

hammer to set the price.

I take it that no manufacturer wants to do business unless he does it at a profit. I take it that no manufacturer would say that we must look forward to the time, owing to certain trade conditions, that we must reduce our prices to such an extent that won't show us anything beyond the cost of production, and if the manufacturer is not willing to manufacture his [cotton] unless it does show him a profit, then clearly, the man who produces this magnificent staple, is entitled at all times to a profit, and if we throw around ourselves the proper safeguard and begin a business system of marketing this staple, and undertake to solve that problem as we have solved the problem of production, the time is not far distant when the people of the south who hold this monopoly, can go out into the world, if they are properly represented by the proper business agencies, they can at all times deal directly with the consumers of our cotton.

So the question of direct trade, I think, can be easily established when we do our part. The question of regulating the price, upon a minimum basis, showing a profit to the producer, can be regulated by the trade producer when they have been there, and the very moment that we regulate the supply to meet the legitimate demand, and sell the crop through twelve months, instead of four months, then the evils of speculation, to a very great extent, will, by the very laws of trade and supply and demand, be minimized and restricted within narrow limits. That is all I have to say.

HON. L. F. LIVINGSTON: The gentleman from Alabama made a suggestion a moment ago, Mr. Chairman, that may lead to trouble back in the cotton belt. He said he wanted to hear from the spinners in the form of a resolution, that they would do so and so.

The cotton producers of the south must recall that the spinners are handicapped themselves. I understand, while I am not a spinner, that the spinners of this country are in the hands of the jobbers, and when the jobbers go and combine, they will take your fabrics at their prices, and perhaps leave you no profit at all.

Now these spinners, I think from what I have heard and seen and read, are ready and willing to better their condition, but they haven't got confidence in a scheme that is all up in the air in the south. We are beginning to talk about warehouses; we are beginning to talk about taking care of cotton and getting rid of country damages; we are talking about skipping this man, and going with our products to the spinner. We may have ten thousand bales of cotton in Montgomery or Savannah; it is graded, the ties are perfect, there is no mud or water in it, there is no sand or trash in it; what will you give for it? I agree with my friend who has just been talking; as he said, we had better take your suggestions and put ourselves in proper shape and then come at you. Now I want to say to my Alabama friend, that we have nothing to risk in that proposition, but just as certain as God made this world, this question is in the hands of the producer, if they are disposed to take hold of it. We have it all in our hands, and I sympathize with these spinners, because they are absolutely at our mercy, if we have any sense.

Now my friend who sits just in front of me, said we had better start and try to reduce the cost of cotton. We can do it my dear man, and do it so quick it would make your head swim. We would just plant about half the acres of land we have in cotton, in corn, oats and potatoes, wheat and grass. Now we will grow our home supplies, and the rest that is planted in cotton is an absolute surplus and costs us nothing, because if the laborer makes

his wages back on my farm and puts it into my farms in the shape of corn and wheat, and in my hog pens and hogs, why I can give him \$200. and he raises me \$200. worth of corn and other supplies to pay for my little expenses, and then he makes me four bales of cotton. Tell me what that cotton stands me in the way of expense? Nothing but the wear and tear of the land and what little fertilizer I am out. We could make our home supplies in the south; there is no doubt about it; if we use that supply at home, then we can put the cotton in the warehouse, and we do not have to mortgage it. We do not have to pledge to anybody, and we can force every spinner in this world to come to that warehouse and buy his cotton, or shut up his spindles. The only thing you have to do is to exercise the good common sense that God Almighty put in your head.

I don't suppose the spinners know how we can finance a warehouse. I can tell them how we propose to do it. We put ten thousand bales of cotton in a warehouse, and issue certificates on that cotton for two-thirds its value, or three-fourths its value, and make that certificate negotiable; there is no bank in the country that would not take it, and if you take that certificate, you get your money for it. That certificate is negotiable; it is as good as greenbacks, and the man doesn't live, I don't care how poor he is, that cannot take it. That is one way we will do it.

Now then, someone suggested here this morning, or rather asked: If we contract to sell you cotton at twelve cents a pound, and disasters come and we only make eight million bales of cotton, and cotton is selling at 18 cents, will the farmers sell you that cotton at twelve cents? They will. I will give you an illustration. A few years ago, the National Farmers Alliance concluded

that we would break up the bagging trust. We absolutely went to work and established our own cotton bagging factories, and we lost all the way from six to fifteen cents a bale of cotton, but we did it and we stuck to it, and of course the bagging combine dropped from fourteen cents to six. Every man stood.

Let me say to my friend from England, that next year we will sell you that cotton at twelve cents, and we will contract to take it. We have lost this year under your proposition, and next year if cotton goes to six cents, will you stick? I believe you will; I have a great deal of faith in human nature and honesty yet. And I believe if the spinners and producers knew each other better, -- you are only cousins now, you have hardly any kinship to us at all, you hardly know us, when you see us, and you hardly know anything about the cost and the trouble and efforts we have had in getting a little bit of cotton on the market at any price, but if you will keep meeting with these people, and if our people will keep meeting with you, bye and bye you will get that confidence stimulated, for confidence does grow but you cannot force it.

Now then, my friend from Alabama, I think the best thing you can do, is not to demand a resolution from the spinners at this time. As MR. Harvie Jordan said, it all depends on us at last. You make a proper showing to the spinner with your cotton, and he will be glad to purchase it.

MR. CAMPBELL RUSSELL: Just one minute to correct one statement the gentleman has just made. He said if we had our warehouses built and we had our ten thousand bales, we could go to the spinner and say, what will you give. I want to say, we will go to the spinner and say, you can have it for so much.

MR. H. W. MACALISTER: I just want to state from Mr. Livingston's remarks, we have learned one thing which is of the greatest possible value; we have learned that the remarks made by Mr. Smith with regard to the poor planter, are not altogether exactly the facts, because Mr. Livingston has pointed out to us that cotton is a surplus crop, that your crops -- other than cotton, make your profits as farmers, and that your cotton crop being a surplus therefore costs you nothing. That is a very remarkable admission.

I want, Mr. President, to offer my congratulations to Mr. Miller of Texas for the valuable information that he has given us today. He has grasped the fact that there is such a thing as an economical basis upon which to deal with cotton. He has told us that the planter is going to build warehouses to put his cotton into them and to hold it until the spinner wants it. One of his objects is to eliminate the speculator. I want to ask MR. Miller as a planter to follow this argument. Assume that you have eliminated the speculator; that there are only two individuals in the world, --the spinner on the one side who buys cotton, and the planter on the other side who produces and sells it. Now Mr. Miller has put his crop of cotton into his warehouse he is going to hold it; to wait for the spinner; in other words, he is taking the place of the middleman or speculator. Assume that 15 cents a pound is the price which the planter looks upon as a remarkably good return upon the product of his labor. He wants to sell that cotton. He comes to the spinner and says, "Fifteen cents is the price of my cotton; how many bales do you want?" The spinner replies, "I cannot afford to pay it; I can only afford to pay 10 cents. My customer who buys my cloth will not give me more than will enable me to pay 10 cents, ---I want to know how you propose to deal with this

eventually. How are you going to force the spinner to pay 15 cents when his customer will not pay enough for his goods to leave him a profit? The planter has to find somebody who will, and if he cannot what is he to do? He cannot eat it, he cannot spin it; he can only hold it until the spinner wants it, but if the middleman is the Market - and will pay the price - the spinner cannot prevent the planter selling him the cotton. The middle man or the speculator, from my point of view, is therefore a most valuable party in the economic world to relieve the planter's necessity. Is not that very clear?

With regard to Mr. Livingston's remarks as to the desire to give us all information as to how cotton is baled, we as spinners appreciate that very much, and if we are here at a subsequent date I have no doubt but that some of us will call on him. He has told us that the ginneries in his section of the country belong to his Union. You are beginning to save money there; to take the profits of the ginneries which hitherto have been going into other people's pockets.

I want to indicate one of the great difficulties which you will have as planters, in trying to deal with the proposal which you are laying out for yourselves, viz: to hold any overplus of cotton which may accumulate beyond the requirements of the world in any one season.

With regard to this surplus "reservoir" of cotton, as I shall call it. Assume that you have got it stored up in the warehouses which you are going to build. The fact would be common knowledge all over the world; every spinner, every manufacturer, every speculator would know that somewhere there was a great reservoir of cotton. It is one of the first laws of economics that it does not matter where the reservoir is, whether in the Southern States or

elsewhere, if the world's market thinks the price of the contents of that reservoir is too high, it will wait! One of the habits of reservoirs is to be continually filling and if filled too full, to run over. The Mississippi overflows periodically, and you get what you call a crevasse in the levees, and millions of acres of country are flooded. Exactly the same thing will take place in regard to the great reservoir of cotton -- every now and then it will overflow, a great crevasse will be created and the country will be flooded with cheap cotton. You cannot prevent it any more than you as individuals can prevent the Mississippi from overflowing. You may call in the aid of the Government to repair your levees, or your Farmers' Union to stop the leakage caused by needy sellers, but if the flood rises too high neither the Government engineers in the first case, nor your Farmers' Union in the second will avail to prevent the operation of natural laws.

Now to take the other side of the question -- I want you to see this side. Assume that you have decided upon and succeeded in producing only nine million bales; that you have raised the price of cotton, -- you have had its effect illustrated by what took place in 1903-1904. In that year there was a short crop. The price of the raw material ran up to such a figure that we, as manufacturers could not make a profit. What had we to do? We had to close our factories. The effect of the closing of the factories was to break the price and ruin the speculator, who had taken advantage of the shortage to make a corner. The serious losses we suffered in Lancashire forced us to adopt protective measures. We immediately set to work when that great crisis took place and federated the cotton spinners of Europe. We said to ourselves, "If anything of this kind happens again, we shall deal with it in a businesslike fashion," and we are now prepared so to deal with it.

Our friend, Mr. Livingston has told us today that he thinks the planter holds the key to the price of cotton. He is quite welcome to that opinion, but he must not forget that there are two sides to the question. If planters hold cotton up to such a price that we can not pay for it and make a profit, we will close our mills.

HON. L. F. LIVINGSTON: And we will put them up in the South. (Laughter)

MR. H. W. MACALISTER: I should like to point out to Mr. Livingston, while we are on the subject, that in Europe and England we have forty eight million of spindles.

MR. JAMES R. MacCOLL: Oh, no; eighty-three million in Europe, fifty three million in England.

MR. H. W. MACALISTER: In England fifty three, in Europe eighty three? How many have you in New England? I can not tell you. The proportion is probably small compared with England.

MR. JAMES R. MacCOLL: We are coming all right.

MR. H. W. MACALISTER: There is one other point I want you to make a note of, viz: that we, as manufacturers in England, stand exactly as you do in this country in regard to the production price of cotton. We have to stand the risks of markets just the same as the planter has to stand the risk of the price that he is going to get. It is quite impossible for us to sell our production so far forward as to be able to carry out Mr. Livingston's idea that we are able to buy his crop one or two years ahead. It is impossible. I can not, as a manufacturer sell my production more than three or four months ahead, as a general average, frequently a great deal less, for if my buyers say, "I don't want your stuff, I will wait," and I have to wait their convenience. I think I have shown you pretty well the economic conditions as they present themselves to

me. We are only too pleased to find that our friends in the South are at last waking up to the fact that they will require to organize their business, to regulate things in such a way as to bring themselves into closer touch with us as buyers in the Eastern States and in England. Mr. Livingston's views with regard to the improved methods of dealing with cotton are all in the right direction. Everything is working satisfactorily in the direction of bringing the producer and the consumer nearer together. (Applause)

MR. WALTER CLARK, of Mississippi: Taking the cue from the remarks of the gentleman who has just spoken, we of the South are doing today -- or rather, it is an old saying among the "niggers", "Yes, boss, I'se jes' fixin' to git ready to do dat." (Laughter) Now we are "jes' fixin' to get ready" to do what your people have been doing for years. Whenever you have a surplus of goods, you curtail production, you shut down your mills. We did that last year. We had an overproduction of cotton. We curtailed production. You have taught us that. Do you blame us for that now?

MR. H. W. MACALISTER: No, not at all.

MR. WALTER CLARK: I noticed a few days ago a distinguished gentleman in addressing a meeting of spinners said that the idea of the Southern Cotton Association, a reduction of acreage of cotton, was very disastrous to their interests. He went on further and he showed the enormous profits in the production of cotton to the grower and advised the mill men to buy large areas of land and and go into the raising of cotton. Now gentlemen, we have in the State of Mississippi some thirty million acres of land; we have in cultivation only five million acres. We have plenty of land there for sale; we would be delighted to welcome you gentlemen down there as farmers. (Laughter and applause) We would be delighted to

have you come down and teach us how to grow cotton economically.
(Laughter.)

On the other hand, with reference to the number of spindles in Europe, England, etc., well, I think we have two spindles in Mississippi -- just two. But we are "fixin' to get ready" to dam our streams and use the water power, and are "fixin' to get ready" to increase the number of our spindles. So if you come down now and grow cotton for our spindles it is possible that we may change positions in the course of time. (Laughter.) We have, within a few years, in Mississippi, established textile schools. We have today some eight hundred young men in those schools learning something about your business, and we would be only too glad to welcome you to the fields of the South as cotton growers, and we are going to try to manufacture a little. I have grown cotton since 1876. I tell you frankly, I know less about it than I did in 1876. I find that many of you people who never saw a cotton field, know more about it than I do. (Laughter.) I have learned this from bitter experience -- to grow what it pays me to grow -- and when cotton pays me to grow it, I grow it, and when it does not pay me to grow it I quit growing it. That is a business proposition. We have a large number of farmers in the South today, who have not learned to grow any other crop; they do not know how. A few of them do not want to know. But the work of our organization is one of education. I learned years ago, after selling a few crops of cotton below the cost of production, to grow something else. I will tell you frankly that if I knew that cotton was going to be twenty cents a pound for the next ten years, nothing on earth could induce me to return to the former condition of growing cotton. (Hear! Hear! from Mr. Macalister). I have discovered that I can make

twice -- yes, five times the money out of other crops. We are teaching that in the South. You gentlemen have got to face the situation; I think you will wake up to it bye and bye. Your old cry is "cheap cotton". We are done with that proposition in the South, and I tell you that I do not believe you will see any more cheap cotton, because the Southern people have learned that other crops are more profitable. We can not grow cheap cotton in the South any more. There is possibly 75 per cent. of the timber of the United States today south of the Mason and Dixon line. We can not grow cheap cotton because the world needs lumber. And when a Lumberman can pay a laborer two dollars a day, the farmer can not pay it; necessarily he can not grow cheap cotton.

This idea of the existence of the surplus of cotton--- why, I have got a surplus of hay in my barn today. I have got one barn full of baled hay -- I have not touched it yet -- another one half full. I am selling it daily. That surplus is there; it is going to be sold when the market requires. We are going to apply the same methods to cotton just as you do to your goods. When you have a surplus of goods, you stop your spindles. You run on half time. You ran on half time last year. We do not want to fight you. Our interests are mutual. If you want to fight, if you want to grow cotton, come down; we will spin it for you. (Laughter) We are learning those things. There are many more things I might say to you, but I do not want to consume your time. (Applause).

MR. W. S. MILLER: A gentleman asked a question awhile ago -- I suppose he wanted an answer -- in regard to our manner of handling and marketing cotton, our warehouse plan. As the gentleman who has just left the floor says, we are "fixin' to get ready". We have already some warehouses established in Texas, in Alabama and in Georgia. The cotton is in them. We propose to build ware-

houses in every country where they are demanded. We have learned that we can do without many things where we can not get them that we did not think we could. I was in a position once where it was hard to do without a great many things, but I have found out that it is the easiest thing in the world to do without almost everything when you can not get it. We have learned in Texas and in the South to take our old clothing and have it worked over, put patches on it, and we can go another year with it. Our cotton is lying in our own warehouses, without any expense to us. We need not borrow money on it unless we want to, because we can do without. The cheapest and best warehouse is at home, in your own shed, on your own farm. I am a farmer. I live out in the country where there is as black land as ever was in the world, I reckon, and I know that we can live without cotton. As the gentleman just said, I try to raise a little crop myself every year. My boys may learn how to farm when they get out of school, and I give it up. I was making preparations to see if we could not increase the yield per acre, and I went to one of our government agents. He told me how to raise three or four bales to the acre, when we had been getting from a quarter to a half. I went home and prepared my land early, and was just getting ready to make a big crop on a little piece of ground, and when the slump of a year ago, last December; what did we have --- two million surplus? Said I, "what do I want with cotton? The more I have the poorer I am. I am going to stop raising cotton and put that land to oats." This year, what did I do? I am holding my cotton, -- we made more than fifty bales on my place, and I have got more cotton than the rest of the planters and I have got my old crop on hand yet. You say we cannot eat it. Can you spin it, unless we give it to you? (Laughter) With our farms, with our living that we can make on them, if we can not hold our

cotton, have you got an income outside of your millions that you have invested in your mills? Can you live on that? If you can we can join hands together and let the whole machine stop all over the world. Why, our merchants in my country told me last year "we can't get our orders filled; the goods are not in New York and they are not in Boston, and we can not fill your orders." Why not? You spinners, are you idle? If you are, what is the cause of it? The wholesale man says, "I won't take the goods at that price." My dear sir, what use have you got for them? You know they are made to wear and you know we fellows will wear them; if we can't get them at one price, we will get them at another, if we have the money. Let it come to pass that flour, when we have paid \$2.50 a hundred for it, jumps up to \$5.00 do I go back without it? No, sir, I take it. Why? We have got to have it. So, when we get out of clothing, we have got to have it, if we have the money to buy. It is useless to say that you can stop your mills, because the cotton is a little too high. I say this, that if the farmer fixes the price --- and he is the man to fix it, and say that no man shall have the cotton unless he pays us our price, now you mill men can say to the world "You can have our goods and we will pay the farmer that price, and we can manufacture those goods, and sell them to you at a price which will yield us a profit." And you will just take such of our cotton as you can use, and the world is clamoring for goods, and they will take them at that price. You need have no doubt; we need have no trouble on that line. It is just time thrown away to discuss this. What we want is this; I think the spinners this morning have given us evidence enough that they will take our

cotton and let us go on with a plan that we have got laid down and raise our cotton and hold it and fix the price on it, and have it where they can get what they want, the quality and quantity they want, and let them take it from us -- give us the preference rather than the other fellow between us. That is all we ask you to do. We do not insist on a price now, I do not believe it is advisable at all, because we are not far enough along on that line. We do not know how much we are going to raise. But we are going to raise just enough so that you are going to pay us our price for it, and you can put that down sure. And if your business does not justify your paying that I will tell you what we in the South can do. We can place a quarantine around Texas, and she can live independent of the world. I will tell you what our farmers can do. I can pick five hundred farmers in my community and the adjoining counties, or a thousand farmers, who will take stock in the mills, furnish the cotton for the first year; we can get men who have capital and experience to join us and we can manufacture all the cotton that Texas can wear and supply a good portion of the world. We don't want to do it. We are farmers; you men have got your money invested in your mills to manufacture our product. We want you to do it; we want to buy it back from you. But if necessity requires it, and demands it, we can do it. When we get into these troubles, we care not so much about the cost, but to win, and if it is necessary we can weave our cotton and wear it and stay at home. You say you can not buy our cotton if we fix the price. I know you can do it, because you can not get it any other way. We do not want to fix the price. But we want to complete this organization; we want to make it permanent so that we can get acquainted with each other, and when we do, we will become so closely related, that we will feel like

brothers. That is what we will do -- we raise the product and you manufacture the goods, and we will all wear them out. Now let us keep everybody else out of the way. (Applause)

The International Federation.

