

### Report of the Secretary of Agriculture for 1913.

Washington, D. C., Dec. 8.—David F. Houston, Secretary of Agriculture, today published his annual report for the year 1913. The report which contains only 58 pages, differs from previous reports in that, instead of merely reviewing the agricultural situation, it presents in summary many broad economic questions. Throughout the report strong emphasis is placed upon co-operation between the Department of Agriculture and other Federal departments and the State agricultural agencies to promote co-ordination and eliminate duplication of effort. The keynote of the Department's information in all fields more directly and in more valuable form to the people. The following are summarized statements of the more important subjects and recommendations discussed in this report:

#### THE PROBLEM OF PRODUCTION.

Increased tenancy, absentee ownership, soils still depleted and exploited, inadequate business methods, the relative failure to induce a great majority of farmers to apply existing agricultural knowledge, and the suggestions of dependence on foreign nations for food supplies warn us of our shortcomings and incite us to additional efforts to increase production. The report states that there is no ground for thinking that we have yet approximated the limit of our output from the soil, but that we have just begun to attack the problem, and have not reached the end of the pioneering stage, and only in a few localities have developed conditions where reasonably full returns are secured. We have unmistakably reached the period where we must think and plan.

#### INCREASES ASKED.

Increases in the appropriations for the next fiscal year are recommended, as follows:

\$250,850 for extending the work of eradicating animal diseases, feeding and breeding live stock, and for dairying, and the enforcement of the meat-inspection law.

\$45,660 for the introduction and breeding of new plants, the control of plant diseases, and for improving the methods of crop production, especially cereals.

\$143,577 for the classification of agricultural lands and the survey of homesteads in the national forests.

\$60,441 for extending investigations of the handling, shipping, and storing of poultry, eggs, and fish.

\$24,420 for investigating fertilizer resources, soil fertility, and the chemical and physical properties of soils.

\$71,000 for extending investigations of insects attacking deciduous fruits, cereals and forage crops, and forest trees.

\$90,000 to enforce the migratory-bird law.

\$57,000 for gathering crop forecasts and estimates.

\$133,500 for road management and road building and maintenance.

\$144,000 for investigations of the marketing and distribution of farm products.

\$50,000 for live stock and other demonstration work in the sugar-cane and cotton areas in Louisiana.

A decrease of \$37,340 is made in the funds of the Weather Bureau, made possible by the increased efficiency shown in handling its work.

It is recommended that the congressional seed distribution as now conducted be discontinued, and that constructive work in securing and distributing new and valuable seeds and plants be substituted.

#### PLAN TO REORGANIZE THE DEPARTMENT.

To promote co-ordination, allow greater latitude in carrying out of projects, and to establish a more logical handling of regulatory work and research, investigation and demonstration work, the secretary will ask the congress in the coming estimates for authority to prepare a plan for reorganizing, redirecting, and systematizing the work of the Department as the interests of economical and efficient administration may require. This plan would be submitted in the fiscal estimates for 1916. It is believed that the Department can best carry on its functions and carry its information to the people it seeks to serve, probably by having its work conducted in five or six main groups such as a research service, a regulatory service, a State relations service, a rural organization service, a forest service, a weather service, and others as special occasion might warrant.

#### PROMOTION BASED ON EFFICIENCY.

A system of efficiency ratings affect-

ing all clerical and subclerical employees, designed to eliminate all danger of favoritism to provide for promotion entirely upon merit, has been established.

Increased efficiency and considerable economy have been gained through changes in the handling of fiscal matters.

It is recommended that the Department be given authority to increase the maximum salary of \$4,000 which now can be paid to scientific investigators. It is pointed out that many of the leaders in the Department could command salaries in many cases more than twice what they are receiving.

