

PART II

PROCEEDINGS IN THE HOUSE OF REPRESENTATIVES

The act was received in the House and referred to the Committee on Interstate and Foreign Commerce on January 30, 1902. On January 6, 1903, Mr. Mann, from the above committee, submitted the following report:

HOUSE REPORT

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 569) to create a new executive department of the Government, to be known as the Department of Commerce and Labor, having had the same under consideration, beg leave to make the following report and recommendation:

The only provisions in the Constitution in regard to Executive Departments of the Government are found in section 2 of article 2, wherein it is provided that the President "may require the opinion, in writing, of the principal officer in each of the Executive Departments upon any subject relating to the duties of their respective offices;" and, again, that "Congress may by law vest the appointment of such inferior officers as they think proper in the President alone, in the courts of law, or in the heads of departments."

Just what constitutes an "executive department" or the "head of a department" has not been fully determined. It is quite certain, however, that the head of such department shall not necessarily be called into the President's Cabinet in order to constitute the department an executive department within the meaning of the Constitution.

The President's Cabinet is extraconstitutional. It is not provided for by law, but exists voluntarily and by force of custom. It has become the custom, however, that when a department is created and the head thereof is denominated "secretary" or "general" to consider him as a Cabinet officer. There is, of course, nothing to prevent the President from requesting the head of any other department to attend the meetings of what is called the Cabinet. But the force of custom as it now exists is very strong. No departure from it is likely to soon occur.

The meetings of the Cabinet necessarily exercise a tremendous influence upon the policies of the Executive. A department which is represented in the Cabinet is thereby given a great advantage.

The creation of a new executive department, the head of which shall be a member of the Cabinet, is no light matter. Only two additions to the Cabinet have been created by Congress in over a century. The Departments of State, War, Treasury, and Navy, and the Attorney-General and Postmaster-General were established during the eighteenth century and during the first ten years of the existence of our Government under the present Constitution.

EXISTING EXECUTIVE DEPARTMENTS

The State Department was the first executive department created and was established under the title of the Department of Foreign Affairs by act of July 27, 1789, the title of the Department being changed to Department of State by act of September 15, 1789.

The Department of War was created by act of August 7, 1789.

The Department of the Treasury was created by act of September 2, 1789.

A salary for the Attorney-General of the United States was provided for in the act of September 23, 1789, and the office of Attorney-General was created in the last section of the act of September 24, 1789. The Attorney-General has always been one of the President's family of advisers known as a Cabinet officer, although his office was not in terms referred to as an executive office until the act of June 22, 1870, establishing the Department of Justice.

A temporary Postmaster-General was provided for by the act of September 22, 1789, and by the act of May 8, 1794, a general post-office was established at the seat of the Government with a Postmaster-General in charge. The Postmaster-General became undoubtedly the head of one of the Executive Departments of the Government, but the law did not in terms so refer to him until the act of June 8, 1872, establishing an executive department to be known as the Post-Office Department.

The Department of the Navy was created by act of April 30, 1798.

The six departments referred to above were all established practically at the commencement of the Government under the Constitution.

There have been many requests for the creation of new Executive Departments of the Government in behalf of various interests since that time, but Congress has been very conservative about granting such requests.

By the act of March 3, 1849, the Department of the Interior was established, but the name given to it in the title of the original act was a "Home Department." The Department of the Interior was intended as a "home" Department. It was to have charge of those internal affairs which needed representation in the President's Cabinet. The Interior Department is one of the greatest Departments of the Government in extent of its varied interests and the number of its employees. Many of its different bureaus or branches, however, have no connection or relationship to each other, and it is not a homogeneous Department.

The Department of Agriculture was established by act of May 15, 1862, and placed in charge of a Commissioner of Agriculture, who was not, however, considered as a Cabinet officer.

By act of February 9, 1889, it was provided that the Department of Agriculture should have a Secretary of Agriculture at its head, and the Secretary of Agriculture is considered a member of the Cabinet.

The Commissioner of Agriculture, within the meaning of the Constitution, was as much the head of a department as the Secretary of Agriculture. He might as readily have been called to attend the meetings of the Cabinet; but it never has been the policy of the President to unduly extend the size of his Cabinet. To add greatly to its numbers would destroy its efficiency. It never has been the policy, therefore, of Congress to easily create a new head of an executive

department who, under the custom, would be entitled to the courtesy of a seat in the Cabinet.

RECLASSIFICATION OF ATTACHED BUREAUS

The desire to restrict the number of Executive Departments represented in the President's Cabinet has caused Congress to place in various existing departments many subjects not at all related to the original purpose of the department. For instance, under the Department of the Treasury we have the office of Supervising Architect, the Bureau of Statistics, the Life-Saving Service, the Office of Steamboat Inspection, the Light-House Board, the Coast and Geodetic Survey, the National Bureau of Standards, and the United States Health Service.

Under the Department of War we have the improvement of rivers and harbors as aids to navigation.

Under the Department of the Navy we have the Hydrographic Office, the Naval Observatory, the Director of the Nautical Almanac.

While outside of any of the principal Executive Departments we have the Interstate Commerce Commission, the Department of Labor, the Civil Service Commission, the Commissioner of Fish and Fisheries, and the Smithsonian Institution, including under its control such scientific divisions as the National Museum, the Bureau of American Ethnology, the National Zoological Park, and the Astrophysical Observatory.

It is quite apparent from a casual examination that a proper rearrangement of the various divisions and branches of the Government service might in some cases be of considerable benefit. It is also apparent that those things which grow can never have the same degree of uniformity and regularity as do those things which are made to order.

The study which your committee has made of this subject, however, convinces us that a rearrangement and reclassification of the different bureaus and divisions of the public service devoted to scientific pursuit might well be made with great resulting benefit.

The original six Executive Departments were each created because of a necessity and propriety which was apparent. The Interior Department was created because at the time it seemed very desirable to relieve some of the other departments of what were to them excrescences, and also create an official adviser to the President who would give particular attention to the growth and development of our country internally.

The Department of Agriculture was established from a sense of eminent fitness, and its work has more than justified the most ardent prophecies of those who urged its creation.

The same may be said of all the scientific divisions in the different departments. The Weather Bureau, for instance, is the foremost meteorological institution in the world. The Geological Survey is not equaled in any other country. The Coast and Geodetic Survey is the envy of all other nations. The Naval Observatory and the Nautical Almanac direct the course of the shipping of the world. Equal praise might well be given to many other scientific branches of the Government.

It is very evident, however, that some of the statistical or other scientific bureaus of the Government have no special connection with the general purpose of the departments in which they happen to be respectively located.

REASONS FOR NEW DEPARTMENT

Having in view the conservatism of Congress in regard to creating new seats in the Cabinet, your committee has carefully examined the proposition to create a new Department of Commerce and Labor. We have had called to our attention the fact that interested and public-spirited persons are now urging Congress to establish several new Cabinet positions by creating various new departments, such as the Department of Commerce, the Department of Labor, the Department of Mines and Mining, the Department of Education, etc. It is evident that not more than one new department of the Government is likely to be created at this time in view of our past policy, but it has seemed to your committee that the enormous interests in our country not engaged in agriculture, but now engaged in trade and transportation, in manufacturing and mechanical pursuits, might well have gathered together into one new executive department of the Government those branches of the public service clearly related to their interests and which could easily be detached from the departments in which they now are. We think also that the Government might well give special consideration to the home industries of our country by giving them direct representation in the Cabinet as well as by the creation of some new bureaus devoted to their interests.

INDUSTRIAL GROWTH

The growth of business and laboring interests of our country in recent years has been enormous, as shown by the following table:

	1870.	1880.	1890.	1900.
Persons engaged in—				
Trade and transportation.....	1,229,399	1,866,481	3,326,122	4,778,233
Manufacturing and mechanical pursuits.....	2,679,278	3,784,726	5,678,468	7,112,987
Total.....	3,908,677	5,651,207	9,004,590	11,891,220

The following table shows the growth of various industries of the United States from 1860 to 1900:

Internal industries

	1860.	1890.	1900.
Manufactures:			
Number of establishments.....	140,433	355,415	512,339
Average number of employes and salaried officials.....	1,311,246	4,712,622	5,713,976
Wages and salaries.....	\$378,878,966	\$2,223,216,529	\$2,732,921,528
Value of products.....	\$1,885,861,676	\$9,372,437,283	\$13,014,287,498
Railways:			
Miles in operation.....	30,626	166,654	194,321
Number of passengers carried.....		492,430,865	576,865,230
Tons of freight carried.....		636,541,617	1,101,680,238
American vessels:			
In domestic trade..... tons..	2,807,631	3,477,802	4,338,145
On the Great Lakes..... do....	467,774	1,063,063	1,565,587
Postal growth:			
Number of post-offices.....	28,498	62,401	76,688
Receipts of Post-Office Department.....	\$8,518,067	\$60,882,097	\$102,354,579
Telegraph messages.....		55,878,762	63,167,783

Internal industries—Continued.

	1860.	1890.	1900.
Production compared:			
Gold	\$46,000,000	\$32,845,000	\$79,171,000
Silver	\$150,000	\$70,485,714	\$74,535,495
Coal	18,513,123 tons..	140,866,931	240,965,917
Petroleum	21,000,000 gallons..	1,924,552,224	2,661,233,568
Pig iron	821,223 tons..	9,202,703	13,789,242
Steel	do.....	4,277,071	10,188,329
Copper	do.....	115,966	270,588
Wool	60,264,913 pounds..	276,000,000	288,636,621
Wheat	173,104,924 bushels..	399,262,000	522,229,505
Corn	do.....	1,489,970,000	2,105,102,516
Cotton	4,861,292 bales..	7,311,322	9,436,416
Sugar	190,040 tons..	136,503	149,229
Tin plates	pounds.....	13,646,719	677,969,600
Vessels passing through Sault Ste. Marie Canal, tonnage	403,657	8,454,435	22,315,834

a For 1892.

GROWTH OF FOREIGN COMMERCE

The following table shows the growth of foreign commerce of the United States from 1860 to 1900:

	1860.	1890.	1900.
Merchandise:			
Imports	\$353,616,119	\$789,310,409	\$549,941,184
Exports	\$333,576,057	\$857,828,684	\$1,394,483,082
Gold and silver:			
Imports	\$8,550,135	\$33,976,326	\$79,829,486
Exports	\$66,546,239	\$52,148,420	\$104,979,034
Manufactures of iron and steel:			
Imports	\$1,526,594	\$41,679,591	\$20,478,728
Exports	\$5,703,024	\$25,542,208	\$121,913,548
Cotton:			
Imports of raw cotton	pounds.. 2,005,529	8,606,049	67,398,521
Exports of domestic cotton	do..... 1,767,686,338	2,471,799,853	3,100,582,188
Receipts from customs	\$53,187,512	\$229,668,585	\$233,164,871

FURTHER COMPARISONS

We have hardly thought it fair to make a comparison of the present with a century ago, but a comparison of the present with a period immediately preceding the civil war has seemed apt and proper.

The population of our country in 1860 was 31,443,321; in 1900, 84,233,069; the population at the present time is estimated at 87,233,000.

The true valuation of the real and personal property of the country constituting its wealth, was, in 1860, \$16,159,616,000, and in 1900 \$94,300,000,000.

The total number of depositors in savings banks in 1860 was 693,870; in 1900, 6,107,083. We have no record of the total deposits in banks in 1860, but in 1880 they amounted to \$2,306,000,000; in 1890, \$3,998,000,000, and in 1900 to \$7,464,000,000.

The number of farms in 1860 was 2,044,077; in 1890, 4,564,641, and in 1900, 5,739,657.

The total value of farm animals was, in 1860, \$1,089,329,915, and in 1900, \$2,981,722,945.

The total value of farm products was, in 1870, \$1,958,030,927, and in 1900, \$3,764,177,706.

Our exports of domestic cotton in 1860 amounted to 1,767,686,338 pounds, but after the abolition of slave labor the amount of export cotton fell, in 1870, to 958,358,523 pounds.

For the fiscal year of 1902 our exports of domestic cotton amounted to 3,500,778,763 pounds.

The above figures exhibit an unparalleled industrial and commercial growth.

But there remains much to be done in the future. The industrial development of our country is far from having reached maturity. For instance, last year we exported 3,500,000,000 pounds of cotton. Much, if not most, of this ought to have been manufactured in mills in our own country into cotton goods before shipment abroad.

SIMILAR DEPARTMENTS IN OTHER COUNTRIES

In the peaceful but fierce struggle for supremacy in the markets of the world our people ought not to be handicapped by reason of having no one to specially speak for their interests among the advisers of the President. Other countries have cabinet officers especially devoted to industries and commerce. The United States is almost the only one of the leading nations which fails to have an executive department to promote the interests of commerce and industry.

England has her board of trade, whose president is a cabinet officer, and her supremacy in the world's commerce is largely owing to the influence of her board of trade.

Germany has a minister of commerce.

France has a minister of commerce.

Belgium has a minister of industry and labor.

Austria has a minister of commerce and national economy.

Hungary has a minister of industry and commerce.

Russia has a special imperial cabinet of four sections, one of which is devoted to agriculture and manufacture.

The Netherlands has a minister of public works and commerce.

Spain has a minister of agriculture and commerce and public works.

Portugal has a minister of public works, industry, and commerce.

Switzerland has a minister of agriculture and industry.

Italy has a minister of industry and commerce.

Persia has a minister of commerce.

Most of the Spanish-American countries have cabinet officials whose functions are distinctly commercial in character.

EFFECT OF NEW DEPARTMENT

Our people should be given every facility in their efforts to extend their influence in the markets of the world. Our people at home should also have the benefits which may come from the application of scientific investigation and scientific principles in the manufacture and transportation of the commodities which they use.

It is very evident to all that the General Government must, in some way and manner, enter upon the regulation of the modern corporation which, with immense capital, seeks absolute control of the markets for its own commodities.

Such regulation, if wise, will benefit and not injure the manufacturing and transportation industries; but if the attempt to regulate be

made without due caution and be carried on with bitterness and without wisdom, it may cause a far greater injury to our people and the industries of our country than the evil which we seek to combat.

The Home or Interior Department was created in 1849. Following its creation came the homestead and some other land laws which have done so much toward the rapid upbuilding of the Far West.

Within its few years of active development the Agricultural Department, through its scientific bureaus, has been of inestimable benefit.

We believe that similar results can be accomplished through a department of industries which will seek, through statistical and other scientific investigation, both at home and abroad, to furnish information which will result in inestimable advantage to our people. The manufacturing and commercial interests of our country, now swollen to such enormous proportions, urgently request that they be given the consideration of a department especially devoted to the acquirement of information which will be useful to all people engaged in those pursuits.

With a proper person, of liberal mind, broad information, the acquaintance of a lifetime with subjects of trade, labor, and commerce, with a knowledge of the wants and needs of business, named by the President as the head of a new department of industries, the development of our country, both commercially and industrially, during the next few years would be accelerated to a degree not now believed possible.

If a department of industries be created, Congress ought, in order to make it most useful and effective, to transfer to it those existing branches and departments of the public service germane to the subject of commerce, manufactures, and other industries, so far as they can be transferred without too great friction and without crippling other departments of the service.

BUREAUS OMITTED

The bill as it came to your committee from the Senate proposed to transfer to the new Department the following:

From the State Department, the Bureau of Foreign Commerce.

From the Treasury Department, the Life-Saving Service, the Light-House Board, the Light-House Service, the Marine-Hospital Service, the Steamboat-Inspection Service, the Bureau of Navigation, the United States Shipping Commissioners, the Bureau of Immigration, the Bureau of Statistics.

From the Interior Department, the Census Office.

It also transferred the independent Department of Labor and the office of Commissioner of Fish and Fisheries.

Your committee has concluded, after investigation, that some of these transfers, if made under the pending bill, would create considerable confusion without corresponding benefit.

The Life-Saving Service is at the present time dependent to a certain extent upon the Revenue-Cutter Service, and the Revenue-Cutter Service is a part of the customs service, so that no transfer could be made without making provision for other inspectors of the Life-Saving Service and without various changes in existing law. It seems, however, certain that in so far as the Life-Saving Service is now a collector of marine statistics its duty in this respect ought to be transferred to the new Department, which it is proposed to make the center of statistical information in the Government.

The United States Health Service, formerly termed the Marine-Hospital Service, has certain duties to perform in connection with quarantine which might produce a conflict of authority with the Treasury Department if that Service should be transferred from the Treasury Department to the new Department.

Possibly the Steamboat-Inspection Service might be transferred without great injury to the public interests, but that Bureau has largely to do with collectors of customs at the different ports, and it has not been thought wise by your committee at this time to recommend its transfer.

There are some very strong reasons in favor of the transfer of the Bureau of Navigation and the United States shipping commissioners from the Treasury Department to the new Department. The title of the Bureau of Navigation, however, is not an entirely correct description of the duties of that office. The Bureau has to do with the collection of tonnage taxes. The tonnage taxes are collected from a ship on her entry from a foreign port through a collector of the port. The act of Congress provides that on all questions of interpretation growing out of the laws as to the question of tonnage taxes and the refund of such taxes when collected erroneously or illegally the decision of the Commissioner of Navigation shall be final.

While, therefore, the collection of the tonnage tax is made by the collector of customs, the legality or accuracy of any tax goes to the Bureau of Navigation for determination. It is very evident that in order to preserve symmetry in the matter of the collection of tonnage taxes it would be necessary to have a revision of the laws upon the subject before a transfer of the Bureau of Navigation could safely be made from the Treasury Department. We have not, therefore, included the transfer of the Bureau of Navigation to the new Department in the bill as recommended by your committee for passage.

The United States shipping commissioners are officers of the Treasury Department, located at the principal ports, engaged in supervising the affairs of seamen. All seamen who enlist as members of crews of vessels are required to enter into a contract with a proper officer or owner of a vessel before a United States shipping commissioner. He looks after them to see that no unfair advantage is taken of them and generally looks after their welfare. These commissioners report directly to the Bureau of Navigation and through the Bureau of Navigation to the Secretary of the Treasury. The Commissioner of Navigation exercises a sort of appellate jurisdiction over the contracts or form of contracts entered into by the seamen.

While it would seem desirable, for some reasons, to have the United States shipping commissioners under the control of a Department of Commerce and Labor, yet, under existing laws, their duties are so affected by their relationship to the Bureau of Navigation and the collectors of customs at the various ports that it is not deemed desirable at the present time to recommend the transfer of the Bureau from the Treasury Department.

BUREAUS TRANSFERRED TO NEW DEPARTMENT

The Light-House Service is maintained as an essential aid to commerce. It is an establishment by itself, not closely interwoven with other branches of the Treasury Department, and may well be placed in the new Department.

The newly created National Bureau of Standards is a bureau which necessarily goes into a department primarily devoted to manufacturing and commercial interests. This Bureau is destined to exercise great influence upon the development of business and commerce of our country.

The Coast and Geodetic Survey is essentially a scientific bureau, and its work is mainly for the benefit of commerce or science.

The Bureau of Statistics presents some difficulties in the way of transfer from the Treasury Department. That Bureau derives its statistics in the first instance from collectors of customs, but its scope has been recently greatly broadened. The Treasury Department is not primarily a department devoted to the collection of statistics. Statistical information is of primary value to labor, commerce, and manufacturing. We think, too, that all of the branches of the public service directed to the collection and dissemination of statistics ought to be, as far as possible, gathered under one head.

The Census Office has recently been made a permanent bureau.

Your committee therefore recommends that the Light-House Service, the National Bureau of Standards, and the Coast and Geodetic Survey be transferred from the Treasury Department and placed in the new Department. We also propose that the Bureau of Statistics be transferred from the Treasury Department, the Bureau of Foreign Commerce from the State Department, the Census Office from the Interior Department, and all placed in the new Department of Commerce and Labor, in order that the collection of statistical information, to which all three are primarily devoted, may be properly systematized and duplication of statistics may be omitted.

We recommend also the transfer of the Bureau of Immigration, including the jurisdiction of the Treasury Department over Chinese immigration, from the Treasury Department to the new Department of Commerce and Labor. The question of immigration is of particular importance to the labor interests of the country. The Bureau of Immigration ought to be in some department in connection with the Commissioner of Labor.

DEPARTMENT OF LABOR

Your committee recommends that the Department of Labor, as now constituted, be made a part of the new Department of Commerce and Labor.

There has been considerable opposition to this proposition. A majority of the leaders of organized labor, who have expressed any opinion upon the subject, have opposed the placing of the present Department of Labor in the new Department. The opposition has been based upon the idea that whoever might be selected as Secretary of the new Department would be a representative of capitalistic influence and not of labor. In view of the opposition of some of the labor leaders to the inclusion of the Department of Labor in the proposed new Department, your committee has given the subject careful and considerate examination. We are satisfied that the opposition is based upon a natural misunderstanding of the situation and a misapprehension as to the effect of such action.

The Department of Labor as now organized has its duties defined by statute. The statute provides that it shall be presided over by a Commissioner of Labor, to be appointed by the President. It is not

proposed to make any change in these provisions of the statute. If the Department of Labor is included in the new Department, the Secretary of the new Department will not have the power to appoint the Commissioner of Labor, nor will he have power to prevent the Commissioner of Labor from discharging the duties now imposed upon that office by the present act of Congress.

It is impossible to see, therefore, how there can come any injurious effect from including the Labor Department in the new Department of Commerce and Labor. As the law now exists the President can, at any time, name some one for appointment as Commissioner of Labor who may be adverse to labor and favorable to capital as against labor. It is not likely that any President will ever do this, and it is equally unlikely that he would do it if the Department of Labor were made a part of the Department of Commerce and Labor.

One of the reasons which has been urged why the Labor Department should not be included in the new Department is that there ought to be created a Secretary of the Labor Department, with a seat in the Cabinet. Whether this is likely to be done in view of the conservative action in creating new Cabinet officers in the past, it is not for your committee to judge at this time. But it will be as easy to create a Secretary of Labor if the Department of Labor is, for the present, included in the new Department as it would be if the Labor Department is left out by itself. In fact, it seems much more likely that the Labor Department will grow in the scope of its work, and hence be more likely to warrant the creation of a new Cabinet officer to represent labor interests if the proposed action is taken than would be the case if the Labor Department is left as it now is.

It has been a natural fear on the part of some of the labor leaders that the new Secretary of Commerce and Labor would have a bias in favor of capital and against labor. Granting, for the sake of argument, that this may be true, it still would leave the Labor Department as well off as it now is. No bias of the Secretary of Commerce and Labor could control or affect a Commissioner of Labor, who is not subject to removal by him and whose actions and reports are not subject to his control.

It may very properly be asked, then, why should the Department of Labor be included in the new Department if the Secretary of the new Department will have no control over the Commissioner of Labor? The duties of the Commissioner of Labor largely relate to the collection of information and publication of labor statistics. The Labor Department has a force of statistical experts. Congress occasionally, at the suggestion of the Labor Department, directs that Department, by resolution, to gather, compile, and publish certain statistical information of interest to labor. This work is done in addition to the ordinary performance of duties of the Labor Department. There is much information of great value to labor and laboring men which the Department of Labor has not been able to gather, but which it might well and easily obtain if it could help to lay out and plan the work of the permanent Census Office.

The Department of Labor, as now constituted, is principally a statistical department. Most of its duties pertain to the gathering of statistical and other information. If the Department of Labor and the permanent Census Office are in one new department of the Government it will be an easy and natural thing for the Department of Labor to

avail itself of the experts in the Census Office for the collection of statistics in addition to what are now collected, and which the Department of Labor can properly arrange for publication. Your committee believes that the value of the Department of Labor in the collection and publication of information will be increased many fold by including it in the same general department of the Government which contains the permanent Census Office and the other statistical bureaus of the Government.

Including the Department of Labor in the new Department will also call attention in a public manner to much information which is now collected, but not made much use of. The Department of Labor has collected since its organization much useful information in reference to labor legislation. Very little of this information has ever been called to the attention of members of Congress in an effective way. It is a burden upon every member of Congress to endeavor to make an examination of the annual reports of the different general departments. A statement or recommendation included in the President's message is sure to be noticed. A statement or recommendation in the annual report of one of the Cabinet officers is likely to attract some attention; but the opinion or recommendation of the head of a branch of the service not connected with one of the general departments is apt to be overlooked—not from design, not from thoughtlessness, not from lack of interest, but from lack of time and endurance.

If the Commissioner of Labor is under the Secretary of Commerce and Labor he will make a report to the Secretary of Commerce and Labor. That report will be published with the annual reports of the Department. If the Secretary of Commerce and Labor approves of recommendations made by the Commissioner of Labor, he will so state in his annual report, and probably the matter will be called to the attention of the President, to go in his annual message. If the Secretary of Commerce and Labor disapproves the recommendation made by the Commissioner of Labor he will say so in his report, and that will call attention to and advertise the recommendation of the Commissioner of Labor in a way which will call it to the attention of Congress. Undoubtedly our national Government is behind many other countries in the way of some kind of labor legislation.

Your committee does not recommend the inclusion of labor in the new Department for the purpose of suppressing labor information and agitation, but for the purpose of advancing the interests of labor, and so that the need of labor legislation may properly be called to the attention of Congress.

Your committee has also recommended that the Commissioner of Fish and Fisheries, as well as the jurisdiction of the Treasury over the fur-seal, salmon, and other fisheries in Alaska, be placed in and conferred upon the new Department of Commerce and Labor.

DUTIES OF THE NEW DEPARTMENT

Section 3 of the act which we recommend for passage provides that—

It shall be the province and duty of said Department to foster, promote, and develop the foreign and domestic commerce; the mining, manufacturing, shipping, and fishery industries; the labor interests; the transportation facilities, and the insurance business of the United States.

BUREAU OF MANUFACTURES

It is proposed to create in the new Department a new bureau, to be called the Bureau of Manufactures, the chief of which shall be appointed by the President. The province and duty of said Bureau shall be to foster, promote, and develop the various manufacturing industries of the United States, and markets for the same at home and abroad, domestic and foreign, by gathering, compiling, publishing, and supplying all valuable and useful information concerning such industries and such markets, and by such other methods and means as may be prescribed by the Secretary or provided by law.

BUREAU OF INSURANCE

The insurance interests of our country have become so great, and the business of insurance is so essentially a matter of interstate business, and hence largely beyond any effectual control by State authorities, that your committee has recommended the establishment of a Bureau of Insurance, the chief of which shall be appointed by the President. It is proposed that the duty of said Bureau shall be to exercise such control as may be provided by law over insurance companies transacting business in the United States, and to foster, promote, and develop the various insurance industries of the United States by gathering, compiling, publishing, and supplying valuable and useful information concerning insurance companies and the business of insurance, and by such other methods and means as may be prescribed by law.

The fire loss in our country in 1901 amounted to over \$160,000,000. Undoubtedly much of this loss could have been prevented through the publication of proper information, and undoubtedly one effect of a Bureau of Insurance will be to gradually secure greater uniformity in building laws and ordinances, with a view to prevent the enormous waste now suffered annually by fire.

Some idea of the magnitude of insurance interests in our country may be obtained by a reference to the business of the life insurance companies in the single State of Connecticut. During the year 1901 the thirty life insurance companies of Connecticut received in premiums \$337,911,766, and received a total income of \$425,083,858. The assets of these companies on December 31, 1901, amounted to \$1,858,241,350, and the amount of insurance in force on the same date was \$8,747,226,743.

The accident, casualty, fidelity, surety, and miscellaneous insurance companies doing business in Connecticut in the same year had an income of \$30,402,353 and carried insurance with a risk of \$5,164,309,834.

Eighty-five domestic fire and marine insurance companies of the United States and thirty fire and marine companies of foreign countries, doing business in the United States, received, during the year 1901, premiums to the amount of \$148,917,206, and had a total of income amounting to \$175,261,787, and paid losses to the amount of \$91,280,379, and had insurance risks in force December 31, 1901, to the amount of \$22,507,245,944. These figures do not include all of the insurance companies doing business in our country and do not include a majority of the mutual companies.

It seems evident from figures cited that it is time for the National Government to take such notice of and exercise such control over

insurance companies as it may be entitled to under the Constitution, to the extent, at least, of the publication of information of general interest.

BUREAU OF CORPORATIONS

Your committee also recommends the creation of a new bureau, to be called the Bureau of Corporations, the province and duty of which Bureau shall be to gather, compile, publish, and supply useful information concerning such corporations doing business within the limits of the United States as shall engage in interstate commerce or in commerce between the United States and any foreign country, and to attend to such other duties as may be hereafter provided by law.

The creation of this Bureau will make it the duty of an officer of the Government to deal with the matter of corporation information and to acquire knowledge and report recommendations concerning the manner and extent to which corporation transactions in interstate commerce shall be subjected to the influence of national legislation. Your committee believes that this is a practical step toward the legitimate control of corporations engaging in commerce among the States.

Your committee has not recommended any extended or specific legislation in regard to the character of information to be obtained or the manner of obtaining it, but has left that matter to await further legislation.

In the discussion which has generally been going on of late, and especially in those bills which have been introduced in Congress in relation to the securement of information from corporations, it has been generally suggested or provided that the collection of such information shall be had through the Interstate Commerce Commission.

The Interstate Commerce Commission is a semiexecutive and semi-judicial commission. It is engaged solely with transportation companies and with shipping interests. To place under its control the collection of all information in regard to corporations transacting interstate commerce would be to divert it from its present very onerous duties, which are sufficient to take up all of the time of the Commissioners, and would be to place a purely executive duty upon a Commission principally engaged in exercising semijudicial authority.

TRANSFER BY PRESIDENT OF OTHER BUREAUS

It is certainly desirable to have the collection of statistical information under the control of one department of the Government so far as practicable. It is also highly desirable that some other branches of the public service, such as a portion of the work of the Geological Survey, be transferred to the new Department, provided that transfer can be made without undue friction or injury to the department from which the transfer is proposed.

Your committee has therefore recommended a section in the act authorizing the President to transfer, by order in writing, at any time, to the new Department of Commerce and Labor any branch of the public service engaged in statistical or scientific work:

It is not unlikely that this section of the bill will result in the transfer of the statistical end of the Educational Bureau to the new Department. Under this section of the bill it is probable that a Bureau of Mines and Mining will grow up out of the transfer of a portion of the

work of the Geological Survey to the new Department. Other changes and transfers will suggest themselves to the Executive Department, which will result in the more thorough system of scientific investigation and in a great saving of work which is at present duplicated in different branches of the public service.

RECOMMENDATION OF COMMITTEE

Your committee, after such consideration of the subject as it has been possible for them to make, recommend that the bill of the Senate (S. 569) be amended by striking out all after the enacting clause and substituting in lieu thereof the amendment or substitute presented with this report, so that said Senate bill will read as follows:

A BILL to establish the Department of Commerce and Labor.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be at the seat of government an Executive Department to be known as the Department of Commerce and Labor, and a Secretary of Commerce and Labor, who shall be the head thereof, who shall be appointed by the President, by and with the advice and consent of the Senate, who shall receive a salary of eight thousand dollars per annum, and whose term and tenure of office shall be like that of the heads of the other Executive Departments; and section one hundred and fifty-eight of the Revised Statutes is hereby amended to include such Department, and the provisions of title four of the Revised Statutes, including all amendments thereto, are hereby made applicable to said Department.

SEC. 2. That there shall be in said Department an Assistant Secretary of Commerce and Labor, to be appointed by the President, who shall receive a salary of five thousand dollars a year. He shall perform such duties as shall be prescribed by the Secretary or required by law. There shall also be one chief clerk and a disbursing clerk and such other clerical assistants as may from time to time be authorized by Congress; and the Auditor for the State and other Departments shall receive all accounts accruing in or relative to the Department of Commerce and Labor and examine the same, and thereafter certify the balance and transmit the accounts, with the vouchers and certificate, to the Comptroller of the Treasury for his decision thereon.

SEC. 3. That it shall be the province and duty of said Department to foster, promote, and develop the foreign and domestic commerce, the mining, manufacturing, shipping, and fishery industries, the labor interests, the transportation facilities, and the insurance business of the United States; and to this end it shall be vested with jurisdiction and control of the departments, bureaus, offices, and branches of the public service hereinafter specified, and with such other powers and duties as may be prescribed by law.

SEC. 4. That the following-named offices, bureaus, divisions, and branches of the public service, now and hereafter under the jurisdiction of the Department of the Treasury, and all that pertains to the same, known as the Light-House Board, the Light-House Service, the National Bureau of Standards, the Coast and Geodetic Survey, the Commissioner-General of Immigration, the Bureau of Immigration, the Immigration Service at Large, and the Bureau of Statistics be, and the same hereby are, transferred from the Department of the Treasury to the Department of Commerce and Labor, and the same shall hereafter remain under the jurisdiction and supervision of the last-named Department; and that the Census Office, and all that pertains to the same, be, and the same hereby is, transferred from the Department of the Interior to the Department of Commerce and Labor, to remain henceforth under the jurisdiction of the latter; that the Department of Labor and the office of Commissioner of Fish and Fisheries, and all that pertains to the same, be, and the same hereby are, placed under the jurisdiction and made a part of the Department of Commerce and Labor; that the Bureau of Foreign Commerce, now in the Department of State, be, and the same hereby is, transferred to the Department of Commerce and Labor and consolidated with and made a part of the Bureau of Statistics, hereinbefore transferred from the Department of the Treasury to the Department of Commerce and Labor, and the two shall constitute one bureau, to be called the Bureau of Statistics, with a chief of the Bureau; and that the Secretary of Commerce and Labor shall have complete control of the work of gathering and distributing statistical information naturally relating to the subjects confided to his Department; and to this end

said Secretary shall have power to employ any or either of the said bureaux and to rearrange such statistical work and to distribute or consolidate the same, as may be deemed desirable in the public interest; and said Secretary shall also have authority to call upon other departments of the Government for statistical data and results obtained by them; and said Secretary of Commerce and Labor may collate, arrange, and publish such statistical information so obtained in such manner as to him may seem wise.

That the official records and papers now on file in and pertaining exclusively to the business of any bureau, office, department, or branch of the public service in this act transferred to the Department of Commerce and Labor, together with the furniture now in use in such bureau, office, department, or branch of the public service, shall be, and hereby are, transferred to the Department of Commerce and Labor.

SEC. 5. That there shall be in the Department of Commerce and Labor a bureau to be called the Bureau of Manufactures, and a chief of said Bureau, who shall be appointed by the President, and who shall receive a salary of four thousand dollars per annum. There shall also be in said Bureau one chief clerk and such other clerical assistants as may from time to time be authorized by Congress.

It shall be the province and duty of said Bureau, under the direction of the Secretary, to foster, promote, and develop the various manufacturing industries of the United States, and markets for the same at home and abroad, domestic and foreign, by gathering, compiling, publishing, and supplying all available and useful information concerning such industries and such markets, and by such other methods and means as may be prescribed by the Secretary or provided by law.

And all consular officers of the United States, including consul-generals, consuls, and commercial agents, are hereby required, and it is made a part of their duty, under the direction of the Secretary of State, to gather and compile, from time to time, useful and material information and statistics in respect to the subjects enumerated in section three of this act in the countries and places to which such consular officers are accredited, and to send, under the direction of the Secretary of State, reports as often as required of the information and statistics thus gathered and compiled, such reports to be transmitted through the State Department to the Secretary of the Department of Commerce and Labor.

SEC. 6. That there shall be in the Department of Commerce and Labor a bureau to be called the Bureau of Insurance, and a chief of said Bureau, who shall be appointed by the President, and who shall receive a salary of four thousand dollars per annum, and such clerical assistants as may from time to time be authorized by law. It shall be the province and duty of said Bureau, under the direction of the Secretary, to exercise such control as may be provided by law over every insurance company, society, or association transacting business in the United States outside of the State, Territory, or District wherein the same is organized, and to foster, promote, and develop the various insurance industries of the United States by gathering, compiling, publishing, and supplying all available and useful information concerning such insurance companies and the business of insurance, and by such other methods and means as may be prescribed by the Secretary or provided by law.

SEC. 7. That there shall be in the Department of Commerce and Labor a bureau to be called the Bureau of Corporations, and the chief of said Bureau shall receive a salary of four thousand dollars per annum. There shall also be in said Bureau such clerks and assistants as may from time to time be authorized by law. It shall be the province and duty of said Bureau, under the direction of the Secretary of Commerce and Labor, to gather, compile, publish, and supply useful information concerning such corporations doing business within the limits of the United States as shall engage in interstate commerce or in commerce between the United States and any foreign country, and to attend to such other duties as may be hereafter provided by law.

SEC. 8. That the jurisdiction, supervision, and control now possessed and exercised by the Department of the Treasury over the fur-seal, salmon, and other fisheries in Alaska, as well as over Chinese immigration, including the authority conferred by the various acts in relation to the exclusion of Chinese upon collectors of customs, be, and the same hereby are, transferred to and vested in the Department of Commerce and Labor; and the Secretary of Commerce and Labor shall designate officials of his Department to perform the duties and exercise the authority now conferred upon collectors of customs or other officials of the Treasury Department (who are not hereby transferred to the Department of Commerce and Labor) in regard to Chinese exclusion and immigration.

SEC. 9. That the Secretary of Commerce and Labor shall annually, at the close of each fiscal year, make a report in writing to Congress, giving an account of all moneys received and disbursed by him and his Department, and describing the work done

by the Department in fostering, promoting, and developing the foreign and domestic commerce, the mining, manufacturing, shipping, and fishery industries, the transportation facilities, and insurance business of the United States, and making such recommendations as he shall deem necessary for the effective performance of the duties and purposes of the Department. He shall also from time to time make such special investigations and reports as he may be required to do by the President, or by either House of Congress, or which he himself may deem necessary and urgent.

Sec. 10. That the Secretary of Commerce and Labor shall have charge, in the buildings or premises occupied by or appropriated to the Department of Commerce and Labor, of the library, furniture, fixtures, records, and other property pertaining to it or hereafter acquired for use in its business; and he shall be allowed to expend for periodicals and purposes of the library, and for the rental of appropriate quarters for the accommodation of the Department of Commerce and Labor within the District of Columbia, and for all other incidental expenses, such sums as Congress may provide from time to time: *Provided, however,* That where any office, bureau, or branch of the public service transferred to the Department of Commerce and Labor by this act is occupying rented buildings or premises, it may still continue to do so until other suitable quarters are provided for its use: *And provided further,* That all officers, clerks, and employees now employed in any of the bureaus, offices, departments, or branches of the public service in this act transferred to the Department of Commerce and Labor are each and all hereby transferred to said Department at their present grades and salaries, except where otherwise provided in this act: *And provided further,* That all laws prescribing the work and defining the duties of the several bureaus, offices, departments, or branches of the public service by this act transferred to and made a part of the Department of Commerce and Labor shall, so far as the same are not in conflict with the provisions of this act, remain in full force and effect until otherwise provided by law.

Sec. 11. That all power and authority heretofore possessed or exercised by the head of any Executive Department over any bureau, office, branch, or division of the public service by this act transferred to the Department of Commerce and Labor, or any business arising therefrom or pertaining thereto, whether of an appellate or revisory character or otherwise, shall hereafter be vested in and exercised by the head of the said Department of Commerce and Labor. And all acts or parts of acts inconsistent with this act are, so far as so inconsistent, hereby repealed.

Sec. 12. A person, to be designated by the Secretary of State, shall be appointed to formulate, under his direction, for the instruction of consular officers, the requests of the Secretary of Commerce and Labor; and to prepare from the dispatches of consular officers, for transmission to the Secretary of Commerce and Labor, such information as pertains to the work of the Department of Commerce and Labor; and such person shall have the rank and salary of a chief of bureau, and be furnished with such clerical assistants as may from time to time be authorized by law.

Sec. 13. That the President is hereby authorized to transfer, by order in writing, at any time, any office, bureau, division, or other branch of the public service engaged in statistical or scientific work, and not herein transferred to or included in the Department of Commerce and Labor, to said Department of Commerce and Labor; and in every such case the duties and authority performed by and conferred upon such office, bureau, division, or other branch of the public service so transferred shall be transferred with such office, bureau, division, or other branch of the public service, and all power and authority conferred by law upon the Department from which such transfer is made, or the Secretary thereof, shall immediately, when such transfer is so ordered by the President, be fully conferred upon and vested in the Department of Commerce and Labor, or the Secretary thereof, as the case may be.

Sec. 14. That this act shall take effect and be in force from and after its passage.

VIEWS OF MR. STEWART

I am reluctantly constrained to differ fundamentally with the majority of the committee with reference to the wisdom and necessity of establishing a separate and distinct Cabinet Department of "Commerce and Labor," or a distinct Department of either Commerce or Labor.

A proper consolidation of existing statistical divisions scattered through the great departments of the Government in one division

under an existing Department would, in my opinion, fulfill all the conditions required by the proposed new Department.

The alarming feature of the bill is that it will result, in my judgment, in transferring all the vexed questions of capital and labor which for years have harassed and embarrassed our State governments and municipalities to the arena of Federal discussion and agitation.

Being opposed to the whole scheme of a separate Department of Commerce or Labor, it is unnecessary for me to discuss what I consider the objectionable provisions of the bill.

JAMES F. STEWART.

VIEWS OF THE MINORITY

The undersigned members of the Committee on Interstate and Foreign Commerce are unable to agree with the committee in its favorable action on Senate bill No. 569, entitled "A bill to create the Department of Commerce and Labor." We do not believe that it will promote the interests and welfare of the laboring classes, or the interests of the country, to transfer or include the Department of Labor in the proposed new Department of Commerce. It must be patent to the most casual reader of the evidence given in the hearings by the committee on this subject that the interest and care of labor in this proposed new Department would be subordinate to other interests, and we can safely predict that the Secretary of the Department would not be a representative of either organized or unorganized labor.

The laboring classes are not asking for this transfer, but strong and earnest protests have been made against it, but the demand comes from other sources. By the act of Congress of June 27, 1884, the Bureau of Labor was established and placed in the Department of the Interior, which act provided for the appointment of a Commissioner of Labor. On the 13th of June, 1888, an act entitled "An act to establish a Department of Labor" was approved. This act of Congress provided that there shall be at the seat of government a Department of Labor. The Bureau of Labor organized and conducted in the Department of the Interior was abolished, and the independent Department of Labor was created and the authority of the Department and the Commissioner of Labor were enlarged as to all industrial interests and kindred subjects.

We do not hesitate to say that after a careful examination we believe that the record made by the Department of Labor since its establishment by Congress is highly creditable and has been of great benefit in the distribution of practical and useful information among all classes of people in all matters pertaining to labor in its most comprehensive sense. It has contributed to the uplifting of the working class of our people. It is not our purpose to clothe labor with any distinctive or particular interest and thus create a class antagonistic to some other special interest or class. The genius and theory of our Government is opposed to such legislation. However, we insist that no conditions or relations should be created by law that tend to promote or invite friction between the interests of capital and labor, but everything should be done to place them as near in accord as practicable.

The bill, to which we object, practically reduces the present Department of Labor to the position of a bureau in the new Department of

Commerce and Labor. This subordinate and overshadowed position that the Bureau of Labor will occupy in the proposed new Department will be such a discrimination as leads us to fear that distrust and suspicion will result in friction or create such relations as would seriously impair the usefulness and efficiency of the Department.

For these and other reasons we dissent to the report of the majority of the committee.

WILLIAM RICHARDSON.
ROBT. W. DAVIS.

DEBATE IN HOUSE OF REPRESENTATIVES

On January 15, 1903, the bill was taken up under a special continuing order to be considered in Committee of the Whole House on the state of the Union until finally disposed of:

Mr. DALZELL. Mr. Speaker, I submit the following privileged report.

The SPEAKER. The gentleman from Pennsylvania calls up a privileged report from the Committee on Rules, which the Clerk will read.

The Clerk read as follows:

The Committee on Rules, to whom was referred House resolution No. 374, have had the same under consideration, and report the following in lieu thereof:

"Resolved, That immediately after the adoption hereof of the bill (S. 569) to establish a Department of Commerce shall be the special and continuing order of business until the same shall be finally disposed of, not, however, to interfere with appropriation bills, conference reports, or other special orders heretofore made, or matters of privilege under the rules, and said bill shall be considered in Committee of the Whole House on the state of the Union."

Mr. DALZELL. Mr. Speaker, the House is aware that some time ago the Senate passed a bill creating a Department of Commerce and Labor. That bill came to the House and was referred to the Committee on Interstate and Foreign Commerce. That committee had considered the bill, and the result was a report by that committee of a substitute bill. It is the purpose of this resolution to call up that bill now for consideration. No provision is made for any curtailment of debate or of amendment or anything of the kind. It is simply made a continuing order until it shall have been disposed of, subject, however, to appropriation bills and other privileged matters in the House. I assume there is no disposition to debate this resolution, and therefore I ask for a vote.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

Accordingly the committee resolved itself into Committee of the Whole House on the state of the Union for the consideration of an act (S. 569) to establish the Department of Commerce and Labor, with Mr. Gillett of Massachusetts in the chair.

The CHAIRMAN. The House is now in Committee of the Whole on the state of the Union for the consideration of the bill which the Clerk will report by title.

The Clerk read as follows:

An act (S. 569) to establish the Department of Commerce and Labor.

Mr. HEPBURN. I ask unanimous consent that the first reading of the bill be dispensed with.

There was no objection.

Mr. HEPBURN. I presume that the time for debate will be controlled on the other side of the House by the gentleman from Alabama [Mr. RICHARDSON], who was one of those making the minority report. I ask unanimous consent that the time for general debate may be controlled by myself and by the gentleman from Alabama, and to be equally divided.

The CHAIRMAN. The gentlemen from Iowa asks that the time for general debate be equally divided between the two sides of the House, to be controlled on the one side by the gentleman from Iowa and on the other side by the gentleman from Alabama [Mr. Richardson]. Is there objection? [After a pause.] The Chair hears none.

Mr. HEPBURN. Now, Mr. Chairman, I would like to make some arrangement with the gentleman from Alabama as to the time for general debate. How many hours does the gentleman desire?

Mr. RICHARDSON, of Alabama. Had we not better let it run for a while—say until this evening—and then agree upon the time?

Mr. HEPBURN. If the gentleman prefers that, I am willing. I will now yield to the gentleman from Illinois [Mr. Mann], who reported the bill.

Mr. MANN. Mr. Chairman, I think the members of the House are so well acquainted with the sentiment of the country at large in reference to the establishment of the proposed new Department that it is not necessary to make any extended remarks upon the merits of the proposition; and yet, Mr. Chairman, there have been practically but two new departments of the Government created in more than one hundred years, the heads of which departments have been treated as Cabinet officers.

In the first organization of the Government the great Executive Departments which were created were purely administrative offices. It was necessary to have a Department of State to carry on the details of affairs with foreign countries. It was necessary to have a Treasury Department to collect and disburse the public revenues. It became necessary to have a War Department to administer the affairs of the Army. It became necessary to have a Navy Department as an administrative office to administer the affairs of the Navy.

All of the original Executive Departments at the time of their creation were purely of an administrative character. The creation of the Department of Agriculture was in a sense a departure from the previous policy of the Government. But the Department of Agriculture became not merely an administrative office, but it became an office for research and scientific investigation. In its nature it had nothing to do with, and was not required in order to carry on, the ordinary details of the Government; but the Department of Agriculture has shown to the country that an office created for that purpose may become of vast assistance to the people of the country. No doubt the success of the Department of Agriculture has had much to do with the demands or requests on the part of the commercial and manufacturing interests of the country for the creation of a Department which should be devoted primarily to the promotion and consideration of questions relating to transportation and the industries of the country. * * * [House Report, given on page 531, here incorporated].