SAMUEL S. DALE, Boston, Mass. It is a cause of much gratification on my part, although neither a cotton grower or a cotton manufacturer, I have been in some degree instrumental in bringing about this Conference of Growers and Manufacturers. It was my privilege to meet the cotton manufacturers of Europe at the Manchester Cotton Congress last year, and face to face with them learn of their desire to establish closer working relations between themselves and the cotton growers and manufacturers of America.

Never before had I realized how closely the human race is bound together by modern industry. There were at Manchester representatives from nearly every country of Europe, British, French and German, Spanish, Austrian and Italian, Dutch, Belgium, Swiss and Hungariam, all competitors, but all bound together by common interests and common wants, each seeking a solution of the same problems for the benefit of all.

Although representing four-fifths of the cotton mills of the world, the Manchester Congress was most remarkable as a cotton congress for what it lacked, the presence of co-operation of the American cotton grower. It was truly representative of the European cotton industry and it was incomplete because the cotton industry of Europe is essentially incomplete. When in the beginning the equator was inclined at an angle of $23\frac{1}{2}^{\circ}$ to the plane of the ecliptic our Southern States were made the chief source of cotton for mankind forever, For that reason the cooperation with the cotton grower that the European spinners seek is simply co-operation

with the cotton growers of the United States, who are so well represented there today.

No one realizes this better than the cotton manufacturers of Europe, who have built up a vast industry that is dependent on distant countries for its supply of raw material.

Co-operation between grower and spinner is as essential to good results as is co-operation between spinner and weaver, weaver and finisher, finisher and dyer. This is true both in an industrial and a commercial sense; not only in installing the machinery and doing the work, but in buying and selling as well. Cotton growing, spinning, weaving, knitting, bleaching, dyeing, finishing, and garment making are but successive stages in one common industry. The finished product of each process is the raw material for the next one. Middling uplands is a finished product; print cloth, a raw material. At each of these stages, say between grower and spinner, spinner and weaver or weaver and finisher, peculiar conditions of supply and demand arise, and disappear when two successive processes are united. These subdivisions of the industry may be economical, they may be permanent, they are none the less arbitrary divisions of one common industry for which there is but one producer, the man, woman or child that grows the cotton, and only one consumer, the man, woman or child that wears the cotton shirt.

Raw cotton may be cheap, yarn dear and cloth still dearer, but the average of these prices is the natural and fair price, for cotton established by the balance of supply from the primary producer of cotton and the demand from the ultimate consumer of cotton cloth.

Now natural conditions have concentrated the producers of cotton in our Southern States while the entire population of the earth are the consumers of cotton goods. This unequal distribu-

tion of cotton production, combined with the tariff policy of the United States has resulted in the anomaly of our cotton growers being compelled to sell their cotton on an absolutely free trade level in a country of high protection. It is impossible to protect the American cotton grower by a tariff tax. A tax no matter how high, absolute prohibition of imports, would affect the price of middling uplands in no appreciable degree. This peculiar situation of the cotton planter is well illustrated by the contrast between cotton and wool. The American wool grower is unable to supply the domestic demand for wool. A duty is placed on wool to stimulate wool production and the result is that the wool grower sells his wool at home for 30 to 40 per cent. more than he can get for it abroad. The cotton grower is able to supply not only the United States but practically the whole world with cotton and the result is that he must sell his cotton at home, under a protective tariff policy, for the same price that he can get for it abroad.

The Southern planter has thus been forced to sell his cotton at the low price of free trade and buy what he needed at the high price of high protection. Coupled with this injustice has been a combination of conditions that make the history of the South one of the greatest tragedies of human history. Think of what the cotton planter has suffered. Ravaged by war and carpet bag governments, he has worked early and late, contended with frost, drought, blight, boll weevils and other pests, all the time facing year in and year out the most serious race issue that ever confronted the white man, only to find at the end of each season that he stood about nine hundred and ninety-nine chances out of a thousand of getting no more than 6 to 8 cents a pound for his cotton and being

left in debt.

And in spite of all this we still hear the cry for cheap cotton, that all above 3 cents a pound is robbery and extortion. Why Mr. President, if I should approve of that demand for cheap American cotton, I would be ashamed to look a boll weevil in the face.

Whence comes this cry for cheap cotton? From Europe. Is it because the European consumer finds the American price oppressive? No. Eighty-five per cent. of Lancashire cotton products is exported, her best market being among the crowded millions of India, the poorest people on earth. A loin cloth is the wardrobe of many of them, and even this worn only because the law compels it. It is to supply this miserable population with cotton clothing that Europe seeks cheap cotton in America. I am finding no fault with that demand from a European standpoint. It is business. What I want to make clear is that from an American standpoint to concede it would be an outrage. It is to drag the Southern cotton planter to the Indian level.

But it is said to be in the interests of the American cotton manufacturer to have cheap cotton. I deny it. It is for the interests of every cotton manufacturer as it is for the interests of every manufacturer first of all to have consumers at high purchasing power, that he may find a ready market, not only for the raw material that he buys and merely passes along, but for the labor, the ingenuity and the artistic skill he expends on that material.

The poor and ignorant buy only to supply the barest necessities, food, clothing and shelter. They buy as little as possible of the cheapest goods on which the least possible amount of labor and skill has been expended in manufacturing. That is all. The

rich and the intelligent buy a larger quantity, a more varied assortment, finer and higher priced goods, on which the manufacturer has expended skill and labor that make the raw material a minor item in the cost. The rich buy freely, not only to supply the necessities, food, clothing and shelter, but to supply the many wants created by the possession of wealth. Manufacturers not only of textiles but of all kinds of goods find their best markets and their largest profits among the prosperous and the cultured. Now an American price for cotton means wealth and culture among the millions of people who are to inhabit the South. It means for them an expansion of opportunities, of necessities and of wants of all kinds, a demand and an ability to pay for more of what makes life worth living. It means an end to the injustice and suffering of the past. It means more business and larger profits for the manufacturer. The higher price for American cotton that has prevailed during the past few years, is a cause for profound thanksgiving by every right thinking American manufacturer, not only on moral grounds, because it rights a great wrong by giving the cotton planter his share of our prosperity under protection, but on business grounds because it pays.

The cost of cotton has nothing to do directly with the selling price. It is the right of the Southern planter to get as much for his cotton as the balance of supply and demand will warrant. It is for the interests of all Americans to maintain that right. A recognition of these facts is the foundation on which co-operation and a good understanding between growers and spinners can be established throughout the world.

One more suggestion for promoting that co-operation and I am done. Never did man receive a more sincere and enthusiastic greeting than that with which I was welcomed to the Manchester Cot-

ton Congress. It was a welcome in no sense personal for I was a stranger to all. It was the welcome of European cotton manufacturers to you, the cotton growers and cotton manufacturers of the United States. It expressed their desire to meet you face to face, to talk with you, to discuss the questions in which you and they are interested, to get on good terms with you in order that you and they might understand and help one another. Now my suggestion is that you meet our European friends half in their desire for a better understanding with you. This conference and the coming congress at Bremen give you the opportunity. I urge you to send a representative of the cotton growers and of the cotton manufacturers to the Bremen congress to continue the great work of industrial co-operation which is the object of this conference to promote.

MR. H. W. MACALISTER: As a corollary to the remarks of the last speaker, I have the pleasure of telling you now that as the official representative of the International Federation of Spinners and Manufacturers' Associations, I have already extended an invitation to the spinners and manufacturers of New England and since I came here yesterday, I have done the same, through your worthy President, to your Southern manufacturers, to send delegates to the great congress which is to take place at Bremen on the 25th, 26th, and 27th of June next. I think it is right that I should at this juncture intimate to this meeting that this has been my pleasing privilege and duty.

MR. C. C. MOORE, of North Carolina: Following out the remarks of Mr. Clark, and the apparent smile that his remarks brought out, I want to call the attention of this body to the fact that we have lots of land in the South where you can grow cotton if you want to, and we are manufacturing cotton in the South. Not only that, we are building cotton machinery in the South. I do not like

to see anything that has the appearance of a smile, when we talk about what we are doing in the South. I am a farmer, as you know, sir, and I come before you today to tell you that in the South there is something else beside raising cotton and manufacturing cotton, and that is the women of the South. And when the women of the South see an old hayseed go off and sell a bale of cotton at fifteen cents a pound, which amounts to \$75.00 and go to the store and buy a bale back in the shape of this kind of goods (holding up a piece of lawn) and pay \$540.00, the women of the South say "Old hayseed, what is the matter with you?" (Laughter) Now we don't know where the difference in this is, and we don't care, but we do know that for forty years we have not been able to dress our girls in this kind of goods. "Alamance" has been the stuff that we have been more familiar with as dress goods. But we are getting there. And another thing, the women of the South say that for forty years past they have had to comb their hair with something like that (holding up an old comb with half the teeth broken out) and they don't propose to do it any more. That is a familiar object in almost any farmhouse that you go into in the South. If there are any Southern ladies here they know it is so. You remember the time when we sold cotton at six cents per pound. Our whole Southern country was in distress. Our girls were out of school. Our wives were picking cotton, our banks were borrowing money from the East, our merchants were breaking everywhere. We are not going to sell any more cotton at six cents, and we will prove it to you right now. I had the opportunity a few evenings ago at a hotel to sit between a European buyer here and a North Carolina manufacturer who is a buyer here. Those two men were in the country that produces perhaps more cotton than any other country

in our State -- North Carolina. This man over here said that he could not get cotton to ship to Europe. The other man that I knew although he did not know me was two hundred miles away from his cotton mill. He said that in his country there were perhaps ten or twelve thousand bales of cotton, but he could not buy it and he could not buy it where he was then. The only thing that brought me to the floor here was to deliver this message to you from Mrs. Moore. She says the old man shall not sell that cotton any more at any such ridiculous prices, and she is going to stick to it; and not only that, but she says that the old man shall not sell the crop again and take that money and buy blackboards or chalk with it. The old man, she says, shall not do that any more.

We are going to build our mills, and we have got the girls down there that can run the looms, and they are not ashamed to do it, and if you gentlemen can not handle our crop, why, just as sure as you are born, we will harness our water power, we will put in our electricity, we will build our cotton machinery at home, and we are going to spin and weave the stuff at home, and you will come down and help us to do it.

MR. F. W. DAVIS, of Texas: I fear that in a meeting like this of a business nature, we too often let emotion get too great a hold on us. We get to thinking too much of the love of home and so on, while every time that a reference is made or ever will be made, I suppose, to the chivalry of the South, it always awakens a response in me, yet at the same time, this is a purely business meeting, and from a personal standpoint I wanted to tell these spinners of my appreciation of their applause every time a note was sounded that had a business ring to it.

MR. H. W. MACALISTER: Hear! Hear!

MR. HARVIE JORDAN: Mr. Chairman, I arise to make a statement. There is a gentleman here who desires to photograph this Conference and he asked me to make the request that when the hour of adjournment comes the Conference will remain a moment or two until he can prepare his camera and take the photograph, if the camera will stand it.

THE PHOTOGRAPHER: We wish to take a picture on the front steps. We could not get a very good one inside.

MR. JAMES R. MacCOLL: I move that we adjourn, Mr. President, as the time has practically arrived.

VICE-PRESIDENT MILLER: One moment, before we adjourn. The hour of adjournment is at hand. Under the resolution offered by Mr. J. A. Brown, of North Carolina, this morning for the appointment of a Committee on permanent organization, the chair will make the following appointments:

From the Southern Cotton Association,
J. A. Brown, of North Carolina.

New England Cotton Manufacturers' Association,
J. R. Montgomery, of Connecticut.

American Cotton Manufacturers' Association,
Frederick A. Flather, of Massachusetts.

International Federation of Master Cotton Spinners and
Manufacturers' Association,
W. J. Orr, of England.

Farmers' Educational and Cooperative Union,
Campbell Russell, of Indian Ter.

National Ginners' Association,
Walter Clark, of Mississippi.

This committee, I understand, are to formulate a resolution and report later, before the adjournment of the conference this afternoon.

I also beg to announce that the Bureau of Manufacturers

of the Department of Commerce and Labor have kindly loaned to this conference samples of cloth which is very largely used in China. These samples will be left at the desk and any one interested can examine them. They will be found very interesting from the cotton manufacturer's standpoint.

A committee was appointed yesterday afternoon on the subject of baling. I do not recall who the chairman of that committee is, but if that Committee has a chairman and is ready to report, we can receive the report now or receive it at the afternoon session.

MR. JAMES R. MACCOLL: I move that it be the first business at the afternoon session, Mr. Chairman.

(The motion was seconded and carried.)

VICE-PRESIDENT MILLER: If there is no further business, this conference is adjourned until 2.30 this afternoon, when it will be presided over by Mr. H. W. Macalister of England.

FOURTH SESSION.

Wednesday Afternoon, May 2, 1906.

The Conference met pursuant to adjournment, and was called to order by the Third Vice-President, Mr. H. W. Macalister, of Manchester, England.

VICE-PRESIDENT MACALISTER: Gentlemen, the first topic this afternoon is "Census Bureau Reports," which comes under the general head of "Statistics and Speculation." I wish in your discussions you would be good enough to adhere to the special subject, "Census Bureau Reports."

MR. WALTER CLARK, of Mississippi: Mr. President, I think there is a special order for this session.

VICE-PRESIDENT MACALISTER: We will take that up, Mr. Clark, under another heading.

MR. B. F. EARLE, of South Carolina: I will call attention to the fact that the report of the Committee on Baling was to be in order at this time.

VICE-PRESIDENT MACALISTER: I explained, gentlemen, that I thought it would be better to take up that report in connection with a subject which comes a little later on the programme. We shall be glad to hear the first speaker on the subject of "Census Bureau Reports."

MR. WILLIAM D. HARTSHORNE: Mr. Chairman, I do not wish to appear to interfere with any ruling of the Chair, but I think it was voted just before the meeting adjourned this morning to hear first the Committee on Baling.

VICE-PRESIDENT MACALISTER: That subject has been brought up already and I think as a matter of business it would be better to bring the baling question up under the topic which comes on a little later regarding the weight of bales. (A pause). Well, gentlemen, there seems to be a little diffidence about opening this debate, and as that is so, perhaps Mr. Fish will deal with this question of baling.

MR. CHARLES H. FISH: Gentlemen, I have here the Report of the Committee on Baling, Ginning and Handling of American Cotton.

STANDARDIZING OF AMERICAN COTTON BALES.

Report of Committee on Baling, Ginning and
Handling American Cotton.

We, your Committee, recommended as follows:

1. That all bales be made of standard dimensions.
2. That light weight new burlap be used for bagging, or if conditions justify, that cotton canvas be used.
3. That ten ties be used on all bales, with the Egyptian style of buckle preferred.
4. That all cotton should be bought and sold net weights.
5. That a Committee be appointed whose duty it shall be to have cotton baled as above, and to submit same for practical test to consumers. That this Committee shall have power to investigate and report on the various new methods of ginning and baling generally. This Committee to report at a future session of this Conference.

C. H. Fish
Daniel A. Tompkins
S. A. Witherspoon
J. A. Taylor
H. W. Macalister
H. P. Hudson
S. A. Knight.

MR. WILLIAM D. HARTSHORN: Mr. Chairman, I move this report be accepted and placed on file.

(The motion was seconded by Mr. Earle.)

VICE-PRESIDENT MACALISTER: Is there any debate, gentlemen, on this subject before the question is put?

MR. HARRY PEYTON, of Mississippi: Gentlemen, I would like to ask one question about the proposition to put ten bands on the bale. Shall the ten bands be placed on the bale at the gin or at the compress?

MR. CHARLES H. FISH: Beg pardon?

MR. HARRY PEYTON: I would like to know if this recommendation, if carried out, would call for the placing of the ten bands on at the gin or at the compress.

MR. CHARLES H. FISH: In working up these recommendations,

we did not draw any line between the gin and the compress, the idea being to deliver bales of this sort to the cotton mills. We find that this question of the compress, although not very much has been said at this Convention, evidently cuts a very considerable figure in the situation, and my impression is that the Committee intend this to apply to the ginners of cotton, and that is the idea, that the compress must follow these or else perhaps take the consequences.

MR. W. H. SEYMOUR, of Alabama: I would like to ask Mr. Fish if he knows the difference in cost between the wrapping suggested and the old style of wrapping or that now in use.

