

The financial standing of the nation at the present time is excellent, and the fnancial management of the nation's inerests by the government during the last seven years has shown the most satisfaceven years has shown the most satisfies ory results. But our currency system is imperfect, and it is earnestly to be hoped imperfect, and it is earnestly to be hoped imperfect, and it is earnestly to be able

Bept. 30, 1908, there was an increase in the amount of money in circulation of 5902,901,300. This increase in the per capita during this period was \$7.06. With-in this time there were several occasions in this time there were several occasions in this time there were several occasions when it was necessary for the Treasury Department to come to the relief of the money market by purchases or redemp-tions of United States bonds; by increasing deposits in national banks; by stimu-lating additional issues of national bank lating additional issues of national bank motes, and by facilitating importations from abroad of gold. Our imperfect cur-rency system has made these proceedings necessary, and they were effective until the monetary disturbance in the fall of 1907 immensely increased the difficulty of ordinary methods of relief. By the mid-die of November the available working balance in the treasury had been reduced to approximately \$5,000,000. Clearing house associations throughout the country house associations throughout the country had been obliged to resort to the expedient house associations throughout the country had been obliged to resort to the expedient of issuing clearing house certificates, to be used as money. In this emergency it was determined to invite subscriptions for \$50,000,000 Panama canal bonds, and \$100,000,000 three per cent certificates of indebtedness authorized by the act of June 12 1898. It was prevented to redeposit indebtedness authorized by the act of June 13, 1898. It was proposed to re-deposit in the national banks the proceeds of these issues, and to permit their use as a basis for additional circulating notes of national banks. The moral effect of this procedure was so great that it was neces-sary to issue only \$24,631,980 of the Pan-ama canal bonds and \$15,436,500 of the procedure was so great that it was neces-sary to issue only \$24,631,980 of the Pan-ama canal bonds and \$15,436,500 of the

ama canal bonds and \$15,436,500 of the certificates of indebtedness. During the period from July 1, 1901, to Sept. 30, 1908, the balance between the net ordinary receipts and the net ordinary expenses of the government showed a sur-plus in the four years 1902, 1903, 1906 and 1907, and a deficit in the years 1904, 1908 and a fact of the 1905, 1908, and a fractional part of the fiscal year 1909. The net result was a surplus of \$90,283,413.54. The financial operations of the government during this period, based upon these differences beween receipts and expenditures, resulted in the United States from \$987,141,040 \$897,253,990, notwithstanding that e had been two sales of Panama canal bonds amounting in the aggregate to \$54,-631,980, and an issue of three per cent certificates of indebtedness under the act of June 13, 1898, amounting to \$15,436.-Refunding operations of the Treas-Department under the act of March ury 14. 1900, resulted in the conversion into two per cent consols of 1930 of \$200,309, 400 bonds bearing higher rates of interest. A decrease of \$8,687,956 in the annual interest charge resulted from these opera-

In short, during the seven years and three months there has been a net surplus of nearly one hundred millions of receipts over expenditures, a reduction of the in-terest-bearing debt by ninety millions, in spite of the extraordinary expense of the Panama canal, and a saving of nearly ons on the anual interest charge. nine millions on the anual interest charge. This is an exceedingly satisfactory show-ing, especially in view of the fact that during this period the nation has never heitated to modertake any expenditure

To the Senate and House of Representa- | be waged against misconduct, against wrongdoing wherever it is found; and we must stand heartily for the rights of ev-ery decent man, whether he be a man of great wealth or a man who earns his livelibood as a wageworker or a tiller of the

that the currency commission will be which to propose a thoroughly good system which will do away with the existing defects. During the period from July 1, 1901, to Sept. 30, 1908, there was an increase in who are championing popular rights have

cess of either type of wrongdoer neces sarily invites a violent reaction against the cause the wrongdoer nominally up-holds. In point of danger to the nation there is nothing to choose between on the one hand the corruptionist, the beware of and guard against the shortcom

On the other hand, those who advocate proper control on behalf of the public On the other through the State, of these great corporations, and of the wealth engaged on a giant scale in business operations, must ever keep in mind that unless they do nation scrupulous justice to the corporation, un less they permit ample profit, and cordial ly encourage capable men of business se long as they act with honesty, they are striking at the root of our national well being; for in the long run, under the mer pressure of material distress, the people as a whole would probably go back to the reign of an unrestricted individualism rather than submit to a control by th State so drastic and so foolish, con in a spirit of such unreasonable and nar row hostility to wealth, as to prevent busi ness operations from being profitable, and therefore to bring ruin upon the entire business community, and ultimately upon the entire body of citizens. We do not for a moment believe that the problem will be solved by any short and easy method. The solution will come only by pressing various concurrent remedie which the federal government alone can enact and which is absolutely vital in or der to secure the attainment of our put

pose. Many laws are needed. Labor.

There are many matters affecting Jahor ad the status of the wageworker to which should like to draw your attention, but 80 an exhaustive discussion of the problem all its aspects is not now necessary. This administration is nearing its end; and, moreover, under our form of government the solution of the problem depends upon the action of the States, as much as upon a of the nation. 1 belleve in

operate with peculiar severity against perof small means, and favor only the criminals whom it is most desirable en governmental against the repub At the last election certain leaders of