#### CHANGES IN WEATHER BUREAU.

Changes in the organization and work of the weather bureau have resulted in increased efficiency and economies which make possible a reduction of \$37,340 in its funds. Certain stations and substations will be eliminated and the work of other stations not well located for climatological work will be limited to forecasting. Full co-operation with the Hydrographic office in the Navy Department in the publication of marine meteorological charts has been effected. Investigational work at Mount Weather will be discontinued and steps to make available for scientific work in more suitable locations the funds thus saved, will be taken. The crop and food warning service designed to enable crop growers or those along certain waterways to have notice in time to take protective measures will be strengthened. The scientific work of the bureau will be emphasized, especially in field having a direct bearing on agriculture, commerce, navigation and aviation.

#### POST OFFICE TO AID IN CENSUS OF CROP ACREAGE.

Changes have been made in the organization and work of the bureau of statistics to effect economies and increase efficiency. It is recommended that the designation of this bureau be changed to "The Bureau of Agricultural Forecasts," which more accurately defines its functions. Co-operation with the post office to test the practicability of an annual census of acreage and stock through the rural route carriers has been effected. A committee on co-operation composed of representatives of various branches of the Department and of other Federal departments will, it is believed, eliminate duplication of work and improve statistical results. Increased accuracy of crop forecasts will be secured through improvement in the field forecast agents, special crop reporting system and the field service.

#### COUNTRY TO BE DISTRICTED TO ENFORCE FOOD AND DRUGS ACTS.

Certain reorganizations have been effected in the bureau of chemistry looking toward more effective administration of the food and drugs act and to greater constructive technological assistance to manufacturers in avoiding waste, reducing cost of manufacture and to keep them develop with the law. The country will be divided into several districts each under the direction of a competent official. All branch laboratories and food inspectors will be under single direction and will work together instead of being independent of each other, a condition which led to lack of co-ordination in the past. Certain branch laboratories will be consolidated because the work can be done more effectively and more cheaply in the larger central laboratories which are provided with complete equipment and specializing chemists. Effort will be made to make the act more hygienic measure through increased attention to milk, eggs, oysters, and fish, which are subject to organic contamination and may become carriers of disease.

To bring about greater harmony in the work of the State food officials and the department in food and drug work, the Secretary called a conference which was attended by representatives of 32 States, the District of Columbia, and Porto Rico. It is believed that this conference has promoted much better understanding. An office which will act as a clearing house of information among the State and Federal food and drug officials will be established to prevent duplication work and promote harmonious action and co-operation. Experience has revealed certain weakness in the food and drugs act—notably the lack of provision for legal standards, and its failure to apply to certain external remedies. The Secretary will ask that authority be granted to prepare and submit such amendments to this law as may be deemed needful to safeguard the health of the people, establish standards, better define drugs, improve the food supply, and promote

uniformity in the matter of food legislation.

#### PROSECUTIONS UNDER FOOD AND DRUGS ACTS AND OTHER REGULATORY ACTS.

Prosecutions under the food and drugs acts and other regulatory statutes will be expedited and made still more effective through co-operation with the department of justice whereby the solicitor will prepare cases in the form of criminal informations and place at the service of the U. S. District Attorneys in the trial of cases the department's attorneys who are thoroughly familiar with the highly technical and technological aspects of many of these causes. Under the food and drugs act, 1948 cases were transmitted to the department of justice. Fines amounting to \$23,463.50 were imposed in 596 criminal cases, and decrees of condemnation and forfeiture entered in 365 other cases. Eight hundred and sixty-seven notices of judgement were published. The courts have evinced a disposition to impose more severe penalties in food and drug cases. Under the meat-inspection act, 81 seeming violations were reported and convictions secured in 64 cases, in seven carrying sentences of imprisonment. Under the live stock quarantine acts, fines aggregating \$10,275 were imposed in 93 cases. Under the Lacey act regulating interstate traffic in game, 154 cases were submitted, and convictions secured in 73 actions. Under the insecticide act of 1910, 108 cases were reported and 59 cases resulted in fines or condemnation. The twenty-eight hour law governing the shipment of live stock was vigorously enforced; 1,037 apparent violations were reported and penalties aggregating \$61,695.

