

Tuesday, July 3, 1928.

Report of the Newspaper Conference.

The surplus for the fiscal year of \$398,000,000 was just about what we had figured it would be. Sometimes some money comes in that hasn't been expected and sometimes there is some that has been expected and it doesn't come until after the 30th of June. But the surplus was secured, of course, by very careful management of expenditures and will enable us to retire about \$900,000,000 of the indebtedness for the fiscal year which would mean a reduction in interest of some over \$35,000,000. You can see how important that is, if you recall that that is about the amount we expect to appropriate yearly for the purpose of taking care of the flood relief in the Mississippi Valley.

I don't know that there is anything relative to my visit with Dr. Work yesterday that he hasn't already given you. He is retiring from the Cabinet and handed me his resignation to take effect at its acceptance. I expect to accept it very soon. I haven't taken any definite action relative to the appointment of his successor. The Department is very well manned with assistants and subordinates and can go along perfectly all right, if a short time elapsed between Dr. Work's resignation and the appointment of his successor.

I have no definite engagement to meet Mr. Hoover. I have no information of any kind or description as to whether he is coming here. I should assume, though, that if he was coming he would say something to me about it. I want to thank the press correspondents here for their birthday congratulations. It was very nice, I assure you, to receive them. I am having a wonderfully pleasant time up here. I hope the correspondents are equally fortunate.

01675