The manufacturing industries of the country produce to-day a value in their products of nearly \$14,000,000,000, many times more than the total agricultural products of the country. The justification for the creation of the new Department is that the business of the country warrants that the Government shall carry on some of the investigations, some of the scientific research, which it can easily do with the facilities at its command and which can be used when known by all classes of the people and all of the people upon even terms, but which now are carried on in secret by the employees of some of the great corporations and used exclusively for the benefit of those corporations. But we find that in the growth of the administrative business of the country there has come up in various departments of the Government different branches of scientific investigation and different bureaus devoted to the work of collecting and distributing statistical information. And one of the purposes of the creation of this Department is to gather together all of the different bureaus now engaged in the collection of statistical information, so that the duplication in the collection of statistics which now exists may be done away with, to the benefit both of the Treasury of the country and the people who make use of the statistics.

For instance, we have in the State Department a Bureau of Foreign Commerce primarily engaged in collecting and distributing information of a commercial and statistical nature, gathered through the consular service from foreign countries. As an example of the apparent if not absolute duplication of statistical work, I may call the attention of the committee to the fact that the Bureau of Foreign Commerce of the State Department publishes quarterly a document known as "Exports Declared," which gives the declaration of exports at the different foreign ports. Now, when goods are being shipped abroad to this country, the consignor makes out a duplicate copy of the invoice of the goods. One copy of the invoice is sent by the consul to the State Department in Washington, from which the Exports Declared are made up by consular districts or ports abroad. When the person importing the goods in this country receives his invoice and makes his declaration of entry at the custom-house here, he attaches the invoice to the declaration, and the customs officers make up their report of the goods received, based in most cases upon the invoice, and the Bureau of Statistics of the Treasury Department makes its report of the importation of goods, based upon the invoice, and they publish their set of statistics. So that the Bureau of Foreign Commerce publishes one set of statistics, based upon the copy of the invoice which it receives, and the Bureau of Statistics of the Treasury Department publishes another set of statistics based upon the duplicate copy of the invoice. I do not mean to say that this may not be a proper publication, because they are arranged upon a different basis, but even in that case they ought to be arranged with a scientific knowledge of the proper relationship of the two reports.

In addition to the Bureau of Foreign Commerce of the State Department, we have the Bureau of Statistics of the Treasury Department, the Bureau of Immigration of the Treasury Department, the Census Office, and several other offices, primarily engaged in the collection of statistics. We propose to consolidate all these offices in the new Department, so that the collection of statistics may be proceeded with on a scientific basis.

Mr. GRAFF. Mr. Chairman, I would like to ask the gentleman a question.

The CHAIRMAN. Does the gentleman yield?

Mr. MANN. Certainly.

Mr. GRAFF. Relative to the provision authorizing the President to transfer statistical bureaus in the other departments of the Government to this Department of Commerce and Labor, is it obligatory upon the President to do this or is it done when his discretion moves him to do it?

Mr. MANN. It is not obligatory upon him and is not intended to in any way make the transfer of the statistical branch of the Agricultural Department. I suppose that is what the gentleman had in his mind.

Mr. GRAFF. That is true.

Mr. MANN. I do not suppose that under this provision of the law that transfer will ever be made, and certainly it will not be made unless it should be a matter recommended by the Agricultural Department itself; but there are various branches of the public service engaged in the collection of statistics where that collection is a duplication practically of the work done in the Census Office, and it is desirable to permit that work to be done by the new Department. If we did not authorize the transfer it would throw out of gear the machinery of the Government, if the work were to be done in the new Department and stopped in the old department, which would be the other way of getting at the same results. This provision also will permit the President to transfer to the new Department, if it shall be his will, the main portion of the Geological Survey, scientific in its character, but which we could not well transfer in this bill because a portion of the work is devoted primarily to the land surveys and it would have produced a confusion to make a transfer of the entire Survey.

Mr. MADDOX. Mr. Chairman, may I ask the gentleman a question?

The CHAIRMAN. Does the gentleman yield?

Mr. MANN. Certainly.

Mr. MADDOX. My question relates to the transfer of these statistical bureaus from the other departments. Is there anything in this bill now that proposes to do away with this duplicate work, or, in other words, are we to carry on this duplicate work by two or three sets of men gathering different kinds of statistics?

Mr. MANN. This bill incorporates into the new Bureau the five chief branches of the Government service engaged in statistical work. It proposes to authorize the President to transfer to the Bureau other branches of the service engaged in statistical work. I can not say how far that may be done. For instance, here is the Commissioner of Education. A large portion of his work is not statistical; a large share of the work now performed by his office is statistical. A great deal of the work performed by his office is also performed practically and to a large degree by the Census Office. This bill would permit the President to transfer to the new Department the statistical work done by the Commissioner of Education if he chooses to do so. It would permit the statistical work done by the Interstate Commerce Commission to be transferred to this Department. The Interstate Commerce Commission has certain divided duties—one of those duties, and the principal one, being semijudicial in its character. It relates to railroad rates and discriminations and to the punishment of those who receive rebates. Another of its duties is purely statistical.

Mr. MADDOX. The gentleman does not seem to get my idea.

Mr. MANN. I will say to the gentleman that the purpose of the bill is to do away with the duplication of statistics.

Mr. MADDOX. That is what I wanted to know.

Mr. MANN. And we try to reach that in the bill so that we will do away with the duplication of statistics entirely.

Mr. MADDOX. That is the object of the bill?

Mr. MANN. That is one of the main objects of the bill.

Mr. MADDOX. Well, that is a good purpose if that is what it means.

Mr. LACEY. Mr. Chairman, I would like to ask the gentleman a question.

The CHAIRMAN. Does the gentleman yield?

Mr. MANN. I yield to the gentleman from Iowa.

Mr. LACEY. I notice that it transfers the seal and salmon fisheries in Alaska to this new Department. Now, under the present arrangement, the law is enforced through the Revenue-Cutter Service. This will take away from the Secretary of the Treasury the control of this business, transferring it to another department, which will have

no machinery with which to enforce the law. Is there not danger of that, and has that matter been considered by the committee?

Mr. MANN. I will say to my friend from Iowa that I understand that the transfer of this branch of the service meets the approval of the Treasury Department. I am not certain but that the gentleman may be correct as to the need of the Revenue-Cutter Service in order to properly protect the seal and salmon fisheries of Alaska. I promise the gentleman that I will look into the matter further. I am not personally acquainted with the service.

Mr. LACEY. Mr. Chairman, if the Revenue-Cutter Service is not needed in connection with these fisheries, what is there for the Revenue-Cutter Service to do in Alaska? As I understand it, the principal work that they have been performing there has been to look after the seals and salmons.

Mr. MANN. The gentleman knows my views upon the subject of the Revenue-Cutter Service and perhaps that is the reason he asks the question.

Mr. LACEY. I was not asking for the gentleman's views. I was delving for facts. I wanted to ascertain what arrangement there is to protect the seals and the fisheries there if we transfer this business to a department that has not anything afloat with which to look after these various matters. Seriously, it seems to me, that this transfer ought not to be made, and there ought to be some good reason for making it, if it is transferred to a department that has not anything in the world with which to enforce the law.

Mr. MANN. Mr. Chairman, the gentleman from Iowa [Mr. Lacey] has given a good deal of consideration, as I remember it, to the subject, not only of game, but of fisheries, in Alaska and elsewhere, and there is no one in this body for whose opinion upon that subject I have greater respect; and I will invite his attention to this thought: The seal business of Alaska amounts to but little now. We all know the regulations in regard to it, and we all know the difficulties about enforcing any regulations which we may seek to make; but the fishery business of Alaska is of great importance. The Alaska fisheries are of value. The Alaska seals are not of much value now.

The gentleman from Iowa well knows that there is danger that the salmon-fishing business of Alaska will be wiped out of existence. The gentleman from Iowa well knows that the other Alaska fisheries are now threatened with extinction for lack of proper regulation and control. The Treasury Department is not engaged and can not be engaged in the protection of the industrial interests of the country. The Treasury Department has the great questions of finance, of income and disbursements, upon its shoulders. It has the questions of currency which agitate us so often. But here is a department which we propose shall devote itself, primarily, after the collection of information, to the protection of the industries of the country, so that it may make to Congress proper recommendations and reports upon these subjects; and no doubt when the Alaska fisheries are transferred to the new Department of Commerce, and the Secretary of that Department, through his subordinate officials, gives to this subject his best attention, we will have presented to Congress in some proper and forcible manner the need of legislation, for lack of which the fisheries are in danger of becoming extinct.

Mr. Chairman, with the transfer of the Bureau of Immigration to the new Department, we have proposed the transfer of the control over the subject of the exclusion of Chinese. We have endeavored to guard this matter very carefully. The provision in the Senate bill has been changed, but I am not sure yet whether the gentleman from California [Mr. Coombs] may not desire to present some further amendment upon that subject for the consideration of the committee.

I believe, Mr. Chairman, that if we create this Department we will find that it meets the approval of all the interests of all our country. While in the end it will undoubtedly entail some additional expense upon the country, it will in some of its particulars restrict the present expenditures, and our country, which is growing great so rapidly, can afford at this time to create a branch of the service, the head of which shall have a seat in the President's Cabinet, devoted to the industries of the country, devoted to furnishing information for the benefit of the people of our country engaged in industrial pursuits, a department which, like the Department of Agriculture, will take its place among the scientific branches of public service in the world.

No branch of our public service anywhere stands so high abroad for its scientific work as our Department of Agriculture does. May we hope in the future that the Department of Commerce and Labor may occupy a position upon an equally high plane. [Applause.]

Mr. RICHARDSON, of Alabama. Mr. Chairman, I think it advisable at this stage of the discussion for me to explain as well as I can the position of the minority on the question of this Department of Commerce and Labor. At the proper time I will move to ~~strike out~~ from the title of the bill and from each section in the bill the words

"and Labor," so that it will read, "To establish the Department of Commerce." I can not understand, Mr. Chairman, why there is such an anxiety to include the present Department of Labor in the Department of Commerce and Labor. It is readily and easily understood, it seems to me, and will be readily comprehended by any gentleman on the floor of the House who will take the trouble to read the extensive hearings before the Committee on Interstate and Foreign Commerce on the subject, that whenever that is done, the independent Department of Labor as it is to-day, created by an act of Congress, will be placed in an overshadowed and subordinate position.

I repeat, Mr. Chairman, that if anyone will read carefully, calmly and dispassionately the hearings on this subject it will be perfectly manifest that that will be the position of labor in this Department of Commerce and Labor. It will occupy a subordinate and overshadowed position. This bill in effect strips the Department of Labor of the dignity it has earned and deserves. Any man that is fair in this House would see, if he would think of the matter for a moment, that the Secretary of this Department of Commerce and Labor is in nowise likely to be a representative of labor, either organized or unorganized. You may say that a Secretary ought not to represent the interests of any class. So do I say that. But can any man shut his eyes to the overwhelming probabilities, yea, certainty, in this matter? Who is asking for the Department of Labor to be included in this new Department of "Commerce and Labor?" I propound that question, and I ask that it be answered in the discussion of this bill. Labor is not asking it, but is earnestly protesting against it. I am not here, Mr. Chairman, in the most indirect manner to indulge or engage in "pyrotechnics" or so-called demagogism of any kind whatsoever, but to present a fair, just, and proper consideration of this great subject. I am not here to ignore that which is right and ought to be done. The Brotherhood of Locomotive Engineers, the Brotherhood of Locomotive Firemen, the Order of Railway Conductors, the Order of Railway Trainmen, the American Federation of Labor, and the Seaman's Union all have entered an earnest protest against the passage of this bill with the Department of Labor included in it. The recent report of the United States Industrial Commission shows that the number of employees engaged in railway service—which these railway labor organizations represent—approximate fully 1,000,000 employees, upon whom 5,000,000 people are dependent.

These are the people who protest most solemnly and earnestly against this transfer of the Department of Labor to the new Department of Commerce and Labor, giving good and solid reasons for it. Mr. Chairman, it can be safely said that more than 10,000,000 of our people are engaged in manual labor, earning their subsistence from daily wages. It is not necessary for me to enter into these details and statistics. Then, I ask again, who are the people and what are the interests, in the face of this protest, that demand that the transfer of the Department of Labor be made? We know that the labor interests object. Why, Mr. Chairman, that great interest of the employers, who in a comprehensive sense are synonymous with commercial men, among whom friction upon the question of labor arises. They are the people who are asking that labor be transferred to this Department. I say, if any friction arises, judging from the past, it arises exactly with those interests, those enterprises, and those industries to which labor will be subordinated in this new Department of Commerce.

Will not such a forced and unwilling and incompatible relation create on the part of labor suspicion, distrust, and discontent, and measurably destroy the usefulness and efficiency of the new Department? Now, Mr. Chairman, I will refer briefly to the character of the interests and the representatives that ask that labor be included in the proposed new Department, and in doing so I in no manner desire to reflect upon the intelligence, the sincerity, or the patriotism of the representatives of those interests. I accord to them full honesty. The first I notice is the statement of the president of the Manufacturers' Association of the United States. He said before the committee:

The creation of an additional Federal department of the character suggested, with representation in the Cabinet of the President, would be of great advantage to the business interests of the country, and would thus promote the material welfare of the nation. There are innumerable problems which very vitally concern the manufacturing and commercial interests of the country, the consideration of which would properly come within the scope of the proposed Department.

To cite a single specific function which would properly fall to that Department, I need only point out the enormous importance of the export trade of the United States in manufactured products. During the calendar year 1901 the total exports from the United States amounted to \$1,438,000,000, of which \$395,000,000 consisted of manufactured products, equal to over 27 per cent of the total.

In the last ten years our exports of manufactured products have increased more than threefold, and to everyone who has studied the possibilities of our export trade it must be apparent that the growth of the next ten years in this particular direction will probably exceed very largely the increase of the past decade.

It should be the function of such a department as is proposed in the pending bill to assist in every feasible way in the extension of the export trade of our manufactures.

We had also the statement of Mr. Noyes, of Chicago, Mr. Anderson, of Pittsburg, Pa., both of whom were highly cultivated commercial gentlemen, and Mr. Bass, a manufacturer of machinery in New York and an exporter, together with Mr. Prince, of New Mexico, and Mr. Butler, of San Francisco, who jointly represented the trans-Mississippi Congress. There were several other representatives who also made statements before the committee, but these serve to illustrate and define clearly the interests and influence urging the passage of this bill and the submergence of labor in the new Department. But yet it has been earnestly contended by many of the representative gentlemen whom I have referred to, and indeed by gentlemen on this floor, that they knew better what was to the interests of labor than the laboring classes or labor organizations knew. Mr. Chairman, it is but the impulse of human nature to look shyly on the motives of those who protest that they love and look after our interests and our welfare better than we can look after our own interests. They freely ignore the accepted idea that self-interest is the first law of nature. In this connection, Mr. Chairman, I will read from the statement of Mr. A. Furuseth, representative of the Seaman's Union, which expresses most forcibly the opinion of labor on this subject:

The CHAIRMAN. Give the committee your idea now of that class of advice, that class of consultations between the President and the head of this great Department, for instance, on the subject of commerce, that would be inimical to labor, or on the subject of labor that would be inimical to commerce, as it would be considered by the head of a great department like this.

Mr. FURUSETH. Well, I have not personal experience or personal knowledge enough about either to be able to say what kind of advice a Government officer gives, but I want to say this:

I have no knowledge of what a Cabinet officer's duties are, but what I am concerned in, and what labor above all other things is concerned in, in my opinion, as I know it, is that the information furnished the public, furnished to Congress for its use, dealing with the condition of the working people as to the hours of work, as to the time, as to the pay that they receive for it, as to the prices of things that they have got to buy to live, their actual everyday living conditions—that which touches us every morning when we go to work and touches us again at night when we come from work—these questions are to us everything in the world, because upon the condition that we have there depends our whole life. It determines what kind of education our children shall have. It determines what kind of clothes our wives shall wear. It determines the hopes and aspirations we may have for ourselves and our posterity.

The CHAIRMAN. But is not that common to all the people?

Mr. FURUSETH. It is; but not in the same degree that it is common to labor. Since you have asked the question I might as well state a word more—one that I said in the labor committee about a year ago. There is in the minds of the working people, as I know it, a fear, not only that the condition is not going to be better, but that the condition is going to be worse. There is a fear that in the changing of the industrial system that is taking place the working people are to be again placed by legislative act and assisted by legislation, in the relation to industrial appliances, in the same position that they once were placed with reference to land. There is a fear of that. Whether that is justified or not is a question, but that the fear is there and that they look upon and look toward every step taken as either a step from that fear or toward that danger there is no question at all.

The Labor Bureau is a department which has been organized for the specific purpose of giving to the people the truth officially—the truth as to the actual conditions of the working people—to the end that the statesmen may use that in order to arrive at better and better conditions without disruption of existing forms of society. When the workman finds that this is to be covered in something else in such a way as to take away its strength, its efficiency, its reliability, he is at once full of suspicion—he fears it. He fears it as he fears arbitration laws. He fears it as he fears injunctions. He fears it as he fears those combinations that make it possible for one man to say how much I shall get a day and how many hours of labor I shall work, or whether I shall work at all or not.

He fears it. He feels it every day and fears it, and through those fears and apprehensions there runs the sentiment of the working people, something that very few men who have not been among the working people, who do not live there and feel there all the time, can grasp or get hold of. It is a fear that at the present time is almost nameless, because it is not understood even among themselves; but the fear is there, and anything that is done toward creating a stronger fear, anything that is done that will add to that apprehension, will have a disquieting influence and will be disastrous to the confidence that the working people would so gladly continue to have in the legislative branches of the Government of the United States.

Can anyone read the above statement made by the president of the Manufacturers' Association of the United States and not plainly see that he thinks that the chief function of the Department of Commerce and Labor would be to look after our export trade? Do you or anyone else believe that the Manufacturers' Association would accept a representative of labor as a suitable man for Secretary of such a Department? Why, no. The next that I call attention to is the statement of the general counsel of the National Business League, Mr. John W. Ela:

Mr. RICHARDSON. Now, I am not understating the importance of the manufactures of this country, but I am calling your attention to the fact that while you are laying a great deal of stress—and properly—on the manufacturing interests, does not labor occupy a position equally important, and would it not be of as much importance as the manufacturing interests?

Mr. ELA. I certainly think so, and I think the interests of labor will be much better taken care of in this Department than if they were left in a bureau by themselves.

I refer now to the statement of Mr. George H. Barbour, representing the Western manufacturers.

Mr. BARBOUR. I am simply here to represent the Western manufacturers, which you of course all know during the last twenty-five years have become very prominent. In my own city, Detroit, we excel in some particular lines of manufacture. In the line which I represent, stoves, we do one-fifth of the business of the whole United States, \$5,000,000 of products, and there are \$30,000,000 to \$35,000,000 of products in the United States.

To mention some other varieties of manufacture, 21,000 wooden cars are turned out by the American Car Company, at a value of over \$13,000,000, giving employment to over 4,000 people.

Now, Mr. Chairman, what is the situation in this case? Why, sir, this is no new question. It has been under discussion for many, many years. By an act of Congress of June 27, 1884, a Bureau of Labor was created and placed in the Department of the Interior and was under the charge of a Commissioner of Labor with a salary of \$3,000 a year. Afterwards, on the 13th day of June, 1888, Congress passed an act to establish a Department of Labor. The Bureau of Labor assigned to the Interior Department was by this last act abolished. Under the act of 1888 labor was elevated and accorded more dignity and more position by putting it in an independent department. The authority of the Commissioner of Labor and the scope of the authority and province of the Department of Labor was greatly enlarged by reason of the very beneficial work that the Bureau of Labor had done for years past. The work performed by the Department of Labor in its independent capacity and free from the control of any of the great departments of our Government is in every respect creditable. Congress has manifested its confidence in the Department of Labor by the passage of joint resolutions and otherwise calling for valuable information. I will call the attention of the committee to a few of such instances.

Joint resolution No. 29, August 2, 1886:

The Commissioner of Labor is hereby authorized and directed, under the direction of the Secretary of the Interior, to make a full investigation as to the kind and amount of work performed in the penal institutions of the several States and Territories of the United States and the District of Columbia, as to the methods under which convicts are or may be employed, and as to all the facts pertaining to convict labor and the influence of the same upon the industries of the country, and embody the results of such investigation in his second annual report to the Secretary of the Interior.

Bill of appropriations for the fiscal year ending June 30, 1896, contained the following item:

The Commissioner of Labor is hereby authorized to make an investigation relating to the economic aspects of the liquor problem, and to report the results thereof to Congress.

Joint resolution No. 43, August 15, 1894:

The Commissioner of Labor is hereby authorized and directed to investigate and report upon the effect of the use of machinery upon labor and the cost of production, the relative productive power of hand and machine labor, the cost of manual and machine power as they are used in productive industries, the effect upon wages of the use of machinery operated by women and children, and whether changes in the creative cost of products are due to a lack or to a surplus of labor or to the introduction of power machinery.

Bill of appropriations for the fiscal year ending June 30, 1888, contained the following item:

To enable the Commissioner of Labor to collect and report to Congress the statistics of and relating to marriage and divorce in the several States and Territories and in the District of Columbia, \$10,000.

Second special, Labor Laws of the United States: This report, published in 1892, was prepared at the request of the Committee on Interstate and Foreign Commerce of the House of Representatives, to which had been referred a resolution of the House "providing for the compilation of the labor laws, etc., of the various States and Territories and the District of Columbia." By concurrent resolution of March 5, 1896, 5,000 additional copies were ordered to be printed—

and the Commissioner of Labor is hereby authorized to revise said report to include the labor legislation subsequent to the year 1891, and to annotate the report with reference to decisions of courts under the laws comprehended therein.

Senate resolution of December 4, 1890:

The Commissioner of Labor is hereby directed to examine and report the extent of the phosphate industry in the United States, the number of laborers employed, and the opportunities for the employment of labor in the future development of the phosphate deposits.

Joint resolution No. 22, July 20, 1892:

The Commissioner of Labor is hereby authorized and directed to make a full investigation relative to what is known as the slums of cities, confining such investigation to cities containing 200,000 inhabitants and over, as shown by the Eleventh Census. The investigation shall relate to the occupations, earnings, sanitary surroundings, and other essential facts necessary to show the condition of residents of such localities, and to show so far as it may be done the condition of such residents compared with residents of cities of similar size in other countries.

Statistics of cities, chapter 546, section 1, Laws of 1898:

The Commissioner of Labor is authorized to compile and publish annually, as a part of the Bulletin of the Department of Labor, an abstract of the main features of the official statistics of the cities of the United States having over 30,000 population.

IN THE SENATE OF THE UNITED STATES,
April 29, 1897.

Resolved, That the Commissioner of Labor be, and is hereby, directed to send to the Senate a statement of the cost per thousand feet, board measure, of producing white pine lumber in the United States and in Canada, respectively; the statement to include the cost of lumbering, or the work in the woods, and the cost of manufacturing, or the millwork, in two separate items, including also the cost of stumpage.

IN THE SENATE OF THE UNITED STATES,
June 26, 1897.

Resolved, That the Commissioner of Labor be, and is hereby, directed to collect from official sources or otherwise, if necessary, information relating to total cost and labor cost of production in fifteen of the leading industries common to this country, Great Britain, France, Belgium, and Germany, and report the results of his inquiries to the Senate as soon after the meeting of the second session of the Fifty-fifth Congress as possible: *Provided*, That the inquiries hereby authorized shall be carried on under the regular appropriations made for the Department of Labor.

WM. R. COX, *Secretary*.

A report on the "effect of the international copyright law of the United States" was made in compliance with a resolution of the United States Senate on January 23, 1900, as follows:

Resolved, That the Commissioner of Labor be, and is hereby, directed to investigate the effect upon labor, production, and wages of the international copyright act approved March 3, 1891, and report the results of his inquiries to the Senate or through the Bulletin of the Department of Labor: *Provided*, That the investigation hereby authorized shall be carried out under the regular appropriations made for the Department of Labor.

The data furnished heretofore refer to publications already issued. There is now in the hands of the printer a report of the Commissioner of Labor on Hawaii, to be known as "Senate Document No. 169, first session of the Fifty-seventh Congress," prepared in accordance with the following provisions of an act approved April 30, 1900:

It shall be the duty of the United States Commissioner of Labor to collect, assort, arrange, and present in annual reports statistical details relating to all departments of labor in the Territory of Hawaii, especially in relation to the commercial, industrial, social, educational, and sanitary condition of the laboring classes, and to all such other subjects as Congress may by law direct. The said Commissioner is especially charged to ascertain, at as early a date as possible, and as often thereafter as such information may be required, the highest, lowest, and average number of employees engaged in the various industries in the Territory, to be classified as to nativity, sex, hours of labor, and conditions of employment, and to report the same to Congress.

All that the Department of Labor lacks now is to have a Secretary to take a seat in the Cabinet of the President. Why should this independent Department of Labor, that is off to itself, and has accomplished such great good—which the record clearly shows—why should it be transferred to the Department of Commerce along with the bureaus of Fish and Fisheries, Light-House Service, Coast and Geodetic Survey, and so on? It is now an independent department, doing good service for the country, and why change it? Again, Mr. Chairman, I think I have the right, on an occasion of this kind, when this great subject is under discussion, without being charged with being alarmed at the "rustling of the overalls," as some gentlemen are willing to say, to refer to the action of the two great political parties of this country on the subject of labor. It is true that a distinguished gentleman at the other end of the Capitol, the Senator from Pennsylvania, in commenting on the platform of the Republican party of 1900 favoring the early admission to statehood of the Territories of New Mexico, Arizona, and Oklahoma, said that he hoped that this certain paragraph in his platform was "not a lie," yet the Senate, controlled by the Republicans, received many months since the omnibus bill passed by the House for the admission of these Territories to statehood. The spectacle is now daily witnessed of the Republican Senate seeking every parliamentary device to kill the bill. I hope that no great political party in this country will ever stand in that attitude before the people. These platforms ought to speak the truth and express the sentiments that the framers entertain. The country is tired of duplicity and of meaningless platitudes. The people are honest and they have the right to demand and expect honest, plain, fair dealing from both of the great political parties that seek supremacy in the Government.

The Republican platform of 1900, in telling the country what the Republican party would do if retained in power, said:

In the interests of our expanding commerce, we recommend that Congress create a department of commerce and industries in charge of a Secretary, with a seat in the Cabinet.

The Republican party, in the same platform, emphasizes its high regard for labor just before the last national election by saying relative to the wage-earners of our country:

Their constantly increasing knowledge and skill have enabled them to finally enter the markets of the world.

Mr. Chairman, if labor has accomplished this great work, hampered as it has been in the past—if it has aided so materially in making our Government a "world power" among the nations of the world, is it just and right, is it a fulfillment of the Republican platform pledge, to reduce the independent Department of Labor to the position of a bureau, and as such put its light under a bushel in the Department where the magnates of commerce and the leaders of great industries will be the supreme rulers?

Would it not be more to the interests of all the people of our country—would it not be promotive of the peace, happiness, and prosperity of the great laboring classes of our country to recognize their just rights and accord to labor a separate department, with a Secretary in the Cabinet of the President? The answer to this question rests alone in the hands of the leaders of the Republican party. The Democratic party stands ready and willing to redeem its pledge, made in good faith, and now at this time join enough Republicans and vote for a separate department of labor with a Secretary in the Cabinet of the President. We will then cheerfully join you in creating a department of commerce of the same dignity and importance. The responsibility for failure will abide with the Republican party. You may say that commerce enters into and pervades all the varied and broadening interests of our people. You are bound to concede the same functions to labor. They face each other with equal dignity and importance, and are alike entitled to Congressional recognition. I yield to no gentleman on the floor of this House a more sincere and patriotic desire to aid and contribute to the development and growth of our foreign commerce than I possess myself. I am buoyant with hope for the increase of our trade with the Orient. It means the increase of production, industries, and enterprises to the people of all sections of our country. It means a multiplication of the cotton mills of the South, and I accept it as a long stride in the ultimate commercial supremacy of the South. That day is not far distant.

The laws of nature fashioned and are directing this supremacy. It will partake of no sectionalism. My own native State, Alabama, is conceded now to be the "iron State" of the Union, and the position of being the "iron State" of the world will yet be accorded to this great and promising Commonwealth, and her sister States of the Union will find glory and pride in her wealth and power. It is a startling fact that Alabama, with not one-quarter of the population of the great Empire State of New York, has, in the last few years, increased her railway mileage until she now has 50 per cent of that of the State of New York. The grand old State of North Carolina, teeming with proud memories and populated by a thrifty, enterprising people, having a population about equal to that of the State of New Jersey, but possessed of but few of the manufacturing interests and facilities that New Jersey has, to the amazement of the world has developed and increased her railway systems and tracks until to-day North Carolina has 50 per cent more railway mileage than New Jersey. Georgia, the Empire State of the South, has twice as much railway mileage as the great State of Massachusetts, and Arkansas has three times as much as Connecticut.

What does this mean? What significance has it to the man who is looking for remunerative investment? These Southern States are but instances of what the Southern States all are doing. But a few years since these same States that I have specially mentioned were poor and needy and commercially inaccessible. It is their great natural and undeveloped mineral resources, their rich and cheap lands, their manufacturing advantages and superiority, that has invited and secured this wonderful development of their transportation facilities. Men interested in railroads are not given to the construction of lines merely for health or pleasure; but they build them as they ought to build them, for the purpose of making money. All of this is but a precursor of the future prosperity of the South. When we remember that it is the laborer and the wage-earner that makes the foundation of this great development—is the key to the arch of our prosperity—it behooves us to mete to labor its just rewards by giving it its proper recognition.

But it is said, Mr. Chairman, that no one came before the Interstate and Foreign Commerce Committee bearing authentic credentials to speak for labor as a class in opposition to including the Department of Labor in the Department of Commerce. I submit the following:

MR. FULLER. Mr. Chairman and members of the committee, I have a credential here showing whom I represent, a copy of which I will leave with the committee.

CLEVELAND, OHIO, December 2, 1901.

To whom these presents may concern, greeting:

This is to certify that the bearer hereof, Mr. H. R. Fuller, whose signature appears below, has been duly chosen to serve as the representative of the above-named organizations at Washington, D. C. during the sessions of the Fifty-seventh Congress, in matters pertaining to national legislation.

P. M. ARTHUR,
Grand Chief Engineer Brotherhood of Locomotive Engineers.

F. P. SARGENT,
Grand Master Brotherhood of Locomotive Firemen.

E. E. CLARK,
Grand Chief Conductor Order of Railway Conductors.

H. P. PERHAM,
President Order of Railway Trainmen.

I wish to say first that I desire it to be understood by the committee that I do not come here to oppose any of these bills creating a Department of Commerce; but I come here to oppose all provisions which may appear in any of them which seek to put the present Department of Labor under this new proposed Department. This is my prime motive, but I want to say, however, in addition to this, that I wish to urge upon the members of the committee the necessity of also giving labor a distinct and separate place in the President's Cabinet, free from any other Department whatever. I listened here yesterday to the friends of this bill, and was very much interested in what they said, and I want them to thoroughly understand my position. We are not here opposing their bill in the least.

Why is this Department of Commerce asked for, Mr. Chairman? It is because it will advance and facilitate and promote our commercial interests with the world. These interests have grown and increased so wonderfully in the last ten or fifteen years that this Department of Commerce is necessary to maintain and represent these great interests. This is doubtless true, and it should be gratifying to the country to know that it is true, and I have no doubt but a Department of Commerce will be of vast benefit in promoting our export and foreign trade. "Their constantly increasing knowledge and skill has enabled them to finally enter the markets of the world," is what the Republican party says about labor.

If that paragraph in the Republican platform is true and Republicans propose to stand by it, then by parity of reasoning the Department of Labor should be created just as well as the Department of Commerce.

The Democratic platform, Mr. Chairman, of 1900, says:

In the interests of American labor and the upbuilding of the workingman as the corner stone of the prosperity of our country we recommend that Congress create a Department of Labor in charge of a Secretary, with a seat in the Cabinet, believing that the elevation of American labor will bring with it increased production and increased prosperity to our country at home and to our commerce abroad.

I have presented the platform declarations of the two great political parties of this country on the subject as to the position labor should hold in our Government. Their record is clearly before the country. Antielection promises are readily and cheaply made. I repeat, now is the accepted time to recognize labor according to its merits and seek by proper legislation to avert the lamentable and disastrous strikes of the recent past.

If there had been a Secretary of Labor in the Cabinet of the President, having authority to speak for labor and to confer with the President, the President could have avoided the necessity of inviting Mr. Mitchell and other labor leaders to join the coal operators with him in conference in an effort to adjust the differences of the great anthracite coal strike. More than that, had there been such a Secretary then by the President the creation of the Strike Commission, admitted to be unauthorized by law, would have been avoided.

Mr. GILBERT. What did you read from?

Mr. RICHARDSON, of Alabama. I read from the Democratic platform of 1900. The majority of the committee in their report, Mr. Chairman, substantially concede that, in view of the "conservative action in creating new Cabinet officers in the past," if the Department of Commerce and Labor is established now the Department of Labor will not have much chance for a long time to come to have a Cabinet officer. Any gentleman knows, and there can be no dodging about this matter, that when you create a Department of Commerce and Labor, with a Secretary in the Cabinet of the President, representing, as he will and as he is bound to do under all the conditions and circumstances surrounding us, not organized or unorganized labor, but representing, as I believe he will unconsciously do, judging from the past history of our country, the interests with which labor comes in conflict, when you pass this bill with labor in it, subordinating, overshadowing, and clouding it, it is farewell to any Department of Labor with a Secretary in the Cabinet of the President. I sincerely believe that no one can fairly question that fact. It is true in every respect.

I think I am right when I state there have been only two departments with a secretary in the Cabinet created within the last sixty-two years.

Mr. Maddox rose.

Mr. MANN. For the last one hundred and two years.

Mr. RICHARDSON, of Alabama. I think I am right about that, but I am not positive. Now, Mr. Chairman, I will yield to the gentleman from Georgia.

Mr. MADDOX. I would like to ask the gentleman what is the purpose of establishing three new bureaus—the Bureau of Manufactures, the Bureau of Insurance, and the Bureau of Corporations? Who are they intended to benefit?

Mr. RICHARDSON, of Alabama. Not labor, I think. The Bureau of Insurance is intended to benefit and uphold the insurance interests of the country, investigating, promoting, and advancing them.

Mr. MADDOX. How about the corporations.

Mr. RICHARDSON, of Alabama. If you can tell me what statutes and laws of the country apply to and govern many of our colossal corporations I would be glad to be informed. I do not know of any. It seems that they have been above the law, or a law unto themselves.

Mr. MADDON. I wanted to ask you something about that, and if you thought they were not able to take care of themselves.

Mr. RICHARDSON, of Alabama. I think corporations have demonstrated their ability to take care of themselves, but I do not believe that labor will be able to take care of itself, surrounded by insurance, corporation, and other different bureaus.

Mr. MADDON. Does not the gentleman think the corporations run the whole concern and take care of all of us now, and that they do not need any bureau?

Mr. RICHARDSON, of Alabama. To a casual observer it appears that way, judging from the worried anxiety of the Republican party to do something in the name of regulating the great trusts and combinations of which the country so loudly complains.

Mr. Chairman, I am not prone to turn to the monarchical powers of the world for lessons of instruction touching matters of public policy relating to the welfare of our Government. This may arise from that natural prejudice that we imbibe from the spirit of our free institutions against monarchical forms of government. It can not be denied that the history and the progress of the wage-earner in England are worthy of the closest study of the men who seek, without bias or prejudice, to establish by law the highest and best standard for friendly relations between capital and labor.

The policy of the laws of Great Britain is to promote among the laboring classes industrial independence and worthy and honorable citizenship. This is evidenced by exemption from strikes as compared with our own country. England has a board of trade whose president holds a seat in the ministry. Germany has a minister of commerce. France has a minister of commerce. Russia has a special imperial cabinet with four bureaus, one of which is devoted to agriculture and manufactures. In neither of these great Governments is commerce and labor under the control of the same department. The experiment of keeping capital and labor free from the domination of either, in the same department, has proved successful in these foreign Governments.

Mr. Chairman, I am opposed to the passage of this bill as it comes from the committee—

First. Because it practically reduces the now independent Department of Labor to a bureau in this proposed new Department.

Second. Because the interests of labor will be overshadowed by the engrossing and absorbing interests of expanding foreign commerce.

Third. Because practically all of the laboring classes and labor organizations that have given expression on this subject have earnestly protested against the Department of Labor being included in the same department with commerce.

Fourth. Because the present Department of Labor has contributed greatly to the uplifting and industrial independence of the working classes of our people.

Fifth. Because, if included in this Department, the laboring people will become suspicious and jealous of a fair recognition of their rights, and thus impair the usefulness and efficiency of the Department.

Sixth. Because I believe the true function of a Department of Commerce is to promote the interests of our export and foreign trade and the efficiency to that end will be hampered by the interests of labor.

Seventh. Because I believe that the laboring interests of this country are entitled to a separate department with a secretary in the Cabinet of the President.

Mr. Chairman, in conclusion I submit as a part of my remarks the views of the minority.

(See House Report, page 547.)

Mr. RICHARDSON, of Alabama. Now, Mr. Chairman, I ask that every gentleman may be allowed to print or extend his remarks in the Record.

Mr. HEPBURN. For how long? Five days?

Mr. GAINES, of Tennessee. I hope the gentleman will make it ten days.

Mr. HEPBURN. Say ten days.

Mr. RICHARDSON, of Alabama. Very well; ten days.

The CHAIRMAN (Mr. Capron). The gentleman from Alabama asks unanimous consent that everyone who speaks on the bill may be allowed to extend his remarks in the Record for ten days. Is there objection?

There was no objection.

Mr. RICHARDSON, of Alabama. Now, Mr. Chairman, I yield to the gentleman from Tennessee [Mr. Gaines].

Mr. GAINES, of Tennessee. Mr. Chairman, I have not had the opportunity to investigate this bill thoroughly, nor did I know until a moment ago that I would be expected to discuss it. But I take the floor for the purpose of trying, at least, to get at some of the reasons why we should absorb, in this way, the "commerce" of the States—that which is not Federal commerce.

It is proposed in this bill that we take charge of the functions of the States, drawing them, as it were, pell mell here to Washington, to be run by the heads of these different Federal departments. I want to promote commerce, but legally always. Since I have been in Congress I hope I have not done anything to retard its legitimate growth; but we certainly should promote it within constitutional limitations, not by running roughshod over the States.

Sir, take as an illustration the Insurance Bureau, which we are proposing to create by this bill. Why, sir, this provision is directly in the face of the adjudications of the Supreme Court of the United States, reaffirmed time and time again, to the effect that "insurance is not commerce;" that it is a contract between individuals, and is not susceptible of control by Congress. Yet this report, strange to say, says "insurance business" is "essentially a matter of interstate business."

This whole question—that is, whether insurance is interstate commerce, or is even commerce of any sense—was raised in the case of *Hooper v. California* (155 U. S. Reports, 648), in which the opinion of the court was delivered by Mr. Justice White. I turn to that decision and briefly read this language from page 665:

The business of insurance is not commerce. The contract of insurance is not an instrumentality of commerce. The making of such a contract is a mere incident of commercial intercourse; and in this respect there is no difference between insurance against fire and insurance against the perils of the sea.

Citing and affirming cases from *Paul v. Virginia* and others, on down to the day of this decision in 1894.

This question arose in a case where the State of California had made it unlawful for its inhabitants to enter into an insurance contract with any foreign corporation till that corporation had complied with the laws of that State.

The corporation in question was a foreign marine insurance corporation, which, of course, the State had the right to "exclude entirely." That insurance is not commerce was clearly settled in that case. This is old law. In the earlier decisions of this court, and coming down to recent years, it has been declared that a State has the right to exclude entirely a foreign corporation from doing business within the State, or can admit it and regulate it. But we see the decision in this case goes on and clearly and succinctly, without equivocation, declares and holds that "insurance is not commerce."

Mr. Justice White referred to and quotes from the case of *Paul v. Virginia*, in which case the court, through Mr. Justice Field, said:

Issuing a policy of insurance is not a transaction of commerce. The policies are simple contracts of indemnity against loss by fire, entered into between the corporations and the assured, for a consideration paid by the latter. These contracts are not articles of commerce in any proper meaning of the word. They are not subjects of trade and barter offered in the market as something having an existence and value independent of the parties to them. They are not commodities to be shipped or forwarded from one State to another and then put up for sale.

They are like other personal contracts between parties which are completed by their signature and the transfer of the consideration. Such contracts are not interstate transactions, though the parties may be domiciled in different States. The policies do not take effect—are not executed contracts—until delivery by the agent in Virginia. They are then local transactions and are governed by the local law. They do not constitute a part of the commerce between the States any more than a contract for the purchase and sale of goods in Virginia by a citizen of New York whilst in Virginia would constitute a portion of such commerce.

This language was reiterated in the case of the *Philadelphia Fire Insurance Company v. New York*.

Now, the opinion in *Hooker v. California* was approved in a noted antitrust case, *Pierce Oil Company v. The State of Texas*, decided a few years ago.

I submit that if you can adopt legislation of this kind under the limitations of the Constitution—if you can reach down into the jurisdiction of a State and drag up her commerce and take charge of it, should we do it? If insurance is a local contract—and that is what the court here declares—if it is a contract between individuals within the State, will you tell me what right the Government of the United States has to take charge of and meddle with that contract?

In such action, Mr. Chairman, are we undertaking to absorb, by the right of might, if you please, the powers and rights of the State? Is not such legislation an invitation for the Government of the United States to rush down and undertake to attend to all the varied business of the States and crush the latter? If we continue to do this—and we see the great tendency toward it—how soon will it be before the States are destroyed—the States that created the Union? Without the States we should have no United States, as the court said in the case of *Texas v. White*, a noted case—without the States we should have no United States, but a united state. I may add, how soon, if this matter of insurance, about which there is no complaint, is taken away from the police powers of the States in this way and hoisted here to Washington to be regulated—if matters not how you regulate it, whether by good legislation or bad—before all commerce of all kinds will be in the hands of Congress?

I have heard no complaint on the floor of this House during the discussion of this question that the States have failed to control insurance companies, though I did not have the pleasure of hearing the gentleman from Illinois [Mr. Mann]. If such a policy is pursued, how long will it be before we have the same kind of laws extended in almost every direction to the detriment and infringement of the rights of the States—their utter prostration? I submit we should stop and think, and think seriously, just here.

Here is a plain proposition. The courts have settled that insurance is a local matter, and that it is "not commerce;" yet we are proposing to take the pitchfork of Federal legislation and dig up this business, take it out of the control of the States, and out of the hands of private individuals controlled by the laws of the States and bring it here to Washington whether it is commerce or not. And heaven knows, if we are going to enforce such a law as this if enacted as we are enforcing some other Federal laws that have been placed on the statute book, such as that undertaking to help the States in the matter of trusts, no good will come of it.

We have one trust statute, alluded to by my friend from Iowa [Mr. Hepburn] in his resolution appropriating \$50,000 a few days ago to execute a provision incorporated in the Wilson tariff law and carried in the Dingley tariff act, which is a law to-day, but under which not a solitary suit has yet been filed. The antitrust act of 1890 is left unenforced while the people are robbed of food and coal right in this city to-day.

We hear no complaint about the laws of the States being insufficient on that subject or that they are not being executed. We hear no complaint from the people.

I am opposed to wildcat insurance companies and want to exclude them from the use of the mails and am preparing a bill for that purpose that may become law. That we can legally do. I say, if you waive the question of constitutional power and assume that we have this power to go down into the States and dig up State commerce, why should we do so?

Passing from that question and coming to the question as to the propriety of creating a bureaucracy, I say, with all due respect to the gentlemen who have joined in reporting this bill, why should we create more bureaus for the purpose of doing through Federal power that which has been done heretofore by the States and in regard to which there is no complaint?

Why should we create these additional offices? Of course, there are people who want offices, and always will be; and if offices are created, competent citizens, of course, have the right to fill them. But such a measure as this must involve increased expense. It necessarily involves increased taxation and increased burdens upon the people and the Congress of the United States—burdens altogether unnecessary to be assumed, as I contend. Now, why should we do it?

Again, the insurance companies are not suffering. We know that the State laws are all stringent and that it is the rarest exception when the Federal court ever holds that a State law on the subject of insurance is contrary to good morals or to the fundamental laws of the State or of the United States. It is the rarest occasion it is done. Insurance companies are able to take care of themselves, the living and dead, and to print all of their reports, and they do so.

There is not a decent insurance concern in the United States to-day that does not publish and send out to the people throughout the United States a report of the condition of its business. These reports are published in the newspapers; they are published by private letters, and we are constantly getting them through the mails under 1-cent postage stamps; we are constantly getting them in the shape of catalogues. Here is publicity, if you please, and yet we destroy this; we take charge of that and say, "Now, we will promote your business."

Let us see what the language of the bill is on this point:

That there shall be in the Department of Commerce and Labor a bureau to be called the Bureau of Insurance, and a chief of said Bureau, who shall be appointed by the President, and who shall receive a salary of \$4,000 per annum, and such clerical assistants as may from time to time be authorized by law.

Increasing Federal patronage and, therefore, the power of the President for good or bad—good, I hope. I read further:

It shall be the province and duty of said Bureau, under the direction of the Secretary, to exercise such control as may be provided by law over every insurance company, society, or association transacting business in the United States outside of the State, Territory, or District wherein the same is organized, and to foster, promote, and develop the various insurance industries of the United States by gathering, compiling, publishing, and supplying all available and useful information concerning such insurance companies and the business of insurance, and by such other methods and means as may be prescribed by the Secretary or provided by law.

"Provided by law!" What law? Where is the power in Congress to control State business, insurance being a local business, the courts say.

I submit, Mr. Chairman, in all candor that to say this promotion is to be carried

on by "gathering, compiling, publishing, and supplying all available and useful information concerning such insurance companies and the business of insurance" is unnecessary. That is already done. Nobody will deny that. Nobody objects to it, and everybody is informed. The States can exclude these insurance companies. They can admit them. The States can prohibit their people from negotiating or contracting with foreign corporations unless they are legalized by the States to operate within the limits of the State.

Now, why shall Congress take an individual private business, exploit its profits, its deposits, its loans, and the manner in which it conducts its business and republish that, when these very concerns which have thousands and possibly millions of dollars are publishing this very data, and glad to do so? Why tax the people to do this? Why should we destroy their business by taking the strong arm of the Federal Government and saying, "We will publish that for you?" This is wrong. This thing of reaching down and helping those people that are plenty able to help themselves, helping them by the strong arm of the Federal Government, when that arm is raised and made strong and mighty and just by the tax-gathered money of this country, is wrong.

It may be that this board can be empowered to sit here and say to an insurance company in New York, "You shall not go to Tennessee and transact business; you are a foreign corporation, and you shall not go across the State line," but the Supreme Court, it seems to me, in this case held that the question of insurance itself was not commerce; hence not interstate commerce.

Now, then, I say that, even conceding the possibility that this Bureau can control foreign corporations in their transit from one State to another and better our condition, it is very doubtful whether it can do it under these decisions.

Again, Mr. Chairman, I agree with my distinguished friend from Alabama [Mr. Richardson] on the question of creating a Bureau of Commerce and uniting with that the Bureau of Labor.

Why, Mr. Chairman, should this great ocean of commerce, this Bureau of Commerce, take charge of and absorb the Bureau of Labor, this institution which has grown up in the United States since the Democratic party in 1868—the first party to do so—recognized labor unions or labor organizations in its platform? We have all united in building up this Labor Bureau, because labor was in existence before commerce; man was here before commerce, and we say that we can not have any commerce unless we have labor.

Commerce is selfish. We are all more or less selfish. It is natural for one to take care of his own and himself. The Good Book teaches us that; but I say commerce, this unholy greed, this thing to-day that is mastered by the "cormorants," as they were yesterday designated by the gentleman from Pennsylvania, is controlling to-day very largely the interstate commerce of this country and trying to control labor, and that commerce is the only commerce that this Bureau has the right to take charge of and control.

Why should this great ocean of commerce, this great chasm of selfishness, backed by these "cormorants," take charge of the Bureau of Labor and the laborers of this country? The question is, Which one would survive—the laborers and their bureau or the cormorants and theirs? I say that commerce would overshadow the other and soon crowd out this Bureau of Labor.