#### MARKETING.

In many directions further production waits on better distribution, and the field of distribution presents problems which rose in every grave way simple issue of justice. Under existing conditions the farmer does not get what he should for his product; the consumer is required to pay an unfair price, and unnecessary burdens are imposed under the existing systems of distribution. No one can see offhand just what part of the burden is due to lack of systematic planning or inefficiency, economic waste, or to unfair manipulation. The report outlines the projects in this field as covering marketing surveys, methods and costs of marketing, including available market supplies in given production areas, demand at consuming centers, cold and other methods of storage, marketing systems and prices, and costs of wholesale and retail distribution of farm products. Other studies in this branch include; investigation of transportation problems and the elimination of waste in shipment, study of city marketing and distribution, study of grade, and finally co-operative production and marketing. The necessity for standardizing agricultural products as a prerequisite to proper marketing is given special emphasis. The adoption and universal application of one uniform standard for cotton would result in great simplification of all transactions and do away with the complex methods of figuring buyers' limits. Practically the same results would follow and the same evils would be removed if standard grades for corn were universally adopted.

The individual farmer acting alone is helpless before the problems of rural credit and of marketing. Concerted action is essential. In co-operation does not mean that an organization shall attempt to establish a closed market and to fix prices. This should be condemned as strongly in one field of industry as in any other.

It is recommended that provisions be made for the establishment of grading standards for various farm products and for the promulgation of the standards already established by the department for cotton and corn grades.

#### RURAL CREDITS.

Conditions vary widely in the United States. Farmers do not equally need better credit arrangements and all sections are not similarly circumstanced. The report cites the variation of the interest paid by farmers on long and short time loans as among States and as among different sections of the same area. Among the many factors entering into these variations are climatic conditions, soil conditions, stability of industry, methods of farming, distance from markets, distance from centers of large wealth, the nature of financial agencies through which capital is secured.

When all necessary allowance has been made for these fundamental fac-

tors, it is probably clear that the rural communities are not as efficiently served as they should be by existing financial arrangements. Long-time loans are needed for permanent investments, such as the purchase price of a farm or for the erection of buildings. It is wise economy to encourage the extension of credit for safe productive use, and no less wise to discourage the use of capital along nonproductive or speculative lines. The rapid increase in farm values and the difficulties in securing land has given impetus to the growth of the renting system. It is this tendency that suggests the importance of devising farm loans on terms such as will enable the producers to make the necessary payments on the interest and principal, so far as possible, from the returns of the land itself.

The report also discusses short-time loans, buildings and loan associations, land debentures, land mortgage banks and various other domestic and foreign methods of rural investment and credit mechanisms. There does not appear to be need for unique or special legislation or for legislation which shall aim to give the farmer credit or easier terms than other members of society. What is needed is the creation of conditions and machinery which shall enable him on similar credit foundations to secure money at the same rates as those that prevail for other classes and for other sections.

#### OTHER RURAL ORGANIZATION PROBLEMS.

Even though the problem of how the farmer can best sell his produce and can improve the conditions under which he can secure the necessary capital were solved, there would still remain vital things to be accomplished before rural life can be made fully efficient, profitable, healthful, pleasurable and attractive, and before a larger disposition to remain on the farm develops. Good roads are prerequisite for better marketing, for better schools, and for more comfortable rural living. Better sanitation and hygiene in the home, in the school and in the community are just as vital for the rural community as for the urban.

#### TO STUDY DISEASE-CARRYING INSECTS WHICH AFFECTS AGRICULTURE.

The effect of the malaria-carrying mosquito on agricultural production has been made the subject of investigation on Southern plantation. Attention will be given to other disease-transmitting insects such as the house fly, stable fly, and spotted fever tick, which have a bearing on the health of rural populations. Satisfactory progress has been made in a study to discover means whereby the breeding of flies in manure may be prevented without lessening its fertilizing value.

