recommends that they be elided from the law. That view is undoubtedly entertained by many. I believe that the repeal of these laws would be most unwise. I am repeating when I say that if the laws against monopolies and combinations in restraint of trade are not enforced, and if monopolies are permitted to control business and industry our institutions and our form of government will be in danger. I regret the failure to enforce these statutes. Of course the Republican Party has been in power during most of the period since the enactment of the Sherman law, but during Democratic administrations, in my opinion, there was not the vigorous enforcement of the laws that the situation required.

Mr. SHORTRIDGE. Mr. President——

The VICE PRESIDENT. Does the Senator yield?

Mr. KING. I yield.

Mr. SHORTRIDGE. I ask the Senator, What is a trust?

Mr. KING. If the Senator, with his knowledge, does not know, I am not going to fiene a trust to-day.

Mr. SHORTRIDGE. Is Henry Ford a trust because of the colossal size of his operations?

Mr. KING. Mr. President, I do not desire to prolong the discussion with respect to trusts as I desire to answer some of the arguments made by Senators who are advocating the 1-cent tariff rate on calcium carbide. However, let me say that there are vertical and horizontal trusts, and that a monopoly of a commodity or an industry may exist in the hands of some one individual. I can conceive of a situation where one man might be possessed of resources so great as to fix prices of the industry or at least of an important commodity and destroy domestic competitors. If the present antitrust laws are not broad enough to deal with all phases of interstate monopoly Congress has the power to strengthen them and to enact statutes that will deal with monopolies and trusts and price-fixing organizations regardless of the number of individuals engaged therein.

Mr. President, the Senator from Nevada [Mr. ODDIE] a few moments ago offered for the RECORD a statement from the Engineering Journal. I have just examined it, and it indicates that Norway is not so important a factor in the manufacture of calcium carbide in Europe but that Germany is the largest producer. I judge from the article that there is no ground whatever for the fear of competition from Norway, and as I view the situation no European country can be a serious competitor with the carbide company. Let us take Germany. One of the representatives of the Tariff Commission at my request secured a few moments ago from the Tariff Commission office a statement showing the cost of coke in European countries producing carbide and in the United States. Senators will recall that coke and limestone are the two ingredients in the manufacture of calcium carbide. Coke in the United States costs but $2.73 per ton; in England, $4.17 per ton; in France, $5.31; and Germany, $4.60. Limestone costs no more in the United States than it does in either of the countries just mentioned. It appears then that the question of power is the other important factor. I should add that in Canada, from the information that I have, coke costs more than it does in the United States.

Mr. COUZENS. Mr. President, where did the Senator say he got these figures?

Mr. KING. Doctor Craig, who is connected with the Tariff Commission, handed me these figures since the debate started. Doctor Watson, a tariff expert, who sits with the chairman of the Finance Committee, stated to me within the past hour that power constituted one-fourth of the cost in the production of calcium carbide, and the chairman of the committee states that the cost of the power in Norway is $6 per horsepower. My information is that in France, Great Britain, and Germany the cost is greater than in Norway. But assume that in Germany the cost of power is $6 per horsepower then according to the figures furnished me by the representative of the Tariff Commission the differential is $8 per ton—that is to say, assume that the cost of limestone and of coke is the same in Germany or Norway as in the United States and the cost of power in Norway or Germany is $6 per horsepower, the cost in the United States would be $8 per ton greater than in the countries just mentioned. The chairman of the committee states that the freight rate from Norway, and I presume it is the same from Germany, to the port of entry in the United States is $5 per ton. To transport the product to the markets of the United States by rail would be an additional cost which would reduce the differential and produce almost a condition of equality and parity in the matter of cost of production. The cost of power in the United States varies. Contracts at Niagara have been written for $19 per horsepower. I have no doubt that with the increased production of hydroelectric power in the United States there will be a gradual reduction in the power costs.

I am advised by officials of the Interior Department that the cost at Boulder Dam will be $8 per horsepower. I am also informed that power is produced in California by the use of coal at from $8 to $10 per horsepower. I do not mean that it is sold for that price, but am advised that that is the cost of its production. I should state that in Canada power costs for corporations are substantially the same as in the United States. I was informed by a representative of the Federal Power Commission that the Canadian costs for corporations and large manufacturing institutions are somewhat in excess of power costs in the United States.

Canada would, therefore, have no advantages over the United States in the production of calcium carbide, and any threat to remove plants from the United States to Canada for production of calcium carbide are idle and meaningless and made only for the purpose of frightening Congress into acceding to the demands of this great corporation. With a one-half cent tariff and with the costs of production in Canada substantially the same as in the United States it is absurd to say that the industries of the United States would suffer from Canadian importations. The one-half cent tariff would amount to $10 per ton. Would the American manufacturer remove his plants to Canada and there produce calcium carbide at costs substantially the same as in the United States for the delectable opportunity of paying a tariff duty of $10 per ton to the United States? There is another factor, Mr. President, which I should mention, and which some Senators will undoubtedly regard as important.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. NYE in the chair). Does the Senator from Utah yield?

Mr. KING. I yield.

Mr. COPELAND. Has the Senator not overlooked another factor——

Mr. KING. Wages?

Mr. COPELAND. The matter of wages.

Mr. KING. No; that was what I had in mind, and I will deal with that at this time.

Mr. COPELAND. That is so important a question——

Mr. KING. I do not attach to it the importance that the Senator does. Mr. President, during the tariff discussion there has been considerable talk about wages in the United States and in foreign countries. Senators content themselves with the mere statement of the wages paid. They do not mention the most important and, indeed, the controlling factor, namely, the productivity of labor. Measured by that standard, wages in the United States are less than in Norway or Germany and, indeed, substantially all European countries. While the American wage earner receives more money per hour or per day or per week than does the European wage earner, the American wage earner produces from two to three times as much as the European wage earner and adds in value two or three times as much as results from the labors of the European wage earner. Therefore, though wages in European countries are but from one-third to one-half as much in money as the wages paid in the United States, the European workman gives his employer only one-third to one-half as much value as does the American workman.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. COPELAND. I dislike to say that I think the Senator is very much mistaken——

Mr. KING. The Senator is entitled to his own opinion, but I can assure him that I am fortified by the records and make this statement only after a careful examination of the same. I have before me a report made by one of the experts of the Tariff Commission, which fully corroborates the statement which I have just made.

Mr. COPELAND. Even the Tariff Commission, according to the figures which were placed in the RECORD by the Senator from West Virginia [Mr. GOFF], makes it very clear, indeed, that the difference between unskilled labor in the United States and unskilled labor in Norway is the difference between from $4 to $6 here and $1.50 to $2 there.

I was in Ireland some time ago, and a friend of mine was employing stonemasons. They work 12 hours a day for $10 a week. That gives the Senate an idea of the difference between labor conditions here and labor conditions in Europe, because, of course, we would not ask and could not get a stonemason to work more than 8 hours a day, even though he were more expert he would be paid four or five or six times as much.

Mr. KING. Mr. President, notwithstanding the illuminating remarks of my friend, I still affirm the correctness of the position which I have taken.

Now, let me proceed to amplify what I said a moment ago.

I have here a chart prepared by the expert referred to which contains a vast amount of information showing the ratio of wages and production of labor horsepower in specified industries in United States and certain European countries. I call attention to the first column—bituminous coal. It states that the amount of wages paid in the United States in the year was $1,382; in Great Britain, $866. But the American workman produced 876 tons of coal for the wages received and the British workman produced but 290 tons, so that the per cent of quantity was as 33.11 is to 100, which represents less than one-third. In Germany the amount of wage paid for the same period was $601, or 43.49 per cent of the wage paid to the American workman; but the American miner produced 876 tons of coal and the German miner but 296 tons, or slightly more than one-third as much as the American miner. In the chemical industry the American workman received $1,444; the British workman, $596; but the value of the product resulting from the American workman's labors was $9,822, while that of the British workman was $4,348, or 44.27 per cent of the value resulting from the labor of the American workman.

The chart further shows in the case just stated that the value added by manufacture by the American wage earner was $4,944; but the value added by the British worker was only $1,970, or 39.85 per cent of the value added by the service of the American workman. I should add, Mr. President, that one reason why the American worker is able to produce so much more than the foreign workman and to add so much greater value as the result of his labor to the commodity is the increased use of horsepower in the United States. For instance, in the chemical production the wage earner in the United States employs horsepower of the value of $11.81 as against horsepower of the value of $4.03 in Great Britain, or 34.12 per cent as much horsepower as is employed by the American workman.

Let me call attention to cement. The American workman received $1,403 and the British workman $660 or 47.04 per cent of the wages paid to the American workman, but the American cement worker produced cement of the value of $4,206 as against

$1.540 produced by the British cement worker. The British worker produced, therefore, but 36.61 per cent in quantity of cement produced by the American workman and but 36.38 per cent in value. The American workman added by manufacture, as a result of his labor, $4,858 to the product, but the British workman added but $1,741, or 35.84 per cent of the value added by the American workman. In horsepower the American workman in producing the quantity just mentioned consumed horsepower of the value of $22.68, but the British workman consumed horsepower of the value of only $9.45.

In Germany the employee engaged in the production of cement produced in quantity $1,829 as against $3,628 by the American workman, or 50.41 per cent of the quantity produced by the American workman.

Mr. President, I will read one more list, taken at random from the charts before me; it covers electrical machinery and supplies. The American wage earner received $1,350 as against $501 paid to the British workman, the latter receiving but 37.11 per cent of the amount paid to the American wage earner; but the American wage earner produced a product in the amount of $6,419, while the British worker produced a product of the value of $2,509, or but 39.09 per cent of the value of product produced by the American worker. The value added by the American wage earner as a result of his services was $3,765, while the value added by the services of the British worker was $1,198, or 31.82 per cent of the value resulting from the American wage earner's services.

Mr. President, on the charts before me I have a large number of groups of industrial products and substantially the same percentages are found in each group. Let me give one more example. Boots and shoes—the American wage earner received $1,091 and the British workman $511.

The quantity produced by each for the wage paid was 1,563 by the American wage earner and 899 by the British workman Stated in value the American workman produced a product of the value of $4,793 and the British workman a product of the value of $1,603. Those figures, of course, include the prices paid for the materials used in production. The value added to the product by the labor of the American wage earner was $2,144 but the value added by the British workman was only $846 or 39.45 per cent.

Let me give one more illustration: In Germany in the production of pig iron the German worker receives $465, while the American wage earner in the production of pig iron receives $1,605. The quantity of the product produced by the American worker was 1,099 and the quantity of the product produced by the German worker was 321.

Senators will perceive from these figures that although the wages paid are larger in the United States, the employer receives, as the result of his employee's services, very much more than does the British or German employer. In other words the productivity of the American workman is two or three times greater than the productivity of the English or German worker.

Mr. President, in making these comparisons there is no purpose whatever to draw any invidious comparisons between the United States and other countries. The fact is that we in the United States, because of superior natural advantages, can produce cheaper than in most countries in the world. We have an abundance of raw materials. Many European countries are denied raw materials and are compelled to import them. Our industries are more efficiently managed. Mass production has played an important part in accomplishing the results to which I have just referred. An important factor is the very large use of electricity in our manufacturing plants. The American manufacturers consume three or four times as much electric power per man as do the European manufacturers.

Mr. President, in another chart furnished me by the expert and who bases his statements upon the census reports and the reports of manufacturing industries, I find this statement on page 18 of the memorandum:

> In the United States in 1925 the number of wage earners in certain manufacturing industries were 8,384,261. The wages paid were $10.729,968,927, or an average wage per year of $1,280. In Great Britain the average wage was $513. The value added by manufacture in the United States by the workmen referred to amounted to $26,-778,066,026, or $3,194 by each wage earner. In Great Britain the added value by manufacture was $4,729,350,425, or $1,096 by each wage earner, or 34.41 per cent of the value added by the American wage earner.