organized labor made a violent and sweep-ing attack upon the entire judiciary of the country, an attack couched in such terms as to include the most upright, honest and broad-minded judges, no less than those o narrower mind and more restricted outlook it was the kind of attack admirably fitted narrower mind and more restricted outlook. It was the kind of attack admirably fitted to prevent any successful attempt to reform abuses of the judiciary, because it gave the champions of the unjust judge their engerly desired opportunity to shift their ground into a championship of just judges who were unjustij assailed. Last year, hefore the House Committee on, the Judiciary these same leaders formulated their de-mands, specifying the bill that contained them, refusing all compromise, stating they wished the principle of that bill or nothing. They insisted on a provision that in a labor dispute no injunction should issue except to protect a property right, and spe-cifically provided that the right to carry on business should not be construed as a property right; and in a second provision their bill made legal in a labor dispute any act or agreement by or between two or more persons that would not have been uniawful if done by a single person. In other words, this bill legalized blacklisting and boycotting in every form, legalizing, for instance, those forms of the secondary boycott which the anthracite coal strike commission so unreservedly condemned; while the right to carry on a business was

boycott which the anthracite coal strike commission so unreservedly condemned; while the right to carry on a business was explicitly taken out from under that pro-tection which the law throws over proper-ty. The demand was made that there should be trial by jury in contempt cases, thereby most seriously impairing the su-thority of the courts. All this represented a course of policy which, if carried out, would mean the enthronement of class priv-ulege in its crudest and most brutal form, and the destruction of one of the most cossential functions of the judiciary in all civilized lands. civilized lands.

civilized lands. The violence of the crusade for this legis-lation, and its complete failure, illustrate two truths which it is essential our people should learn. In the first place, they ought to teach the workingman, the laborer, the wageworker, that by demanding what is improper and impossible he plays into the hands of his foes. Such a crude and vi-clous attack upon the courts, even if it were temporarily successful, would inevitably in the end cause a violent reaction and would hand the great mass of citizens together, band the great mass of citizens together, forcing them to stand by all the judges, competent and incompetent allke, rather than to see the wheels of justice stopped. A movement of this kind can ultimately re-A movement of this kind can ultimately re-sult in nothing but damage to those in whose behalf it is nominally undertaken. The wageworkers, the workingmen, the laboring men of the country by the way in which they repudiated the effort to get them to cast their votes in response to an appeal to class hatred, have emphasized their sound patriotism and Americanism. The whole country has cause to feel pride in this attitude of sturdy independence, in this uncompromising insistence upon acting simply as good citizens, as good Americanas, without regard to fancied—and improper-class interests. Such an attitude is an obclass interests. Such an attitude is an object lesson in good citizenship to the en-

But the extreme reactionaries, the per-sons who bind themselves to the wrongs now and then committed by the courts on laboring men, should also think seriously laboring men, should also think seriously as to what such a movement as this por-tends. The judges who have shown them-selves able and willing effectively to check the dishonest activity of the very rich man who works inliquity by the mismanagement of corporations, who have shown them-selves alert to do justice to the wagework-er, and sympathetic with the needs of the mass of our people, so that the dweller in the tenement houses, the man who prac-tices a dangerous trade, the man who is crushed by excessive hours of labor, feel that their needs are understood by the courts—these judges are the real bulwark crushed by excessive hours of labor, feel that their needs are understood by the courts—these judges are the real bulwark of the courts; these judges, the judges of the stamp of the President-elect, who have been fearless in opposing labor when it has gone wrong, but fearless also in hold-ing to strict account corporations that work injuity, and far-sighted in seeing that the workingman gets bis rights, are the men of all others to whom we owe it that the appeal for such violent and mistaken legislation has fallen on deaf ears, that the agitation for its passage proved to be with-out substantial basis. The courts are jeoparded primarily by the action of these Federal and State judges who show in-ability or unwillingness to put a stop to the wrongdoing of very rich men under modern industrial conditions, and inability or unwillingness to give relief to men of small means or wageworkers who are

tutional provision. Anything like frivolity or wantonness in upsetting such clearly takupsetting such clearly tak action is a grave offense

The chief breakdown is in dealing with the new relations that raises for the social which has proper the provide the social relation best and the fulges and juties used to binne, and the judges and juties merely bear their share together with the public as a whole. It is discreditable to us as a people that there should be diff-out as a people that there should be diff-ing to justice men who as public servants have profited by the corruption of public servants. The result is equally unfortu-nate, whether due to hairsplitting techni-calities in the interpretation of laws by judges, to sentimentality and class con-sciousness on the part of juries, or to hys-teria and sensationalism in the daily press. For much of this failure of justice no re-sponsibility whatever lies on rich men as and, we who make up the mass of the people cannot shift the responsibility from our own shoulders. But there is an im-portant part of the failure which has spe-cated the fullow which has spe-tation there do which has spe-tation there do the state the should to proper account men of wailt who behave badly. The chief breakdown is in dealing with the new relations that arrose from the mu-tue which can be effectively pub-ing the social relation begets a new type of wrongdoing—of sin, to use an old fashioned word—and many years always enjoned at law. During the lifetime of the phave changed far more rapidly than in the shortcomings of justice For many

einpse before society is able to turn this sin into crime which can be effectively pun-lahed at law. During the lifetime of the older men now alive the social relations have changed far more rapidly thas in the preceding two centuries. The immense growth of corporations, of business done by associations, and the extreme simin and pressure of modern life, have produced con-ditions which render the public confused as to who its really dangerous foes are; and among the public servants who have not only shared this confusion, but by some of their acts have increased it, are certain judges. Marked inefficiency has been shown in dealing with corporations and in reof their acts have inefficiency has been shown in dealing with corporations and in re-settling the proper attitude to be taken by the public not only towards corporations, but towards labor, and towards the social questions arising out of the factory sys-tem, and the enormous growth of our great