I am willing to aid commerce and labor too, but I am not, as I am now advised about the provisions of this bill and the possibility of this friction and ill feeling arising, willing to unite the "cormorants" of the country with the laborers of the country. I think it is bad policy.

If this bill is to be of any account at all, if it is to be as serviceable as it should be, this Department will have all it can do when it gathers up the things that are commerce, leaving labor to take care of itself.

When did labor get to be "commerce?" It is property. I believe it has been announced by the courts—possibly in dissenting opinion—that the right to lease or sell one's labor is a personal right, and therefore is property; but I am not sure that any court, dissenting or otherwise, has ever declared that labor per se is "commerce."

The propriety of this policy of amalgamating labor in this manner is very doubtful in view of the danger that peace will not be maintained as it should be between commerce and labor. For the present, at least, Mr. Chairman, I shall oppose the proposition and the insurance clause and trust to regulating wild-cat insurance companies in another and legal manner.

Mr. RICHARDSON, of Alabama. I yield such time as he desires to the gentleman from New Jersey [Mr. Stewart], a member of the committee.

Mr. STEWART, of New Jersey. Mr. Chairman, I do not desire to discuss the merits

of this bill, as I have found it necessary to disagree with the majority of the committee as to the wisdom and necessity of its passage, and I ask the Clerk to read my views as expressed in my minority report. (See page 546.)

Mr. STEWART, of New Jersey. I yield back my time to the gentleman from Alabama.

Mr. RICHARDSON, of Alabama. Mr. Chairman, I now yield to the gentleman from Florida [Mr. Davis], a member of the committee, such time as he desires.

Mr. DAVIS. Mr. Chairman, I shall occupy the attention of the committee for but a brief time. I joined my distinguished friend the gentleman from Alabama [Mr. Richardson] in a minority report against the bill for the establishment of a Department of Commerce and Labor, and I am frank to say that I did it chiefly because of the persistence of the committee that reported the bill in including labor in that Department.

Per se I have no objection on earth to the creation of a Department of Commerce. So far from objecting to it, I favor it. I believe that the great commercial interests of this country ought to be represented in a separate department, and that it ought to have a member of the President's family to represent it and look after its interests. I want to say that I am just as fully impressed with the idea that the great labor interest also should be distinctly and directly represented in the President's family, and I have no hesitancy in asserting that when the Congress of the United States fails to give the labor interest of this country a representative of its own in the Cabinet it fails to do justice to the interest of labor.

For years and years we have heard the demand for a Department of Labor, and more recently a demand for a Department of Commerce. I want to show to the members of my own party on this side of the Chamber that they are, by their own party declaration, bound to afford labor an independent department. The last Democratic national platform, adopted at Kansas City, said this:

A DEPARTMENT OF LABOR.

In the interest of American labor and the uplifting of the workman, as the corner stone of the prosperity of our country, we recommend that Congress create a Department of Labor, in charge of a secretary, with a seat in the Cabinet, believing that the elevation of the American laborer will bring with it increased protection and increased prosperity to our country at home and to our commerce abroad.

As a Democrat, I should want to be consistent with the platform of my party, even if I were not so fully impressed (as I am) with the intrinsic merits of the proposition for the creation of a Department of Labor.

It may be said that we are not here discussing a separate Department of Labor. I grant you that; but we are here discussing the proposition to create a new department of government to be called Commerce and Labor, in which labor is practically subordinated, and which bill, in my humble judgment, is a blow at the labor interest. No one who reads this bill can form any other rational conclusion. In the report of the majority of the committee—and I call the attention of my distinguished friend from Illinois [Mr. Mann], who wrote this report, to the fact that although he says the existing Department of Labor would not be interfered with should the pending measure become a law, he shows later in the same report that it would be subordinated. Here is what the majority report says at one point:

It has been a natural fear on the part of some of the labor leaders that the new Secretary of Commerce and Labor would have a bias in favor of capital and against labor. Granting, for the sake of argument, that this may be true, it still would leave the Labor Department as well off as it now is. No bias of the Secretary of Commerce and Labor could control or affect a Commissioner of Labor who is not subject to removal by him and whose actions and reports are not subject to his control.

Yet, before they have finished that report, we find them using this language as an argument why labor should be made a part of the bill:

If the Commissioner of Labor is under the Secretary of Commerce and Labor, he will make a report to the Secretary of Commerce and Labor. That report will be published with the annual reports of the Department. If the Secretary of Commerce and Labor approves of recommendations made by the Commissioner of Labor, he will so state in his annual report, and probably the matter will be called to the attention of the President to go in his annual message. If the Secretary of Commerce and Labor disapproves the recommendation made by the Commissioner of Labor, he will say so in his report, and that will call attention to and advertise the recommendation of the Commissioner of Labor in a way which will call it to the attention of Congress.

So that although they undertake to say in one part of their report that the status of the present Labor Department will not be changed or hampered, in another part of the same report they distinctly show that it is subordinated. It is known to us all that the Labor Department is now an independent department of this Government, although the Commissioner has no seat in the Cabinet. But the Department of Labor is independent and is attached to no other department of the Government. We propose here, instead of recognizing and dignifying labor, instead of listening to the demands of the laboring classes to give them a department, we propose to make

them worse off than they now are. They ask for bread and we give them a stone. They have an independent department as the law stands, amenable to no other department of the Government, and this we propose to take away from them. We propose to subordinate them to another great interest. We propose to make their present department a mere bureau, for after all that has been said that is practically what we do if we pass this bill.

Mr. ROBB. Will the gentleman allow me to ask him a question?

Mr. DAVIS, of Florida. Yes, sir.

Mr. ROBB. Is not the Commissioner of Labor usually selected from the laboring class—that is, some one who is identified with labor?

Mr. DAVIS, of Florida. He certainly ought to be.

Mr. ROBB. Then, I will ask, what in all probability will be the result if this Department of Commerce and Labor be established?

Mr. DAVIS, of Florida. If my friend will permit me, I am going not only to say something on that point, but to read what the labor representatives tell us about that; and perhaps, having had my attention called to it, now is as good a time as I will have to do it.

We had before the Committee on Interstate and Foreign Commerce a number of hearings on the subject of the creation of this new Department. Gentlemen came before us representing commercial interests and representing laboring interests. Among the latter was Mr. Thomas F. Tracy, representing the American Confederation of Labor, an organization consisting of 90 national and international unions located throughout the United States, 22 State bodies, 300 local and central bodies, and 1,200 federated unions, of all organizations of labor throughout the country, and he undertook to speak before us for this vast number of laboring people of this country. He said this:

We have no particular objection to the creation of the Department of Commerce, but we ask that in the creation of that Department there shall also be created the other department independent of that, known as the Department of Labor. We feel that in the President's official family, where the interests of organized labor are being discussed, that advice and counsel should be given by a man who is in close touch with organized labor and who knows and realizes what its needs are.

We are not committed or opposed to any of the bills that have been submitted along the line of creating this Department of Commerce; but when the bill that passed the Senate, the Nelson bill, was under consideration we wanted to ask that the Department of Labor be left entirely without the scope of that bill, and without taking up the time of the committee I would read a letter that was addressed by Mr. Gompers, the president of the American Federation of Labor, to Senator Frye, President pro tempore of the Senate, when that bill was under consideration:

[Letter of Mr. Gompers is given on page 478.]

I want to read a little further from Mr. Tracy's testimony before the committee.

The CHAIRMAN. We have had only two additions to the Presidential family in fifty-three years, and these departments are created usually at long intervals. Your contention would involve the addition of two members, when it is altogether possible, and to my mind more than probable, that your purpose would be met by the establishment of one.

Mr. TRACY. I would say that the labor organizations have been agitating this question for thirty-five years. We have not reached the point yet where we can have a representative in the Cabinet, but we hope to some day, and we intend to keep on, because the influence of labor is of sufficient importance in this country for it to have a representative in the President's official family.

Mr. RICHARDSON. Do you not believe that if the Department of Commerce was established the manufacturing interests, as has been illustrated here already, would overshadow the labor part of it?

Mr. TRACY. Unquestionably so.

Mr. DAVIS. And you think that if the President selected a man whose education fitted him peculiarly to overlook the labor interests, the commercial interests would kick?

Mr. TRACY. Undoubtedly, and vice versa.

Mr. DAVIS. And if the President suggested a man peculiarly fitted to overlook the interests of commerce the labor interests would undoubtedly feel neglected?

Mr. TRACY. They certainly would.

Mr. COOMBS. You think that your interests would be so lost that they would not develop to the extent of demanding a separate department.

Mr. TRACY. I beg your pardon.

Mr. COOMBS. I say, do you think that your interests would be so lost and absorbed that they would not develop further, and would not be able to assert themselves as they do now?

Mr. TRACY. Yes, sir.

Mr. COOMBS. You are afraid of getting lost?

Mr. TRACY. In the shuffle; yes, sir.

Now, there is what is said by this gentleman representing the large labor organizations which I have named. I want to read you what another laboring man said before that committee. H. R. Fuller, representing the Brotherhood of Locomotive Engineers, the Brotherhood of Locomotive Firemen, the Order of Railway Conductors, the Brotherhood of Railroad Trainmen, and the Order of Railroad Telegraphers, said this in his argument before us:

Now, we object, first, Mr. Chairman, on general grounds. We know this, that the people, with all respect to them, who have asked for the creation of this new Department are commercial men, and, secondly, employers of labor. We can safely say that in regard to this question the words "employer" and "commercial men" are synonymous terms.

Now, we think, just as it was stated by the chairman of the Manufacturers' Association of the United States here yesterday, that a department to be beneficial to the interests that it represents

should devote its whole energy—those are the words that he used—to that end. Now, energy means something more than simply interest.

I wish to stop there for a moment and digress to say that these people who have asked for the creation of this Department are employers of labor, and should this bill become a law, or this new Department be created, it does not matter whether you folks see fit to strike the Labor Department from it or not. Every member of this committee has had experience enough in political affairs to know that these influences which have brought about the passage of this bill can consistently claim of the President that they are entitled to recognition in the selection of this man to be placed at the head of this Department.

They do do it; they do do it in the other Departments. When there is a vacancy on the Interstate Commerce Commission, for instance, the railroads of the country get together and select a man, and, usually, he is put there to fill that vacancy. And we feel that even if you allow this bill to go through as passed by the Senate, calling this the Department of Commerce and Labor, they will claim the right—not the absolute right—but a right to this extent, at least, that the President will listen to their claims. We do not dispute that right. If they have brought about this agitation that creates the Department, I will not say that they have not a right to do that.

Now, then, so far, I want to say that a man who represents those interests, if he is selected to represent this Department in the Cabinet, although he may be honest, and I have reason to believe that he would be—we have no reason to believe that any man is otherwise until we find him so—is not competent to represent labor. He is not competent to sit down at the Cabinet table with the President when something very vital is up before that council in which labor is interested, and to speak. It is simply that he is like the laboring man—a man of environment. His whole life has been spent in something else—in furthering the interests of employers—and consequently he is not capable to speak for labor, even though he felt honestly disposed to do so, and I believe that he would be.

And during the examination of Mr. Fuller by the committee, this colloquy ensued:

Mr. RICHARDSON. In that connection, do you believe you represent the entire sentiment of labor in this country when you say that this Labor Department ought not to be put under a Commerce Department?

Mr. FULLER. I think so, from my experience among the men and my talks with them.

Mr. DAVIS. Do you not think it would be unfortunate, both for labor and for capital, to undertake to combine them in one general head this way?

Mr. FULLER. I do.

Mr. DAVIS. Do you not think it would produce future distrust and bickerings?

Mr. FULLER. I do. As I stated yesterday, Mr. Davis, I said that a man representing capital was not competent to represent labor in this Department; that I also thought that the ordinary representative labor man could not represent all of the interests that are merged under this Department of Commerce.

Mr. DAVIS. Aside from that, Mr. Fuller, do you not think when the President commenced to form his Cabinet there would naturally be a contest between capital and labor as to which one of the two classes would capture this Cabinet office?

Mr. FULLER. I think so.

Mr. DAVIS. And do you not think if the President should appoint a capitalist who is not thoroughly familiar with labor conditions it would displease labor?

Mr. FULLER. It certainly would.

Mr. DAVIS. And that if he should select a laboring man it would displease capital?

Mr. FULLER. I do. As I stated yesterday, After I had concluded my remarks on this point yesterday a representative of capital came to me and said he thought I was right on it.

Mr. RICHARDSON. Do you think from the spirit and trend of this bill that the manufacturing interests would have largely the advantage in securing a Secretary?

Mr. FULLER. I think so. I stated that yesterday. If this Department is created they can claim the credit for its creation, because they are the ones who have asked for it.

Now, Mr. Chairman, these extracts which I have read speak more forcefully than I could possibly do.

Mr. HEPBURN. Will my colleague permit me to ask a question?

Mr. DAVIS, of Florida. Certainly.

Mr. HEPBURN. The gentleman stated, or read, I think, the sources of information that one of these gentlemen had as to the conditions of labor. Now, I want to ask you if any of the men who appeared before that committee professed to have been authorized by any organized body of labor? They said they represented that number and this number and the other number, but did any man say that any set of men had sent them here?

Mr. DAVIS, of Florida. In reply to my friend I will say that so far as anybody coming before us with credentials, no; so far as any man coming before us exhibiting authority to represent any particular body, no. But they who spoke for labor spoke with as much authority as they who spoke before us in the interest of commerce. And my friend, the distinguished chairman of the committee, knows that they were credible gentlemen; they said they represented labor in sentiment, and I believed and believe they did.

Now, Mr. Chairman, I have said all that I care to say on this bill. I want to repeat that if the word "labor" in the title and all through this bill, wherever it occurs, can be stricken out, as will be moved by my friend from Alabama [Mr. Richardson] as an amendment to the bill, I shall have no objection to its passage. I shall be glad to cast my vote for the measure. I am willing to see the commercial interests of this country represented in the President's family. I repeat that, in my judgment, this great interest ought to be represented there; but I do not believe that, when labor has been standing up for more than thirty years asking for a representative in the President's family, we ought to insult that element by making the present Department of Labor what will be tantamount to a mere bureau in the

Department of Commerce. I hope the House of Representatives will not go on record as doing so. [Loud applause.]

Mr. RICHARDSON, of Alabama. Mr. Chairman, I now yield five minutes to my colleague [Mr. Clayton].

Mr. CLAYTON. Mr. Chairman, I had not intended to take any part in this discussion, but the question propounded by the gentleman from Iowa [Mr. Hepburn], the chairman of the committee, who reported this bill, can be easily answered by reference to the report of the committee accompanying this measure. On page 10 of the report I think that, so far as he is concerned and so far as concerns the majority who have reported this bill, his question is answered, against what I take to be his contention.

The distinguished chairman seems, by his questions, to dispute the proposition that organized labor is opposed to being taken under the wing of this so-called Department of Commerce. The distinguished chairman by his question challenges the assertion of the gentleman from Florida [Mr. Davis] that organized labor is opposed to playing "second fiddle" to the Department of Commerce. Organized labor, so far as any member here knows from private correspondence or private conversation, is opposed to this measure. It does not lie in the mouth of the chairman of the committee to dispute that proposition. I read now from the report of the committee:

There has been opposition to this proposition. A majority of the leaders of organized labor who have expressed any opinion upon the subject have opposed the placing of the present Department of Labor in the new Department.

There is an admission that the majority of the leaders of organized labor who have expressed any opinion upon the subject are opposed to placing this Department of Labor in the Department of Commerce.

Mr. HEPBURN. Will the gentleman allow me a moment?

Mr. CLAYTON. Certainly.

Mr. HEPBURN. My recollection is that four gentlemen representing labor, or connected with labor organizations, appeared before our committee. The gentleman is correct in saying that three of them expressed their opinions in the way he has stated. The point I was trying to make—as the gentleman, if he had paid close attention to my remarks, might perhaps have known—was this: While I do not dispute the fact that certain gentlemen came there and assumed to speak for labor, I say that no man came there with credentials or pretending that any body of labor had sent him to represent their views. That is what I said.

Mr. CLAYTON. I was not present, of course, at the hearing of the committee; I do not know personally about this matter; but I take it that what the gentleman says is true. I can not doubt it. That, however, Mr. Chairman, does not affect the controversy. The fact is—and this report shows it to be a fact; every man who has discussed this proposition admits it to be a fact—that organized labor is opposed to being placed in the Department of Commerce.

Now, the report of the committee undertakes to answer that fact. It concedes it to be a fact, and tries to argue away from it. Now, let us admit this fact. Let us not inquire into whether these men who testified before the committee had credentials properly signed or whether they meet all the red-tape requirements of the most fastidious gentleman who has served on committees of credentials in conventions.

[Here the hammer fell.]

Mr. CLAYTON. Just one more minute.

Mr. RICHARDSON, of Alabama. I yield five minutes more to the gentleman from Alabama.

Mr. CLAYTON. Thank you. The gentleman admits in his report the fact to be that organized labor is opposed to being taken into the Department of Commerce, and the admission which I have already quoted is strengthened by the argument which is made in the report in an endeavor to nullify that position of organized labor, for the report goes on to say:

The opposition has been based upon the idea that whoever might be selected as Secretary of the new Department would be a representative of capitalistic influence and not of labor. In view of the opposition of some of the labor leaders to the inclusion of the Department of Labor in the proposed new Department, your committee has given the subject careful and considerate examination. We are satisfied that the opposition is based upon a natural misunderstanding of the situation and a misapprehension as to the effect of such action.

The Department of Labor as now organized has its duties defined by statute. The statute provides that it shall be presided over by a Commissioner of Labor, to be appointed by the President. It is not proposed to make any change in these provisions of the statute. If the Department of Labor is included in the new Department, the Secretary of the new Department will not have the power to appoint the Commissioner of Labor, nor will he have power to prevent the Commissioner of Labor from discharging the duties now imposed upon that office by the present act of Congress.

It is impossible to see, therefore, how there can come any injurious effect from including the Labor Department in the new Department of Commerce and Labor. As the law now exists the President can, at any time, name some one for appointment as Commissioner of Labor who may be adverse to

labor and favorable to capital as against labor. It is not likely that any President will ever do this, and it is equally unlikely that he would do it if the Department of Labor were made a part of the Department of Commerce and Labor.

Now, Mr. Chairman, that admits the contention of my colleague from Alabama [Mr. Richardson] and the gentleman from Florida [Mr. Davis], that the laboring people are opposed to having the Department of Labor merged into the Department of Commerce. They are jealous of surrendering whatever independence that Department may have to an officer who may be controlled entirely by commercial influences, and who may not be in touch and sympathy with the great laboring masses of the country. Therefore I shall support the amendment offered by my colleague from Alabama. The Department of Labor, instead of being a mere bureau in another department, subordinate to some Cabinet officer, ought to have an officer in the Cabinet. The laboring interests of this country are as important as the interests of commerce.

Indeed, Mr. Chairman, everybody knows that we could not conduct commerce, that the great industries of the country would stand still, were it not for the laboring people, and they are jealous of the supervision of people who may not be in sympathy with them. The better proposition would have been, and the better proposition now is, to defer to their wishes and not only to create this Department of Commerce, if you wish it, and if that is to be created, to create also a Department of Labor, with a Cabinet officer, so that labor may have a representative in the Cabinet to voice the wishes and the sentiments of that great class of our people. [Applause.]

Mr. RICHARDSON, of Alabama. Will the gentleman from Iowa now use some of his time?

Mr. HEPBURN. I yield twenty minutes to the gentleman from Michigan [Mr. Corliss].

Mr. CORLISS. Mr. Chairman, I am very heartily in favor of the general provisions of this bill. When the last Department was created, in 1862, our people were principally engaged in agriculture. That was the great branch of industry in our country, and the creation of the Agricultural Department has demonstrated the great usefulness of such branches of our executive office. Since the creation of that Department we have constructed vast railroads, telegraph, and telephone lines, until every part of our great country is supplied with rapid communication and transportation. Since that time there has been developed in almost every city, village, and hamlet in our country institutions for the manufacture of our natural resources, until the products of the farm and the factory far exceed the capacity of our people to consume them. We are to-day forced into a greater field. Hereafter we must pursue a broader view and endeavor to expand our influence in foreign commerce. From the time when the first nation was created down to the present time commerce has been king.

All things created by God or man have their infancy and grow and expand until they reach the zenith of their influence, then wither and die. This is as true of nations as of men. Therefore if our nation is to go on and its power and influence in the world is to be extended, we must meet the growing demands of the people by the creation of a Department of Commerce to assist its growth. The greatest interests, influence, and wealth of the people to-day are embraced in industrial enterprises and commerce. I therefore think that this measure is most opportune and wise.

Now, with reference to the Department of Labor being incorporated, there has developed in this country an aggregation of capital, a combination of interests, many of which are wise and beneficial, and they are associated intimately with labor. The organization of capital has not gone forward more rapidly than the organization of labor. The effect of these two combinations of labor and capital upon our great interests may be likened unto the two hands of man. Capital is necessary and labor is indispensable to the success of our people and our nation. Great progress has been made recently toward the union of these great interests. The creation of the Civic Federation and the establishment of the Coal Commission by the President are doing much toward the advancement of the interest of labor.

I appreciate the fact that many of the labor organizations do not desire the Bureau of Labor to be incorporated as a part of the Commerce Department, and I hesitate to vote against their wish in the matter. I believe, however, that if labor is to go on and derive the just benefits to which it is entitled, it must be recognized as a part of the industrial and commercial interests of our country, inseparably and forever united, and I look forward to the time when capital and labor engaged in all character of industries and commerce will be united in harmony and their differences settled by the just tribunal of arbitration.

It is suggested that a Secretary of Commerce and Labor appointed under this measure might be disposed to favor commerce rather than labor; but our recent experience under President Roosevelt leads me to think that under the present

Administration, at least, labor will be protected and her interest guarded far better than in a separate bureau.

We have gone on for years appropriating vast sums of money for the improvement of our rivers and harbors. We have been occupied for many years in the discussion of the great isthmian canal, and have authorized the expenditure of millions of dollars to develop this highway of commerce, and the time is ripe for the extension of our foreign trade and the expansion of our commerce with foreign countries. No department of our Government to-day has jurisdiction thereof or can give to our industrial and commercial interests the information that is necessary to enable our people to take advantage of the markets of foreign countries.

In the last session of Congress we appropriated, I think, nearly half a million dollars for the benefit of a private or State institution located at Philadelphia, for the purpose of building up a bureau of information to enlighten our manufacturers with reference to foreign markets. If that was wise, it is certainly better that the Government expend such money in a bureau or in a department especially created for the benefit of commerce and labor.

Mr. Chairman, there is one provision of this bill to which I must make objection. Section 6 authorizes the creation of a new Bureau of Insurance. The business of insurance is not commerce. A contract of insurance is not an instrumentality of commerce, and the creation of this Bureau is unnecessary and, in my judgment, unwise. The insurance companies of our country, located in different States, are properly regulated by State laws. There is no complaint that any investor in insurance, whether it be life, marine, or fire, is not furnished with all the information necessary with reference to the stability of the corporation, the character of its policies, statistics with reference to losses, etc., in the statistics now published by the corporations themselves. You might as well create a bureau for the investigation of the value of securities that our people desire to purchase, such as railroad bonds and industrial stocks and things of that kind into which people put their money.

I want to call the attention of the House to the decision of the Supreme Court of the United States with reference to insurance. Congress has no power to regulate the insurance business. It is a useless expenditure of the public money. Let me read from the opinion of Justice Field with reference to any kind of insurance:

Issuing a policy of insurance is not a transaction of commerce. The policies are simple contracts of indemnity against loss by fire entered into between the corporations and the assured for a consideration paid by the latter. These contracts are not articles of commerce in any proper meaning of the word. They are not subjects of trade and barter offered in the market as something having an existence and value independent of the parties to them. They are not commodities to be shipped or forwarded from one State to another and then put up for sale. They are like other personal contracts between parties which are completed by their signature and the transfer of the consideration. Such contracts are not interstate transactions, though the parties may be domiciled in different States. The policies do not take effect—are not executed contracts—until delivered by the agent in Virginia.

That opinion was written in the case of *Paul v. Virginia*.

Mr. HERBURN. When?

Mr. CORLISS. It is reported in 8 Wallace, 168. I can not tell the year when it was rendered.

Mr. PERKINS. Back in the sixties, I think.

Mr. CORLISS. I am reading from 155 United States Reports, in which that opinion is quoted, and that was of later date, 1894. Justice White, now on the Supreme Bench, in rendering the opinion in the case of *Hooper v. California*, said:

The business of insurance is not commerce. The contract of insurance is not an instrumentality of commerce. The making of such a contract is a mere incident of commercial intercourse, and in this respect there is no difference whatever between insurance against fire and insurance against "the perils of the sea."

I will also call attention to the case of *Fire Insurance Company against New York* (119 U. S. Reports, p. 110):

Insurance is not commerce; it is not a contract over which Congress has any control under the Constitution.

Why, then, burden the people by a creation of a department and the appointment of officers and the payment of salaries merely for the purpose of giving employment to some one? It can have no beneficial effect. Congress can not regulate it. If you find that the great insurance companies of New York are speculating on Wall Street, and thereby endangering the interests of the policy holder, Congress has no power to stop it. Congress has no jurisdiction over it. Therefore I submit that paragraph in this bill should be stricken out.

I believe that the Department of Commerce will become the greatest power and influence for good of any department of our country. I would perhaps personally go further, and incorporate other interests. The bill as it came from the Senate incorporated too many bureaus, and the committee has been wise in narrowing the

measure down to the proper administration of that branch of our Government. Capital is only labor combined. Labor and commerce are indispensable to each other. They should be enlarged and advanced by every influence. I am therefore heartily in favor of the bill, with the exception mentioned.

Mr. CRUMPACKER. Before the gentleman takes his seat I would like to ask him a question or two with reference to the insurance proposition.

Mr. CORLISS. I would be glad to answer any questions that the gentleman may ask.

Mr. CRUMPACKER. Is there any bureau or division in any bureau of the department that has jurisdiction of the subject of insurance now?

Mr. CORLISS. I think not, sir.

Mr. CRUMPACKER. I understand that statistics relating to insurance, fire and life, are collected by the Census Department.

Mr. CORLISS. There is no doubt but what the Census Department and some other departments have obtained statistics upon that subject. Certainly the Census Department has gathered statistics pertaining to it.

Mr. CRUMPACKER. This bill as it is now provides for the creation of an independent bureau devoted exclusively to the subject of insurance, as I understand.

Mr. CORLISS. And the publication of information pertaining thereto.

Mr. GAINES, of Tennessee. I will ask the gentleman to read those words.

Mr. CORLISS (reading):

It shall be the province and duty of said Bureau, under the direction of the Secretary, to exercise such control as may be provided by law—

And there can be no provision by law, under the Constitution—

over every insurance company, society, or association transacting business in the United States outside of the State, Territory, or District wherein the same is organized, and to foster, promote, and develop the various insurance industries of the United States—

How?—

by gathering, compiling, publishing, and supplying all available and useful information concerning such insurance companies and the business of insurance, and by such other methods and means as may be prescribed by the Secretary or provided by law.

Now, my point is this: I believe that under the Constitution of our country we have no jurisdiction over insurance. We can not hereafter pass laws affecting it. You may develop all the information you possibly can and it will be of no benefit to the people. They are furnished the information now in the States.

[Here the hammer fell.]

Mr. HEPBURN. Mr. Chairman, I yield to the gentleman from Georgia such time as he may desire to use.

Mr. ADAMSON. Mr. Chairman, though I was not originally very enthusiastic for the creation of a new department, I have, during the hearings and investigation of the subject, reached the conclusion that if a department including commerce is to be established the title of the present bill was wisely retained by the Senate and equally wisely retained by the House committee.

If anybody is jealous as to the use of names or terms or the particular place of names in the titles of bills, I am perfectly willing to transpose the names in the title of this bill, and denominate it "the Department of Labor and Commerce." I did not, until the agitation of this bill came up, understand that there was any very loud demand throughout the country for a Department of Commerce. There had been a demand for a Department of Labor, and I know that the demand was in at least one platform of my party.

Now, if some gentleman should move to strike out "commerce" and leave this the "Department of Labor," there might be some reason for supporting that on this side of the Chamber. I do not propose to consent, by the establishment of this new Department, to a declaration of war, declaring or recognizing by law a state of war between capital and labor. I am quite sure, and it is not denied here, that those representatives of labor who appeared before the committee, objecting to placing labor in this new Department, were actuated by the sole reason that they expected as soon as this Department was established to use it as an additional argument for the establishment of another department—a Department of Labor.

Mr. DAVIS. What representative of labor made that remark before the committee?

Mr. ADAMSON. I do not remember the name of the particular gentleman, and I did not say that any man made that remark before the committee. I said I so understood it, and it has not been denied here. But while my distinguished friend was speaking I remember either hearing him read or say something that sounded very like such an admission.

Mr. DAVIS. What I said and what I read from the remarks was that the gentleman hoped that at some time labor would be separately and independently represented.

Mr. ADAMSON. I have no doubt, Mr. Chairman, that that is the reason of the objection by the representatives of labor—of all who did object—that they expect immediately to procure the establishment of a Department of Labor. I stated to my colleagues on the committee, and I reiterate the opinion here, that if labor should be stricken from this bill, and the Department of Commerce alone left, they would come before the proper committee of this House and secure the report of a bill establishing a Department of Labor, and it would become the law of the land before this bill received the signature of the President, in my humble judgment.

Mr. RICHARDSON, of Alabama. May I ask the gentleman a question?

Mr. ADAMSON. With great pleasure.

Mr. RICHARDSON, of Alabama. If labor were to do that and secure a separate and distinct department, would the gentleman be opposed to it?

Mr. ADAMSON. I would vote for it, and so would you. I just stated that if you struck commerce from the bill, there would be more sense in it than in striking out labor.

Mr. RICHARDSON, of Alabama. I understood the gentleman to say that if labor is left in the bill, he would vote against the Department of Commerce and Labor?

Mr. ADAMSON. No; I support the bill as reported. If you strike out labor, I have not stated what I would do.

Mr. RICHARDSON, of Alabama. I understood that to be the position of the gentleman. Mr. ADAMSON. I may have said in committee that if labor were stricken out, I would vote against it, but I have not said it here.

Mr. RICHARDSON, of Alabama. I understood the gentleman to say that if labor was left in the bill as it is now the gentleman would vote for the bill, but that if labor was stricken out he would not vote for the bill.

Mr. ADAMSON. The deponent has not stated what he would do if labor were stricken out, but when the roll is called I will try and vote loud enough for the gentleman to understand without any mistake. I have not agreed to vote for the bill if you strike out labor. I do not believe it would be as wise a bill, and I do not believe there is as great demand for the Department of Commerce as there is for a Department of Labor. I believe that every Executive Department of the Government is more or less devoted now to the interests of commerce.

Mr. GAINES, of Tennessee. Will the gentleman allow an interruption?

Mr. ADAMSON. Certainly.

Mr. GAINES, of Tennessee. Does the gentleman think that we should have the Insurance Bureau?

Mr. ADAMSON. I do not believe the Federal Government should interfere with insurance or any business of the citizens of the States beyond a possible bureau of information.

Mr. GAINES, of Tennessee. Have we not already all the information we need about insurance?

Mr. ADAMSON. I do not know. I opposed at first the suggestion that the Federal Government take jurisdiction over insurance for the reason that I feared it might be taken advantage of by spurious companies to defeat the precautions and protection which the States have inaugurated for the defense of their citizens.

Mr. GAINES, of Tennessee. Would not the reports be frankable, and so relieve the insurance companies of that burden?

Mr. ADAMSON. It might be of some corresponding advantage to citizens who deal with insurance companies. I would go far enough to say that as to any of these matters the Federal Government, with its superior advantages and facilities, might be able to get up more satisfactory information and disseminate it throughout the country. That far I have been willing to go on all these questions; but this bill, as I understand it, in so far as it provides for an insurance bureau, emphasizes the idea that it is to be a bureau of information.

Now, I was going on to say that every existing department of the Government is more or less now devoted to the interests of commerce. It might have been that a reclassification or collocation of the different bureaus might have obviated the necessity for this Department, but there came from all over the country demands for this Department. The only word of discord heard was an occasional reference to the differences, purely artificial, that exist between different interests and the manifest jealousy, foolish and wicked, between labor and capital.

I have no patience on the face of the earth with differences of that sort. I see no sense in transferring to the Cabinet surrounding the President a chronic row, entirely artificial on its face and vicious in its vitals, and which always ought to be discouraged rather than encouraged.

If it can not be composed in a department, if it can not be discouraged there, I can not see how the situation could be rendered less acute by dignifying the position of both parties and placing the warriors at the Cabinet table.

I do not know how to draw these lines, anyway. I do not know many men who can tell whether they are laborers or whether they are capitalists, whether they are employers or employees. Most men manage to keep about even, and owe as many people as owe them. Most men are willing to hire hands if they need them and can pay them. Most men are willing to hire out to anybody else who will pay them. Most men who are now capitalists have been reared as laborers, and if now they do not labor assiduously with their own hands, if in lieu thereof they are able to employ the industry of other men, it is their good fortune that they have been able to economize and save their earnings and have developed judgment enough to utilize the labor of others as well as their own; and they are no less the men of brawn and industry because they have saved their wages and improved their fortunes than when they were daily laborers themselves. It were well with them if they "forget not the rock whence they were hewn," and few of them do.

Mr. Chairman, I believe that, in so far as this Government bestows a bounty upon any particular business, it ought to recognize the particular interests which are engaged in the production of wealth under that bounty; and for that reason I have often urged the doctrine that wherever labor and capital are engaged in a business which enjoys profit by reason of protection, the Government ought to see that in such a case the bounty of the Government is fairly shared and divided between the laborers and the owners of the capital operated upon. I believe that, in so far as it is proper for the Federal Government to take part in the adjustment of disputes and hear the complaints of this man or that man or the other man engaged either in labor or in lending money or investing money in manufactures, the Government ought to regard them as fellow-citizens, with common and reciprocal interests, and do nothing and say nothing, enact no legislation, that will authorize any of them to forget that all labor and all manufacture and all production and all trade is commerce.

Commerce is trading together. Labor produces. Manufactures take the product and change its form and character and value. Other people engaged in merchandising, in importing, and exporting take the products and the raw material and transport them to the uttermost parts of the earth and in another form of commerce convert them into other things that the original laborer and intermediary manufacturer most need. These products, whether raw material or finished by skill, go from one end of the country to the other or from one country to another, and it is all commerce. And the man who would stand up and undertake to differentiate between the different citizens and classes of his country and seek to encourage the divorcing of interest from interest, seek to promote bickerings and strife to the point of making a legal declaration recognizing a condition of existing warfare between the different citizens of his country, is not performing the part of a patriot, no matter what his intentions and motives may be. [Applause.]

I believe, Mr. Chairman, the part of wisdom now is to pass this bill as reported by the committee; to say to those laborers who have, fortunately, gotten rich, "You are still laborers, though the character of your employment may have changed;" to say to the poor man, the man at work with the overalls on, "Every mayor, every Congressman, every governor, every Senator, every dignitary, every capitalist in the land, with few exceptions, was once just such as you. Do not show your littleness, do not show your envy, do not confess your inferiority by going round with a chip on your shoulder begging somebody to insult you and discriminate against you. Stand up and do your duty as a man; take your growth, and some day you will be one of these same capitalists that you are now trying to get the chance to fight." But you will be no more honorable in the eyes of honesty and intelligence than now, when you are not ashamed to work. [Great applause.]

Mr. Chairman, I had not intended to speak so long. I thank the committee for its close attention.

The committee resumed its session [January 15, 1903].

Mr. RICHARDSON, of Alabama. Mr. Chairman, I yield to the gentleman from Missouri [Mr. Shackelford], a member of the committee, so much time as he may desire.

Mr. Shackelford addressed the committee. [His remarks were not furnished to the Congressional Record.]

Mr. COCHRAN. Mr. Chairman, I address myself first to the main question, Shall this new Department be established? Certainly numerous and plausible arguments in favor of it have been made, and if the pending bill only provided for the creation of a Department of Commerce, with misgivings as to the wisdom of further enlargement of the vast system of bureaucracy into which the Government is being transformed, I would yield to the suggestion that the proposed new Department might vastly promote industrial and commercial development and give it my support.

But, Mr. Chairman, the bill proposes to create a Department of Commerce and

Labor, thereby vesting the head of the Department with powers and imposing upon him duties which, if not repugnant, are at least not entirely harmonious.

To commit the interests of labor to the keeping of the Secretary of Commerce, to treat the labor problem upon a plane with the transactions of the bourse or the market place, is a mistake so grave that it is grotesque.

Mr. Chairman, what do we expect to accomplish by creating a Department of Commerce? The name of the new Department answers the question. We hope to develop new fields of profitable trade and foster old ones. We hope to facilitate industrial development and promote commerce at home and abroad. What should be the qualifications of the chief of this new Department? Above everything else, he should be a man of affairs, acquainted with the vast subject with which he must deal; vigilant, enterprising, resourceful, and possessed of the sagacity which distinguishes the American man of business from all others.

We will look to this Department to give direction to the energetic campaign that has for its object the conquest of the markets of the world by American merchants and manufacturers.

How to produce the best and at the same time the cheapest commodities and send them where they are wanted is the most vital problem of international commerce. Upon its solution everything else depends.

Plainly, then, Mr. Chairman, the work in hand calls for the practical experience and training of the merchant, the manufacturer, the financier, and if the new Department is to justify the hopes of its founders, at its head must be placed a man uniting statesmanship with much experience in business.

But, Mr. Chairman, I protest against committing to a man such as I have described the safe-keeping of the interests of labor. The labor problem—the problem of the ages—the most vital of problems—is in its very essence a social problem. I would not expect at the hands of the man of per centums and bargains even an honest effort to understand this problem, much less a policy in dealing with it consonant with the welfare of the millions who depend upon the earnings of labor for a livelihood.

The gentleman from Georgia [Mr. Adamson] says he declines to admit that there is an irreconcilable war between labor and capital. That is not the way to put it. Unquestionably the selfish interests of capital and labor clash, but it is not a war. There is no war between a man who buys a farm and the one who sells it, but the purchaser is eager to buy it at a less price, while he who sells seeks a larger consideration. There is no war between a manufacturer who offers goods for sale and the merchant who buys them, but their interests conflict. Each seeks to promote his own welfare—to increase his own profits. On this line rages the endless contention between labor and capital, and experience has shown that with labor unorganized, with each individual in the vast industrial army segregated from his fellows and fighting the stern battle for bread alone, slavery must inevitably be the fate of the vast majority.

A profound consciousness of this fact has led to the organization of the breadwinners of the United States, and unbending opposition to labor organizations on the part of the great corporations engaged in production warns us that in the future the gravest problem with which statesmanship must deal is how to measurably reconcile the contention that rages between these stupendous forces.

History admonishes us that force can not be relied upon to wisely solve this problem. We should not forget that centuries ago precisely analogous conditions led to conflicts precisely similar to the struggle now going on in this country. On the one side rich employers, arrogant and conscious of the power of wealth and the weakness of poverty; on the other the wage-earners organized into fraternal brotherhoods.

Then, as now, the employer contended that for the laborers to organize and assert the right to deal en masse with employers was an interference with his legal right to dictate to each laborer separate from his fellows the terms and conditions of employment. Then, as now, the rejoinder of labor to this autocratic assumption was defiance, and persistence in the effort to escape by organized resistance the progress of an industrial order which, in the end, if unopposed, would inevitably lead to slavery.

Mr. Chairman, let us see if we can arrive at a precise definition of the issue between labor and capital. It arises thus: A employs a thousand men. If he may deal with them individually, he can say to each, "Take what I offer or quit my employment." With what result? Concede this power and he may dictate absolutely all the stipulations of the labor contract. He may dictate the hours of labor, the price of labor, the kind of quarters the men shall occupy, and thus exercise a tyranny as despotic and all-pervading as ever was exercised by the owner of a chattel slave.

I have never heard from the lips of an enemy of organized labor any satisfactory rejoinder to this arraignment of the industrial system which would result from the denial of the right of the effective organization of laborers.

Of course we hear it said that labor is a commodity, and as such should be sold by each individual laborer in competition with others. This is puerile. Labor differs from all other commodities in many and vital ways. By disposing of his labor, the laborer for the time being disposes of his person. He loses power to control his associations and environment. Furthermore, he must sell his commodity—his labor—to-day, to-morrow, and every day. The merchant, failing to obtain a satisfactory price for his wares, may lay them back on the shelf and await a better offer. Instead of a loss, he may gain by the delay, for the price of his wares may advance. Failing to find a buyer to-day, he may wait until to-morrow.

Failing to dispose of his wares in one place he may carry them to some other market and dispose of them, or may often consume them himself. The laborer can do none of these things. He must sell his labor now—to-day—or it is forever lost. His necessities—the daily wants of himself and his household—compel him to sell his commodity day after day, in good times and in bad, for what it will bring.

It is frequently urged that instead of organizing, laborers should seek other remedies. "If the terms offered by the employer do not suit him he should quit and seek other employment," is about the way it is usually stated. This is generally impossible, and at the best would not help matters. How would he gain a living while pursuing this remedy? Would he better his condition by the change? With no organization to stand between him and his employer, what would he gain by changing taskmasters?

One further observation on this branch of the subject. Recently there has occurred a decrease in the number of independent operators—an increase in the percentage of our population dependent upon employment and wages for a living. There has been also an increase in the percentage of people living in cities. This only intensifies the struggle and increases the gravity of an economic and social problem as old as civilization and trade. It was with our progenitors centuries ago; it will be with our descendants centuries hence. Statesmen and governments have tried in various ways to satisfactorily solve it, and yet I believe its solution is possible.

At every stage of the controversy labor has petitioned for an appeal to reason and the abandonment of force as a means of settling labor disputes. For seven centuries this demand has been spurned by the rulers, lawmakers, and statesmen of Christendom. It is met by the doctrinaire of the old school with the declaration that to attempt to establish courts for the settlement of labor disputes is impracticable and visionary. The purse-proud manufacturer and mine owner declare that such a scheme would invade personal rights. The dollar-mark statesman who thrives by dabbling in watered-stock schemes of development says that already the exactions of labor unions have increased the cost of production to a dangerous degree.

These arguments have prevailed and, regardless of the danger that lurks in gathering clouds, we repeat the folly of the ages, and in this free country have made little progress in the direction of rational treatment of the labor problem.

We should not forget that every day the environment of the laborer and the conditions of employment are undergoing changes which add to the gravity of questions to be dealt with. Formerly thousands, probably a majority, of the unskilled laborers, were employed by the year. They may have received a small per diem, but they were secure against idleness for a year. Now the term of employment is precarious.

In most employments the mechanic as well as the common laborer is now employed by the day or by the hour. The significance of this revolution in industrial life can not be exaggerated. Think of it! Formerly the breadwinner was employed by the year, then by the month, then by the week, then by the day, and now by the hour. In all great manufacturing enterprises the tendency is the same.

To comprehend the importance of these changes in the industrial order, we must take into the account the fact that in dealing with the wage-earners of this generation we are not dealing with the illiterate serfs of former times. A century ago few laborers could read and write. The mechanics and artisans of a hundred years ago were uneducated, and inferior to the wage-earners of to-day in intelligence.

Mr. Chairman, even when the laborer was illiterate, harsh legislation, repression, did not prevent him from resisting the oppression inseparable from an industrial system in which the employer claims autocratic power over all the stipulations of the labor contract. Behold a schoolhouse on every hill and in every valley, placing within reach of every boy and girl in this Republic, rich and poor alike, the same avenues to improvement and education, and be warned against persevering in the errors of the past. You can not build schoolhouses and employ teachers to fit men and women for a social paradise and expect them to dwell in contentment in an industrial hell.

Mr. Chairman, I have digressed from the subject in hand apparently, but it was for the purpose of drawing attention to the fact that the labor problem is a political,

a social problem. It must be studied apart from the relation of labor to the profits of the bargain counter. I can not believe that a man capable of meeting our expectations as a Secretary of Commerce would approach the labor problem with any just conception of its true nature or of its vast importance except as it is related to the question of the cost of the production of things. This is one phase of the question, to be sure, and an important one, but it is not paramount.

Your Secretary of Commerce will be drawn from classes and your Department of Commerce will be dominated by influences interested solely in increasing trade and the profits of traders. It is idle to say that the President would appoint a Secretary of the Department of Commerce who would sympathize with the laborer's battle for a better living and sympathize with the employer's quest for cheaper production and larger profits, and who would seek to hold the scales of justice evenly between them.

I think it is demonstrable that unwise and discriminative policies long pursued by the railroads have blighted the villages, prevented the growth of small cities, and thus driven the laborers into the great cities, to their immeasurable injury. Therefore I believe that a just solution of the transportation problem would contribute to the welfare of all wage-earners. Accord to the village, hamlet, and small city transportation facilities and rates such as are enjoyed by the large cities and they will grow and prosper, and the tendency to the congestion of wage-earners in cities will be arrested. If this be true, by moving in this direction we could do more to settle the labor problem than in any other way; yet we are going on in the contrary direction.

The drift of the laboring classes to the great cities is the most ominous sign of the times.

What is the consequence? They occupy crowded tenement houses, dwelling in continual wretchedness, and rearing their families where the roofs, the fire escapes, or the street must be resorted to for even a breath of fresh air.

I know, Mr. Chairman, that much of the suffering and many of the misfortunes I have mentioned are unescapable, but I know also that many of these evil outgrowths are the result of evil practices which could be and ought to be prevented. The victims are helpless. Wise statesmanship, uncurbed by the maxim that "Business is business," must find a remedy for such of these evils as are curable, or still greater evils will be visited upon all classes. Hoplessness is the forerunner of despair. Misery is the mother of crime.

Say to the multiplying thousands who swarm in the slums of the great cities that there is no hope of better things, that they and their posterity forever must dwell amid such evil environments, and they will interpret the message as a declaration that as to many (perhaps when the evolution of the industrial order shall be complete, a majority) of God's creatures civilization is a failure, Christianity a farce, and the pretense of just government a travesty. Would such an interpretation of such a declaration be right or wrong?

Mr. Chairman, I contend that here I have suggested another phase of the labor problem which must be dealt with. I do not believe it would be regarded as a problem in sociology by the Secretary of Commerce. I do not believe he would consider it at all. Apprised of all its evil consequences, he would probably shrug his shoulders and say, "Business is business," and in five minutes forget that he had ever heard of it. And yet it is the opinion of all sociologists and students of social economics that the tendency to the congestion of wage-earners in cities is the most menacing augury of the times.

It is true that this tendency is world-wide, but it is more marked in the United States than anywhere else, and this, too, notwithstanding the fact that here it should, and under normal conditions would, be least active.

In France, where a population of nearly 40,000,000 occupy an area of territory so small that were you to place it in Texas and make Texas a sea you would have a hundred miles of water all around you, a larger number of people out of every thousand live on the land, outside the cities, than in the United States—a republic continental in area, extending from ocean to ocean and from British Columbia to the Gulf. Why this difference? It is because the little neighborhood factory is prosperous in France, and the little factory in the French hamlet prospers because in France the large city and the small hamlet fare alike in railroad rates and facilities.

Mr. Chairman, other considerations bearing upon our politics, and closely related to the labor problem, are too important to be overlooked. The lawmaker who has not discerned in recent years political tendencies which, if unchecked, will lead eventually to a complete revolution of the parliamentary situation which has prevailed in the United States for a hundred years has not closely studied events. So far the control of the Government has rested in the hands of one or the other of two

great political parties. First the Federalists and Republicans contended for mastery. Later the Democrats and Whigs, and for the last fifty years the Democrats and Republicans have divided the voters into two vast armies, and throughout a century one or the other of these great political organizations has governed this country. Mr. Chairman, the change in the environment of a large proportion of the voters of the country has set on foot a new social movement which, originating in a community of interests, is destined to lead to concerted political action.