Mr. President, the memorandum which I have, including the tables referred to, contains many more tables which I should like to present for the consideration of the Senate, but shall not take the time to do so.

Mr. SHORTRIDGE. Mr. President——

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

Mr. KING. I know what the Senator is about to quote from—a report which has been issued by the Department of Labor. He has referred to it several times and offered it for the consideration of the Senate some time ago. I am entirely familiar with the report, having examined it several times.

Mr. SHORTRIDGE. I was going to ask the Senator if he has compared the figures in this report with those to which he has been referring.

Mr. KING. I have examined the figures and they are not in conflict with the figures which I have submitted. The report which the Senator has in his hands shows that the actual money paid in wages is greater in the United States than that paid in foreign countries. But the Senator misses the point which I am making—that wages are not wholly determined by the amount of money received. I recall that a few years ago when I was in Russia I paid 500,000,000 rubles for a pair of shoe laces, and in Germany I paid several hundred million marks for a raincoat. German and Russian workmen were receiving rubles and marks, which according to their face value, amounted to enormous sums per day, but the amount received measured by what could be purchased was pitifully small. The value of money depends upon what money will buy, and the value of wages to the employer is what the wage earner produces. And in determining the differences in cost in the United States and in other countries it is not sufficient to show that the American wage earner receives higher wages than the wages paid in foreign countries. If the American wage earner produces three times as much as the foreign workman, it is no proper criterion in measuring costs to compare the money wage paid in the respective countries.

Mr. SHORTRIDGE. The Senator is criticizing the Secretary of Labor.

Mr. KING. I am criticizing no one, and I am not retracting any statement made.

Mr. SHORTRIDGE. These are authoritative figures.

Mr. KING. I am stating that I am not discussing the figures in the report, but they do not measure the production of the foreign wage earner as against the production of the American employee, and therefore they lose their value as a basis for any proper and just determination of the factors to be considered in laying tariff duties.

Mr. COPELAND. Mr. President——

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

Mr. KING. I yield.

Mr. COPELAND. Of course, I have been very much interested in what the Senator has said, but I still insist that in Norway, to be specific, unskilled labor is paid from $1.50 to $2, while in the United States it is paid from $4 to $6.

Mr. KING. I can not entirely agree with the Senator as to what unskilled labor receives in the United States, but even if that were true it does not call for any modification of the principle for which I am contending that the final test of wages and cost is the productivity of labor. But since the Senator has referred to wages paid in the United States, let me call his attention to a publication issued in September of this year and compiled from Government statistics. The publication referred to is the Manufacturers' News.

Let me add that I have before me numerous reports from the Department of Labor, from the American Federation of Labor, and also from the National Industrial Conference Board, over which, the Senator will recall, President Hoover presided. These reports show the wages paid in industries in the United States. But first let me mention what the Senator knows is a fact, that in the highest protected industries of the United States the wages are the lowest, and the highest wages are paid in those industries which are not protected. Those engaged in the building trades receive wages very much higher than those in any protected industry, and the same can be said of the vast army of railroad employees. The chemical industry, which is the most prosperous of any industry in the United States, pays the lowest wages. The wages paid measured by the value of the products in the United States is between 8 and 10 per cent. Directing attention to the publication just mentioned:

In the automobile-implements industry the average weekly earnings, and these are skilled workmen, were $31.16; in the automobile industry, $32.67; in the boots and shoes industry, $21.64.

May I digress to remark that the higher the tariff and the larger the earnings of the great manufacturing corporations which have built up fortunes by virtue of their high tariffs and which have formed great trusts, the lower the wages paid.

In the chemical industry, which has been so protected and has so profited, the weekly wages are only $28.51; cotton industry, $19.66; in another group of cotton manufactures, $13.85; electrical engineering, $28.25.

Mr. COPELAND. What figures did the Senator give for the chemical industry?

Mr. KING. I gave $28.51.

Mr. COPELAND. In Germany in the chemical industry the rates are $11 for skilled labor and $9 for unskilled labor.

Mr. KING. I am familiar with those figures. The Senator is not telling me anything new. I showed a few moments ago, but the Senator does not seem to appreciate the significance of the facts, that one American will produce a much larger quantity of a given product than a man in Germany, and that the value of his efforts in the United States is three or four times as great as the value of the efforts of a man in Germany. So when we come to productivity the American manufacturer has all the advantage. He may pay two or three times as much in wages per man, but he gets ten times as much in quantity and in value of products for his wages. There is the difference.

How do we determine the value of the wages?

Mr. COPELAND. I am sure the Senator will forgive me for saying that I think he is mistaken. I have seen German workmen work, and there is not anybody, even by so forceful and eloquent a speech as the Senator from Utah is making, who could convince me that an American workman produces three or four times as much as a German workman—and I am not reflecting at all upon either man when I say that.

Mr. KING. The Senator is entitled to his opinion. I am giving the figures, and if the Senator is interested I am sure he will ascertain that the difference in productivity is exactly what I have stated. It is the productivity that determines the wages.

Mr. BLACK. Mr. President, will the Senator yield?

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

Mr. KING. I yield.

Mr. BLACK. I am interested in the figure that is under consideration. With reference to productivity, does the Senator mean that the American, by reason of additional machinery, produces more? Is that the idea?

Mr. KING. I said that is an important factor, as I have attempted to indicate.

Mr. BLACK. I would imagine that is what the Senator referred to, because there are so many people of foreign birth who work in the factories both in this country and in Canada; but I presume the productivity, if it were more in the United States, would be due largely to improved machinery and power.

Mr. KING. I think that is one important factor and I wish to emphasize it. We have, I believe, superior plants and machinery. Perhaps in the manufacture of a few commodities Germany may have equal mechanical and technical advantages. I think our organizations are more efficient, and mass production has contributed to the increased productivity of individuals. All of these factors are to be taken into account.

I repeat that when we determine the production per man in the United States and the production per man in the countries to which I have referred, we find that we outstrip them and the result is, as shown by the report of the Department of Commerce to which I called attention a few days ago, that we are sending abroad fabricated products from the factory and mill and mine and, as Doctor Klein said, underselling Europe in their own markets because of the cheapness of production in the United States.

Mr. COPELAND. Mr. President, will the Senator yield further?

Mr. KING. Certainly.

Mr. COPELAND. The Senator has said, however, that in the chemical industry the general statement he has made does not apply.

Mr. KING. Oh, no.

Mr. COPELAND. I say, and I think the Senator must agree with me, that when we come to chemical production we are getting into a field where the Germans are particularly expert. When the Senator says that the Germans turn out only one-third as much as we do in the chemical industry, I suggest to him that anyone who has had the opportunity of visiting institutions of the same sort in the two countries must know he is mistaken.

Mr. KING. Of course I pay tribute to the knowledge of my friend from New York.

Mr. COPELAND. Oh, the Senator does not need to do that!

Mr. KING. I visited plants in Germany three years ago and five years ago. I examined many plants in various parts of Germany. I pay tribute to the intellectual power of the Germans, their genius and skill. But we have chemists in the United States who are the equal of chemists in any country. The chemical industry has developed in the United States in a most remarkable way, until to-day the United States produces 50 per cent of the chemical products of the world. We produce more than France and Great Britain and Germany put together.

I am saying nothing derogatory to the genius and skill and great achievements of the Germans in the field of chemistry, as well as in other fields. But we have superior resources. We have better coal than has Germany. If the Senator investigated he learned that the brown coal does not possess the heat units that our bituminous coal contains. Germany lacks the raw materials that we have in the United States. The result is that our production has increased until to-day the gross earnings of the United States is $80,000,000,000, while the production of Germany to-day is scarcely one-third.

But let me proceed with the matter of wages. In one division of our country in the cotton-manufacturing plants the weekly wages are $13.85; in electrical manufacturing, $28.25; furniture, $25.58; hosiery and knit goods, $21.72; iron and steel, $35.13; leather and tanning, $24.54—I will leave off the cents and just give the dollars from now on—meat packing, $25; paints and varnishes, $28; paper and pulp, $27; printing, books, and paper products, $24; rubber, $29; silk, $23; wool, $21; foundry and machine shop, $28; foundries, $29; miscellaneous, $27; hardware and small parts, $25.72.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. KING. I yield.

Mr. WALSH of Massachusetts. I should like to inquire of the Senator if I am correct in stating that there is no evidence of any distress on the part of the domestic concerns which are producing this commodity?

Mr. KING. There is none.

Mr. WALSH of Massachusetts. And there is no question as to the soundness of their financial condition?

Mr. KING. The earnings of the company to which I have referred are so great that the Senator would be shocked if I should read them.

Mr. WALSH of Massachusetts. Is it not also a fact that there are practically no imports of this commodity into this country?

Mr. KING. The Tariff Commission reports——

Mr. WALSH of Massachusetts. If there are imports, they are very trivial?

Mr. KING. Yes; amounting to about 1 per cent.

Mr. WALSH of Massachusetts. Let me ask the Senator if there is occasion for tariff protection, unless it exists in the imagination, upon a commodity of which there are no imports and no element of financial distress so far as any American producer is concerned?

Mr. KING. The question answers itself. I wish the Senator would look at this document which I have, consisting of scores of pages, embracing hundreds of commodities, not one-tenth of which show imports to exceed 2 or 3 per cent, and perhaps in the case of one-half of them the imports are 1 per cent or less, and, indeed, in the case of many of the commodities listed there are no imports whatever. Yet we are proposing to levy high tariff rates in this bill on those commodities.

Mr. WALSH of Massachusetts. Does the Senator agree with me that anybody who has any consideration for the consumer in America ought to inquire before protection is granted, Is there any competition from abroad; is there any distress among the producers here? If those two factors do not exist, if it is shown that the American industry is profitable, that there are practically no imports of the articles being received, then, in the name of elementary common sense, what is the occasion for protection, no matter how extreme one may be in favor of the principle of protection?

Mr. KING. Mr. President, there is no reason, of course, for protection in the case assumed by the Senator, and that is the case before us now. In this instance the imports are 1 per cent, the production is increasing every year, the assets of the company are being multiplied, and its dividends being increased. My recollection is that it has a surplus of some $87,000,000; that its net earnings for 1928 were more than forty-odd million dollars, and that it was among the number of corporations referred to in the condensed report which was published and to which reference was made by the Senator from Idaho, and which report has been supplemented by another in which it is shown that the earnings for the first six months of the limited number of corporations embraced in the report were $2,560,000,000, or $530,000,000 more than the earnings for the corresponding six months of 1928. In other words, with earnings during the past six months $500,000,000 greater than the earnings for the corresponding six months of last year in the case of a limited number of corporations—and this is one of them—we are impor-

tuned to save this weak, puny infant; that it will die of inanition unless we continue the tariff duty of 1 cent a pound.

Mr. WALSH of Massachusetts. Mr. President, the conditions cited by the Senator convincingly prove that there is far from being distress among the producers of this commodity.

Mr. COPELAND. Mr. President——

Mr. KING. I will yield to the Senator in a moment. The Senator from New York, in the very eloquent appeal which he made, stated that if we reduced the tariff rate to one-half of 1 cent his State would suffer; that thousands of people would be thrown out of employment. I affirm, Mr. President, that the Senator is founding his argument upon a basis that can not be justified by the facts; he is entering into the realm of prophecy and imagination, just as the distinguished Senator from California [Mr. SHORTRIDGE] did a few moments ago. Now I yield to the Senator from New York.

Mr. COPELAND. Mr. President, I thank the Senator. I should like to have the attention of the Senator from Massachusetts for a moment. There is not any question about the Union Carbide & Carbon Co. suffering; they will not suffer; that is not the point I make. I am not interested in the Union Carbide & Carbon Co., but that company owns plants in Canada, and it does not care whether it makes this commodity at Niagara Falls, with a protective duty of 1 cent, or makes it in Canada without any protection and brings it over into the United States from there. I am not interested in that company; its earnings have nothing to do with this matter. My contention—and the Senator from Utah was just a little bit sarcastic about my posing as a prophet——

Mr. KING. That was not sarcasm.