#### SOIL SURVEYS.

The value of the soil survey work will be enhanced by giving precedence in surveys to those States which offer active co-operation nineteen states during the past year have entered into this plan. Reconnaissance surveys will be confined to classification of agricultural lands in the national forests and the undeveloped areas of the community.

#### THE FARM PROBLEM.

To gain information that would enable the department better to serve rural women, the secretary addresses letters of inquiry to the women on 55,000 selected farms covering every county. Other surveys and studies were also conducted. Analysis of the small part of the letters as yet digested shows that farm women desire assistance in all phases of home management, especially as to ways of securing running water, introducing household power machinery and labor-saving arrangements, and providing better hygienic and sanitary conditions. Many seek advice as to the better marketing of the articles they produce. Others ask the department to prove to the man that their work is worth something in dollars and cents. The overwork of women and children and difficulty of securing domestic help are mentioned by a number of the writers. These letters have furnished valuable suggestions for constructive work in this field. The department believes that intelligent help to women in matters of home management will contribute directly to the agricultural success of the farm. It purposes, therefore, to ask Congress for means and authority to make complete studies of domestic conditions on the farm, to experiment with labor-saving devices and methods, and to study completely the questions of practical sanitation and hygienic protection for the farm family.

#### RELATIONS WITH STATE COLLEGES AND STATIONS.

To eliminate duplication of effort and friction and bring about greater co-ordination between the State land grant colleges and experiment stations and the department, several conferences were held with representatives of these institutions. The executive committee and the secretary signed a memorandum formulating certain views. In substance this memorandum holds that the Federal department's primary function is to undertake the study of problems and regulatory work that are more particularly regional, interstate and international in character and that upon the station should rest the responsibility of investigating problems within its state. Provision is made for union effort where co-operation seems necessary. Committees on projects and correlation of work, relations and publication of research will be appointed to bring about closer relations. It was agreed that the extension and demonstration service through which information is carried directly to the people should be administered under the immediate direction of the colleges; that extension service projects maintained by Federal funds should be entered upon only after mutual approval by the department and the colleges and that Federal funds be distributed and expended under proper federal check; and that extension appropriations by the States be under State control. The Congress will be asked to provide necessary legislation which is embodied in the Smith-Lever bill to establish machinery for extension work throughout the States, bring about a decentralization in this work and enable the department to conduct this service with the full co-operation of the agricultural colleges. Legislation whereby the department, the colleges and the stations may co-ordinate their research activities and avoid duplication of work should be enacted. The department is of the opinion that in the administration of the Hatch and Adam acts, it will regard unwarranted change in the personnel and unnecessary interruption of projects as calling for inquiry and possibly warranting the withholding of funds.

#### FEDERAL ROAD POLICIES.

There has been a steady movement for better roads during the past 20 years, and today about 34 States have highway commissions or some other State highway agency. The total annual expenditure of the States for construction and maintenance of roads which ten years ago amounted to but \$2,000,000, has grown to \$43,000,000 in 1912. The Federal Government should take the lead in investigational and experimental work, and there is need for a central agency which can furnish lowest information on all problems of road building and maintenance. Recently Congress made an appropriation of \$500,000, for improving post roads, expenditure to be contingent on the appropriation of double the amount of money by the State or local subdivision. If Federal aid is to be further extended in highway development, legislation to that end should incorporate this co-operative principle. The Federal Government should deal with the State as the lowest unit, through an expert highway commissioner as its agency. The plan should provide for maintenance as well as construction. Preference should be given to the improvement of roads over which products from the farms can be taken to the nearest railway station. A scheme of road construction and maintenance within a State should be developed and mutually agreed upon. Money appropriated by the Federal Government should be apportioned on the basis of such factors as total population, farm population, area, taxable valuation, and mileage.