Itles The huge wealth that has been accumu

cittles.
The huge wealth that has been accumulated by a few individuals of recent years, in what has amounted to a social and industrial revolution, has been as regards some of these individuals made possible only by the improper use of the modern corporation. A certain type of modern corporation, with its officers and agents, its many issues of securities, and its constant consolidation with allied undertakings, finally becomes an instrument so complex as to contain a greater number of elements that, under various judicial decisions, lend themseives to fraud and oppression than any device yet evolved in the human brain. Corporations are necessary instruments of modern business. They have been permitted to become a menace largely because the governmental representatives of the people have worked slowly in providing for adequate control over them.
The courts hold a place of peculiar and deserved sanctity under our form of government. Respect for the law is essential to the permance of our institutions; and respect for the law is largely conditioned upon respect for the courts. It is an of fems engainst the republic to asy anything which can weaken this respect, save for fully guarded manner. Our judges should be held in peculiar honor. On on average they stand above any other servants of the community, and the greatest judges have reached the highest level held by those few greatest pations who me whole country delights to honor. But we must face the

greatest patriots whom the whole country delights to honor. But we must face the fact that there are wise and unwise judges

delights to honor. But we must face the fact that there are wise and unwise execu-tives and legislators. When a President or a governor behaves improperly or unwise recu-tives and legislators. When a President or a governor behaves improperly or unwise by the remedy is easy, for his term is short : the same is true with the legislator, although not to the same degree, for he is one of many who belong to some given legislative body, and it is therefore less easy to fix his personal responsibility and hold him accountable therefor. With a judge, who, being human, is also likely to err, but whose tenure is for life, there is no similar way of holding him to responsi-bility. Under ordinary conditions the only forms of pressure to which he is in any way amenable are public opinion, and the swhich is most immediately effective, and to which we should look for the reform of abuses. Any remedy applied from without is fraught with risk. It is far better, from every standpoint, that the remedy should one from within. In no other nation in the world do the courts wield such vast and far-reaching power as in the United states. All that is necessary is that the courts as a whole should exercise this power with the farsighted wisdom already shower with the farsighted wisdom already show by those judges who scan the fu-

to demonstrate the practicability of the proposition Education

Education. The share that the national government has not received the attention and the care i rightly deserves. The immediate respon-bility for the support shill improvement of our educational astates and hastitutions rests and should always rest with the peo-pheir state and local governments, but the nation has an opportunity in educational work which must not be lost and a duty where the limited means hitherto pro-fided, the bureau of education has rendered fided, the bureau of education has rendered fided to adequately supply the bureau with the anst the educational growth of the unfortunate state of affairs as re-perds the national educational office be remedied by adequate appropriations: Census.

FEWER

DESERT

worth Makes to Secretary

of War.

There-Total Enrollment in

October, 78,166.

Census.

I commend to the Congress the careful consideration of the admirable report of the director of the census, and I trust that his recommendations will be adopted and immediate action thereon taken.

Public Health.

It is highly advisable that there should be intelligent action on the part of the ma-tion on the question of preserving the health of the country. The first legisla-tive step to be taken is that for the con-centration of the proper bureaus into one of the existing departments. I therefore urgently recommend the passage of a bill which shall authorize a redistribution of which shall authorize a redistribution o the bureaus which shall best accomplisi this end

Government Printing Office.

I recommend that legislation be enacted placing under the jurisdiction of the de partment of commerce and labor the rnment printing office.

Soldiers' Homes.

All Soldiers' Homes should be placed un der the complete jurisdiction and control of the war department. Independent Bureaus and Commis-

slons. Economy and sound business policy re-

uire that all existing independent bureaus ind commissions should be placed under he jurisdiction of appropriate executive departments,

Statehood.

I advocate the immediate admission of New Mexico and Arizona as states. This should be done at the present session of the Congress

Interstate Fisheries

I call the attention of the Congress the importance of the problem of the fi erles in the interstate waters. In this n similar problems the obvious and simpl rule should be followed of having those matters which no particular state can man age taken in hand by the United States.

Fisherles and Fur Seals.

The federal statute regulating interstate traffic in game should be extended to in-clude fish. New federal fish hatcherie-should be established. The administration of the Alaskan fur-seal service should be vested in the bureau of fisheries.

Foreign Affairs.

This nation's foreign policy is based on the theory that right must be done between nations precisely as between individuals and in our actions for the last ten years we have in this matter proven our faith by our deeds. We have behaved, and are be having, towards other nations, as in pri-vate life an bonorable man would behave vate life an honorable man would behav towards his fellows

Latin-American Republics.

The commercial and material progress The commercial and material progress of the twenty Latin-American republics is worthy of the careful attention of the Con-gress. No other section of the world has shown a greater proportionate development of its foreign trade during the last ten years and none other has more special claims on the interests of the United States.

Panama Canal.

The work on the Panama Canal is bein done with a speed, efficiency and entire de votion to duty, which make it a model for all work of the kind. No task of such magnitude has ever before been undertaken by any nation; and no task of the kind has ever been better performed.

Ocean Mail Lines.

I again recommend the extension of th American ocean mail lines to South American Asia, the Philippines, and Australasia may be established.

Hawail.

I call particular attention to the Terri-tory of Hawaii. The importance of those strength."



CHICAGO.

