

Tuesday, October 23, 1928.

Report of the Newspaper Conference.

I didn't see the address that General Lord made at Chicago. I doubt very much if he went on record as saying that there would be a hundred million deficit at the end of this fiscal year. It is probable that he said unless there were savings in the expenditures and increases in receipts we might face a deficit of practically that amount. That would be in harmony with what I said in my budget speech in June. At that time the figures were \$94,000,000. Since that time we have made some efforts in savings and there have been some increases in the expectation of receipts and some decreases. But on the whole a little balance of increases in receipts and some decreases in expenditures. So that we have been able to close up that gap somewhat.

We have had no official advices about a committee that is about to be organized in Europe to consider German reparations, and until we get such official advices it will remain a hypothetical question that we probably would not assist the European situation in undertaking to discuss as to what attitude we might take in relation to it.

It isn't possible to say whether, now that the English and French naval suggestions have been published, it would be probable that any further naval limitation agreements can be reached before 1931. I think it is fair to say that so far we have been advised concerning the agreement made between France and England that didn't seem to advance the probability of further agreements about naval armaments. The only advance it could be said to have made was a certain change of attitude on the part of the French and English relative to limitation, but it was a change of attitude with which we were unable to agree. I do not understand that either Italy or Japan agreed to it. But they did not set out their position with the

fullness of detail that we did. I think their attitude in relation to it, so far as it has been disclosed, is very similar to our attitude. Not exactly like it, but along the same lines. That means two countries have indicated that they might agree to something, if others would agree, but it is apparent that other countries do not agree to it, and so there hasn't been much of any progress made. The encouraging part of it is that France, which didn't attend the naval conference I called in 1927, and the English have indicated that they were willing to change their attitude and they might be willing to change it further.

I haven't had any report from the Tariff Commission on the corn schedule. I understood that one was likely to be made some time in the near future.

I am expecting to speak here on the 11th of November at an Armistice Day celebration held under the auspices of the American Legion, and I am also expecting to speak a few days after that, I think on the 16th, at the National Grange Convention that is to be held in this city. Those are the only finally scheduled speeches that I have agreed to make in the near future.