April 1, 1924.

Remarks by the President to Newspaper Men.

Here is an inquiry about an increase in postal rates to take care of the proposed increase in salary of postal employees. I haven't any definite and specific information about that. All that I know is that the Committee on Post Office and Post Roads is working up with the Post Master General's office something in that direction, undertaking to see where they can possible be secured an increase in revenue, paying in whole or in part the increase that is proposed to be made for the postal employees. I mean their wages of course.

I can't give you much of any information about the St. Lawrence Waterways Engineering Board. I don't recall that anything has been done about that. The National Commission I think I have appointed and has been given out, but I don't think I have made any appointment to the Engineering Board. It might be a good idea to have a member of the Engineering Board that was also a member of the Waterways Commission, in order that they might have a source of contact through having one member that has a common membership.

I haven't been able to reach any decision about appointing an Attorney General. Of course what I am trying to do there necessarily is to get a $75,000 or $100,000 man for a salary of $12,000. Now that isn't at all impossible. I expect to be able to do something that is substantially in that line.

Mr. President, I think it would interest the country to know what your judgment is as to a $75,000 or $100,000 man.

What I mean by that is that a man in private practice might be able to secure that income. The Government of the United States is constantly served in that way by men, especially under-secretaries, men of capacity and of experience who are here in Washington at a very large sacrifice because they love the service. They are attached to it, not only because of the fascination of it, but because of a patriotic desire to serve the country. Of course when you come to members of the Cabinet, I don't need to designate any of the present members by name, you just think of them yourselves, you can understand whether the United States Government is getting the worth of its money in hiring those men for $12,000 a year and an automobile.
Mr. President, have you any idea when the appointment might come?

Well, just as soon as I can fine someone. It is difficult to canvass the situation in a hurry. I have to consult with a good many men and make a great many inquiries. If I wanted someone in Chicago, why I would have, perhaps, to send out there and get that person to come on here, then I would have to make inquiries in the town, make investigations, and find out what their connections are, and talk with a number of Senators and Representatives about it to see what they know. All of it takes time, but it is not a problem that will be by any means impossible or very difficult to solve. It takes some time to do it.

Mr. President, may I ask whether geographical requirements are being considered?

I don't think that is highly important. What I want is a man of character and ability that will take that office and administer it in accordance with the well known standards of administration of the Attorney General's office, and if that is done it doesn't make very much difference whether the man, if he should return home, would go to Florida, Oregon, New England, or the middle states, or to the Pacific coast. There are certain balances that we like to maintain. Sometimes that can be done, and sometimes it cannot. What I am looking for is the man, rather than looking at geography.

I haven't any definite plan for a conference with Senate leaders similar to those which I had with the House. I confer with them individually, or with one or two of them together, and that I have been doing recently. I conferred with Senator Curtis and Senator Pepper at the House this morning before I came over here, and I have conferred with Senator Brandegee and Senator Reed at dinner last evening. This is not anything, I presume, you would want to print. I just mention it as an example of my constant conferences with individual members that are coming in by two's or so.

Mr. President, do you still think Congress can adjourn by the first of June?

It can. Saying that it can, and that it will, is another thing. But I think it both can and will.

At today's Cabinet meeting I want over a very short and sketchy way the business situation. Some reports have been coming in to me that in certain lines
there is a little slowing up. That is to be expected. So I was inquiring of Mr. Hoover whether from his observation and reports there is indicated a general slowing up of business. He says that it does not, that the steel industry which is a very good barometer is going ahead well, and that the building industry which I think reached its peak last year has a larger number of permits this year than it had last. Now that industry is basic. When the building industry is good, it includes iron, steel, hardware and wood, all kinds of materials, and all kinds of industries, and if that is good the basic industries are good, and we can expect to go along fairly well. I think the reason for the slowing up of business - as a whole business will undoubtedly go ahead well if it is assured that we are going to proceed as we have been doing with our policy of economy of Government expenditures, and in addition to that if there is going to be a reduction of taxes. My own theory is that if the tax bill had been passed as it was introduced by the administration within six weeks or two months after the coming in of Congress, the country would have seen a large increase in business, a stimulation in various activities. Just at the present time there is a good deal of money piling up in the banks, so that call money is very low. Now that is a very perfect example of the way the present tax laws work, because that means that the owners of that money are not willing to invest it in industry. They would rather let it lie on deposit at a very small rate of interest in the bank, or loan it out on call at something like 3¾, than invest it in industry/in ordinary times when the net return was 6% or 8%. With the present method of taxation that is not the case. It results of course in a slowing up of business.

Mr. President, do you care, along that line, to discuss the prospect of tax legislation?

I have been in conference with Senator Watson about that and he says they are going to work day and night, and they are working day and night as you know, until they get that tax bill out. That is especially the matter on which I confer with Senators, in order to expedite business.

I haven't any plan about a summer White House. I rather imagine that we will stay here, if that is agreeable to you, a very large part of the summer. Perhaps all of it. I don't know. I will do the best I can, though, to get a trip for you. But it is easier to transact business of the Government here than it is
anywhere else, and the White House with the large open space around it and the
grounds is fairly comfortable in the summer. We didn't find any great inconvenience
last August, after we came here. It is not nearly so warm in the surroundings here
as you probably know it is in the street. You see a marked difference.

It doesn't now seem possible that I shall be able to attend the 50th
anniversary Celebration of the Perdue University at Lafayette, Ind. I am having to
go up to New York to speak to the Associated Press on the 22nd of April, which will
exhaust my output for some time. This will only be ten days later, and I doubt very
much if I can get out there. I haven't entirely abandoned it, but I have had to
tell them that it is not likely that I can be present.

I understand from the House organization that under a plan in the House,
should it become necessary, they would put through a separate measure for a 25% tax reduction for the current year. I suppose they meant by that that if at any
time it became apparent that the present proposed law wasn't going to pass, or was
going to be delayed beyond the middle of June, or something of that kind, that in
that contingency they would attempt to provide a 25% reduction which will take care
of the situation.