

Tuesday, November 29, 1927.

Report of the Newspaper Conference.

I only have the most general knowledge of the upper Mississippi River barge line. That was put in at the very urgent request of some people that lived along the river from St. Louis to the Twin Cities, and I had understood was very much appreciated. It is a new project. Quite naturally it can not be all worked out in a minute to the satisfaction of everybody. The Government management is doing the best they can to make it available and make it beneficial. It is quite natural that it can not go ahead perhaps as fast as some of the interested parties might like to have it go without making commitments that might prove to be undesirable and result in waste and loss. We are trying to build it on a solid and safe foundation, and enlarge it as fast as we can. But it is, of course, a demonstration project. When it is demonstrated that it can be operated successfully it will be expected, as I have often suggested at the conference, that it should be taken over by private enterprise. I don't know whether General Ashburn is getting ahead as fast as some of them might like to have it done. I do know that after the line was put in there was a great deal of satisfaction expressed in the Twin Cities, and I think he attended a banquet one time when he was up there. He is especially well equipped for that kind of work. He has made sort of a life study of it and abandoned his other vocational activities. Perhaps if there is disagreement about it, it may be that it is something which will require patience and forbearance on both sides. But I haven't had an opportunity to make any inquiries about any specific difficulties.

I haven't any particular comment to make regarding the selection of a city in which to hold the next National Republican Convention. That is a matter for the National Republican Committee to decide. I am certain that any decision that they might make would be entirely agreeable, so far as I am concerned. I do not know what cities are making application in their entirety. I have heard of several cities that are proposing to apply. There is any one of a large number that I think would have

adequate facilities.

It seems to me that the main question to consider relative to when the reduction of taxes should go into effect is as to how it will affect the Treasury. I am desirous of reducing taxes as fast as we can and as early as we can and still keep the Treasury in shape to meet such requirements as are made. I think there is an argument made that reduction on the corporate taxes ought not to go into effect until a year after the reduction is made, on the assumption that the corporations have been collecting during the year the money with which to pay their next year's taxes. I don't know how far an argument of that kind is warranted by the facts. It may be that some corporations undertake to set up prices and secure their income for the present year, in order to lay by money with which to pay their taxes next year. That would be affected, of course, very largely by competition. I imagine, though, that the general methods of corporations, the general practice, is to try to get enough money during the quarter in which taxes are to be paid so that it will have some money with which to make the payment when it comes due, rather than to try to lay up money a year in advance. If that is the case, I don't see any theoretical objection to making the reduction apply at the time when the tax is to be paid. Of course, the Treasury is always in need of money as long as we have a national debt, and if no hardship was to be encountered and no particular reason can be advanced why the reduction should apply this year instead of next year, why the Treasury can make very commendable use of all the resources that it may have. But it is a question especially for the determination in the first instance of the Committee having it in charge. They look into the details of it for the House and the Senate. So far as I know, I should take their judgment on it, and undoubtedly approve any decision they might make when any bill of that kind might come to me.

I have distributed, as you know, my message. It is somewhat longer than I wish it was, though I think only about half a page longer than my message of last year. I have included a good many subjects in it, but necessarily had to leave out a good

many subjects that I might like to discuss, because of the desire not to make the message too long, and I feel that it is better to discuss at some length the subjects with which I wish to deal, rather than to make a mere reference and recommendation about a large number of subjects.

I think it has already been reported that I am expecting to make a few remarks at the dedication of the stone in the Washington Monument that has been placed there by the State of New Mexico. I was present at the dedication of the stone that was placed by the State of Arizona. New Mexico, I think, went into the Union and became a state when Arizona became a state. It is my recollection that that very nearly finishes up the placing of stones by the different States in the Washington Monument.

I am expecting when the National Committee meets here that I may have them come to the House for a brief reception by Mrs. Coolidge and myself, and at that time I may make a few remarks to the Committee, probably in the East Room. That hasn't been fully determined yet, but it is one of the matters I have under consideration.