

Friday, March 4, 1927.

Report of the Newspaper Conference.

I doubt if there is much of anything in the report of the Tariff Commission on the shingle industry that is of public interest. I think I have submitted that to the Department of Commerce for their comment in relation to it. There isn't anything on which the Executive can act. I think shingles are on the free list, so that there is no opportunity to make any change in the rate of duty, the change that can be made under the law being limited to 50% up or down of the present rate. Now, here there is no change that can be made.

I do not see any occasion for a special session of the Congress. They have had such opportunity as might be required to pass legislation which might be necessary. While some inconvenience will arise on account of the failure of the deficiency appropriation, I imagine that some methods can be worked out by which the Government can continue to function, notwithstanding the failure of that appropriation bill. The serious part of it, of course, is that which relates to pensions and the Veterans Bureau. I think it is doubtful if there will be money with which to meet the pension payments due on the 4th of May and the 4th of June. I don't know just what the deficiencies are in relation to the pension bureau. I suppose the major one is the \$25,000,000 for loans to the veterans, \$25,000,000 loans on the bonus certificates. While it would be a convenience to have that done through the Government in many instances, I think that now that the

first pressure is off that there is fairly good opportunity to have such accommodations as may be necessary extended through the regular banking facilities.

I haven't had a chance to consider the matter of a recess appointment for Charles W. Cushing, U.S. Marshal in southern Illinois. If I make any recess appointments to the radio commission I should rather expect to appoint those two men that I have already designated, which have not been acted upon by the Senate.

There is no foundation for any rumor that Secretary Kelllogg may ^{had} resign. He has/an especially heavy load to carry, as you newspaper men realize, for the past two years, ever since he has been in office. Perhaps there have been more questions before the State Department in that time than in any other corresponding time. His conduct of the office has been eminently satisfactory. He has gone away for ten days or two weeks to have a vacation which I have been urging him to take for a year. I expect he will return shortly to resume his usual duties.

The main question between this country and Mexico is exactly what I have stated to the conference several times, and that is the question of confiscation of property of American citizens. There are incidental and collateral questions, but they all grow out of that, and if that were adjusted the other incidental questions would quite naturally adjust themselves.

I don't think there is anything that I can add to what has already

been said about the session of Congress that has just been completed. It has done a good deal of very good work. There have been only two or three bills with which I have not been able to agree. I suppose those which I have signed would probably be between 1500 and 2000. In the present session the principal bills were the banking bill, radio bill; the session before that the railroad bill; public buildings bill, the bill reorganizing to a certain extent the representation of the Commerce Department abroad, a bill of very great importance. I doubt if sufficient attention has been given to it. I have seen very little reference to it in the press. I signed it a day or two ago. Then a good many other bills which are of some importance, but I think those are the main things. Congress kept very well within the recommendations of the budget. Of course if we consider the recommendations that are in the deficiency bill that just failed of passage the amounts that the budget has recommended would be quite a good deal above what has been appropriated, but I suppose in considering that there really was no action, Congress didn't affirmatively reject, they simply failed to act on the recommendations that were contained in the deficiency bill. But outside of that the Congress which began two years ago and ended today I think has kept very well within the recommendations that have been made by the budget. When I say budget, of course those recommendations are the recommendations of the President. So that on the financial side the record is very good. At the last session the Congress added \$67,000,000 or \$68,000,000 annual

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expenses for the relief of veterans and their dependents of the Civil War, Spanish War and the World War. The bill at that time carried an increase in the pensions of widows of the Civil War from \$30.00 to \$50.00, those who had been the wives of soldiers during the Civil War.