Mr. COPELAND. All I have to do is to read history between the passage of the tariff act in 1922 and the present date. When we had this article on the free list it was made in Canada and exported into the United States to the amount of 31,000,000 pounds; but when it became protected the manufacturers brought their plants over to our country. I am not interested in the Union Carbide Co., let me say to my friend from Massachusetts, but I am interested in the men and women who work in my State. Their fate is at stake, in my opinion, and that is the reason why I am in opposition to my friend from Utah, who speaks eloquently on the general aspects of the tariff question, but his argument is one which does not apply specifically to the case in point.

Mr. KING. Mr. President, I have attempted to address myself specifically to the case in point. I have shown that the cost of coke in the United States is $2.77 a ton, while in Norway, in Germany, in France, and in Belgium the cost is $4.60 to $5.70 a ton. I have stated that limestone is just as cheap in the United States as it is in Canada or in other foreign countries, and that the cost of coke in Canada is a little more than in the United States, that coke and electricity are the ingredients in the production of this commodity. I have shown that power in Canada costs substantially the same for large corporations as it does in the United States. At Niagara Falls the contract price is $19, while the contract price of corporations in Canada is a little more than that. I am taking the figures now of those who are the proponents of this scheme—and I use the term not offensively. They say that the power contributes only one-fourth to the cost, and, allowing for the difference between the cost of power, as they give it, in Norway and the cost of power in the United States and in Canada, there is a differential of $8 a ton. Add that $8 to the cost abroad and there would still be given to the American producer under this tariff rate a differential or advantage of more than $10 a ton.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. KING. I yield.

Mr. WALSH of Massachusetts. If I follow the argument of the distinguished Senator from New York, it may be summed up as follows: If any American producer wants to get increased tariff protection——

Mr. KING. He will merely have to go across the line.

Mr. WALSH of Massachusetts. All he has to do is to start a factory across the line——

Mr. KING. Certainly.

Mr. WALSH of Massachusetts. And threaten to move his whole industry there unless we give him the protective duty he demands, without any consideration of the general public interest or of the consumer?

Mr. KING. The Senator is right.

Mr. President, I am pleading for the consumer. There are few who speak for him when tariff bills are under consideration. His voice was inarticulate at the hearings; the consumers were not there.

Mr. WALSH of Massachusetts. Mr. President——

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

Mr. KING. I yield.

Mr. WALSH of Massachusetts. Has not the reduction to one-half of 1 cent been recommended by certain Senators in this body who are known to be among the most dependable protectionists here and whose records, as demonstrated by the report made on this bill, indicate that they desire to afford protection on every possible occasion where it can be justified from their standpoint?

Mr. KING. Mr. President, there are some Senators on the Finance Committee who will be glad, I think, to see reasonable tariff rates written into the proposed law. The Republican members of the Finance Committee, however, after considering the situation, recommended one-half of 1 cent, and for reasons which obviously appear satisfactory to them now they recommend an increase to 1 cent.

Mr. ODDIE. Mr. President——

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

Mr. KING. I yield the floor.

Mr. ODDIE. Mr. President, does the Senator from Utah take that position in spite of the fact that there is a possibility, which I have pointed out, that a duty of 1 cent a pound on carbide will result in the use of a great deal of the coal of the State of Utah?

Mr. KING. Mr. President, I hope the Senator does not think that I would support a measure only because it might possibly in the remote future benefit my State. There is a principle involved in tariff legislation. Undoubtedly if Utah could find a market for her coal it would be of great benefit to the State, but I shall not accept the plausible statements of the Senator and the promises, real or imaginary, of some corporation that it will build a carbide plant in Nevada. Many specious promises are made concerning the establishment of new industries when tariff bills are before Congress. Let me ask my friend: Suppose a plant were built in his State or in mine; where will a market be found for the product? There is a freight rate of no mean proportions which is a handicap difficult to overcome. We find it difficult to find a market upon the Pacific coast for our coal, because of the freight differential. We can not ship east because of the high freight rates to the markets in the East. The intermountain States, with their many advantages, have some disadvantages. But I shall not enter into a discussion of the question raised by the Senator at this time.

When the power plant in Boulder Canyon has been built eight or nine years from now, and electric energy is then developed, then let the Senator come here and plead as eloquently as he did a few moments ago for a carbide plant in Nevada, and perhaps there will be valid reasons for giving most serious attention to his plea.

Mr. ODDIE. Mr. President, I should like to reply briefly to the Senator from Utah.

In the first place, the Union Carbide Co. have not made promises, as the Senator from Utah has stated. I am begging them to come into the State of Nevada and investigate the Boulder Canyon power question.

In the next place, the Boulder Canyon Dam will not be built until the Interior Department is convinced that contracts can be made which will yield sufficient revenue to build it. I firmly believe that if we can get this industry in the State of Nevada, it will be a great benefit to us and to the whole western country.

The freight question can be taken care of. If we can not get this company and other industries to come into Nevada and use this power, it will go to the Southern California Edison Co., to which it has been allocated. But we want the power in our State, to be used in our State for a State industry.

Mr. HEFLIN. Mr. President, for seven years this rate on carbide has been 1 cent per pound. That is in the law now. The House fixed the rate or left the rate at that figure. The Senate Committee on Finance recommended that it be cut to half a cent; and I understand that since the members of the committee have learned the true facts the majority of them are now in favor of leaving it in this bill as the House has it. It seems to me that that is just and fair. There are only eight of these industries in the United States—1 in New York, 1 in Michigan, 1 in Minnesota, 1 in Iowa, 2 in West Virginia, 1 in Virginia, and 1 in Alabama.

I have here a brief stating about what has happened since this duty of 1 cent per pound was placed on carbide by the Congress in 1922:

Since the present tariff protection was granted, imports have fallen off because the American manufacturers who own foreign plants have

shifted all their manufacturing for the United States market to the United States plants. Other companies who previously manufactured in Canada are now operating plants in the United States.

Why, Mr. President, I would vote for the present rate for that reason if for nothing else. I will vote to keep industries in the United States—to build them up in the first place, and after building them up to keep them in the United States. I do not want these industries driven out of the country; and if Congress, by levying a tax of a cent a pound, has caused these American citizens who manufactured outside to abandon projects in other countries and come back to their own country and make this product, I welcome them back, and I bless the provision that brought them back.

Why should I vote to kill these industries in the United States? Senators have had a good deal to say about trusts. I am against trusts. But the carbide company has fought the Hydroelectric Trust. Out in Nevada that company has taken sides with the State, and tried to arrange for the State to have electric power there, instead of the power companies giving it to somebody else. The carbide company down in my State, I understand, is an independent company; and, Mr. President, the young man who built up that industry is named Swan. He is a perfect wizard in the chemical world, and you are going to hear from him. He is a second Thomas A. Edison. He is doing wonders there with his chemical establishment, and he says that in time he is going to revolutionize the business of making cheap fertilizer. I do not want him and his splendid industry driven out of my State. I want him hedged about and encouraged in every way that fair play will allow. That is one trouble with some people in the United States; you rally to the support of these gigantic interests, but when it comes to extending a helping hand to some infant industry you waste hours and hours here speaking about it as you have done to-day.

The Bible speaks about "straining at a gnat and swallowing a camel." The Senator from Utah [Mr. KING] swallowed a camel to-day and strained at a gnat. Here are eight companies in the United States, four of them in the North and four in the South, just getting a foothold and doing good work, almost supplying the entire demand in the United States. I should like to see them supply it all, so that it would not be necessary for an ounce of it to come in from any other country. I want to see the home market supplied by home enterprise and home industry. I think they are entitled to it. I would not drive a single man out of employment by my vote here if I knew it would do that. I would rather increase the wage-earning army of my country. I have no desire to increase the army of the unemployed. I want to see men and women work, and work for a living wage. I want to encourage them in that, and I want them to know that the Congress is always the friend of those who toil, who want to work, and that the Congress is willing to provide conditions that will guarantee to them an honest wage.

Here we have spent about six hours, I believe, on a question as to whether or not we will permit a rate of 1 cent per pound upon carbide to remain in the bill. The law has had it there for seven years, and we have quibbled and played and dallied around this proposition for six hours, and the Senate has been held at bay by Senators who have grown very eloquent and have indulged in much fluent speech to strike down this duty to half a cent a pound.

I will see some of these Senators later on swallow some of these tremendous rates that tower high like Pikes Peak, and they will not bat an eye; but when it comes to a question of cutting to one-half a cent a pound the duty on carbide produced by eight companies in the United States they spend hours and hours and grow exceedingly eloquent. As I say, they will take these other things later and just gulp them down and never bat an eye; but when it comes to a little thing like this the situation reminds me of a rooster out in the woods with a bunch of hens. Scratching around among the leaves he finds a worm, and he clucks and clucks, and they all run to him, and just as they get there he swallows the worm. [Laughter.] Let us vote on the amendment.

Mr. BORAH. Mr. President, in view of the dire necessity of these companies for relief, I think we ought to vote. I ask that we proceed to a vote on this matter.

Mr. HEFLIN. I call for the yeas and nays.

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

The PRESIDING OFFICER (Mr. HASTINGS in the chair). The clerk will call the roll.

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

Allen	Fletcher	Jones	Simmons
Ashurst	Frazier	Kendrick	Smoot
Barkley	George	King	Steck
Bingham	Gillett	La Follette	Steiwer
Black	Glass	McKellar	Swanson
Blaine	Glenn	McMaster	Thomas, Idaho
Blease	Goff	McNary	Thomas, Okla.
Borah	Goldsborough	Moses	Townsend
Bratton	Gould	Norbeck	Trammell
Brock	Greene	Norris	Tydings
Brookhart	Hale	Nye	Vandenberg
Broussard	Harris	Oddie	Wagner
Capper	Harrison	Overman	Walcott
Caraway	Hastings	Patterson	Walsh, Mass.
Connally	Hatfield	Phipps	Walsh, Mont.
Copeland	Hawes	Pine	Warren
Couzens	Hayden	Pittman	Waterman
Cutting	Hebert	Ransdell	Watson
Dill	Heflin	Schall	
Edge	Howell	Sheppard	
Fess	Johnson	Shortridge	

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

The question is on agreeing to the Senate committee amendment, on page 7, line 1, to insert the words "one-half of" before the figure "1," so as to make the paragraph read:

PAR. 16. Calcium carbide, one-half of 1 cent per pound; calcium oxalate, 4 cents per pound.

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

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

Mr. BRATTON (when his name was called). I have a general pair with the Senator from Pennsylvania [Mr. REED], who is necessarily absent. If the Senator from Pennsylvania were present, I understand he would vote "nay." If I were permitted to vote, I should vote "yea." In these circumstances I withhold my vote.

Mr. CARAWAY (when his name was called). I have a pair with the senior Senator from Illinois [Mr. DENEEN], which I transfer to the senior Senator from Minnesota [Mr. SHIPSTEAD], and vote "yea."

Mr. SIMMONS (when his name was called). I transfer my general pair with the junior Senator from Ohio [Mr. BURTON] to the junior Senator from Montana [Mr. WHEELER] and vote "yea."

Mr. TYDINGS (when his name was called). On this vote I have a pair with the senior Senator from Rhode Island [Mr. METCALF]. If he were present and I were permitted to vote, I would vote "yea" and he would vote "nay."

Mr. WATSON (when his name was called). I have a pair with the senior Senator from South Carolina [Mr. SMITH], which I transfer to the senior Senator from Kentucky [Mr. SACKETT], and vote "nay."

The roll call was concluded.

Mr. ROBINSON of Indiana. I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. In his absence I withhold my vote.

Mr. WALSH of Montana. I desire to announce that my colleague [Mr. WHEELER] is absent on account of illness.

Mr. FESS. The junior Senator from New Jersey [Mr. KEAN] is paired with the senior Senator from Arkansas [Mr. ROBINSON]. These Senators are necessarily absent from the Chamber.

