

Tuesday, March 6, 1928.

Report of the Newspaper Conference.

I have had presented to me the report of the Secretaries of State, of Commerce, and of Labor, relative to the quotas for immigration under the Act of 1924. I haven't had a chance to go into it in detail. It was requested by an order of the Senate that it be transmitted to the Senate for their information. That has been done. I understood that that was with a view of legislation. So that pending some decision by the Congress I haven't taken the matter up to make any final decision about it myself. I can make a proclamation on or before the 1st of April, if it would seem desirable. Meantime, I am waiting, as I said, to see what Congress may wish to do.

I do not think that the increases in the appropriations over what I submitted in the Budget estimates made up to the present time would jeopardize a moderate tax reduction, and I am told by Mr. Madden that while some increases have been made he expects there may be savings in other directions, so that the total Budget appropriations will be about the same as he estimates which I submitted to the Congress. Of course, if the Congress goes ahead with a large amount of new enterprises, it would make tax reduction impossible. We shall not know about that until we get the tax returns, which are to be made on or before the 15th of March for the incomes that accrued during the year 1927. I do not expect that the incomes for 1927 will be quite so large as they were for 1926, though probably not very materially reduced. Some concerns are making some more money and other concerns are not making quite so much. Then, of course, we have the Alien Property Bill, which will take \$50,000,000 out of the treasury. Probably most of that will come during the present fiscal year, which is before June 30th. Then I think there are plans pending for an increase of pensions,

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which will cost some money. Of course, the Mississippi flood control will make an additional appropriation for 1929; that is, the present budget that is being passed, of \$20,000,000 or \$30,000,000, - \$10,000,000 already in the present budget and there will probably be added to that \$20,000,000 or \$30,000,000 for work to be prosecuted during the fiscal year of 1929. There is a bill pending for \$10,000,000 I think to put on barge lines on the Mississippi River and I think some of its tributaries. That might not all be expended in 1929, but a considerable amount of it would. There are various bills for increasing wages. There are bills for retirement of military officers, and I think there is a bill for the retirement of civil employees. Those are not by any means all, but a very small fraction of the bills that are pending to increase the expenses. I am anxious to have those held down as low as possible, and if that is done I don't see any reason why we can not have the amount of tax reduction of \$225,000,000 which was recommended by the Treasury Department.