

# INDUSTRIES WARNED TO STEM TAX WASTE

**Counsel Tells Manufacturers  
Public Spending Consumes  
One-seventh of Income.**

**RISE IS \$500,000,000 A YEAR**

**Emery Urges Scrutiny of New  
Laws to Cut Burden Laid to  
"Misdirected Policy."**

**SCORES HOME RULE'S WANE**

**Sees Congress In Conflict With Ju-  
dicial Restraint—Edgerton Is  
Named for Tenth Term.**

Public expenditures, unless checked, soon will consume one-fifth of the national income, according to a warning sounded at the annual meeting of the National Association of Manufacturers at the Hotel Roosevelt yesterday by James A. Emery, general counsel of the association. He asserted that business men must assert their right to study and analyze the nature and effect of legislation on industrial operations. John E. Edgerton, president of the Lebanon (Tenn.) Woolen Mills, was re-elected president of the association for the tenth consecutive term.

"Fifteen years ago one-fourteenth of the national income was devoted to the purposes of government," said Mr. Emery. "Today approximately one-seventh of our national income is devoted to public expenditure. It reaches the colossal sum of approximately \$13,000,000,000 annually, the equivalent of more than \$40,000,000 each working day, and has been increasing at the rate of \$500,000,000 a year.

**Would Check Wasted Expense.**

"It means that, unless checked, public expenditures will, within a brief time, consume one-fifth of the national income. Apart, therefore, from the numerous and critical questions of authority and regulation which our voluminous and intricate statutory enactments present, the cost of misdirected policy or its administration presents one of the chief issues of public policy in our day.

"To compile, analyze and study accurate and timely information with respect to the nature and effect of public legislation upon industrial operation represents a right to be asserted and vindicated with determination, and a duty which cannot be avoided if business men are to meet the most vital responsibilities of their leadership."

Mr. Emery asserted that there was a continuing conflict between judicial authority on one hand and legislative and administrative power on the other, and added:

"You note now the impatience which marks the judicial enforcement of constitutional restraint upon legislative action. It was never more plainly exhibited than in the contest to hold within secure limits the determination of labor combinations to procure exemption from the restraint common to all other forms of co-operative action.

**Sees Local Authority Vanishing.**

"You witness the steady development of centralized authority, operating through multiplied commissions, bureaus and boards, to accomplish purposes and administer authority shocking to the original conception of Federal power. You perceive the slow erosion of local authority through the gathering volume and sweeping influence of the commerce power. You see the States seduced

through Federal grants to impair or surrender their local police authority. The most fundamental of taxation principles—that direct taxation should be apportioned among the States in proportion to their political power in the House of Representatives—has disappeared with the adoption of the Sixteenth Amendment.

"The power of Federal appropriation is deliberately urged to exert anti-constitutional purposes, because, in that form, it may not be judicially questioned. The same taxing power is steadily urged as a weapon of economic equalization. While, more and more, determined efforts are made and proposed to put the national government into competitive business with its own citizens.

"The tribunal before which public policy is proposed, examined and tested is not judicial but legislative. Its forum is not the courts but the committees of Congress. They, in the language of Woodrow Wilson, are the cradles or the deathbeds of legislation.

"No right is more sacred than that of the citizen to protect the assurance of secure, stable and economic government by informing himself accurately respecting public legislation, and appearing before legislative committees to bring his experience, judgment and legitimate political influence to bear upon the issue presented. That is not less a private right than a public duty. To every form of improper, corrupt or underhand endeavor to wrongly influence public action the manufacturer should present stern and determined resistance."

**Chief Officers Re-elected.**

In addition to re-electing Mr. Edgerton president the association re-elected J. Lewis Benton as general secretary and assistant treasurer; Henry Abbott, treasurer, and J. R. Joyce, assistant secretary. Mr. Edgerton appointed the following to act with the president and treasurer as an executive committee:

HENRY TRUMBULL, Trumbull Electric Manufacturing Company, Plainville, Conn.  
ROBERT L. LUND, Lambert Pharmacal Company, St. Louis.  
H. L. DERBY, The Kalbfleisch Corporation, New York City.  
ART HADLEY, The Hadley Company, Providence, R. I.  
W. W. NICHOLS, Allis-Chalmers Manufacturing Company, Milwaukee, Wis.

John Trix of the American Injector Company, Detroit, resigned from the directorate on which he had served continuously for nineteen years, and was elected honorary director for life. He never had missed a meeting since his election.

**New Directors Named.**

The following also were elected as directors:

WATT L. MORELAND, Moreland Motor Truck Company, Los Angeles.  
HENRY TRUMBULL, Trumbull Electric Manufacturing Company, Plainville, Conn.  
C. E. WHITNEY, Whitney Manufacturing Company, Hartford, Conn.  
C. W. SENCENBAUGH, Western Wheeled Scraper Company, Aurora, Ill.  
E. B. LEIGH, Chicago Railway Equipment Company, Chicago.  
A. J. MCKAY, Matthiessen & Hegeler Zinc Company, La Salle, Ill.  
G. M. WILLIAMS, Marmon Motor Car Company, Indianapolis, Ind.  
R. S. WHITLEY, Curtis Companies, Inc., Clinton, Iowa.  
FRANK WILLARD, Graton & Knight, Worcester, Mass.  
ROBERT W. IRWIN, Robert W. Irwin Company, Grand Rapids, Mich.  
MILTON TIBBETTS, Packard Motor Car Company, Detroit.  
JOHN TRIX, American Injector Company, Detroit.  
ROBERT L. LUND, Lambert Pharmacal Company, St. Louis.  
C. R. BURNETT, American Oil and Supply Company, Newark, N. J.  
H. L. DERBY, the Kalbfleisch Corporation, New York.  
O. D. FROST, Champlain Silk Mills, New York City.  
F. W. LOVEJOY, Eastman Kodak Company, Rochester, N. Y.  
B. L. WINCHELL, Remington-Rand, Inc., New York City.  
CHARLES B. KING, Marion Steam Shovel Company, Marion, Ohio.  
P. O. GEIER, Cincinnati Milling Machinery Company, Cincinnati.  
O. W. BUENTING, Westinghouse Air Brake Company, Pittsburgh.  
ART HADLEY, the Hadley Company, Providence, R. I.  
I. B. MERRIAM, Chattanooga Boiler and Tank Company, Chattanooga, Tenn.  
GEORGE VITS, Aluminum Goods Manufacturing Company, Manitowoc, Wis.  
W. W. NICHOLS, Allis-Chalmers Manufacturing Company, Milwaukee, Wis.

In addition the following State vice presidents were elected:

JULIUS GOSLIN, Goslin-Birmingham Manufacturing Company, Birmingham, Ala.  
GARNETT ANDREWS, Richmond Hosiery Mills, Rossville, Ga.  
W. HUME LOGAN, the Logan Company, Louisville, Ky.  
ALBERT W. ADT, J. B. Adt Company, Baltimore, Md.