We began as a nation essentially rural. During the early years of the Republic the owners of the soil controlled political parties and the Government. The cities now exercise supreme control of the machinery of parties. Thus far the voters of the cities have remained loyal to the great party organizations to which I have referred. How much longer will they continue to be loyal to these parties? How long will our political battles be fought out by two great party organizations and end, necessarily, in placing one or the other of these great parties in control? Sir, I predict that in the not distant future numerous seats on this floor, and later a few seats at the other end of the Capitol, now held by Democrats and Republicans, will be occupied by the representatives of a new party evolved from the interminable struggle over the labor problem, and that the balance of power in politics and government will eventually be held by these newcomers.

Mr. Chairman, the drift of politics in this country during the past six years has given tremendous impetus to this tendency. What ground for hope of fair consideration of the rights of those who toil can be found in the history of American politics during that period? My distinguished friend from Ohio [Mr. Grosvenor] has just entertained us with a rehearsal of the election statistics showing the great victories of the Republican party in 1896, 1898, and 1900. Unfortunately for the country, his extravagant claims are justified by the facts. But, Mr. Chairman, let us consider briefly the consequences of these glorious Republican victories.

It is true that several States heretofore Democratic were swept into the Republican column in 1896 and have remained there ever since, and the Republican membership of Congress has been strengthened proportionately. The Republicans gained two seats in the Senate by retiring two Democrats from New York and sending two Republicans in their places. To whom were the Senatorships awarded? Were they given to representatives of the laboring men and producers? No. One went to Mr. Vanderbilt's attorney, Mr. Depew, and the other to the United States Express Company in the person of its president, Mr. Platt.

Two Democratic Senators from West Virginia gave way to two Republicans. Who are they? Representatives of labor or agriculture? No. Messrs. Elkins and Scott, partners in the ownership of the West Virginia coal monopoly. A veteran from Ohio, who first and last had more strongly impressed his personality upon Republican politics and policies than any man of a generation in which giants were his colleagues in the Senate, Mr. Sherman, was flattered into surrendering a seat in that august body to the worst member of the gang of newcomers who now control the Republican party machine.

Who is the beneficiary of the conspiracy by which John Sherman, in his dotage, was wheedled into placing himself under the espionage of Mr. Day, from Dayton, and finally retired, broken-hearted, from a Cabinet office in which he had been placed not for the purpose of honoring him with its dignity or with the intention of permitting him to exercise its duties, but solely for the purpose of making a place in the Senate for the chief of the fat fryers. Is he a representative of the millions who toil in shop, mine, field, and factory? No! He is the prince of political bootlers and a type of the stock-jobber statesmen who swarm at party headquarters during campaigns and are gradually taking possession of all branches of the Federal Government.

Do you think the laboring man who, in his home or boarding house, reads the newspapers and knows these facts as well as you do is unaware of their meaning? Gentlemen, these things are driving from his heart the hope of better things at your hands, and he will not much longer follow a party leadership drawn from the directory of corporations and identified with circles essentially hostile to the dearest interests of the millions who toil for a livelihood. [Applause.]

In conclusion, Mr. Chairman, I declare that solely because this bill proposes to place the Labor Bureau in charge of the Secretary of Commerce I am opposed to it and shall vote against its passage. [Applause.]

Mr. HEPBURN. Mr. Chairman, I appeal to my friend that he fix some time for the termination of this debate. The gentleman's side has occupied two hours and four minutes, and one hour and ten minutes has been occupied on this side.

Mr. RICHARDSON, of Alabama. We are not going to object to any length of time. As I understand, it is unlimited. There was no time limit put upon debate.

Mr. HEPBURN. Your proposition was that at 4 o'clock we would agree on some time.
Mr. RICHARDSON, of Alabama. About 4 o'clock, yes; that we would try to agree; and I am ready to fulfill my proposition now. I will try to agree. I think we had better take the vote to-morrow—say at 3 o'clock.

Mr. HEPBURN. To-morrow will be otherwise occupied.

Mr. RICHARDSON, of Alabama. I am ready to comply with my proposition to the gentleman that we should try to agree.

Mr. HEPBURN. Suppose we close debate after four and one-half hours?

Mr. RICHARDSON, of Alabama. General debate?

Mr. HEPBURN. Yes.

Mr. RICHARDSON, of Alabama. When will that stop the general debate? You do not propose to close it this afternoon, do you?

Mr. HEPBURN. I should like to close debate about 5 o'clock. We want upon this side a half hour more of time. That will give an hour and forty minutes to this side. You have already had two hours and four minutes. Now, will ten minutes more satisfy gentlemen on that side?

Mr. RICHARDSON, of Alabama. I should not like to agree on that, because there are other gentlemen here who want to speak and I do not desire to cut them out of the opportunity of speaking. I am disposed to think that we ought to adjourn about 5 o'clock and let it go over until to-morrow.

Mr. LAMB. To-morrow is war claims day.

Mr. RICHARDSON, of Alabama. My proposition strikes me to be very reasonable.

Mr. HEPBURN. I ask now unanimous consent that general debate be concluded in thirty-five minutes, ten minutes to be controlled by the gentleman from Alabama [Mr. Richardson] and twenty-five minutes by myself. That will make two hours and twenty-four minutes on the other side and one hour and thirty-five minutes on this side.

Mr. RICHARDSON, of Alabama. I want to yield now to the gentleman from Texas.

Mr. HEPBURN. Why can not the gentleman agree to that now?

Mr. RICHARDSON, of Alabama. I will agree if no one else wishes to speak after the gentleman from Texas concludes.

Mr. HEPBURN. If the gentleman does not know of anyone else who wishes to speak, what precludes him from agreeing to the proposition now?

Mr. RICHARDSON, of Alabama. Because I am afraid that some one might want to speak.

The CHAIRMAN. The gentleman from Iowa asks that general debate be concluded in thirty-five minutes, ten minutes to be controlled by the gentleman from Alabama and twenty-five minutes by himself. Is there objection?

Mr. RICHARDSON, of Alabama. I object. I will yield ten minutes to the gentleman from Texas [Mr. Wooten].

Mr. HEPBURN. I yield ten minutes to the gentleman from Texas. I have the floor.

The CHAIRMAN. The gentlemen from Texas [Mr. Wooten] is recognized for ten minutes, as the Chair understands.

Mr. WOOTEN. I do not think I shall consume that much time.

Mr. HEPBURN. I yield the gentleman from Texas ten minutes.

Mr. RICHARDSON, of Alabama. Then I yield to him ten minutes additional, making twenty minutes in all.

The CHAIRMAN. The gentleman from Iowa [Mr. Hepburn] yields to the gentleman from Texas.

Mr. RICHARDSON, of Alabama. I thought the gentleman from Iowa had taken his seat.

The CHAIRMAN. The gentleman from Texas is recognized for ten minutes in the time of the gentleman from Iowa.

Mr. WOOTEN. Mr. Chairman, I have no desire to further prolong this discussion at this late hour, but I feel like going on record against this bill. I believe the bill to be in its practical purposes and its inevitable tendencies wrong. I think the very title of the bill itself, taken in connection with its contents, is misleading and misrepresents the real purposes and effects of the measure. This is entitled "An act to establish the Department of Commerce and Labor."

Now, I have searched in vain through the various sections of this act to find a single reference to labor as such or to a department or bureau of labor, except so far as section 4 incorporates and consolidates with this proposed Department the old Department of Labor now existing. There are provisions in this act for a bureau of insurance, a bureau of corporations, a bureau of manufactures, and the head of the Department is denominated in general terms, "the Secretary of Commerce and Labor," but nowhere in the bill is there any provision made, or any duty imposed,

or any function defined that can be reasonably related to the cause and the interests of organized labor in this country.

The party to which we on this side of the House belong demanded in its last national platform a Department of Labor as one of the independent departments of this Government; and by so doing it recognized the necessity for a Department that should be wider in its scope, more efficient in its operation, and more intelligent in its action upon these questions than the existing Department of Labor. Yet this act simply incorporates the old Department of Labor, inadequate and inefficient as it has heretofore proven, and even destroys what little virtue there was in that Department by rendering it subordinate and subsidiary to the jurisdiction of this misnamed Department of Commerce and Labor. So far as labor is concerned in this country it is not recognized.

The gentleman from Georgia [Mr. Adamson] intimated that he would not recognize any conflict or antagonism between capital and labor. Mr. Chairman, I fail to understand or appreciate the peculiar intellectual and moral attitude of any man who, in view of the history of this country for the last twelve months, can say there does not exist a radical and a critical antagonism between these two departments of industry and enterprise. For the last nine months one of the greatest necessities of this country, one of the great factors in the civilization and the commerce and even the very existence of our people—the fuel supply of the country—has been paralyzed by this antagonism.

For the last sixty days, nearly, a joint high commission, appointed by even the President himself, has been seeking to solve this dangerous and critical antagonism. And yet gentlemen come here and say that labor can afford to lie in an unequal and subordinate position in a Department organized simply and purely in the interest of commerce and the commercial interests.

I undertake to say that the laboring people of this country have asked for bread, and this bill gives them a stone. They have asked for representation in an adequately organized and efficiently conducted department of the Government, and this bill takes away from them even the poor pittance that they now enjoy under the Department of Labor as it now exists.

More than that, I am opposed to this bill on principle and on what I conceive to be sound considerations of public policy. Under this bill almost every important function of this Government, so far as our domestic affairs are concerned, is consolidated and centralized under this new Department. The bill seeks to take from nearly every other Department all statistical operations. It consolidates here a mass and a complexity of interests and functions that will render it in many respects the most important and far-reaching Department of the entire Federal Government. And the result of it is simply to nationalize and federalize and centralize every interest and industry in this country in the hands of a Federal department of this Government and to leave practically nothing for Congress to do, nothing for the people to be heard upon.

This bill belongs to that school of political philosophy, that school of commercial exploitation, to which we have been subjected under the dominant political party for a number of years past, whose policy it has been to nationalize all these interests of the people, practically to abrogate and abolish the functions of their representatives on this floor, and to turn them over to a congeries of bureaus and boards to be administered without regard to the interests of the people. That is what the bill means in its practical effects, and that is what it will accomplish, and it was intended to accomplish that result.

I wish, as I said, to go on record against the bill, as being hypocritical, deceptive, and misleading in its attempt to answer the demands of labor; and in the next place, on account of the fact that the bill itself is vicious in all its tendencies, and, in my judgment, is calculated simply to hasten the day when the real interests of the people will be relegated to a lot of boards in this capital, surrounded by that sort of environment and subject to that sort of influence that furthest remove them from a response to the real burning needs of the Republic. [Applause on the Democratic side.]

Mr. HEPBURN. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. Scott].

Mr. WOOTEN. Mr. Chairman, I understand that I have some time left out of the time yielded to me. I would like to yield that to somebody else.

The CHAIRMAN. The gentleman has not the right to yield time which has been yielded to him.

Mr. SCOTT. Mr. Chairman, I had not expected to ask for any time in the debate upon the pending measure, and I should not do so now were it not that I feel impelled to place on record my very emphatic dissent from some of the views which have been expressed here this afternoon.

Nearly all those who have expressed opposition to this bill have based that opposition upon the declaration, in substance if not in set terms, that the interests of labor are so divergent from, if not absolutely antagonistic to the interests of commerce that it would be wholly illogical to include both these interests in one executive department. It has been declared here in effect that this new Department, if created, would be dominated so completely by the capitalistic interests that labor would receive but scant consideration, if indeed the interests of labor were not actually sacrificed and betrayed.

To all such expressions, Mr. Chairman, I must emphatically dissent. I have no sympathy whatever with the sentiment which assumes the division of the people of America into distinct and necessarily and inevitably antagonistic classes. It is utterly repugnant to all my instincts as an American citizen to hear "labor" spoken of as a distinct and clearly marked class, and "the interests of labor" alluded to as something wholly differentiated from and necessarily hostile to other American interests. There is no such distinction in fact and there certainly ought to be none in legislation.

To strike out from this bill that part of it which provides for the incorporation in the proposed Department a Labor Bureau, with the plain purpose, as we all perfectly understand, of hereafter demanding the establishment of a separate Executive Department devoted to labor alone, is in effect for this Congress officially to declare that the alleged conflict between capital and labor is not only inevitable, but irreconcilable, and that the best the statesmanship of the future can hope to do is to give these two classes a fair field and no favors and let them fight it out.

I can not subscribe to that sentiment. I believe that the interests of commerce and labor are mutual and not antagonistic, and I shall support this bill because I believe it will do more than any measure that has yet come from this House to demonstrate this mutuality of interests, and in that way help to hasten the good day which, however long it may be delayed, we all hope is coming, when strikes and lockouts and boycotts as weapons of industrial and commercial warfare will be as obsolete as the crossbow and the catapult are as weapons of physical warfare. [Applause.]

Mr. HEPBURN. Mr. Chairman, I now ask unanimous consent that general debate be closed in twenty-five minutes.

Mr. RICHARDSON, of Alabama. That is agreeable.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that general debate be closed in twenty-five minutes. Is there objection?

There was no objection.

Mr. HEPBURN. Mr. Chairman, so far as I have been able to observe, the opposition to this measure is not to the bill in its entirety, but to a single section or paragraph of the bill. I think that the greater number of gentlemen upon that side of the House are quite content that this Department of Commerce should be created, but they are unwilling that the present Department of Labor should be included in that Department. That opposition to my mind is based upon two erroneous propositions: First, that there is antagonism between the interests of labor and the interests of employers that we here as a part of the lawmaking power of the United States ought to recognize.

Gentlemen, I believe that that is a fallacy. I do not believe that the Government of the United States should recognize in any official way antagonism or warfare between those two great interests, those two great classes in the United States. [Applause.] The interests of labor and the interests of that capital which employs labor must be identical. They are identical. Their interests must move side by side; they must be joined hand in hand if this Government of ours is to be all that we hope it may.

Gentlemen, assume that the officer called upon to preside over this great Department would be hostile to the interests of labor. Why do you assume that? What right have you from experience or observation to make statements of that kind? To-day we have an anomalous sort of organization called the Department of Labor, for whatever it is worth; not so much as it should be, not so much as it will be if this union is effected. It has been presided over by one man, and with all the changes of politics in the administration of national affairs no change has been made in the head of that Department.

Democrats and Republicans alike have retained the same officer. He meets all the requirements, I am told, of the labor organizations. They are content that he should remain there. The capitalist is content that he should remain there. The laborers are content, the employers are content. May we not learn something from that experience as to what will probably be the result if this Department is created? This is to be the Department of Commerce and Labor. You gentlemen seem to feel it necessary that you should, in speaking that sentence, always emphasize commerce. It is as much the Department of Labor as it is of Commerce. A gentleman says, "Why, labor is referred to only in the most casual way."

I am glad to know that that gentleman is from Texas. I understand that if he had read the law, first creating the Bureau of Labor and then the Department of Labor, he would have learned that there was much in the statutes upon that subject, and that whatever there was is continued, and whatever powers are lodged in that Bureau first, and that Department finally, are to be lodged in it still. The only difference is that there will be one other man, one superior, whose genius, whose talents, whose patriotism will augment the qualities possessed by the gentleman who now presides over the Department of Labor.

You take nothing from the Department of Labor; you add to the Department of Labor by another with more power, with more influence, and probably with qualities that will enable some additions of usefulness to be made. This proposition is not in derogation of labor. It is not subordinating in any sense the Department of Labor. It is adding to, it is augmenting, it is enlarging the scope and the power of this Department. It places this Department, that now has no voice in the Cabinet, in the councils of the President, as high as the highest. It will have the same place as the interests that cluster around the State Department, or the Interior Department, or the Post-Office Department have. Labor will have its own representative in the Cabinet.

Mr. RICHARDSON, of Alabama. Will the gentleman from Iowa allow me to interrupt him?

Mr. HEPBURN. For a question; yes.

Mr. RICHARDSON, of Alabama. Is it not a fact that no other civilized government or power of the world has undertaken to organize the department of labor in the language and with the title that this bill does?

Mr. HEPBURN. Well, I do not know; I am not a linguist.

Mr. RICHARDSON, of Alabama. Is it not a fact that in many of the great foreign powers a department of commerce exists, single and alone, without mentioning the department of labor?

Mr. HEPBURN. That may be. This is an improvement upon the effete nations on the other side of the Atlantic.

Mr. RICHARDSON, of Alabama. Then why should this Government depart from the experience of the world on that subject and create a department that will be different from any other that ever has been created, touching the interests of labor?

Mr. HEPBURN. Mr. Chairman, the people of this country have on many occasions taken the liberty of passing beyond the precedents that had been established on the other side of the Atlantic. I think our fathers did it when they established this Government.

[Applause on the Republican side.]

Mr. ADAMSON. Will the gentleman allow a question?

Mr. HEPBURN. Certainly.

Mr. ADAMSON. Do you know anything in this bill or any reason elsewhere that would prevent the President, if so disposed, from designating as the Secretary of this new Department a man friendly to labor?

Mr. HEPBURN. Why, surely there is nothing in it that would prevent him from doing that, and there is no inclination, probably existing anywhere that would deter the President of the United States from appointing a man to this office who would be entirely acceptable to all the labor interests of the United States. The President of the United States, no matter who he may be, will be large enough to know what the labor interests of the United States are to our past, to our present, to our future. He will be large enough to know that these men of whom we speak sometimes as the labor interests are the creators of our wealth; that they are the bulwark of our nation; that they are the men who make progress possible. The President of the United States will know that it is as much his duty, his pleasure, as it is that of every other citizen of the United States, to augment, to honor, to promote, to dignify labor.

We have long passed, and so has the man who will be President of the United States long passed; that age or period when men look upon labor as a badge of degradation, as a mark that was put upon one to show the wrath of God. Ah, no! We recognize, all of us, the fact that it is labor that creates the state, that it is labor that does all in the great race of progress and in the promotion of the civilization that we enjoy and of which we are so proud.

Gentlemen, how can you, with the ideas of the American, constantly prate as you do upon the differences and distinctions between labor and capital, giving in all instances to labor the inferior place and the place with the least of power? There is no logic, there is no patriotism, there is no Americanism in a proposition of that kind. [Loud applause.] Labor stands first among all true Americans; and so we propose to place it here. We are going to augment, to add to, if it is possible, the dignity of labor by giving it a Department.

Mr. FITZGERALD. Will the gentleman permit a question?

Mr. HEPBURN. Yes; I will yield for a question.

Mr. FITZGERALD. I wish to ask the gentleman if there was any proposition before his committee which, if these Departments had been separate, would have been compelled—the President—to appoint any different character of man as the head of the Labor Department than he would as the head of the Department of Commerce?

Mr. HEPBURN. I do not think there was. I think that the committee recognized the fact that the President of the United States chooses the heads of departments for their fitness—for their capacity to attend to the details of their business and as his constitutional advisers.

Mr. FITZGERALD. The point I wanted to bring out was: Would not the objection that the head of the Department of Commerce and Labor would be hostile to labor apply to the head of the Department of Labor?

Mr. HEPBURN. Why, I think so. If there is a fear that the President might make an appointment hostile to the interests of labor under the provisions of this bill, might not we fear, and ought not the fear to obtain, that if there had been a separate department he would yield to the same influences and bend to the same hostile views on labor?

Mr. Chairman, considerable discussion has been had with reference to the provision of the bill creating a Bureau of Insurance. Learned gentlemen have discussed the constitutional power of this body to legislate upon this subject. I do not care to enter upon that discussion. I will simply hazard this humble opinion: That whenever the question is brought before the Supreme Court of the United States on a question upon an insurance policy—a marine insurance policy, covering merchandise that is a part of interstate commerce—the Supreme Court, in my judgment, then will hold that it is commerce, that it is interstate commerce, and that the Congress of the United States have the power to legislate in regard to it.

Why, gentlemen may talk about this particular interest not constituting commerce. Maybe in some phases it does not; but I want to remind you, Mr. Chairman, of this fact: Obliterate the insurance of the United States and you obliterate largely the commerce of the United States. I undertake to say that it would languish wonderfully if you destroy insurance. Who would venture, who would send his cargoes and his vessels upon the high seas, subject to the storms and the vicissitudes of ocean travel, save for the consolations of his insurance policy? Who would engage in interstate commerce among the States if it were not for the possibilities of insurance? Who would engage in the various businesses that make commerce possible if it were not for insurance!

Insurance of three kinds interests every citizen, almost, in the United States. It is an interest colossal. Think of it! There are three insurance companies in the United States that in the aggregate of their assets are worth more than a billion of dollars. Think of the multitude of men, women, and children whose interests are bound up in that colossal interest! This body which we propose to create here is simply one of publicity, of inquiry, to find out the facts, to publish those facts to the world, to put the innocent upon their guard. Here in my hand I hold a list of more than 150 bogus insurance companies doing business in the various States of the Union. It is not the duty of any State, of anybody, to search, to inquire, to ascertain with regard to the status of these companies. No one takes the trouble upon themselves. There is no publicity that is reliable, and hence, in my judgment, infinite good will come from this provision in this law.

Somebody will inquire, somebody will find out, it will be the duty of somebody to place in the public journals, or in the public reports, the character of these unworthy candidates for public favor, who, day by day and year by year, are fleecing the public out of thousands and tens of thousands of dollars for insurance that is not worth the paper upon which it is written.

Mr. Chairman, it is exceedingly difficult, as any gentleman will see who has given any attention to the subject, to prepare a bill of this character, to determine just what bureaus and divisions of the Government shall be placed within it. Some that would strike one gentleman as a proper subject of transfer to this Department, upon a little further investigation would be found was so connected, was so interwoven in their duties with another department, that the change from one to the other would be a dislocation of the public business that would be harmful in the extreme. Then, again, there are certain interests in the departments, perhaps; men had their attachments, they were located in one particular place, they had been accustomed for a long time to doing business right there, and strenuous efforts were made, as my colleagues will bear me out in saying, to prevent these changes that many of us thought ought to be made.

We have done the best we could. We do not assume that the bill is perfect, but it is the groundwork, the basis, and there is within it a provision giving to the President of the United States ample authority for the transfer of a division or a bureau that will in the course of time make it what it ought to be. I confess that it does not exactly suit me; I do not think it exactly suited any member of the committee, but it is the best we could do, and while gentlemen have said "Who asks for this?" it was not, I am glad to say, a member of the committee who made that inquiry, for members of the committee know that from one end of the land to the other there were demands by letter, by memorial, by petition, by the personal presence of eminent men from all over this country, for the creation of this Department.

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

Mr. HEPBURN. Certainly.

Mr. WOOTEN. What objection has the gentleman to an independent Department of Labor. Would the gentleman favor it?

Mr. HEPBURN. I would not.

Mr. WOOTEN. Why not?

Mr. HEPBURN. At this time it is not necessary. I would not do it certainly if I believed as the gentleman from Texas does. His idea, as I understand it, and the reason why he wants an independent Department of Labor, is because there are antagonisms, there is hatred, there is wrath, between him who would be the head of the Department of Commerce and him who will be at the head of the Department of Labor. As I understand it, Mr. Chairman, we do not want to introduce quarrels, contests, and fights into the councils of the Chief Executive. Of all places, there we want peace.

Mr. WOOTEN. The gentleman does not state my position. I have not said that there was any hatred; I said there was antagonism and diversity of interests. I ask the gentleman if he thinks there has not been antagonism in this country between capital and labor?

Mr. HEPBURN. I believe on the part of ignorant men there is a feeling that the gentleman speaks of. [Laughter.] I do not want to be offensive to the gentleman, but I do mean to say—

Mr. WOOTEN. Does the gentleman mean by "ignorant men" the laboring men of this country?

Mr. HEPBURN. No; I do not mean the laboring men; I mean the inferior class of laboring men of this country. I have never talked with an intelligent laboring man in my life who has not been ready to say that there was no real antagonism between labor and capital. [Applause.] That is the opinion of the intelligent laboring men of the land. It is only where ignorant men have their passions played upon by demagogues that this feeling of hatred exists. [Applause on the Republican side.]

Mr. WOOTEN. Will the gentleman permit another question?

Mr. HEPBURN. The gentleman can see that I have only a minute. Yes; I will yield.

Mr. WOOTEN. The gentleman speaks of the inferior class of laboring men. Will he define what he means by "inferior class?"

Mr. HEPBURN. I do not hesitate to answer that. I mean the sort of creatures that year by year we are allowing to come into the country from the south and east of Europe. That is what I mean.

Mr. WOOTEN. Why don't you shut them out?

Mr. HEPBURN. I would if I could have my way, but I have found whenever a contest was made every Democrat voted against it. [Applause on the Republican side.] If we could abolish the Democratic party, we could abolish this evil. [Applause and laughter on the Republican side.]

Now, Mr. Chairman, I ask that the reading of the bill be commenced.

The clerk read the first section of the bill as follows:

Be it enacted, etc., That there shall be at the seat of government an executive department to be known as the Department of Commerce and Labor, and a Secretary of Commerce and Labor, who shall be the head thereof, who shall be appointed by the President, by and with the advice and consent of the Senate, who shall receive a salary of \$8,000 per annum, and whose term and tenure of office shall be like that of the heads of the other Executive Departments.

Mr. HEPBURN. I move that the committee now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. Gillett, of Massachusetts, reported that the Committee of the Whole on the state of the Union, having had under consideration the bill (S. 569) to establish the Department of Commerce and Labor, had come to no resolution thereon.

January 17, 1903, debate was resumed in the House:

Mr. HEPBURN. Mr. Speaker, I desire to call up the special order.

The SPEAKER. The gentleman from Iowa calls for the regular order, which is Senate bill 569. The Chair is of the opinion that the better and safer form is to move that the House resolve itself into Committee of the Whole.

Mr. HEPBURN. Mr. Speaker, I move that the House do now resolve itself into Committee of the Whole House on the State of the Union for the further consideration of the bill S. 569.

The motion was agreed to.

Accordingly, the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 569) to establish a Department of Commerce and Labor, with Mr. Hull in the chair.

Mr. HEPBURN. Mr. Chairman, the first paragraph of this bill was read and then an adjournment took place, cutting off the gentleman from Alabama [Mr. Richardson] from offering an amendment which he proposed. I ask unanimous consent to return to that paragraph, in order that the gentleman may offer that amendment.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the committee return to the first paragraph of the bill. Is there objection?

There was no objection.

Mr. RICHARDSON, of Alabama. Mr. Chairman, I move to strike out the words "and labor."

Mr. HEPBURN. Mr. Chairman, if the gentleman from Alabama will allow me, I understand that the first paragraph that was read was of the Senate bill, which our committee have recommended to be stricken out. Now, I ask unanimous consent that the reading of the Senate bill be dispensed with, and that the reading of the amendment proposed by the House committee be taken up.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the reading of the Senate bill under the five-minute rule be dispensed with and that the reading of the House amendment be taken up in lieu thereof. Is their objection?

There was no objection.

Mr. HEPBURN. Now if the Clerk will read, then the gentleman can offer his amendment.

The Clerk read as follows:

That there shall be at the seat of government an executive department to be known as the Department of Commerce and Labor, and a Secretary of Commerce and Labor, who shall be the head thereof, who shall be appointed by the President, by and with the advice and consent of the Senate, who shall receive a salary of \$8,000 per annum, and whose term and tenure of office shall be like that of the heads of the other Executive Departments; and section 158 of the Revised Statutes is hereby amended to include such Department, and the provisions of Title IV of the Revised Statutes, including all amendments thereto, are hereby made applicable to said Department.

Mr. RICHARDSON, of Alabama. Mr. Chairman, I move to strike out the words "and labor" where they occur in lines 20 and 21, in the section of the bill just read.

The CHAIRMAN. The gentleman from Alabama moves to strike out the word "and," in line 20, and the word "labor," at the beginning of line 21.

Mr. RICHARDSON, of Alabama. Mr. Chairman, I shall detain the committee but a very few minutes in the remarks that I propose to make on this subject. I believe that this amendment is the gist, at least, of the objection of a great many gentlemen on this side to this bill, and I also believe that a great many gentlemen on the other side of this Chamber coincide with me and those that I think that I represent upon this motion.

The objection, Mr. Chairman, that I myself have to this creation of a new Department of Commerce and Labor is the inclusion of the Department of Labor in this new Department of Commerce and Labor. As I have said before, I do not believe that it is in the interest either of labor or of commerce to include the independent Department of Labor in this new Department proposed, with a Secretary in the Cabinet of the President. I do not hesitate to say that I am not individually opposed to the establishment of a proper Department of Commerce, if the Department of Labor is not included; but, as I said just now, I do not think it is necessary or to the interest of labor or to the advancement of the commercial interests of our country to transfer the independent Department of Labor as it is now organized and operated and the good that has been accomplished by it, and submerge it and overshadow it as I believe conscientiously it will be when placed in the Department of Commerce and Labor.

Now, I have been somewhat surprised, Mr. Chairman, at the contention that has been made by gentlemen on the other side of the Chamber, particularly, contending that labor should be transferred to this new department, and notably surprised at the remarks made by the distinguished chairman of the Interstate and Foreign

Commerce Committee, the gentleman from Iowa [Mr. Hepburn], who with extraordinary earnestness and zeal, and with his usual ability, contends that any action on the part of Congress of this character, leaving the Department of Labor out of the Department of Commerce, will be on the part of the law a recognition of an antagonism and a warfare between the interests of capital and labor. Mr. Chairman, I do not believe that legislation of that kind will have that effect at all. This was not the effect of the act of Congress creating the present independent Department of Labor. The bill recently passed to take tariff off coal did not recognize antagonism or warfare.

I believe, as I think every gentleman believes on this floor, that labor and capital should always go hand in hand with each other, and that the very best and most cordial relations should be maintained between those two great conflicting interests as near as can practically be done; and I believe that any legislation upon the part of the Congress of the United States that tends to prevent any friction in the future between the great interests of labor and capital should be accepted by Congress and will be accepted by the country as a harbinger of peace instead of a recognition of warfare and antagonism. We may say what we please; we may contend on this floor in the most earnest and emphatic terms that the English language affords that the law ought not to recognize any antagonism or conflict between capital and labor. That does not make it so. We confront a condition and not an impracticable theory. I believe, Mr. Chairman—

Mr. THAYER. Mr. Chairman—

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

Mr. RICHARDSON, of Alabama. Not for the present.

I believe, Mr. Chairman, that labor and capital will go hand in hand on peaceful terms as long as the process of production is going on. But whenever you come to the point of coming to a division of the products of labor there you will find one man seated on one side of the table who is seeking, according to the laws of nature, to appropriate to himself the greatest benefits from his labor; you will find the other man seated on the other side of that table, the capitalist, who is seeking to appropriate to himself the largest benefit from furnishing the money to labor to create these products. Hence I say that the principle of self-interest has been planted in all these things in the bosom of man. Self-interest is the first law of nature. Why, then, chase these shadows and rainbows about the law not recognizing the natural conflicts between the interests of labor and capital.

[Here the hammer fell.]

Mr. SHACKLEFORD. Mr. Chairman, I do not care to say much more in addition to what I have already said; but we have heard the maxim from our youth that "Labor dignifies all things." Now, I appeal to my colleagues on this side of the House, at least, let us dignify labor by heeding its demands. Labor has said in unmistakable terms that it does not want to be incorporated into this Department. Let us now see that labor gets just what it needs, and let us regard the views of labor and not thrust it into a Department where it has said it does not want to go. I appeal to everybody who is interested in this question at this time to adopt the amendment proposed by the gentleman from Alabama, and say to the laboring people of this country that the Congress of the United States is willing to consider their interests and wishes in the enactment of law.

Mr. MANN. Mr. Chairman, there is no proposition before the House for the creation of a department of labor with a secretary in the Cabinet at this time. The proposition before the House is whether the Labor Department of the Government shall be advanced one step higher up. The gentlemen on the other side of the House are refusing to give the attention to labor which it deserves and are claiming that they are the friends of labor and at the same time seek to strike down this effort to raise up labor.

The truth of the matter is, Mr. Chairman, that the Department of Labor as now organized is a statistical department. It is engaged in gathering and distributing statistics in regard to labor. The conditions in that office are well set forth by the Commissioner of Labor himself. All of the gentlemen friendly to labor in the country, friendly to the organized labor, and particularly those affiliated with the American Federation of Labor, express the highest degree of satisfaction with Carroll D. Wright, the present Commissioner of Labor, and with the manner in which he conducts that office. Mr. Wright has stated, and his statement is in the hearings of our committee:

The Department can determine many things by the statistical method, and it must work emphatically on that method. It is often said that it should undertake the agitation of certain features of reform; in other words, that it should become the instrument of propagandism. But when this

proposition is made the question should be asked, Whose ideas of reform should be adopted, of what propositions should it become the propagandist, and to what extent should it argue for or against the platforms of this or that party or organization? It seems to me that all men who comprehend the value of accurate knowledge must see at once that for the Department to enter upon such a course would result in its immediate abolition; that should it become the advocate of any theory, it would thereby become partisan in its work and thus destroy its own efficiency.

Those are the words of the present Commissioner of Labor, with whom laborers are perfectly satisfied. They are perfectly satisfied not only with his words, but with his work. He says the duties of the Department of Labor are statistical. What do we propose to do? We are organizing a great statistical branch of the Government. The Commissioner of Labor has stated repeatedly that he is unable to furnish as much statistical information as he will be able to if we give him greater facilities at his command. We will give the Commissioner of Labor the facilities of all statistical branches of the Government. We will give him the use of the Census Office. We will give him the use of the Bureau of Statistics. We will give him the use of all the statistical information which the Government collects, and he can prepare his reports as freely and as independently then as he can now.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MANN. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Illinois asks that his time be extended for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MANN. The original opposition to the proposition was presented through a misapprehension of the facts. Some of the gentlemen who appeared before our committee, representing in part the American Federation of Labor, a great and powerful labor organization, stated that they based their opposition upon the proposition that the Commissioner of Labor would become a mere clerk of the Secretary of Commerce and Labor.

But, Mr. Chairman, the Commissioner of Labor will remain as independent, if he is included in this Department, as he now is. He will still be appointed by the President and confirmed by the Senate in the same manner in which he is now appointed. His duties will still be defined by the same law that is now upon the statute books. We take nothing away from his power; we confer additional responsibilities and power upon him, because we give him additional facilities. And since, Mr. Chairman, this has been made plain to the leaders of organized labor, they are not asking that the Department of Labor be taken out of this bill. I deny that organized labor desires to have the Department of Labor stricken out of this bill. They are content with the bill as it now stands.

The gentlemen on the other side of the aisle are simply seeking to agitate labor for the purpose of gaining the possibility of votes in the future, knowing that labor itself is satisfied with the report of the committee and with the bill before the House.

Mr. Chairman, I sent a copy of the bill presented to the House with the report of the committee, giving the reasons for including the Department of Labor in this new Department, to the Federation of Labor at Chicago, one of the principal constituent companies of the American Federation of Labor, and asked for their opinion on the subject.

I have this morning a letter from the Chicago Federation of Labor, affiliated with the American Federation of Labor, and one of the chief labor organizations in the country, in which they express the hope that the effort to pass this bill will prove successful. They know that the Republican party has never stricken—as gentlemen on the other side would indicate—have never endeavored to strike down the interests of labor. If we had before us a proposition to organize a Department of Labor, the question might be different. But here is a proposition to place labor alongside with commerce, upon equal terms, upon an equal footing, with the same chance and preferment in the new Department of the Government, the third department of Government created in more than a hundred years.

Mr. RICHARDSON, of Alabama. Will the gentleman allow me to interrupt him a moment?

Mr. MANN. Certainly.

Mr. RICHARDSON, of Alabama. The gentleman will recollect, as a member of the committee, that the statement of Mr. Theodore C. Search, the president of the Manufacturing Association of the United States, was accepted by the committee as one of the most important statements outlining the functions and province of this new Department. Now, I ask the gentleman from Illinois whether he does not concur with Mr. Search in saying that this which I am about to read states the principal function of the Department that we are asking now to have created? Mr. Search says—

It should be the function of such a department as is proposed in the pending bill to assist in every feasible way in the extension of the export trade of our manufactures.

Now, I ask the gentleman whether that is not the scope and purpose and principal object and function of this new Department of Commerce, and wherein and how does the Labor Department become interested in that matter, when Mr. Search has stated that the principal function of this new Department is to promote our export trade? Why not, as the gentleman says, let the Department of Labor—

The CHAIRMAN. The time of the gentleman from Illinois [Mr. Mann] has expired. Mr. SHACKLEFORD and Mr. RICHARDSON, of Alabama, asked that the time of Mr. Mann be extended for five minutes.

There was no objection.

Mr. RICHARDSON, of Alabama. Let me complete my question. If the gentleman says that the Department of Labor is simply one of statistics, and if it has accomplished great good in the past, why does he, in opposition to the interests of labor and the laboring classes in all parts of the country, desire to take it from the field where it has been accomplishing good and put it in a department of at least doubtful efficiency in this connection?

Mr. MANN. Mr. Chairman, in the first place, we do not propose to place it in a field where its power or efficiency will be doubtful. We give to it additional facilities by placing it in this Department. It has done much good undoubtedly, but I will say that, in my opinion, there is not one member in twenty-five, possibly not one in fifty, on the floor of this House who has read the report of the Commissioner of Labor for last year. It would be far better for labor if the reports of the Commissioner of Labor were brought home to the House through the report of a secretary of a department, and possibly through the President's message. Sometimes legislation is suggested in the report of the Commissioner of Labor, but with the many duties which the members of this House have to perform they do not see his report.

Mr. SHACKLEFORD. Will the gentleman yield for a suggestion?

Mr. MANN. I should be glad to do so, but I have not yet answered the question of the gentleman from Alabama. Still, I yield to the gentleman.

Mr. SHACKLEFORD. The gentleman has assumed that the Secretary of this new Department would bring before the House what the Labor Bureau might report. But suppose that the Secretary should not be pleased with what the Chief of the Bureau had reported, would he return it to the House, with the possibility that there might be brought up here in discussion views and arguments which he did not approve?

Mr. MANN. If the head of one of the great departments of the Government should refuse to call attention to the suggestions of one of the divisions or bureaus under him, it would elicit more information on the floor of the House than if he did call attention to it, because it would be a gross abuse of the power lodged in the Secretary.

Mr. MORRIS. Would not that very fact tend to call the attention of the public to the matter, leading men to study the question more closely than they would have done otherwise?

Mr. MANN. The gentleman from Minnesota [Mr. Morris] has reached the kernel in the shell. If the Secretary of Commerce and Labor should be so opposed to organized labor or labor interests that he would refuse to present in his annual report suggestions made by the Commissioner of Labor, either with or without approval, it would be such an abuse that it would produce a revolution practically in administrative affairs, and the attention of the public and of all members of Congress would necessarily be called to the situation.

Now, the gentleman from Alabama [Mr. Richardson] has asked whether I do not think that the statement of Mr. Search represents the scope of this Department. I do not think so at all. I do not think that any gentleman who appeared before the committee and stated his particular or peculiar views concerning the duties of this Department has begun to outline the scope of its work.

I do not see how this Department shall be devoted particularly to the export trade. The duties of this Department, as defined in this bill, will be, first, to gather information for the benefit of the whole country and its people. That information may relate to manufactures; it may relate to foreign commerce; it may relate to labor. This will not be a partisan Department. It will be a department of information; and I hope, Mr. Chairman, that included in that department of information, as one of its principal divisions, will be the Department organized to aid the progress of labor and work in the interest of labor—the present Department of Labor.

Mr. PALMER. Will the gentleman allow me one question before he sits down?

Mr. MANN. Very gladly, if I have time.

Mr. PALMER. You will get the time. You say that the labor organizations want this bill passed, and the gentleman from Alabama [Mr. Richardson] says they do not. Now, on what evidence does the gentleman from Illinois [Mr. Mann] base his statement? I hope he will be allowed time to answer that question.

The CHAIRMAN. If there is no objection, the gentleman will proceed for one minute.

Mr. TAWNEY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five minutes more. It is an important part of this discussion.

Mr. MANN. I think that one minute will be sufficient.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the gentleman from Illinois may proceed for five minutes. Is there objection?

There was no objection.

Mr. MANN. Mr. Chairman, I stated that I sent to the Chicago Federation of Labor, which I believe is the largest organization of labor in the country affiliated with the American Federation of Labor, a copy of the bill as reported to the House and a copy of the report of the committee giving the reasons why the Department of Labor should be included in the Department of Commerce and Labor, and I have this morning a reply in the shape of a letter from the Chicago Federation of Labor, stating that they have received the bill and report, that they appreciate the favor of sending them to them, and hope that the efforts to pass the bill will prove successful. I know of no better instance that can be given of the actual feeling of labor than a letter of this sort from probably the greatest body of organized labor in the country.

Mr. TAWNEY. Before taking his seat, will the gentleman permit me to ask him a question, which I desire to ask in view of the statement of the gentleman from Alabama [Mr. Richardson] in regard to the statement of Mr. Search before your committee? Is it not a fact that an intimate knowledge of the labor situation and condition of labor is a very essential element in the matter of promoting our export trade, and is that not a reason why the Department of Commerce should have control of that situation?

Mr. MANN. Mr. Chairman, of course, as the gentleman from Minnesota suggests, everyone knows that all commerce, all manufacturing, all business depends for its foundation upon labor, and that you can not promote or injure one without promoting or injuring the other. [Applause on the Republican side.]

Mr. SPARKMAN. Mr. Chairman, I rise for the purpose of expressing my approval of the amendment just offered by the gentleman from Alabama [Mr. Richardson], and to say that I will vote for that and all other amendments offered for the purpose of striking out all reference to the Department of Labor where those words may appear in the bill.

I wish to say, however, at the outset, that I am not opposed to the establishment of a Department of Commerce. On the contrary, I think that the time has come in our commercial growth and development when such a Department is desirable if not imperatively demanded. But I do not think it wise to incorporate the Department of Labor with a Department of Commerce, as is sought to be done in this bill. I do not believe that the two great industrial forces of labor and capital are so closely allied as to make it advisable to commit them, in some respects, divers interests to one and the same departmental head.

I know it is sometimes said—indeed it was said by the gentleman from Iowa, who has charge of this bill—that their interests are, and in the very nature of things must be, identical. To this proposition I agree in part, but it is only true in a general and limited sense. In the abstract the proposition is sound enough, but in the concrete we find it untrue. In matters of detail we see many conflicts arising between these two great forces. This is true also of other interests as well, and is the result of a law, a natural law, as old as humanity itself. The interest of the producer and consumer, of the vender and the purchaser, while in a general sense identical, are nevertheless antagonistic in other respects. The desire of the producer or the vender is to obtain as much as possible for what he sells, while it is within certain limits to the interests of the consumer or purchaser to buy as cheaply as possible.

So, too, with labor and capital, with the employer and employee. In a general way what benefits the one may and often does help the other. When capital is prosperous, labor is more apt to be so, too; but all this does not alter the fact that in the daily contact of these two forces many conflicts arise; often growing out of the natural desire of each to obtain the best price for what he has to sell. But whatever the cause, the conflict is ever being waged and will go on until our civilization has reached a higher point in its upward march than that which it has ever yet attained.

Why, Mr. Chairman, we are constantly reminded of this truth. Witness the strikes that are every day occurring; the great coal strike, for instance, one of the greatest and one of the most disastrous in the history of the country, has just ended; and a little more than a year ago one harmful in some respects occurred in my own town—the city of Tampa—which for nearly six months kept in paralyzed condition the business of that enterprising city of 25,000 people. So frequent have these conflicts

become between these two great forces in the world's development that one of the serious problems of the age, one with which statesmen have to grapple, is to find some way of adjusting the differences between labor and capital, differences which give rise to these strikes.

Some have advised, and in these views I concur, that a board of arbitration should be created to consider and decide all questions between labor and capital when conditions between them have reached that acute stage which threatens a strike. But that is only one of the details. I believe there should be an Executive Department of Labor as well as one of Commerce, and I believe the necessity is as great for the establishment of a Department of Labor as it is for the establishment of that of Commerce.

The utterances of the Democratic party in its last national platform speak in no uncertain tones on that subject. They declare unequivocally in favor of the establishment of a Department of Labor. But while I admit the necessity for the establishment of a Department of Commerce, for the reasons above given, and there are others which time will not permit me to mention, I am unalterably opposed to the uniting of the two Departments under one head.

Labor, Mr. Chairman, is one of the most important of the world's economic forces, and I would not like to give my vote in favor of a measure that would dwarf its dignity, that would minimize the importance of the Department of Labor, as this bill would if it should pass unamended.

I may add that these are the views of the labor organizations throughout the country, as I gather them from the expressions of representatives of those bodies, as shown in the reports of the hearings before the Committee on Commerce when this bill was under consideration, and if I had no other reasons for supporting the amendment that consideration alone would be sufficient, as I should and do attach much weight to the views and wishes of those most intimately concerned in labor legislation, and who, therefore, are supposed to be as well, if not better, able to judge of what will work to their benefit as members upon this floor. I shall, therefore, Mr. Chairman, vote for the amendment.

Mr. HEPBURN. Mr. Chairman, I ask for a vote.

Mr. WOOTEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. That is not in order. The Chair will state that the Committee of the Whole is considering the amendment to the Senate bill. There is one amendment pending to the amendment, so that no further amendments are in order until this is disposed of. The question is on the amendment to the amendment offered by the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. Richardson, of Alabama) there were—ayes 52, noes 93.

Mr. RICHARDSON of Alabama. I ask for tellers, Mr. Chairman.

Tellers were ordered; and the Chairman appointed Mr. Richardson, of Alabama, and Mr. Hepburn.

The committee again divided; and the tellers reported—ayes 56, noes 103.

Accordingly the amendment was rejected.

Mr. MANN. I have an amendment to the first section of the committee amendment.

The CHAIRMAN. The gentleman from Illinois offers the following amendment to the first section.

The Clerk read as follows:

Amend section 1 by adding at the end thereof the following:

"Said Secretary shall cause a seal of office to be made for the said Department, of such device as the President shall approve; and judicial notice shall be taken of the said seal."

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. That there shall be in said Department an Assistant Secretary of Commerce and Labor, to be appointed by the President, who shall receive a salary of \$5,000 a year. He shall perform such duties as shall be prescribed by the Secretary or required by law. There shall also be one chief clerk and a disbursing clerk and such other clerical assistants as may from time to time be authorized by Congress; and the Auditor for the State and other Departments shall receive all accounts accruing in or relative to the Department of Commerce and Labor and examine the same, and thereafter certify the balance and transmit the accounts, with the vouchers and certificate, to the Comptroller of the Treasury for his decision thereon.

Mr. MANN. I offer the following committee amendment.

The Clerk read as follows:

Amend section 2 by striking out of said section all of lines 16, 17, and 18, on page 9, and inserting in place thereof the following:

"And certify the balances arising thereon to the Secretary of the Treasury in the same manner as the balances on similar accounts are certified under existing law."

Mr. MANN. Mr. Chairman, that is simply to conform to existing law.

The amendment was agreed to.

Mr. WOOTE. Mr. Chairman, I move to strike out the last word. The gentlemen on the other side of the House, in endeavoring to escape the inevitable and logical results of their proposition in this bill, are seeking to impose upon this side of the House by misstatements of the record and of the history of matters that have taken place in this House, the responsibility for attempting to exclude labor from this bill.

The gentleman from Iowa [Mr. Hepburn], in closing the general debate on this bill day before yesterday, and when there was no opportunity for replying to his statements, with a degree of recklessness that even exceeded his usual habit of unfairness in debate, made a statement in regard to the attitude of this side of the House on the question of immigration as related to labor that is absolutely falsified by the record in the House.