MR. CHARLES H. FISH: It was figured by the Committee as carefully as possible and the difference in weight was found to be about five pounds in favor of the wrapping as recommended. The difference in cost is in favor of the wrapping as recommended. Of course the purpose of the appointment of a committee to have bales put up in this way and submitted to consumers is partially to verify that point and partially to find out just how light you can go, both in wrapping and in bands, and get a bale which will be commercially correct, which will reach the mills of New England and the mills of old England in first class condition and at the same time be a benefit to planters.

MR. W. H. SEYMOUR: I understand that the wrapping suggested is cheaper than that now in use?

MR. CHARLES H. FISH: Yes, sir, cheaper and more efficient, we think. The baling material itself is lighter and finer, and by using more hooks we eliminate the great chance which there now is of stealing from the bale, it being more compact. I might say

in this connection that this might be considered the first step toward the elimination of the second baling of cotton on the intermediate handling, the idea being to have the legitimate ginners put the bale in a standard condition so that all the mills will receive bales in approved fashion, whatever the Committee may decide later.

MR. W. F. VANDIVER: May I ask you one question? I understand you scale the bale so many pounds now for wrapping on arriving at the compress at which you buy the cotton. Has the Committee considered what new rule you would adopt in case the lighter quality is used?

MR. CHARLES H. FISH: That question involves so many side issues and is so far-reaching in its extent that the Committee, with the time it had, could not go beyond a certain point in the question of bales. It was for that reason that the additional committee to make investigations along these lines was recommended.

MR. W. F. VANDIVER: What is the tare that you make now on the bale?

MR. CHARLES H. FISH: The figures which we took as a standard were eleven pounds of bands and five pounds of canvas or covering.

MR. W. F. VANDIVER: That is the old bale ---the present bale?

MR. CHARLES H. FISH: Yes, sir.

MR. W. F. VANDIVER: Sixteen pounds and -----

A DELEGATE: That is the new bale.

MR. CHARLES H. FISH: No, that is the new bale.

MR. W. F. VANDIVER: What is the old bale?

MR. CHARLES H. FISH: Thirty-two pounds.

MR. W. F. VANDIVER: Then in arriving at a price which you would offer for the cotton, you would allow for the difference in tare, I suppose, if that had been adopted? I assume that you now make up your offering price for the cotton based on 32 pounds tare?

MR. CHARLES H. FISH: Yes.

MR. W. F. VANDIVER: Now, then, you are suggesting a change, that we adopt a lighter wrapping and less ties, making 16 pounds against 32.

MR. CHARLES H. FISH: Yes. That would be taken into consideration.

MR. W. F. VANDIVER: That will be taken into consideration?

MR. CHARLES H. FISH: Certainly. This is not done with any idea of injuring anybody.

MR. W. F. VANDIVER: Oh, no, I didn't think----

MR. CHARLES H. FISH: It is with the idea of improving the cotton bale, and the benefits will be far-reaching.

MR. W. F. VANDIVER: I accept all that, but when I go home my people will ask me, "Why, Mr. Vandiver, did you vote for a lighter bale?" "Well," I will say, "the manufacturers want it." Well, my neighbors are smart enough to go a little farther into detail and ask me, "What deductions are going to be made for the tare?" Our argument, as long as we know you are going to scale us 32 pounds, is of course to get in all of 32 pounds if we possibly can in the bagging. In other words, the heavier the bagging, the better it pays the farmer.

MR. CHARLES H. FISH: I think another good point you might bring up with your people at home would be that such men as Mr. Taylor, Dr. Hudson, Mr. Tompkins and Mr. Witherspoon were on the committee which made this report. Moreover, the fourth article really takes care of the matter by providing "That all cotton should be bought and sold net weights."

MR. W. F. VANDIVER: The question I am driving at is to learn how to intelligently answer them at home. I am not asking who did it; we all adopt it and we propose to assume our responsibility, but we want to advise them intelligently why we did it and as to the understanding we had with you as to your making your tare less.

MR. J. A. TAYLOR: Mr. Chairman, may I say a word just there? The idea is that the cotton is to be bought net, wherever it is bought from the farmer, and if he puts on 32 pounds the buyer will take off 32 pounds.

MR. B. L. GRIFFIN: That is like butter - so many pounds for the butter, so many off for the box.

MR. J. A. TAYLOR: That was our object.

MR. W. F. VANDIVER: I understand that, too, but they are in the habit of taking off so much tare at present for the bagging and ties. Now I say when we adopt the lighter bagging and ties, we have reduced the 32 pounds to 16 pounds. The bagging of necessity must be weighed with the cotton; you cannot skin it and weigh it and put the bagging back. Therefore we want to know whether or not you are going to reduce your demand to scale it 32 pounds. That would be scaling the cotton to the extent that it did not have the bagging or ties on it---or are you going to give us a new scale

in arriving at the price you are going to offer for the cotton. We do not propose to have you use the 32 pounds when we have adopted the 16.

MR. J. A. TAYLOR: I do not think the gentleman exactly understands our report. The fourth item in it says: "All cotton shall be bought net weight", and it does away with all tare. There is no tare from that time on if that is adopted. Of course this is the goal which we expect to arrive at a few years to come; we do not expect this to come about in one year. I see the point of your-----

MR. W. F. VANDIVER: Mr. Taylor, as a business proposition, whatever you put on or around or into that bale of cotton which cannot be made available for some fabric, you have put something there that the buyer cannot use. He will arrive sooner or later at the conclusion what that tare is worth to him when he makes his offer. He is not going to make it on the basis of the tare that is on there, if he is a good business man, and they are all that, you know. We have got to take that into consideration. He might just as well say he would not take rent or anything else into consideration before arriving at a net profit. You cannot do it until you have disposed of that, whatever may be the law, if the weight of a bale of cotton includes ties and bagging, and how are you going to arrive at it any other way? There is a surplus there; I want to know how much is going to be deducted for it.

MR. J. A. TAYLOR: I will illustrate it so I think you will understand it.

MR. W. F. VANDIVER: I hope so.

MR. J. A. TAYLOR: Suppose three men come into town with cotton. One has a bagging on his bale which weighs 22 pounds, another 30, another 16. They sell the cotton to the same man.

When the cotton is weighed 16 pounds is deducted from one bale, 30 from another and 22 from another. The spinner buys say 100 bales at 500 net pounds each, or say that he bought 5,000 pounds of cotton or 50,000 or 100,000 pounds. He does not buy bagging and ties because he cannot spin them. The idea is to say to the planter, the more expensive bagging he uses it really comes out of him.

MR. W. F. VANDIVER: Let me ask you this question, please: You say you deduct from one man's bale 16 pounds, another man's 18, 22 and so on. How do you arrive at the deduction?

MR. J. A. TAYLOR: That is very easy.

MR. W. F. VANDIVER: Well, how?

MR. J. A. TAYLOR: Well, for instance, you know what 2-lb. bagging weighs.

MR. W. F. VANDIVER: Yes, sir.

MR. J. A. TAYLOR: You know what burlap weighs.

MR. W. F. VANDIVER: No. You know what two-pound bagging weighs and you know what 1-3/4 pound bagging weighs, but you cannot put it on a bale of cotton and stand off and look at it and say which is which.

MR. J. A. TAYLOR: There will be certain rules made for that. The idea is, in order to get a lighter weight bagging used, you have got to sell the cotton net weight. So long as you have the practice of buying-----

MR. W. F. VANDIVER: I want to know how you are going to get at that net weight, though, Mr. Taylor.

MR. J. A. TAYLOR: For instance, in your town your buyer would have a rule of deducting fifteen pounds for that kind of wrapping and 16 pounds for another kind.

MR. W. F. VANDIVER: Suppose a man brings some 5/8ths bagging, does the buyer know anything about it? On 1,000 bales of cot-

ton that would amount to something.

MR. J. A. TAYLOR: I do not think he will if he knows exactly the way we discussed it in the Committee. The idea is, we want the cotton bought on its actual weight. We can only estimate; we can have a set of rules for estimating these weights. In Europe they have a rule of deducting thirty pounds; in this country, twenty-four pounds. Those are merely estimates.

MR. W. F. VANDIVER: I understand.

MR. J. A. TAYLOR: The grower does not----

MR. W. F. VANDIVER: That is the man I am looking after. I want some intelligent rule for the use of the grower in arriving at the tare.

MR. J. A. TAYLOR: We have an understanding in our market about the weight of the bagging, consequently it is governed by local conditions. If a buyer buys it at 16 pounds and it weighs 17 or 18 pounds and he ships it to a mill, he will have to lose the difference. But a standard weight bagging will not vary very much.

MR. W. F. VANDIVER: You have got to get it fixed before it leaves the original market and not let it go to the mills to be adjusted. I would not want to reflect on the disposition of the mill men to treat us fairly--I believe they would do that. But when you come to a question of this sort, Mr. Chairman, it seems to me that the old rule was all right of deducting so much and letting us understand just what that is, then we could govern ourselves accordingly. If you adopt a half-pound bagging for your rule, then say that you will make so much tare, and if five ties, so much, or six ties, so much, but do not leave it to any guesswork as to what is on the package.

VICE-PRESIDENT MACALISTER: Perhaps it will help to elucidate that difficulty if I explain that we spinners in England buy

every bale of Egyptian cotton on the basis of actual tare. We find if we weigh the tare on five bales that it is sufficient to settle the question of what the tare is. And the same with the bands, they weigh ten bands and this weight is accepted as the average for the whole purchase. If you deal with this same cotton at your compress, supposing it has ten ties on it as recommended by the Committee, they will weigh so many pounds; ten covers will weigh so many pounds. Every man knows exactly how many yards he has put on a bale, and it is simple arithmetic when you know the number of ounces to the yard. For instance, if it is 8-ounce bagging and there are ten yards, it will weigh five pounds to every bale. When these bales reach England, we should weigh the tare on five of them and figure from that what it would be for five hundred.

In order to reduce this discussion to something like method, I would ask you to take up the terms of the recommendations in the report in their order. The first is the recommendation "That all bales be made of standard dimensions." Will you be kind enough to speak to that point, gentlemen?

MR. FREDERICK A. FLATNER: I would like to move, if it is in order, that remarks be limited to five minutes, as the time is getting short.

MR. J. A. BROWN: I would like, Mr. President, to ask the Committee on Permanent Organization to meet immediately in the room just across the hall.

THE PRESIDENT: Is the motion that speeches be limited to five minutes seconded?

The motion was seconded by Mr. Fish and carried.

VICE-PRESIDENT MACALISTER: The Committee on Permanent Organization will meet in the side room, and in the meantime we will discuss the size of the standard bale. The proposition before the Conference is "That all bales be made of standard dimensions."

MR. J. P. ALLISON, of North Carolina: Does that refer to the entire cotton crop or the export cotton?

VICE-PRESIDENT MACALISTER: To ginners.

MR. J. P. ALLISON: To ginners all over the South. That would not be satisfactory to our section of the country. I live in the Piedmont section, where we manufacture more cotton than we raise, and we are indifferent about the size of the bale of cotton or the amount of bagging. Mill-men object to any more bagging than is used already. I should suppose that that proposition had reference merely to export cotton.

MR. C. B. BRYANT: There will be a reduction in the amount of bagging.

MR. J. P. ALLISON: It is a reduction on what is shipped, but not a reduction on the cotton that comes to my market. You are very much mistaken about that. You and I live in the same section of the country, and I have no doubt you have received many a bale of cotton in Charlotte----

MR. C. B. BRYANT:

VICE-PRESIDENT MACALISTER: What is the weight of the canvas and bands on a bale of cotton in your section?

MR. J. P. ALLISON: Our gins use five or six bands and they use the old bagging that comes from the mills.

VICE-PRESIDENT MACALISTER: What is the weight of it?

MR. J. P. ALLISON: The weight of the bagging?

VICE-PRESIDENT MACALISTER: The weight of the bagging.

MR. J. P. ALLISON: Anywhere from half a pound to two pounds.

VICE-PRESIDENT MACALISTER: Per yard?

MR. J. P. ALLISON: Per yard, yes, sir.

VICE-PRESIDENT MACALISTER: How much a bale?

MR. J. P. ALLISON: Some of the bales have not more than three or four yards, not enough to cover half the bale.

MR. C. B. BRYANT: The average tare on uncompressed cotton to which he refers is about 20 pounds.

VICE-PRESIDENT MACALISTER: The proposition from this Committee is that the bagging and the bands all together shall not weigh more than sixteen pounds. The cotton that comes from your section of the country, I understand, carries about 24 pounds.

MR. J. P. ALLISON: Nothing goes from my section of the country to market beyond my own market; it is all consumed right there.

VICE-PRESIDENT MACALISTER: But that does not affect the question.

A DELEGATE: That is not the question at all.

MR. J. P. ALLISON: As I say, when we are recommending we are recommending for the entire South, and I would like to be included in it. I would like to have that made a little elastic, so that the tare should not be more than a specified amount, and then you recommend it for export cotton, and that would make it better.

MR. CHARLES H. FISH: Mr. Chairman, I do not think it was the intention of the Committee to prevent ginners putting cotton into baskets or into bags or into anything they pleased when they were delivering in their immediate section. My idea is to get at a standard bale, perfectly formed, of a standard dimension, as far as possible, with a definite amount of tare, and that bale be accepted as the standard cotton bale of the world. It does not prevent your putting up cotton for your immediate district in any

other way if your spinners in that district will receive it. This is to standardize the American cotton bale.

MR. C. C. MOORE: Mr. Allison is from my State and, as he states, has a market for the cotton that is produced in his section. I wish it was so all over North Carolina, and that we did not have to send any to you across the water. But we do have to send some from North Carolina, and a short while ago I was in the compress of perhaps the largest individual exporter on our coast, and there I saw a gentleman who put up cotton in some of the most disgraceful packages I ever saw in my life. I believe if we want to send anything to Europe, we ought to send it over with its good clothes on. Down at Wilmington I saw a ship being loaded with 11,000 bales, and in that load I saw 2,000 bales of 24 x 54 well wrapped and a lot that any country could be proud to export or to sell anywhere. In the same warehouse I saw several thousand bales of tramp cotton that didn't have any clothes on at all. I want to go on record before this Convention that we ought to put up our cotton in decent packages. I believe we ought to get a better price for it and we ought to have a premium on that better bagging. This exporter sends me the following letter which he asks me to read to you at this time, in which he recommends 24 x 54 as the most feasible size for export bagging. I offer it for you to discuss if you think proper:

James Sprunt,
British Vice Consul. ALEXANDER SPRUNT & SON,
W. H. Sprunt. Cotton Exporters,
Wilmington, N. C.

Established 1866.
Proprietors of the
Champion Compresses
and Warehouses.

April 27, 1906.

C. C. Moore, Esq.,
Southern Cotton Association,
Charlotte, N. C.

Dear Sir:-

With reference to our recent personal conversation on the important subject of proposed reforms in the methods of preparing cotton bales for market, you will remember our Exhibit "A",

at the Champion Compress Warehouses, where you viewed about three thousand bales of cotton recently received by us from many interior points, the condition of which compared with our regular 24 x 54 inch bales, covered with new bagging, - 6 to 7 yards to the bale and of 500 lbs. average weight, is likened to the personality of a ragged and dirty tramp with that of a respectable and self-respecting cotton planter.

Fully one-third of our annual receipt of cotton is now covered with material a little better than rags, because this use of second-hand bagging was found to be cheaper than the neatly woven new covering. We respectfully submit the sentiment that it ill becomes a Southern planter to clothe in rags this royal gift of God, "King Cotton", and it may be said that thousands of meaner commodities receive better treatment at the hands of their producers.

The immediate benefit to the planter in the use of an inferior material is a difference in price of perhaps thirty cents per bale below cost of the new bagging: the immediate result is a loss in weight on such bales from tear, exposure and theft to the first buyer at the port of more than the amount which is apparently gained by the planter. The final result after loading and unloading on ships, and the forwarding by rail to the foreign destination, is a loss of three to four times thirty cents to the ultimate consumer.

Does this person, therefore, submit to this condition without compensation? Apparently not. He simply adds this loss in weight to the incidental expenses of his raw material and the planter in the end pays a loss of three times the amount he has gained in using inferior bagging.

We have not touched upon the nefarious practice of dishonest people who willfully add several layers of bagging upon bales

for the purpose of deception and fraud, because we have found a large majority of Cotton Planters to be honorable in their dealings and such exceptions should be dealt with according to law, and because they are not entitled to the name which they have disgraced. In some instances we have found as much as eight layers or thicknesses of bagging on a bale of cotton; such tricks should be classed with those of adding worthless iron castings, a heavy stone, or a bushel of sand in the center of a bale of cotton, for one is about as dishonest as the other and the person who does it is just as much a thief as if he had stolen from the buyer's pocket book his ultimate gain.

You will also recall our Exhibit "B", of thousands of pounds of damaged cotton, the staple of which had perished by exposure, picked from lots of cotton which had been left exposed to the elements until the cotton was no longer merchantable. In some instances the selling of this cotton gets a full price and escapes reclamation: In nine cases out of ten, however, this cotton is examined before it is received and the seller is compelled to pay the cost of picking the cotton and to submit to a loss of the damaged pickings, the value of which is next to nothing. It is to be hoped that this unfortunate practice will be stopped altogether, not only because of the loss to the planter in the manner described, but also because some of these bales escape detection here and are subjected to reclamation abroad, in consequence of which we have to insure against country damage, an additional expense to us which might just as well be saved in the beginning by reasonable attention at the original point of production.

Yours very truly,

ALEXANDER SPRUNT AND SON.

MR. BENJAMIN RICHARDS, of Boston: Mr. Chairman, I think there ought to be inserted in the first sentence, besides "Uniform

size", also "Uniform shape." I think the Committee meant to--- it was simply an oversight. I would like to impress on the Committee the importance of having the width equal to the depth in order to avoid this bulging which has been spoken of and this tearing by the ties which Mr. Macalister has pointed out. That is the great objection to the baling now--- this difference in its width and depth. I do not care what the length is, but we would like the depth and thickness the same in order that it may keep its form.