The result was announced—yeas 37, nays 42, as follows:

YEAS—37

Ashurst	Fletcher	King	Sheppard
Barkley	Frazier	La Follette	Simmons
Blaine	George	McKellar	Swanson
Borah	Glass	McMaster	Thomas, Okla.
Brookhart	Harris	McNary	Walsh, Mass.
Capper	Harrison	Norbeck	Walsh, Mont.
Caraway	Hayden	Norris	Waterman
Connally	Howell	Nye	
Cutting	Johnson	Overman	
Dill	Jones	Pine	

NAYS—42

Allen	Glenn	Kendrick	Steiwer
Bingham	Goff	Moses	Thomas, Idaho
Black	Goldsborough	Oddie	Townsend
Blease	Gould	Patterson	Trammell
Brock	Greene	Phipps	Vandenberg
Broussard	Hale	Pittman	Wagner
Copeland	Hastings	Ransdell	Walcott
Couzens	Hatfield	Schall	Warren
Edge	Hawes	Shortridge	Watson
Fess	Hebert	Smoot	
Gillett	Heflin	Steck	

NOT VOTING—16

Bratton	Kean	Robinson, Ark.	Smith
Burton	Keyes	Robinson, Ind.	Stephens
Dale	Metcalf	Sackett	Tydings
Deneen	Reed	Shipstead	Wheeler

So the amendment of the committee was rejected.

Mr. KING. Mr. President, I give notice that when the bill is reported to the Senate I shall ask for a vote on the amendment relating to calcium carbide.

The VICE PRESIDENT. The Senator reserves a vote in the Senate on that item.

Mr. SMOOT. Mr. President, I ask that the Senate next consider the amendment in regard to casein, found on page 7, paragraph 19.

Mr. KING. Mr. President, the item of tetrachloride has not been passed upon.

Mr. SMOOT. I am aware of that fact.

Mr. LA FOLLETTE. Mr. President, I ask that my amendment regarding tetrachloride may be passed over.

The VICE PRESIDENT. Without objection, the amendment offered by the Senator from Wisconsin will be passed over.

The Secretary will state the amendment indicated by the senior Senator from Utah [Mr. SMOOT].

The CHIEF CLERK. In paragraph 19, on page 7, line 12, the committee proposes to strike out "2½ cents" and insert in lieu thereof "3½ cents," so as to read:

Casein or lactarene and mixtures of which casein or lactarene is the component material of chief value, not specially provided for, 3½ cents per pound.

Mr. SHORTRIDGE. Mr. President, on page 7, line 12, I move to amend the proposed amendment by striking out the figures "3½" and inserting in lieu thereof "8," so that the paragraph would read:

Casein or lactarene and mixtures of which casein or lactarene is the component material of chief value, not specially provided for, 8 cents per pound.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. HARRISON. The Senator from California offers his amendment as a substitute for the Senate committee amendment I understand.

Mr. SHORTRIDGE. Yes.

Mr. HARRISON. Is that substitute subject to amendment?

The VICE PRESIDENT. It is a motion to strike out and insert, and therefore the amendment of the Senator from California would be subject to amendment.

Mr. SHORTRIDGE. Mr. President, the Senate has been in session since 10 o'clock this morning and it is now 4 o'clock p. m. Many Senators have been busy; practically all of them have been busy since the Senate convened this morning. It is not my purpose to multiply words or to indulge in any general discussion as to the philosophy of tariff legislation. Perhaps it is sufficient for me to say that I believe in what is called the protective-tariff theory. I believe that rates should be imposed adequate to protect the American producer without injury, of course, to the American consumer.

Local associations directly interested in this item, namely, casein, State associations similarly interested, national associations similarly interested—each and all of these organizations made up of farmers, men and women living on the farm, are in favor of 8 cents a pound on casein. I must assume, and I do assume, that Senators who do me the honor now to listen are familiar with the subject, that they have read, possibly, the hearings before the House committee, that they have read the hearings before the Senate committee, and that they are more or less familiar, perhaps quite familiar, with the basic facts which are to be considered.

Without taking the time of the Senate to read them, I wish first to call attention to certain communications which have reached me from my State and some—indeed, many others—from other States of the Union. May I digress to say that I am not thinking of California alone? If Wisconsin or Minnesota or Florida or Iowa or any other State in the Union were here asking for these rates and California were not directly interested in them, I should take the position I take to-day, for we are one people, one Nation.

I invite attention to a telegram which comes to me from Tulare, Calif., from the Dairymen's Cooperative Creamery Association; to one of like import from San Luis Obispo, Calif., from the Harmony Valley Cooperative Creamery Association; to one from Riverdale, Calif., from the Riverdale Cooperative Creamery Association; to one from Arcata, Calif., from the United Creamery Association; to a letter from Modesto, Calif., from the Milk Producers' Association of Central California.

I shall not, as I said, trouble the Senate to read the letter, but I shall ask, as in respect of others, that it may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered. The letter is as follows:

MODESTO, CALIF., *October 10, 1929.*

Senator SAMUEL SHORTRIDGE,
Washington, D. C.

DEAR SENATOR SHORTRIDGE: We are just in receipt of information that you have introduced a new amendment to the tariff bill requesting that the duty on casein be increased from the 3½ cents recommended by the Finance Committee to 8 cents, or not less than 60 per cent ad valorem.

We want to compliment you on the stand that you have taken and assure you that our board of directors and our members will appreciate it very much when they hear the news that you have taken up their battle. I question whether the dairymen themselves appreciate the demoralizing situation that the skim-milk powder people find themselves in at the present time, and that the best relief that we can get at the present time is to convert a large quantity of the skim milk into casein, which would help very materially to steady the skim-milk powder market, and at the same time it would not mean that the price of casein would advance very materially. It would only steady it. This agricultural product should be protected, and we feel that you are doing very good work.

Very truly yours,
MILK PRODUCERS' ASSOCIATION OF CENTRAL CALIFORNIA,
G. H. BENKENDORF, *General Manager.*

Mr. SHORTRIDGE. I invite attention to a letter from Harmony, Calif., by the association there which is a cooperative creamery association; also to a communication from San Francisco to the same effect. I also offer a letter from Arcata, from the United Creameries Association, which sets forth in full the merits of the case; also a communication from Holtsville, Imperial County, Calif., from the Imperial Valley Milk Producers' Association; also a letter setting forth the facts from the Milk Producers' Association of California, following the telegram referred to; also a letter from the Point Reyes Cooperative Creamery Association; also one from the Modesto Cooperative Association; also one from the Kings County Creamery Association; also one from the Challenge Cream & Butter Association of Los Angeles, Calif.; also a letter, thoughtful, conservative, intelligently worded, from the Danish Creamery Association of Fresno, Calif.

Mr. President, there is in California the California Dairy Council. It is made up of various associations of farmers immediately interested in this particular item. I shall offer for the RECORD a letter from them, hoping that Senators will have the time to read the arguments presented by the council—representative, I repeat, of the great industry in that State. Of course, I could take up the time to read it, but I have elected not to do so because I do not wish unduly to engage the attention of the Senate.

Mr. President, I ask permission to have printed in the RECORD at this point the telegrams and letters to which I have invited the attention of Senators.

The VICE PRESIDENT. Without objection, it is so ordered.

The telegrams and letters are as follows:

TULARE, CALIF., *October 11, 1929.*

Senator SAMUEL M. SHORTRIDGE,
Washington, D. C.:

We greatly appreciate your activities on behalf American dairymen and farmers in tariff fight. Your amendment as regards casein fair and just. We need 8 cents to protect us against cheap Argentine labor in producing casein. Thanks.

DAIRYMEN'S COOPERATIVE CREAMERY ASSOCIATION.

SAN LUIS OBISPO, CALIF., *October 11, 1929.*

Senator SAMUEL M. SHORTRIDGE,
Washington, D. C.:

We received copy of your amendment increasing tariff on casein to 8 cents. We sincerely thank you for your commendable activities in behalf of the American farmer in the present tariff fight. We trust you will support Senator BROUSSARD'S amendment regarding imports from the Philippines.

HARMONY VALLEY COOPERATIVE CREAMERY ASSOCIATION.

RIVERDALE, CALIF., *October 11, 1929.*

Hon. Senator SAMUEL M. SHORTRIDGE,
Washington, D. C.:

We greatly appreciate and highly commend you for your activities in behalf of our dairymen in the present tariff fight. We sincerely thank you. Your amendment asking an increase from 3½ to 8 cents on casein is most essential in order to protect our dairy farmer against the importation of cheap Argentine casein.

RIVERDALE COOPERATIVE CREAMERY ASSOCIATION,
J. H. A. JORGENSEN, *Manager.*

ARCATA, CALIF., *October 11, 1929.*

Senator SAMUEL M. SHORTRIDGE,
Washington, D. C.:

We appreciate your active support in behalf American dairymen in present tariff fight. Your amendment increasing casein tariff to 8 cents just. We need 8 cents to prevent foreign casein from flooding American markets.

UNITED CREAMERIES ASSOCIATION,
By J. L. LEWIS, *Manager.*

HARMONY, CALIF., *September 12, 1929.*

Hon. SAMUEL M. SHORTRIDGE,
United States Senator, Washington, D. C.

MY DEAR SENATOR: After a close study of the proposed new tariff schedules our board of directors find that the duty on casein should be at least 8 cents per uound to protect the dairy industry of California and the rest of the great States in our Union from the cheap labor and low cost of production of the European, South American, New Zealand, and Australian countries.

It is our understanding that the special session of Congress was called for the express purpose of granting agricultural equality to industry.

Our organization is strictly cooperative. At present we are serving 335 dairymen in this community. We are operating under the California cooperative marketing act for the benefit of the dairy industry, and any aid that Congress can give our dairymen through increased tariffs on their products will be highly appreciated.

Very sincerely yours,

HARMONY VALLEY CREAMERY ASSOCIATION,
By M. G. SALMINA, *Manager.*

FRED L. HILMER CO.,
San Francisco, Calif., September 11, 1929.

Senator SAMUEL M. SHORTRIDGE,
Washington, D. C.

MY DEAR SENATOR: We are very much interested in the tariff on casein, being interested in a very large cooperative creamery in Humboldt County—the United Creameries Association.

We believe the duty should be raised to protect this interest, and anything you can do for the same will be very much appreciated.

Hoping you are well and with my very kindest regards, I am

Yours very truly,

FRED L. HILMER.

ARCATA, CALIF., *August 23, 1929.*

SAMUEL M. SHORTRIDGE,
United States Senator, Senate Building, Washington, D. C.

HONORABLE SIR: We have noted with interest the progress of the protective tariff situation, relative to the several dairy products.

It has been called to our attention that the tariff on casein has been raised to 3½ cents, which is grossly inadequate and entirely out of line with the several other dairy protective tariffs.

The dairy industry, which is one of America's greatest assets, suffers greatly through the importation of upward of 28,000,000 pounds of foreign casein, due to so low a tariff. This only affords 10 cents protection per 100 pounds of skim milk. The American manufacture of this particular dairy product with their well-paid labor and trained men have little chance against the foreign competitor, due to the great difference between the living standards of the respective countries.

While the tariff of 8 cents, which was recommended by the several dairy leaders, seemed too high, we of the dairy industry, in all fairness to the American dairymen, feel that it is fair and just. We feel that 8 cents is in line, and not unjust.

If memory serves correctly, our honorable and esteemed President, Herbert Hoover, in his several campaign speeches stressed largely upon the high standards of American living. Let us maintain that standard of living through the medium of our protective tariff. The eyes of one of America's greatest industry is upon her representative in this crisis, and on behalf of our several hundred dairy farmers of this section of California sincerely ask that you do all in your power to sustain this tariff figure. Your efforts on this issue in the past have been greatly appreciated in that we know that you have spent considerable time and energy on this proposition.

Respectfully,

UNITED CREAMERIES ASSOCIATION,
J. B. LEWIS, *Manager.*

MODESTO, CALIF., *June 3, 1929.*

Senator SAM SHORTRIDGE,
Washington, D. C.