#### POWER AND RECREATION PERMITS IN THE NATIONAL FORESTS.

The National Forests are being classified to segregate lands valuable for agriculture and to establish permanent boundaries for timber production and water projects. The earnings from their timber sales and other sources increased \$300,000, or 15 per cent over 1912. The forests should produce all the timber they can and supply the public need at the lowest possible cost under conditions that protect the public against monopoly. Seventy-six water power projects have been developed and thirty more are under consideration. The law permitting only a revocable franchise should be changed to allow a 50-year permit for power purposes, under provisions protecting investor and the public.

Future use of the 167 million acres, which does not interfere with more important employment, should be encouraged; the people should get the

highest net total of recreational and other benefits from them. 15,000 special permits for various purposes are in force, and last year over 1,500,000 visitors made recreational use of the forests. Legislation is needed to allow term permits for the construction of hotels and cottages and for certain recreational use of the forests, with safeguards against damage, vandalism and contamination of water. 1,200 cities and towns now draw their water supply from these watersheds. Adequate legal authority to prevent water pollution and permit sanitary regulation of watersheds is sorely needed.

#### THE CROP OUTLOOK.

Special emphasis is laid on the fact that the figures for crops quoted are estimates, and it is pointed out that this fact should be constantly kept in mind. From the estimates at hand it appears that the production of crops in 1913 was materially below the average, the yield per acre of all crops combined being smaller than in any past decade with the exception of 1911. The corn crop, the most valuable product of this country, according to the estimates fell below 2,500,000,000 bushels, which is smaller than any crop since 1903. Wheat production, with an estimate total of 753,000,000 bushels, is the largest ever recorded in this country. This crop was matured before the drought became effective. Brief mention is made as to crop conditions throughout the world. From the estimates it appears that there were increased areas sown to wheat, oats, barley, rye, and corn, and that the wheat acreage has probably yielded a record out-turn. Barley, oats, and rye are bountiful crops, but corn will probably give the poorest result in 20 years.

#### Heavy Fines on Liquor Dealers.

Asheville, Dec. 2.—The investigation of the alleged illegal traffic in whiskey which has been conducted by Judge Frank Carter here for the past several weeks, came to an abrupt close this morning when the presiding officer announced that the defendants in the various cases have agreed to pay the heaviest fines ever imposed in a North Carolina court for a similar offense, donate their intoxicants to the Mission Hospital for use in the charity wards, destroy barroom fixtures in their possession and refrain from the sale of whiskey for the next three years.

Under the terms of the compromise a fine of \$4,000 is imposed on John H. Lange and Gay Green, the former paying \$2,66.67 and the latter being assessed with \$1,333.33. James L. Alexander pays a fine of \$2,000. J. Bayliss Rector pleads guilty and judgement is suspended for three years. D. Macon McKay forfeits his liquor license and agrees never to apply for another and a similar entry is made in the case of F. F. McMullen.

The costs of investigation amounting to approximately \$1,500 are divided equally among Messrs. Alexander Green and Lange. Each of the defendants pleads guilty to two charges of violations of the prohibition laws, judgement being entered in one case and being suspended for three years in the other. The announcement came as a surprise to the witnesses and court attendants who were present at the morning session of the court and when Judge Carter immediately after court convened remarked, "Gentlemen somebody has seen the judge and these investigations are about to stop. The situation was tense.

Following the announcement that the defendants have agreed to accept the terms outlined by the court Judge Carter stated that no further proceedings will be instituted against the defendants in the present investigation although he made it clear that the ending of this phase of the investigation does not mean that he will not investigate prescription files in an effort to learn whether or not physicians have been writing prescriptions for persons other than bona fide patients.

#### Wins Another Trip.

The Missouri State Life Insurance Company has a plan of giving prizes for the efforts of its agents each year or quarter and it has been the especial distinction of Mr. W. D. Egerton their efficient agent here to win in addition to the trip to Mackinac Islands the past summer to win another to Columbia, S. C., to attend a banquet given the successful agents the latter part of this week. Mr. Egerton left Wednesday and will be out of town several days. The winning of these trips speaks well for Mr. Egerton, and come as a just reward for the special energies he is putting forth.