The week chronicles ample testimony BOISE BARRACKS ARE DISLIKED. the improved state of commerce, Not only are there smaller trading defaults, but payments through the banks Greatest Percentage of Loss Occurs establish a new high record volume, and official statements disclose ample stores of money, deposits being unprecedented and reserves indicating the probability of further case in discount. The course of new demands reflects steadiness, and little change is likely The campaign of the War Departto occur during the closing weeks of nent against desertions from the army the year. Leading industries exhibit is meeting with success, according to more extended operations, some Adjutant General F. C. Alnsworth, U. branches approaching closer to normal S. A., who stated in his annual report production. Increasing machinery and to the Secretary of War that the relahands appear in iron and steel, more tive number of desertions was less in furnaces and mills being active and 1908 than in any other fiscal year the output of cars and other equipments since 1901. The desertions during the enlarged. Foundries and forges obfiscal year 1908 were 4.505, or 4.6 rer tain substantial forward orders, and cent of the whole number of enlisted larger bookings are noted in electrical men in service in the army last year. lines, assuring employment for months. In 1907 the percentage was 5.6, and in ahead. Factories are doing better in 1906 it reached the record of 7.4 per

heavy hardware, power, sanitary goods cent. Every branch of the service and furniture. showed a decrease in the number of Failures reported in the Chicago disdesertions during the year, with the trict number 20, against 26 last week, single exception of the hospital corps, 18 in 1907 and 26 in 1906. Those with where there was a slight increase. liabilities of more than \$5,000 number In analyzing the problem of dealing

5, against 5 last week, 7 in 1907 and 7 In 1906 -Dun's Review,

NEW YORK.

organization in the service, while the Weather conditions have been irreg-Third Infantry came second, and use alar, but the arrival of a cold wave Fifth Cavalry third. In troop G of the following unseasonably mild tempera-Fourteenth Cavalry the desertions tures has stimulated retail trade North, amounted to 21.18 per cent. Boise Bar-West and East, and even helped busirack, Idaho, enjoys the notoriety of ness at the South at some points, having the most desertions of any post, though holding of cotton and low prices the number there reaching 16.5 per therefor have tended to check buying

Army Now Numbers 78,166.

with desertions, the report says that

the Fourtenth Cavalry had the largest relative number of desertions of any

It is pointed out in the report that while there was an increase in the authorized enlisted strength of the army, there was a much larger increase in the actual strength, which was only 9.315 enlisted men short of the authorlzed strength of Oct. 15, 1908, as against a deficiency of 20,535 enlisted men on Oct. 15, 1907. The total actual strength of the army, not including the hospital corps, on Oct. 15, 1908, was 78,166, as compared with 58,998 a year previous.

cent.

As a result of the riding tests ordered by the President, nineteen officers were

placed on the retired list. In commenting on the difficulties ex-

perienced in the past in obtaining recruits, Gen. Ainsworth says that "as a result of the earnest and continued efforts of the officers engaged in recruiting a sufficient number of recruits was obtained not only to fill the vacancies occurring during that year, but also to make considerable progress in filling the army to its maximum authorized

Cloth hat and cap makers at St. Louis

Holland now has an estimated union

The Trades Unionist of Washington, D.

C., devoted to union interests, has been aken out of the receiver's hands.

Engine drivers in Germany, woh have

run their locomotives for ten years with-

The next convention of the Building

Laborers' International Protective Union

will be held in Boston, Mass., the date

to be decided upon by the international

gold, silver, manganese, arsenic, saltpeter.

vitriol and alum. The workmen number

about 700,000, and the companies about

The production of finished iron and

steel in Pennsylvania in 1907 involved the

employment of 137,712 people, who earned

\$91,413,384 during the year. More than

one-half of this product, or 50 per cent

was manufactured in the county of Alle-

Nominations for officers of the Cigar-

makers' International Union are now be-

ing made, and the election will be held

in December. International elections are

Public employment bureaus, whose ser-

vices in placing laborers are gratuitous,

exist in the larger cities and towns of

A new regulation in Spain prohibits women under 25 and all children under

16 working in trades wherein there is

danger from poisonous fumes and dust,

Torington and Waterbruy. With these

A leading publicist, basing his argu-

reached the conclusion that the German

workingman is now in a position to spend

from 10 to 12 per cent more for necessi

locals on the New Haven system.

Alsace-Lorraine, as well as being more

less developed all over Germany.

or risk from fire and explosion.

held every five years.

out accident are rewarded by the govern-

ecently organized.

ment.

2,893

Legislature.

executive board.

2.000.

gheny.

abor membership of 75,000.

In the cotton belt as a whole, Collections have shared in the irregularity of trade, and there is noticeable more complaint as to these than as to business generally, more particularly at the South. Heavy wearing apparel, shoes and coal have been helped by climatic developments. Holiday trade, too, shows signs of expansion, and comparisons with a year ago in all lines are naturally in favor of current

business. Business failures in the United States for the week ending Dec. 3 number 222, against 193 last week, 272 in like week of 1907, 216 in 1906, 203 in 1905 and 231 in 1904. Business failures in Canada for the week number 38, against

35 last week and 26 last year .- Bradstreet's Commercial Report.



Chicag-Cattle, common to prime, \$4.00 to \$3.00: hogs, prime heavy, \$4.00

small means or wageworkers who are crushed down by these modern industrial conditions; who, in other words, fail to understand and apply the needed remédies for the new wrongs produced by the new

that it regarded as necessary. There have been no new taxes and no increases of rtake any taxes; on the contrary, some taxes have been taken off; there has been a reduction f taxation.

Corporations.

As regards the great corporations en-raged in interstate business, and especial-y the railronds, I can only repeat what I have already again and again said in my messages to the Congress. I believe that messages to the Congress. I believe that under the interstate clause of the Consti-tation the United States has complete and paramount right to control all agen-cles of interstate commerce, and I believe that the national government alone can exercise this right with wisdom and effect to do justice to, the great corporaions which are the most important fac-ors in modern business. I believe that t is worse than folly to attempt to pro-ibit all combinations as is done by the sherman anti-trust law, because such a aw can be enforced only imperfectly and unequally, and its enforcement works al-most as much hardship as good. I strongby advocate that instead of an unwise effort to prohibit all combinations, there shall be substituted a law which shall expressly permit combinations which are in the interest of the public, but shall at same time give to some agency of the national government full power of control and supervision over them. One of the chief features of this control should be securing entire publicity in all matters which the public has a right to know, and furthermore, the power, not by judicial but by executive action, to prevent or put a stop to every form of improper favoritor other wrongdoing.