It will be remembered that in the course of his remarks I asked the question whether he was in favor of an independent Department of Labor, and if not, why not? The colloquy between us occurs on page 856 of the Record of January 15. He replied that he was not in favor of it, because he did not consider it necessary; that he did not recognize the existence of any antagonism between capital and labor except, as he stated, among "ignorant men;" and when I insisted on what he meant by "ignorant men," he said he meant "the inferior classes of labor," "laborers of the sort that come to this country from the south and east of Europe;" that they were the cause of all the agitation and antagonism in this country between capital and labor. And when I then asked him the question why he did not shut them out, as that side of the House has had the power to do for these many years, he made the statement to which I now desire to reply, and to which I had no opportunity to reply at that time, which was as follows:

Mr. HEPBURN. I would if I could have my way; but I have found that whenever a contest was made, every Democrat voted against it. If we could abolish the Democratic party we could abolish this evil.

Now, Mr. Chairman, as a matter of fact, when the debate on the immigration bill took place in this House last May, as may be found by consulting the Record, it was on this side of the House and by leading and prominent members of this side of the House that the chief efforts and the leading speeches were made looking to the restriction of immigration upon an educational basis, and for the purpose of securing just what this gentleman says we ought to have—an intelligent class of labor.

I find that the gentleman from Alabama [Mr. Underwood] made a very able speech, and advocated an amendment imposing an educational qualification upon immigration to this country, in order to exclude this inferior and ignorant class of whom the gentleman from Iowa so contemptuously spoke in his remarks the other day. I find that the gentleman from Missouri [Mr. Bartholdt] was the leading opponent of any such restriction, and was ably aided and abetted by other Republicans on that side of the House.

I find that two distinguished Missouri gentlemen [Mr. Cochran and Mr. Clark], both Democrats, made able speeches here at length in favor of a rigid discrimination against the ignorant and the lawless and the incompetent classes from the Old World, and that they were met by opposition on the other side of the House. These proceedings are all reported in the Congressional Record under dates May 21, 22, 29, on pages 5768, 5813, 5989, and following.

There was no recorded vote here upon the bill, but I state, as a fact that can be verified by the personal observation of every member of this House, that when the vote was taken upon that immigration bill nearly every member on this side voted in favor of restricted immigration. And I will call attention to another fact. That bill passed this House. It has now been in a Republican Senate ever since and lies there unacted upon, when, if it was the desire of the Republican party of this country to restrict immigration, as the gentleman from Iowa thinks it ought to be, it could have been readily done.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BARTHOLDT. Will the gentleman yield to me for a question?

Mr. JONES of Virginia. I ask unanimous consent that the time of the gentleman from Texas may be extended for ten minutes.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the time of the gentleman from Texas be extended for ten minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BARTHOLDT. I would like to ask the gentleman a question—whether I understood him to say that I was opposed to the educational test as a matter of principle?

Mr. WOOTE. I did not hear the gentleman.

Mr. BARTHOLDT. I want my friend to say whether I am correct in understanding him to claim that I was opposed to the educational test?

Mr. WOOTEN. You made a speech of great length on the subject, which speaks for itself.

Mr. BARTHOLDT. My view on the matter was this—

Mr. WOOTEN. The gentleman can not make a speech in my time.

Mr. BARTHOLDT. The gentleman will not do me an injustice.

Mr. WOOTEN. I do not care to have my time taken up in that way. The gentleman was heard at great length on the subject. I decline to yield.

The CHAIRMAN. The gentleman from Texas has the floor.

Mr. WOOTEN. Now, I say that the statement made by the gentleman from Iowa, and which has been inferentially attempted to be confirmed by the gentleman from Illinois [Mr. Mann], who spoke a little while ago upon another amendment, that this side of the House has ever taken any other position than that of favoring such a restriction as to the immigration of laboring classes into this country as would restrict it to such persons as were competent to become intelligent American citizens, or that we have ever taken any other position than that labor is a coordinate branch of individual enterprise in this country, which ought to be independently recognized by Congress, is not correct.

The position occupied by that side of the House and by the Republican party at large upon this issue is one of alternate cajolery and contempt for the laboring classes and one of consistent duplicity and deceit in dealing with their vital interests. They may deny that there is any sort of antagonism between organized and incorporated capital and organized labor, and they may seek by vague, generic definitions of labor, as including all classes of industries, to reason away and theorize out of existence the significant facts that they are dealing with; but they can not by speculation and sophistry destroy the status that is recognized by everybody as it exists in the controversy between syndicated capital and organized labor. They try to ignore that, but they can not thereby remove or remedy the evil that overshadows all other problems at this time in this country.

Now, Mr. Chairman, it is not necessary nor does it follow as a logical result that because a man calls attention to the existence of a fact he is thereby indorsing the condition represented by that fact. I am not here nor is any man on this side of the House here ready to indorse or encourage any sort of hostility or antagonism between these classes. But I do say that no man on this floor on either side of the House can deal candidly and courageously with himself or the country without recognizing the fact, however much he may deplore it as a fact, that there is a conflict between corporate capital and organized labor; that it is a fact that has come to stay until the conditions are taken away that have built up the fact. And I want to say that bills like this and that legislation like this, which seek to subordinate and to practically ignore the great interests of labor, are not calculated to remove the conditions, but simply to emphasize the hostility between these classes.

The bill itself recognizes this distinction. It calls the proposed Department a "Department of Commerce and Labor." Why should the two words be used if, as the gentleman from Illinois undertakes to reason, commerce covers all labor? I understand that theory of government which is favored on that side of the House, that commerce is synonymous with civilization; I understand that school of political thought which believes that the commercial interests are the only interests that ought to be considered in this House; but I want to say that I have no sympathy with it, and whenever the opportunity arises I desire to raise my voice against any such vicious and ruinous policy of administering this Government.

Now, Mr. Chairman, when we come to hunt the origin and history of this bill and of this measure, you will find them by referring to the Republican platform of 1900; there is where you will find them properly designated and their character properly defined. I find upon reference to the Republican platform of 1900 this plank:

Department of Commerce.

That is what it was headed. They did not then undertake to deceive the country by including "labor." They said:

A Department of Commerce.

And here is what they demanded:

In the interest of our expanding commerce—

Not in the interest of "organized labor;" not in the interest of settling these irreconcilable conflicts that are arising daily between corporate capital and organized

labor; but "in the interest of our expanding commerce we recommend that Congress create a department of commerce and industries," etc.

Not "labor." Now, we all know what "industry" means. Industry simply means that kind of enterprise that results in the production of any commodity of commerce, whether by mental or manual energy; and in that sense it includes every product of human effort and ingenuity. It does not signify labor in the sense here meant and for which I contend. We all know and we have all read in the metropolitan journals and magazines who the "captains of industry" are.

Such men as Morgan and Frick and Baer and those who represent to-day the organized greed and tyranny and oppression of corporations and capital in this country. This is the kind of a department that the Republican party asked to be created, and this is the kind of department that the gentlemen are now seeking to create by this bill. They have hypocritically yoked up in the bill the name of labor, without recognizing in any form the interests of labor or the rights and responsibilities of that great class of our people. I do not believe that in all its career of unblushing iniquity and fraud and hypocrisy the Republican party ever presented to this country a more infamous and hypocritical measure than this: [Applause on the Democratic side.]

The Clerk, proceeding with the reading of the bill, read as follows:

SEC. 3. That it shall be the province and duty of said Department to foster, promote, and develop the foreign and domestic commerce, the mining, manufacturing, shipping, and fishery industries, the labor interests, the transportation facilities, and the insurance business of the United States; and to this end it shall be vested with jurisdiction and control of the departments, bureaus, offices, and branches of the public service hereinafter specified, and with such other powers and duties as may be prescribed by law.

MR. MANN. Mr. Chairman, by direction of the committee, I offer the following amendment:

Amend by adding to section 3 at the end thereof the following:

"All unexpended appropriations, which shall be available at the time when this act takes effect, in relation to the various offices, bureaus, divisions, and other branches of the public service, which shall, by this act, be transferred to or included in the Department of Commerce and Labor, or which may hereafter, in accordance with the provisions of this act, be so transferred, shall become available, from the time of such transfer, for expenditure in and by the Department of Commerce and Labor, and shall be treated the same as though said branches of the public service had been directly named in the laws making said appropriations as parts of the Department of Commerce and Labor, under the direction of the Secretary of said Department."

The amendment was considered and agreed to.

MR. PALMER. Mr. Chairman, I move to strike out the last word in order to ask the chairman of the committee a question. In line 23 are the words "including the insurance business of the United States." I would wish to know for what reason or purpose the insurance business of the United States is covered into the Department of Commerce and Labor.

MR. HEPBURN. Mr. Chairman, it was believed by a majority of the committee that it would be a wise provision of law to have some department charged with the duty of securing proper information in regard to this immense business. The insurance business of the United States is colossal. The wealth of the insurance companies is greater than all of the values of all property in the United States at the time this Government was formed. The business of the insurance companies is greater in volume per dollars and cents than all of the combined business of all regions of this country at the end of the Revolutionary war. It is colossal. There are three corporations doing business in one single city in the United States whose assets aggregate more than \$1,000,000,000.

Now it has come to pass that all commercial business is in a large measure dependent upon insurance. As I said the other day, if you were to obliterate the insurance of the United States you would well-nigh obliterate the commerce of the United States.

The business of commerce could not be undertaken were it not for the protection and influence of insurance. It is of wonderful importance to the people, and there is nobody, no authority in the United States, charged with the collection of information and its proper dissemination. There are certain of the States that collect statistics with regard to companies that do business in their States and disseminate it in their States, yet there is no one charged with the duty of securing information in regard to all of the insurance companies that are candidates for business and allowing the people to know as to them.

Three times we have, at periods of ten years distant, required the Census Office to secure some information bearing upon this subject, but at intervals of ten years. I might say here, in passing, that the information gathered by the present census force for the Twelfth Census is not yet in print. I submitted the day before yesterday a paper containing a list of 150 bogus insurance companies that were doing business in

the United States and were perpetrating their robberies and fraud upon innocent and ignorant people. The committee, I think, with almost unanimity, regard this provision as a most important one. I hope that there will be no disposition upon the part of this committee to strike it out.

Mr. PALMER. The gentleman has answered my question, as I understand, by stating that the insurance business is covered into the Department of Commerce and Labor, because it is desired to collect information in regard to the insurance companies of the United States.

Mr. HEPBURN. Yes.

Mr. PALMER. I call the gentleman's attention to the fact that the words of the section are "to promote and develop the foreign and domestic commerce" and "promote and develop the insurance business of the United States." I wish to ask the chairman of the committee what right or power or authority he claims for the Federal Government over the insurance business of the United States?

Mr. HEPBURN. Well, Mr. Chairman, I don't care to attempt to make an argument upon that question just now. I know that the Supreme Court of the United States in two or more cases where they were discussing interests that were involved in building, in insurance of that kind, have held in the form of obiter dicta that that kind of insurance was not permitted.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CORLISS. Mr. Chairman, I have two amendments covering this subject that I desire to have read now, and I include section 6, as it is the same subject-matter.

The Clerk read as follows:

Strike out in line 23, page 9, the words "and the insurance business of the United States."

Mr. CORLISS. Mr. Chairman, I discussed briefly this provision yesterday. I read three authorities of the Supreme Court upon the subject. I was surprised that the chairman of the committee ventured the prediction that the Supreme Court would, in case of a marine insurance contract being submitted, hold it to be interstate commerce.

I hold in my hand a decision of the Supreme Court of the United States rendered in 1894 by Justice White, commenting upon all the other decisions bearing upon fire insurance and life insurance, but deciding the question raised specifically upon a marine insurance policy; and this was the case of *Hooper v. California*, which appears in the record. The court there said:

The contention here is that inasmuch as the contract was one of marine insurance—

That is a matter of interstate commerce—the very identical question to which the chairman of the committee referred when he predicted that the Supreme Court would decide that it was commerce. In rendering this opinion the court stated positively that a marine insurance policy and the business of marine insurance are not commerce; that the contract of insurance is not an instrumentality of commerce.

Now, I submit that it is not within the control of Congress to undertake to legislate upon this subject; that the insurance business is not commerce; that the Constitution does not permit us to control it; and that to do so, or attempt to do so, is a dangerous step. To-day the insurance companies are vast; their influence is great; they are controlled by laws of the several States; they are taxed in the States properly. Every State requires insurance companies to deposit a large sum of money, or to give a heavy bond, to protect the insured. Should Congress undertake to recognize this business as commerce, the right of the several States to tax the insurance business may be affected. When insurance business becomes commerce and such contracts are held to be interstate commerce, the State will lose control. The business of telegraph companies and of telephone companies has been held to be interstate commerce, and the Supreme Court has decided that the State has no right to specifically tax it.

I therefore say that this is an unwise step, an illegal step; that it is the creation of a Bureau for no purpose whatever but to give publicity to facts which are now published broadcast over the land. You might as well establish a bureau to collect statistics and other information with reference to stocks and bonds issued by different corporations.

The chairman of the committee calls attention to the fact that there are 60 fraudulent insurance companies. Why, Mr. Chairman, how many fraudulent mining companies are there that are scattering their stock broadcast over the country?

The CHAIRMAN. The time of the gentleman has expired.

Mr. CORLISS. Being a member of the committee, I ask for five minutes more.

The CHAIRMAN. Is there objection? The Chair hears none.

Mr. STEWART, of New Jersey. Has the Supreme Court of the United States ever decided that insurance contracts with reference to merchandise which are the subject of interstate commerce is not itself commerce?

Mr. CORLISS. The case to which I refer was upon a marine insurance contract relating to a subject of interstate commerce.

Mr. STEWART, of New Jersey. Was the subject-matter of the contract a subject of interstate commerce?

Mr. CORLISS. It could not be otherwise. The articles in question were being transported into the State of California on the sea. The court held that the transportation was commerce, but that a contract of marine insurance did not embrace the element of commerce.

Now, Mr. Chairman, it seems to me unwise to create this Bureau for another reason. You are imposing an additional burden upon the people. You are creating unnecessary bureaus. You have here authorized a chief of bureau at \$4,000 a year, and a number of clerks. What for? To investigate facts which are now well known all over this country, facts which are published broadcast by the different States; and the benefit which is expected to be derived from this is that it furnishes information to the investor. That is all. The investor in an insurance policy may desire to know whether a particular company is fraudulent or not. Can the chief of this Bureau ascertain such information under this proposed law? I submit not. The insurance companies are great corporations. What right has the chief of a United States bureau to go into a State and investigate the affairs of a corporation to ascertain facts not voluntarily given?

I submit, Mr. Chairman, that we are creating an unnecessary bureau where unnecessary expense will be incurred, and I fear these great corporations may avail themselves of the opportunity to get into the courts a case upon which they may secure a decision that an insurance contract upon products in transportation is commerce. You then deprive the States of the power of controlling and regulating the insurance business. Mr. Chairman, I reserve the balance of my time.

Mr. MANN. Mr. Chairman, with very great respect for the distinguished gentleman from Michigan [Mr. Corliss], who is my friend, it seems to me that in his speech he has simply been batting the air. There is not a line or a word in this bill which purports to confer on this Department or upon the Government jurisdiction over insurance as interstate commerce. I do not yet know that the Congress or the Government of the United States has jurisdiction over the weather, but still we maintain an expensive weather department to publish information. I have yet to discover that the National Government has jurisdiction over the farmers' soil, and yet we maintain an expensive establishment, called the Division of Soils, for the purpose of making an examination of the soil; not soil belonging to the National Government, not soil over which the National Government has jurisdiction, but for the purpose of publishing information.

I have yet to learn that the National Government has jurisdiction over the cotton crops, but the distinguished gentlemen on the other side of the aisle who are so interested in the cotton crop properly ask that the National Government shall obtain and publish information concerning the cotton crop and statistics in regard to its amount and its quality. The same thing is true of insurance. I do not know whether insurance is interstate commerce or not. This body can not decide that question. That question will be disposed of when reached by the Supreme Court of the United States. We do not assume that jurisdiction, but we say that in a business which has grown to the great volume that insurance business has it is proper for the National Government to voluntarily obtain and publish in a way that every person can receive it information concerning the insurance companies and the class of insurance business. Not only that, but the insurance department of the Government may obtain and publish information concerning the companies which will be of value in other countries where our companies are transacting business.

Mr. Chairman, the insurance business is simply enormous. It is beyond conception almost. Last year nearly thirty life insurance companies in the one State of Connecticut received in premiums \$337,000,000, and they received a total income of \$425,000,000. The assets of those companies a year ago amounted to \$1,858,000,000. Those assets are not owned for the benefit of the insurance companies. They are owned for the benefit of the people who are insured.

Mr. BARTLETT. Mr. Chairman, I would like to ask the gentleman a question.

The CHAIRMAN. Does the gentleman yield?

Mr. MANN. I yield to the gentleman from Georgia.

Mr. BARTLETT. Section 6, on page 13 of this bill, which provides for this Department of Insurance, uses the following language:

It shall be the province and duty of said Bureau, under the direction of the Secretary, to exercise such control as may be provided by law over every insurance company, society, or association transacting business in the United States outside of the State, Territory, or district wherein the same is organized, and to foster, promote, and develop the various insurance industries of the United States by gathering, compiling, publishing, and supplying all available and useful information concerning such insurance companies and the business of insurance, and by such other methods and means as may be prescribed by the Secretary or provided by law.

Now, I would ask if the word "control" as there used does not begin to inaugurate a system, whether it is done in this bill or not, as to which future Congresses, taking this as a cue, can pass laws for the purpose of giving the Federal Government under this Department the right to regulate and control the business of these insurance companies everywhere? Is not that in contravention of the laws of the various States controlling and regulating the business of insurance in those States?

Mr. MANN. I think not. The words in the bill provide for control as may be provided by law. There is no one in the House, and so far as I know no one in the country, who desires to have the power conferred upon the National Government, even if it could be constitutionally conferred, to regulate the insurance business and take it away from the control of the States. But those words are usual in creating a Department; they ought to be in the bill. They mean nothing unless hereafter in some way some power is conferred upon the Department. It might be a power simply to collect statistics, as we confer power upon the Census Office; but it is not the purpose and not the meaning of the law to take away the power of the State and confer it upon the National Government.

Mr. BARTLETT. May I ask the gentleman another question?

The CHAIRMAN. The time of the gentleman has expired.

Mr. DE ARMOND. Mr. Chairman, this, I think, is rather a remarkable provision. It is to "foster, promote, and develop" the insurance business of the United States, a business which, as the chairman of the committee stated to the House a short time ago, is already an enormous business. Yet we are to foster, promote, and develop it through the agencies of this new Department of Commerce and Labor. Why is not this called the Department of Commerce and Insurance? Why do you not tack onto the name the word "insurance" as well as the word "labor." Certainly the insurance interests will be satisfied with the substance, and you propose to satisfy, if you can, labor interests with a jingle of words. What reason there is upon the earth for a department in this Government to foster, promote, and develop insurance, until the discovery was made by the gentlemen who project this bill, was a mystery to the world. This clause is an addition to what was in the Senate bill. Those who refer to section 3 of the Senate bill, proposed to be stricken out to make way for this amendment, will find that it contains nothing in relation to fostering, promoting, and developing insurance.

The gentleman from Illinois [Mr. Mann] suggests that these harmless words "foster, promote, and develop" will have no weight and can do nothing unless there be other legislation. Does the gentleman, in the simplicity of his soul, suppose that it is intended that there shall be no other legislation? Can he not with the eye of fancy see a bureau presided over by a chief and an assistant chief and a chief clerk, assistant clerks, and a horde of useful employees, to "foster, promote, and develop" the insurance business of the United States, and incidentally—I might say principally and primarily—to foster, promote, and develop the interests of themselves and of those who put them into these fat but useless offices?

There are a great many things in this bill the absence of which would be an improvement, but striking and unique in these samples of strange legislation is this feature:

To foster, promote, and develop the insurance industry in the United States.

If this were not serious legislation, it would lack but little of being a roaring farce—creating a department of the Government, having an officer in the Cabinet of the President, to foster, promote, and develop the insurance business of the United States; and not to leave him alone and unassisted, not to burden him with overwork, but to supply him with an abundance of subordinates, so that he and they, collaborating, putting their massive intellects and their great industry into operation, may effectually and satisfactorily to those interested that way, foster, promote, and develop the huge, the enormous insurance business of the United States.

This provision did not straggle in by accident. It did not get in through some fortuitous circumstances. I think it is due to the House that those who know how it got into this bill, that those who know who got it into the bill, that those who know who are to profit primarily and directly from the putting of it into the bill, ought, in a generous burst of confidence, to impart a little of the information to the House. It would not occur to the ordinary man in the ordinary way, the ordinary promoter of commerce, the ordinary friend of labor in words—it would hardly as a mere matter of accident, as a matter of fortuitous inspiration, occur to any of these to light upon this scheme to provide for fostering, promoting, and developing the insurance business of the United States. I think we can see following this the organization of some huge Federal insurance companies. I think we may witness the power of organized wealth banded together in the various insurance companies taking possession so far as they please of the machinery of the Government, using it to throw out of gear and to destroy the machinery of the States, perfected to a considerable degree for the control of the insurance interests and business.

[Here the hammer fell.]

Mr. GROSVENOR. Mr. Chairman, I want to make two suggestions in regard to the argument of the gentleman from Missouri [Mr. De Armond]: First, as to the use of the language "foster, promote, and develop."

Those words are used not in their ordinary meaning, and certainly not in the meaning that the gentleman from Missouri has given to them. The purposes covered by the enactment have received complete explanation and limitation by the words that follow in the bill itself. He is to "foster, promote, and develop the various insurance industries of the United States." How? By any such means or measures as the gentleman has spoken of? Certainly not; but by exactly the same processes that the gentleman from Illinois [Mr. Mann] has already explained in regard to the cultivation and growth of cotton, the production and propagation of fish, the control of the weather, and all of the other things that are covered by this bureau of information, by the Government.

Mr. DE ARMOND. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Ohio yield?

Mr. GROSVENOR. I have not quite stated my point. It is to be done—

by gathering, compiling, publishing, and supplying all available and useful information concerning such insurance business. And to this end it shall be vested with jurisdiction and control of the departments, bureaus, and branches of the public service hereinafter specified, and with such other powers and duties as may be prescribed by law.

So the whole action of this Bureau in the matter of insurance is limited. First, its power and purpose are described, and then limited by the act itself.

The CHAIRMAN. Does the gentleman now yield?

Mr. GROSVENOR. I do.

Mr. DE ARMOND. The gentleman now has given his explanation of the meaning of foster, develop, and promote the insurance industry of the United States.

Mr. GROSVENOR. By the processes and means laid down in the statute, and limited expressly to those processes and those powers, and none other.

Mr. DE ARMOND. Will the gentleman permit a question?

Mr. GROSVENOR. Certainly.

Mr. DE ARMOND. What fostering, promoting, or developing does the insurance business of the United States need at this time?

Mr. GROSVENOR. Well, I call the gentleman's attention to one matter which I think he has lost sight of. It has not been quite one year since there was pending in this House a most important measure, calling upon the Federal Government of the United States to interfere to protect the vested rights and interests of three of the greatest insurance companies of the world in a foreign country, and the State Department was invoked, and had been for years before, to supervene in the matter of the wrongs that were said to be done to those companies by the legislation or regulations of the Empire of Germany. And so it was that the President of the United States put on foot, through the State Department, examinations, and reports came, and the President's messages referred to them on two different years. So there was one matter of the greatest importance that no State could have interfered with or had anything to do with. This Department of Insurance, had it been in existence at that time, would have had that information, all the facts that would have been necessary to have settled that matter in a very few months. As it was, two, at least, of our insurance companies suffered enormous loss of business while the pendency of insurance regulations were being attended to.

Now, Mr. Chairman, the main answer to it all, as supplementary to what the gentleman from Illinois has said about this interest of insurance, of vast importance to every man, woman, and child interested in it, that there shall be a systematic means of knowledge open to all the people of the country when there is any future legislation. There is no attempt by this measure to control the action of the State, nor to prohibit the action of a State, nor to act in place of a State. It is simply to transfer or to give power to this Department to make such investigations as will give to the people of all countries, our own country as well, all necessary information whenever they have occasion to use it.

Mr. GARDNER, of New Jersey. Mr. Chairman, let us neither deceive ourselves nor be deceived by any doubts of jurisdiction on the one hand or disclaimers of intent on the other. If the gentleman from Michigan is right in his legal contention, this provision, together with section 6, ought to go out of this bill. If the gentleman from Iowa is right, then more emphatically both provisions ought to go out of the bill.

It is in vain to say here to intelligent men who know anything about the history of bureaus of government, particularly any man who has any knowledge of what has been called the "hogging of jurisdiction" from the States, that the foundation here laid does not disclose the purpose of this bill. A part of the insurance capital of the country has for more than a half a century been aggressively seeking to escape State regulation.

Whenever they have had an opportunity in a case having apparently interstate-commerce features it has been carried to the courts of the United States; and there has not been a year since I can remember that legislation like this would not have been here for enactment had anybody been able to offer assurance of success in either House of Congress. It has not been here because there was no encouragement to bring it here. But now a sentiment has arisen for the creation of a Department of Commerce and Labor it is seized upon as a vehicle to carry into the domain of national legislation and jurisdiction a question that they would not risk standing alone.

This bill provides for an Insurance Bureau, and the words now under consideration are the foundation for the rest of the purpose. The provision is, "shall exercise such jurisdiction and control as may hereafter be provided by law." Does anybody who knows anything about the history of Bureaus of the Departments not know that very Bureau will from now on report necessary additions to its power, and that the Secretary of the Department will recommend it, and that it is intended that the whole matter of interstate insurance shall be beaten into such shape under the Congressional hammer that it will become interstate commerce and directly under the control of the national bureau?

If this bill passes this session the year 1904 will not come until litigation arises thrusting this question of regulation of insurance into inextricable confusion in every State having an insurance department. Gentlemen tell us how gigantic this business has become. It is a prosperous and great business. Has it grown up under national control? No; but under State regulation. Every State, or all of the older States, have insurance departments, under competent men. They provide certain conditions under which companies may do business in the States, and the kind of information that this Bureau can give is already in the hands of the States for every insurer.

That is not what they seek in this bill, Mr. Chairman. The kernel in this nut is that most of the States require certain conditions for the transaction of insurance business within their limits. And one of them is that they require a deposit of bonds or securities with their financial officer, and thus provide an amount of money within the State for those who suffer losses within the State, and in case of a suit and judgment there is something within the State to be reached by execution. That is the thing from which escape is sought, and it is one of the chief motives for pressing this measure.

Mr. SHACKLEFORD. Mr. Chairman, I think this bill contains no feature more dangerous than that relating to insurance. It says "it shall be the province and duty of said Bureau, under the direction of the Secretary, to exercise such control as may be provided by law."

As has been very well expressed by the gentleman from New Jersey [Mr. Gardner], the great insurance companies of this country would be very glad to have provided by law some regulations that would keep the States from controlling them as they now do. The gentleman from Illinois [Mr. Mann] had much to say about information for the benefit of the people. In the State from which I come we have an insurance bureau, whose duty it is to know the exact condition of every insurance company that does business within its borders, and to compel that company to exhibit its affairs for the inspection of that commissioner, and let him say whether or not it is solvent and sound. Every insurance company within the boundaries of the State of Missouri is compelled to show its condition, and in doing so they find it sometimes an embarrassment to them, and to escape this embarrassment they want to come here under some sort of blanket law that will take away from the States the powers they now exercise.

As I said in a speech yesterday, in the State of Missouri we have some insurance regulations which were violated by the companies doing business in our State. We called them before the courts and took away their charters and they were not permitted to do business again until they paid fines to the State amounting to more than \$100,000. They do not want to do that. They do not want to comply with the regulations of the State law. They come here with this insidious measure, and are now attempting to get Federal control where they are now controlled well by the States in the interests of the people. Every State in the Union to-day has a good insurance law and good insurance regulations, or can have them.

Now, Mr. Chairman, I am opposed to any provision of Federal legislation that has for its object to take away from the States this wholesome and healthy control of the insurance companies doing business within their borders. A few years ago they were driven from Kansas because they would not comply with the State laws. A few years ago they threatened the State of Arkansas that they should have no insurance in that State unless they repealed the insurance laws. They tried to override the laws in my State. As has been said by the gentleman from New Jersey [Mr. Gardner], this is the first step in the march of the insurance companies to the goal where the States will have no control over their affairs. To-day the insurance com-

panies would have the questions adjudicated by a Federal tribunal. They do not want to submit to the judgment of the State courts. [Applause.]

Mr. MANN. Mr. Chairman—

Mr. HAY. Mr. Chairman, I make the point that debate is exhausted on this amendment.

The CHAIRMAN. The time for debate has expired. The question now is on the amendment offered by the gentleman from Michigan.

Mr. PADGETT. Mr. Chairman, I suggest to the gentleman that he should not include in his amendment to strike out the words "in the United States," because that refers to other business above mentioned.

Mr. CORLISS. I think that is a good suggestion and I will adopt it.

The CHAIRMAN. The Clerk will read the amendment as modified.

The Clerk read as follows:

In line 23, strike out the words "and the insurance business."

The question was taken; and on a division (demanded by Mr. Hepburn) there were—ayes 59, noes 40.

Mr. HEPBURN. Tellers, Mr. Chairman.

Tellers were ordered.

The Chair appointed as tellers Mr. Corliss and Mr. Hepburn.

The House again divided; and the tellers reported that there were 70 ayes and 65 noes.

So the amendment was agreed to.

The Clerk, proceeding with the reading of the bill, read as follows:

SEC. 4. That the following-named offices, bureaus, divisions, and branches of the public service, now and heretofore under the jurisdiction of the Department of the Treasury, and all that pertains to the same, known as the Light-House Board, the Light-House Service, the National Bureau of Standards, the Coast and Geodetic Survey, the Bureau of Immigration, and the Bureau of Statistics, be, and the same hereby are, transferred from the Department of the Treasury to the Department of Commerce and Labor, and the same shall hereafter remain under the jurisdiction and supervision of the last-named Department; and that the Census Office, and all that pertains to the same, be, and the same hereby is, transferred from the Department of the Interior to the Department of Commerce and Labor, to remain henceforth under the jurisdiction of the latter; that the Department of Labor, and the Office of Commissioner of Fish and Fisheries, and all that pertains to the same, be, and the same hereby are, placed under the jurisdiction and made a part of the Department of Commerce and Labor; that the Bureau of Foreign Commerce, now in the Department of State, be, and the same hereby is, transferred to the Department of Commerce and Labor, and consolidated with and made a part of the Bureau of Statistics, hereinbefore transferred from the Department of the Treasury to the Department of Commerce and Labor, and the two shall constitute one Bureau, to be called the Bureau of Statistics, with a chief of the Bureau; and that the Secretary of Commerce and Labor shall have complete control of the work of gathering and distributing statistical information naturally relating to the subjects confided to his Department; and to this end said Secretary shall have power to employ any or either of the said Bureaus and to rearrange such statistical work, and to distribute or consolidate the same as may be deemed desirable in the public interest; and said Secretary shall also have authority to call upon other Departments of the Government for statistical data and results obtained by them; and said Secretary of Commerce and Labor may collate, arrange, and publish such statistical information so obtained in such manner as to him may seem wise.

That the official records and papers now on file in and pertaining exclusively to the business of any bureau, office, department, or branch of the public service in this act transferred to the Department of Commerce and Labor, together with the furniture now in use in such bureau, office, department, or branch of the public service, shall be, and hereby are, transferred to the Department of Commerce and Labor.

Mr. MANN. Mr. Chairman, by direction of the committee I offer several formal amendments to this section.

The Clerk read as follows:

Amend section 4 by striking out of line 8, page 10, the word "service" and insert in place thereof the word "establishment."

Amend section 4 by inserting in line 9, page 10, after the word "survey," the words "Commissioners of Immigration."

Amend section 4 by inserting, after the word "immigration," in line 9, the words "immigration service at large."

Insert in line 18, page 10, after the word "labor," the words "Fish Commission."

Strike out, in line 5, page 11, the word "complete."

Amend section 4 by striking out of said section all after and including the word "and," in line 7, page 11, down to and including the word "interest," in line 11 of said page, and inserting in place thereof the following:

"And the Secretary of Commerce and Labor is hereby given the power and authority to rearrange the statistical work of the bureaus and offices confided to said Department, and to consolidate any of the statistical bureaus and offices transferred to said Department."

The CHAIRMAN. Without objection the amendments will be submitted together.

Mr. CRUMPACKER. Mr. Chairman, I desire to address the House briefly upon the amendment proposed by the gentleman from Illinois [Mr. Mann] authorizing the Secretary of the Department of Commerce and Labor to rearrange and coordinate the statistical work of that Department, and to merge and consolidate statistical bureaus and offices wherever and whenever considerations of economy and desirability may require it. The functions of the new Department, when created, will be

chiefly the gathering and dissemination of statistical and other information that may advise the people of the country respecting the condition of commerce and labor in their various relations, and suggesting methods by which their interests may be promoted. The Department will have no power to regulate and control either commerce or labor. Authority is conferred by the Federal Constitution upon Congress to regulate interstate and foreign commerce, and to this extent the Department may administer laws enacted by Congress that bear upon this class of commerce. Beyond this the functions of the Department will be purely ministerial and advisory in their character.

The original departments of the Government deal with essential governmental functions. The executive power of the Government is primarily vested in the President, and to enable him to satisfactorily administer that power various departments have from time to time been created. Until the Department of Agriculture was established every administrative department of the Government whose chief officer was honored with a seat in the council of the President's advisers was created expressly to assist the President in executing powers of government that were imposed upon him by the Federal Constitution. The Secretary of State conducts diplomatic negotiations and has control of general intercourse with foreign nations; the Secretary of the Treasury collects the revenues and conducts the fiscal operations of the Government; the Secretaries of War and Navy have to do with matters of public defense and the control of general military operations; the Attorney-General is at the head of the legal department; the Postmaster-General administers the vast and complicated postal system of the Government; and the Secretary of the Interior administers public lands, pensions, patents, and relations with the Indian tribes.

All of these functions are inherently governmental, and the propriety of distributing them among the several departments and of making the heads of the respective departments members of the President's Cabinet is natural and obvious. If the President shall successfully administer the vast interests that pertain to the executive branch of the Federal Government, it is but natural that heads of departments having control of these several branches of administrative service should meet with him and impart information respecting their condition and needs.

The first departure from the logical arrangement of the executive business of the Government was in the creation of the Agricultural Department. The Federal Government has no authority over the subject of agriculture at all, and the Secretary of that important Department can not be presumed to supply the President with information in relation to the duties imposed upon the Chief Magistrate by the Federal Constitution, because agriculture is not one of those duties.

The importance, however, of the agricultural interests became so great, and the fact that agriculture is generally known to be the bedrock of civilization, were sufficient to justify Congress in elevating the Bureau of Agriculture to the dignity of a Department and making the head of that Department eligible to admission into the President's council of advisers. But this action of Congress did not and could not change or add to the powers of the Chief Executive.

Following the precedent of the Agricultural Department, it is now proposed to create a Department of Commerce and Industry, placing it, as far as it can be placed by legislation, upon the same footing, in relation to dignity and authority, as the other great Departments of Government. Its duties are not governmental. Commerce during all time has been, and probably for many generations in the future will continue to be, the subject of purely private enterprise, but the transcendent importance of commerce and labor in relation to the welfare and advancement of civilization make these subjects worthy of the high consideration they will receive in the creation of an independent department dedicated to their promotion.

It is of great importance to the country to have accurate information respecting conditions and methods of commerce, not only here but in other lands, and also to know of the true interests and relations of labor in the numerous productive activities of the country. It is expected that the new Department will gather and disseminate all the information that can be gotten in relation to these highly important subjects. This information will be of incalculable value to individuals and private enterprises in suggesting improvements of methods of production and better conditions of life. It may also be made the basis of information necessary to intelligent legislation upon the part of Congress and the several States. I am in favor of creating the new Department and believe if it is properly organized and administered it will many times repay the cost of its establishment and maintenance.

But, as I said at the outset, the functions of the Department will be chiefly in the gathering and the distribution of statistical information, and it ought to be so organized and conducted as to supply such information, not only for the people of the country, but for the use of all of the other departments of the Government, as far as

it is possible to do so. Every statistical bureau, office, and division in all of the departments should be included in the Department of Commerce and Labor, in order that this great work may be conducted scientifically and in a businesslike manner. One general statistical bureau, with a competent chief and a sufficient number of statistical experts, with a trained corps of assistants and a sufficient number of ministerial officers, can more efficiently and economically gather and disseminate statistics than if the work shall be apportioned among ten or a dozen bureaus and offices scattered around among the various departments of the Government, each acting independent of the others.

There are now nine different bureaus and offices for which appropriations are made expressly for the purpose of collecting and distributing statistical data, each one presided over by a high-salaried chief and an efficient and highly-trained corps of staff officers. One such organization ought to be sufficient for the entire work. I refer now to statistics for general use and those that may be used by the several departments of Government in administering their functions. I admit that statistical information respecting the administration of some of the subdivisions of the departments that is of peculiar value to those departments can better be collected by the departments themselves in some instances than by a general bureau, but in most instances there is no need for more than one bureau with a chief and staff of experts for the collection of statistics.

Under existing conditions the work of collecting and distributing statistics is duplicated and reduplicated, as high as four times in some instances, and hundreds of thousands of dollars are wasted every year by such unnecessary work. It is the natural tendency of every department to enlarge, ramify, and extend its functions so as to make itself as nearly independent of all other departments as possible, and to this end a department which may require statistical information, instead of going to a statistical bureau for it, organizes a division of its own, and employs a corps of clerks to collect the information. If there were one statistical bureau, properly equipped to enter upon all general fields of statistical and scientific research and investigation, charged with the duty of supplying all the other departments with such information as may be necessary to enable them to administer their several functions, it would be a long step toward simplifying and putting upon a common-sense basis the administration of the Government.

The pending bill proposes to include within the Department of Commerce and Labor the Census Office, the Bureau of Statistics, and several other offices whose duty is chiefly the collection and distribution of statistical information. It does not include the Bureau of Education. I am unable to understand why this Bureau was omitted. Its work is peculiarly statistical. That Bureau has no authority over the schools of the country. It has no power to regulate or control their work, but can only collect useful information to be distributed throughout the country for the information of those engaged in school work generally. There is no occasion for maintaining an independent bureau for that work under the control of a high-salaried chief with a corps of expert assistants. It could as well be included in the Census Office—since that office has been made permanent—as a division, without in any respect impairing its usefulness, and a great saving would thus be accomplished. I would insist upon an amendment to the measure, including that Bureau, if it were not that authority is expressly conferred upon the President to transfer from other departments bureaus and offices engaged in statistical work, wherever he deems it for the public interest to do so. I sincerely hope and believe that at an early date the Educational Bureau will be transferred to the Department of Commerce and Labor.

During the last session of Congress the Census Office was made permanent with the expectation that it should become the chief bureau for the collection and dissemination of statistical information for the entire Government. It was thought wise to make it a permanent institution, and from time to time charge it with the duty of making investigations relating to the activities of the country with this end in view. It was urged in support of the bill making that office a permanent bureau that in the course of time a sufficient force of trained experts and clerks would so systemize and perfect the methods of collecting statistics that more reliable and trustworthy information could be obtained.

Mr. SHACKLEFORD. Could not that work be done now by referring it to the Census Bureau as established at the last session, leaving that Bureau just where it is?

Mr. CRUMPACKER. The object of making the Census Office a permanent bureau was principally to create one bureau for the collection of statistics, with the expectation that all statistical work would ultimately be transferred to that office.

Mr. SHACKLEFORD. Could not this business be all put in that Bureau?

Mr. CRUMPACKER. It can all be put in control of that Bureau, provided the amendment to which I have referred shall be adopted. The bill as it now stands transfers

the Bureau of Statistics, the Census Office, and several other statistical bureaus into the Department of Commerce and Labor with their functions and organization unimpaired, and it provides that these several bureaus shall continue to perform the duties respectively imposed upon them by existing law. There is no authority in the bill for the elimination of a single one of these statistical bureaus, but, on the other hand, the bill expressly makes them administrative units in the new Department and continues them in existence as they are to-day.

The effect of the pending amendment will be to authorize the Secretary of the Department of Commerce and Labor to reorganize that branch of the service and to merge and consolidate all of the statistical bureaus into one and thus dispense with a number of unnecessary organizations. A Department of the magnitude of the one about to be created will necessarily be very imperfect at the beginning. It will require time and experience to coordinate the several administrative units that are included in it, and to reduce its work to a business basis. It is necessary that the pending amendment be passed in order that the methods of administration may be perfected and cheapened.

But to recur to the question of reduplication, the Geological Survey and the Census Office are engaged at this time in securing statistics in relation to mines and mining of identically the same character. Under the law the Census Office is charged with collecting and distributing these statistics. A like duty is imposed upon the Geological Survey. So each of these bureaus is sending special agents into the country to the same localities for the purpose of securing identically the same information to transmit to their respective offices, which will be classified, tabulated, and published in independent reports by these two bureaus. There is duplication of work between the Census Office and the Commissioner of Navigation and the Bureau of Statistics in the Treasury Department, the Chief of Engineers of the United States Army, the Division of Statistics in the Agricultural Department, the Department of Labor, the Bureau of Education, and the Bureau of Public Health and Marine-Hospital Service. There is duplication in the work of these several bureaus to such an extent that the same information is collected, published, and disseminated in some instances by four separate offices, each operated independently of the others.

In many respects the methods of collecting and tabulating the information are different, and it leads to confusion and uncertainty. In other instances there are vast discrepancies in the statistics collected by these several agencies, acting independently as they do. The whole situation illustrates the utter want of business methods in this branch of administration.

The Census Office, under the law of 1899, was required to collect and report the crop statistics of the country for the year 1899, which it did. The Statistical Division of the Department of Agriculture is engaged in collecting and distributing crop statistics every year.

For the year 1899 there were vast discrepancies in the reports of those two bureaus. For instance, the Statistical Division of the Agricultural Department showed 588,296,276 bushels of corn less than the quantity shown by the Census Office, 147,211,375 less bushels of oats than were shown by the reports of the Census Office, 111,230,252 bushels of wheat less than the amount shown by the Census Office, 27,355,543 less tons of hay and forage than were shown by the reports of the Census Office. These are a few of the most glaring discrepancies in the reports of the statistical offices. They are such as to discredit in a large degree the result of the whole system. The idea that a difference of nearly 600,000,000 bushels of corn produced in the country in a single year shown by the official reports of two statistical bureaus is certainly not to be reconciled with anything like respectable administration. These discrepancies give rise to controversies and friction among the several statistical offices.

The Census Office, having been made permanent, is naturally the agency by which statistics can best be collected and distributed for the whole Government. It is one of the very best organized Bureaus connected with the Government. The work of that office in taking the Twelfth Census, in relation to all that goes to make a census valuable, has never been equaled in the history of the country. It was organized by one whose capacity for executive work is acknowledged by all, and it is now composed of trained and skilled statisticians and experts, and with but little, if any, addition to its force, it can easily collect, classify, and distribute all of the statistics that may be required.

The other offices, in my judgment, should be merged into the Census Office. This is the logical thing to do, and it will dispense with a number of Bureaus with high-salaried chiefs, avoid a duplication of work and the publication of numerous reports containing the same matter, and thereby save hundreds of thousands of dollars to the Government and greatly simplify and facilitate the statistical methods of the Government.

I will append to my remarks tables and documents showing the number of statistical bureaus and offices now engaged in that work, extracts from laws showing in part duplications of the work, the duplication of reports, and a table showing discrepancies between the Statistical Division of the Agricultural Department and the Census Office in relation to their crop reports for the year 1899.

Estimate of appropriations for the fiscal year ending June 30, 1904.

Offices, bureaus, etc.	Officials and employees.	Amount.
Census Office	661	\$1,178,660
Bureau of Statistics (Treasury Department).....	48	a 73,350
Bureau of Navigation (Treasury Department).....	21	26,480
Department of Labor	80	184,220
Bureau of Statistics (Agricultural Department).....	b 36	b 46,960
Collecting agricultural statistics	b 39	b 109,200
Report on Mineral Resources (Geological Survey)	33	50,000
Bureau of Education	43	52,940
Bureau of Foreign Commerce	6	8,000
Public Health and Marine-Hospital Service, statistical branch (Treasury Department).....	3	4,000
Total.....	970	1,733,810

a Includes \$11,000 for the collection of facts relative to internal and foreign commerce of the United States and the collection and compilation of statistics of the foreign commerce and productions of Porto Rico and the Philippine Islands prior to 1898.

b A total of 75 employees and \$156,160 for statistics of the Agricultural Department.

DUPLICATION AS SHOWN BY THE LAWS.

As shown by the following quotations from the laws establishing these bureaus, there is necessarily a duplication in their work if the provisions of the law are complied with.

MINES AND MINING.

Geological Survey.

"Procuring of statistics in relation to mines and mining other than gold and silver."

Census Office.

"To collect statistics relating to * * * mines, mining, quarries, and minerals * * * including gold and silver."

Director of the Mint.

"For the collection of statistics relative to the annual production and consumption of the precious metals of the United States."

AGRICULTURAL STATISTICS.

Division of Statistics, Agricultural Department

"Collecting domestic and foreign agricultural statistics."

Census Office.

"A census of the agricultural products."

"Collect the statistics of the cotton production of the country."

"Any additional special collection of statistics relating to agriculture * * * that may be required by Congress."

MANUFACTURES.

Department of Labor.

"To compile * * * an abstract of the main features of the official statistics of cities of the United States having over 30,000 population."

"To establish a system of reports by which * * * he can report the general condition, so far as production is concerned, of the leading industries of the country."

"And such other facts as may be deemed of value to the industrial interests of the country."

Census Office.

"To collect statistics of manufactures" at five-year periods.
 "Social statistics of cities."

Bureau of Statistics, Treasury Department.

"And such other statistics relative to the trade and industry of the country."
 "And arrange for the use of Congress the statistics of the manufactures of the United States, their localities, sources of raw material, markets, exchanges with the producing regions of the country, transportation of products, wages."

Census Office.

Collects and publishes statistics concerning wages, manufactures, agricultural products, and arranges them in a convenient form for publication.

FREIGHT RATES.

Interstate Commerce Commission.

"Such reports shall also contain information in relation to rates or regulations concerning fares or freights."

"Schedules furnished by common carriers shall show rates, fares, and charges."

Division of Statistics, Agricultural Department.

"The freight charges for the chief agricultural products upon the principal lines of railroads."

Transportation by water—Comparisons, United States census and publications of Commissioner of Navigation, Bureau of Statistics, Treasury Department, and Chief of Engineers, United States Army.

United States census.	Commissioner of Navigation.	Bureau of Statistics, Treasury Department.	Chief of Engineers, U. S. Army.
Vessels, number, kind, and tonnage.	Vessels, number, kind, and tonnage.	Coastwise commerce on the Great Lakes, kind and quantity, by months.	Appropriations and expenditures for waterways.
Geographical distribution during year, and whether in foreign or coastwise trade.	Geographical distribution, with construction during year, and whether in foreign or coastwise trade.	Clearances and arrivals by ports and tonnage.	Commerce of Ohio River, name of boat, terminal point, tons of freight, passengers.
Number of seamen.	Number of seamen.	Coastwise shipments and receipts at various leading ports, by kind and quantities.	Freight and passengers through Portage Lake and Lake Superior canals.
Crews of Great Lakes steamers.	Crews of Great Lakes steamers.	Coastwise coal shipments from New York, Philadelphia, and Baltimore.	Commercial statistics of American and Canadian canals at Sault Ste. Marie.
Division of labor.	Division of labor.	Railroad-tie shipments from Brunswick, Ga.	Similar statistics for many parts of the United States.
Average wages.	Nationality of men.	Shipments from southern ports of specified kinds.	
Total wages.	Average wages.	Shipments of flour and grain from New Orleans and Galveston.	
Average tonnage under foreign flags.	Age of seamen.	Texas petroleum shipments.	
Capital invested.	American tonnage under foreign flags.	Phosphate shipments to domestic and foreign designations.	
Cost of operation.	Average freight rates.		
Miles traversed.	American steamship reports.		
Total income.			
Commerce on the Great Lakes, kind and quantity.			
Coastwise receipts and shipments.			
Appropriations and expenditures for waterways.			
Statistics of canals.			