One other point I would like to call the attention of the Committee to is, they evidently have thought the Egyptian ties were perfection. They are very good, but as an underwriter I would like to suggest that these little buttons which Mr. Macalister has shown are very fond of getting in the pickers and so starting fires. I do not think it is beyond the capacity of the American cotton baler to invent some kind of turn-buckle which will be fixed to the band and will not in the opening room get into the pickers. That is just a suggestion for the Committee.

VICE-PRESIDENT MACALISTER: Any other remarks, gentlemen, on the question of the shape of the bale? If not, I have no doubt the Committee will deal with the suggestions that have been mentioned, and we will pass on to the next recommendation:

" That light-weight new burlap be used for bagging, or if conditions justify, that cotton canvas be used."

That has already been particularly dealt with. If there are any more remarks to be made, I will be glad to hear them.

MR. W. S. MILLER: Mr. Chairman, I asked a question and I do not think I got an answer--- whether, if wrapped in cotton

canvas, if it was to get wet, it would injure the cotton in shipping? Would it protect it as well as the old bagging? I have been told that if a bale covered with cotton canvas gets wet it will not dry out, and we do not want to have any trouble on that line. I would like to know if you have any experience in that matter. The bales sometimes will be exposed to rain, and it is important to know whether with this cover it would absorb moisture. Can you answer it?

VICE-PRESIDENT MACALISTER: If you wish me to answer myself, I can only tell you that my experience is that jute has a greater affinity for water than cotton; that is to say, jute will absorb moisture more rapidly than cotton. I do not see that there is any disadvantage.

MR. W. S. MILLER: If it gets wet will it dry out?

VICE-PRESIDENT MACALISTER: It will dry out as well as from any other material. I do not think the user of cotton cares what you put it in so long as you bale it in the most economical manner, so that it is cheapest for yourself and for him. Is there any other gentleman who wishes to speak to that point? If not, we will pass on to the third proposition:

"That ten ties be used on all bales,
with the Egyptian style of buckle preferred."

It may make it clearer to you if I explain--- as some of the members of the Committee are away---why ten ties are recommended as against your present six. We find that Egyptian cotton, which has eleven bands to the bale, arrives in practically perfect condition. That is to say, when it arrives at our mills in England we never have to make a claim upon anybody in regard to it. With reference to weight if the average is 750 pounds, per bale - the variation in weight per bale will run between 745 and 755 lbs. per bale, your aim should be to arrive as nearly as you can to a

standard of weight per bale. I have several photographs here of an Egyptian bale which will show you what it is like and in what condition it arrives at our mills. The reason we recommend ten ties instead of six is that with the thin canvas we think the cotton will arrive in England or Germany or wherever it is consigned to in better condition than it does at present with 18 pounds of bagging and 12 or 13 pounds of bands. Under the recommendations of the Committee, there will be 11 pounds of bands and 5 pounds of canvas, or 16 pounds as against 30. If there are no other suggestions, the Committee will no doubt carry out their recommendations.

MR. BENJAMIN RICHARDS: I would like to inquire if the Committee purposely omitted reference to density in the bale, or was that an oversight?

VICE-PRESIDENT MACALISTER: They did not overlook it; it all comes within their province. If you can reduce that bale to a better condition than at present by making it of better shape and uniform weight, that is what we all want to arrive at.

The next proposition is:

"That all cotton should be bought and sold net weights."

This has already been dealt with partially and I have explained for the benefit of one of the speakers (Mr. Vandiver) that when we buy cotton in Liverpool we always buy it net weights; that is to say, that when the cotton is in canvas so many pounds a bale have to be allowed for canvas - the bands are counted - and the weight of ten taken as an average, these are deducted from the gross weight of the invoice and we pay for the net. Economically, the effect of that is that the first seller has to change the price of the covering in the price of his cotton. If Mr. Vandiver

represents the first seller he will naturally take into consideration at what price he can sell that cotton including the cost of the baling, just as he does when he takes into consideration the cost of labor in growing the bale of cotton. There is nothing simpler, Mr. Vandiver, than that particular point.

MR. W. F. VANDIVER: Mr. Chairman, you understood that my information was general. We have not heretofore been putting the price on our cotton; we have been asking what you would give us for it and taking what you would give. We have understood all the while that there was a certain amount of tare that must come off a bale of cotton, and you say you include the deduction in the price that you offer us, just as you say we will include the cost of it in the cost of production. My idea was that when you reduced the weight to 16 pounds not to continue making us deduct 32 pounds, for if you do you are getting into your cotton bale.

VICE PRESIDENT MACALISTER: That is an impossibility, because you see the man who buys it from you under the present conditions does so on the gross weight. He pays you for the gross weight. When he sells that to us he reverses the operation---and sells us the net weight. Between you and me there is an opportunity for him to make something out of us.

MR. W. F. VANDIVER: He makes it out of us at the start. That is what I am looking out for now.

VICE-PRESIDENT MACALISTER: I do not think we need to deal further with this.

MR. W. F. VANDIVER: Yes, it comes out of the farmer all the time.

VICE-PRESIDENT MASALISTER: We think it comes out of our side. We find it in the price of the cotton. I do not think there is any necessity for us to discuss this point, however, because we

should never arrive at the end of it.

MR. W. F. VANDIVER: No, I see that.

VICE-PRESIDENT MACALISTER: The next point is No. 5:

"That a committee be appointed whose duty it shall be to have cotton baled as above, and to submit same for practical tests to consumers. That this Committee shall have power to investigate and report on the various new methods of ginning and baling generally. The Committee to report at a future session of this conference."

That is a general proposition. It now rests with Mr. Fish to place it before you as a resolution.

MR. CHARLES H. FISH: Mr. Chairman, I would offer the following resolution, and move its adoption:

"Resolved, that a committee be appointed whose duty it shall be to have cotton baled as indicated in the report of the Committee on Baling, Ginning and Handling American Cotton, and to submit the same for Practical tests to consumers. That this committee shall have power to investigate and report on the various new methods of ginning and baling generally. The Committee to report at a further session of this Conference."

The motion was seconded by Mr. T. I. Hickman and unanimously adopted.

CENSUS BUREAU REPORTS.

VICE-PRESIDENT MACALISTER: Having disposed of this matter, gentlemen, let us revert to our program. The question now before us is "Census Bureau Reports." Perhaps Mr. MacColl will be good enough to speak to that question.

MR. JAMES R. MACCOLL: With regard to the Census Bureau Reports, I have no suggestion or criticism to offer. Compared with the commercial crop as published by the Financial Chronicle and other sources, I think the Census Bureau Reports of cotton ginned have proved very accurate. I hope this department of the Government Service will be contained and maintain its present high standard of efficiency.

MR. D. A. TOMPKINS: The Census Bureau Reports may be accurate and still possess qualities which are not only useless to the farmer and to the spinner, but are positively injurious to both. I believe that any system of reports where information is collected and saved until a cumulative quantity is put out at one time, is bound to disturb the ordinary commerce and to promote speculation. At the present time people wait on the Census Reports before buying or selling cotton. It creates a feeling of uncertainty akin to that of lotteries. It introduces into the commerce of a community somewhat of that uncertainty that characterizes gambling, and I do not think it is sufficient that the reports as at present made should be accurate, but that they should furthermore not promote speculation and incorporate into the commerce in cotton something in the nature of a gambling element. It has been suggested that daily reports would remedy this difficulty. The counter-suggestion comes that daily reports would be too expensive; that it requires at the present time 30,000 cards to be mailed to get the aggregate of one report. Let us suppose that there are five men accumulating the data in five days in a certain community. These men send in 30,000 cards. If you abolish the system of having five men cover the territory in five days and have one man cover the whole territory in thirty days, and add up his reports daily, at the end of the month we should have a complete inventory of the cotton ginned for the month and we would not be more than fifteen days behind. Dividing the number of men by five and multiplying by five the length of time in which the data is collected from the ginneries, there would be only 5,000 cards instead of 30,000. The cost of mailing would be really just the same as though you worked five men for five days and send out 30,000 cards at one time. It has been sug-

gested that it costs \$25,000 to make up one of these reports. We all know that there have been one or more cases where more than \$25,000 was made by one of the clerks in the department making these reports. So that it is incumbent upon the Government to find out a way to save that economy to the planter and to the spinner and to get reports in such shape as that commerce shall not be disturbed or made uneasy, that there shall be no cumulative periods against which people have to defer making their purchases, and then the day before the publication of that report determine whether they will gamble on the price today or the price tomorrow---whether they will buy or wait. In the meantime I do not believe you can get so much information and make it cumulative without its being corruptly dealt with in some departments. None could pay a higher tribute to the honesty of the Agricultural Department and the Census Bureau than I would, speaking in general terms. But we do know that in the face of the most earnest protestations of the Secretary of Agriculture himself that it was impossible that his information should leak, it was leaking. We do know that the present system does make a feeling of restlessness. At almost any reasonable cost, the Government ought to devise a plan by which that feeling of restlessness, that element of gambling should be totally eliminated. Until we do that, the present system, however accurate it may be, is unsatisfactory, and it ought to be carried farther and the information be issued in the form of equally accurate daily reports, so as to eliminate every factor of uncertainty about what the report is going to be.

THE CHAIRMAN: If there is no more discussion on this subject, shall we pass on to the next---"Agricultural Department Reports."

AGRICULTURAL DEPARTMENT REPORTS.

MR. JAMES R. MacCOLL, of Rhode Island: Mr. Chairman and gentlemen: I advocate a radical change in condition reports. They are issued in the form of a percentage of a normal standard. I have talked with a great many manufacturers, cotton merchants and growers. The general opinion seems to be that the reports promote speculation and are not a benefit to growers and manufacturers. The normal standard seems difficult to understand. Some claim that it is incomprehensible. At a hearing before the Committee on Agriculture I heard men state, that they had been reporting conditions for twenty years and that they did not understand what the normal means. I advocate abolishing condition reports or issuing them in a descriptive form simply by the use of words, such as "Excellent", "Good", "Fair", "Poor", "Bad". If the growers and manufacturers knew each month how many acres in each State were described under each heading, they would be able to form a fair idea as to the condition of the cotton crop. In proof of the impracticability of the present method, I simply ask anyone to read the normal standard as issued by the Agricultural Department and then say if the average man can express in a percentage the condition of the crop intelligently. I therefore favor doing away with condition reports as serving no useful purpose except to stimulate speculation, or a radical change in their method.

MR. D. A. TOMPKINS, of North Carolina: Mr. Chairman, I want to express my concurrence with the views of the gentleman from New England with reference to the agricultural reports. I think they ought to be abolished. No man can read the explanation which comes from the Department itself about what these figures mean and come to any sort of understandable conclusion. The so-called figures are not percentages; they have no ratio to a maxi-

mum crop nor to a minimum crop nor to an average crop. It is a complicated system of guessing which I do not understand and as the gentleman who has just spoken says, which many of the people who are making the reports acknowledge that they do not understand. It does contribute immensely to speculation, and if it contributes to anything else I do not know it. I think that the reports of the Agricultural Department ought to be fully abolished.

MR. J. H. MARION, of South Carolina: Mr. President, speaking as a cotton grower, I concur entirely with what has been said by both these gentlemen, and I simply wish to illustrate by one single fact how entirely impossible it is to arrive at any sensible conclusion from these reports by percentage. If my memory serves me right, there came out a November report on conditions, which was given in per cent. Certain it is that in South Carolina in all cotton sections which I have visited, the cotton plant has no condition at that time -- the plant is practically dead and it is simply a question of how much cotton has been picked out and how much has been left. As I say, in the November report, represented by percentage on condition, there was actually no condition to report. I sincerely hope that the issuance of these reports will be abolished, as I believe they serve no good, and simply act injuriously to the business of the country.

MR. C. B. BRYANT, of North Carolina: Mr. Chairman, the Agricultural Department, under the present law, issues an estimate of the crop in December. Following that, not on the same day, -- the Census Bureau issues a report of the number of bales ginned and to be ginned. During this crop these two departments conflicted. The suggestion has been made "that the Agricultural Department confine itself to weekly reports of crop conditions and one

estimate of the crop, to be made after January 1st, each year, and late enough to be reasonably sure of accuracy" -- it being claimed that the report made in December is not late enough to make an accurate estimate of the crop, as was evidenced by the crop of 1904-5, which amounted to nearly fourteen million bales against a much lower estimate by the Agricultural Department.

"Second: Have the Census Bureau issue the semi-monthly reports from the counties in piece-meal as received" -- as suggested by Mr. Tompkins, instead of cumulatively --- "and then tabulate these reports semi-monthly and announce the number of bales ginned to date." That is, as the counties report to the Census Bureau, the Bureau will issue a report each day of the counties they have heard from, and at the end of the two weeks' period make a total of the replies received during that period.

"Third: Have the machinery of the Census Bureau used to aid the Agricultural Department, if feasible, in making up its total yield or crop estimate" --- that is, let them work in harmony -- "so as to prevent any possible discrepancies or variations."

MR. D. A. TOLPKINS: Mr. Chairman, I do not believe the Government ought to make any estimate at all. Anybody can make estimates. If the Government or the Census Bureau undertakes to make estimates those figures are going to be gambled upon. I do not believe any of us appreciate the extent to which the gambling element introduced into commerce does a moral injury. It is a bad thing to introduce into commerce anything which leads people to quit their businesses and waste their time upon the uncertain element. The injury which this brings the legitimate business community is far greater than the advantage of having these estimates, however accurate they may be. There are ways of getting estimates of the cotton crop better than by having the Government accumulate

the information, setting up temptations to people in the Departments and outside of the Departments to put up their money on a risk more upon what the Government report is going to be than upon the commerce of cotton. Every element of gambling, every temptation to dishonesty on the part of the clerks and the people concerned in this business ought to be eliminated. If the Census Bureau take actual statistics and give the aggregates daily, either as I first suggested, or as suggested in this paper, provided they give the aggregates and not the separate items of counties, that is as far as the Government ought to go. Let them get the figures as they get all other census figures by census takers; give out these figures as they are received and not go into any business of guessing at what the crop is going to be either in the Census Bureau or in the Agricultural Department. I believe that the public at large can come as near guessing at what the crop is going to be, on the basis of the figures given by the census reports, as the Government itself can. Nobody would be predisposed to gamble upon what the brokers' estimates or the spinner's estimates or the cotton grower's estimates might be. Everybody can take these at what they consider them worth. But when the Government gives a figure, it offers the finest opportunity in the world for dishonest people to speculate in the figures that are going to be given out -- and I do not believe there are any instances in which they are not known before hand -- and introduces a gambling factor into commerce that does infinitely more injury than any lack of knowledge of what the Government might guess. The Census Bureau is well equipped to undertake the gathering of these figures. If it were feasible I would suggest that the giners be compelled to make accurate and full reports. But I believe that that would be sumptuary and would be unfair to the

ginner and to the planter unless the spinner was also compelled to expose his business as fully as the government undertook to make the farmer expose his. I do not believe the government could accomplish this, for the reason that the farmer practically controls the majority of Congress, and he would not submit to a sumptuary regulation with reference to exposing his business, that was not required of other businesses. Therefore, I think the Census Bureau should take the census of the cotton ginned, publish it daily, and that neither the Census nor the Agricultural Department should take any guesses. Let Mr. Harvie Jordan and the people who are giving special attention -- I mean all the cotton men, I am not referring to you especially -- but let the Associations of cotton growers publish their estimates and let the spinners get their information and publish their estimates, but not the Government.

MR. HARRY PEYTON: Mr. President, this is a subject, as far as the direct application and the direct question of loss and gain is concerned, which is more important than any question which has been before this body. There have been more losses within the last twelve months as a consequence of a government estimate than could be replenished by honest endeavor in the South for five years. I took this subject up, Mr. President, last September, and I have some notes that I think demonstrated, -- certainly to my satisfaction -- that the government percentage reports should be abolished. I will ask the indulgence of the Convention to these notes, and I will try to keep myself within the time. In the light of the present conditions, this seems like a prophetic statement. This report was written last October, at that time I stated:

"The utter, absolute fallacy of the October condition as promulgated by the government (or condition on any other month) as an index of the yield of the crop of cotton for that crop year will most conclusively appear by a critical analysis of some of the October reports for the past ten years. These reports are good by way of comparison only, and, as I will show, afford such a wide range of possibilities as to yield that they ought to be abolished. Without being in the main accurate, they can serve no good purpose to either grower or spinner. While the estimate on condition are doubtless the results of honest effort on the part of the officials of the government, yet, they are at best, as I will demonstrate, but the veriest of guesses, and the only purpose they serve is as a speculative football for speculators to kick about as best suits their inclination and interests, at the expense of both the grower and spinner of cotton.

Just at present the producer of cotton is paying the price of an October guess on condition, as 71.2 per cent."

That was the last October guess. (Reading).

"Of what, no one knows. It may mean a crop of 11,800,000 bales" ---

And it was figured out at that time, gentlemen, by the speculators in Wall Street that it meant a crop of 11,800,000 bales.

(Reading.)

"It may mean a crop of 11,800,000 bales, and a price for some of seven or eight cents, and by comparison with other years, it may mean a crop of under 10,000,000 bales, which would insure a price of ten or twelve cents, the margin or range of values between the two extremes being from \$10. to \$20. per bale on an aggregate of six or eight million bales of unsold cotton, the total amount reaching the startling figure of possibly \$100,000,000.

The great and far reaching importance of this October report can readily be seen. Before its promulgation the farmers were supplying the spinners with an abundance of cotton around ten cents per pound, which was profitable and satisfactory to both. The moment the October report of a condition of 71.2 came out speculators seized upon the figures and manipulated them into a showing of 11,800,000 or 12,000,000 crop, to the expense of the producer of about \$7.00 per bale, or from \$40,000,000 to \$50,000,000. upon the value of the crop then unsold. If the 71.2 was an infallible index of the size of the crop, the decline in price would be fully warranted, for 12,000,000 bales of cotton is more than the world would require."