The railways of the country should be put completely under the interstate comdomain of the anti-trust law. The power of the commission should be made thor-oughgoing, so that it could exercise complete supervision and control over the issue of securities as well as over the rais-ing and lowering of rates. As regards rates, at least, this power should be sum-mary. The power to investigate the financial operations and accounts of the rail-ways has been one of the most valuable features in recent legislation. Power to make combinations and traffic agreement should be explicitly conferred upon the railroads, the permission of the commis-sion being first gained and the combination or agreement being published in all its details. In the interest of the public, the representatives of the public should have complete power to see that the rail-roads do their duty by the public, and as a matter of course this power should also exercised so as to see that no injustice ne to the railroads.

Telegraph and telephone companies en-gaged in interstate business should be put der the jurisdiction of the interstate commerce commission.

It is very earnestly to be wished that people, through their representatives, suld act in this matter. It is hard to say whether most damage to the country at large would come from entire failure part of the public to supervise and control the actions of the great corpora-tions, or from the exercise of the necessary governmental power in a way which would do injustice and wrong to the corporations. Both the preachers of an un-restricted individualism, and the preachers of an oppression which would deny to able men of business the just reward of their initiative and business sagacity, are advo-cating policies that would be fraught with the gravest harm to the whole country. To permit every lawless capitalist, every law-defying corporation, to take any ac-tion, no matter how iniquitous, in the effort to secure an improper profit and to build up privilege, would be ruinous to the republic and would mark the abanto the reputite and would mark the aban-dimment of the effort to secure in the industrial world the spirit of democratic fair-dealing. On the other hand, to at-tack these wrongs in that spirit of dem-agogy which can see wrong only when committed by the man of wealth, and is done and bland in the committed of

annihiled by the man of words, and is such and blind in the presence of wrong annihiled against men of property or by en of no property, is exactly as evil as eruptly to defend the wrongdoing of wealth. The war we wage must

the action of the nation. I believe in a steady effort, or perhaps it would be more accurate to stay in steady efforts in many different directions, to bring about a condi-tion of affairs under which the men who work with hand or with brain, the laborers, work with name of with orani, the inforcer tha superintendents, the men who produc for the market and the men who find market for the articles produced, shall ow a far greater share than at present of th wealth they produce, and be enabled invest it in the tools and instruments h which all the work is carried on. As far i nominible 1 hone to see a frank recognition which all the work is chried on. As far as possible I hope to see a frank recognition of the advantages conferred by machinery, organization and division of labor, accom-panied by an effort to bring about a larger share in the ownership of wageworker of raliway, mill and factory. In farming, this simply means that we wish to see the farm-er own his own land; we do not wish to see simply means that we wish to see the farm-er own his own land; we do not wish to see the farms so large that they become the property of absentce landlords who farm them by tenants, nor yet so small that the farmer becomes like a European feasant. Again, the depositors in our savings banks now number over one-tenth of our entire population. These are all capitalists, who through the savings banks loan their money to the workers—that is, in many cases to themselves—to carry on their va-rious industries. The more we increase their number, the more we increase their number, the more we introduce the principles of co-operation into our indus-try. Every increase in the number of small stockholders in corporations is a good thing, for the same reasons; and where the emstockholders in corporations is a good thing, for the same reasons; and where the em-ployse are the stockholders the result is particularly good. Very much of this move-ment must be outside of anything that can be accomplished by legislation; but legis-iation can do a good deal. Postal savings banks will make it easy for the poorest to keep their savings in absolute safety. The regulation of the national highways must be such that they shall serve all the people with equal justice. Corporate finances must be supervised so as to make it far safer than at present for the man of small

with equal justice. Corporate finances must be supervised so as to make it far safer than at present for the man of small means to invest his money in stocks. There must be prohibition of child labor, diminu-tion of woman labor, shortening of hours of all mechanical labor; stock watering should be problibited, and stock gambling so far as is possible discouraged. There should be a progressive inheritance tax on large fortunes. Industrial education should be encouraged. As far as possible we should lighten the burden of taxation on the small man. We should put a premium upon thrift, hard work and business energy; but these qualities cease to be the main facagainst these qualities cease to be the main fac-tors in accumulating a fortune long before that fortune reaches a point where it would be seriously affected by any inheritance tax such as I propose. It is eminently right that the nation should fix the terms upon which the grant fortune are inherited which the great fortunes are inherited. They rarely do any good and they often do harm to those who inherit them in their

Protection for Wage Workers.

Protection for Wage Workers. There should no longer be any paltering with the question of taking care of the wageworkers who, under our present na-tional system, become killed, crippled or worn out as part of the regular incidents of a given business. The majority of wage-workers must have their rights secured for them by State action; but the national government should legislate in thorough-going and far-reaching fashion not only for all employes of the national government, but for all persons engaged in interstate commerce.

commerce. Pending a thorough-going investigation and action there is certain legislation which should be enacted at once. The law, passed at the last session of the Congress, granting compensation to certain classes of employees of the government, should be ex-tended to include all employes of the gov-ersment and should be made more liberal in its terms

Its terms. I renew my recommendation that the principle of the eight-hour day should as rapidly and as far as practicable be ex-tended to the entire work being carried on by the government; the present is should be amended to embrace contracts on those public works which the present wording of the act seems to exclude.

The Courts.