Agriculture—Comparison of United States census and publications of the Division of Statistics, Department of Agriculture.

United States census.	Division of Statistics, Department of Agriculture.
Number, location, size, and value of farms. Farms classified by area, income, value of products, tenure, and color and race of farmer. Value of all kinds of farm products; number and value of all kinds of farm animals. Farm labor and wages. Farm machinery. Series of reports of cotton production from returns of ginneries.	"No important change in the crop-reporting system will be recommended until the approaching Federal census shall have furnished the Department with a new and definite statistical basis as to the distribution of crop areas." (P. 54, Yearbook, 1899.) * * * "Such a statistical basis as is furnished by the census being indispensable to any proper system of crop reporting." (P. 73, Yearbook, 1900 [as to Hawaii and Porto Rico].) "Information as to the condition, prospects, and harvests of the principal crops, and of the numbers, condition, and values of farm animals, through separate corps of county, township, and cotton correspondents and individual farmers, and through State agents, each of whom is assisted by a corps of local reporters throughout the State." (P. 668, Yearbook, 1899; and also of other years.) "It collects, tabulates, and publishes statistics of agricultural production, distribution, and consumption that authorized data of governments, institutes, societies, boards of trade, and individual experts." (P. 668, Yearbook, 1899; and also of other years.) "It issues a monthly crop report." * * * (P. 668, Yearbook, 1899; and also of other years.) Acreage, production, value, and distribution of farm crops, by States. Estimate of the cotton crop, by States and Territories. Monthly report of estimated condition of growing cotton crop. December report of estimated probable production of cotton for the year.

Publications of different bureaus containing a reproduction or partial reproduction of other reports.

Bureau of Statistics, Treasury Department.	Commissioner of Navigation, Treasury Department.	Geological Survey.	Division of Statistics, Department of Agriculture.
"The statistics * * * to an increasing extent from official reports made by this and other divisions of the public service." (P. 1017, Summary, October, 1902.) Chief of Engineers, U. S. A. United States Commission of Fish and Fisheries. Treasurer of the United States. Comptroller of the Currency. Director of the Mint. Division of Insular Affairs, War Department.	Bureau of Statistics, Treasury Department. United States Census. United States Hydrographic Office, Navy Department. Revenue-Cutter Service. Light-House Board.	United States Census. Bureau of Statistics, Treasury Department. Commissioner of Navigation. Director of the Mint. United States Engineers.	United States Census. Commissioner of General Land Office. Bureau of Foreign Commerce, State Department. "Tables showing the acreage and production of potatoes, hay, and cotton in 1901, left blank in this book, and the number and value of farm animals on January 1, 1901, and 1902, not given now, will shortly be published in circular form. Their non-appearance in the present Yearbook is due to the fact that that revision of the Department's estimates which usually follows upon the publication of the reports of the decennial census, and which has been made in the case of cereals, could not be completed in time for the Yearbook without unduly delaying its publication." (Note on p. 740, Yearbook, 1901.)

Comparisons of United States Census and publications of Department of Labor.

United States Census.	Department of Labor.
Social statistics of cities. Industrial combinations. Manufacture of gas. Electric light and power plants. Special inquiry concerning street rail-ways. Special report on glass. Special report on iron and steel. Special report on textiles. All four volumes of manufactures. Special report on rates of wages. Special inquiry concerning mines and quarries.	Statistics of cities. Industrial combinations. Water, gas, and electric-light plants. Convict labor. Railroad labor. Cost of production of textiles and glass. Cost of production of iron and steel and the materials of which iron is made. Work and wages of men, women, and children. Rates of wages and hours of labor in commercial countries (compilation of Department figures and data from reports of labor bureaus and other official sources). The Alaskan gold fields.

Mines and quarries—Comparisons of United States Census and publications of Geological Survey.

United States Census.	Geological Survey.
Character of organization. Capital stock, bonds, and dividends. Persons employed, above and below ground. Total paid in wages or salaries. Number of employees at specified daily rates of pay. Average number. Time in operation. Contract work. Total cost of materials and supplies. Miscellaneous expenses. Total quantity mined. Power owned or rented. Classification, quantities, and value of products, same as Geological Survey. Special reports on petroleum, coke, clay products, and salt.	Total quantity produced. Total value. Number of mines. Tons of coal shipped. Coal sold to local trade or used by employees. Used at mine for steam and heat. Made into coke. Number and kind of machines and firms using machine-mined coal. Average price of coal per ton. Average number of days active. Average number of employees. Coal mined by counties. For most all other minerals only quantity and value. Classification, quantities, and values of products, same as Census Office. Statistics of petroleum, coke, clay products, and salt.

Vital statistics—Comparisons of United States Census Office and publications of the Public Health and Marine-Hospital Service, Treasury Department.

United States Census.	Public Health and Marine-Hospital Service.
Number of births, by States, color, and parentage. Number of deaths, by locality, age, sex, occupations; percentage and cause. Annual reports of vital statistics to be made under census act.	Reports of deaths in States and cities with number by contagious diseases. Weekly mortality table for cities of United States, statistics for which are returned on schedules sent out for the purpose. Special statistical treatment of smallpox, plague, cholera, and other contagious and infectious diseases.

Deaf and blind—Comparisons of United States Census with publications of Bureau of Education.

United States Census.	Bureau of Education.
Sex, age, nativity, occupation, color, conjugal condition of deaf, and cause of deafness. Can person hear with tube, trumpet, or mechanical appliance? Has he attended or does he now attend school? If yes, where? Kind of school, if special, to be specified; if other, write "common school," "high school," etc. Substantially the same for the blind.	Statistics of State institutions for the education of the deaf. Number of institutions by States and Territories. Instructors by sex. Methods of teaching—articulation; auricular perception; industrial department. Number of pupils by sex and by what method taught; number of graduates. Volumes in library. Annual cost per capita. Value of scientific apparatus. Value of grounds and buildings. Expenditures for buildings and improvements. Expenditures for support. Statistics of public and private schools for the deaf. Statistics of the blind, substantially the same as for deaf.

Comparative statistics of the Census and the Statistical Division of the United States Department of Agriculture, 1899.

Products.	Unit of measure.	Census.	Agricultural Department.	Difference, using census figures as the basis.
Barley	Bushels...	119, 634, 877	73, 382, 000	- 46, 252, 877
Buckwheat	do	11, 233, 515	11, 094, 473	- 139, 042
Corn	do	2, 666, 440, 279	2, 078, 144, 000	-588, 296, 279
Cotton	Bales ^a 9, 534, 707		^a 9, 142, 838	- 391, 869
Flaxseed	Bushels...	19, 979, 492	20, 086, 000	+ 106, 508
Hay and forage	Tons	^b 84, 011, 299	^b 56, 655, 756	- 27, 355, 543
Hops	Pounds...	49, 209, 704	42, 354, 000	- 6, 855, 704
Oats	Bushels...	943, 839, 375	796, 173, 000	-147, 211, 375
Potatoes	do	273, 328, 207	228, 783, 232	- 44, 544, 975
Rye	do	25, 568, 625	23, 962, 000	- 1, 606, 625
Sugar beets	Tons	793, 353	794, 658	+ 1, 305
Tobacco	Pounds...	^c 868, 163, 275	^c 868, 163, 275	-----
Wheat	Bushels...	658, 534, 252	547, 304, 000	-111, 230, 252

^a Comparison made in commercial bales.
^b The Department of Agriculture did not include forage.
^c The Department of Agriculture used figures of the Census

Mr. CRUMPACKER. Mr. Chairman, I would ask if there has been an order made for the extension of remarks in the Record?

Mr. HEPBURN. There has been such an order made.

The CHAIRMAN. I am informed that a general order has been made to that effect.

Mr. CRUMPACKER. Then I will avail myself of that order to put in shape these various tables which I have.

The CHAIRMAN. Without objection, the amendments will be considered together. There was no objection.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois.

The amendments were agreed to.

Mr. COWHERD. Mr. Chairman, I offer an amendment which I will send to the desk and ask to have read.

The Clerk read as follows:

Insert in line 18, page 10, after the word "latter," the following: "The Director of the Census to receive a salary of \$4,000 per annum."

Mr. MANN. Mr. Chairman, on that I make the point of order.

Mr. COWHERD. I supposed the gentleman would do so. I desire to be heard on that, Mr. Chairman, if the gentleman from Illinois does not desire to discuss his point.

The CHAIRMAN. Does the Chair understand that the gentleman from Illinois reserves the point of order?

Mr. MANN. I am perfectly willing to reserve it.

Mr. COWHERD. I wish to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman from Illinois.

Mr. MANN. Mr. Chairman, I take it that that amendment is not germane to this bill. The only reference in the bill to the Census Office is to transfer the Census Office bodily from the Interior Department to the proposed new Department. It is not a bill fixing salaries or regulating salaries in any way whatever in the sense it is offered, and I do not see how a proposition to review the law creating the Census Bureau would be germane to a bill merely proposing to transfer an entire department from one executive branch of the Government to another.

Mr. CRUMPACKER. Mr. Chairman, I would suggest an additional thought on that question. This bill is for the purpose of creating a Department of Commerce. As was said by the gentleman from Illinois, it does not go into the subject of revising salaries at all. It became necessary to fix the salaries for the new offices created, and to that extent it deals with the salary question. Beyond that it does not go. The Census Office is incorporated into the Department of Commerce with its functions and organization unimpaired. The salaries are fixed by an independent law, and it occurs to me that the proposition now to go into the subject of revising salaries in the Census Bureau, or the salary of the Director of the Census or any of the officers included within that Bureau, is not germane. It is an incidental subject. As well might we go into the subject of fixing the salaries of the chiefs and subordinates of all the other bureaus that are transferred to the Department of Commerce by the force of this bill. The idea of the bill is first to create a Department of Commerce

and to provide what bureaus shall become parts of that Department and, second, to define the functions of the Department and these respective bureaus included therein and to create salaries simply for the new officers that are made necessary to carry out the purpose of the bill. Therefore the subject of amending the laws and fixing the salaries that are already fixed, it appears to me, is clearly out of order.

Mr. COWHERD. Mr. Chairman, the gentleman must understand that this is not a general appropriation bill. This is a bill creating a new department. This is original legislation.

This bill takes the Census Bureau as it stands now and transfers it to this Department and puts it under another head. And they might add other official duties to that Census Bureau by that bill, or they might take them away. They do take them away. In this particular bill they provide for a bureau that shall have charge of manufactures and the gathering of manufacturing statistics, taking it directly away from the Census Bureau, as it stands to-day. They provide for the gathering of statistics in regard to corporations. That is done in part by the Census Bureau to-day. Will the gentleman pretend to say that they will come here with a bill that creates a bureau, regulates it; and may increase it or diminish it, and yet that you can not fix a salary?

This bill fixes salaries. It fixes the salary of the head of nearly every other bureau in that Department except this one Bureau of the Census, and it does not fix that salary because the salary is already so high that they know they can not fix it any higher.

Now this is on the point of order, and I say that this House has the right when this bill is up before it, and this proposition for original legislation is up before it, that the majority of this House has the right to change, alter, or amend that salary, or any part of that census law affecting his duties, in any way it pleases.

The CHAIRMAN (Mr. Lawrence). This is a bill to establish a Department of Commerce and Labor. It is not a general appropriation bill; it is new legislation. It creates new offices and fixes salaries. It transfers certain departments and certain officials to this new Department of Commerce. In section 12 it gives the Secretary of State the power to designate a certain person who shall perform certain duties, and in that connection gives him the rank and salary of a chief of a bureau. It is new legislation, creates new officials, creates new salaries, and the Chair is of the opinion that an amendment changing the salary of any official who is transferred to this Bureau is in order. The Chair therefore overrules the point of order.

Mr. COWHERD. Mr. Chairman, I want to be heard just for a moment on the merits of the amendment. As I have said, this bill creates several bureaus in this Department, several different bureaus of statistics. To each of these officials it gives a salary. Here is the head of the great Bureau of Labor transferred to this new Department of Commerce. That Bureau of Labor has charge of possibly the most important matter, in the number of people affected, in the amount involved as far as money is concerned, if we take into consideration the compensation paid for labor. The head of that great Bureau, with the great responsibility imposed upon him, is given \$4,000 per annum. Here is the Bureau of Manufactures, a bureau of great importance, if it is to amount to anything.

Mr. HEPBURN. Do I understand the gentlemen to say that the compensation of the Commissioner of Labor is \$4,000?

Mr. COWHERD. Four thousand dollars or \$4,500, I do not remember which.

Mr. HEPBURN. Is it not \$6,000?

Mr. COWHERD. In this bill?

Mr. HEPBURN. No, sir; provided for by law and not changed in this bill.

Mr. COWHERD. I understand it is in this bill, if I remember rightly.

Mr. HEPBURN. Oh, no.

Mr. COWHERD. I may be mistaken with regard to that. I would not pretend to the familiarity that the gentleman has with the bill?

Mr. HEPBURN. I think there is no salary fixed in this bill, excepting for the new officers.

Mr. MANN. If the gentleman will pardon me—

Mr. COWHERD. If the gentleman says that is true, I will accept his statement, because I know he is far more familiar than I am with the provisions of the bill.

Mr. MANN. The salary of the Commissioner of Labor is fixed by the act creating the Department of Labor at \$5,000, and that salary is not interfered with.

Mr. COWHERD. Then that salary will stand at \$5,000 for that great officer; and the man who has charge of gathering the census statistics, a large part of which are taken away from him in this bill, is to get \$6,000. If gentlemen want to support that kind of discrimination and distinction—

Mr. LITTLE. Against labor.

Mr. COWHERD. A distinction against labor, as suggested by my friend on my left, why, then, they can do it. Here is the Bureau of Insurance, but that I believe has gone out. Here is the Bureau of Manufactures, the head of which receives the salary of \$4,000. Here is the Bureau of Corporations with a salary of \$4,000. I do not know what others are included, as I have not had opportunity to go over the bill for the purpose of collating these facts. The point I make—

Mr. MANN. There is nothing else.

Mr. COWHERD. The point I make is this: That here are all these great bureaus in this Department, and not one of them, so far as I can find, has the salary or anything like the salary given the head of the Census Bureau. Now, what reason can be given that this officer should have so much greater salary than any other head of a bureau?

Mr. JONES, of Washington. I want to suggest to the gentleman that in section 2 the Assistant Secretary gets \$5,000.

Mr. COWHERD. I was looking for that. I was looking for the assistant's salary created and provided for in this very bill; and he is to receive a salary of \$5,000 as provided in section 2, that we have already passed. I submit to the House that the House in creating this Department can not afford to make these distinctions in the very Department itself. There never was a good reason for giving the head of a bureau \$6,000. It is unfair to all the other heads of the great bureaus of this Government, and we can not correct it on an appropriation bill. We know we will never be given a chance to do so in an original bill brought in by the committee in charge of the Census Bureau; and therefore let us take the opportunity when it is here and make the proper correction in this salary. [Applause.]

Mr. MANN. The gentleman from Missouri is mistaken in the last statement he makes, because it is in the power of Congress at any time, on an appropriation bill, practically to reduce the amount of salary, notwithstanding what the law may provide; and we remember that on appropriation bills constantly there is carried a smaller amount of salary than the law provides shall be paid. So that it is within the power of Congress at any time, and this identical question was raised before this House less than a month ago upon the legislative appropriation bill by the same gentleman who raises it now. We have not proposed in this bill to disturb or rearrange a salary. It is not the province of the committee which reports the bill to do that. It ought not to be the duty of the House to do it upon the consideration of this bill. It is immaterial to me what the salary of the Director of the Census shall be, except so far as may be proper for the public good. This is not the time or place—

Mr. COWHERD. Will the gentleman yield to me for a question?

Mr. MANN. Why, certainly.

Mr. COWHERD. I understand the gentleman says that I made the motion to reduce the salary before, and it was held good on an appropriation bill. Now, I ask the gentleman if it is not a fact that the gentleman from Indiana, and, I think, the gentleman from Illinois, made the argument that even if on an appropriation bill you did reduce the salary in making the appropriation, that the party still under the law would be entitled to \$6,000 and could go into the Court of Claims and get a judgment for it?

Mr. MANN. If the gentleman wants my recollection, my recollection is that they did not make that argument.

Mr. COWHERD. On the floor of this House.

Mr. MANN. But whether they did or not, it is not a correct statement. There are plenty of cases upon the statute books now where an appropriation is made for less than the amount provided by law on salaries, and on every one of the appropriation bills, and the appropriation bill which we were considering, it is provided that the gentleman who takes the salary should receive it in full, and the chairman of the committee, upon the gentleman's motion, decided that it was in order. So that the gentleman's contention is entirely erroneous.

Mr. COWHERD. The gentleman does not touch the point. He decided it was in order to vote a less amount of money in an appropriation bill to pay the salary. The point made was that you can not change the existing law, which fixed the salary at that amount, on an appropriation bill; and in that decision he decided that you can not change the law, but it was simply a matter of appropriation. [Applause.]

Mr. MANN. The gentleman from Cincinnati, with his usual high knowledge on great questions of appropriations, applauds the idea of the distinguished gentleman from Missouri. Every appropriation bill contains a provision that the person taking the salary shall receive it in full.

Mr. SHATTUC. Will the gentleman yield to me for a question?

Mr. MANN. I am always delighted to yield to the distinguished gentleman.

Mr. SHATTUC. Some time ago when we were making provisions for the Civil Service

Commission, it was decided by all the constitutional lawyers on that side of the House that if you cut out the salaries of that Commission they could go to the court and get their salaries. The gentleman from Ohio [Mr. Grosvenor] proclaimed that as correct, and I have as much confidence in his judgment as I have in the gentleman's judgment.

Mr. MANN. The gentleman says that he confides in the judgment of the gentleman from Ohio as better than mine. If his judgment on other questions were half as good as is his judgment as to our respective judgments, his judgment in this case would be changed. [Laughter.] It is undoubtedly true that if any salary were stricken out of the appropriation bill the officer could go to the Court of Claims to have the salary allowed as fixed by law; but when he receives the reduced salary it is taken in full. Now, I appeal to the House not to enter upon the question of fixing salaries upon this bill. That is a matter within the control of the House at any time. It is unfair to all gentlemen interested, not only to the most able Director of the Census, but all other gentlemen interested in the salaries of the different departments to enter upon that question upon this bill; and I hope the amendment of the gentleman will not prevail. [Applause.]

Mr. MORRIS. Mr. Chairman, it does not make any difference to me whether the salary of an officer can be changed in an appropriation bill at any time or not. The question before the House is whether or not on this bill the salary of the Director of the Census shall be reduced from \$6,000 to \$4,000 per annum.

Now, Mr. Chairman, when we organized the permanent Census Bureau that question was fully and fairly and completely discussed in the House. The important duties and responsibilities of that officer were carefully gone over and his salary was fixed, after careful consideration by this House, at the amount at which it now stands. It seems to me to be eminently unfair and eminently improper that when a measure is brought in here dealing with an entirely different subject, and having nothing to do with the salaries of any officers except those created by the bill, you should single out that most efficient officer, whose management of that Bureau is universally recognized as the best it has ever had, the Director of the Census, to be the man whose salary is to be cut down in a bill in which it can be given no proper consideration. I protest that this should not be done.

Mr. HAY. Mr. Chairman, I simply want to say that I do not see why the Director of the Census should be chosen for the purpose of having his salary reduced in this bill. There are others whose salaries are equally as high. The duties of the Director of the Census are most important. He has under his control a very large number of clerks, and the argument of the gentleman from Missouri that certain statistics are to be taken from him and placed under some other bureau, I do not think, upon examination of this bill, can be maintained. All of the statistics which the Director of the Census now has he will retain, and in all probability a great many more will be placed under his charge.

Now, the Director of the Census is not the only man in the Government bureaus who gets \$6,000 a year for presiding over a bureau, some of very much less importance than that which is presided over by him. I do not think it fair in a bill of this character to inject an amendment for the purpose of reducing one man's salary and not others. If you want to make them all uniform, introduce an amendment making them all uniform, and do not pick out one man and undertake to make him suffer for I know not what.

Mr. CRUMPACKER. Mr. Chairman, I have a few figures that I want to submit on this amendment. The gentleman from Missouri instituted a comparison between the work of the Census Bureau and the Bureau of Labor, which he said was of vastly more importance than the Census Bureau. I have before me the number of employees in these respective bureaus. To-day the Census Office has 661 employees or clerks and subordinates, over whom the Director has control, and the Commissioner of Labor has charge of 80 employees only. Everybody in the House knows something about the stupendous work of the Census Bureau.

Mr. COWHERD. Will the gentleman allow me an interruption?

Mr. CRUMPACKER. Certainly.

Mr. COWHERD. How many men has the Chief of the Bureau of Pensions under him?

Mr. CRUMPACKER. I do not know—fifteen or sixteen hundred, I believe.

Mr. COWHERD. Double as many as the Chief of the Census Bureau, and he does not get as much salary.

Mr. CRUMPACKER. There is a radical difference between the functions of the Director of the Census and the Commissioner of the Bureau of Pensions. The Pension Office is ministerial from beginning to end, while the Director of the Census in a large degree exercises discretionary functions. His work is of vast and varied character, relating to all of the activities of our civilization almost, and every member of this committee

knows the arduous and responsible work required in organizing the Census Office for the purpose of taking the recent census, when there were for several years in that department over 3,500 clerks.

If I have any correct appreciation of the value of this measure, it will result in combining practically all the statistical work in the Census Office. It is to be essentially a statistical department. The head of the Bureau that collects statistics will occupy a more responsible and important and more onerous position than the head of the department or of most any other bureau.

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

Mr. CRUMPACKER. Yes.

Mr. TAWNEY. The gentleman from Indiana is a member of the Census Committee. Can he state to the House how the present Census Bureau, under the present Director, compares with the previous Census Bureau, both as to the time in which it did the work and the manner in which it was done?

Mr. CRUMPACKER. The judgment of all the interests of the country is that it far surpasses the work of the Eleventh Census, and has never been excelled, if ever equaled, by any census that the Government has taken.

Mr. BURLESON. I would like to ask the gentleman if it is not a fact that it has been more expeditious and accurate than any other census we have taken?

Mr. CRUMPACKER. That is a fact.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Missouri [Mr. Cowherd].

The question was taken; and on a division (demanded by Mr. Cowherd) there were 26 ayes and 73 noes.

Mr. COWHERD. Mr. Chairman, I move now to amend by adding after the word "latter," in line 18, page 10, the words "the Director of the Census shall receive \$5,000 per annum."

Mr. HAY. I rise to a point of order. This amendment, I understand, is the same as one already voted on.

Mr. COWHERD. Oh, no. The other amendment proposed a salary of \$4,000; this is for \$5,000.

Now, Mr. Chairman, just one word upon this proposition. I presume the gentlemen who have reported this bill do not wish to provide for a Director of Census as a subordinate of this assistant secretary and to give him a larger salary.

A MEMBER. Why not.

Mr. MANN. Let me say for the gentleman's information that there are a great many officers connected with the Treasury Department, and under the Assistant Secretary of the Treasury, who receive a much larger salary than that officer.

Mr. COWHERD. What do the chiefs of bureaus receive generally? What is the general salary?

Mr. MANN. There is no such thing as a general salary. Some receive \$3,000, some \$4,000, some \$5,000, some \$6,000.

Mr. COWHERD. Is not the average salary of a chief of bureau \$2,500 or \$3,000?

Mr. MANN. The Commissioner of Internal Revenue receives \$6,000; and even the Librarian of Congress receives \$6,000.

Mr. HEPBURN. Allow me to ask the gentleman from Missouri [Mr. Cowherd] whether he did not vote for the legislation which fixed the salary as it is now fixed for this officer?

Mr. COWHERD. I really do not remember. I do not know that there was any formal vote.

Mr. HEPBURN. We did not have the yeas and nays upon the question; there was an attempt made to secure the yeas and nays, and only a few gentlemen in the House rose in favor of that demand.

Mr. COWHERD. My remembrance is, as I was against the bill creating the permanent Census Bureau, that I voted in the negative on this question.

Mr. BURLESON. If the gentleman did vote to fix the salary at the present figure, why does he now seek to cut it down when the labors of the Bureau are being constantly increased?

Mr. COWHERD. I do not believe the gentleman's statement that the labors of this officer are constantly increasing can be borne out by the fact.

Mr. BURLESON. The records of Congress sustain the proposition.

Mr. COWHERD. I believe, if the facts were known, it would appear that the labors of this Bureau are at this time exceedingly light.

Mr. BURLESON. They are being constantly increased.

Mr. COWHERD. They are not increased, but decreased by this bill.

The CHAIRMAN. The question is on the amendment offered by the gentlemen from Missouri [Mr. Cowherd].

The question being taken, the amendment was rejected, there being, on a division—ayes 42, noes 56.

The CHAIRMAN. The Clerk will now read the next section of the bill.

The Clerk read as follows:

SEC. 5. That there shall be in the Department of Commerce and Labor a bureau to be called the Bureau of Manufactures, and a chief of said Bureau, who shall be appointed by the President, and who shall receive a salary of \$4,000 per annum. There shall also be in said Bureau one chief clerk and such other clerical assistants as may from time to time be authorized by Congress. It shall be the province and duty of said Bureau, under the direction of the Secretary, to foster, promote, and develop the various manufacturing industries of the United States, and markets for the same at home and abroad, domestic and foreign, by gathering, compiling, publishing, and supplying all available and useful information concerning such industries and such markets, and by such other methods and means as may be prescribed by the Secretary or provided by law. And all consular officers of the United States, including consuls-general, consuls, and commercial agents, are hereby required, and it is made a part of their duty, under the direction of the Secretary of State, to gather and compile, from time to time, useful and material information and statistics in respect to the subjects enumerated in section 3 of this act in the countries and places to which such consular officers are accredited, and to send, under the direction of the Secretary of State, reports as often as required of the information and statistics thus gathered and compiled, such reports to be transmitted through the State Department to the Secretary of the Department of Commerce and Labor.

Mr. MANN. I offer the amendment which I have sent to the desk.

The Clerk read as follows:

Amend section 5 by striking out in lines 3 and 4, on page 12, the words "one chief clerk and," and in line 4 the word "other."

The amendment was agreed to.

Mr. SULZER. I desire to offer an amendment; and I ask unanimous consent for ten minutes to address the committee upon it.

The CHAIRMAN. The gentleman from New York [Mr. Sulzer] asks unanimous consent to address the committee for ten minutes. Is there objection? The Chair hears none.

Mr. SULZER. I now offer the amendment which I ask the Clerk to read. I propose that it come in as section 6.

Mr. CORLISS. I make the point that the sixth section has not yet been read.

The CHAIRMAN. The Chair will state that section 6 has not yet been read.

Mr. SULZER. This is designed to follow section 5.

The CHAIRMAN. Then the gentleman offers it as a new section.

Mr. SULZER. Yes, sir.

The Clerk proceeded to read the following amendment proposed by Mr. Sulzer:

SEC. 6. That there shall be established in the Department of Commerce and Labor a bureau called the Bureau of Corporations, and a chief of said bureau, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive a salary of \$4,000 per annum. There shall also be in said bureau one chief clerk and one auditor and such number of examiners as shall be needed to carry out the purposes of this act. Said auditor and examiners shall be expert accountants, and shall be paid salary and necessary expenses. There shall also be such other clerical assistants as may from time to time be authorized by Congress. It shall be the province and duty of said Bureau of Corporations, under the direction of the Secretary of Commerce and Labor, to inspect and examine all corporations engaged in interstate or foreign commerce by gathering, compiling, publishing, and supplying all available and useful information concerning such corporations, including the manner in which their business is conducted, and by such other methods and means as may be prescribed by the said Secretary.

Every corporation governed by this act shall make annual reports in writing to the said auditor of said bureau, and such report shall in all cases include:

- (a) Capital authorized and issued; the amount paid up in cash or otherwise, with a statement of the method of paying where it is not in cash.
- (b) Debts, including details as to the amounts thereof and security given therefor, if any.
- (c) Obligations due from officers, which shall be separately stated.
- (d) A statement of assets and the method of valuing the same, whether at cost price, by appraisal, or otherwise, and of the allowance made for depreciation. Small items of personal property included in a plant may be described by the term "sundries" or like general term.
- (e) Gross earnings for the period covered by the report, all deductions necessary for interest, taxes, and expense of all sorts, the surplus available for dividends, and dividends actually declared.
- (f) Increase of assets since the last statement, with a showing in what way such increase has been secured.
- (g) The names and addresses of stockholders, with the number of shares held by each at the date of the report.
- (h) The amount of stock disposed of and the amount of property taken for stock sold since the last report, with all facts necessary to show the results of the transaction.
- (i) A statement showing that the corporation in question has not, during the period covered by the said report, received any rebates, drawbacks, special rates or discriminations, advantages or preferences, by money payments or otherwise, from any railroad, pipe line, water carrier, or other transportation company, or if any such have been received or given, stating when, from whom, on what account, and in what manner they were so received, with all other details necessary to a full understanding of the transaction or transactions.
- (j) The names and addresses of all officers; location of transfer or registry offices, wherever located.
- (k) A statement that the corporation has not fixed prices, or done any other act with a view to restricting trade or driving any competitor out of business.
- (l) A statement that the corporation is or is not a party to any contract, combination, or conspiracy in the form of trust or otherwise in restraint of trade or commerce among the several States or Territories or with foreign nations.
- (m) A statement of the proportion of goods going into interstate commerce.

That it shall be the duty of the auditor to prescribe the form of the reports before mentioned. He may in his discretion require additional reports at any time when he may see fit, upon reasonable notice; but his determination shall be prima facie proof that the notice is reasonable. He may also require supplemental reports whenever, in his judgment, the report rendered is in any particular or particulars insufficient, evasive, or ambiguous. He may prescribe rules so as to avoid undue detail in making reports, but no detail of the business of the corporation shall be considered private so as to be exempt from the examination of the auditor whenever he may demand report thereon. He shall make public in his reports, which shall be issued annually, all the information contained in the reports so made to him. When a report has been made by a corporation, and, with all supplemental and additional reports required by the auditor, shall have been approved by him, the corporation making such report or reports shall publish the same in a daily newspaper, after the usual custom in such cases, with the auditor's minutes of approval, and shall file with the auditor proof of such publication by the publisher's certificate.

That if any corporation shall fail to make a report when required, either by the terms of this act or, when required, by the auditor, as herein provided, said corporation shall be fined not less than 1 per cent or not more than 10 per cent of its last annual gross earnings for each offense. Every day of failure after a written demand has been made by the auditor shall constitute a separate and distinct offense. In case of failure, also, each of the directors of the said corporation shall be ineligible, for the year succeeding the next annual meeting, to hold either directorship or any other office in the said corporation. If such report is false in any material respect, the corporation shall be fined not less than 2 per cent and not more than 20 per cent of its last annual gross earnings, and each false statement in any material matter shall constitute a separate offense. All fines and penalties imposed by this act shall be recovered or enforced in any court of competent jurisdiction.

That it shall be the duty of examiners, under the direction of the auditor, to make examinations of any corporations governed by this act. Any of said examiners presenting his official credentials shall be furnished by the officers of the corporation every facility for complete and full examination, not only of the books, but of all property, records, or papers of the corporation which may be necessary, in the judgment of the examiner, for a complete knowledge of the affairs of the concern. Such examinations shall not be at fixed periods, but shall be at such times as the auditor shall fix and without notice. Examiners shall have the power to examine under oath all officers or employees of a corporation, or any other persons having any knowledge of its affairs, and to send for, demand, and inspect books, papers, and any other matter of evidence whatever which is in the possession or control of the said corporation. For the purpose of this act examiners shall have power to require, by subpoena, the attendance and testimony of witnesses under oath and the production of all books, papers, contracts, agreements, and documents relating to any matter under investigation. Such attendance of witnesses and the production of such documentary evidence may be required from any place in the United States at any designated place of hearing. And in case of disobedience to a subpoena the examiner may invoke the aid of any court of the United States in requiring such attendance.

And any of the circuit courts of the United States within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpoena issued to any corporation subject to the provisions of this act, or other person, issue an order requiring such corporation or other person to appear before said examiner and produce books and papers, if so ordered, and give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. The claim that any such testimony or evidence may tend to criminate the person giving such evidence or testimony shall not be used against such person on the trial of any criminal proceeding. The auditor shall likewise have all the authority of an examiner in any case wherein he chooses himself to act. No examiner shall be assigned to examine any corporation who is himself interested in the business thereof, or any competing concern, or who has relatives who are so interested.

That it shall be unlawful for an examiner to divulge private business, except by his report to the auditor. But such report, or the substance thereof, shall be opened for public inspection. Each examiner shall follow the rules, regulations and directions which the auditor may from time to time lay down or communicate to him as to the method of examination, the form of report, the matters to be covered by the said examination, and all matters pertaining to his duties. Said examinations and reports shall always cover, among others, the following questions:

(a) Has the said corporation, during the period covered by the examination and report, received any rebates, drawbacks, special rates, or other discriminations, advantages, or preferences, by money payments or otherwise, from any railroad, pipe line, water carrier, or other transportation company?

(b) If there have been such preferences, when were they received, from whom, on what account, and in what manner, giving all details necessary to a full understanding of the transaction?

(c) Is the said corporation a member of any combination having or intending to secure a monopoly of any commodity other than such monopolies as are legally granted by patent or otherwise?

(d) Has the said corporation any such monopoly, or does it use methods tending to secure such monopoly?

(e) Has it made any contracts or agreements tending to secure any such monopoly to itself or any other concern, whether owned by an individual or individuals, a corporation, or some combination of individuals and corporations?

(f) Is such corporation a party to any contract, agreement, or combination, in the form of a trust or otherwise, in restraint of trade or commerce among the several States or with foreign nations?

(g) Has the corporation purchased or does it hold the stock of any corporation for the purpose of controlling its management?

Said reports of examiners shall be prima facie true and may be introduced in evidence in all courts to prove the facts therein set forth. Copies certified by the auditor shall be admissible with like effect and under the same circumstances as the original. The word "corporation" wherever used in this act shall be deemed to include associations existing or authorized either by the law of the United States, the laws of any State, or the laws of any foreign country.

Mr. MANN (before the reading of the amendment was concluded). I ask the attention of the gentleman from New York [Mr. Sulzer].

Mr. SULZER. I decline to be interrupted during the reading of the amendment.

The CHAIRMAN. The Clerk will finish the reading of the proposed amendment.

Mr. MANN. I ask the courtesy of the gentleman from New York—

Mr. SULZER. I must decline. An interruption now would simply take up my time.

Mr. MANN. I am sorry that the gentleman has not read the bill.

The CHAIRMAN. The Clerk will resume the reading of the amendment.

The reading of the amendment was resumed and concluded.

Mr. SULZER. Mr. Chairman, regarding this amendment I want to say that on the

2d day of May, 1902, I introduced in this House a bill to establish a Department of Commerce, and the amendment just read is section 5 of that bill. The bill was referred to and considered by the Committee on Interstate and Foreign Commerce. I appeared before that committee in favor of my bill to establish a Department of Commerce, and so did a number of distinguished gentlemen representing commercial bodies, labor organizations, the American Anti-Trust League, and other associations which are in favor of publicity in regard to the great trusts of our land.

All of these gentlemen advocated my bill or the incorporation in the Department of Commerce bill of a provision similar to the amendment just offered by me. The committee did not see fit to do that. They left it out of the bill they reported and now before the House. I simply ask at this time to have that amendment read, so that every member and the country may understand it. I ask now unanimous consent to have it considered as pending, so that the members of the House may have an opportunity to read it in the Record to-morrow.

Mr. HEPBURN. Mr. Chairman, that goes into the Record.

Mr. SULZER. I know it does, but I want it pending for a time to give members a chance to read and study it.

Mr. MANN. The gentleman asked to have it be considered as pending.

Mr. SULZER. I ask unanimous consent that the amendment be considered as pending, so that members can read it in the Record and vote on it intelligently.

The CHAIRMAN. To be voted upon after the reading of the bill is concluded?

Mr. SULZER. Yes; that is my request.

The CHAIRMAN. Let the Chair state the request. The gentleman from New York asks unanimous consent that the amendment which he has offered may be considered as pending, to be voted upon when the reading of the bill is concluded. Is there objection?

Mr. MANN. Mr. Chairman, to what portion of the bill is the amendment offered?

The CHAIRMAN. It is offered as a separate section.

Mr. MANN. Mr. Chairman, as the gentleman can offer his amendment at the proper place at any time, if he is in his seat, I object to the request.

Mr. SULZER. I only ask it in order to give every member an opportunity to familiarize himself with it.

The CHAIRMAN. Objection is made. The question is on the amendment offered by the gentleman from New York.

Mr. SULZER. Mr. Chairman, one moment; has my time expired?

The CHAIRMAN. It has not.

Mr. SULZER. Then, Mr. Chairman, I desire to state briefly that this amendment brings before the House, as clearly and as positively as any proposition can, the question of whether the members of this House are in favor of publicity regarding the trusts or not. If we are sincerely in favor of publicity regarding the trusts we can not, it seems to me, object to this amendment. If we want publicity we can not object to the establishment of this Bureau of Corporations in the Department of Commerce and Labor, for it is something which will create publicity and secure the information the Attorney-General says he wants in order to enforce the antitrust laws.

In my opinion it is the best plan for publicity yet devised, and will secure the information that every citizen wants regarding the conduct and the management of the great trusts of our country, and go far, in my judgment, to prevent the trusts from violating or evading the law now on the statute books against trust and monopolies. It has been stated by those more competent to judge perhaps than myself that if this amendment were a law no trust in this country, no corporation, no monopoly, would or could violate the law.

Besides, it would secure all the information desired, and if the laws were violated the Attorney-General would have official the facts to proceed forthwith and punish such violations. It would prevent the excuse now offered by the Department of Justice.

I think this amendment ought to be adopted. It will be if those who oppose trusts and monopolies and want publicity regarding them, so that the truth shall be known, vote for it. So I offered this amendment to find out and have the country know the names of the members who are sincerely in favor of publicity and who are not. Let the record tell. Now is the time to stand by your professions and live up to your promises. [Applause.]

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from New York.

Mr. MANN. Mr. Chairman, the report of the bill from the committee provides for a Bureau of Corporations for the very purpose of providing an executive agency on publicity. Probably this side of the House would not always feel disposed to accept

the language arranged by the gentleman from New York [Mr. Sulzer] in reference to the method of obtaining publicity.

Very likely the other side of the House will accept the leadership of the gentleman from New York on this question. If so, we shall be content, but the committee which reported the bill has been rather inclined to await the report of the gentlemen from the Judiciary Committee, from both sides of the House, who are engaged in endeavoring to find a proper solution of the method of publicity. There is no disposition on the part of the committee which reported the bill, no disposition on the part of this House, to refuse proper legislation to effect publicity, but, with all due respect to the distinguished gentleman from New York [Mr. Sulzer], I trust that we may be forgiven if we do not always adopt his views upon this subject.

Mr. HENRY C. SMITH. Mr. Chairman, I desire to ask the gentleman a question.

The CHAIRMAN. Does the gentleman yield?

Mr. MANN. Certainly.

Mr. HENRY C. SMITH. The section to which the gentleman refers as creating this Bureau of Corporations, I take it, is section 7?

Mr. MANN. Section 7.

Mr. HENRY C. SMITH. I would ask the gentleman's construction as to what powers such a bureau would have. I have read the section hastily and it seemed to me that it did not give the Bureau very much, if any, power to get the information.

Mr. SULZER. That is quite true.

Mr. MANN. There is no doubt whatever, Mr. Chairman, that section 7, as it reads in the bill, will not confer upon the Bureau of Corporations the power to compel the giving of information, and in that respect it might be said to be defective and clearly would be defective if it were not the purpose to follow it up with additional legislation; but we all know that the members of this House and the members of this Congress are proposing to have additional legislation, and if this bill becomes a law and this Bureau of Corporations is created, undoubtedly there will be conferred either upon the Bureau itself or upon the Department, the necessary powers to carry out the idea for which the Bureau is created.

If it is the preference of the House to take the suggestions—admirable in their nature, but more or less crude in the drawing of the language—of the gentleman from New York, very good; but I should prefer that the House should have the information which comes from the distinguished Judiciary Committee of this House, which intends, as I understand, to report some kind of a bill to the House covering ground like this.

Mr. SULZER. Oh, yes; they will doubtless report a bill some time, some how, some way, and too late in the closing days of this session of Congress ever to pass before we adjourn. You may pass some kind of a bill through the House only to die in the Senate. It is the old, old story.

Mr. THAYER. Mr. Chairman, I have been waiting in this House for three years to see what action would be taken that would amount to anything to clip the wings of the trusts, and it is immaterial to me whom I am following if the road is clear, whether it be the gentleman from New York [Mr. Sulzer] or the gentleman from Illinois [Mr. Mann]. I am here to help do something to curtail the increasing power of the trusts, and it is immaterial to me who leads in this, to my mind, good work.

Here is an amendment which proposes some practical legislation to make public the acts and doings of the great trusts and combines of this country, and the gentleman from Chicago [Mr. Mann] fails entirely to point out in this amendment anything which he thinks even is obnoxious, or is not in accordance with his views. He simply wishes to put off the matter to a more convenient time. It is the same old plea. We have been told, from the President of the United States down, that something should be done to make public the conduct of the trusts. Publicity is the great question which the public is demanding to-day of these corporations. Now, if the gentleman from Illinois [Mr. Mann] can not find any fault with this amendment, if he is simply waiting for something better, why not point out what is wrong in this bill, which is specific, directing, and comprehensive? We are confronted with the proposition now whether we shall do something or continue to do nothing, as we have for the last three years. Let us not dodge or evade our responsibility. The country is looking and waiting to see if we will keep our promises and do something to give publicity to the working of the trusts.

Mr. MANN. The gentleman will pardon me for saying that while it possibly is negligence on my part, I never have read the proposition of the gentleman from New York. It may be heavenly for aught I know. It may be perfect; but I should prefer to have it presented to the House in such a way that it can be properly considered by the committee.

Mr. THAYER. Unless the gentleman from Illinois is deaf, he must have heard the reading of it, line by line and word by word, within the last ten minutes.

Mr. MANN. Well, I am not as smart as the gentleman from Massachusetts, if he can understand it from hearing it read.

Mr. THAYER. I hope the opportunity will be granted for gentlemen of this House to discuss and analyze this amendment. I think it comes nearer to the bull's-eye than anything that has been presented. I had occasion to vote with the majority of this House for a constitutional amendment in the last Congress which it was never intended should be passed by the coordinate branch at the other end of this building and which I had very grave doubts about our right to pass; but I want to do something while I am a member of this House or help others in doing something that will make public the acts of the trusts, a proposition which all parties agree is needed, and something that will in some measure satisfy the public. This amendment provides for the very thing we have been discussing here for the last four years. The opportunity is now here. Now is the accepted time; now is the day of salvation for those who do not believe in permitting these trusts to go on in the way they have been going.

Mr. SULZER. Mr. Chairman, I desire to say just a few words more. In discussing this amendment after it was offered the gentleman from Illinois [Mr. Mann] said it was crude. That is the word I believe he used. Subsequently, in answer to the gentleman of Massachusetts [Mr. Thayer], the gentleman from Illinois said he never read the amendment; that he had not heard it read; that he knew nothing whatever about it. It seems to me, sir, it comes with very bad grace for the gentleman from Illinois to characterize an amendment as crude that he has never read and never heard read. But it is characteristic of the gentleman, and shows how much reliance should be given his speech.

And yet, Mr. Chairman, this amendment has been pending before his committee ever since the 2d day of last May. And further, sir, he was present in the Committee on Interstate and Foreign Commerce when a delegation of the distinguished and representative gentlemen with myself went before his committee and urged a favorable report on my bill, or at least the incorporation of this amendment, being section 5 in my bill, in a bill creating a Department of Commerce. He heard every word of that discussion. He asked questions of the gentlemen on that occasion. That discussion is printed. Any member can get a copy of it. It is a part of the records of the Committee on Interstate and Foreign Commerce on this bill.

It is too late for him now to say that he never read, or heard read, the amendment. In my opinion he knows all about it, or he would not now oppose it so tenaciously. But if he says it is crude, let me say to him that it has been submitted to some of the greatest lawyers in all this land—lawyers not employed by the trusts—and to men who have studied this trust question, not in the interests of the trusts, but in the interests of all the people, and they have all approved it. They say it will absolutely establish publicity, and do it in the only logical and legal way.

Again, sir, this amendment has been favorably passed on by the labor organizations, by the American Anti-Trust League, by leading thinkers and political economists, and by the honest folk of the land who are earnestly and honestly and fearlessly opposed to trusts and monopolies. The independent press of the country ask for publicity. In editorial after editorial they favor this amendment. The President asks for publicity. The Democrats ask for publicity and will vote to a man for this amendment. The people of the land, from one end of it to the other, demand publicity. The Republicans—that is, a few Republicans—say they want publicity; they say it, but they are afraid to vote for publicity. [Applause.]

The Republicans say they are going to give the people publicity as to the trusts some time, some way, somehow; but the days are going on. This Congress will adjourn on the 4th of next March. The time, gentlemen, is short, and I undertake to say that if this amendment is not adopted now, if it is not put in this bill and kept there, that there will be no antitrust legislation, no law for publicity passed during this session of Congress. The President, the Attorney-General, and all of the distinguished Republicans, including my friend from Maine [Mr. Littlefield], will keep on talking against the trusts, but they will do nothing against them.

The people will not and can not be deceived much longer in this matter. The record here to-day on this amendment will tell the tale. It will show whether the Republicans or the Democrats are sincere. It will tell the world who is for and who is against publicity—who are the friends of the trusts and who are the enemies of monopoly. An ounce of performance is worth a ton of promise. If gentlemen on the other side are sincerely in favor of what the people want, if they favor publicity, you will give the people this ounce of performance to-day, and in my judgment it will truly establish publicity and go far to do away with trust evils.

With publicity—like a searchlight, exposing to public view every violation of law—the trusts and monopolies would hesitate a long time ere they violated the law; and if the Attorney-General promptly enforced the law against them, violations of law

would soon cease entirely. But the Attorney-General says substantially in his Pittsburg speech that he can not enforce the law against the trusts because he can not get the evidence of violations of law. Make this amendment a law as a part of this bill and the Attorney-General will have no difficulty in getting the facts—the evidence—to successfully prosecute every trust that is violating the law.

The law now on the statute books against trusts is clear and plain, and the highest court in the land has passed on its validity and sustained the constitutionality of its provisions. The antitrust act of 1890 declares that every contract or combination in the nature of a trust in restraint of trade and commerce among the several States and Territories or with foreign nations is a conspiracy, illegal and void, and punishable by fine and imprisonment.

Under this antitrust act it seems to me every trust in the United States can be prosecuted for violation of law, the charter annulled, and the men behind it punished for conspiracy. Every trust by its very nature is in restraint of trade and commerce and in violation of this law.

If you will read the antitrust act of 1890 and the decisions of the United States Supreme Court in the trans-Missouri freight case and the Addyston Pipe case, the conclusion will be irresistible to the logical mind that the fault is not so much with the law as it is with the men who are sworn to enforce the law.

In my opinion—and I say so advisedly—the Department of Justice under the present law can institute and successfully maintain actions against every trust doing business in the United States. The law is clear and plain, and the facts are within the knowledge of all.

Now, adopt this amendment offered by me for publicity regarding the trusts and monopolies, make it a part of this bill, so that it will soon be a law, and the Attorney-General will get all the facts he wants, and official facts that will be evidence sufficient to prosecute and sufficient to win every case against every trust violating the law. [Applause.]

The CHAIRMAN. The question is on the amendment of the gentleman from New York [Mr. Sulzer].

The question was taken; and the Chairman announced that the yeas seemed to have it.

