October 16, 1923.

Remarks by the President to Newspaper Men.

This morning I discussed with the Cabinet very briefly the matter of erection of more public buildings in the District, for the purpose of better housing some of the Departments. Many of them are in a congested condition, so that they need more room. Many of them are scattered about, some having very many different locations, so many that it would be almost startling to give the number. The registrar of deeds was in my office the other day telling me that he had very insufficient room in his quarters to carry on the work of his Department, so that there is too much of a congestion of his work, and he is not able to hire and locate sufficient employees there to keep the registration of deeds as near up to date as he would like to have it.

So that it is suggested that, with a view to carrying out that plan for public buildings that has already been adopted, for which some plans have been drawn and approved, that we should try to secure from the incoming Congress a continuing appropriation of $4,000,000 to $5,000,000 a year, which would mean the beginning of four or five buildings and a gradual carrying out of that plan, so that the different Departments might be well located.

Mr. President, was the archives building mentioned in that discussion?

No, it wasn't. There wasn't any particular building mentioned. I suppose that is one of the pressing needs. Just a general plan that has been adopted by the Committee or Commission that has in charge the suggestion of location of buildings for the purpose of carrying out that public building plan that has been considered, and, I think, adopted.

An inquiry about two vacancies on the Federal bench in California, and whether it is my intention to fill these vacancies at an early date. It is my understanding that under a ruling from the Attorney General, any vacancy that is in existence which was in existence during the session of Congress cannot be filled during vacation.

There couldn't be a recess appointment made. I think one of these vacancies is due to a death that has occurred since the adjournment of Congress, and, in that case, it would be possible to make the appointment before the convening of Congress. But if an appointment is to be made in a State, I should desire to confer with the Senators of that State about it. Neither of the two Senators are here at the present time, and I haven't had the opportunity to confer with them, and it is better, of course, to make these appointments without making a recess appointment — to wait until Congress comes. If a recess appointment is made, and any question should arise about it, it 00065
becomes a rather embarrassing matter, and unless there is a good deal of pressure on account of conditions to fill an appointment by recess appointment, it is better to do it the other way.

An inquiry as to whether there is any report from the wheat situation in the northwest. Yes, we have had some other telegrams, the last one being from Glendive, Mont. October 13th, and being in relation to the wheat farmers in North Dakota. That telegram, I do not think I need to read it, says we assured the meeting of the readiness of the federal agencies, including the War Finance Corporation, with its financial support, to assist in the accelerating of the program for the relief of the wheat growers, etc. This talks of a general conference of business men and farmers, and the encouraging features that they found as a result of the conference.

An inquiry about a scheme for consolidating railroads into a number of regional groups. That, I think, is provided for in the present law, and it is my recollection that the I.C.C. has formulated a tentative program for that purpose. I do not think it has ever been fully adopted by them, nor has it begun to be put into operation, and no decision, as far as I know, has been made about it up to the present time. I haven't any decision to announce about it. That might possibly be a matter that I could take up in my message.

A statement that the Shipping Board has recommended the extension of coastwise laws to the Philippines. That I have never happened to discuss with the Shipping Board. I do not know just what their recommendations are about it, and I have never made any decision in relation to it.

Also an inquiry about declaring a national holiday on the 2nd of Nov., in honor of the memorial services to be held there for President Harding at Marion, and whether I am likely to attend the services. If there was under consideration, at one time, a plan to have a very extensive observance of his birthday on the second of November at Marion, and I had under consideration a plan of going there myself. I understand that the people of Marion gave up trying to have anything like an extensive observance of his birthday, and I am not certain whether they are to have some local observance or not. I judge, from this suggestion, that that is the case, but it is to be local in its character and will not be participated in, so far as I know, by any representatives of the Federal Government who are now in Washington. I don't know about the office holders from Ohio. I have no doubt some of them may go. But my information is very meagre about the present plan and, in fact, I didn't
know they were planning for anything more than a local observance, if that.

In regard to a conference with Senator Sumner. Nothing was said by him or me, so far as I recall, about the debt funding commission, nor have I discussed that matter with Ambassador Herrick. The Ambassador is staying at the White House, and he and I are going over the problems that he has in relation to his mission.

An inquiry as to whether the Prohibition Commissioner will be made directly responsible to the President, instead of to the Secretary of the Treasury and Commissioner of Internal Revenue. I have never considered that question, apart from the suggestion that is in the report of the consolidation committee. It is in that Brown report, the proposal to transfer the Prohibition enforcement from the Treasury Department to the Department of Justice. No suggestion has ever been made to me that it should be directly under the President. It is, at the present time, under the Collector of Internal Revenue, or the Commissioner of Internal Revenue, as he is called, and the Prohibition enforcer is an assistant, I think to the Commissioner of Internal Revenue.