The Courts. I most earnestly urge upon the Congress the duty of increasing the totally innde-quate salaries now givin to our judges. On the whole there is no hody of public serv-anis who do as valuable work, nor whose moneyed reward is so inadequate compared to their work. Beginning with the Supreme Court the judges should have their salaries doubled. It is not belitting the dignity of the mation that its most honored public servants should be paid sums so small com-pared to what they would earn in private by them implies an exceedingly heavy pe-culary sacrifice. It is earnestly to be desired that some

it is earnestly to be desired that some method should be devised for doing away with the long delays which now obtain in the administration of justice, and which

and highly complex social and industria civilization which has grown up in the

courts which have been exceedingly detri-mental to the rights of wageworkers. This is true of all the decisions that decide that mental to the rights of wageworkers. This is true of all the decisions that decide that men and women are, by the constitution, "guaranteed their liberty" to contract to enter a dangerous occupation, or to work an undesirable or improper number of hours, or to work is unhealthy surround-ings; and therefore cannot recover dam-ages when maimed in that occupation, and cannot be forbidden to work what the Leg-gislature decides is an excessive number of hours, or to carry on the work under conditions which the Legislature decides to be unhealthy. Decisions such as these alluded to above nullify the legislative effort to protect the wageworkers who most need protection from those employers, who take advantage of their grinding need. There is also, I think, ground for the be-lief that substantial injustice is often suf-fered by employees in consequence of the

fered by employes in consequence of the custom of courts issuing temporary injunc-tions without notice to them, and punish-ing them for contempt of court in instances where, as a matter of fact, they have no knowledge of any proceedings. Outside of knowledge of any proceedings. Outside organized labor there is a widespread fee ing that this system often works great in justice to wageworkers when their effort to better their working conditions result i industrial disputes. A temporary injunction industrial disputes. A temporary injunction procured ex parte may as a matter of fact have all the effect of a permanent injunc-tion in causing disaster to the wagework-ers' side in such a dispute. Organized labor is chaing under the unjust restraint which comes from repeated resort to this plan of procedure. Its discontent has been unwise-ily expressed, and often improperly ex-pressed, but there is a sound basis for it, and the orderly and law-abiding people of a community would be in a far stronger posi-tion for upholding the courts if the un-doubtedly existing abuses could be provided

oubtedly existing abuses could be provide

against. Such proposals as those mentioned above as advocated by the extreme labor leaders, contain the vital error of being class legis-lation of the most offensive kind, and even if enacted into law I believe that the law would rightly be held unconstitutional. Moreover, the labor people are themselves now beginning to invoke the use of the power of injunction. During the last ten years, and within my own knowledge, at power of injunction. During the last ten years, and within my own knowledge, at least fifty injunctions have been obtained by labor unions in New York City alone, most of them being to protect the union label (a "property right"), but some being obtained for other reasons against employ-ers. The power of injunction is a great equitable remedy which should on no ac-count be destroyed. But safeguards should be erected against its abuse. I believe that some such provisions as those I advocated a year ago for checking the abuse of the issuance of temporary injunctions should be

uance of temporary injunctions should be adopted. The chief lawmakers in our country may

The chief lawmakers in our country may be, and often are, the judges, because they are the final seat of authority. Every time they interpret contract, property, vested rights, due process of law, liberty, they necessarily enact into hw parts of a sys-tem of social philosophy; and as such in-terpretation is fundamental, they give di-rection to all law-making. The decisions of the courts on economic and social ques-tions depend upon their economic and so-cial philosophy; and for the peaceful prog-ress of our people during the twentieth century we shall owe most to those judges who hold to a twentieth century economic and social philosophy, which was itself the product of primitive economic conditions. The legislators and eccutives are chosen to represent the people in chacting and ad-

The legislators and executives are chosen to represent the people in enacting and ad-ministering the laws. The judges are not chosen to represen the people in this sense. Their function is to interpret the laws. The legislators are responsible for the laws; the judges for the spirit in which they in-terpret and enforce the laws. We stand aloof from the reckless agitators who would make the judges mere pilant tools of popu-lar preludice and passion: and we stand

aloof from the reckless agitators who would make the judges mere pilant tools of popu-lar prejudice and passion; and we stand aloof from those equally unwise partisans of reaction and privilege, who deny the proposition that, inasmuch as judges are chosen to serve the interests of the whole people, they should strive to find out what those interests are, and, so far as they con-scientiously can, should strive to give effect to popular conviction when deliberately and duly expressed by the lawmaking body. The courts are to be highly commended and stauchly upheld when they set their faces against wrongdoing or tyranny by a major-ity; but they are to be blamed when they fail to recognize under a government like ours the deliberate judgment of the major-ity at they are to be blamet when they fail to recognize under a government like ours the deliberate judgment of the major-ity as to a matter of legitimate policy, when duly expressed by the Legislature. Such is would be given effect by the courts, save in the extreme and exceptional cases where there has been a clear violation of a consti-

Forests.

If there is any one duty which more than another we owe it to our children and our children's children to perform at once, it is to save the forests of this country, for they constitute the first and most impor-

It is to save the forests of this country, for they constitute the first and most impor-tant element in the conservation of the natural resources of the country. It mat-ters not whether this deforestation is due to the actual reckless cutting of timber, to the fires that inevitably follow such reck-less and uncontrolled grazing, especially by the great migratory bands of sheep, the unchecked wandering of which over the country means destruction to forests and disaster to the small home makers, the settlers of limited means. Shortsighted persons, or persons blinded to the future by desire to make money in every way out of the present, sometimes speak as if no great damage would be done by the reckless destruction of our forests. It is difficult to have patience with the ar-guments of these persons. Thanks to our own recklessness in the use of our splen-did forests, we have already crossed the verge of a timber f..mine in this country, and no measure that we now take can, at least for many years, undo the mischief that has already been done. But we can

and no measure that we now take can, at least for many years, undo the mischief that has already been done. But we can prevent further mischief being done: and it would be in the highest degree repre-insible to let any consideration of tempor-ary convenience or temporary cost inter-fere with such action, especially as regards the national forests which the nation can now at this year moment control

now, at this very moment, control. Inland Waterways.