DEAR MR. SHORTRIDGE: As Mr. Dooley used to say, "We see by the papers," that the tariff bill is now in the hands of the Finance Committee at Washington. We understand that you are a member of this committee, and we feel that you will do what you can to help the dairy industry secure that adequate protection which it deserves.

It is one industry in California at the present time that is doing much to stabilize agriculture. Yet there are things that are manifestly out of line. We particularly refer to the present tariff bill, which does not provide for an increase in the duty on casein.

California in the past has made very much casein. In fact, more than it is doing now. We, ourselves, at our factory are not making any casein now because it does not pay us to do so. We believe that the milk-powder industry would be helped very materially if casein would receive more protection from foreign competition. The principal source of casein at the present time from foreign countries is the Argentine, and the casein there is produced very, very cheap. California casein has a very good reputation. The quality is very satisfactory, and I believe if you would make an investigation you would find that there is no better casein made anywhere than in California. Yet we have to compete with the cheap Argentine casein produced under conditions so that they can sell it very cheap.

We feel that, as the good protectionist that you are, you will see the justice of this after you have made an investigation and will do everything you can to help us get more protection on casein and also better protection on skim-milk powder.

Our organization, located in Merced, Stanislaus, and San Joaquin Counties, has 2,500 members. As a unit they ask you to help them at this time.

Very truly yours,

MILK PRODUCERS' ASSOCIATION OF CENTRAL CALIFORNIA,
G. H. BENKENDORF, *General Manager.*

POINT REYES STATION, CALIF., *June 5, 1929.*

Senator SAMUEL E. SHORTRIDGE,
Senate Chamber, Washington, D. C.

DEAR SIR: This letter is not written with the idea that you need urging to do your duty; we know your attitude on the tariff question and believe you are in entire sympathy with us in demanding adequate protection of dairy products.

Our idea of writing then is, if possible, to furnish you with every possible argument to use in your effort to secure recognition of the claims presented by the dairy industry.

One of the most important dairy products from the standpoint of adding to the dairyman's income has apparently been entirely ignored. We refer to casein.

Casein is a product of skim milk that could be made in America in large quantities and would be a most welcome outlet for quantities of our skim milk. However, those who have attempted to manufacture it have been "stung" so hard and so often that only dire necessity drives us into making it.

The feeding of this skim milk to hogs now results in a very meager price or none at all. Consequently the dairy industry has been struggling to find an outlet. We have developed processes for drying this milk for direct human consumption, but the oceans of milk available has so glutted the market for skim-milk powder that the return to the producer for his skim milk is now very low, and unless we can turn some of this milk into casein it is headed in the very near future to a still lower price or none at all.

As a matter of fact, many factories who had taken their loss and closed their casein plants have on account of the pressure to find outlets for skim-milk products reopened them; many other new plants are going in. They are simply taking a chance that Congress will keep the platform pledges and permit American dairymen to supply the American market.

Because American factories dropped out of the game several years ago the price for the last year or two has been around 13 to 15 cents at California points, but as soon as we come back into production on any appreciable scale down will go our market to a prohibitive low price. Fifteen-cent casein returns the producer less than 20 cents per hundredweight net for skim milk.

We will not go further into statistics or statements of cost of production, imports compared to domestic supply, ability to supply the necessary quantity, grade, etc. All this has been compiled in a very fair and able manner by the National Milk Producers' Association, and with which you have no doubt been supplied.

We are therefore hoping that we have said something in this letter that will help you in securing a higher duty on casein and thus providing a real help to California and other dairymen.

With best wishes and respects to yourself, we are,

Yours very truly,

POINT REYES COOPERATIVE CREAMERY ASSOCIATION,
W. B. HOPKINS, *Manager.*

BODEGA, CALIF., *June 5, 1929.*

The Hon. Senator S. SHORTRIDGE,
Washington, D. C.

DEAR SENATOR SHORTRIDGE: As representatives of a dairying community, we are much interested in the tariff bill now before your Finance Committee and are appreciative of the help already given certain dairy products.

We note, however, there seems to be a disposition to leave out casein, and respectfully ask your aid in obtaining tariff help on this commodity. Quite a large amount of casein is imported from Argentina, where skim milk has little value and labor conditions are not on our level. We realize, of course, that a certain amount of opposition will be encountered from different sources, but think that aid to the farmer is paramount at the present time.

We feel sure you are posted on the pros and cons of this question, and will therefore not take up your time with any further argument, and hope you will be able to see your way clear to help us in the way to get the most benefit for the farmer.

Respectfully yours,

THE BODEGA COOPERATIVE CREAMERY,
By A. NICOLAISEN, *Manager*.

LEMOORE, CALIF., *June 4, 1929*.

Senator SAM SHORTRIDGE,
United States Senate, Washington, D. C.

DEAR SENATOR: We, as a member of the Challenge Cream and Butter Association, wish to thank you for all you have done in the past for the dairy industry and want to urgently ask your support in the procuring a good stiff tariff on casein.

We feel that this will go a long way toward putting the dairy industry on a good, firm basis and help in a large way to bring relief to the dairy industry as a whole.

Again thanking you for your support, we remain,

Yours respectfully,

KINGS COUNTY CREAMERY ASSOCIATION,
By W. N. HUBBARD, *Manager*.

LOS ANGELES, CALIF., *June 7, 1929*.

Hon. SAMUEL M. SHORTRIDGE,
Member United States Senate, Washington, D. C.

DEAR SENATOR: We are strongly depending upon you to win for the dairy industry a substantial increase on casein. This product now receives very light protection, amounting to only about 7½ cents per hundred pounds of skimmed milk, which are required for its manufacture. Practically all other dairy products are much better protected. Also casein would benefit much more from an increase in the tariff, since perhaps 50 per cent of the casein used in this country is imported. Casein is about the only dairy product which is imported in anything like this percentage.

Trusting that you will help us in this matter and help us to get the 8 cents per pound duty on casein which the National Cooperative Milk Producers Federation is demanding, we are,

Very respectfully,

CHALLENGE CREAM AND BUTTER ASSOCIATION,
By C. L. MITCHEL, *Secretary*.

FRESNO, CALIF., *June 4, 1929*.

Hon. Senator SHORTRIDGE,
Washington, D. C.

DEAR SENATOR: We have been watching the tariff proposition as it is developing in Washington and are very much pleased with the work that our representatives have done thus far. However, there is one item in which we are very much interested, and on which we would like to see some action, namely, the tariff increase on casein.

We are making about two cars of casein per month and are very much interested in getting a substantial increase in the tariff on casein for the benefit of the casein industry in our country.

The Danish Creamery Association, which I have had the privilege of representing as manager for the past 30 years, is owned and controlled and, consequently, represents the interests of 2,200 dairymen in the San Joaquin Valley, and they are all very anxious for some action on the casein proposition.

We have no doubt in regard to your loyalty and good work for the dairymen of California, but we can not resist urging, in our humble way, the necessity of an increase in the tariff on casein for the protection of our California dairy industry.

Respectfully yours,

DANISH CREAMERY ASSOCIATION,
By J. R. MURPHY.

Mr. NORRIS. Mr. President——

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

Mr. SHORTRIDGE. I yield.

Mr. NORRIS. I would like to say to the Senator that I have no doubt that Senators would all take great pleasure in reading all of the communications to which he refers. It is a question in my mind whether the Senator ought not to read them. We will have to spend the time to read them anyway, and while we are all here together would it not save time if the Senator would read them to us? I have received several hundred such communications. It had not occurred to me before, but it seems to me they ought to be printed in the RECORD. When I get to thinking about taking the time of individual Senators to read them separately it occurs to me, because the debate will not be finished to-day, that to-morrow I shall get a dray and bring all of my communications over here and read them to the Senate. That would be a good scheme.

Mr. SHORTRIDGE. The happy suggestion of the Senator is perhaps fully justified by my undiplomatic remarks. I said I hoped Senators would read the communications. Perhaps that was an unhappy expression. I have not taken up the time and I do not purpose taking up the time to read these several communications, but I am inviting attention to those only that come to me from California. It may well be, and I am happy to know that the Senator from Nebraska has received many, and I hope of like character. If so, perhaps I am warranted in stating now that the farming interests, the dairy interests of every State in the Union are in favor of an increased duty on this article.

Mr. EDGE. Mr. President——

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

Mr. SHORTRIDGE. I do.

Mr. EDGE. I am very glad the Senator yielded at that point, especially after the last statement he made. I am sure every Member of the Senate would like to have the facts if the Senator has possession of them through letters or other correspondence. The Tariff Summary is very indefinite on this subject. I do not know whether 8 cents or 3½ cents or some figure between those two represents the real spread or difference in cost of production between the Argentine, which seems to be more strongly in competition with us, and the United States.

I approach this question, representing a State that is teeming with industries, but with the desire to vote for whatever duty is just and proper, whether it be 8 cents or 7 cents or 6 cents or 3½ cents. As far as it is possible to ascertain the facts with respect to the difference in the cost of production at home and abroad they should be presented and our American dairymen protected in the American market.

If the Senator has information which will really give light to Senators, I am sure we would be glad to have it so we can reach some businesslike conclusion. So far as I am concerned I say without reservation in advance that I want the happy opportunity to vote for a proper differential. But it is only fair to the Senate, if the dairymen have made these calculations and have real facts, as I have no doubt they have, that we should have them presented as far as it is possible to do so. We are asked for trade facts whenever an industrial schedule comes before the Senate. We have made every possible effort to get these facts. We are making every possible effort to present them to the Senate and to the country. If those in California and other sections of the country who are mainly interested in the production of casein can give us the facts with reference to this item, let us have the information. I shall be glad to vote for any proper differential, but I should like to have the figures upon which a tariff can properly be computed.

Mr. SHORTRIDGE. I undertake to say the various associations that have studied the question and gathered the facts know the cost of production in Argentina and know the cost of production in America and are justified in concluding and claiming that a rate of 8 cents is necessary.

Mr. EDGE. If the Senator will yield again——

Mr. SHORTRIDGE. Certainly.

Mr. EDGE. I do not want to interrupt the Senator unduly, but this question, I think, will make my position clearer. The Senator repeats that the representatives of the dairymen's association understand the situation. I do not question that they understand the situation, but I do think the Senator should present not generalities but, as far as he has them in his possession, the facts upon which the dairymen ask this rate. That is all I am asking.

Mr. SHORTRIDGE. I hear the Senator. I have had some experience in presenting cases. I am opening the discussion making certain broad statements, it may be, but I have not been in the Argentine, I have not been on every farm in America, I am not able of my own knowledge to testify. I rely somewhat upon the capacity and the integrity of men who have looked into the matter and have reached certain conclusions.

I have certain fixed views in regard to tariff legislation. It may be quite unnecessary, indeed it may seem offensive for me to appeal to Senators who have pleaded the cause of farmers and of agriculture. This item ought not to be in this schedule. It ought to be over in the agricultural schedule; but it is here, and I assume it has the sympathetic concern of Senators profoundly interested in agriculture.

But, responding to the thought of my friend from New Jersey, the cost of producing this article in the Argentine is so much. The cost of transportation from there to the United States is

so much. The cost of producing it in California, in Michigan, in Iowa or in any of the States is relatively the same, and is so much.

It has been estimated that, adding all the elements of cost together in the Argentine and adding our cost of production in the United States, 8 cents is even less than the differential or the difference in the cost of production in the one country and in the other.

Mr. BLAINE. Mr. President, will the Senator from California yield to me?

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

Mr. SHORTRIDGE. I will yield in just a moment. If that be true or approximately true—and it is very difficult, as our Tariff Commission has said, to get accurate information in regard to the cost in the Argentine—then I start out with the fundamental and to me controlling fact that the difference in cost of production is at least 8 cents if not more. I now yield to the Senator from Wisconsin.