That, of course, was an idea of last October. I do not hold to that idea now, because I think the world needs all of the 12,000,000 bales of cotton. (Reading.)

"By comparison to be hereafter made, this estimate or guess is not only not infallible, but the chances are more than even that it is entirely wrong.

A government report as far reaching as this should be promulgated only upon ascertained facts; not upon opinions and estimates of thousands of correspondents, and these subject to revision at the will of a board of final computers, however honest or upright this board may be."

"Well, what has it demonstrated? Norden & Company and some of the English statisticians took that 71.2 per cent. and it was promulgated and sent all over the world that it meant that we were going to have a large excess of cotton. At that time, when this article was written, I took the position that I was satisfied that it was wrong and that it would be proven to be wrong, and it has proven to be wrong. That break in cotton that amounted to about \$7. a bale came from the October report of 71.2 per cent. "

I follow with a tabulated statement showing the different conditions:

An examination and analysis of the reports here submitted will conclusively demonstrate the fallibility of Government October reports. We take this month because it is the last report on condition and most important. Here are some examples:

In 1895	an Oct. condition of	65.1	yielded	169	lbs. lint per acre.				
" 1896	" " " "	60.7	"	178	" " " "				
	A difference on face estimate of			9	" " " "				

ANALYSIS:

If October condition of 60.7 yielded 178 lbs. lint per acre, an October condition of 65.1 should have yielded 4.4 per cent more, or 7.8 lbs. lint per acre, which added to 178 lbs. gives 185.8 lbs. whereas a condition of 65.1 produced only 169.0 lbs - a difference of 16.8 lbs.

RESULT:

This, applied to present acreage of 27,000,000 acres, would amount to more than 900,000 bales.

SECOND COMPARISON:

In 1902	an Oct. condition of	58.3	yielded	191	lbs. lint per acre.				
" 1903	" " " "	65.1	"	173	" " " "				
	A difference on face of estimate			18	" " " "				

ANALYSIS:

If October condition of 58.3 yielded 191 lbs. lint per acre, a condition of 65.1 should have yielded 6.8% more, or 12.9 lbs. lint per acre; a total of 203.9 lbs. lint per acre; whereas 65.1 October condition yielded only 173.0 lbs. lint per acre, a difference of 30.9 lbs. lint per acre.

RESULT:

This, applied to present acreage of 27,000,000 acres, would amount to more than 1,600,000 bales.

THIRD COMPARISON:

In 1902, on 27,114,000 acres, with Oct. condition 58.3 there was produced 10,728,000 bales;
" 1903, " 28,015,000 acres, with Oct. condition 65.1 there was produced 10,011,000 bales.

ANALYSIS:

If 58.3 October condition yielded 10,273,000, 65.1 (if acreage had been the same - it was greater) should have yielded 6.8 per cent more, or 729,000 additional bales, which, added to 10,723,000 bales, amounts to a total of 11,457,000 bales. Whereas, 65.1 condition yielded only 10,011,000 bales, a difference of 1,446,000 bales.

By carrying these comparisons back beyond the ten-year period more striking discrepancies will be found.

There are too many figures to go into detail,-- showing the various October reports, and showing, not what this 71.2 meant, but showing that it did not mean anything. I can take that 71.2 and apply it to an identically same acreage of 27,000,000 acres and it shows a difference of about 3,000,000 bales in the crop, taking the difference in the two October reports and comparing them in that way. (Reading.)

"Mathematics is an exact science, and anything that is not exact in the way of results from figures is not mathematics. In summing up a column of figures, where you get two different results, you know that one or the other, or both, are wrong. How much more so, are the results we reach when trying to estimate given results from government estimates of the October crop. Any system that can be so far out of line as 900,000 or 1,600,000 or 1,400,000 bales in a crop under eleven million, is of too wide a range for even purposes of vague estimate, much less attempted mathematical accuracy."

VICE-PRESIDENT MACALISTER: I am sorry to interrupt the speaker, but his time is up.

MR. HARRY PEYTON: I do not propose to ask the convention for any more of its time.

VICE-PRESIDENT MACALISTER: Is it your desire that he should continue?

MR. HARRY PEYTON: I think that that, Mr. Chairman, is practically all that I want to say. I think I have demonstrated--I have attempted to demonstrate -- that we ought not to be subjected to these percentage figures. Mr. MacColl and I both discussed the matter before the House Committee on Agriculture and I believe that this convention ought to take some action. A resolution ought to be passed asking the Department of Agriculture to abolish those figures and give us a report, say, that the crop in Texas is fairly good, or bad, or indifferent, and report in that way on each state, and then let everybody draw their own conclusions.

The present depression in the price of cotton comes from juggling of figures by a few speculators who take the Government condition of 71.2 as an infallible index of ultimate yield. Let us follow the mathematical route taken by Messrs. Price, Norden, et al, in reaching their conclusion that the yield is eleven and a half or twelve million bales, examine their basis, and by comparison with other years test the soundness of such conclusions.

In 1904	an Oct. condition of	75.8	yielded	225 lbs. lint per acre.
" 1905	" " " " "	71.2	"	4.6% less lint per "
				or 10.35 lbs. less than 225 lbs. in 1904, which is
				214.65 lbs. lint per ".

This, applied to 27,000,000 acres will yield 11,592,000 bales; to which if we add linters, repacks, etc., 300,000 bales, produces a total crop of 11,892,000 bales.

Here we have the ground work, the foundation for these big estimates. Now for an analysis and comparison:

The average yield per acre for the past ten years has been in round figures 197 lbs. As this is from counted crops and weighed bales upon some reasonable and ascertainable basis of acreage, we may assume that the average is in the main correct. In fact, to practical producers this is about a reasonable average production. In only three of the ten years, and only three times in thirty-five years, has the production exceeded 220 lbs. of lint per acre. In 1887, it was 222 lbs; in 1888 it was 221 lbs. and in 1904 it was 225 lbs. In 1891 it was 215 lbs. The yields of more than 220 lbs. are more than 20 lbs. above the average of seven of the past ten years; is 56 lbs. above the yield of 1895, and 49 lbs. above the yield of 1903.

In the last above demonstration showing yield of 11,892,000, the basis is evidently the Government October percentage of 71.2, being 4.6% less than last year, which shows an acreage yield for this year of 214 $\frac{2}{3}$ lbs. per acre, 17 lbs. more per acre than the average yield for ten years and 41 lbs. more than the yield for 1903 per acre.

Is there any sound basis for any such reasoning as this? Is there anything anywhere from any reliable source tending to show that the yield this year is 17 lbs. per acre above the normal or average of ten years? From every source comes the universal re-

port that this is a crop below the average. Exaggerated though these reports may be and doubtless are, there is absolutely no warrant, other than the October guess of a condition of 71.2% of some unknown factor, for any such contention as is made by some of the speculative bears who are kicking this arithmetical fact-ball about as their fancy and interests dictate.

From every quarter, cottonseed people, who are naturally bears as they profit by big crops; mill-men, farmers, merchants, bankers, travelling men, all say the crop is short, most of them saying from 20 to 33 1/3%. Discounting all this, discounting the Government report on reduction of acreage of 15% and that of the Cotton Growers' Association of 18% -- which I believe is too large-- discount all these and fix the acreage at 27,000,000 acres (more than the Government estimate) and then discount crop deterioration reports of 25 and 33 1/3% and make a conservative reduction of 15% (this means that the one-horse farmer will make 6 instead of 7 bales and the 2-horse farmer 12 instead of 14 bales) and you can get a crop of barely 10,000,000. This is on a basis of a yield per acre of 5.5% above the average of seven of the ten past years, which excludes the yields of more than 220 lbs. per acre, which, as stated, has been produced only three times in 35 years.

MR. J. A. TAYLOR, of Texas: I made a trip here at the same time that this gentleman has referred to, when Mr. MacColl was here, and we went before the Committee on Agriculture, and I recommended there, as I have recommended to Secretary Wilson personally that these condition reports either be abolished or changed to represent the condition as compared with the previous year. I myself have been a correspondent for a number of years of the Department of Agriculture, and I do not find any two men who will agree what

a normal condition is, what a normal crop is. One man will say a quarter and another man a half and another man a third and another man a bale to the acre. But we all know what our crop was the previous year in the locality in which we are located, so that if I am asked what is the condition of my crop in June, I can easily remember what the exact conditions were the previous June; if I am asked the conditions in July I remember what the conditions were in that month and I can say, "Well, they are ten per cent. better than they were last year at this time," or "They are five per cent. worse." You know what the total crop of the previous year was, so that when all of these estimates would come in you would naturally very easily figure what kind of a crop we were to have; but based on known conditions it is impossible to arrive at a definite conclusion. I favor, however, retaining these reports, but I think they ought to be changed in some way. I think the Government ought to continue to make them. I remember a few years ago, before the Government began making these reports, that we had some very prominent estimators in the South who made reports on cotton, and they usually started the first year by making a record, and then the next year they used that record to bear the market. In other words, they would come out with an estimate of 1,000,000 to 2,000,000 bales over the actual crop, and the market would go down two or three or four dollars a bale. I feel that we should not abolish these reports entirely. A new set of crop estimators would bob up who would have a great deal of influence on the market, for the very reason that the bear speculators are much better organized than the Southern farmers. There are only a few of them and they can take advantage of these reports to manipulate the market.

In regard to making the annual crop estimate later than at

present, I would suggest that it be made earlier. What use is it to the farmer to know what the size of the crop is after he has sold his crop? We don't care a snap about it then. This report is supposed to be gotten out for the benefit of the farmer. It is gotten out by the Agriculture Department. What is the Agriculture Department? Why, it is the department to look after the farmers' interests. Why should we put this thing off until the farmer has sold all his cotton, or the bulk of it? I think it could be gotten out as early as November 15 by using different methods. I think they could improve much on their methods of estimating the crop. While they do fairly well some times as a whole, yet look at them by States; in one little State which only makes about 300,000 bales they missed it by practically 100,000 bales. That is too wide a range. Suppose they had happened at one time to miss all the States in the same ratio, the estimate would be about 5,000,000 either too low or too high.

VICE-PRESIDENT MACALISTER: Does any other gentleman wish to speak? As Chairman of your meeting I must plead ignorance as to the local conditions which affect this question, that is to say, as to whether you wish to pass any resolution or not, which may be of value as having any weight with your Government departments, so that it rests entirely with you as a meeting to say what you can do on that subject.

MR. JAMES R. MacCOLL: There is another part of the Agriculture Department Reports which has not been referred to, and that is the estimate of acreage. The Keep Commission Report suggests that this work should be done by the Census Bureau, and that it could be done without any increased expenditure in that way. I advocate this change because it means an actual count of acreage

every year instead of a count once in ten years and estimates based on that count for the other nine years. An estimate of acreage is of fundamental importance, and if we are to have one at all it should be accurate. By having an actual count every year by the Census Bureau we would undoubtedly have a much more satisfactory idea of the cotton acreage planting.

VICE-PRESIDENT MACALISTER: Gentlemen, do you wish to take any steps in this matter?

MR. D. A. TOMPKINS: Mr. Chairman, in order to bring this matter before the Conference in a definite form I make the following motion:

(1) That it is the sense of this meeting that the condition reports of the Department of Agriculture ought to be abolished.

(2) That the acreage ought to be determined by the Census Bureau and not estimated by the Department of Agriculture.

(3) That no crop estimates ought to be made by the Government at all.

That leaves the Census reports as they now stand.

MR. HARRY PEYTON: Mr. President, I would offer a substitute for the third section in order to test the sense of the Convention, that the --

MR. B. F. EARLE: There is no second to the motion.

MR. T. I. HICKLIAN: I second the motion, Mr. Chairman.

MR. HARRY PEYTON: Now I move a substitute for the third section: That instead of the condition reports of the Department of Agriculture being abolished ---

"That the reports of the Department of Agriculture instead of being in figures ought to be expressed in a definite way", and this can be formulated after the sense of the meeting is taken. In other words, that the Department of Agriculture shall say that

the crop of Mississippi on the first day of July is good, or it is below the average, or it is above the average; or in other words that it be descriptive instead of being expressed in figures.

MR. JAMES R. MacCOLL: I would suggest, Mr. Chairman, that as we are dealing with different matters it would be better to divide this motion, if the gentlemen will be kind enough to do so.

MR. D. A. TOMPKINS: I will withdraw the second and third sections. The motion will then stand:

"That it is the sense of this meeting that the condition reports of the Department of Agriculture ought to be abolished."

MR. HARRY PEYTON: My substitute is ---

MR. JAMES R. MacCOLL: In their present form of percentage.

MR. HARRY PEYTON: Yes, and that they be expressed in descriptive words.

MR. D. A. TOMPKINS: What is your proposition?

MR. HARRY PEYTON: My proposition is to abolish the percentage reports of the Agriculture Department and my substitute is:

"As expressed in figures and that they be given by descriptive words."

A bare statement of the condition of the crop in the various sections, whether it is good, bad or indifferent.

By direction of the Chairman the Stenographer read the pending question, viz:

Mr. Tompkins moves--

"That it is the sense of this meeting that the condition reports of the Department of Agriculture ought to be abolished."

Mr. Peyton offers a substitute motion:

"That it is the sense of this meeting that the condition reports of the Department of Agriculture, instead of being in percentages, ought to be expressed in descriptive words."

MR. JAMES R. MacCOLL: I second Mr. Peyton's amendment.

VICE-PRESIDENT MACALISTER: Gentlemen, there is a resolution and an amendment before you. In the orderly course of business we will take the amendment first.

MR. HARRY PEYTON: Mr. Chairman, I would like to say just a word as to that question. It seems to me we are rather extreme when we say to the Department of Agriculture that we do not want any expression from them during the year as to the condition of the crop; we do want it, I think we all want it. I think the cotton grower wants it and the spinner wants it and the business man generally wants it, because it is the most important of all the products of our country. The objection that I have to the expression of that report in figures is the objection that I stated in the discussion of the question, that it is uncertain; in other words, that it can be used to serve almost any kind of a purpose and prove any kind of a crop. But it would be very valuable, with all the great machinery of the Department of Agriculture, to have an accurate descriptive report. We get these reports from our own people. In my country in the State of Mississippi one of the best men makes these reports, and I assume it is so in every county in the South, and I would like personally to have a letter from him once every month telling me how the crop was in my section. Likewise it would be to my interest to know how the crop is in Texas. I would like to know if they are going to have a very bad crop, or a good crop, or if it is better than the average crop. When we get a report by descriptive words we eliminate all possibility of speculation being built up on percentages as expressed in figures. If we have any percentages expressed in figures, then they will be from private sources. But the government report upon whether the crop is good or bad or indifferent throughout all sections of the country

will stand as a great harmonizer that will lead to as nearly a true estimate of the condition of the crop as possible, as between the estimates that are made by the bull speculators on the one hand and the bear speculators on the other. For that reason I think we ought not to pass a resolution stating that we do not want any crop reports at all.

MISS K. M. GILLES, of New York: May I say a few words? I think you will find that the reason why the Department of Agriculture were wrong in their condition estimates and in their production is because the Census on acreage is taken once every ten years. If it could be made a law that the Census figures should be taken once in five years, everybody would get a better estimate on the production of cotton.

MR. HARVIE JORDAN: Mr. Chairman, I was present about two months ago before the investigation Committee of Congress when this question came up and was fully discussed. The Department of Agriculture was represented by Mr. Hayes, the assistant statistician. This whole question as to condition and normal percentage was thoroughly discussed and on the part of the Department of Agriculture Mr. Hayes stated to the Committee that they expected to bring about certain reforms which would enable them to give out much better reports in the future than they had given in the past. Now, I am not in a position, unless the department officials could be before this conference and let us know whether they had decided to bring about those changes and to what extent they would operate this year--- I am not in a position to vote for any change in the present method of gathering condition reports. I believe that the Department is going to get up better plans and simplify the method. I have myself always objected to getting a percentage of a

normal crop when the normal crop condition was nor fully set out so that every man could understand it. But I do not see that by stopping the Government Condition Reports you would do anything but injure the farmers of the South, and I believe it would injure the manufacturers as well. It certainly would not stop speculation. Private firms would be getting out all sorts of estimates and we know that by taking the Government reports for a series of years their estimates have been nearer correct than any estimates that have been gotten out by any private individuals.

MR. HARRY PEYTON: That is the estimate, Mr. Jordan, as to the final output of the crop in bales?

MR. HARVIE JORDAN: Yes.

MR. HARRY PEYTON: We have no means of knowing whether the various reports that are made on condition are correct or incorrect.

MR. HARVIE JORDAN: I am perfectly willing to vote for a resolution that shall provide for the establishment of a plan of getting up these condition reports, and when they are issued let the Government give out to the public just what they mean.

MR. HARRY PEYTON: That would be satisfactory to me.

MR. HARVIE JORDAN: But as to my voting to change the present method, I am opposed to it at this particular time. I would insist, however, that they get up their reports in such a way as to let the public thoroughly understand what they mean.

MR. D. A. TOMPKINS: Mr. Chairman, may I have the liberty of explaining that my motion is to abolish reports which are based upon a situation the meaning of which nobody knows? I am perfectly willing to change the motion to read:

"That the present system of indefinite guesses be abolished, and that the Department of Agriculture determine a definite basis upon which to make these reports."

MR. HARVIE JORDAN: That is right.

MR. HARRY PEYTON: I will withdraw my substitute for that. I only want some different plan from what we have now. In other words, I would be perfectly willing to withdraw my substitute and merely express to the Department of Agriculture that the cotton growers and spinners are dissatisfied with the past methods of putting out condition reports and ask that some attempt be made to make it more perfect and more definite. That is all I want.

MR. D. A. TOMPKINS: Then I will withdraw my motion and make a new one.

"That it is the sense of this meeting that the Department of Agriculture should abolish the present indefinite basis of its reports and determine some definite basis for its reports."

