Friday, April 17, 1926.

Report of the Newspaper Conference.

I haven't enough information in relation to the charges made against Judge English, which are I assume set out in the action of the House in presenting him to the Senate for impeachment, so that I would feel warranted in passing any judgment as to whether they are serious enough so that the Senate ought to act on them forthwith. Of course, impeachment is peculiarly a matter for the Senate and House, and I should be guided, as I think I indicated at one other conference, very largely by what the Senate and House might want. If they desire to take up the impeachment at once, I should judge that is what ought to be done. If they think it might be done at a special session, I should expect to indicate that I would call a special session. If they want it to go over to December, I have no reason to suppose that I should disagree with that. Or if the House and Senate wanted to adjourn to a specified time in November I should think that would be feasible, as far as I know. What I am trying to indicate is that I see no reason why I shouldn't take their judgment on it. The first suggestion was that the Senate could take this up after the adjournment. Then I think there was a suggestion that it might be necessary for the managers of the impeachment to ask from time to time for instructions from the House, so that it is desirable to have the House in session. Then I think the suggestion was made that there could either be a special session in November or there could be an adjournment of the Congress to a day certain in November when that could be taken up.
2.

I don't know very much about the details of the bill that has been introduced by Representative Tincher of Kansas. I am sure that the main outline is to set up a Farm Board that would be available to consider any farm problem that might arise in relation to marketing and to make an appropriation – I didn't know how much was expected - in order that there might be a revolving fund that could be used to make loans to Farm Associations. That is a continuation under another name of the War Finance Corporation and the reason for it is that these Farm Associations, as I understand it, or cooperative associations, whatever they might be, are somewhat a new element, and as they have been considered and are considered somewhat experimental their difficulties in getting loans at banks could be obviated by a provision that they might borrow money from a revolving fund that the Government would furnish. It is the same principle, as I say, of the War Finance Corporation, and the same principle as lending money to railroads in order that they might manage their business. It doesn't involve the Government, as you see, either in buying or selling, nor does it involve the Government in undertaking to fix prices. I am waiting to see what a discussion of this proposal will develop. I should judge that it had a good deal of promise of success in it, a plan for dealing with farm problems. I had understood that it was agreeable to substantially all of the Representatives of the farm organizations that have been here, with perhaps one or two exceptions. Now, that "exceptions" should modify persons, rather than organizations. I think the organizations are fairly content to take up a plan of this kind. There are one or two individuals that do not agree with it.
3.

I haven't any information about the strike at Passaic, other than what has come through the newspapers and my knowledge that the Department of Labor is in touch with the situation and is doing what it can to mediate and conciliate. Of course I have no information as to whether there have been violations of the law. If there have been, the proper place to take up that question is with the United States District Attorney, if it involves violations of the law of the United States. If it involves violations of the state law, with the State authorities. I don't know of any other action that could be taken, other than what the Department of Labor is taking.

I don't know whether it is desirable to increase the salaries of Presidential appointees in the Government's insular possessions. So far as I know, the salaries are fairly adequate. I think that in addition to the payment of salary there goes a residence, and I suppose some provision for the care of it, so that the cost of maintenance and living should be added to the compensation that is made by a payment of money. I think that compensation is fairly adequate. Now, there may be some special case where it ought to be increased, but I don't know of any complaint that has been received in relation to compensation. I am thinking especially of the Governor of Porto Rico and the Governor of the Philippines. Now, whether there are some other subordinate officials like the Auditors and the Attorney Generals, Judges and so on, I should have more hesitancy in saying that their salaries are adequate. I shouldn't be surprised if an investigation would reveal that the salaries of some of those subordinates who probably have nothing allowed them for maintenance or quarters, while they
4.

are in the Islands, may not be so much as it ought to be, but I have had no com-
plaints so far as I recall about that.

I have talked with Vice Governor Gilmore and Senator Osmaena of the
Philippines. I don't know that I have received from either one any information
that the public hasn't already had access to in newspaper reports and the general
discussion of the situation. I have noticed some special articles that have
been appearing in the American press, especially from the Philippines, that
cover the situation very extensively. I haven't had a chance to read them care-
fully, so I don't know all of the details, but I judge from what I have seen of
them that they reveal the situation very much as it was presented to me by Mr.
Gilmore and Senator Osmaena.

I don't know exactly what progress is being made in the settlement of
the French debt, or negotiations in relation to it. I had judged that the nego-
tiations were proceeding encouragingly. But no settlement has been made, I am
sure, because there has been no meeting of the Debt Commission and nothing has
been presented to me for my approval. I am certain that the Debt Commission
hasn't passed on any settlement at the present time.

Here is another question about the Tincher bill. There is one
inquiry here that perhaps I didn't enlarge upon, and that is as to whether the
revolving fund will be in the nature of subsidy funds. It isn't a subsidy,
of course, any more than the credit that has been extended through the War.
Finance Corporation to banks for farm use and to railroads for their use can
be considered as a subsidy. It is the extension of credit until these organiza-
tions become permanent and established, so that their credit will be taken over
by the regular credit facilities of the nation. The War Finance Corporation had
quite a little experience in that respect. There were corporations set up and
plans made for financing agriculture that the banks weren't able at the outset
to take care of, but as soon as the banks saw that these were going concerns,
that they were established and substantial, the banks took over the credit, and
it is expected that they will do the same with the proposed arrangements that this
Board would make. Of course the Intermediate Credit Banks were especially
established to take care of farm credits. They haven't functioned in that
respect quite so well as we had expected they would. It is a somewhat new field.
It needed an agency that could act with a little more positiveness and a little
more directness.

I have here the bill that I understand the members of the press are
especially interested in, in relation to the erection of the new building for the
Press Club. I think Mr. Sanders suggested that the members of the press would
like to be present when I approved the bill.