Mr. BLAINE. Will the Senator give the figures upon which he bases that assumption?

Mr. SHORTRIDGE. It is not an assumption. I state it as a fact arrived at by those who have looked into the subject and gathered as much information as could be found.

Mr. BLAINE. Has the Senator the figures in his possession upon which he makes that statement?

Mr. SHORTRIDGE. I think they are to be found in the brief of the National Cooperative Milk Producers' Federation.

Mr. BLAINE. Will not the Senator produce them?

Mr. SHORTRIDGE. I will in my own good way, but I do not like the tone of the implied criticism that I am trying to withhold anything.

Mr. BLAINE. I am very sorry; I did not intend to imply any criticism or that the Senator was withholding anything. I just wanted the facts and figures at this time. They would be very enlightening to the Senate and helpful to me, and perhaps would save a great deal of debate.

Mr. SHORTRIDGE. I am perfectly willing to submit the case right now.

Mr. BLAINE. I do not want the Senator to assume that I had any other purpose, for I had not.

Mr. SHORTRIDGE. I invite the attention of the Senate to volume 1 of the hearings before the Committee on Finance and to the brief submitted by the National Cooperative Milk Producers' Federation, and I am somewhat driven in doing what I hoped would not be necessary. I will read a few lines from this brief. I believe that the facts therein stated are warranted, that they are not mere idle conjecture.

Mr. WATSON. From what page does the Senator read?

Mr. SHORTRIDGE. I am reading from page 368 of volume 1 of the hearings before the Committee on Finance. The federation states:

> We renew our request for an increased duty on casein from 2½ cents per pound, as it is in the act of 1922 and in the present proposed bill of 1929, to 8 cents per pound. Our request is made for the following reasons:
>
> 1. The American dairyman needs this additional casein market for his skimmed milk. In 1928 the imports of casein amounted to over 28,000,000 pounds, which would have provided an additional market for 1,000,000,000 pounds of American-produced skimmed milk.

Mr. NORRIS. Mr. President——

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

Mr. SHORTRIDGE. I yield.

Mr. NORRIS. Will the Senator read that again?

Mr. SHORTRIDGE. Yes. The statement is:

> In 1928 the imports of casein amounted to over 28,000,000 pounds, which would have provided an additional market for 1,000,000,000 pounds of American-produced skimmed milk.

As the Senator from Nebraska knows, casein is made from skimmed milk. The brief continues:

> 2. There is a sufficiency of supply of skimmed milk available to produce this additional 28,000,000 pounds of casein.
>
> 3. The American producer can produce and is now producing the quality of casein required for the users.

I digress to remark that we are all aware that it has been claimed that we can not produce casein of equal quality to that produced in the Argentine. I reply that we can do so; that in practically all instances we are doing so; but that by giving this industry a profitable, stabilized market it will encourage and bring about what may and will be a more uniform and superior quality of casein.

Mr. VANDENBERG and Mr. DILL addressed the Chair.

The VICE PRESIDENT. Does the Senator from California yield; and, if so, to whom?

Mr. SHORTRIDGE. I yield first to the Senator from Michigan.

Mr. VANDENBERG. The Senator's contention is that domestic casein is of equal value to foreign casein? Is that correct?

Mr. SHORTRIDGE. In many particulars, but in some, possibly, it is not.

Mr. VANDENBERG. Why is it, then, that domestic casein has been unable to obtain the domestic market?

Mr. SHORTRIDGE. There are many reasons for that. First, there may be a notion prevailing that it is inferior; second, there may be established trade relations which control the market.

Mr. VANDENBERG. Is the Senator aware of the fact that foreign casein sells in the United States at a higher price than does domestic casein?

Mr. SHORTRIDGE. I am aware that in certain instances that is a fact at the present time.

Mr. VANDENBERG. And still the Senator believes that American paper makers, hard pressed as they are at the present time financially, for some fictitious reason and not on account of the quality insist upon continuing to pay more for foreign casein? Is that the Senator's position?

Mr. SHORTRIDGE. I know what they have been doing, and I know what they will not do if this American industry shall be permitted to live and improve, but I will come to that in a few moments. I understand that what the Senator suggests is one of the arguments against the increase in the tariff rate.

Mr. HOWELL. Mr. President——

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

Mr. SHORTRIDGE. I yield.

Mr. HOWELL. I feel that I can not forego at this time making a statement with reference to the quality of casein.

It is urged that a higher price is paid for casein from Argentina. As a matter of fact, every bit of casein obtained from Argentina by the large paper manufacturers is purchased in Argentina by representatives on the ground. The value of that casein is determined by the Argentine Government and has run about 8 cents a pound. As a matter of fact, the greatest casein expert in this country in connection with the production of the kind of paper in which it is used testified that American milk produced a better casein with a less ash than the Argentine casein. Therefore I myself, after going into the matter carefully, have come to the conclusion that the suggestion that Argentine casein is being purchased at a higher price than the domestic product is a figment of the mind.

Mr. VANDENBERG. Mr. President, will the Senator from California yield to me for a moment?

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

Mr. SHORTRIDGE. Yes.

Mr. VANDENBERG. I beg the Senator's pardon and will not interrupt him further after I ask the Senator from Nebraska a question.

Mr. SHORTRIDGE. I yield.

Mr. VANDENBERG. I want to see if I understand the Senator from Nebraska. Is it his contention that to-day American paper makers are not paying more for Argentine casein than they are paying for domestic casein?

Mr. HOWELL. Mr. President, as I have stated, the price of casein, the value of casein, is reported by the Argentine Government. The average price of the product laid down in New York for the last 10 years is about 7.87 cents a pound, and paper manufacturers paid last year, according to the testimony, for domestic casein 13.2 cents a pound at the factory.

Mr. VANDENBERG. Then it is the Senator's contention that they bought the Argentine casein for from 7 to 8 cents a pound last year?

Mr. HOWELL. I mean to say that the largest consumer of casein in this country stated before the Finance Committee of the Senate that he kept a representative in Argentina to purchase casein, and he undoubtedly purchased it at the price at which the Government valued the casein which was exported, and that price, with freight to New York, has averaged for the 10 years, two years being excluded, 7.87 cents.

Mr. VANDENBERG. Mr. President, I beg pardon of the Senator from California and will not interrupt him further, but will pursue the matter in my own time.

Mr. DILL. Mr. President, will the Senator from California yield to me in order that I may ask a question?

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

Mr. SHORTRIDGE. Certainly.

Mr. DILL. I do not know whether the Senator from California can answer the question or whether the Senator from Nebraska or the Senator from Michigan can answer it, but I should like to have explained the question I have in mind. What constitutes a better quality of casein? What element is in the so-called better quality of casein that causes it to be desirable? Is it a certain acid? Is it a certain chemical; or what is it?

Mr. HOWELL. Mr. President, casein is merely cottage cheese made from skimmed milk, shredded and dried. It will keep indefinitely if kept in a dry place. Casein that has a minimum of ash is regarded by paper experts as the best casein for that particular use.

Mr. DILL. A minimum of what?

Mr. HOWELL. A minimum of ash. The domestic casein has less ash on an average than the Argentine casein. But it has been claimed that there is not sufficient care exercised in connection with the production of casein in this country to afford a uniform standard product. The reason for that is that the farmer has been making only 2 cents a gallon for skimmed milk, and it is worth that to haul it to the station. The consequence is that there has been no serious attempt in this country to produce a uniform standard grade of casein.

Mr. SMOOT. Mr. President——

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

Mr. SHORTRIDGE. I yield.

Mr. SMOOT. In answer to the Senator from Washington I wish to say that as I understand the great difference lies in the manner in which the product is treated. It is produced one way in the United States and in another way in the Argentine. In Argentina all of the casein is sun dried, and it never burns. In America it is precipitated and dried in a tunnel, and it is claimed by the paper manufacturers that by drying in a tunnel frequently it is burned. That is about what the evidence before the committee shows.

Mr. WALSH of Montana. Mr. President, I think I can throw a little light on this matter.

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Montana.

Mr. SHORTRIDGE. I will be glad to have the Senator throw light on it.

Mr. WALSH of Montana. My understanding is quite in accord with that advanced by the Senator from Utah, that the essential difference between the domestic casein and foreign casein is that that which comes from Argentina is dried in the sun, while the domestic casein is artificially dried, and in the process of artificial drying it is more or less burned and other accidents occur. In those sections of the country where casein is produced under conditions practically the same as in Argentina, where the casein is sun dried, in the arid sections of the country, where moisture is not absorbed from the atmosphere, as in California, Idaho, and Montana, a quality of casein is produced that is not only equal to but superior to the Argentine product, and for the simple reason that it is sun dried, and for the additional reason, suggested by some, that the business in this country is comparatively new.

I am told by the manager of the Land o'Lakes Creamery, the largest cooperative creamery association in America and probably in the world, that they have devised a system, through extensive laboratory tests, by which their artificially-dried casein is quite equal to the foreign sun-dried casein. How that may be, I am not further prepared to say; but the real essential difference is simply in the method of drying.

Mr. SHORTRIDGE. I thank the Senator for his statement. I assumed that Senators were generally familiar with those facts.

Mr. BARKLEY. Mr. President——

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

Mr. SHORTRIDGE. I yield to the Senator.

Mr. BARKLEY. I should like to ask the Senator from Montana, whether, in his opinion, it would be possible over large areas of the United States to sun-dry sufficient quantities of casein to supply the American demand with a sufficiently excellent quality to compete with the quality produced in the Argentine?

Mr. WALSH of Montana. Mr. President——

Mr. SHORTRIDGE. The Senator from Montana may answer the Senator.

Mr. WALSH of Montana. I do not have the information that would enable me to say; but the dairy industry is expanding in a most gratifying way all through the mountain region, where the climate is at least as arid as that of Argentina. I have here a letter from producers of casein in my State, who say that according to recent tests made in San Francisco and in New York our casein ranks as high as any that is put upon the market anywhere.

Mr. SHORTRIDGE. Unquestionably so.

Mr. BARKLEY. Are there any sun driers of this casein in other States besides Idaho, Montana, and California?

Mr. WALSH of Montana. Casein readily absorbs moisture from the atmosphere. Indeed, as a matter of course, it is moist in the first place and must be dried; and in a humid climate the drying proceeds under adverse conditions. Therefore they are obliged to resort to artificial means to accomplish the necessary drying.

Mr. BARKLEY. The point I was inquiring about was whether there is any possibility of enlarging the area in which the sun-drying of casein can occur beyond California, Idaho, and Montana.

Mr. WALSH of Montana. Of course, Wyoming conditions are substantially the same. Utah conditions are the same. Nevada conditions are the same. Arizona conditions are practically the same; and it can be produced under at least as favorable conditions as it is produced in Argentina throughout the arid section of the country.

Mr. JONES. And parts of eastern Washington.

Mr. WALSH of Montana. Quite right—and parts of eastern Washington.

Mr. BARKLEY. Does that apply to western Nebraska and Kansas?

Mr. WALSH of Montana. I should say so.

Mr. BLAINE and other Senators addressed the Chair.

The VICE PRESIDENT. Does the Senator from California yield; and to whom?

Mr. SHORTRIDGE. I yield first to the Senator from Wisconsin.

Mr. BLAINE. I may be able to clear up some of this misunderstanding.

Drying is not the only process in the manufacture of casein. It is just one of the processes.

Mr. SHORTRIDGE. Mr. President——

Mr. BLAINE. I was going to explain why the quality of American casein is just as good as the quality of Argentine casein.

Mr. SHORTRIDGE. All right. Understand my position to be that we can produce and are producing casein of a quality as fine as that which comes from the Argentine. The Senator from Montana [Mr. WALSH] has explained how we can do it in certain States, pursuing the method, generally speaking, pursued in the South; but by other processes we can also make as fine, and I think superior, casein.

Mr. BLAINE. Mr. President——

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

Mr. SHORTRIDGE. I do.