MR. J. A. TAYLOR: You mean the condition reports, Mr. Tompkins?

MR. D. A. TOMPKINS: The condition reports.

MR. JAMES R. MACCOLL: In my opinion there is great danger of this motion being misunderstood. The Keep Commission report, after condemning the use of decimal fractions in these condition reports, because of the fact that they were mathematical while the result was not arrived at by a mathematical process, proceeded to suggest that the condition reports should be converted into a definite form by stating the number of bales that was meant by the percentage. This would be most injurious to every interest. It would mean that we would have seven crop estimates, beginning with June and going on to December. You know how one crop estimate in December results in speculation, and to have seven coming out would be certainly a very unfortunate course of action. The Keep

Commission report shows how it would work. This is their statement, from page 16 of their report:

"This method would have resulted in 1903 in an increased estimate of 1,900,000 bales between August and September, followed by a decrease of 1,700,000 bales in October."

To ask the Department of Agriculture to depart from an indefinite method and adopt a definite method is very apt to be misconstrued as supporting the conversion of percentage figures into crop estimates. My opinion is, we do not want mathematical definiteness in those condition reports; we want descriptive definiteness as formulated in the amendment of Mr. Peyton. I therefore still advocate the amendment which he made, because the motion as now framed by Mr. Tompkins is itself indefinite. It asks for something without saying what we want.

MR. W. F. VANDIVER: Mr. Chairman, I would suggest to Mr. Tompkins that the Department be requested to report each current year by comparison with the year before. It seems to me that that would be a good idea to have that, not only as to the condition of the crop, but if possible as to the acreage. Then we have the two propositions before us all the while. You have your standard on which this year's estimate is to be based as 100. For instance, if the condition of the crop is ten per cent. better than it was last year it would be reported at 110; if it is ten per cent. off it would be reported at 90. As suggested by Mr. Taylor, we would all be more or less familiar with what the condition was the year previous, and it would be a very easy matter for us to practically know by the per cent. that the Government would give us just what the condition was, and probably more intelligently than we could by any other basis about percentages.

MR. JAMES R. MacCOLL: I would like to ask these gentlemen how several thousand men looking at cotton fields could determine what ten per cent. or five per cent. meant with reference to being better than the previous year? Mr. Shepardson has advocated this method and it seems to me objectionable on two grounds: First, that it is almost impossible to remember exactly how cotton fields looked a year ago; and, secondly, you are going to have a varying standard; you are comparing this year with last, and then next year is to be compared with this, and you are drifting along without any fixed standard. I fail to see how any man can look at a cotton field and say, "That is ten per cent. better than last year." What does ten per cent. mean? One man might look at it and say fifty per cent. another ten per cent.; I have heard men speak of two hundred per cent. better. What does it mean?

MR. W. F. VANDIVER: It is a little better than normal, when we have no definition of what "normal." means.

MR. JAMES R. MacCOLL: We have a definition given by the Department of Agriculture which is perfectly definite and can be read by anybody.

MR. J. A. TAYLOR: Any one knows what it means.

MR. W. F. VANDIVER: I would like to know how any man is going to know. The Government has a record for May of last year, also for June. Now, then come along and make an estimate this year on a basis of May or June of last year. It has got to be by a basis of comparison that is more or less familiar to the farmer and the manufacturer before we can agree what the real report of the Government is on any proposition in connection with the crop. We can do it better, it seems to me, by comparing the current year

with the year previous and making that the standard of each year. We cannot take the crop when we made 14,000,000 bales as normal. We would be totally unwilling to accept a crop of nine or ten or ten and a half million bales as normal. It is not normal. When we get a comparison with the year previous, which is familiar to all of us, it seems to me that we have the most intelligible proposition in the absence of known facts. You might take a ten year average as normal, or if this is the eighth year, take the average for eight years back and establish that as normal; it would not be a normal today, nothing like it. Your normal would change there. But when you take the basis of the year previous for the current year and draw your conclusions by comparisons, it seems to me we would know more about it, and that is what we are after--- a knowledge of the actual conditions.

MR. WILLIAM D. HARTSHORNE: Mr. Chairman, it seems to me there is still a further fatal objection to this method of comparing this year with last year. You would necessarily have to take into consideration whether this year was a week earlier or a week later than last year. The question of the weather would play an important part upon this consideration, to say nothing about the boll weevil or any other troubles that might arise that we might not know of between one year and another in the same district.

MR. J. A. TAYLOR: Mr. Chairman, in regard to this question as to condition, a condition report comes out and there will be seven different kinds of construction put upon it. One man will say it means ten and a half and another will say twelve. Now, if you base it on last year and the Government says it is 90 per cent., any farmer can figure what ninety per cent. of last year's crop would mean. Of course that is the condition, say, the first

of July; the first of August it may have changed. But what are these reports for? They are reports to give you the condition at the time they are made up. In regard to an argument advanced by Mr. MacColl as to the "Keep" Commission report, I do not exactly favor their report, but I want to call your attention to the fact that the December crop report, I think, put the New York market up about 60 points; the October and November reports put it down from 80 to 120 points. Of course that was putting it down and not putting it up; it makes quite a difference in whose favor it is. But I do not see why, if they had expressed it in bales, it could have made any wilder fluctuation than that.

VICE-PRESIDENT MACALISTER: You have heard the discussion on this question, and it seems to me that the divergence of opinion is considerable. It is a weighty matter to arrive at a conclusion which shall be a correct one, and as there seems to be some little difference of opinion which I think might be harmonized to a certain extent if two or three of the gentlemen met together, I would suggest as your Chairman that three of these gentlemen meet in an adjoining room and formulate their propositions into one resolution, and then let us hear exactly what they have to say. I would suggest that Mr. Tompkins and Mr. Peyton and Mr. MacColl be asked to consider the question together.

MR. HARRY PEYTON: Mr. Chairman, I will ask to have Mr. Jordan or some other member put in my place; Mr. MacColl and myself practically agree.

VICE-PRESIDENT MACALISTER: That is the proposition on my part, gentlemen; it is for you to say whether you wish to have it carried out.

MR. J. A. TAYLOR: We have a motion before the house.

MR. J. A. BROWN: This is a question that involves so many phases that at this point we would be utterly unable to agree, I think, on any method. We are agreed on one thing, that is, that the present system is not satisfactory to anybody. I see no solution, sir, except to recommend-----and we can do nothing in this body, except to recommend---that the different organizations represented here appoint a committee of one each to form a national committee to confer with the Secretary of Agriculture and if possible formulate a more simple and comprehensive plan of making these reports. As a substitute for the motion offered I will make that motion.

(The motion was seconded by Mr. B. F. Earle.)

VICE-PRESIDENT MACALISTER: Gentlemen, Mr. Peyton withdrew his amendment, Mr. Tompkins also withdrew his first proposition, and it was for that reason that I made my proposition with regard to appointing a committee, but that has not been taken up. Mr. Brown has now made a proposition which the Secretary will read.

THE SECRETARY: (Mr. C. B. Bryant): I have not got it in writing. Mr. Brown, will you state the proposition, please?

MR. J. A. BROWN: That a Committee be formed by each of the respective organizations here represented to name one member, and this committee to appear before the Secretary of Agriculture for the purpose of recommending some more simple and comprehensive plan for making these reports.

MR. D. A. TOMPKINS: I withdraw my motion and second the motion made by Mr. Brown.

MR. J. A. BROWN: A Committee consisting of one from each

organization here represented, to be appointed by those organizations themselves.

MR. HARRY PEYTON: When is that committee, Mr. Brown, to get together?

MR. J. A. BROWN: I should say just as soon as it is possible for them to do so, sir.

MR. J. A. TAYLOR: Why not tomorrow?

MR. J. A. BROWN: Yes, tomorrow would suit me.

MR. WALTER CLARK: Mr. Chairman, I do not care to intrude on the time of the Convention. I have not heard this entire discussion, but it seems to me there is another point that might be taken up by this Committee if appointed, and that is the crop year. You take the crop year beginning and ending September 1, We all know that in the past few years the crop has matured very much earlier than formerly, when this system was adopted, and I think that instead of the crop year beginning September 1 it should be changed to August 1.

MR. WILLIAM D. HARTSHORNE: Question, Mr. Chairman.

VICE-PRESIDENT MACALISTER: Does it not present itself to your minds, gentlemen, that that is a matter of detail which this committee could deal with? (Cries of "Question!")

MR. JAMES R. MacCOLL: I would like to suggest an amendment without conflicting entirely with what Mr. Brown has said. I feel that the difficulty in this matter is as to getting together a committee of all these associations. I therefore submit as an amendment:

"That it is the sense of this meeting that the condition reports of the Department of Agriculture should be abolished in their present form of percentage and issued in the form of descriptive words."

It is practically the same amendment that Mr. Peyton proposed a little while ago and withdrew.

VICE-PRESIDENT MACALISTER: Does anybody second Mr. MacColl's amendment?

MR. HARRY PEYTON: I second it.

MR. D. A. TOMPKINS: Mr. Chairman, I do not think it would be a good thing to get a report in descriptive words that would be more uncertain than the one we now get. I do not concur in the proposition that we want indefinite and vague reports, but I believe that we ought to have definite reports in figures. The element that is most unsatisfactory in the present reports is the room that is left for everybody to make his own interpretation of what is a normal crop, and we might better have no reports at all than that kind of report. I shall vote against the last proposition on the ground that it is indefinite, that there is no use of putting out reports which can be interpreted a thousand different ways by a thousand different men, and that what we want is a definite basis, and if that leads to a definite number of bales, then that is what I want.

MR. HARVEY JORDAN: Mr. Chairman, here is another trouble I see about the proposition of Mr. MacColl. If we take 100 as normal or as base and then you have to run back say to 60 in the course of three or four months, there are forty different words which you have got to agree upon to indicate all the various percentages between sixty and 100. Some man may say the crop is fair, another man may think it is good. If you say "fair" you have got

to say right on top of that word what percentage it means.

MR. JAMES R. MacCOLL: No, it avoids percentage; that was my idea.

MR. HARVEY JORDAN: Well, then you have no idea of comparisons. You have got to bring into play there a large number of words, unless you jump from 60 to 70 and use just four or five words. It appears to me that you get into considerable difficulty right at this particular time unless we for a year or two should carry along these descriptive words with the percentages and get the trade and the people generally to a thorough understanding of just what they mean.

MR. CHARLES B. ARRIORY: There seems to be a difference of opinion on this subject. I do not think you can quote any one of these resolutions which have been presented as the sense of the meeting. I move that the whole matter be laid on the table for further consideration.

(The motion was seconded by many voices)

MR. JAMES R. MacCOLL: I will withdraw my motion in favor of that amendment.

MR. D. A. TOMPKINS: I will withdraw my motion.

VICE-PRESIDENT MACALISTER: There is only one motion before the meeting, gentlemen--- Mr. Amory's.

(Mr. Amory's motion to lay the subject on the table was put to vote and carried.)

MR. J. A. BROWN: I would like to submit the report of the committee on permanent organization.

The report of the Committee was read, as follows:

COMMITTEE ON PERMANENT ORGANIZATION:

WHEREAS, your Committee find that they are not clothed with proper authority from their respective organizations to recommend forming a permanent organization, they deem the following resolutions as far as they can properly proceed:

RESOLVED: That we the Committee on Permanent Organization recommend to this Convention that the President or Chairman of each body represented report back to his respective organization the great knowledge and good that is hoped for from this Convention and submit for their consideration the question of such further meetings or action as may be advisable.

Signed by
Committee.

: J. A. Brown, North Carolina, Chairman of Com-
: mittee Southern Cotton Association.
: J. T. Westervelt, South Carolina,
: National Association of Manufacturers.
: J. R. Montgomery, Connecticut,
: New England Cotton Mfgs. Association.
: Frederick A. Flather, Massachusetts, Secretary
: of the Committee;
: American Cotton Mfgs. Association.
: W. J. Orr, England, International Federation
: of Master Cotton Spinners' and Manu-
: facturers Association.
: Campbell Russell, Indian Territory,
: Farmers' Educational & Cooperative
: Union.
: Walter Clark, Mississippi,
: National Ginners' Association.

On motion of Mr. Charles B. Amory the report was accepted and its recommendation was adopted.

VICE-PRESIDENT MACALISTER: The next subject upon the Agenda is "Uniform weight of bales." I think that has already been dealt with in connection with the report of the Committee on baling, so we need not spend further time in discussing it. The next matter is "Foreign statistics."

FOREIGN STATISTICS.

Mr. James R. MacColl: We would like very much to know what is being done abroad in reference to statistics. Mr. Macalister is the representative of the International Federation; perhaps he can tell us.

MR. H. W. MACALISTER: So far as the International Federation is concerned, we have a committee whose business it is to deal with this subject. It was only appointed about a year ago and it has already issued two reports as to the stocks held by the European and English spinners on September 1 last and on March 31 of this year. Those statistics have been published in your newspapers; I have seen them since I came to this country and they were also published in our English newspapers.

MR. E. D. SLITH: Mr. Chairman, I want to ask the consent of this body to offer a resolution touching just one point that I think needs no explanation on my part.

VICE-PRESIDENT MACALISTER: Has it reference to statistics?

MR. E. D. SLITH: Yes, sir; it has reference to the statistics of cotton. The motion is that our statistical year or cotton year shall run from August 1 to August 1, and not from September 1 to September 1, as now obtaining. The reason I make this motion is because a quantity of cotton which is made in this calendar year is incorporated in the crop of the preceding year, whereas if you will begin the cotton year the first of August you practically eliminate that condition and you get the calendar and the fiscal and statistical year all in one and there is no confusion. As it is now, there is much confusion and the same cotton is often duplicated. Gins are asked to report the number of bales of cotton ginned this year. They report all bales ginned from August 1 up. The number of bales counted for the year are counted from September 1, so that you have a part of the 1905 crop counted in with the crop of 1904. If by agreement of the parties interested in cotton

we changed the crop year so as to run from August 1 to August 1, it eliminates all that confusion. It is a small matter and we might ask our statisticians to deduct the difference immediately, beginning this next August. It would take but just a few figures to do it. Mr. Hester can do it, all the statisticians can do it, and then the reports coming in for 1906 will begin August 1 and run to August 1, 1907, and you will get the cotton that is ginned in that year into that report, and not part of one year and part of another.

A DELEGATE: Do you offer that as a resolution?

MR. F. D. SLITH: I offer that as a resolution that it is the sense of this body and that they ask that it be done-- that the cotton year be changed to run from August 1 to August 1 in place of from September to September. I want to state one additional reason for the change. Previous to the use of commercial fertilizer there was practically no cotton on the market until September 1. The enhanced use of fertilizer and the improved methods of cultivating cotton have matured it at least 30 days earlier than was the case ten or twelve years ago. Consequently, as the maturing period slips back into the summer we should bring back our statistical year to correspond.

The motion was seconded by Mr. James R. MacColl.

MR. CHARLES B. ALORY: Mr. Chairman, I should object to that resolution. The commercial crop year has always ended on September 1 and as a matter of comparison and record it should be so continued. I am not in favor of changing the time.

MR. F. D. SLITH: Would you mind stating your objection?

MR. CHARLES B. ALORY: The objection is that it has always been the other way and I do not see any good reason for mak-

ing a change, and I do not believe in making changes unless you have a good reason. We have had our crops calculated up to September 1 from the start and I do not think of any good reason why it should not be continued so.

MR. E. A. CALVIN: Mr. Chairman, I want to state that I think that the proposition made by Mr. Smith is very sound. Take the southern part of Texas. Texas is a very large State. Take the southern part of it, and a great deal of the crop is gathered and ginned in August and marketed before September 1. It seems to me that the change of one month back is a sound proposition.

MR. CHARLES B. AMORY: I would like to ask if the gentlemen can get me any figures showing what percentage of the crop more is received now in the month of August than thirty years ago?

MR. E. D. SMITH: If you will give me a little time I will accommodate you; I cannot do it now.

MR. CHARLES B. AMORY: I never saw the time yet but what new cotton came in in August, and we find great difficulty in buying cotton in August now.

MR. E. D. SMITH: I want to state for the gentleman's information that on my own plantation where I used to gather from one to two bales in August, I now gather one-third of my crop. It will be borne out by every man who is a practical cotton grower that the cotton year has retrograded or gone back into the summer months proper at least thirty days, and it is becoming more and more so each year. In the last three years it has been more marked than ever and I will state that at least fifty per cent. more cotton is picked in August today than was picked in the same month ten years ago.

MR. CHARLES B. AMORY: I am not talking of what is picked, I am talking of what is marketed.

MR. E. D. SMITH: It is marketed as fast as it is picked.

MR. CHARLES B. AMORY: And you say one-third of your crop-- and if the other gentlemen will bear you out it is the same in their case as in yours--- that one-third of the crop is marketed in August?

MR. E. D. SMITH: I say one-third more opens in August than did previously.

MR. CHARLES B. AMORY: No---marketed in August.

MR. E. D. SMITH: One-third more of the crop is opened in August now than ten years ago.

MR. CHARLES B. AMORY: You say one-third of the crop?

MR. HARRY A. PEYTON: Ginned?

MR. E. D. SMITH: Well, ginned; I will say ginned, too.

(Cries of "Question!")

MR. CHARLES B. AMORY: I have nothing more to say. I object---

MR. WALTER CLARK: I would like to give one more reason for that. I made the same suggestion a while ago. Every effort of the southern people today is to mature their crop earlier. This is the only way we can fight the boll weevil. In certain sections of the south today we are told by the Government experts-- we expect the boll weevil in my State today and there are twelve or fifteen men there representing the Government teaching us this thing---"You can no longer make cotton in August and September, you must make your crop in June and July." It is a notorious fact that in southern Texas there is no longer cotton grown in August and September; it is made frequently in June only. Every ef-

fort is being made by the southern people today to mature their crop in June and July. It is a matter of fact and record that there is more and more cotton ginned each and every year in August than heretofore. I think it is very essential and necessary to change the crop year.

(Cries of "Question!")

