

REMARKS IN OPENING THE CONFERENCE ON THE HIGH COST OF LIVING.

Council Chamber, October 24, 1919, State House.

Having held the office of mayor myself, I appreciate not only the duties and difficulties but the many pleasant features which come to the lot of the chief executives of the cities of Massachusetts. I therefore welcome you as one who understands some of the problems that you have.

The entire world at this time is facing a shortage of materials, an unrest which interferes with production, and here and there a greedy disposition which results in profiteering. In addition to this we have had a great increase in the amount of money and credit, so that the relation between money and materials has been changed, causing a rise in prices.

We come here to-day to undertake to suggest some remedies. We have to consider not the individual but society as a whole. There are certain remedies that are perfectly obvious. If there is a shortage of materials it means that society should use what it has on hand sparingly. This is the gospel of saving. If materials are not in existence we cannot use them and enjoy them whether the price be high or low.

If there is an unrest which has resulted in a lack of production the only remedy for that is a change of sentiment. We must preach a determination on the part of those who are restless to begin and continue putting out a renewed effort of work. Where there is a lack of goods that lack can only be remedied by increasing production. Employment is the best remedy for unrest. This is the gospel of industry.

The greedy can be dealt with to a certain extent by law. We have undertaken to do that in Massachusetts by a statute making it a crime to charge and maintain unreasonable prices. Another remedy is by publicity. We can advise people of a fair price as a strong tendency to prevent both the charging and the paying of unfair prices. We are securing an administration of both of these remedies by a Special Commission on the High Cost of Living, which investigates, reports unlawful action to the criminal authorities, and by the publication of information advises the people of fair prices. The ultimate remedy for profiteering is an increased production. There is and can be no profiteering except where there is a scarcity.

All of these questions affect not only Massachusetts but the Nation, and to an extent the entire world. The food production of Massachusetts is large and is increasing, but it is not sufficient to maintain our population, many of whom are engaged in our industries. The remedies that could be applied by the Nation cannot be applied by the State for the reason that those whom we might desire to influence can easily remove themselves, and much more easily remove their products, across the State line, and more easily still never bring them into Massachusetts. We want large amounts of food on hand in order to protect ourselves in case of a lack of transportation, and because much food in this climate is produced in the summer and has to be stored for winter use. It would be suicidal to attempt to dispose of the season's product in a short time, but, on the other hand, we desire to prevent the hoarding of food and the refusal to market it when it is needed for consumption. We must encourage food distributors to store food here for our use, but we must insist that we be permitted to use it when we need it. We produce very little wheat, no sugar, and lack other food supplies like meat. We therefore depend on the national government to assist us in the distribution of the great supplies at a fair price.

I told you that I have a strong sympathy with the men who hold the office of mayor. That office in the city of Boston is one of the most exalted within the Commonwealth.

It has been held by men of national, and, I might say, world-wide reputation. The present mayor of Boston has a national reputation, both as a member of Congress and as an Assistant Treasurer of the United States, being experienced both in legislation and in the execution of the laws. During my administration I have had the benefit of his counsel and assistance in all matters relating to the city of Boston. He was especially helpful and used all the authority vested in him by the law in the restoration of law and order. We acted together at that time, as at all other times, with the best judgment that our combined advisors of the city and State could furnish us. Whatever results there were, were secured through our joint efforts. I take great pleasure in presenting to you His Honor the Mayor of Boston, Andrew J. Peters, who will extend the greetings of the city of Boston.

Resolutions adopted by Conference.

Whereas, The United States took possession of the railroads under the proclamation of the President and an act of Congress which stated that the roads would be returned in as good condition as they were when taken over; and

Whereas, It appears that, owing to increases in expenses due to the war, the New England roads are in some cases earning less than their operating expenses and taxes, and in other cases but a small portion of their fixed charges, that they cannot under rates now in effect render satisfactory service to the public, that their working capital has been depleted, and that they are substantially without credit; and

Whereas, It has been announced that the roads will be returned on December 31, 1919, although legislation has not yet been adopted to restore conditions which existed prior to their taking over; and

Whereas, The return of the roads under these conditions would manifestly be disastrous to New England industries, institutions and investors;

Resolved, That this situation be brought to the attention of the New England delegation in Congress, and that it is the sense of this conference that the roads should be returned with proper legislation adopted by Congress, providing —

A. For the payment of the government guarantee until rates have been put in effect by the Interstate Commerce Commission which shall restore the pre-war relationship of rates between New England and other rate districts of the country, with such increased divisions and allowances as shall assure to the New England roads sufficient revenue properly to serve the New England public without undue increase in intra-New England rates, to pay fixed charges of the several roads and a reason-

able return on the investment therein, giving to the Interstate Commerce Commission plenary power to determine such divisions and allowances.

B. That the roads shall receive, when returned to their owners, the amount of working capital on hand at the beginning of Federal control and appropriated by the government.

C. All indebtedness due the government be funded for a sufficient period and at a rate of interest which will enable the railroads to rehabilitate their credit, substantially as provided by the Cummins bill.

Resolved, That this conference is opposed to any amendment of the fourth section of the Interstate Commerce Act, making a rigid long and short haul clause that would be detrimental to the interest of New England industries.

We urge the adoption of the foregoing resolutions, to the end that New England shall receive satisfactory railroad service, that its financial institutions and industries shall be protected, and that its markets shall not be destroyed by an increase in rates which will impose undue burdens upon its industries.

This conference was held by Governor Coolidge with the mayors of all the Massachusetts cities, the State Commission on the Necessaries of Life, the Attorney-General and district attorneys of Massachusetts, and A. Mitchell Palmer, Attorney-General of the United States.