An inquiry about the suggestion made by Governor Silzer of N. J. that the Governors' Conference take up the coal price question. I should be very glad to confer with Governor Silzer about that, either personally or in conjunction with the different Departments, and give him any possible assistance that I can. This conference that is to be held on Saturday begins at 2.00 o'clock. There isn't a very long period of time and it wouldn't be possible to take up there a consideration of prices of coal. I don't know if it would be quite fair to some Governors of southern states to come to a conference of that kind to listen to a consideration of those questions that affect, especially affect, northern and eastern states, and also Governors from western states. This is more of a district or local question, than it is a question affecting the whole nation. I would be glad to do anything I can to assist in fair price of coal for the people of New Jersey, or any other part of the nation.

An inquiry about Alexander Smith and Samuel Rea. Mr. Smith, I am informed, is a man who has had a long experience as a shipper, and he came in to give me some suggestions about our shipping problems. He has made some suggestions. I didn't have a chance to talk with him at length, because I was just going into the Cabinet meeting, but what he has in mind is a 10½ reduction of duties on imports than carried in American vessels. Whether something of that kind could be worked
cut, I do not know. I think it would come directly in conflict with many treaties
that we have at the present time and suggestions of that nature came to me recently
and I took the matter up with the State Department. It was not new to me, because
I had heard it discussed in the Cabinet a couple of years ago, and the conclusion
reached by the State Department is that it would not be practicable to undertake a
change of that nature. While we have a right to give notice ending treaties in
their entirety, there isn’t any provision in treaties that we can dispense with a
part of them, if they prove not to our benefit, and retain those parts we find bene-
ficial. Very likely if we were to tell foreign governments we are going to make a
change in these treaties, and give a preferential tariff duty to goods that come to
America in American ships, they would impose on us some obligations that, no doubt,
would compensate them for injuries that they thought they had received. That is
the difficulty we confront. Of course, we have in addition to that the general
feeling that having made a treaty which we thought fair and just, that we ought to
abide by it and live up to it, and not take any position that could be held in any
way dishonorable to the good faith of the American people and the American Government.

An inquiry about a study being made by the Treasury Dept. relative to tax
revision. I haven’t any definite information about that. It is my understanding that
they pursue, constantly, studies in the Treasury, as the results of tax laws develop,
to see what, if anything, ought to be done in the way of changing the laws, and very
likely something of that kind is going on now that could be ascertained by making
inquiries there.

An inquiry also about the Federal Trade Commission letter that came to me
on the coal situation. Such a letter came, and I have had prepared some mimeographed
reports of its contents and so on, which will be given out to the members of the press
at the close of the conference. It tells of complaints that have been made and the
work that is being done in the way of investigation.

Mr. President, you didn’t tell us anything about Mr. Rea’s visit.

Oh, that is so, and I thank you for calling my attention to that. I have
spoken about Mr. Smith. Mr. Rea came in, as a number of railroad executives have,
ot on any special mission, other than to come in and pay his respects to the office.
I made a couple of suggestions to him. One was that I thought it would be helpful
to the general good feeling that ought to exist between the transportation interests
and the public, if we could have the same rate on coal that is exported and coal that
is used for domestic purposes. It is a source of complaint, I don’t know how much
justified it is, by the people living along the northern border of the nation, in New York and New England, that coal goes through their for export to Canada bearing a less freight rate than coal that is used for domestic consumption.

I presume there is a sound economic railroad reason for a rate of that kind. But I think it is very much overbalanced, by a reason of policy, of having the people of the United States feel that they are treated just as well by the transportation interests as the people that live across the line in Canada. I also suggested that it would be helpful to the wheat situation if some reduction in the transportation rates of export wheat could be provided for. Now, both of those questions he will have investigated and if he finds that it can be of any help in making changes in that direction, I judge that he would be glad to make them.

There is no additional information about the Governors' Conference. I shall take up with them, of course, the general question of law enforcement, and those other questions that I have already laid before your Conference at prior meetings.

Mr. President, in the event newspapermen wouldn't be admitted to the Conference, will your speech be made public?

I think so.

Mr. President, do you plan to take up the changes in coal and wheat rates with other railroad executives?

Not directly. Should any one come in, I should be glad to speak about it, but I am sure that action by Mr. Rea or any of those larger transportation systems would mean action by all the others.

Mr. President, are we to understand that you would have a lower rate on wheat for export, than a domestic rate, and on coal you would have the same rate apply?

Yes.

I have already spoken of the request of Governor Silzer.

An inquiry about the visit of President Pearson of the New Haven R.R. and Mr. Rea. I have already spoken about Mr. Rea. That is evidently the reason that I happened to pass over that other suggestion, because I had Mr. Rea's name marked here. Mr. Pearson came in in relation to some general matters of the New Haven Road, as he was in town undertaking to see what could be done with the authorities.
I think also some business with the Director General of Railroads and the Interstate Commerce Commission relative to a settlement of the accounts between the New Haven railroad and the Government. Considerable sums have been advanced by the Government for the relief of the New Haven, and there is an unadjusted balance between the New Haven and the Government, as the result of Government operations. So that the New Haven owes the Government quite a large sum of money, and the Government owes the New Haven some money; and it was in relation to that that he was in town. Not expecting that he was to do anything about it, but just taking up the matter and telling me of some of his difficulties.

I think that covers substantially