MR. JAMES R. MacCOLL: Would it not be better, if a change is going to be made, to change to the first of July on account of the early maturing of cotton? We were informed when we travelled through the South that on account of the boll weevil this idea of maturing the crop earlier had been developed within a year or two. It is a question whether, in the future, there will be a much larger percentage of the crop matured before September. The idea is to get the crop all harvested and out of the way before October 1 and it is worthy of consideration whether, if we are going to change, we should not change to July 1, so as to correspond with the Government fiscal year, which ends June 30 ?

MR. E. D. SMITH: I will accept that amendment, July 1, because that will certainly make the fiscal year and the statistical year correspond exactly.

VICE-PRESIDENT MACALISTER: I do not think Mr. MacColl put it before the meeting as an amendment.

MR. E. D. SMITH: Well, if it is not good as an amendment I will let my original motion stand.

MR. F. W. DAVIS: I was going to state, Mr. President, as a proof to those who doubt the early maturing of the crop, if they will compare last year's crop with the crop of year before last they will readily see how rapidly it is advancing. As I remember

the crop then just finished ran something like 100,000 bales the first of September above the year before. We could see much earlier maturity, then it gradually dropped off and off. I can give you absolute proof that we are maturing our crop earlier.

MR. CHARLES AMORY: I think the gentleman is mistaken. I think the increase continued to the first of September; the first of September we were ahead of the crop of a year ago. Still, I would like to see the figures.

MR. HARVIE JORDAN: I think Mr. Amory misunderstands the object of this resolution. It is not a resolution to change any marketing period in the crop, but simply to put the Census Bureau in a position where it can begin a new crop as early as possible. Last year we had raised 150,000 bales of cotton. We could not carry that into the new crop year after September 1. If we had we would have double counted it, particularly that portion of it that went into the market and was counted in the commercial crop in the year 1904-1905. The object of the resolution is merely to assist the Census Bureau in the beginning a count of the crop as early as possible in the ginning year and run it from August 1 to August 1.

MR. F. A. FLATHER: Mr. Chairman, I wish to say that it seems to me we are getting into error in attempting to change something that is so well systemitized and understood by everybody the world over. We have figures enough which we cannot rely upon now, and here we are talking about making a change which would keep us all guessing for two or three years before we all thoroughly understood, farmer, ginner, spinner and everybody else. I object very strongly to the change.

MR. J. A. TAYLOR: I will read this from the Census Reports:

September 1, 1905,	483,843	bales	ginned.
" " 1904,	387,606	" "	" "
" " 1903,	17,309	" "	" "

This is the first year they took the record up to September 1. This last year was rather a late year and should not be taken altogether to prove this fact.

MR. JOHN MARTIN, of Texas: I might mention as a matter of information something that you and I found out in the Southern States some three weeks ago. We saw a good many thousand acres. We were told that the cotton on those stalks would all be cut down in July.

VICE-PRESIDENT MACALISTER: Any further discussion on this subject, gentlemen, if not there is a resolution before the meeting which I will ask the secretary to read.

The Secretary (Mr. C. B. Bryant) read as follows:

RESOLVED: That it is the sense of this meeting that the cotton year should be made to run from August 1, to August 1, instead of from September 1, to September 1, as at present.

MR. CHARLES B. AMORY: An amendment was offered to make it the first of July.

THE SECRETARY (Mr. C. B. Bryant): No, that was withdrawn.

MR. CHARLES B. AMORY: Before that question is put, Mr. Chairman, I should like to get the opinion of some of the English spinners on that if they have any definite opinion upon it.

VICE-PRESIDENT MACALISTER: Gentlemen, I think the thing should remain as it is. If we are going to alter everything and all sorts of statistics are going to be changed and to be reckoned from different dates, we are going to be completely confused. We

have one committee already appointed to deal with alterations relating to statistics. If we are going to make further alterations we shall never know where we are.

MR. HARRY PEYTON: Mr. Chairman, I will ask the indulgence of the Convention for just one moment. This is an important subject because of the fact that we are now getting, as has been stated, such a large amount of cotton into the crops that does not belong there. It is to avoid the very confusion that the gentleman mentions that we want to make this change.

It comes about by reason of an extended use of fertilizer and also by a fact that is practically known to every cotton grower, that we have an entirely new system of ginning in the South. We used to pick our cotton and put it in piles until we had enough to make eighteen or twenty bales and then gin it. Now, as fast as the cotton is picked---that is, on the large plantations, -- it is put into the wagon, hauled to the gin and ginned almost the very day it is picked.

MR. C. B. BRYANT: The August cotton is sold as rapidly as ginned. It is green, and farmers wish to move it to prevent loss in weight falling upon themselves.

MR. HARRY PEYTON: Why, certainly. We get a very large portion of the crop and get it ginned and marketed in the month of August. You get the crop then divided. You get a considerable percentage of the crop of 1905 and 1906 cut off on the first day of September and counted into one year when the cotton year begins on another date. I think it is a very important matter and not confusing at all, but it will avoid confusion.

MR. E. D. SMITH: I would like to call this to the gentle-

man's attention, that now we have the commercial crop and the statistical crop lapsed over practically six weeks, for no mortal man can get a correct idea of which is which. By just cutting out those months you start your commercial crop pari passu with your statistical crop, so that a man will know exactly how much cotton is made in any given year. You have to eliminate the cotton carried over as a commercial crop to the first of September. You have got to deduct that statistical crop, and there is your conclusion. Our proposition is in the interest of simplicity. By our present system our basis of comparison is destroyed.

MR. CHARLES B. ALORY: I only want to say a word, Mr. Chairman, I do not doubt that there is a great deal more cotton ginned now than there was five or six years ago, but the commercial crop does not take into account what is ginned; it is only what appears at certain points.

MR.....: Mr. Chairman, the proposition before the meeting would make the statistical information very much more clear and very much more easy to obtain and I would suggest that you invite the representative from the Census Bureau who is in this room to give us his views on the matter.

VICE-PRESIDENT MACALISTER: We shall be glad to hear the gentleman named.

MR. D. C. ROPER, of South Carolina: Mr. Chairman, it is not my business to offer any suggestions to this convention. My purpose is simply to gather from the ginners the quantity of cotton ginned from the growth of the year in question and compile those reports periodically. We ask them through our agents to furnish the office the quantity of cotton ginned from the growth

year. For instance, when we ask our agents to make their canvas as of September 1, they will be carefully instructed to report strictly the quantity of cotton ginned from the growth of 1906 to September 1. That is the object and purpose of the Census Bureau in these reports, and when that total is obtained in the Census Bureau the object affixing that date on the part of the grower was to draw a line, as it thought, for the convenience of statisticians and all concerned, so that they might know exactly how much cotton had been ginned from the growth of 1906 and thereby be able to arrive at a definite conclusion at least as to the quantity of this crop that had gone over into the new commercial year. As a matter of fact we cannot definitely fix that amount because we do not know how much of the cotton ginned to that date from this year's growth shall have actually have been marketed. But we do now announce to the public that so many thousand or so many hundred thousand bales of cotton have been actually ginned from this year's growth, and leave the public to understand or to figure or to estimate as to how large a portion of this amount has actually been taken over into the commercial year; so that in preparing our statistics at all times we try through very careful instruction of these agents to have the ginners report only the cotton ginned from the growth year in question.

MR. HARRY PAYTON: May I ask a question, please? Would it not simplify matters for the Census if they should begin the estimate on the first day of August? In other words, would not that relieve the Census of making that distinction and drawing the distinction between the cotton ginned up to the first of September and dividing the new crop in that way? If they would start with the new crop before we commence ginning would not the report of the Census be more easily and more definitely and certainly

promulgated?

MR. D. C. ROOPER: I would say, sir, that in certain years when the ginning season opens early, as has been suggested by Mr. Smith and others, and more especially with those ginners who do not keep very accurate records of that business, certainly that would be the case. We have to assume that where several hundred thousand bales have been ginned the ginners' records would enable them to give the exact date. But during the four years of these reports I think you will discover that the amount ginned to September 1 has ranged from about 17,000 bales to about 450,000 bales, so that to answer your question I would have to say it would depend largely upon the season.

MR. E. D. SMITH: I call for the question, Mr. Chairman.

VICE-PRESIDENT MACALISTER: Will the Secretary read it?
(To Mr. Smith) The resolution, do you mean?

MR. E. D. SMITH: Yes, sir.

SECRETARY, MR. C. B. BRYANT: "Resolved, that the"---

MR. E. D. SMITH: I call for a vote on it. I call for the previous question on this matter.

VICE-PRESIDENT MACALISTER: The resolution is now before you, as follows:

"RESOLVED: That it is the sense of this meeting that the cotton year should be made to run from August to August, instead of from September to September, as at present."

MR. CHARLES B. AMORY: Excuse me, is that the cotton year or the commercial year?

MR. E. D. SMITH: The cotton year.

SECRETARY, MR. C. B. BRYANT: The cotton year.

MR. CHARLES B. AMORY: What do you mean by "the cotton year?"

MR. E. D. SMITH: Gathering of statistics on cotton.

MR. CHARLES B. ALORY: We have a commercial crop; we know what the commercial crop is, how it is made up; it is all counted. The Census does not pretend to count. You don't pretend that he counts in every bale that he ginned?

MR. E. D. SMITH: We are aware of that fact. I called for the previous question.

MR. CHARLES B. ALORY: I am only explaining so that some of those who do not understand it as thoroughly as you, Mr. Smith, might understand it.

MR. E. D. SMITH: The whole question---I cannot discuss it, as I called for the previous question---we don't want the ginning of one year to be confused with the commercial crop, and we want the count of the ginning to run from the time practically that the ginning begins until it ends, without having to make the calculation that Mr. Roper called your attention to.

(Cries of "Question!")

VICE-PRESIDENT MACALISTER: There is a resolution before you and there is no amendment, so I must put the resolution if that is what you wish?

MR. E. D. SMITH: Yes, sir, you have to under the previous question.

MR. CHARLES B. ALORY: I would like to understand if that is the cotton year, then I would like to know what the cotton year means. Further, Mr. Chairman, I do not believe that the matter is fully understood by anybody in this house, and I hope we don't do anything foolish here.

MR. E. D. SMITH: Mr. Chairman, I will just change one word, with the consent of those who seconded my motion, and that

is "that the statistical cotton year be changed."

THE SECRETARY (Mr. C. B. Bryant): Does the seconder of the motion permit the change?

MR. HARRY PEYTON: Will Mr. Smith permit a suggestion? It might mean "governmental statistical" or "private statistical." We have several statistical reports.

MR. F. A. FLATHER: I move that this question be indefinitely postponed.

MR. J. R. MONTGOMERY: I second the amendment.

VICE-PRESIDENT MACALISTER: Gentlemen, there is an amendment before you; shall I put the amendment? Those in favor of the amendment, say aye.

MR. F. A. FLATHER: What is the amendment?

MR. E. D. SMITH: There is no amendment, Mr. Chairman. The question before the house, if you will pardon the suggestion, is on the motion to indefinitely postpone. That takes precedence over everything else. You must put the motion to indefinitely postpone, and if that is lost, then the question recurs in my original motion.

MR. HARVIE JORDAN: Mr. Chairman, I arise to a point of order, and that is that my motion is out of order until the previous question has been called and acted upon.

MR. CHARLES B. AMORY: I think, sir, that a motion to lay on the table is always in order.

MR. HARVIE JORDAN: That is true, but he said, "indefinitely postpone."

MR. CHARLES B. AMORY: I make that motion now, to lay on the table this matter.

MR. F. A. FLATHER: I second the motion.

VICE-PRESIDENT MACALISTER: Well, gentlemen, you see it all resolves itself into this, that I am required to put Mr. Amory's amendment first --- that Mr. Amory's proposition does pass. (Putting the question) The amendment is lost.

MR. CHARLES B. AMORY: I doubt it.

MR. E. D. SLITH: Mr. Amory's motion is lost and now I move the previous question.

MR. CHARLES D. AMORY: I doubt whether it is lost; I call for a---

MR. T. I. HICKMAN: I rise to a point of order. How are we voting on this subject? For instance here are two or three men representing the same association; we differ in our views. We vote as a unit. There may be a dozen or more members of one organization. Here are Mr. Flather and myself on the opposite sides of the question and we belong to the same organization. How are we going to vote?

VICE-PRESIDENT MACALISTER: I do not think that has really anything to do with the question.

MR. T. I. HICKMAN: Why, it has a great deal to do with it.

VICE-PRESIDENT MACALISTER: I do not think it has anything to do with it. All I have to do is to call your votes. I have asked you to vote on Mr. Amory's proposition and it is only a question of judgment whether the ayes or nays have it. It is impossible for me to say by sound under the present conditions as to who has it, therefore, the only thing that I can do is to ask you to vote by show of hands.

THE SECRETARY (Mr. C. B. Bryant): One moment. At the Conference that met in New York that called this Convention it was agreed that each association or organization represented should be privileged to send five delegates, its President and Secretary, making a total of seven. There are only seven votes as I understand, allowed for each organization.

VICE-PRESIDENT MACALISTER: If those are the rules which you have to abide by you will require to vote in accordance therewith.

MR. HARVIE JORDAN: Mr. Chairman, I move that the different associations hold a caucus for a few seconds and find out just how they will vote and present those votes in percentages if necessary.

VICE-PRESIDENT MACALISTER: Then, gentlemen, I will direct that to be done.

MR. HARVIE JORDAN: I will ask the members of the Southern Cotton Association to join me.

(A short recess was thereupon taken, after which the Chairman again called the Conference to order)

MR. JAMES R. MacCOLL: I think the majority of the New England Cotton Manufacturers Association's delegation votes against the amendment.

THE SECRETARY, (Mr. C. J. H. Woodbury): That is to lay the resolution on the table?

MR. E. A. FLATHER: Yes.

MR. JAMES R. MacCOLL: That is the question we are voting on, and we vote in the affirmative. That is correct, Mr. Amory?

MR. CHARLES B. AMORY: Yes, sir.

(Secretary Woodbury continued to call the roll of the organizations represented with the following result:)

Affirmative (to lay the resolution relative to changing the cotton year on the table):

New England Cotton Manufacturers' Association,	7
International Federation of Master Cotton Spinners and Manufacturers,	7
Total,	14
Negative:	
American Cotton Manufacturers Association,	7
Southern Cotton Association,	7
Farmers' Educational and Cooperative Union,	7
National Association of Manufacturers,	7
National Ginners Association,	7
Total,	35

VICE-PRESIDENT MACALISTER: Gentlemen, the amendment is lost. I now put the substantive motion.

MR. CHARLES B. AMORY: Now, I would like to know what the resolution is; I will ask Mr. Smith to state it.

VICE-PRESIDENT MACALISTER: It is here, Mr. Amory.

MR. E. D. SMITH: I said a moment ago that the main object that we had in view was changing the report of the ginning season to make the report of the ginners to correspond with the beginning of the ginning of the new season; and then I wanted the statistical year to conform to that. There seemed to be some confusion, but that was my main object. I so mentioned it to some, but since then there are others who have voted in the affirmative for my question and in the negative as to laying it on the table, but most of them have voted intelligently with the idea of having the statistical year---that is the ginning, the Census report year, conform with the commercial year. So I should leave the verbiage of the resolution as it is.

VICE-PRESIDENT MACALISTER: Do you consider the verbiage of your resolution carries what you mean?

MR. E. D. SMITH: Yes, sir.

MR. T. I. HICKMAN: Read it.

(The Secretary, Mr. C. B. Bryant, read the resolution) after which it was put to vote and declared adopted.

VICE-PRESIDENT MACALISTER: Mr. Woodbury has some announcements to make.

REPORT OF THE CONFERENCE.

SECRETARY C. J. H. WOODBURY: Mr. President and gentlemen: The Presidents of the Associations forming this Conference wish me to make a statement which will answer numerous interrogatories. The financing of the expense of this Conference is to be shared equally by the New England Cotton Manufacturers' Association, the American Cotton Manufacturers' Association, the Southern Cotton Association, and the Farmers' Educational and Co-operative Union, which have provided for the reports of this meeting, and each of these Associations will receive a full type-written copy of the report of the meeting for such purpose as they choose to use it, being at perfect liberty to print it in whole or in part as a portion of their Transactions or otherwise. They pay for it and it is theirs. Beyond that the Stenographer of the meeting, Mr. F. H. Burt, will sell to other parties interested, copies of the Stenographer's report, for which he cannot at the present time quote a price. It will probably exceed three hundred pages.

I wish to avail myself of this opportunity to thank the Associated Press for their enterprise by which the reports of each half day's session of this meeting have been placed on the wires, giving about two columns for each forenoon and afternoon sessions in the daily papers throughout the cotton manufacturing and the cotton growing districts of this country, so that your deliberations are receiving the benefit of the fullest publicity among all

interested parties.

Beyond this, the textile press is so ably represented here that we shall undoubtedly hold the same sentiments after the appearance of their weekly issues, but we can at this present time only have that gratitude which has been defined "as a lively sense of favors to come."

QUESTION OF PRIVILEGE.

MR. E. D. SMITH: Mr. Chairman, I rise to a question of personal privilege, and I want the Stenographer to refer at his leisure to the following which appears in the Washington Post of this morning, and if I used the exact words as reported here I wish to correct them so that they may go out in the report in the form which I intended them. In this newspaper, referring to the remarks which I made on the proper baling and handling of cotton I am reported to have said:

"Mr. Smith commented upon the fluctuations in the price of cotton from day to day, which he asserted was due to speculators, some of whom, he suspected, were in the employ of certain spinners."

Right there is an error, Mr. Chairman.

"And much of the fault found with the cotton bale of the south he continued, was due to the desire of the planter to get even with such stock-jobbing operations. Because of such conditions, he asserted, southern farmers occasionally load their bales with sand and water."

