

Friday, November 11, 1927.

Report of the Newspaper Conference.

I have already set out my views in relation to farm legislation in the various messages that I have sent to Congress and in the veto message that I sent up last spring. That doesn't mean that I supposed that when I made the statements in those messages that I had all the information there was in relation to that subject. It did mean that I had come to fairly definite conclusions about certain principles. But I should want to supplement that with the statement that of course I have an open mind on the subject and am glad to cooperate with any responsible element that seems to have a feasible plan. I have never had any very extensive study made of the so-called debenture plan. That didn't seem to have very much support in the Congress. I have given more thought to plans that were proposed up there that had more Congressional support. Of course, I haven't informed representatives of the three farm organizations that they must agree on farm legislation, if they expect any favorable action of Congress. I have talked with one or two of them and indicated to them that it would be much easier to get legislation if the three organizations could agree, but it is the Congress and myself that are responsible for the legislation and not they, so that whether they agree or not the Congress ought to try and enact as reasonable kind of legislation as they can. Senator McNary, as I already indicated, is making a study of various proposals with a view to determining whether it is possible to frame a bill that will be helpful and which would meet my approval. There is a practical element involved in getting such legislation as we can, even though it may not be all that we want, or may not be exactly along the line that we might all wish to have.

So far as I am aware, I am in favor of the proposals that have been

made for tax reduction by the Treasury Department, and that includes those that have been made and will necessarily exclude those that have not been made as recommendations. The Department has figured out the amount that taxes can be reduced at the present time without danger of a future deficiency. A deficiency is not a danger during the present fiscal year, but is a danger in the next and succeeding fiscal years. We have some receipts this present year that are coming in from what might be termed capital sources. They are necessarily non-recurring. When they are once paid in they will not be paid in again. They swell the receipts for the present year, but decrease the receipts for use in the future. We have a good many taxes that quite naturally all of us would like to see abolished or reduced, but the Treasury has taken those taxes that they think would be most beneficial to the country on which to recommend a reduction.

I haven't had an opportunity to examine the plan in detail that has been proposed by Mr. Hurley, formerly of the Shipping Board and also a member of the Foreign Debt Commission. I judge from this question which states he is in favor of a building plan that would provide authority to lend \$5,000,000 to shippers at $2\frac{1}{2}\%$ interest to build ships, that it doesn't differ from the present law excepting in the matter of the rate of interest. We now have legislation that authorizes the lending of money by the Shipping Board of the Emergency Fleet Corp. to private interests to build ships. I don't know the amount that is now available for that purpose.

Query: Do you know the difference in the rate?

President: I don't know just what the rate is, but I imagine it is as high as 5%. About that I am not sure. So this is not a new principle. It is an extension of the present principle of lending government money for that purpose, and apparently the main change is in the difference between $2\frac{1}{2}\%$, which Commissioner

Hurley proposes, and the present rate which I am quite certain is higher than that.

I am expecting to be present to confer the Hubbard Medal of the National Geographic Society upon Colonel Lindbergh, I think that is on Monday evening, and I am having a lunch Monday at 1:00 o'clock for those who have made trans-oceanic flights either in whole or in part. That is the only entertainment that I have in mind to provide for them.

There is no new information about Commissioner Hall. As I told you the other day, he has indicated that he would like to retire before long. No definite date has been fixed.

I think I made my position plain about the debenture plan of farm relief. That is a proposal that I should be glad to have explored to see what the ultimate cost might be and its probable effect.

I have the report from the Red Cross, which I presume has been given out. They have established headquarters at 5 different places, Montpelier, Burlington, Rutland, Woodstock, and Bennington. They have 7 administrative workers in the field and another one on the way. 7 Assistants. Some over 16,000 people were rendered temporarily homeless. 279 buildings were destroyed; 1474 buildings damaged. Practically 6500 people are receiving aid from the Red Cross. Deaths reported number 55. There are 2 nurses in the field and 15 case workers, and 6 more case workers are on the way. \$117,510 has been made available. \$58,500 has already been allocated. I have sent several Army engineers up there to give advice and assistance about the reconstruction of roads and bridges and the camp at Fort Ethan Allen, which is right near Burlington, one of Burlington's suburbs, is prepared to help about police work. There will be a good many people brought in to work on the railroads and some probably on the highways.