Mr. SULZER. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 63, yeas 88.

Mr. SULZER. I ask for tellers, Mr. Chairman.

Tellers were ordered.

The CHAIRMAN. The Chair will appoint as tellers the gentleman from New York [Mr. Sulzer] and the gentleman from Illinois [Mr. Mann].

The committee again divided, and the tellers reported—ayes 75, yeas 90.

So the amendment was rejected.

Mr. SULZER. Mr. Chairman, I desire now to say one thing. All the Republicans voted against this amendment for publicity and all the Democrats voted for it. That tells the story and the whole story. [Applause on the Democratic side.]

The Clerk read as follows:

SEC. 6. That there shall be in the Department of Commerce and Labor a bureau to be called the Bureau of Insurance, and a Chief of said Bureau, who shall be appointed by the President, and who shall receive a salary of \$4,000 per annum, and such clerical assistants as may from time to time be authorized by law. It shall be the province and duty of said Bureau, under the direction of the Secretary, to exercise such control as may be provided by law over every insurance company, society, or association transacting business in the United States outside of the State, Territory, or District wherein the same is organized, and to foster, promote, and develop the various insurance industries of the United States by gathering, compiling, publishing, and supplying all available and useful information concerning such insurance companies and the business of insurance, and by such other methods and means as may be prescribed by the Secretary or provided by law.

Mr. CORLISS. Mr. Chairman, I move to strike out section 6, from lines 1 to 17, inclusive, on page 13.

The Clerk read as follows:

Strike out all of section 6, from line 1 to line 17, inclusive.

Mr. CORLISS. Mr. Chairman, when we were considering section 3 the words "insurance business" were stricken out by the committee, it is true, by a close vote, but it seems to me that this section should also go out of the bill. The question has been fully discussed, and the creation of this Bureau is an unnecessary and useless expenditure of public money in view of the decision of the Supreme Court, holding that marine, fire, and life insurance, or any other kind of insurance, is not commerce and that a contract embracing such insurance does not embrace any of the elements of commerce.

Mr. TAYLER, of Ohio. Mr. Chairman, the remark which was just made by my friend from Michigan [Mr. Corliss] would seem to indicate that there was a larger

interest in this subject on the part of those who support this amendment than one would think necessary under the circumstances. However, if the Supreme Court has held that this is not a subject of national legislation, then no harm can be done by the invasion of the State such as alarms so much my friend from New Jersey [Mr. Gardner]. This is a provision for investigating, for compiling all information respecting the subject of insurance. I was surprised that my friends who were so alarmed over here in reference to States rights in this section pertaining to insurance should not have been similarly alarmed when section 5 was under consideration. If it be an outrage upon the rights of the States to "foster, promote, and develop the various insurance industries of the United States by gathering, compiling, and publishing, and supplying all available and useful information concerning such insurance companies," surely it is a greater outrage upon the rights of the States that the same Department should have power to foster, promote, and develop the various manufacturing industries of the United States by doing exactly the same thing that section 6 provides may be done respecting the fostering and developing of the insurance business. I take it that the manufacturing business is just as important as the insurance business; and if the Supreme Court has held that we can not invade by national legislation the domain of insurance, we may be sure that we could no further invade the domain of manufacturing. At least the courts have not gone so far in that respect, and we have all through our States manufactures just as much threatened in the method in which they are carried on as insurance business can be affected by the identical provision respecting insurance which we find in this act.

Mr. BARTLETT. Will the gentleman yield to me for a question?

Mr. TAYLER, of Ohio. If I had time I would be glad to yield to the gentleman.

Mr. BARTLETT. It is just a question about what the gentleman has stated. Whereabout in section 5 do you find such words as would give to the Secretary of Commerce or the Bureau of Manufactures the right to exercise such control over manufacturers as it does over the insurance business?

Mr. TAYLER, of Ohio. I want to ask my friend what authority does section 6 give to the Secretary to authorize control? How much?

Mr. BARTLETT. It gives such as it now has or may be given by law.

Mr. TAYLER, of Ohio. Why, we can pass a law at any time. It gives it really no authority at all. It merely proceeds to say, in an unlegislative sort of a way, that if we pass a law some time in the future giving the Secretary power, he can exercise that power under the law which has given it to him.

Will the gentleman permit me to call his attention and the attention of the gentleman from Michigan to the fact that section 5, which provides for fostering and promoting and developing the various manufacturing industries in various ways as may be prescribed by the Secretary or as provided by law, is in identically the same language. The point, Mr. Chairman, that I was making was that the provision respecting the insurance department is exactly the same as the provision respecting all other departments, and it is folly, it is an imposition upon the intelligence of this House, to assume that by this act an effort is being made to do something more for the insurance business than is sought to be done respecting the business of manufacturing.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CORLISS. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended three minutes.

The CHAIRMAN. The gentleman from Michigan asks that the time of the gentleman from Ohio be extended three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. CORLISS. I would like to ask the gentleman a question. The manufactured products enter into commerce, do they not?

Mr. TAYLER, of Ohio. I am willing to admit that for the sake of the argument.

Mr. CORLISS. And the courts have held that all kinds of products of the farm and the factory are subject to the control of Congress when in the course of transportation from one State to another. Therefore Congress has control to a certain extent over manufactures, but in this instance—and I ask the gentleman the question in order that he may draw the distinction—in the case of insurance contracts the court has held that the contract is not commerce. You can not make it commerce, and the Federal power of our Government does not extend to that subject. How can you hold that it is analogous to the power of Congress to control manufactured products that are invariably engaged in commerce?

Mr. TAYLER, of Ohio. If the court has so held, this provision is harmless. It can not be useless in that it gathers and gives to the country useful information respecting that subject. But Congress has absolutely no power, although my friend intimates that it has, over the subject of manufactures; absolutely none, for that has a locus within the sovereign State, and Congress can in no wise exercise control over

the mere operation of manufacturing, whatever it may do with the product of that manufacture.

Mr. DE ARMOND. Mr. Chairman, I think the gentleman from Ohio hardly gives sufficient weight to a part of this provision sought to be stricken out. I take it that this provision is in for a purpose, that the words are put into it for office, that they are not merely idle and incidental. Here is what is said in section 6, among other things:

It shall be the province and duty of said Bureau, under the direction of the Secretary, to exercise such control as may be provided by law over every insurance company, society, or association transacting business in the United States outside of the State, Territory, or District wherein the same is organized.

The gentleman makes the point that this does not contain the legislation for carrying into full effect that provision. But it contains the provision, it provides for a bureau to exercise this function, to have control and to adopt rules and regulations for every insurance company or association, life, fire, marine, or of whatever kind, doing business outside of the State or Territory of its organization.

Now, every State in this Union, I presume—certainly nearly all of them—have laws regulating the operation, fixing the responsibilities, protecting the patrons of insurance companies organized beyond their borders and doing business within the several States. That power—however wholesome, constitutional, well organized, exercised with judgment, satisfactory to the people for the protection of patrons—is to be minimized, if not swept away, so far as it may be in the power of Congress to do it, by creating a Bureau organized and authorized to provide means and make rules and regulations and to control and direct the operations of these various companies whenever they carry on business outside of the immediate jurisdiction which created them.

What is to become of the State laws in that case? Are the State laws, when in conflict with the regulations and rules prescribed by this Bureau, to control, or are they to give way? Is there to be a conflict to be settled by the courts? Evidently and clearly the proposition of the framers of this provision is to give to this Bureau, a Bureau of this new Department, the control of the vast and complex insurance business of the whole United States. Because it is a fact that a large per cent of all the companies not only exist and do business within the States and Territories or districts in which they are incorporated, but in other States and Territories and districts. Here is the provision intended to place all of them under the control, subject to the jurisdiction of a Bureau in this new Department of Commerce.

It is idle to say that legislation is not lacking to enable the chief of this Bureau to accomplish all that in the creation of the Bureau it is designed shall be accomplished. If there is reason to provide this Bureau with authority and power and scope and purpose in it to exercise these functions, then there is reason also for following with legislation furnishing the necessary machinery to do it. How idle it is to talk about creating this Bureau of supervision and control of the insurance business of the country and say that you have no purpose to legislate further to carry this out.

The purpose, clear and distinct, is to follow this with legislation which shall subject the entire insurance business of the United States to the dominion of a bureau chief in the city of Washington. [Applause.]

[Here the hammer fell.]

Mr. HEBURN. I move that all debate on the amendment and the section close in ten minutes.

The motion was agreed to.

Mr. GARDNER, of New Jersey. Mr. Chairman, the gentleman from Missouri [Mr. De Armond] is right when he assumes that this legislation is not proposed to be passed, and the foundation distinctly here laid for future legislation, without the expectation of making this a Bureau in Washington to control the insurance business of the United States. That is its object. Neither the gentleman from Ohio nor other gentlemen ought to be permitted to mislead this House by making disclaimers and talking of limitations of power, about which I much fear my distinguished friend from Michigan [Mr. Corliss] is mistaken.

Will the members of this House look at that bill and tell me what reason can be discovered for not incorporating this Bureau in the Bureau of Corporations, except the object be, as shown on its face, to give the Washington Bureau more extreme power over insurance corporations than you propose to give any bureau over any other corporation in the United States—trust or not. The declaration of the bill is specific—that this Bureau is to exercise such control as may be provided by law. What will be the natural source of law on this subject?

The distinguished gentleman from Ohio is a sincere, earnest, and aggressive man. He has made it known to this House that he believes the insurance business of the United States ought to be controlled by a Washington bureau, and that much of it

can constitutionally be so controlled. He has put his belief in form in this proposed legislation. He presides over the committee from which such legislation would naturally come here. Why, sir, here is an able, distinguished, and truthful source of such legislation suggested, and here, in all probability, it will remain a potent factor—in the Committee on Interstate Commerce—until that unhappy day for mortals when he takes his seat amid the everlasting glories of the cherubim. [Laughter.]

Why, Mr. Chairman, of what are gentlemen dreaming if they do not believe that is the object of this provision? The distinguished gentleman from Ohio, in citing instances in which the proposed bureau might be useful, has referred to conditions which might arise in which this Bureau would have jurisdiction, not alone in Ohio, Pennsylvania, New Jersey, but in the Empire of Germany and Austria. That is where the difficulty he instanced was located, and it was the only instance cited in which such a bureau might have been utilized.

The question presented to this House by the proposed legislation is whether you will here lay the foundation, build the machinery, with a power behind it to accomplish the ultimate purpose, to take absolute national control of the insurance business, to supersede and destroy the insurance department of every State. As I said this morning, I know that the belief and the hope is, with this bill as a foundation, to escape State regulation, and that this whole question, the opinion of the gentleman from Michigan to the contrary notwithstanding, can be beaten into such shape as to be clearly matter of interstate commerce.

Look at the peculiar language of this bill. In the section that creates a Bureau of Corporations the corporations are specifically limited to doing the things recited by the gentleman from Ohio—collecting statistics and disseminating useful information; not one word of power, or the suggestion of power, except, perhaps, the last line—“and such other duties as may hereafter be prescribed by law.”

The CHAIRMAN. The time of the gentleman has expired.

Mr. Hepburn rose.

Mr. GARDNER, of New Jersey. I would like to have one minute more.

The CHAIRMAN. The gentleman from Iowa [Mr. Hepburn] is recognized.

Mr. HEPBURN. Mr. Chairman, in my judgment, if the gentleman from New Jersey [Mr. Gardner] had more of courage and more of hope he would not be so timorous with regard to this bill. He has not been able to discover how harm could possibly result to any individual under the present proposed legislation. His only claim and the only contention that he makes is that in some later day, by usurpation, by unjust legislation, Congress may indulge in an enactment that may harm the State interest and State control over insurance companies.

Mr. Chairman, is not this the trouble: The gentleman is afraid of a control that will bring publicity into the doings of those vile and infamous corporations that are created so lavishly by his State, and from which his State derives an annual revenue of millions of dollars? [Applause.] I do not blame him for looking out for the moneyed interests of his State, while it is creating these bogus corporations to operate and prey upon the people of the other States.

Mr. GARDNER, of New Jersey. That is an absolute misstatement, and it has no application to this question. We have not organized an insurance company there.

Mr. HEPBURN. Oh, well, I did not say “insurance company,” I said “company.”

Mr. GARDNER of New Jersey. Then the expression had no application; and it is not true.

Mr. HEPBURN. Do not interrupt me, if you please.

Mr. GARDNER, of New Jersey. I will not; but if you state as fact what is not so, I must correct you.

Mr. HEPBURN. I want to say that these fears of my friend from New Jersey are entirely groundless. What are the limitations of this bill? What can be done under it?

It shall be the province and duty of said Bureau, under the direction of the Secretary, to exercise such control as may be provided by law over every insurance company, society, or association transacting business in the United States outside of the State, Territory, or district wherein the same is organized.

Mr. GARDNER, of New Jersey. May I ask the gentleman a question?

Mr. HEPBURN. No, sir. The only control is that which is authorized by law, by the law of Congress, by what this House at some future time may do. Now, then, let me go a little further—“to foster, promote, and develop the various insurance industries of the United States.” How? How? By exempting them from taxation? No! By interfering with the powers of the States? No! But how? Simply by gathering information as to how they are conducting their business, as to what is their solvency, what right they have to appeal to the confidence of the people and to publish it to the world. That is the limitation. That is all that they can do under this statute, and any statement to the contrary is to mislead, to humbug somebody,

to aid the gentleman to protect and foster the peculiar methods that his State has of paying its expenses by turning loose a flood of cormorants to prey upon the balance of mankind. [Applause.] Mr. Chairman, I ask for a vote.

Mr. SHACKLEFORD. Mr. Chairman, may I ask a question of the gentleman before he takes his seat?

Mr. HEPBURN. I call for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

Mr. THAYER. Mr. Chairman, what is the amendment?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk read as follows:

Strike out all of section 6.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by several members) there were—ayes 88, noes 78.

Mr. HEPBURN. Mr. Chairman, I demand tellers.

Tellers were ordered.

The committee again divided; and the tellers reported—ayes 98, noes 81.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 8. That the jurisdiction, supervision, and control now possessed and exercised by the Department of the Treasury over the fur-seal, salmon, and other fisheries in Alaska, as well as over Chinese immigration, including the authority conferred by the various acts in relation to the exclusion of Chinese upon collectors of customs, be, and the same hereby are, transferred to and vested in the Department of Commerce and Labor; and the Secretary of Commerce and Labor shall designate officials of his Department to perform the duties and exercise the authority now conferred upon collectors of customs or other officials of the Treasury Department (who are not hereby transferred to the Department of Commerce and Labor) in regard to Chinese exclusion and immigration.

Mr. MANN. Mr. Chairman, I offer the following amendment, which I will send to the desk and ask to have read.

The Clerk read as follows:

Amend by striking out all of section 8 and inserting in place thereof the following:

"SEC. 8. That the jurisdiction, supervision, and control now possessed and exercised by the Department of the Treasury over the fur-seal, salmon, and other fisheries of Alaska, and over the immigration of aliens into the United States, its waters, territories, and any place subject to the jurisdiction thereof, are hereby transferred and vested in the Department of Commerce and Labor. That the authority, power, and jurisdiction now possessed and exercised by the Secretary of the Treasury by virtue of any law in relation to the exclusion from and the residence within the United States, its territories, and the District of Columbia, of Chinese and persons of Chinese descent, are hereby transferred to and conferred upon the Secretary of Commerce and Labor, and the authority, power, and jurisdiction in relation thereto now vested by law or treaty in the collectors of customs and the collectors of internal revenue are hereby conferred upon and vested in such officers under the control of the Commissioner-General of Immigration as the Secretary of Commerce and Labor may designate therefor."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

Mr. DE ARMOND. Mr. Chairman—

The CHAIRMAN. The Chair has recognized the gentleman from Illinois.

Mr. MANN. Mr. Chairman, I am perfectly willing to yield to the gentleman from Missouri. I may say, however, that this is an amendment which was originally prepared by the gentleman from California [Mr. Coombs] in connection with the Commissioner-General of Immigration, and it simply safeguards the provisions in reference to the exclusion of Chinese, so that the proper transfer of authority from the Treasury Department to the proposed Department of Commerce is made and protected. There is no other purpose in making the amendment.

Mr. LACEY. Mr. Chairman, I would ask the gentleman if this proposed amendment changes the effect in any way of the law in relation to the fur-seal fisheries?

Mr. MANN. It does not.

The CHAIRMAN. The gentleman from Missouri [Mr. De Armond] will now be recognized, if he desires to speak. The question now is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. STEWART, of New Jersey. Mr. Chairman, I ask unanimous consent to return to section 7 in order to supply an evident omission.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to return to section 7 of the bill. Is there objection?

Mr. MANN. For what purpose?

Mr. STEWART, of New Jersey. For the purpose of offering an amendment.

Mr. HEPBURN. What is the amendment?

Mr. STEWART, of New Jersey. The appointing power is not inserted. It is an evident omission. The words "who shall be appointed by the President" should be inserted.

Mr. MANN. Mr. Chairman, there should be a provision in the section providing that he shall be appointed by the President. I have no objection to returning to the section for that purpose.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to return to section 7 for the purpose of submitting the amendment he has referred to. Is there objection?

There was no objection.

Mr. MANN. Mr. Chairman, I have the amendment already prepared. Let it be offered as coming from the gentleman from New Jersey.

The CHAIRMAN. The gentleman from New Jersey offers the amendment which the Clerk will report.

The Clerk read as follows:

Insert in line 20, page 13, after the word "bureau," the following: "shall be appointed by the President and."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 9. That the Secretary of Commerce and Labor shall annually, at the close of each fiscal year, make a report in writing to Congress, giving an account of all moneys received and dispersed by him and his Department and describing the work done by the Department in fostering, promoting, and developing the foreign and domestic commerce, the mining, manufacturing, shipping, and fishery industries, the transportation facilities, and insurance business of the United States, and making such recommendations as he shall deem necessary for the effective performance of the duties and purposes of the Department. He shall also from time to time make such special investigations and reports as he may be required to do by the President, or by either House of Congress, or which he himself may deem necessary and urgent.

Mr. DE ARMOND. I move to strike out, in line 2, page 15, the words "and insurance business."

The Clerk read as follows:

Page 15, line 2, after the word "facilities," strike out the words "and insurance business."

Mr. MANN. We are perfectly willing to have that amendment adopted.

The amendment was agreed to.

Mr. MANN. I move to amend, by inserting in line 1 of the same page, before the word "the," the word "and."

The amendment was agreed to.

Mr. MANN. Mr. Chairman, the same amendment ought to be inserted in section 3.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to return to section 3 for the purpose of offering the amendment which he has stated. Is there objection?

There was no objection.

The Clerk read as follows:

Page 9, line 22, after the word "interests" and before the word "the," insert "and."

The amendment was agreed to.

Mr. GAINES, of Tennessee. Mr. Chairman, I desire to offer an amendment to the bill in the nature of a new section.

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

The Clerk read as follows:

That said Department shall investigate and report to the Postmaster-General of the United States the name of any corporation, company, person, or persons who are carrying on the business of insurance and have failed to comply with all the laws of the State or States or Territories where such business is carried on, including the State or Territory creating such corporation or licensing such companies, person, or persons, and upon the filing of such information with the Postmaster-General of the United States he is authorized and directed to exclude such corporation, company, person, or persons from the use of the mails in carrying on its or his insurance business, under penalty of \$5,000 and imprisonment for each offense, in the discretion of the court.

Mr. GAINES, of Tennessee. Mr. Chairman, I am just as anxious to curb "wild-cat insurance" as the gentleman who reported this bill, or the gentleman from Iowa [Mr. Hepburn]. The gentleman knows that I objected to that section in the bill because "insurance is not commerce." The highest court in the land, the Supreme Court of the United States, said so in the Hooper case (155 U. S. Reports), which I cited in my speech on this subject two days ago.

Now, I invoke another power that knows no State lines, and that is the post-office power of the Federal Government. There are no State lines or powers involved in

that exclusive grant of power. All there is in the Constitution on this power is "that the Congress shall have the power to establish post-offices and post-roads." From this flows our mail service.

We have excluded from the use of the mails all obscene literature, etc., whether in letters or papers, and many other things in derogation of public morals and good society. This we all know, and the courts uphold such laws. We excluded the Louisiana lottery from the mails and drove it out of the United States.

Now, my amendment is simply a new section, which says in substance that when the Department of Commerce shall investigate to find, and if it does find, that any person, insurance company, or corporation has failed to comply with the laws of the State or Territory authorizing them to operate, or the laws of the State or Territory in which they are operating, then this fact is to be reported to the Postmaster-General of the United States, who by this amendment is authorized and directed to exclude such concerns or persons from the use of the mail.

This measure strikes at all lawless insurance concerns, but especially those who have no agents, but procure insurance through the mail. They often do this:

First. They get out a charter, a charter only in one State—say New Jersey. They do nothing more. They fail to comply with the "operating" laws of New Jersey. They say: "We are not going to operate in New Jersey."

Second. They then go to Chicago, say, and get an office and possibly a license. They do not want to insure in Illinois, so they do not comply with the operating laws of Illinois, hurt no one in Illinois, so the State authorities let them off with or without a license.

Third. They then from Chicago, by mail and not by agents, get insurance in Tennessee. The ignorant are their victims. They insure this class, and others, too, sometimes, I know. A loss occurs. Premiums paid through the mail. The insurer is, and was from the start, bankrupt and robber, and nothing can be collected even if the insurer can be found.

Thus using the mails, the State insurance commissioner does not know of the insurer until too late. Why? Because the whole transaction has been done through the mails, over which he has no control. The operators are unseen. The loss occurs because the insurer stealthily avoids complying with all State laws of New Jersey, Illinois, and Tennessee.

This Department can by vigilant action discover such an insurer and report the facts to the Postmaster-General of the United States, and then he will exclude the guilty party from the use of the mail.

The recent insurance commissioners' convention approve of such a law as here proposed, and passed resolutions to that effect, calling on Congress to act.

I may add, further, that the treasurer of the State of Tennessee, Mr. R. E. Folk, who is a distinguished brother of our distinguished prosecuting attorney in St. Louis, Hon. Joseph Folk, late of Tennessee, I may add, urges the passage of such a measure. He explained this evil to me last summer and recently.

I have incorporated in this amendment the judgment of that great insurance body, Mr. Folk's as well as my own. I have shown to you that the law is with us, the Constitution of the United States is with us, precedents are with us, and we can exclude from the mails such corporations and these people who rob the humble citizens of this country, who know nothing of the lawlessness of the monsters they are dealing with or their irresponsibility.

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

Mr. GAINES, of Tennessee. Yes.

Mr. LIVINGSTON. As you have excluded all jurisdiction over insurance from the bill, how can the Department of Commerce ascertain anything about it?

Mr. GAINES, of Tennessee. I will say to my friend I did that because the Supreme Court of the United States held that "insurance is not commerce;" hence we had no jurisdiction under the commerce clause; but here I invoke another power of Congress—the right to "establish post-offices and post-roads"—that is under the exclusive control of Congress; and if this Department says that these wild-cat insurance companies or persons are carrying on a business unlawfully to the detriment of the public they shall not use the mails.

Mr. LIVINGSTON. But you have excluded from the Bureau that jurisdiction.

Mr. GAINES, of Tennessee. Oh, no; I am giving jurisdiction by a new section of the bill, by which authority is given to the Bureau to investigate and find out whether any one of the parties named is conducting a wild-cat insurance business or not, and if so, the Postmaster-General shall say: "You shall not use our mails to rob the people of this country."

Mr. SHACKLEFORD. Mr. Chairman, I have never heard a stronger or a sounder argument made against any question than that made here to-day about this insurance clause on this bill. The amendment offered by the gentleman from Tennessee

is open to the same objection. In the good old State of Missouri we are able to determine for ourselves whether an insurance company shall have our business or not, and I believe it would be unsound to confer upon the Secretary of Commerce any power to determine whether an insurance company was conducting its business in a lawful or unlawful manner.

Mr. GAINES, of Tennessee. Will the gentleman tell us how the people of Tennessee will be able to determine whether a company is a wild-cat enterprise that is not complying with the laws in your State; simply because its agents come into my State with a lot of stock?

Mr. SHACKLEFORD. In reply to the gentleman I will tell him how we do that, and how Tennessee can do. The insurance commissioner is clothed with authority and power to compel an insurance company to exhibit everything in connection with it, to make a complete showing to the insurance commissioner, and under the laws of our State our commissioner has the power and authority to go into the State where the insurance company is incorporated to examine the books and securities; and it must exhibit everything that we call for, so that when the commissioner has made his examination our people know precisely whether they want that company to do business in our State or not. I am not willing to do anything that will be an invitation to the Federal Government to take away our power to determine that for ourselves.

Mr. GAINES, of Tennessee. Have the States any control over the mails?

Mr. SHACKLEFORD. That is foreign to the point I am talking about. The gentleman's amendment proposes that the Secretary of Commerce shall determine whether insurance companies are lawful or unlawful. I say I do not want the people of my State put in the position where the Secretary of Commerce will have the power to determine for them whether an insurance company is being lawfully conducted or otherwise. Our people will determine that for themselves. Our State authorities will determine for themselves. We have ample laws authorizing our insurance commission to determine whether the insurance company is conducting a lawful business, and they come into our State to do business only as a matter of grace. We confer that grace upon none that fail to comply with our laws. But if you permit the Secretary of Commerce to sit in judgment as to whether a certain insurance company is conducting a lawful or unlawful business, you have taken the first step toward the goal of Federalism, to which the insurance companies are attempting to lead us.

Mr. GAINES, of Tennessee. Just a moment, Mr. Chairman.

Mr. MANN. I make the point of order that debate is exhausted.

The CHAIRMAN. The gentleman from Illinois makes the point of order that debate is exhausted.

Mr. GAINES, of Tennessee. I move to strike out the last word.

The CHAIRMAN. A motion to strike out the last word is not in order.

Mr. GAINES, of Tennessee. Then, Mr. Chairman, I ask unanimous consent that I may have two minutes to reply to the gentleman.

The CHAIRMAN. The gentleman asks unanimous consent that he may have two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GAINES, of Tennessee. Now, I want to say to my good friend from Missouri that I was standing with our State commissioner of insurance, Mr. Folk, a brother of your Mr. Folk, and an insurance agent from your State, and both asked me to urge this amendment.

Now, the gentleman talks about State rights. There is nothing about State rights in this question. The Government controls absolutely the mails, and the gentleman knows that the people in his State have not the money to send out their agents to Ohio, New Hampshire, and New York, to find out whether it is a wild-cat or other insurance company, and it is not until the little cabin is burned down that the people find, when it is too late, that this company is a fraud, stealing the people's money, and their insurance of no value.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was rejected.

The Clerk proceeded with the reading of the bill, and read as follows:

SEC. 13. That the President is hereby authorized to transfer, by order in writing, at any time, any office, bureau, division, or other branch of the public service engaged in statistical or scientific work, and not herein transferred to or included in the Department of Commerce and Labor, to said Department of Commerce and Labor; and in every such case the duties and authority performed by and conferred upon such office, bureau, division, or other branch of the public service so transferred shall be transferred with such office, bureau, division, or other branch of the public service, and all power and authority conferred by law upon the Department from which such transfer is made, or the Secretary thereof, shall immediately, when such transfer is so ordered by the President, be fully conferred upon and vested in the Department of Commerce and Labor, or the Secretary thereof, as the case may be.

Mr. MANN. Mr. Chairman, by direction of the committee, I offer the following amendment:

Amend by striking out section 13 as printed and inserting in place thereof the following:

"SEC. 13. That the President be, and he is hereby, authorized, by order in writing, to transfer at any time the whole or any part of any office, bureau, division, or other branch of the public service engaged in statistical or scientific work, to the Department of Commerce and Labor; and in every such case the duties and authority performed by and conferred by law upon such office, bureau, division, or other branch of the public service, or the part thereof so transferred, shall be thereby transferred with such office, bureau, division, or other branch of the public service, or the part thereof which is so transferred. And all power and authority conferred by law, both supervisory and appellate, upon the Department from which such transfer is made, or the Secretary thereof, in relation to the said office, bureau, division, or other branch of the public service, or the part thereof so transferred, shall immediately, when such transfer is so ordered by the President, be fully conferred upon and vested in the Department of Commerce and Labor, or the Secretary thereof, as the case may be, as to the whole or part of such office, bureau, division, or other branch of the public service so transferred."

Mr. OVERTREET. Mr. Chairman, I desire to offer an amendment to the amendment, but in the absence of any printed copy of the amendment offered by the gentlemen from Illinois I am unable to state the particular line to which my amendment should be offered. I have my amendment prepared for the present bill as printed. I move to amend the amendment by inserting, after the word "labor," in line 5 of the written amendment—

Mr. MANN. That would be in line 14 of the printed bill.

Mr. OVERTREET (continuing). These words "or the Interstate Commerce Commission."

Mr. MANN. May I ask the gentleman from Indiana whether his purpose is to permit the transfer by the President of the Interstate Commerce Commission to this Department?

Mr. OVERTREET. That is precisely the object of it.

Mr. MANN. I think, then, the gentleman has got it in the wrong place.

Mr. OVERTREET. I did not have an opportunity to read the amendment offered by the gentleman from Illinois, but prepared my amendment with reference to the printed bill.

Mr. MANN. The gentleman's amendment should apply after the word "service" in the fourth line.

Mr. OVERTREET. The gentleman is in error, because the words "other branch of the public service engaged in statistical or scientific work" —

Mr. MANN. The gentleman is correct. It should be after the word "work."

Mr. OVERTREET. I am quite agreeable, Mr. Chairman, that the amendment should be considered at its proper place.

The CHAIRMAN. The amendment offered by the gentleman from Indiana will be modified to that extent.

Mr. OVERTREET. Mr. Chairman, the effect of this amendment is clearly to authorize the President, by Executive order, to transfer to the Department of Commerce the Interstate Commerce Commission. The only purpose of the organization of this Department is to extend, as far as possible, complete supervision by the Government over commerce, and to dignify commerce by a position in the Cabinet through a representative. It seems to me, Mr. Chairman, that the organization of the Bureau of Commerce, or the Department of Commerce, without covering into that Department the Interstate Commerce Commission, would be equal to an attempt to perform the play of Hamlet without that distinguished Shakespearean character. The only branch of the public service to-day that has, by authority of law, any supervision of commerce, is the Interstate Commerce Commission. Leaving it as an independent branch of the service, without the supervision of any officer of the Department, would lead, in my judgment, not only to confusion, but result in conflict of authority. It would duplicate important work, and greatly increase expense in both Departments.

In the third section of this bill provision is made in the enumeration of the duties of this Department that "it shall be the duty of said Department to foster, promote, and develop the foreign and domestic commerce, the mining, manufacturing, shipping, and fishery industries, the labor interests, the transportation facilities." And yet there is no provision for the transportation facilities to be gathered through the Interstate Commerce Commission nor from it to that Department.

In section 9 of the bill the Secretary of Commerce and Labor is directed to place in his annual report certain information which has been obtained relative to "transportation facilities." The great proportion of the commerce of this country is conducted over and by means of transportation lines. The failure of this House to cover this Commission, which to-day exercises a peculiar and almost complete control, so far as law is permitted by Congress over transportation lines into the new Department, would be to omit the most important factor of the Department of Commerce.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. LITTLEFIELD. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to complete his remarks.

Mr. OVERSTREET. I supplement that, Mr. Chairman, by asking that we have thirty minutes debate on this question.

Mr. MANN. If the gentleman will permit me, I want to say that we have no objection—at least I have no objection, and I think the committee has no objection—to the introduction of this provision into the amendment, if there is any question as to the language of the bill permitting this transfer. Of course the gentleman's amendment is not now in order.

Mr. OVERSTREET. I am not sure of that.

Mr. MANN. I am very sure, because the committee has offered an amendment to the amendment, and the gentleman can not offer an amendment to that amendment. I am willing that the gentleman should ask unanimous consent to put it in, and I hope it will be granted.

Mr. OVERSTREET. Then, Mr. Chairman, if there is no objection to the amendment, I do not care for further discussion.

Mr. MANN. As this is a committee amendment, I am not authorized to modify it. The committee thought that the present language would be sufficient. If there is any doubt about it, of course I presume there will be no objection to a suitable modification.

Mr. OVERSTREET. I would like to continue my remarks for not more than three minutes.

Several MEMBERS. Five minutes.

The CHAIRMAN. Unanimous consent is asked that the time of the gentleman from Indiana be extended for five minutes. Is there objection? The Chair hears none.

Mr. OVERSTREET. Mr. Chairman, I was about to suggest that when the Interstate Commerce Commission was created it was placed in the Interior Department. Later, on account of the doubt of certain officers of that Department as to the propriety of the supervision of the Commission by the head of the Interior Department, it was thought advisable to make this an independent Commission, and it was given that independence. This amendment now proposes that in the organization of this new Department, particularly applicable to commerce, we shall cover this Commission into this new Department.

I have certainly no objection to such change of position in the amendment as shall be thought proper to accomplish the object; but certainly members of the House will appreciate the importance of this Commission being a part of the new Department.

Mr. DE ARMOND. Mr. Chairman, so far as I am concerned, this is a first-blush proposition; in other words, it is a thing that I have not anticipated and have not considered. The conclusion I reach about it is one reached hastily—one which, of course, as hasty conclusions often are, may be incorrect. It seems to me, however, that it would not be wise to put the Interstate Commerce Commission into this Department, under this control. This Commission has peculiar functions to perform. The members are supposed to be selected on account of their large acquaintance with affairs and their fine legal equipment. It is a quasi-judicial body. Now, to make this Commission occupy a small pigeonhole in a large cabinet is practically, it seems to me, to rob it of all the useful functions that it at present has or performs. The Labor Department, by being shoved into this Department, although the name is preserved in the title, instead of being increased or exalted in dignity or importance, is lessened, is minimized, is made a comparatively trifling thing.

The Interstate Commerce Commission was created for very important purposes, and while limited in its power and circumscribed perhaps too much in the exercise of such power, and falling far short, possibly, of what it would be desirable to have accomplished, and what, perhaps, its members attempt to accomplish, is yet a useful agency of the Government, and its usefulness, in my judgment, can not be increased or enhanced by this change.

Now it is independent; it stands out by itself. Make this change, and it becomes a small part—comparatively an insignificant part—of a very considerable whole. Its prestige, in large part, will vanish. Its powers, instead of being augmented or perfected, will likely be diminished; and the members of that Commission, instead of being regarded, as they are now, as able lawyers, selected on account of their ability, will drop to the level of ordinary bureau employees. By this remark I by no means intend to reflect upon anybody in bureau employment or anybody in any Government employment; but I say that this body will lose in dignity, lose in importance, lose in power, lose in usefulness by transferring it to this Department and placing it under this control.

That is my impression at first blush, as I say, not having given the subject consideration, as perhaps the gentleman from Indiana [Mr. Overstreet] has done. But it seems to me that my impression is based upon fundamentals, a consideration of

which, for whatever length of time, would only tend to confirm and strengthen the impression.

This Commission had better be left standing where it is. Leave it by itself. There is enough already provided in this bill for this minister and this minister's aids and assistants to discharge and perform. Let this Commission stand out to be as useful as it may be; and when you make changes concerning it, increase its scope and power, rather than diminish them, as would be done, I think, by the adoption of this amendment.

The CHAIRMAN. The question is on the amendment to the amendment as offered by the gentleman from Indiana [Mr. Overstreet].

Mr. OVERSTREET. I do not know but that in the present parliamentary position the amendment might strictly be out of order. Perhaps it would be proper to ask that it be considered in order by unanimous consent.

The CHAIRMAN. The Chair would rule that an objection at this time would come too late. The question is on the amendment of the gentleman from Indiana.

The question being taken, there were—ayes 72, noes 74.

Mr. OVERSTREET. I call for tellers.

Tellers were ordered; and Mr. Overstreet and Mr. De Armond were appointed.

The committee again divided; and the tellers reported—ayes 99, noes 88.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question now is upon the amendment as amended.

The question was taken, and the amendment as amended was agreed to.

The Clerk read as follows:

SEC. 14. That this act shall take effect and be enforced from and after its passage.

Mr. MANN. Mr. Chairman, I offer the the following amendment, which I will send to the desk and ask to have read.

The Clerk read as follows:

Amend section 14 by inserting after the word "passage," in line 2, page 18, the following: "Provided, however, That the provisions of this act in relation to the transfer of any existing office, bureau, division, officer, or other branch of the public service or authority now conferred thereon to the Department of Commerce and Labor shall take effect and be in force on the 1st day of July, 1903 and not before."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The question now is on agreeing to the substitute as amended.

The question was taken, and the substitute as amended was agreed to.

Mr. HEPBURN. Mr. Chairman, I move that the committee do now rise and report the substitute to the House as amended with the recommendation that the bill with the amendment in the nature of a substitute do pass.

The motion was agreed to.

The committee accordingly rose; and the Speaker pro tempore, Mr. Dalzell, having resumed the chair, Mr. Lawrence, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (S. 569) to establish the Department of Commerce and Labor and had directed him to report the same back with an amendment in the nature of a substitute, with the recommendation that the substitute be agreed to, and that the bill as amended do pass.

Mr. HEPBURN. Mr. Speaker, I move to strike out all after the word "that" in the first section and insert the following, which I will send to the desk and ask to have read, and upon that question and upon the substitute to its passage I demand the previous question.

The SPEAKER pro tempore. The gentleman from Iowa moves to amend the substitute, as reported from the Committee of the Whole, in words as follows, which the clerk will now report.

Mr. ADAMSON. Mr. Speaker, I rise to a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. ADAMSON. I desire to ask if we will be shut out from asking for separate votes upon the various amendments agreed upon in the Committee of the Whole House on the state of the Union.

The SPEAKER pro tempore. The Chair will state to the gentleman from Georgia that there are no amendments upon which separate votes could be had. The report of the Chairman of the Committee of the Whole House was upon an amendment in the nature of a substitute which had been perfected.

Mr. ADAMSON. Then rather than strangle and bottle the Interstate Commerce Commission, we will have to vote against the bill.

Mr. RICHARDSON, of Alabama. Mr. Speaker, I rise to a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RICHARDSON, of Alabama. I desire to know, as representing the minority on the committee, what would be the proper time, parliamentarily speaking, for me to offer a motion to recommit with certain instructions.

The SPEAKER pro tempore. After the third reading of the Senate bill. The Clerk will report the amendment offered by the gentleman from Iowa.

Mr. CORLISS. Mr. Speaker, I rise to a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CORLISS. The motion, as I understand it, is to substitute the bill or measure proposed by the chairman of the committee in lieu of the one which has been considered and amended in the Committee of the Whole. Is that right?

The SPEAKER pro tempore. The motion of the gentleman from Iowa is to amend the substitute reported by the Committee of the Whole House on the state of the Union in the words that the Clerk will now report.

Mr. HEPBURN. Mr. Speaker, for the purpose of saving time, if the gentleman will permit me—

Mr. CORLISS. Yes; I would like to understand.

Mr. HEPBURN. The only change in this amendment that I have made from the substitute as it has been amended is the restoration of the words "insurance," etc., and the restoration of the sixth section.

Mr. CORLISS. I submit that we have a right to a separate vote on that question. It was impossible to ascertain the purpose of the gentleman because the amendment has not been read. Now, we demand a separate vote upon that question.

The SPEAKER pro tempore. Of course the House will vote on the motion of the gentleman from Iowa.

Mr. CORLISS. I submit that under the rules we have a right to a vote on each amendment; but as I understand the proposition, it is to put all these things in and vote on the bill as a whole with them in.

Mr. HEPBURN. You can vote on my motion.

Mr. CORLISS. But your motion includes all these things.

The SPEAKER pro tempore. The Chair will state the parliamentary situation: The Senate passed a bill (S. 569) to establish a Department of Commerce and Labor and sent it to the House. The House sent the bill to its Committee on Interstate and Foreign Commerce. That Committee reported the bill to the House, striking out all after the enacting clause, and offering one single amendment by way of a substitute. The Committee of the Whole, in the consideration of that amendment by way of substitute, perfected it by various amendments, but of those amendments the House knows nothing. The House knows nothing except what it has learned from the report of the Chairman of the Committee of the Whole, and he reported that the Committee of the Whole had agreed upon an amendment in the nature of a substitute to the Senate bill.

The gentleman from Iowa now moves to amend the substitute reported by the Committee of the Whole by striking out all after a certain word and inserting the following language, and upon that the House will have an opportunity to vote when the amendment has been read.

Mr. CORLISS. One further inquiry. Has not the House the right to vote upon the amendment reported by the Committee of the Whole before being forced to vote upon the whole measure as amended? I raise that parliamentary inquiry and object to the substitution of a measure which reincorporates into the bill the very provisions which we have stricken out in the Committee of the Whole.

The SPEAKER pro tempore. It is in the power of the House to affirm the action of the Committee of the Whole by voting down the amendment. The Clerk will report the amendment.

The Clerk began the reading of the amendment.

Mr. HEPBURN (interrupting the reading). I ask unanimous consent that the reading may be dispensed with. The only change is in section 3 and in the sixth section—the insurance section—which was stricken out.

Mr. DE ARMOND. Pending that request, I should like to understand whether the gentleman has also asked the previous question, so as to cut off all debate on that proposition.

Mr. HEPBURN. I have tried to.

The SPEAKER pro tempore. The gentleman will have to be recognized for that motion after the amendment has been read.

Mr. ADAMSON. I should like to asked the gentleman from Iowa if the language proposed to be read includes this provision to transfer the Interstate Commerce Commission.

Mr. HEPBURN. It does.

The SPEAKER pro tempore. The Clerk will report the amendment.

Mr. HEPBURN. I think there was no objection to suspending the reading.

Mr. DE ARMOND. Mr. Speaker, if the time that would be consumed in reading this may be devoted to debate, with other reasonable time added to it, I think there will be no objection. If, however, the object is to cut off all debate, I think we had better have it read.

Mr. HEPBURN. I withdraw the request.

Mr. CORLISS. A parliamentary inquiry. When section 6 is reached in this reading, is it not in order to move to strike that out of the proposed amendment?

The SPEAKER pro tempore. That would be an amendment in the third degree. There is nothing in order now but the reporting of the amendment.

The Clerk resumed the reading of the amendment, as follows:

Strike out all after the first word, "That," in the substitute amendment proposed by the Committee of the Whole House on the state of the Union and insert in lieu thereof the following: "there shall be at the seat of government an executive department to be known as the Department of Commerce and Labor, and a Secretary of Commerce and Labor, who shall be the head thereof, who shall be appointed by the President, by and with the advice and consent of the Senate, who shall receive a salary of \$8,000 per annum, and whose term and tenure of office shall be like that of the heads of the other Executive Departments; and section 158 of the Revised Statutes is hereby amended to include such Department, and the provisions of title 4 of the Revised Statutes, including all amendments thereto, are hereby made applicable to said Department. The said Secretary shall cause a seal of office to be made for the said Department of such device as the President shall approve, and judicial notice shall be taken of the seal.

"SEC. 2. That there shall be in said Department an Assistant Secretary of Commerce and Labor, to be appointed by the President, who shall receive a salary of \$5,000 a year. He shall perform such duties as shall be prescribed by the Secretary or required by law. There shall also be one chief clerk and a disbursing clerk and such other clerical assistants as may from time to time be authorized by Congress; and the Auditor for the State and other Departments shall receive all accounts accruing in or relative to the Department of Commerce and Labor and examine the same, and certify the balances arising thereon to the Secretary of the Treasury in the same manner as the balances on similar accounts are certified under existing law.

"SEC. 3. That it shall be the province and duty of said Department to foster, promote, and develop the foreign and domestic commerce, the mining, manufacturing, shipping, and fishery industries, the labor interests, the transportation facilities, and the insurance business of the United States; and to this end it shall be vested with jurisdiction and control of the departments, bureaus, offices, and branches of the public service hereinafter specified, and with such other powers and duties as may be prescribed by law. All unexpended appropriations, which shall be available at the time when this act takes effect, in relation to the various offices, bureaus, divisions, and other branches of the public service, which shall, by this act, be transferred to or included in the Department of Commerce and Labor, or which may hereafter, in accordance with the provisions of this act, be so transferred, shall become available, from the time of such transfer, for expenditure in and by the Department of Commerce and Labor, and shall be treated the same as though said branches of the public service had been directly named in the laws making said appropriations as parts of the Department of Commerce and Labor, under the direction of the Secretary of said Department.

"SEC. 4. That the following-named offices, bureaus, divisions, and branches of the public service, now and heretofore under the jurisdiction of the Department of the Treasury, and all that pertains to the same, known as the Light-House Board, the Light-House Establishment, the National Bureau of Standards, the Coast and Geodetic Survey, the Commissioner-General of Immigration, the Commissioners of Immigration, the Bureau of Immigration, the immigration service at large, and the Bureau of Statistics, be, and the same hereby are, transferred from the Department of the Treasury to the Department of Commerce and Labor, and the same shall hereafter remain under the jurisdiction and supervision of the last-named Department; and that the Census Office, and all that pertains to the same, be, and the same hereby is, transferred from the Department of the Interior to the Department of Commerce and Labor, to remain henceforth under the jurisdiction of the latter; that the Department of Labor, the Fish Commissioner, and the office of Commissioner of Fish and Fisheries, and all that pertains to the same, be, and the same hereby are, placed under the jurisdiction and made a part of the Department of Commerce and Labor; that the Bureau of Foreign Commerce, now in the Department of State, be, and the same hereby is, transferred to the Department of Commerce and Labor and consolidated with and made a part of the Bureau of Statistics, heretofore transferred from the Department of the Treasury to the Department of Commerce and Labor, and the two shall constitute one Bureau, to be called the Bureau of Statistics, with a Chief of the Bureau; and that the Secretary of Commerce and Labor shall have control of the work of gathering and distributing statistical information naturally relating to the subjects confided to his Department; and the Secretary of Commerce and Labor is hereby given the power and authority to rearrange the statistical work of the bureaus and offices confided to said Department, and to consolidate any of the statistical bureaus and offices transferred to said Department; and said Secretary shall also have authority to call upon other departments of the Government for statistical data and results obtained by them; and said Secretary of Commerce and Labor may collate, arrange, and publish such statistical information so obtained in such manner as to him may seem wise.

"That the official records and papers now on file in and pertaining exclusively to the business of any bureau, office, department, or branch of the public service in this act transferred to the Department of Commerce and Labor, together with the furniture now in use in such bureau, office, department, or branch of the public service, shall be, and hereby are, transferred to the Department of Commerce and Labor.

"SEC. 5. That there shall be in the Department of Commerce and Labor a bureau to be called the Bureau of Manufactures, and a Chief of said Bureau, who shall be appointed by the President, and who shall receive a salary of \$4,000 per annum. There shall also be in said Bureau such clerical assistants as may from time to time be authorized by Congress. It shall be the province and duty of said Bureau, under the direction of the Secretary, to foster, promote, and develop the various manufacturing industries of the United States, and markets for the same at home and abroad, domestic and foreign, by gathering, compiling, publishing, and supplying all available and useful information concerning such industries and such markets, and by such other methods and means as may be prescribed by the Secretary or provided by law. And all consular officers of the United States, including consuls general, consuls, and commercial agents, are hereby required, and it is made a part of their duty, under the direction of the Secretary of State, to gather and compile, from time to time, useful and material information and statistics in respect to the subjects enumerated in section

3 of this act in the countries and places to which such consular officers are accredited, and to send, under the direction of the Secretary of State, reports as often as required of the information and statistics thus gathered and compiled, such reports to be transmitted through the State Department to the Secretary of the Department of Commerce and Labor.

