

CURRENT TOPICS

GOVERNOR LA FOLLETTE of Wisconsin has affixed his signature to one of the most interesting bills ever passed by a legislature. The measure is known as the "anti-graft bill" and it is now a law. By its terms, employes are prohibited from requesting or accepting any gratuity and all persons are prohibited from giving or offering any gift or tip whatever to any agents, servants or employes. The Madison correspondent for the Chicago Record-Herald says: "While the bill was originally aimed at the practice of paying commissions to employes of large stores or corporations whose influence went a great way in the purchase of goods, it also is contended that it applies to the practice of 'tipping.' A violation of the law is made a misdemeanor, punishable by a fine of not less than \$10 nor more than \$500, or a fine and imprisonment for a year."

COPIES of Wisconsin's "anti-graft bill" are in great demand. Some express the opinion that the law will not stand the constitutional test, claiming that it invades the domain of personal rights. The measure seems to be popular with business men, particularly those at the head of large concerns. They expect that this law will save them many thousands of dollars. The Record-Herald correspondent says: "Waiters and porters and bootblacks and barbers are in a fine stew lest the law shall stop them from accepting the nickels and dimes proffered by the generous public. They fail to understand how it can be anybody's business, much less that of the state, whether they gather in a few dollars a week from people who want to give their money away. But the law is plain enough. It provides that whoever corruptly gives, offers or promises to an agent, employe or servant any gift or gratuity with intent to influence his action in relation to his employer's business or any agent or employe who requests or accepts such gift or gratuity is guilty of a violation of the law. The law prohibits the giving of commissions to employes who make purchases, no matter whether in the form of a discount or a bonus. It goes further and provides that no person shall be excused from testifying or producing books and contracts."

PAUL MORTON, secretary of the navy, delivered a speech at Washington, May 3, and many people are curious to know whether the secretary speaks in any degree for the administration. Mr. Morton's address created something of a sensation. He said: "Railroad freight rates in the United States are low. No other country has any such cheap carriage of goods. There are few complaints of rates in this country because they are too high. Complaints of extortionate rates are the exception, not the rule. Rates are lower in the United States than anywhere else in the world. They probably aggregate 40 per cent lower. This alone is something to be proud of, but, coupled with the fact that, with the lowest rates in existence, the wages paid by the American railroads to their employes approximate at least 50 per cent more than the wages paid the railroad men of other countries, and considered, further, with the fact that the American railroads probably pay higher prices for materials than any other railroads in the world, only serves to emphasize the triumph in transportation which has been achieved in America. It has been my observation that complaints of unreasonable rates to railroad men always receive prompt and satisfactory attention. While, in a sense, railroad transportation is a natural monopoly, in a broader sense it is all competitive. Market competition prevails everywhere and is always the controlling force in rate making."

REFERRING to Mr. Morton's speech, the Washington correspondent for the Chicago Tribune says: "In making this declaration Secretary Morton places himself in an awkward attitude with respect to the president, but upon the same grounds as that occupied by every railroad man who has appeared before the senate committee on interstate commerce. In his last annual message President Roosevelt inserted a paragraph devoted in part to measures which should be adopted to prevent the imposition of unreasonable rates by the railroads, going so far as to recommend a plan whereby a remedy could be applied.

The whole burden of the president's policy on the railroad rate question has been based upon the necessity of correcting the evils from which the entire country has been suffering. Mr. Morton's position is, both from what he said and the inferences drawn by the members of the senate interstate commerce committee and the railroad men, that there is no necessity for legislation for the reason that the railroads themselves will look after the interests of the public. It is such a remarkable position for a member of the president's cabinet to assume, especially in view of the determined course the administration has pursued to secure legislation for the correction of the railroad rate evils that reports of all kinds are in circulation tonight as to the reasons which prompted the secretary of the navy to dwell upon the rate question at the opening of the American railway appliance exhibit."

IN HIS ANNUAL MESSAGE in December, President Roosevelt, referring to the same subject dealt with by his secretary of the navy, said: "For some time after the enactment of the act to regulate commerce it remained a mooted question whether that act conferred upon the interstate commerce commission the power, after it had found the challenged rate to be unreasonable, to declare what thereafter should prima facie be a reasonable maximum rate for the transportation in dispute. The supreme court finally resolved the question in the negative, so that as the law now stands the commission simply possesses the bare power to denounce a particular rate as unreasonable. While I am of the opinion at present it would be undesirable, if it were not impracticable, finally to clothe the commission with general authority to fix railroad rates, I do believe as a fair security to shippers the commission should be vested with power where a given rate has been challenged, and after a full hearing found to be unreasonable, to decide, subject to judicial review, what shall be a reasonable rate to take its place, the ruling of the commission to take effect immediately and to obtain unless and until reversed by a court of review."