There was nothing further from my intention than to make

any such remark. The full gist of my remark was that we picked it indifferently and allowed the dirt and trash to accumulate in it because of the fluctuation in price. In closing my remarks I said---I do not remember my exact words, but as I remember it, that "some farmers" did---not "the southern farmers." That leaves the

impression among all that the southern farmer did occasionally do it to get even. I say that there are among the growers of cotton some who do water their cotton. We have received it water-packed; I have bought it and handled it, and I guess there is not a mill man who has not; but I do not mean to say, and I do not say that the southern planter occasionally does it. I mean to say that there are some unscrupulous ones who do it for the purpose, I suppose, of defrauding and getting gain. But the southern planter for no cause of that kind does it, and I did not mean to say any such thing, and I hope that the correction will be made in the local press of this city if the statement has not gone out to the general press. I say so much in justification of myself and in doing honor to those with whom I am associated.

VICE-PRESIDENT MACALISTER: I have no doubt the Stenographer will take Mr. Smith's remarks into consideration.

REPORT OF CONFERENCE FOR THE ENGLISH DELEGATION.

MR. R. H. MILLER, Jr.: Mr. Chairman, I want to make a motion that the organizations bearing the expense of this meeting will agree to present to the English delegation a complete copy of the Stenographer's report of the proceedings with the compliments of this Conference.

(The motion was seconded by Mr. Smith and carried)

MISCELLANEOUS BUSINESS.

VICE-PRESIDENT MACALISTER: There is one subject which is still on the agenda, which you have not dealt with, at least this afternoon; that is the question of Speculation. It appears to me

that it was very fully discussed this morning under another head and I would suggest that it would lead to useful result that we further discuss it. I am in your hands, gentlemen.

MR. E. D. SMITH: Mr. Chairman, I wish to move that a committee be appointed to present the resolution which we have passed on the changing of the cotton year to the Secretary of Agriculture and confer with him as to making it effective.

(The motion was seconded by Mr. Campbell Russell)

(The Chair requested Mr. Smith to put his motion in writing)

MR. E. A. CALVIN: I feel that we ought in some way to give our sentiments at least relative to speculation in cotton futures. We have discussed that matter for two days, almost; nearly every speaker has said something about it, and I feel we ought to express what we feel about it.

VICE-PRESIDENT MACALISTER: Have you a resolution?

MR. E. A. CALVIN: I have no resolution formed. I will make a motion, Mr. President, if I am in order:

"That it is the sense of this meeting that measures or methods should be devised to eliminate the marketing of cotton from speculation of every character."

VICE-PRESIDENT MACALISTER: I think I will ask you to put it on paper, because it is a very important matter. We have another resolution which I am about to put before you from Mr. Smith, which is now being formulated, so would you be kind enough to be patient for a moment.

SECRETARY C. J. H. WOODBURY: While Mr. Smith is writing that resolution may I ask if there are any persons here who have not given me their names on these cards, and if so, if they will kindly raise their hands I will give them cards, as we wish the

name and address of every person here, thus far seventy-three have been recorded.

Mr. Smith's resolution was submitted in writing, as follows:

lows:

"RESOLVED: That a committee consisting of one delegate from each organization represented in this Conference be appointed to confer with the Secretary of Agriculture, looking to the adoption by the department of the resolution adopted by this body as to changing the cotton year."

MR. HARVIE JORDAN: Mr. Chairman, I would like to amend that and suggest that the associations represented here suggest the name of the committeeman to the Chairman for appointment.

VICE-PRESIDENT MACALISTER: Do you move that as an amendment?

MR. HARVIE JORDAN: Yes, sir; I move that as an amendment.

(The amendment was seconded by Mr. E. D. Smith)

VICE-PRESIDENT MACALISTER: An amendment has been moved in the following language---the Secretary will read it.

MR. E. D. SMITH: I accept the amendment, Mr. Chairman.

VICE-PRESIDENT MACALISTER: The amendment is accepted; does your seconder agree to that?

MR. E. D. SMITH: Yes, sir.

VICE-PRESIDENT MACALISTER: The amendment becomes a part of the substantive motion, gentlemen, and the Secretary will be kind enough to read it.

The resolution as amended was read, viz:

"RESOLVED: That a committee consisting of one delegate from each organization represented in this Conference be appointed by the President of each organization to confer with the Secretary of Agriculture, looking to the adoption by the department of the resolution adopted by this body as to the changing of the cotton year."

(The resolution was put to vote and adopted.)

VICE-PRESIDENT MACALISTER: There are only ten minutes more time, gentlemen, and as this is so short I must now hand the meeting over to your President. I have much pleasure in doing so, and I thank you for your consideration to me as your Chairman during this afternoon's proceedings. (Applause.)

President MacColl resumes the Chair.

PRESIDENT MacCOLL: Gentlemen, as we have been running things on schedule time and as we have only a few minutes more before we must close this conference I suggest that we hear a very brief address from Mr. Jordan, representing the growers, after which I will close with a few words and the Conference will be adjourned.

MR. HARVIE JORDAN: Mr. President and Gentlemen: As I have been called to say a few words to the Conference as we come to a close, I desire to say that I have been deeply impressed by the action of the Conference since we came together yesterday morning. It has been particularly gratifying to me to notice the harmony and good-will which has prevailed among all of the delegates representing the various associations on this occasion. I feel that we have accomplished a great deal in coming together and becoming acquainted, we as representatives of the producers of the American crop, with those who spin our cotton. I believe that we have practically accomplished everything that could have been accomplished from the first Conference of this kind. I do not think that I make any mistake when I prophesy that great benefits and great good will result to both the cotton growers and producers of America and the spinners of American cotton in future con-

ference of a similar kind. It has been a hard thing for me to understand that this condition of affairs should exist, that is, that the spinner on the one side and the producer on the other have been apart practically as strangers for nearly one hundred years, when their interests are so vitally dependent one upon the other. We have mutual troubles and we have mutual problems to solve, and there can be no better way, no quicker nor more satisfactory method of arriving at a proper solution of those problems and settling them satisfactorily to both of those interests than by coming together in a friendly, co-operative spirit and arriving at the proper course to pursue in the future.

I want to thank you heartily, gentlemen, for the candid expression on your part upon the various subjects that have been discussed. We came here for the purpose of getting at the truth and of bringing about a better relationship and a better understanding between the producer and the spinner. And I am satisfied that as time rolls on both of us will be greatly benefited. I feel that a new era has already begun that will promote our interests mutually in the future. I thank you, gentlemen, for this opportunity of saying these few words to you, and I hope that the time is not far distant when we will come together again and I hope that the next meeting will be held in the old mother country of England. (Applause)

COTTON FUTURES.

PRESIDENT MacCOLL: I think there is a motion before the Conference, will the Secretary please read it.

SECRETARY C. B. BRYANT: Mr. Calvin's motion is:

"RESOLVED: That it is the sense of this body that speculation in cotton is disastrous alike to grower and spinner, and that we will use our personal and organized effort to eliminate this evil from this great commercial commodity."

PRESIDENT MacCOLL: Is this motion seconded?

(The motion was seconded by Mr. J. A. Taylor)

PRESIDENT MacCOLL: Are there any remarks?

(Calls of "Question!")

PRESIDENT MacCOLL: Those in favor---Mr. Amory.

MR. CHARLES B. AMORY: I just want to say one word. I think if we said "speculation in futures" it would cover what you want. That is the great trouble.

MR. E. A. CALVIN: All right, I will accept that amendment.

PRESIDENT MacCOLL: Is this amendment accepted by the seconder?

MR. J. A. TAYLOR: I accept it.

PRESIDENT MacCOLL: The resolution then is amended to read; "speculation in cotton futures." (Putting the question) It is a unanimous vote.

Is there any other business to come before the Conference?

If not, I will suggest---

MR. R. H. MILLER, Jr: There is a committee to be named, Mr. Chairman.

PRESIDENT MacCOLL: I think that is to be named by the Presidents of the different organizations.

MR. E. D. SMITH: Yes.

PRESIDENT MacCOLL: And that cannot be done here; it will be done afterwards.

MR. E. D. SMITH: The only thing is, Mr. President, I would like to know the sense of this body as to when that Committee ought to act.

A DELEGATE: Now.

MR. T. I. HICKLIAN: Tomorrow.

MR. HARVIE JORDAN: I will give you the name of Mr. E. D. Smith of North Carolina.

PRESIDENT MacCOLL: I would ask Mr. Amory to serve on this Committee, if he will, for the New England Association.

MR. CHARLES B. AMORY: I have an engagement just after this meeting which I will have to keep. I am sorry. Moreover, I am not in favor of the resolution; you don't want me.

MR. E. D. SMITH: Well, I want a representative from your body.

MR. J. R. MONTGOMERY: Is it necessary that they should present the matter in a body? Could not Mr. Amory write to the Secretary.

MR. E. D. SMITH: In a body.

MR. CHARLES B. AMORY: I am opposed to it.

PRESIDENT MacCOLL: Our whole Association seems to be opposed to it, so there does not seem to be much use in appointing a member.

MR. E. D. SMITH: As it passed the Conference it seems to me that those appointed should be in favor of it, so that they would express the opinion of the body.

MR. CHARLES B. AMORY: I think it is better for you that I should not serve.

MR. C. B. BRYANT: On behalf of the American Cotton Manufacturers' Association I appoint Mr. R. M. Miller, Jr., our President.

PRESIDENT MacCOLL: I will be glad to have Mr. Montgomery serve.

MR. J. R. MONTGOMERY: I cannot.

PRESIDENT MacCOLL: I think Mr. Amory had better serve. If he cannot be present he can write.

MR. W. F. VANDIVER: Do I understand correctly that both sides should be represented on the Committee?

MR. C. B. BRYANT: Mr. Amory of the New England Association voted against it.

MR. W. F. VANDIVER: I understood so, but he was voted down and the Committee are to represent a majority of this body, and we think it would be totally unfair for him to serve.

PRESIDENT MacCOLL: Well, he cannot attend to it anyway.

MR. W. F. VANDIVER: Don't put a man on who is antagonistic.

MR. CHARLES B. AMORY: I think no one should be on the Committee who is opposed to the measure.

MR. W. F. VANDIVER: I thank you for your candor, sir, in regard to it. We don't think you ought to be on it.

MR. CHARLES B. AMORY: I agree with you.

SECRETARY C. B. BRYANT: For the National Ginners Association, Mr. J. A. Taylor is appointed; on behalf of the Farmers' Educational and Co-operative Union, Mr. E. A. Calvin. The National Association of Manufacturers and the English delegation have not named their members.

PRESIDENT MacCOLL: Mr. Macalister, will you name a member of this committee?

MR. H. W. MACALISTER: On behalf of the International Federation I name Mr. W. J. Orr.

(On behalf of the National Association of Manufacturers, Mr. J. I. Westervelt was appointed, the Committee being as fol-

lows: E. D. Smith, R. H. Miller, Jr., J. A. Taylor, E. A. Calvin, W. J. Orr, and J. I. Westervelt, without anyone representing the New England Cotton Manufacturers' Association being appointed by the President in place of Charles B. Amory.)

CLOSING ADDRESS OF PRESIDENT MacCOLL.

In closing, gentlemen, permit me to say that this Conference has undoubtedly been beneficial from an educational standpoint. Cotton growers and manufacturers have met together and as a result they understand better the problems that each industry has to meet and by rubbing shoulders they have a friendlier feeling to one another. As much has been accomplished by the informal interviews in the corridors and halls as by the discussions in this room.

The growers have emphasized the inadequate profits received from their product in many past years and the wonderful development and opportunity that have come to the South from the larger returns of the last two years. We rejoice in their prosperity and increased wealth, and sincerely hope that the price of cotton may always be maintained on a basis that will yield them an ample and fair profit. (Applause)

Especially American manufacturers appreciate the fact that every cent per pound obtained from the cotton crop means \$60,000,000 in purchasing power, of which our European friends contribute \$36,000,000. We want to see all feeling of antagonism between the North and the South removed, and the whole country prosperous from Canada to the Gulf and from the Atlantic to the Pacific. (Applause)

The Southern Association and Farmers' Union have explained their program. They propose to build warehouses, to grade cotton, and to market it direct to manufacturers as required throughout the year and they have asked our opinion of this scheme. Manufacturers have informed them that if any financially responsible organization will offer spinners the cotton they require at a fair market price there will be no trouble in doing business. A stored surplus of well-handled and graded cotton deliverable during the year would be of great advantage to every manufacturer. I must, however, point out that any scheme to be successful must be based on the infallible economic laws that govern all commerce. To carry cotton in large quantity requires an enormous capital, and capital must be assured of an adequate return. Hand in hand with storage must go ability to control acreage and production, and this again is governed by the relation of the profit on cotton to the profit that can be earned by the other products to which the land and labor of the farmer can be devoted. We wish these Associations success, and await patiently the development of a scheme which if carried out will be of inestimable value to all concerned.

Much attention has been given at this meeting to improved methods of ginning and baling. I believe the visit of our English friends, their journey through the South meeting as they did hundreds of planters, ginners and compress owners, and their presence at this Conference will have beneficial results. We are glad that there is on every hand a disposition to improve what is faulty, and a willingness to learn what manufacturers want, and to try to meet their requirements.

Permit me to express the hope that henceforward there will be a closer bond of union between the North and the South and be-

tween America and Europe in all that pertains to cotton growing and manufacturing. (Hearty applause)

INTERNATIONAL FEDERATION.

MR. H. W. MACALISTER: Mr. President, before you close will you allow me to say, as representing the International Federation of Master Cotton Spinners' and Manufacturers' Associations, that we re-affirm what you have just stated and we ask you as Northern spinners and you gentlemen as Southern spinners and growers to send representatives to the meetings of the International Congress which will take place at Bremen on the 25th, 26th and 27th of June next. I hope that you will send delegates and that you will not lose a minute's time in passing your resolutions and choosing your men. (Applause)

CLOSING REMARKS.

MR. E. A. CALVIN: Mr. President, I want to thank this Convention on behalf of our organization for the many courtesies extended during this meeting. I want to give you all a cordial invitation to come to our State some time and see how big it is. Our state is bounded on the east by the rising sun and on the west by the confines of eternity. It is the biggest waffle on the American griddle at the present time. We want you to come down and we will show you that our people are big hearted. Their hearts are half as big at least as the State. (Applause) We think that much good has come out of this meeting and we hope sincerely to meet in a like capacity at some time in the future, to see if we cannot derive advantages that may follow from this conference and

that we may be able to get closer together than we are at the present time.

I want to assure the Manufacturers that the Cotton Growers of the South are making preparations as rapidly as possible, as has been said many times on this floor, to get themselves in position to do the direct dealing spoken of by President MacColl, and that before many years we hope to be able to convince you that we have the ability and the financial backing to make the price and deliver the goods. (Applause)

MR. HARVIE JORDAN: There is one matter that went into the records this morning that I think some attention ought to be called to. That was a statement by Mr. Livingston of Georgia. In the course of his remarks he referred to an ideal condition of affairs which perhaps will never be reached in the South--that the South under the present methods and conditions must proceed to furnish the world with all the cotton that it needs. Mr. Livingston stated in the course of his remarks that provided the farmer raised under a diversified system of agriculture a sufficient quantity of other crops to pay the cost of growing all of the crops raised by his farm, he could consider the cotton crop as having been raised without costing him a cent. I hardly know what construction might be put upon that remark by some of our friends who are here, more especially those from Europe. I want to correct that impression, if any such impression has been made upon their minds. It figures a condition of affairs which probably will never be reached in our country, certainly not at the present time, and I want that part of the records corrected so as to show that Mr. Livingston simply stated a condition.

MR. HARVIE JORDAN: It is a system of raising cotton which has never been practiced in our country. As a matter of course it would enter into the cost of production.

PRESIDENT MacCOLL: He meant it did not cost him anything but his work.

MR. T. I. HICKMAN: And the seed.

MR. HARVIE JORDAN: I did not want that to go without some correction.

MR. CHARLES B. ALORY: In other words he meant that he had been raising it forty years without anything and thought he should continue.

PRESIDENT MacColl: If there is no further business, a motion to adjourn will be in order.

(A motion to adjourn was made)

MR. W. F. VANDIVER: Mr. President, one moment, please. I feel that so far as our Southern people are concerned and so far as our representation is concerned that something should be said in recognition of the noble sentiment which you from Massachusetts expressed in saying that you hoped the day had come when this great country of ours would know no North, no South, no East and no West. Mr. Chairman, the people of the southland have settled that question long since, and we have decided that the brave American who fought on either side and made history from 1861 to 1865 shall live on forever a sacred, blessed memory, but let us feel that it is a common heritage and that today the white-winged angel of peace is hovering over a common country, the breath of whose wings is felt from Maine to California. I thank you, Mr. President. (Applause)

MR. HARVIE JORDAN: Mr. Chairman, before we adjourn, as I

understand it, this room was given to this Conference as a courtesy on the part of the hotel management, and I move that we extend the thanks of this body for this and for other uniform courtesies extended to us by the management of the New Willard.

(The motion was seconded and carried)

MR. W. S. MILLER: Mr. President, this is the last opportunity that I shall have to talk to this Conference. I am one of the number who mixed in the trouble from '61 to '65. I wore the gray. I have long since extended my hand across the bloody chasm to the man who wore the blue and we are one, and we invite you all to come to our country and we will treat you as brethren. On the boat the other day I met brothers that I had faced in the Valley of Virginia, and even there the wives and daughters came around to give me the hand, and it made me feel as if I had met old comrades. They said, "We are comrades now instead of enemies."

MR. CHARLES B. AMORY: (Advancing towards Mr. Miller with hand out-stretched): I was in the army four years.

MR. W. S. MILLER: So was I. (Shaking Mr. Amory's hand for several moments.) (Great applause)

PRESIDENT MacColl: If there is no other business the motion to adjourn is in order.

MR. J. A. TAYLOR: I move we adjourn.

(The motion was seconded by Mr. J. R. Montgomery and put to vote and carried; and the Conference was thereupon, at 5.45 P. M. declared adjourned.)

ATTEST:

Secretaries.

Timeographed
by
BULLOCK & BARBER
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Boston, Mass.,