Mr. BLAINE. With the permission of the Senator from California, I want to suggest that the quality of casein does not depend alone upon the method of drying. It depends upon the method of precipitating the curd, washing the curd, pressing the curd, drying the curd, and finally grinding the curd.

There are a great many processes through which the curd must go before it is of a high quality and grade. The natural method of drying, sun drying, of course, may be desirable because of the very probable fact that it does not cost quite so much to produce it; but in States like Minnesota, New York, Wisconsin, and Iowa, where there is a tremendous production of skimmed milk, all of the processes in the manufacturing of casein up to the time of drying are identically the same as in every other State in the Union. Modern machinery with the electric dryer perhaps has produced the ideal system of drying casein uniformly, and therefore that part of the process will produce a high-grade casein, so that in the New York market—that is, the American market and the Argentine market—on October 7 the quotations on casein I give as follows. These quotations were obtained by the Tariff Commission and given to me at that time.

The standard ground casein in carload lots, in bags—that is one type of casein—was 16 to 16¼ cents per pound. The corresponding casein according to American standards is the 20-30 mesh, the coarser-ground casein. It is not coarse; it is very fine. It is used in the process of manufacturing paper by the casein coating. The 20-30 mesh in the New York market was 15½ cents to 16 cents, only one-quarter of a cent less than the Argentine product designed for identically the same use. So that to-day American casein on the New York market is practically of the same quality and of the same grade that goes into the process of manufacturing casein-coated paper.

Moreover, Mr. President, the casein as sold in New York is the reground, redried, and refined casein and is processed in the

final process of the finished product in grinding operations in New York. The same operations are taking place on a large scale in the State of Minnesota, I understand, through one organization.

I shall discuss the other features of the matter afterwards; but I thought perhaps that might clear up the situation.

Mr. SHORTRIDGE. I thank the Senator; from all of which we conclude that we do manufacture a superior grade of casein. We can do it, we are doing it, by the different processes referred to; wherefore and finally the only question is, What shall be the rate of duty?

Mr. DILL. Mr. President, will the Senator yield?

Mr. SHORTRIDGE. Pardon me a moment. That is the question. Shall it be what we are asking? When I say "we," I mean to include all these associations throughout the Nation. Shall it be 8 cents or a less rate? That is the only question for us to determine.

Mr. DILL. Mr. President——

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

Mr. DILL. I asked the question that I did for the reason that the State I represent in part produces a tremendous amount of dairy products, but the part of the State that produces the largest amount of dairy products does not have sunshine four months of the year. That is why I was very much interested in the methods that were discussed here, and I am simply concerned to vote for whatever rate will really protect the American producer.

Mr. SHORTRIDGE. I think I am warranted in saying, supplementing what the Senator from Wisconsin [Mr. BLAINE] has just stated, and addressing myself to the Senator from Washington, that the processes of manufacture are now such that they can be advantageously employed in the Senator's own great State of Washington; and I am quite sure that those of the Senator's constituents directly interested in this question will avail themselves of these processes to their material advantage, and without—I always bear that in mind—any injury to any other American industry.

I know that learned Senators here may oppose this rate upon the ground that it will impose an undue burden upon certain manufacturers. I would not do any industry injury—not intentionally, and I hope never unintentionally—but I have taken the position all my life that the first man to consider in America is the farmer of America; not that he is any better man or more patriotic man than the miner or the manufacturer, but inasmuch as he feeds the Nation we should think of him first, perhaps, not overlooking others. I wish the Senate to know, as people elsewhere know, that I believe in such tariff rates as will adequately protect every branch of the agricultural industry.

I wish the Senate to know my view, my theory of tariff legislation as we proceed to consider rates, that we should put adequate tariffs on mining products to protect and encourage men engaged in that great American industry; and that by adequate duties we should protect and encourage the manufacturing industries of our country. I want the city to be prosperous, which is the market for the farm. I want the farm to be prosperous, which is the market for the city.

We have here what I may call a farm product. It is called casein. It comes from milk. It is an important thing to the dairy men and women of this Nation. There is competition between us and the South American country. The conditions of labor prevailing there as affecting this article are such that the American family living yonder in Washington, or yonder in Nebraska, or in my own native State of Iowa can not compete in respect of this particular article with the South American. Therefore, we are considering at this moment the rate of duty we shall place upon this article.

The rate fixed in the present law is 2½ cents a pound. It is agreed upon all hands that that is not sufficient. The Senate committee was persuaded, convinced, to fix the rate at 3½ cents a pound. Those directly interested in the subject matter are asking for what might at first blush be considered an exorbitant, an unwarranted rate of 8 cents. There may be certain Senators who think that perhaps 6 or 6½ cents would be ample; but I submit that 8 cents is not an undue rate, that it is needed, and that it should be granted.

Mr. President, in this broken way I have laid before the Senate the proposition. Other Senators will add to what I have poorly said. I understand there are those who wish to be heard in opposition to the suggested rate. For the moment, I am willing to submit the case.

Bearing in mind, however, the suggestion of the Senator from New Jersey that he wanted the facts and the figures, I can do no more than repeat what I have stated, namely, that the difference in cost is estimated at more than 8 cents a pound. Applying the protective-tariff doctrine, the rate should be at least 8 cents.

While the great State of Texas was not mentioned, I can imagine that they have some sunshine there and some dry days, and ample territory, and that in due season that imperial State will be turning out more of this article, perhaps, than any other State in the Union.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from California yield to the Senator from New Jersey?

Mr. SHORTRIDGE. I yield.

Mr. EDGE. The Senator from Wisconsin referred to the cost from Argentina to New York and to the Middle West. As I followed him, I could not see where the 8 cents was warranted. He referred to the comparable article of the best class of casein produced in the two countries.

Mr. BLAINE. That is not the highest grade; that is the grade that goes into the paper-making industry. The higher grade is of finer mesh. Our standard would be 80 to 100 mesh; the Argentine standard would be fine ground. That sells for about a cent a pound more than the American grade. In the commercial grade, the maximum, the Argentine product sells for about a quarter of a cent more than the American product.

Mr. EDGE. That is as I followed the Senator. With the further permission of the Senator from California may I ask the Senator from Wisconsin whether he will later put those cost figures and comparisons into the RECORD?

Mr. BLAINE. I will be glad to.

Mr. WATSON. Mr. President, I would like to ask the Senator from California a question for information.

Mr. SHORTRIDGE. Certainly.

Mr. WATSON. It was stated before the Finance Committee in the testimony that the Saturday Evening Post, the Ladies' Home Journal, and the Country Gentleman had changed from casein-coated paper to supercalendered paper, and that Vogue, Vanity Fair, and House and Garden were considering such a change.

Mr. SMOOT. And a half a dozen others.

Mr. WATSON. Yes. The gentleman who appeared, a man by the name of Lucas, stated that an 8-cent duty on casein would place an additional cost of $200,000 on Vogue, Vanity Fair, and House and Garden. I am wondering, then, if we place the tariff so high—and I want to make it high enough to make it amply protective, of course—and thereby increase the cost necessarily, whether or not we will not necessarily limit the market. What is the Senator's view of that?

Mr. SHORTRIDGE. Mr. President, my answer to that is this: That argument, of course, was put up to the dairymen, and others who are asking this rate, and they make reply. They do not think there will be a turn to a substitute for casein; but assuming that this rate is put on, and it be feared that the price of casein would be raised to such a figure as would cause these paper men or other users to turn to a substitute, such fear is groundless—the casein producers will not commit industrial suicide, they will not insist upon prices which would destroy their own market.

Upon that point I recall the hearing before the Senate committee. I called that fact to the attention of the dairymen, and suggested that they must take their chance on losing their market, and their answer was that there would be no material substitution, and certainly there would be no substitution by reason of an undue increase in the price of the product.

What they want is a stabilizing of this market. What they want, and what I want, is that they shall have the benefit of the American consuming market. They are the producers, and I claim as to this article, and as to every agricultural article, that the American producer is primarily entitled to the American consuming market, and that he ought not to be brought into competition with the products of the poorly paid, the cheaply paid labor of other countries.

Mr. SMOOT. Mr. President, there is a limit to where we can go.

Mr. SHORTRIDGE. Of course there is a limit.

Mr. SMOOT. The testimony before the committee showed that an 8-cent rate, as suggested by the Senator, would drive all of the publications necessarily to the use of calendered paper instead of coated paper, and I believe that to be true. Three of the great periodicals of the country, using more paper than any of the other agencies in that line in all America, under present conditions have changed from the coated paper to the calendered paper.

The Senator knows that at the hearings our table was filled with periodicals, the representatives of those periodicals saying that just as surely as we fixed the rate at 8 cents a pound on

casein every one of those magazines would be printed on calendered paper.

Mr. SHORTRIDGE. I know their arguments, and I know the motives that prompted them. They are purely, and perhaps legitimately, selfish arguments. But their argument proceeds upon the assumption that if we fix the rate at 8 cents the price of the article would go up correspondingly. Their argument proceeds upon that assumption. It would never happen. But this rate would give us the control of the home market, which the American producer can supply at reasonable cost to the consumer.

Mr. President, I am very deeply interested in this item, as I am in every other agricultural item in this bill. In support of my views I perhaps wasted the time of the Senate Finance Committee, as I fear I have too long detained the Senate this afternoon.

Mr. WALSH of Massachusetts. Mr. President, I desire to have placed in the RECORD in connection with this subject a letter from H. W. Mattison, vice president of the Monite Waterproof Glue Co., of Minneapolis, which presents the views of the glue industry which use casein extensively, and also a summary of the evidence which I have prepared on this subject.

The letter and brief are as follows:

MONITE WATERPROOF GLUE CO.,
Minneapolis, Minn., September 5, 1929.

Senator DAVID I. WALSH,
Senate Office Building, Washington, D. C.

DEAR SENATOR: From casein we have been making cold-water glue in powdered form for the gluing of wood since 1916. Together with other casein glue manufacturers we take about 20 per cent of the United States casein consumption. Casein glue has the peculiar property of resisting intense heat and moisture. It is required in certain kinds of construction, and it is highly desirable but not absolutely necessary in others.

We must recognize two distinct kinds of casein, noncompeting, viz, domestic and imported. The former, inferior, unreliable, and lacking in uniformity is available to-day at 12½ cents per pound delivered to our plant. None of this grade is imported. The latter, standard throughout the world, at 17¾ cents delivered. Roughly, 65 per cent of our raw material is casein, one-third domestic, two-thirds imported.

Once we inadvertently manufactured an order of glue from straight domestic casein and shipped it to a customer in your State who found it to be inferior, rejected and returned it. We replaced it with glue containing the proper amount of imported casein, which was quite satisfactory.

The trade knows of many instances where big woodworking mills have sustained heavy losses on account of rejection due to the use of all-domestic casein glue.

We can not produce casein glue up to the rigid specifications demanded by the Navy Department and others from domestic casein alone.

Riding on the crest of a wave of sentiment the importance of casein as an item of farm relief has been greatly exaggerated, the value of the total annual United States consumption being only about $6,000,000. It is true that domestic production has increased somewhat since 1922, but importation has increased commensurately, so that the ratio remains almost exactly as before. In other words, the domestic growth should be attributed to the increased demand which can be satisfied partly by inferior low-priced casein, rather than to the tariff.

Skim milk is converted into domestic casein after it has left the farm. Approximately 90 per cent is produced by privately owned nonprofit sharing plants, 10 per cent, or less than 2,000,000 pounds, valued at $250,000 by cooperatives. It has been reported that at best even an 8-cent tariff would increase the price paid the farmer for milk only one-half cent per hundredweight (four-tenths of 1 per cent of the total value of the milk), or 50 cents per farmer per year in the important dairy States (p. 71, Senate hearings, Schedule 16, free list).

Inasmuch as the farmer buys a great many commodities that embrace the use of casein it must be considered that he would be the loser under this tariff program. (Attached hereto is a partial list of 200 such commodities.)