FRIENDS of Mr. Morton insist that the president has not changed his views and that Secretary Morton does not represent the Roosevelt sentiments. Public men in Washington were very generally amazed at the blunt declarations made by the secretary of the navy. But they were astounded when in the evening of the same day, the secretary made another address at a banquet. To many it seemed as though Mr. Morton was anxious to emphasize not only his own position, but to put himself in the attitude of speaking for the president. In his address at the banquet, Secretary Morton paid a high personal compliment to President Roosevelt and added: "It will not be amiss on this occasion, before this assemblage, for me to say something of the attitude of the president on the railroad question. He wants nothing but that which is right, and he is just as anxious that no injustice shall be done to the railroads as he is that justice shall be done to the public. Unfortunately there have been abuses in the transportation business. Fortunately they are growing less every year. It is gratifying to those who know that today there is less discrimination, fewer rebates, and more equality in freight rates than ever before in the history of the country. But, through one device or another, there still remain here and there preferential rates which favor certain large shippers, and which bear down unjustly on others. This is the condition of affairs that the president is doing his best to remove. The private side track arrangements, by which unfairness in rates have been enjoyed by some of the big industries of the country, the earning of more than a fair return on private car investments, the payment of commissions of various sorts or rebates or preferential rates in any form ought to be entirely discontinued. I am sure there is not a railroad man here who does not heartily approve of this declaration. My own opinion is that if all vicious discriminations can be abolished the question of rates will adjust itself. I consider it a great piece of good fortune for every man, woman and child in this country that, in the settlement of this matter, the rights of property, as well as the

rights of the people, are not to be overlooked by the president. All he wants in railroad legislation is that which is fair and that which will endure."

THE senate committee is entertaining many railroad officials these days. Robert Mather of the Rock Island appeared before the committee and stated that no changes were necessary in existing law other than the restriction of the scope and power of the interstate commerce commission. Mr. Mather said that that commission had too many duties and not sufficient time to perform its legitimate functions. James J. Hill, president of the Great Northern, said that rates must vary with conditions. He warned the committee to be careful in dealing with the freight rate question. He said that if the people would only give the railroads "fair treatment," within twenty years freight rates would come down to half a cent a ton per mile. Replying to a question by Senator Clapp as to the effect of the Panama canal on the railroads Mr. Hill said that for Atlantic and gulf ports and for 150 miles inland the canal would be of some advantage. "But," he added, "for all interior points we will meet any rate made by the canal route." Questioned by Senator Clapp Mr. Hill declared that every railway officer should be disqualified from engaging in the production of traffic on a line where he is on the payroll, because of the temptation to favor the company in which he was interested.

ALDERMAN RUXTON of Chicago has made a large bid for high fame. Mr. Ruxton has introduced in the city council an ordinance described as "an act to prevent unjust discrimination by landlords against parents." In Mr. Ruxton's measure, it is declared that many landlords refused to rent flats to families in which there were children or infants, "thereby discouraging and militating against the probable increase of population in Chicago, contrary to the injunction imposed upon our first parents upon their expulsion from the garden of Eden to multiply and replenish the earth and against the policy and purpose of our national administration." The ordinance provides that any landlord who shall refuse to rent any house or flat to families in which there are children shall be subject to a fine of not less than \$5 nor more than \$100. If the landlord shall establish the fact that the "children in any such family are of a boisterous disposition and likely to disturb the peace or dignity of such house or flat it shall constitute a good defense." The ordinance was referred to the committee on judiciary.

ALREADY trouble is developed in the new canal commission. The Washington correspondent for the Chicago Tribune says: "Secretary Taft has averted a threatened split in the Panama commission and prevented the resignation of four members of that body. He has disapproved the recommendation of the executive committee, consisting of Chairman Shonts, Governor Magoon and Chief Engineer Wallace, which contemplated the subordination of Messrs. Endicott, Hains, Harrod and Ernst to them, and has outlined a plan to be followed in the construction of the canal. A meeting of the commission will be held within the next few days, when Mr. Taft's decision will receive formal ratification. It is doubtful if the country really appreciates the seriousness of the dispute which developed in the new isthmian canal commission, and it left after effects which may have a bearing upon the work the commission will perform. It is not going too far to say if Secretary Taft had supported the recommendation of Messrs. Shonts, Magoon and Wallace, he would have received instantly the resignations of a majority of the commissioners. The latter had decided that to continue to serve under the conditions which the executive committee sought to prescribe would be not only humiliating but a reflection upon the entire engineering fraternity of the United States."

JOHAN H. HULL, manager of the Cornplanter Oil Co. of Minnesota, appeared recently before the state railway and warehouse commission. Mr. Hull said: "The Standard Oil will not let any of us do business if they can help it. Wherever the independent company sell a car