"Sec. 6. That there shall be in the Department of Commerce and Labor a bureau to be called the Bureau of Insurance, and a Chief of said Bureau, who shall be appointed by the President, and who shall receive a salary of \$4,000 per annum, and such clerical assistants as may from time to time be authorized by law. It shall be the province and duty of said Bureau, under the direction of the Secretary, to exercise such control as may be provided by law over every insurance company, society, or association transacting business in the United States outside of the State, Territory, or district wherein the same is organized, and to foster, promote, and develop the various insurance industries of the United States by gathering, compiling, publishing, and supplying all available and useful information concerning such insurance companies and the business of insurance, and by such other methods and means as may be prescribed by the Secretary or provided by law.

"Sec. 7. That there shall be in the Department of Commerce and Labor a Bureau to be called the Bureau of Corporations, and the Chief of said Bureau shall be appointed by the President, and shall receive a salary of \$4,000 per annum. There shall also be in said Bureau such clerks and assistants as may from time to time be authorized by law. It shall be the province and duty of said Bureau, under the direction of the Secretary of Commerce and Labor, to gather, compile, publish, and supply useful information concerning such corporations doing business within the limits of the United States as shall engage in interstate commerce or in commerce between the United States and any foreign country, and to attend to such other duties as may be hereafter provided by law.

"Sec. 8. That the jurisdiction, supervision, and control now possessed and exercised by the Department of the Treasury over the fur-seal, salmon, and other fisheries of Alaska, and over the immigration of aliens into the United States, its waters, territories, and any place subject to the jurisdiction thereof, are hereby transferred and vested in the Department of Commerce and Labor. That the authority, power, and jurisdiction now possessed and exercised by the Secretary of the Treasury by virtue of any law in relation to the exclusion from and the residence within the United States, its Territories, and the District of Columbia, of Chinese and persons of Chinese descent are hereby transferred to and conferred upon the Secretary of Commerce and Labor, and the authority, power, and jurisdiction in relation thereto now vested by law or treaty in the collectors of customs and the collectors of internal revenue are hereby conferred upon and vested in such officers, under the control of the Commissioner-General of Immigration, as the Secretary of Commerce and Labor may designate therefor.

"Sec. 9. That the Secretary of Commerce and Labor shall annually, at the close of each fiscal year, make a report in writing to Congress, giving an account of all moneys received and disbursed by him and his Department, and describing the work done by the Department in fostering, promoting, and developing the foreign and domestic commerce, the mining, manufacturing, shipping, and fishery industries, the transportation facilities, and insurance business of the United States, and making such recommendations as he shall deem necessary for the effective performance of the duties and purposes of the Department. He shall also from time to time make such special investigations and reports as he may be required to do by the President, or by either House of Congress, or which he himself may deem necessary and urgent.

"Sec. 10. That the Secretary of Commerce and Labor shall have charge, in the buildings or premises occupied by or appropriated to the Department of Commerce and Labor, of the library, furniture, fixtures, records, and other property pertaining to it or hereafter acquired for use in its business; and he shall be allowed to expend for periodicals and the purposes of the library, and for the rental of appropriate quarters for the accommodation of the Department of Commerce and Labor within the District of Columbia, and for all other incidental expenses, such sums as Congress may provide from time to time: *Provided, however*, That where any office, bureau, or branch of the public service transferred to the Department of Commerce and Labor by this act is occupying rented buildings or premises, it may still continue to do so until other suitable quarters are provided for its use: *And provided further*, That all officers, clerks, and employees now employed in any of the bureaus, offices, departments, or branches of the public service in this act transferred to the Department of Commerce and Labor are each and all hereby transferred to said Department at their present grades and salaries, except where otherwise provided in this act: *And provided further*, That all laws prescribing the work and defining the duties of the several bureaus, offices, departments, or branches of the public service by this act transferred to and made a part of the Department of Commerce and Labor shall, so far as the same are not in conflict with the provisions of this act, remain in full force and effect until otherwise provided by law.

"Sec. 11. That all power and authority heretofore possessed or exercised by the head of any executive department over any bureau, office, branch, or division of the public service by this act transferred to the Department of Commerce and Labor, or any business arising therefrom or pertaining thereto, whether of an appellate or revisory character or otherwise, shall hereafter be vested in and exercised by the head of the said Department of Commerce and Labor. And all acts or parts of acts inconsistent with this act are, so far as so inconsistent, hereby repealed.

"Sec. 12. A person, to be designated by the Secretary of State, shall be appointed to formulate, under his direction, for the instruction of consular officers, the requests of the Secretary of Commerce and Labor; and to prepare from the dispatches of consular officers, for transmission to the Secretary of Commerce and Labor, such information as pertains to the work of the Department of Commerce and Labor; and such person shall have the rank and salary of a chief of bureau, and be furnished with such clerical assistants as may from time to time be authorized by law.

"Sec. 13. That the President be, and he is hereby, authorized, by order in writing, to transfer at any time the whole or any part of any office, bureau, division, or other branch of the public service engaged in statistical or scientific work or the Interstate Commerce Commission, to the Department of Commerce and Labor; and in every such case the duties and authority performed by and conferred by law upon such office, bureau, division, or other branch of the public service, or the part thereof so transferred, shall be thereby transferred with such office, bureau, division, or other branch of the public service, or the part thereof which is so transferred. And all power and authority conferred by law, both supervisory and appellate, upon the Department from which such transfer is made, or the Secretary thereof, in relation to the said office, bureau, division, or other branch of the public service, or the part thereof so transferred, shall immediately, when such transfer is so ordered by the President, be fully conferred upon and vested in the Department of Commerce and Labor, or the Secretary thereof, as the case may be, as to the whole or part of such office, bureau, division, or other branch of the public service so transferred.

"Sec. 14. That this act shall take effect and be in force from and after its passage: *Provided, however*, That the provisions of this act in relation to the transfer of any existing office, bureau, division, officer, or other branch of the public service, or authority now conferred thereon, to the Department of Commerce and Labor shall take effect and be in force on the 1st day of July, 1903, and not before."

[This print of substitute includes House amendments.]

After the reading of section 8,

Mr. GROSVENOR. Mr. Speaker, I desire to ask unanimous consent that the further reading of this amendment may be dispensed with.

Mr. DE ARMOND. Mr. Speaker, I am satisfied that will be distasteful to the chairman of the committee, and I think it had better go on.

The Clerk resumed and concluded the reading of the amendment.

Mr. HEPBURN. Mr. Speaker, I demand the previous question—

Mr. RICHARDSON, of Tennessee. I desire to make a point of order—

Mr. HEPBURN (continuing). Upon that motion.

Mr. RICHARDSON, of Tennessee (continuing). Against this amendment in the nature of a substitute.

Mr. HEPBURN. I demand the previous question.

Mr. RICHARDSON, of Tennessee. I want to make a point of order against the substitute offered now by the gentleman from Iowa.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. RICHARDSON, of Tennessee. The point of order I make, Mr. Speaker, is this: The Committee of the Whole House on the state of the Union perfected a substitute, a substitute reported by the chairman of the Committee on Interstate and Foreign Commerce. They reported it as a substitute. Now, Mr. Speaker, that substitute has been perfected, so to speak. It has been considered and amended. Now the gentleman comes and undertakes to offer a substitute for that substitute. I say he can not do it. There can be but one substitute at one time.

Now, Rule XIX provides how substitutes shall be considered. It is not necessary to quote the language of the rule, but there can be but one substitute pending except by unanimous consent. Unanimous consent has not been given for two substitutes, and now the one substitute having been perfected and presented to the House for consideration, for action, it is not in order to move another independent substitute for the substitute already perfected.

I think that is clear, and the gentleman's motion is simply a substitute; it is nothing but a substitute. The gentleman, I believe, used the word "substitute," although I am not sure about that. But whether he did or not, he undertakes to substitute one bill for another bill, so I care not if the sections are identical in language, and I understand he said they were. But that is immaterial. It is an independent proposition. It is an independent substitute, and there can be but one substitute pending. That has been perfected, and we are entitled to a vote upon it.

The SPEAKER pro tempore. The Chair is ready to rule. The Committee on Interstate and Foreign Commerce reported to the House a Senate bill with an amendment in the nature of a substitute. The Chairman of the Committee of the Whole House on the state of the Union reported that that committee had had under consideration the amendment in the nature of a substitute and had perfected it, and recommended that the bill as amended do pass. The motion of the gentleman from Iowa now is clearly an amendment to the substitute recommended by the Committee of the Whole House to the House, and is certainly in order. The question of admitting such an amendment to a substitute was settled as long ago as 1836 by Mr. Speaker Polk.

The gentleman from Iowa is recognized.

Mr. HEPBURN. I demand the previous question.

Mr. CORLISS. A parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CORLISS. Is it in order to offer an amendment striking out section 6 and other provisions with reference to insurance?

The SPEAKER pro tempore. It is not.

Mr. RICHARDSON, of Tennessee. A parliamentary inquiry. If in the vote on the demand upon the previous question made by the gentleman from Iowa we vote down the demand, will it not be in order to offer the amendment offered by the gentleman from Michigan?

The SPEAKER pro tempore. The gentleman can answer that question as well as the Chair.

Mr. RICHARDSON, of Tennessee. I submit the question to the Chair.

Mr. GROSVENOR. I make the point of order that the gentleman has no right to ask such a question.

Mr. RICHARDSON, of Tennessee. I will answer if the Chair will not. It will be in order.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Iowa, demanding the previous question.

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

Mr. CORLISS and Mr. DE ARMOND. Division!

The House divided, and there were—ayes 78, noes 100.

So the demand for the previous question was rejected.

Mr. HEPBURN. Mr. Speaker—

The SPEAKER pro tempore. The gentleman from Iowa.

Mr. CORLISS. Mr. Speaker—

Mr. RICHARDSON, of Tennessee. Mr. Speaker, I make the point of order that the Chair can not recognize the gentleman from Iowa now.

The SPEAKER pro tempore. The gentleman does not need to make the point of order. The Chair recognizes the gentleman from Michigan.

Mr. CORLISS. Mr. Speaker, I ask to have a vote on the amendment adopted by the Committee of the Whole.

Mr. PAYNE. I make the point of order upon that.

Mr. CORLISS. And upon that I demand the previous question.

Mr. PAYNE. I make the point of order against that.

Mr. MANN. A parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MANN. If the gentleman from Michigan will give his attention. As I understand the situation, the Committee of the Whole perfected one amendment?

The SPEAKER pro tempore. Yes.

Mr. MANN. And the only vote that can be taken in reference to the amendment adopted in the committee is whether the perfected amendment shall be adopted. The vote which is now due to the House, in case there is no discussion, is simply this amendment of the gentleman from Iowa, offering a substitute inserting in the bill as perfected by the committee two provisions in reference to insurance. I suppose, Mr. Speaker, that if that substitute is voted for, then that brings it before the House as the amendment; if it is voted down, the amendment perfected by the Committee of the Whole House comes before the House and it does not require the motion of the gentleman from Michigan.

The SPEAKER pro tempore. The gentleman from Illinois has correctly stated the parliamentary situation.

Mr. CORLISS. Mr. Speaker, I understood the vote was on the substitute offered by the gentleman from Iowa instead of upon ordering the previous question. I therefore moved to amend the amendment of the gentleman from Iowa by striking out section 6 and the language in section 3 embracing the insurance business.

The SPEAKER pro tempore. The gentleman's amendment is not in order, because it is an amendment in the third degree and is not admissible under the rules.

Mr. RICHARDSON, of Tennessee. Mr. Speaker, the parliamentary status is that the amendment offered by the gentleman from Iowa [Mr. Hepburn] is before the House. That amendment includes, if I may have the attention of the gentleman from Michigan—

The SPEAKER pro tempore. The Chair submits that this is a very important matter, and to an intelligent understanding of it we must have order. The House will please be in order.

Mr. RICHARDSON, of Tennessee. The House having voted down the demand for the previous question does not preclude the right to have a vote upon the amendment offered by the gentleman from Iowa [Mr. Hepburn]. His amendment, having been held by the Chair to be in order, is now to be voted upon in the form in which it has been read and submitted by the gentleman from Iowa. The gentleman from Michigan made a motion to strike out the sixth section, or so much as relates to the Insurance Bureau, and the Chair holds that it is not in order because it is an amendment in the third degree; and that ruling is correct, as it seems to me. Therefore the proposition comes to us now to accept the amendment offered by the gentleman from Iowa as a whole or to vote it down. If we accept it as a whole, we accept it with the provision for the Insurance Bureau, which the committee has on two or three separate occasions voted out of the bill.

Now, all we need to do, those of us who believe that that ought not to be in the bill—all we need to do is to stand together and vote against the amendment offered by the gentleman from Iowa. It has been demonstrated repeatedly to-day that we have votes enough to vote it out, and when that is voted down, then the gentleman from Michigan would have the right to demand the previous question on the measure as it came from the Committee of the Whole House on the state of the Union. Now, let us vote down the amendment offered by the gentleman from Iowa.

Mr. PAYNE. Mr. Speaker, the gentleman from Tennessee is correct, and under that statement I do not see why, led by the gentleman from Tennessee, the House voted the previous question down.

Mr. RICHARDSON, of Tennessee. It does not matter who led; there were votes enough coming from that side of the House to vote it down. We have not votes enough on this side. Patriotic Republicans voted with us.

Mr. PAYNE. I was only illustrating the folly of the gentleman from Tennessee and the folly of members on this side following him. [Laughter.]

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Iowa [Mr. Hepburn].

The question was taken; and on a division (demanded by Mr. Hepburn) there were—ayes 66, noes 75.

So the amendment was lost.

Mr. CORLISS. Mr. Speaker, I now move the previous question on the bill as reported to the House.

The SPEAKER pro tempore. The gentleman from Michigan asks the previous question on the bill to its passage.

The question was taken; and the previous question was ordered.

The SPEAKER pro tempore. The question now is on the amendment in the nature of a substitute.

The question was taken; and the amendment was agreed to.

The SPEAKER pro tempore. The question now is on the third reading of the Senate bill.

The question was taken; and the bill was ordered to be read a third time, and was read the third time.

Mr. RICHARDSON, of Alabama. Mr. Speaker, I have a motion to recommit the bill with instructions, which I send to the Clerk's desk.

The Clerk read as follows:

Resolved, That the pending bill be recommitted to the Committee on Interstate and Foreign Commerce with instructions to report a bill or bills to the House to create and establish two separate Departments, a Department of Labor and a Department of Commerce, each of the same dignity as existing Departments and each with a Secretary in the Cabinet of the President, and to assign to each of the Departments proper and relative bureaus; with instructions also to strike out section 7 of the bill and insert the following as section 7:

SEC. 7. That there shall be established in the Department of Commerce a Bureau to be called the Bureau of Corporations, and the Chief of said Bureau, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive a salary of \$4,000 per annum. There shall also be in said Bureau one chief clerk and one auditor and such number of examiners as shall be needed to carry out the purposes of this act. Said auditor and examiners shall be expert accountants, and shall be paid salary and necessary expenses. There shall also be such other clerical assistants as may from time to time be authorized by Congress. It shall be the province and duty of said Bureau of Corporations, under the direction of the Secretary of Commerce, to inspect and examine all corporations engaged in interstate or foreign commerce by gathering, compiling, publishing, and supplying all available and useful information concerning such corporations, including the manner in which their business is conducted, and by such other methods and means as may be prescribed by the Secretary.

Every corporation governed by this act shall make annual reports in writing to the said auditor of said Bureau, and such report shall in all cases include—

(a) Capital authorized and issued; the amount paid up in cash or otherwise, with a statement of the method of paying where it is not in cash.

(b) Debts, including details as to the amount thereof and security given therefor, if any.

(c) Obligations due from officers, which shall be separately stated.

(d) A statement of assets and the method of valuing the same, whether at cost price, by appraisal, or otherwise, and of the allowance made for depreciation. Small items of personal property included in a plant may be described by the term "sundries" or like general term.

(e) Gross earnings for the period covered by the report, all deductions necessary for interest, taxes, and expense of all sorts, the surplus available for dividends, and dividends actually declared.

(f) Increase of assets since the last statement, with a showing in what way such increase has been secured.

(g) The names and addresses of stockholders, with the number of shares held by each at the date of the report.

(h) The amount of stock disposed of and the amount of property taken for stock sold since the last report, with all facts necessary to show the results of the transaction.

(i) A statement showing that the corporation in question has not, during the period covered by the said report, received any rebates, drawbacks, special rates or discriminations, advantages or preferences, by money payments or otherwise, from any railroad, pipe line, water carrier, or other transportation company, or if any such have been received or given, stating when, from whom, on what account, and in what manner they were so received, with all other details necessary to a full understanding of the transaction or transactions.

(j) The names and addresses of all officers; location of transfer or registry offices, wherever located.

(k) A statement that the corporation has not fixed prices, or done any other act with a view to restricting trade or driving any competitor out of business.

(l) A statement that the corporation is or is not a party to any contract, combination, or conspiracy in the form of trust or otherwise in restraint of trade or commerce among the several States or Territories or with foreign nations.

(m) A statement of the proportion of goods going into interstate commerce.

That it shall be the duty of the auditor to prescribe the form of the reports before mentioned. He may in his discretion require additional reports at any time when he may see fit, upon reasonable notice; but his determination shall be prima facie proof that the notice is reasonable. He may also require supplemental reports whenever, in his judgment, the report rendered is in any particular or particulars insufficient, evasive, or ambiguous. He may prescribe rules so as to avoid undue detail in making reports, but no detail of the business of the corporation shall be considered private so as to be exempt from the examination of the auditor whenever he may demand report thereon. He shall make public in his reports, which shall be issued annually, all the information contained in the reports so made to him. When a report has been made by a corporation, and, with all supplemental and additional reports required by the auditor, shall have been approved by him, the corporation making such report or reports shall publish the same in a daily newspaper, after the usual custom in such cases, with the auditor's minutes of approval, and shall file with the auditor proof of such publication by the publisher's certificate.

That if any corporation shall fail to make a report when required, either by the terms of this act or when required by the auditor, as herein provided, said corporation shall be fined not less than 1 per cent or not more than 10 per cent of its last annual gross earnings for each offense. Every day of failure after a written demand has been made by the auditor shall constitute a separate and distinct offense. In case of failure, also, each of the directors of the said corporation shall be ineligible, for the year succeeding the next annual meeting, to hold either directorship or any other office in the said corporation. If such report is false in any material respect, the corporation shall be fined not less than 2 per cent and not more than 20 per cent of its last annual gross earnings, and each false statement in any material matter shall constitute a separate offense. All fines and penalties imposed by this act shall be recovered or enforced in any court of competent jurisdiction.

That it shall be the duty of examiners, under the direction of the Auditor, to make examinations of any corporation governed by this act. Any of said examiners presenting his official credentials shall be furnished by the officers of the corporation every facility for complete and full examination, not only of the books, but of all property, records, or papers of the corporation which may be necessary, in the judgment of the examiner, for a complete knowledge of the affairs of the concern. Such examination shall not be at fixed periods, but shall be at such times as the Auditor shall fix and without notice. Examiners shall have the power to examine under oath all officers or employees of a corporation, or any other person having any knowledge of its affairs, and to send for, demand, and inspect books, papers, and any other matter of evidence whatever which is in the possession or control of the said corporation. For the purpose of this act examiners shall have power to require, by subpoena, the attendance and testimony of witnesses under oath and the production of all books, papers, contracts, agreements, and documents relating to any matter under investigation.

Such attendance of witnesses and the production of such documentary evidence may be required from any place in the United States at any designated place of hearing. And in case of disobedience to a subpoena the examiner may invoke the aid of any court of the United States in requiring such attendance. And any of the circuit courts of the United States within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpoena issued to any corporation subject to the provisions of this act, or other person, issue an order requiring such corporation or other person to appear before said examiner and produce books and papers, if so ordered, and give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. The claim that any such testimony or evidence may tend to criminate the person giving such evidence or testimony shall not be used against such person on the trial of any criminal proceeding. The Auditor shall likewise have all the authority of an examiner in any case wherein he chooses himself to act. No examiner shall be assigned to examine any corporation who is himself interested in the business thereof, or any competing concern, or who has relatives who are so interested.

That it shall be unlawful for an examiner to divulge private business, except by his report to the Auditor. But such report, or the substance thereof, shall be opened for public inspection. Each examiner shall follow the rules, regulations, and directions which the Auditor may from time to time lay down or communicate to him as to the method of examination, the form of report, the matters to be covered by the said examination, and all matters pertaining to his duties. Said examinations and reports shall always cover, among others, the following questions:

(a) Has the said corporation, during the period covered by the examination and report, received any rebates, drawbacks, special rates, or other discriminations, advantages, or preferences, by money payments or otherwise, from any railroad, pipe line, water carrier, or other transportation company?

(b) If there have been such preferences, when were they received, from whom, on what account, and in what manner, giving all details necessary to a full understanding of the transaction?

(c) Is the said corporation a member of any combination having or intending to secure a monopoly of any commodity other than such monopolies as are legally granted by patent or otherwise?

(d) Has the said corporation any such monopoly, or does it use methods tending to secure such monopoly?

(e) Has it made any contracts or agreements tending to secure any such monopoly to itself or any other concern, whether owned by an individual or individuals, a corporation, or some combination of individuals and corporations?

(f) Is such corporation a party to any contract, agreement, or combination, in the form of a trust or otherwise, in restraint of trade or commerce among the several States or with foreign nations?

(g) Has the corporation purchased or does it hold the stock of any corporation for the purpose of controlling its management?

Said reports of examiners shall be prima facie true and may be introduced in evidence in all courts to prove the facts therein set forth. Copies certified by the Auditor shall be admissible with like effect and under the same circumstances as the original. The word "corporation" wherever used in this act shall be deemed to include associations existing or authorized either by the law of the United States, the laws of any State, or the laws of any foreign country.

Mr. OVERSTREET (before the reading of the amendment was concluded). Mr. Speaker, this amendment has already been read to the House, when offered by the gentleman from New York. I therefore ask unanimous consent that the further reading of the amendment be dispensed with. [This amendment is not identic with those referred to.]

The SPEAKER pro tempore. The gentleman from Indiana asks unanimous consent that the further reading of the amendment be dispensed with. Is there objection? The Chair hears none.

Mr. MANN. I make this point of order against the motion to recommit, that it directs the Committee on Interstate and Foreign Commerce to report a bill creating a Department of Labor, which, under the rules of the House, can not be done by this committee. The Committee on Interstate and Foreign Commerce has not jurisdiction, and could not have jurisdiction, of a bill to organize a Department of Labor.

Mr. PAYNE. And besides it is not germane.

Mr. RICHARDSON, of Tennessee. In answer to the gentleman from Illinois [Mr. Mann], if he has concluded his statement—

Mr. MANN. I make the further point that a bill to create a Department of Labor is not germane as an amendment to the bill pending before the House.

Mr. RICHARDSON, of Tennessee. In reply to the point of order of the gentleman from Illinois, I desire only to say that it is competent for the House of Representa-

tives to refer a bill to any committee that it choose. A particular committee might not have jurisdiction in the first place without the direct action of the House. A bill might inadvertently be referred to a committee not having jurisdiction of the subject under the rules, and the House might correct such reference, because under the rules the bill would not go there. But it is competent for the House in its majesty, as the House sits here this evening, to refer this or any other bill to the Committee on Interstate and Foreign Commerce.

The SPEAKER pro tempore. The Chair is very clearly of opinion that the view expressed by the gentleman from Tennessee [Mr. Richardson] as to the power of the House to refer this matter to the Committee on Interstate and Foreign Commerce states correctly the situation. The Chair will hear the gentleman from Illinois [Mr. Mann] on the other proposition—that the motion is not germane.

Mr. UNDERWOOD. A provision for the establishment of a Department of Labor was part of the original bill.

Mr. Mann rose.

Mr. SHACKLEFORD. May I put an interrogatory to the gentleman from Illinois? I want to ask him this question: If this proposition is not germane, how was it that it was contained originally in this bill? There is nothing embraced in the motion to recommit that is not already contained in some form in the bill as reported.

Mr. MANN. Well, Mr. Speaker, it may be beyond the comprehension of some people—it certainly is not beyond the lucid comprehension of the gentleman from Missouri [Mr. Shackleford]—that a certain provision which may be in a bill may come properly before a committee which has jurisdiction of the whole subject-matter of the bill, while it would not have jurisdiction of another proposition, because that other proposition would not be germane.

Here is a proposition to create two Departments. On the same theory on which this proposition is defended this motion might be a direction to the committee to provide for the creation of a department of mines and mining, and a department of transportation, and a department of interstate and foreign commerce, and forty other departments of the Government.

Now, it does not seem to me (although I do not care to detain the House upon the question) that the proposition is germane to the bill before the House.

Mr. LIVINGSTON. The original bill was a proposition to establish a Department of Commerce and Labor. The motion to recommit proposes simply to have two separate departments instead of one. The motion is just as germane as anything could be.

The SPEAKER pro tempore. There is no question in the mind of the Chair as to the power of the House to authorize the Committee on Interstate and Foreign Commerce to report a bill creating a Department of Labor, if the House sees fit to refer that subject to that committee. This is a bill creating a Department of Commerce and Labor. The proposition contained in the motion is to return this bill to that committee with instructions to separate the two branches of the subject, and to report instead of a measure for one Department a measure for two Departments, covering the same subjects as are now covered in the bill pending before the House. The Chair holds that the motion is germane. The point of order is therefore overruled. The question is on the motion of the gentleman from Alabama [Mr. Richardson] to recommit the bill with instructions, as read by the Clerk.

The question having been put,

The SPEAKER pro tempore. The yeas seem to have it.

Mr. SULZER. I call for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 86, nays 116, answered "present" 13, not voting 138; as follows:

Yeas: Apin, Bartlett, Benton, Breazeale, Brundidge, Candler, Clark, Clayton, Cochran, Cowherd, Crowley, Davis of Florida, De Armond, Dinsmore, Dougherty, Feely, Fleming, Flood, Gaines of Tennessee, Glass, Gooch, Gordon, Green of Pennsylvania, Griffith, Hay, Henry of Texas, Jackson of Kansas, Johnson, Jones of Virginia, Kehoe, Kern, Claude Kitchin, Kleberg, Kluttz, Lamb, Latimer, Lever, Lewis of Georgia, Little, Livingston, Lloyd, McAndrews, McClellan, McCulloch, Mahoney, Maynard, Mickey, Moon, Naphen, Neville, Padgett, Patterson of Tennessee, Pou, Randall of Texas, Richardson of Alabama, Richardson of Tennessee, Robb, Robertson of Louisiana, Robinson of Nebraska, Rucker, Russell, Ryan, Scarborough, Shackleford, Shafroth, Sheppard, Slayden, Small, Smith of Kentucky, Snook, Stark, Stephens of Texas, Sulzer, Talbert, Tate, Thayer, Thomas of North Carolina, Tompkins of New York, Underwood, Vandiver, Wheeler, White, Wiley, Williams of Illinois, Wooten, and Zenor.

Nays: Adams, Alexander, Allen of Maine, Babcock, Bartholdt, Bates, Boreing, Brantley, Brick, Brown, Brownlow, Burk of Pennsylvania, Burke of South Dakota,

Burkett, Burleigh, Burton, Cannon, Capron, Cassel, Conner, Coombs, Cooper of Wisconsin, Corliss, Cromer, Crumpacker, Currier, Dahle, Dalzell, Darragh, Deemer, Draper, Driscoll, Dwight, Eddy, Esch, Fletcher, Fordney, Foster of Vermont, Gaines of West Virginia, Gardner of Michigan, Gardner of New Jersey, Gibson, Gill, Graff, Greene of Massachusetts, Grow, Haskins, Heatwole, Hedge, Hemenway, Henry of Connecticut, Hepburn, Hildebrant, Hill, Hitt, Holliday, Howard, Howell, Hughes, Jones of Washington, Joy, Kyle, Lacey, Landis, Lawrence, Littlefield, Loudenslager, McCall, McCleary, McLachlan, Maddox, Mann, Marshall, Martin, Miller, Minor, Morgan, Morris, Mudd, Nevin, Otjen, Overstreet, Palmer, Parker, Payne, Pearre, Perkins, Powers of Maine, Powers of Massachusetts, Reeder, Reeves, Roberts, Scott, Shattuc, Shelden, Showalter, Sibley, Smith of Illinois, Smith of Iowa, H. C. Smith, S. W. Smith, Southwick, Stevens of Minnesota, Stewart of New Jersey, Stewart of New York, Sulloway, Tawney, Taylor of Ohio, Thomas of Iowa, Tirrell, Van Voorhis, Vreeland, Warner, Warnock, Watson, and Woods.

Answered "present:" Adamson, Barney, Boutell, Bromwell, Emerson, Finley, Griggs, Haugen, William W. Kitchin, Rixey, Snodgrass, Steele, and Swanson.

Not voting: Acheson, Allen of Kentucky, Ball of Delaware, Ball of Texas, Bankhead, Beidler, Bell, Bellamy, Belmont, Billmeyer, Bingham, Bishop, Blackburn, Blakeney, Bowersock, Bowie, Brandegee, Bristow, Broussard, Bull, Burgess, Burleson, Burnett, Butler of Missouri, Butler of Pennsylvania, Calderhead, Caldwell, Cassingham, Connell, Conry, Cooney, Cooper of Texas, Cousins, Creamer, Curtis, Cushman, Davey of Louisiana, Davidson, Dayton, Dick, Douglas, Doveener, Edwards, Elliott, Evans, Fitzgerald, Flanagan, Foerderer, Foss, Foster of Illinois, Fowler, Fox, Gardner of Massachusetts, Gilbert, Gillet of New York, Gillett of Massachusetts, Glenn, Goldfogle, Graham, Grosvenor, Hamilton, Hanbury, Henry of Mississippi, Hooker, Hopkins, Hull, Irwin, Jack, Jackson of Maryland, Jenkins, Jett, Kahn, Ketcham, Knapp, Knox, Lassiter, Lessler, Lester, Lewis of Pennsylvania, Lindsay, Littauer, Long, Loud, Lovering, McDermott, McLain, McRae, Mahon, Mercer, Metcalf, Meyer of Louisiana, Miers of Indiana, Mondell, Moody of North Carolina, Moody of Oregon, Morrell, Moss, Mutchler, Needham, Newlands, Norton, Olmsted, Patterson of Pennsylvania, Pierce, Prince, Pugsley, Ransdell of Louisiana, Reid, Rhea of Virginia, Robinson of Indiana, Rumble, Ruppert, Schirm, Selby, Shallenberger, Sherman, Sims, Skiles, William Alden Smith, Southard, Sparkman, Sperry, Spight, Storm, Sutherland, Swann, Taylor of Alabama, Thompson, Tompkins of Ohio, Trimble, Wachtler, Wadsworth, Wanger, Weeks, Williams of Mississippi, Wilson, Wright, and Young.

So the motion to recommit was lost.

The following pairs were announced:

For the session:

Mr. Kahn with Mr. Belmont.

Mr. Dayton with Mr. Meyer, of Louisiana.

Mr. Brownlow with Mr. Pierce.

Mr. Bromwell with Mr. Cassingham.

Mr. Wanger with Mr. Adamson.

Mr. Sherman with Mr. Ruppert.

Until the end of the week:

Mr. Emerson with Mr. Gilbert.

Until further notice:

Mr. Needham with Mr. Ransdell, of Louisiana.

Mr. Jack with Mr. Finley.

Mr. Bowersock with Mr. Burnett.

Mr. Evans with Mr. Foster, of Illinois.

Mr. Storm with Mr. Pugsley.

Mr. Loud with Mr. Griggs.

Mr. Moody, of North Carolina, with Mr. Fox.

Mr. Moody, of Oregon, with Mr. Bellamy.

Mr. Davidson with Mr. Selby.

Mr. Southard with Mr. Norton.

Mr. Ketcham with Mr. Snodgrass.

Mr. Acheson with Mr. Sparkman.

Mr. Lessler with Mr. Burgess.

Mr. Barney with Mr. Thompson.

Mr. Long with Mr. Newlands.

Mr. Hopkins with Mr. Swanson.

Mr. Grosvenor with Mr. Robinson, of Indiana.

For this day:

Mr. Gardner, of Massachusetts, with Mr. Billmeyer.

Mr. Steele with Mr. Miers, of Indiana.
 Mr. Jenkins with Mr. Bankhead.
 Mr. Dick with Mr. Davey, of Louisiana.
 Mr. Haugen with Mr. Allen, of Kentucky.
 Mr. Curtis with Mr. Jett.
 Mr. Prince with Mr. Caldwell.
 Mr. Butler, of Pennsylvania, with Mr. Conry.
 Mr. Sutherland with Mr. Goldfogle.
 Mr. Patterson, of Pennsylvania, with Mr. Taylor, of Alabama.
 Mr. Lovering with Lester.
 Mr. Morrell with Mr. Elliott.
 Mr. Sperry with Mr. McRae.
 Mr. Ruple with Mr. Mutchler.
 Mr. Knapp with Mr. Naphen.
 Mr. Bishop with Mr. Fitzgerald.
 Mr. Ball, of Delaware, with Mr. Ball, of Texas.
 Mr. Douglas with Mr. Reid.
 Mr. Connell with Mr. Butler, of Missouri.
 Mr. Mahon with Mr. Williams, of Mississippi.
 Mr. Skiles with Mr. Burleson.
 Mr. Bull with Mr. Wilson.
 Mr. Cushman with Mr. Flanagan.
 Mr. Foerderer with Mr. Glenn.
 Mr. Foss with Mr. Henry, of Mississippi.
 Mr. Hull with Mr. Hooker.
 Mr. Littauer with Mr. Lindsay.
 Mr. Mondell with Mr. Lassiter.
 Mr. Olmsted with Mr. Sims.
 Mr. Schirm with Mr. Rhea.
 Mr. Wachter with Mr. Shallenberger.
 Mr. Wadsworth with Mr. Swann.
 Mr. Wright with Mr. McDermott.
 Mr. Young with Mr. Spight.
 Mr. Lewis, of Pennsylvania, with Mr. Bell.
 Mr. Calderhead with Mr. Cooney.
 Mr. Cousins with Mr. Creamer.
 Mr. Bingham with Mr. Cooper, of Texas.
 Mr. Beidler with Mr. Bowie.

Until January 25:

Mr. Dovener with Mr. Broussard.

For this bill:

Mr. Metcalf with Mr. Rixey.

Mr. Irwin with Mr. Trimble.

Mr. Hamilton with Mr. McLean.

Mr. William Alden Smith with Mr. Edwards.

Mr. SWANSON. Mr. Speaker, I see that I am paired with the gentleman from Illinois [Mr. Hopkins]. I voted "aye," and I desire to withdraw that vote and to answer "present."

The SPEAKER pro tempore. The Clerk will call the gentleman's name.

The Clerk called the name of Mr. Swanson and he voted "present."

The result of the vote was announced as above recorded.

Mr. THAYER. Mr. Speaker, does the Record show, as a matter of fact, that every Democrat who answered to his name voted "aye," and every Republican voted "no?"

The SPEAKER pro tempore. The gentleman's question is not a parliamentary inquiry. The question now is upon the passage of the bill.

The question being taken, the Speaker announced that the ayes appeared to have it.

Mr. MADDOX. Division, Mr. Speaker.

The House divided; and there were—ayes 114, noes 27.

Mr. DE ARMOND. Mr. Speaker, no quorum present.

The SPEAKER. The gentleman makes the point of no quorum present.

Mr. MANN. Who raised the point of no quorum?

The SPEAKER pro tempore. The gentleman from Missouri raises the point that no quorum is present.

Mr. MANN. Then, Mr. Speaker, I call for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 136, nays 40, answered "present" 9, not voting 168; as follows:

Yeas: Alexander, Allen of Maine, Aplin, Babcock, Bartholdt, Bates, Boring, Boutell, Brantley, Breazeale, Brick, Brown, Brownlow, Burk of Pennsylvania, Burke of South Dakota, Burkett, Burleigh, Burton, Cannon, Capron, Cassel, Conner, Conry, Coombs, Cooper of Wisconsin, Corliss, Cromer, Crumpacker, Currier, Dalzell, Daragh, Deemer, Draper, Driscoll, Dwight, Eddy, Esch, Feely, Fleming, Fletcher, Fordney, Foster of Vermont, Gaines of West Virginia, Gardner of Michigan, Gardner of New Jersey, Gibson, Gill, Glass, Gordon, Graff, Greene of Massachusetts, Griffith, Grow, Haskins, Hedge, Hemenway, Henry of Connecticut, Hepburn, Hildebrant, Hiit, Holliday, Howell, Johnson, Jones of Washington, Joy, Kyle, Lacey, Lamb, Landis, Lawrence, Littlefield, Livingston, Lloyd, Loudenslager, McAndrews, McCall, McCleary, McClellan, McCulloch, McLachlan, Mahoney, Mann, Marshall, Martin, Maynard, Mickey, Miller, Moon, Morris, Mudd, Naphen, Nevin, Otjen, Overstreet, Padgett, Palmer, Parker, Patterson of Tennessee, Payne, Pearre, Pou, Powers of Maine, Powers of Massachusetts, Reeves, Roberts, Robertson of Louisiana, Ryan, Scott, Shelden, Showalter, Sibley, Small, Smith of Illinois, Smith of Iowa, H. C. Smith, S. W. Smith, Southwick, Stewart of New York, Sulloway, Sulzer, Swanson, Tawney, Taylor of Ohio, Thomas of Iowa, Thomas of North Carolina, Tirrell, Tompkins of Ohio, Van Voorhis, Vreeland, Warner, Warnock, Watson, Wiley, Williams of Illinois, and Woods.

Nays: Bartlett, Benton, Brundidge, Candler, Clark, Cochran, Cowherd, Crowley, Davis of Florida, De Armond, Dinsmore, Dougherty, Gaines of Tennessee, Howard, Jones of Virginia, Kern, Claude Kitchin, William W. Kitchin, Kluttz, Lever, Little, Maddox, Randall of Texas, Richardson of Alabama, Richardson of Tennessee, Robinson of Nebraska, Rucker, Russell, Scarborough, Shackelford, Shafroth, Shepard, Slayden, Snodgrass, Snook, Stark, Tate, Vandiver, Wooten, and Zenor.

Answered "present:" Barney, Bromwell, Emerson, Finley, Griggs, Grosvenor, Heatwole, Steele, and Stewart of New Jersey.

Not voting: Acheson, Adams, Adamson, Allen of Kentucky, Ball of Delaware, Ball of Texas, Bankhead, Beidler, Bell, Bellamy, Belmont, Billmeyer, Bingham, Bishop, Blackburn, Blakeney, Bowersock, Bowie, Brandegee, Bristow, Broussard, Bull, Burgess, Burleson, Burnett, Butler of Missouri, Butler of Pennsylvania, Calderhead, Caldwell, Cassingham, Clayton, Connell, Cooney, Cooper of Texas, Cousins, Creamer, Curtis, Cushman, Dahle, Davey of Louisiana, Davidson, Dayton, Dick, Douglas, Dovener, Edwards, Elliott, Evans, Fitzgerald, Flanagan, Flood, Foerderer, Foss, Foster of Illinois, Fowler, Fox, Gardner of Massachusetts, Gilbert, Gillet, of New York, Gillett of Massachusetts, Glenn, Goldfogle, Gooch, Graham, Green of Pennsylvania, Hamilton, Hanbury, Haugen, Hay, Henry of Mississippi, Henry of Texas, Hill, Hooker, Hopkins, Hughes, Hull, Irwin, Jack, Jackson of Kansas, Jackson of Maryland, Jenkins, Jett, Kahn, Kehoe, Ketcham, Kleberg, Knapp, Knox, Lassiter, Latimer, Lessler, Lester, Lewis of Georgia, Lewis of Pennsylvania, Lindsay, Littaer, Long, Loud, Lovering, McDermott, McLain, McRae, Mahon, Mercer, Metcalf, Meyer of Louisiana, Miers of Indiana, Mondell, Moody of North Carolina, Moody of Oregon, Morgan, Morrell, Moss, Mutchler, Needham, Neville, Newlands, Norton, Olmsted, Patterson of Pennsylvania, Perkins, Pierce of Tennessee, Prince, Pugsley, Ransdell of Louisiana, Reeder, Reid, Rhea, Rixey, Robb, Robinson of Indiana, Rumble, Ruppert, Schirm, Selby, Shallenberger, Shattuc, Sherman, Sims, Skiles, Smith of Kentucky, William Alden Smith, Southard, Sparkman, Sperry, Spight, Stephens of Texas, Stevens of Minnesota, Storm, Sutherland, Swann, Talbert, Taylor of Alabama, Thayer, Thompson, Tompkins of New York, Trimble, Underwood, Wachter, Wadsworth, Wanger, Weeks, Wheeler, White, Williams of Mississippi, Wilson, Wright, and Young.

So the bill was passed.

The following additional pairs were announced:

Mr. Shattuc with Mr. Kleberg, on this bill.

On this vote:

Mr. Heatwole with Mr. Clayton.

Mr. Adams with Mr. McCulloch.

Mr. Crumpacker with Mr. Talbert.

Mr. Reeder with Mr. Latimer.

Mr. Blakeney with Mr. Wheeler.

Mr. Brandegee with Mr. Flood.

Mr. Bristow with Mr. Gooch.

Mr. Weeks with Mr. Green, of Pennsylvania.

Mr. Knox with Mr. Hay.

Mr. Jackson, of Maryland, with Mr. Henry, of Texas.

Mr. Hanbury with Mr. Jackson, of Kansas.

Mr. Graham with Kehoe.

Mr. Gillet, of New York, with Mr. Lewis, of Georgia.

Mr. Gillett, of Massachusetts, with Mr. Smith, of Kentucky.

Mr. Fowler with Mr. Thayer.

Mr. Blackburn with Mr. White.

Mr. Mercer with Mr. Robb.

Mr. Tompkins, of New York, with Mr. Underwood.

The result of the vote was then announced as above recorded.

On motion of Mr. Corliss, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. WILLIAM W. KITCHIN. Mr. Speaker, I desire to ask unanimous consent to change my vote from "present" to "yea" on the motion to recommit. I voted "present" under the impression that I was paired with the gentleman from New York [Mr. Lessler].

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent to change his vote as recorded on the motion to recommit, and to vote "yea" now.

Mr. PAYNE. I think that would not be a good precedent to establish.

Mr. RICHARDSON, of Tennessee. It has never been objected to; it does not change the result.

Mr. PAYNE. I know; but it is not the usual practice. I never knew it before, and therefore I shall be constrained to object.

The SPEAKER pro tempore. The gentleman from New York objects.

Mr. PAYNE. The gentleman will get the benefit of his statement in the Record.

[The following speech appears in the Appendix to the Record as having been made on January 17, 1903.]

Mr. GOOCH. Mr. Chairman, the growth of the commerce of the country has been so marvelously great and its continued development is so desirable that there is a well-recognized demand for the creation of a department to be headed by a secretary of commerce. Let me give some of the facts and figures showing the growth and importance of our commerce. The industries in the United States have grown in numbers from 3,908,677 in the year 1870 to 11,891,220 in the year 1900. Our manufactures have grown from \$1,885,861,676 in 1860 to \$13,014,287,498 in the year 1900, and the mileage of our railroads has grown from 30,626 in the year 1860 to 194,321 in the year 1900. The tonnage of American vessels engaged in domestic trade in the year 1860 was 2,807,631 and in 1900 4,338,145. In the year 1860 American vessels engaged in the trade on the Great Lakes represented, in tons, 467,774, and in the year 1900, 1,565,587. And I might, Mr. Chairman, go on and furnish a long list of other items showing the material development and industrial growth of our country, but I will content myself by calling attention to these items:

	1860.	1900.
Merchandise:		
Imports	\$353,616,119	\$849,941,184
Exports	\$333,576,057	\$1,394,483,082
Gold and silver:		
Imports	\$8,550,135	\$79,829,486
Exports	\$66,546,239	\$104,979,034
Manufactures of iron and steel:		
Imports	\$21,526,594	\$20,478,728
Exports	\$5,703,024	\$121,913,548
Cotton:		
Imports of raw cotton..... pounds..	2,005,529	67,398,521
Exports of domestic cotton..... do....	1,767,686,338	3,100,583,188
Receipts from customs.....	\$53,187,512	\$233,164,871

Our population in 1860 was upward of 31,000,000, and this year it is estimated to be upward of 87,000,000. Property values, real and personal, have grown from \$16,159,616,000 in the year 1860 to \$94,300,000,000 in the year 1900.

The total number of depositors in savings banks in 1860 was 693,870; in 1900, 6,107,083. We have no record of the total deposits in banks in 1860, but in 1880 they amounted to \$2,306,000,000; in 1890, \$3,998,000,000, and in 1900 to \$7,464,000,000.

The number of farms in 1860 was 2,044,077; in 1890, 4,564,641, and in 1900, 5,739,657.

The total value of farm animals was, in 1860, \$1,089,329,915, and in 1900, \$2,981,722,945.

The total value of farm products was, in 1870, \$1,958,030,927, and in 1900, \$3,764,177,706.

Our exports of domestic cotton in 1860 amounted to 1,767,686,338 pounds, but after the abolition of slave labor the amount of export cotton fell, in 1870, to 958,358,523 pounds.

For the fiscal year of 1902 our exports of domestic cotton amounted to 3,500,778,763 pounds.

These facts are given as a part of the argument of the committee to show the importance and necessity for this proposed department of commerce. I do not wish to detract from its importance, but, Mr. Chairman, my criticism of this bill is that it does not go far enough. It should have created a department of labor, with a Cabinet officer in full possession of all the information pertaining to labor in our country and in touch with the laboring people throughout our land.

The party to which I owe allegiance, the great Democratic party, in its platform adopted in its last national convention put forth this declaration:

In the interest of American labor and the uplifting of the workingman as the corner stone of the prosperity of our country, we recommend that Congress create a department of labor, in charge of a secretary with a seat in the Cabinet, believing that the elevation of the American laborer will bring with it increased prosperity to our country at home and to our commerce abroad.

This bill, instead of giving to labor an independent organization, with a Cabinet officer at its head, proposes to put that department under the supervision and control of a secretary of commerce. The platform demand, which has just been read, is not satisfied by the bill here proposed, nor will the thoughtful laboring people of the country be satisfied with this measure.

Now, Mr. Chairman, if the framers of this bill had been as ready to recognize the claim of labor as they have been anxious to meet the demands of commerce I would have said nothing in this debate. Let me be not misunderstood. I am willing to listen to the appeal of the commercial interests of the country, but I insist that the labor interests be given a fair showing in the pending bill. I shall, therefore, support the proposition of the gentleman from Alabama [Mr. Richardson], which will be offered at the proper time, to recommit this bill with instructions to the committee to report back a bill creating a department of commerce and a department of labor, each with a Cabinet officer.

That this course is in the interest of the public welfare ought not to be questioned. We now have a Secretary of the Treasury and a consular service to look after the commercial interests. We have the Labor Bureau, charged with the duty of caring for as near as may be the labor interests. If commerce is so important as to need a separate department, we can with equal justice demand that labor be accorded a member in the President's official family. Foreign relations, finances, law, interior affairs, post-offices and post-roads, and agriculture each have an adviser to the President. Let us authorize one for commerce and one for labor.

Mr. Chairman, we should not fail to incorporate into this bill a provision for a secretary of labor. The labor interests of the country have been seeking this much for more than thirty years. They now repeat the request. I read you the letter of Mr. Gompers, the president of the American Federation of Labor.

[See page 478 for letter of Mr. Gompers.]

Mr. Tracy, the representative of the American Confederation of Labor, and Mr. Fuller, the representative of the Brotherhood of Locomotive Engineers and kindred organizations, made request for a secretary of labor. And these and others identified with the labor interests went further than this and protested against the merger of the Department of Labor into the department of commerce. They justly claimed that such course or merger would not best subserve the interests of labor, and in effect that this measure would not be an advance of the position now held by labor under existing law. We now have an independent Bureau of Labor. This bill proposes to give it a subordinate and dependent place under a secretary of commerce. This measure, as it is, will not do full justice to the labor interests and is not in accord with the wishes of the millions of laboring people who constitute our great industrial army, carrying forward the banner of progress in the march of civilization.