While the Tariff Commission and the House committee and the House of Representatives have recommended that the duty on casein remain at 2½ cents per pound the Senate committee bill raises it to 3½ cents. This would mean that for every million pounds of casein we would have to pay $6,600 into the Treasury, and half that amount, or $3,300, to milk plants, only a very, very small part of which would ever get all the way back to the actual farmer who produces the milk.

Prior to 1922 casein was on the free list and our business showed healthy growth. The 2½ cents duty had the effect of reducing our volume 40 per cent immediately and permanently, and we have paid no dividend since. The business was lost mainly to a competing adhesive said to be manufactured from raw material imported from the Orient.

In competition with glues of animal and vegetable origin the casein glue manufacturers of the country are already waging a grim fight for existence, and in the face of a higher tariff they must expect to expire. While casein glue has superior properties, which make general use desirable, the trade can not afford to pay higher-than-present prices and will use substitutes instead. That is to say, outside competition would prevent the use of high price imported casein and straight domestic casein is impossible of use.

Will Congress decide that it is sound economics to crush these industries so that the "private creamery interest" and a handful of farmers may benefit temporarily?

We are for farmers and farm relief, but certainly unless and until domestic casein is potentially available in quantity, quality, and uniformity equivalent to imported casein no additional tariff should be imposed. We know of no method or equipment, published or secret, whereby the quality of domestic casein can be improved so as to equal the imported. This situation probably is due to certain important natural factors present in the country of principal production.

We contend that imported casein does not displace the domestic, quality considered, and therefore it should not be taxed.

Respectfully submitted.

H. W. MATTISON,
Vice President Monite Waterproof Glue Co.

SUMMARY OF SENATOR WALSH OF MASSACHUSETTS UPON CASEIN

In plain English, this is milk curds combined with calcium and dried. Its principal use is in making coated paper, 75 per cent of our domestic consumption being so used. It is also used extensively by glue manufacturers in making cold-water glue.

In 1922 it was given a duty of 2½ cents per pound, which was not changed in the Hawley bill, although very strong representations were made by farm spokesmen to have it raised to 8 cents per pound and not less than 60 per cent ad valorem. Requests for this increase were repeated before the Finance Committee. The Finance Committee recommended an increased duty, namely, 3½ cents per pound.

The argument advanced by those seeking increased duties are:

(1) It will help the domestic milk producers. It is claimed that 10,000,000,000 pounds of skim milk is annually "wasted" which could be used in the manufacture of casein were the duty high enough to exclude foreign casein and warrant the building of plants capable of making casein from this "waste" milk. (S. H. 76.)

(2) It is claimed by farm spokesmen that the duty they are asking would return to the farmers "not less than 5 cents a hundred pounds more for our milk." (S. H. 80–81.)

(3) The high duty, it is claimed, is necessary in order to "stabilize" the price of casein, which will then warrant large fixed investments in plants and equipment, now not warranted because the price fluctuates so much. (S. H. 91.)

(4) It is further claimed that domestic casein (oven dried) is just as good as foreign casein (mostly sun dried in Argentina).

Now, in contravention to these arguments is the following:

(1) The 10,000,000,000 pounds of skim milk alleged to be annually "wasted" is a gross exaggeration, to say the least. The advocates of the increase admit that this milk "is not necessarily wasted" but is merely "largely unaccounted for." (S. H. 77.) "Unaccounted for" may mean it is fed to pigs and chickens on farms but not officially recorded anywhere. According to the Tariff Commission in the United States the most profitable outlets for skimmed milk are in the production of evaporated and condensed milk and milk powder. In the Corn Belt skimmed milk is usually fed to hogs; consequently the quantities of skimmed milk available from that area for the production of casein is limited. In Argentina casein is the only product made from skimmed milk. (Tariff Summary, 107.)

(2) The assertion that the increased duty would increase the farmer's return on milk by not less than 5 cents per 100 pounds is extremely weak for the following reasons:

(a) The most profitable outlets for skimmed milk in the United States, according to the Tariff Commission (Tariff Summary, 107), are not casein, but condensed milk and milk powder. (b) Overproduction of casein would be bound to occur and depress the price of casein more than the farmer would gain on his skim milk. Assuming that there are 10,000,000,000 pounds of milk now "wasted" which would be used to make casein, it would produce 300,000,000 pounds of casein—about 3 pounds of casein to 100 pounds of skim milk—which is about six times the present domestic consumption. (Point made by Senator BARKLEY, S. H. 103.) This would certainly depress the price far below the present price, which the farm spokesmen make so much of as being "unstable." It is strange that the very same farm spokesmen who make the point that milk powder has been overproduced so as to be unprofitable and that a high price for potatoes resulted in a glutted market and depressed price in subsequent years (S. H. 76, 84) should not see that the very same thing could and would happen to casein if its price were "stabilized" above the competitive market price. There is no evading economic law. (c) Raising the price of casein to the paper manufacturers who use it would undoubtedly cause them to circumvent the increase by adopting either substitutes for casein, other methods of making coated paper, or both. (See S. H. 105.)

(3) The plea that an increased duty is necessary in order to "stabilize" the price of casein is not warranted in view of the fact that the

price shows a steady increase for the past five years. (Tariff Summary, 106.) (This point made by Senator SMOOT, S. H., p. 84.)

(4) The domestic casein is not as good as the foreign, according to the Tariff Commission. (Tariff Summary, 107.) "The quality of domestic casein," the commission says, "is not uniform, because of different methods of manufacture." And as for casein plastic, "French casein is superior to domestic and Argentine casein."

CONCLUSION ON DUTY ON CASEIN

Taking either of two hypotheses, it can readily be shown that the proposed duty on casein is unwarranted. First, assuming that it would enable the domestic producers to supply the home market for casein, it would increase the cost of making coated paper, glue, plywood veneers, waterproof paints, and many other commodities by millions of dollars annually. Its most dire effect would be on those industries making coated paper for an export-trade market, which are already in keen competition without this additional handicap. Second, assuming it would raise the price of casein in such a way as to materially aid the farmer, this gain would be immediately jeopardized by the adoption of substitutes, other methods, etc. In view of the evidence any proposal to increase the duty on casein is indefensible.

Mr. BLAINE addressed the Senate. After having spoken for some time—

Mr. SMOOT. Mr. President, will the Senator yield for just a moment?

Mr. BLAINE. I yield.

Mr. SMOOT. I ask unanimous consent that to-morrow speeches shall be limited to five minutes.

Mr. HOWELL. I object.

Mr. VANDENBERG. I object.

Mr. SMOOT. Then I ask that they be limited to 10 minutes.

Mr. HOWELL. I object.

Mr. VANDENBERG. I object to that, also. Will the Senator yield?

Mr. BLAINE. I see that there are just 20 minutes left before 6 o'clock, and I should like to conclude to-night.

Mr. VANDENBERG. I want to make just one remark.

I am not objecting to a reasonable limitation to-morrow; but there is another side to this question which has not been even remotely touched, and I propose to have time to present it.

Mr. SMOOT. I am perfectly aware of the other side, Mr. President, and I did not want to limit the speeches unduly; but Senators must understand the situation.

We had a simple little amendment here to-day that it took 6 hours and 20 minutes to dispose of. I am not finding fault with the objections made to my request now; but I do appeal to the Senate that after the case has been submitted to the Senate upon both sides—and the Senator from Wisconsin is doing very well indeed—the other side ought to have a chance to present the case, and then the Senate should vote. If we are going to get through with this bill at all, we ought to have some kind of limitation if it is possible; but I am not insisting upon it.

If the Senate wants to go on in this way, I can stand it; and I am not complaining at all of the Senator from Wisconsin, because he has presented this case, and I think very, very properly presented it, too. There is another side to the case; and I simply wanted to find out if it was possible to get some kind of a vote at an early time to-morrow. I want to say, also, that this has been suggested to me on both sides of the Chamber; and it was for that reason that I made the suggestion. Since there is objection, I have nothing more to say.

Mr. BLAINE resumed his speech. After having spoken in all, with interruptions, for over an hour—

Mr. WATSON. Would not the Senator prefer to conclude to-morrow?

Mr. BLAINE. Yes; I can not go beyond 6 o'clock under the unanimous-consent agreement, and I would not agree to a unanimous-consent request that we go beyond 6 o'clock.

I would like in the morning to discuss the three methods which the Tariff Commission used in their attempts to discover the cost of production, and analyze those methods, and make my deductions from those methods.

I will yield the floor at this time with that announcement.

(Mr. BLAINE'S entire speech is printed in the RECORD of October 24.)

MISSISSIPPI RIVER BRIDGE AT WABASHA, MINN.

Mr. JONES. From the Committee on Commerce, I report back favorably with an amendment the bill (S. 1816) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Wabasha, Minn., and I submit a report (No. 42) thereon. I ask for the present consideration of the bill.

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

The amendment was, on page 1, line 6, after the name "Minnesota," to insert "by the Wabasha Bridge Committee, Wabasha, Minn.," so as to make the bill read:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge authorized by act of Congress approved March 10, 1928, to be built across the Mississippi River at or near Wabasha, Minn., by the Wabasha Bridge Committee, Wabasha, Minn., are hereby extended one and three years, respectively, from the date of approval hereof.

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

The amendment was agreed to.

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

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

RECESS

Mr. SMOOT. I move that the Senate take a recess until to-morrow morning at 10 o'clock.

The motion was agreed to; and (at 5 o'clock and 58 minutes p. m.) the Senate took a recess until to-morrow, Thursday, October 24, 1929, at 10 o'clock a. m.

SENATE

THURSDAY, *October 24, 1929*

(Legislative day of Monday, September 30, 1929)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Mr. SMOOT. Mr. President, the other day I asked unanimous consent for the consideration of Senate Joint Resolution 77, giving notice that the Center Market in the city of Washington would be closed on January 1, 1931, as the Department of Justice building is to be erected upon that site. The Senator from Washington [Mr. DILL] asked that the joint resolution should go over. He has assured me since that he has no objection to it. I ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection?

Mr. BRATTON. Mr. President, I suggest that we should have a quorum call before that is done.

Mr. SMOOT. If there is any objection, I will withhold the request. The men down in Center Market are merely renting the space there temporarily, and they desire to have notice so they may know definitely when they will have to leave in order that they may make other arrangements.

Mr. BRATTON. I have no objection to the passage of the joint resolution, but the Senator realizes that there are very few Senators on the floor now, and I do not think business should be transacted by unanimous consent with such a small number present. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Allen	Frazier	King	Smith
Barkley	George	La Follette	Smoot
Bingham	Gillett	McKellar	Steck
Black	Glass	McMaster	Steiwer
Blaine	Goff	McNary	Swanson
Blease	Gould	Moses	Thomas, Idaho
Borah	Greene	Norbeck	Thomas, Okla.
Bratton	Harris	Norris	Townsend
Brock	Harrison	Nye	Trammell
Brookhart	Hastings	Oddie	Tydings
Broussard	Hatfield	Overman	Vandenberg
Capper	Hawes	Phipps	Wagner
Connally	Hayden	Pine	Walcott
Copeland	Heflin	Ransdell	Walsh, Mass.
Couzens	Howell	Robinson, Ark.	Warren
Cutting	Jones	Schall	Waterman
Dale	Kean	Sheppard	Watson
Dill	Kendrick	Shortridge	Wheeler
Edge	Keyes	Simmons	

Mr. JONES. The junior Senator from Ohio [Mr. BURTON] is necessarily absent on account of illness. I will let this announcement stand for the day.

I desire to announce that the Senator from California [Mr. JOHNSON], the Senator from Florida [Mr. FLETCHER], and the Senator from Missouri [Mr. PATTERSON] are attending a meeting of the committee having Senate Resolution 130 under consideration.

Mr. SHEPPARD. I desire to announce that the Senator from Arkansas [Mr. CARAWAY], the Senator from Montana [Mr. WALSH], and the Senator from Indiana [Mr. ROBINSON] are absent on official business.

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is absent, ill. I ask that this announcement may stand for the day.