Action should be begun forthwith, during the present session of the Congress, for the improvement of our inland waterways— action which will result in giving us not only navigable but navigated rivers. We have spent hundreds of millions of dollars upon these waterways, yet the traffic on nearly all of them is steadily declining. This condition is the direct result of the absence of any comprehensive and far-see-

absence of any comprehensive and far-see-ing plan of waterway improvement. Ob-viously we can not continue thus to expend the revenues of the government without re-turn. It is poor business to spend money for inland navigation unless we get it. Such shortsighted, vaciliating, and futile methods are accompanied by decreasing water-borne commerce and increasing traf-fic congestion on land, by increasing floods, and by the waste of public money. The remedy lies in abandoning the methods which have so signally failed and adopting new ones in keeping with the needs and bsence of any comprehensive and far-se new ones in keeping with the needs and demands of our people. The time for play ing with our waterways is past. The coun-try demands results.

National Parks,

I urge that all our national parks adja-cent to national forests be placed com-pletely under the control of the forest service of the agricultural department, in-stead of leaving them as they now are, under the interior department and policed by the army.

Fure Food.

The pure food legislation has already orked a benefit difficult to overestimate. worked a Indian Service.

It has been my purpose from the begin-ning of my administration to take the In-dian service completely out of the atmos-phere of political activity, and there has been steady progress toward that end. Secret Service.

Last year an amendment was incorpor Last year an amendment was incorpor-ated in the measure providing for the se-cret service, which provided that there should be no detail from the secret service and no transfer therefrom. It is not too much to say that in its present form the restriction operates only to the advantage of the criminal or the wrongdoer.

Postal Savings Banks.

Postal Savings Banks. I again renew my recommerciation for postal savings banks, for depositing sav-ings with the security of the Government behind them. The object is to encourage thrift and economy in the wage-earner and person of moderate means. There are many localities in the United States where sufficient opportunity is not given to the people to deposit their savings. The re-suit is that money is kept in hiding and unemployed. It is believed that in the aggregate vast sums of money would be brought into circulation through the instru-mentality of the postal savings bank. Parcels Post.

Parcels Post.

In my last annual message I commended In my last annual message I commended the postmaster general's recommendation for an extension of the parcel post on the rural routes. The establishment of a local parcel post on rural routes would be to the mutual benefit of the farmer and the coun-try storekeeper, and it is desirable that the routes, serving more than 15,000,000 poo-ple, should be utilized to the fullest prac-ticable extent. It would seem only proper that an experiment should be tried in order

islands is apparent, and the need ing their condition and developing their re-sources is urgent.

The Philippines.

Real progress toward self-government is being made in the Philippine Islands. The gathering of a Philippine legislative body gathering of a Philippine legislative body and Philippine assembly marks a process absolutely new in Asia, not only as regards Asiatic colonies of European powers, but as regards Asiatic possessions of other Asiatic powers, and, indeed, always excepting the striking and wonderful example afforded by the great Empire of Japan, it opens an entirely new departure when compared with anything which has happened among Asiatic powers, which are their own masters. 1

anything which has happened among Aslatic powers which are their own masters. I hope and believe that these steps mark the beginning of a course which will continue till the Filipinos become fit to decide for themselves whether they desire to be an in-dependent nation. All we can do is to give them the opportunity to develop the capac-ity for self-government. I trust that with-in a generation the time will arrive when the Philippines can decide for themselves whether it is well for them to become inde-pendent, or to continue under the protecpendent, or to continue under the protection of a strong and disinterested power able to guarantee to the Islands order home and protection from foreign invasion

Porto Rico.

I again recommend that American citi zenship be conferred upon the people Porto Rico.

Cubs.

priate manner. In Cuba our occupancy will cease in about two months' time; the Cubans have in orderly manner elected their own govern-mental authorities, and the island will be turned over to them. Our occupation of this occasion has lasted a little over two-this occasion has lasted a little over twoyears, and Cuba has thriven and prosper

The Army.

As regards the army, I can attention to the fact that while our junior officers and enlisted men stand very high, the presenthe fact that while our junior officers and enlisted men stand very high, the present system of promotion by seniority results in bringing into the higher grades many men of mediocre capacity who have but a short time to zerre. No man should regard it as his vested right to rise to the highest rank in the Army any more than in any other profession. It is a curious and by no means creditable fact that there should be so often a failure on the part of the public and its representatives to understand the great need, from the standpoint of the ser-vice and the nation, of refusing to promote respectable, elderly incompetents. The higher places should be given to the most descrving men without regard to seniority at least seniority should be treated as only one consideration. In the stress of modern industrial competition no business firm could succeed if those responsible for its manage ment were chosen simply on the ground that they were the oldest people in its em ployment; yet this is the course advocated as regards the army, and required by how for all grades except those of general offi-cer. The cavalry arm should be reorgand ised upon modern lines. This is an arm in which it is peculiarly necessary that th-field officers should no be old. Now that the organized militin, the Na-tional Guard, has been incorporated with the army as a part of the national force-it behooves the government to do every re-sonable thing in its power to perfect if efficiency. There should be legislation

It behoves the government to do every sonable thing in its power to perfect efficiency. There should be legislation provide a complete plan for organizing great body of volunfeers ischind the res-army and national guard when war come.

The Navy,

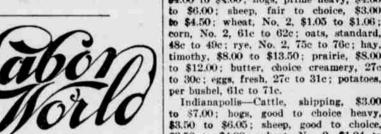
I approve the recommendations of general board for the increase of the as calling especial attention to the need additional destroyers and colliers. catiling especial attention to the need additional destroyers and colliers, r above all of the four battleships. If desirable to complete as soon as poss' a squadrom of eight battleships of the is existing type. Nothing better for the na from every standpoint has ever occur than the cruise of the battle deet arou the world. The improvement of the shi in every way has been extraordinary, a they have gained far more experience battle tactics than they would have gain if they had stayed in the Atlantic while The American people have cause for p found gratification, both in view of t excellent condition of the fleet a shown this cruise, and in view of the improvement this cruise, and in view of the improvement the cruise has worked in this already his condition.

Sheodore Roosevelt

Premier Asquith announced in House of Commons that because of th

drawn the measure

ties and pleasures than in 1895. He asserts that a similar investigation in the opposition of the Anglican church to th United States shows an advance of 9 education bill the government had with per cent in the same period.



to \$4.50; wheat, No. 2. \$1.05 to \$1.06; corn, No. 2, 61c to 62c; oats, standard, 48c to 49c; rye, No. 2, 75c to 76c; hay, timothy, \$8.00 to \$13.50; prairie, \$8.00 to \$12.00; butter, choice creamery, 27c to 30c; eggs, fresh, 27c to 31c; potatoes, per bushel, 61c to 71c.

Indianapolis-Cattle, shipping, \$3.00 to \$7.00; hogs, good to choice heavy, \$3.50 to \$6.05; sheep, good to choice, \$2.50 to \$4.00; wheat, No. 2, \$1.04 to \$1.05; corn, No. 2 white, 61c to 62c; oats, No. 2 white, 49c to 51c.

St. Louis-Cattle, \$4.50 to \$7.70; hogs, \$4.00 to \$6.10; sheep, \$3.00 to \$4.40; wheat, No. 2, \$1.08 to \$1.09; corn, No. 2, 61c to 62c; oats, No. 2, 50c to 51c; rye, No. 2, 74c to 76c.

Cincinnati-Cattle, \$4.00 to \$5.85; hogs, \$4.00 to \$6.10; sheep, \$3.00 to-\$4.00 ; wheat, No. 2, \$1.07 to \$1.08 ; corn. No. 2 mixed, 64c to 65c; onts, No. 2 mixed, 51c to 53c; rye, No. 2, 78c to 80c. I strolt-Cattle, \$4.00 to \$5.00; hogs,

\$4.00 to \$5.25; sheep, \$2.50 to \$3.50; wheat, No. 2, \$1.05 to \$1.06; corn, No. 3 The Iron Molders' Union of North America is planning to celebrate its fiftiyellow, 62c to 63c; oats, No. 3 white, 51c to 52c; rye, No. 2, 75c to 77c. eth anniversary next year in an appro Milwaukee-Wheat, No. 2 northern,

\$1.08 to \$1.10; cotn, No. 3, 61c to 63c; On Sept. 1 there were 182 subordinate oats, standard, 51c to 52c; rye, No. 1, unions affiliated with the Bakers and Con-74c to 75c; barley, No. 1, 63c to 64c; fectioners' International, and the numerical increase during the last term was pork, mess, \$14.70.

Buffalo-Cattle, choice shipping steers. 4.00 to \$6.75; hogs, fair to choice, \$4.00 A bill to provide for a State tax to be to \$6.00; sheep, common to good mixed, \$4.00 to \$4.75; lambs, fair to choice, used for the aid of injured miners and families of men killed in the mines will \$5.00 to \$6.25. be presented to the Pennsylvania State

New York-Cattle, \$4.00 to \$5.90; hogs, \$3.50 to \$6.10; sheep, \$3.00 to \$4.00; wheat, No. 2 red, \$1.13 to \$1.14; corn, No. 2, 69c to 70c: oats, natural white, 54c to 57c; butter, creamery, 27c to 29c: eggs, western, 32c to 36c.

Toledo-Wheat, No. 2 mixed, \$1.05 to Coal forms 85 per cent of the mining \$1.07; corn. No. 2 mixed, 61c to 62c; output of Germany. Other minerals are oats. No. 2 mixed, 50c to 51c; rye, No. salt, iron ores, copper, lead, zinc, pyrites, 2. 77c to 78c; clover seed, \$5.60.

SHORT NEWS NOTES.

John Cooper of the University of North-Carolina, who was injured at football practice in September, died at Clinton.

Ten persons were killed and twice as many injured when the boiler of the steamer H. M. Carter exploded on the Mississippi river one hundred miles north of New Orleans.

In a collision off Boston with a barge the British schooner Hugh G. was sunk and five men, including Captain Obed Knowlton, were drowned.

The Pool, one of Minnesota's largest mines, has been operated since election. This is one of the ten mines on the iron range which have been leased by the State to various iron companies. It has been closed all during the season, but was opened this week. Five of the ten mines on State land are now in operation, each ton paying a royalty of 25 cents to the State. The Pool is located near Hibbing.

Fumes from the burned-out gas well at Tampico, Mexico, Fave caused the death The organization of new lodges of the of thirty more men, according to cable Brotherhood of Railroad Clerks at Hartdispatches to New Orleans. ford and New Britain, Conn., is reported.

Two more are in process of formation at B. F. Nelson of Minneapolis has paid the State \$2,500 for timber cut on State organizations the clerks will have twenty lands after his permit had expired, and the Duluth and Rainy Lake Railway Company has paid \$2,340 for timber cur along its right of way. ment on German official statistics, has

The employes of the Great Northern have organized a branch of the American Railway Employes' Protective Association for the purpose of using their influence to prevent the further reduction of rates by State Legislatures.