# ROOSEVELT'S MESSAGE **BREATHES OF REFORM**

President's Annual Communication Delivered to Congress at Washington.

### STRONG FOR RATE REFORM

Makes Many Suggestions, but This Is the Chief One-Would Supervise Insurance-Not Ripe for Tariff Reform.

Washington, D. C. Dec. 5.—President Rooseveit delivered his annual message Roosevelt delivered his annual message to congress today. The document was a lengthy one of more than 25,000 words. It breathes reform from first to last. Chief and foremost is the demand for rate legislation which he goes into in great detail. He also recognizes the insurance evils and urges federal supervision of insurance and of other great corporations. He fails to recommend revision of the tariff, saying it is not required as yet. His message in part follows:

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To the senate and house of representatives:

The people of this country continue to enjoy great prosperity. Undoubtedly there will be ebb and flow in such prosperity, and this ebb and flow will be felt more or less by all members of the community, both by the deserving and the undeserving. Against the wrath of the Lord the wisdom of man can not avail; in times of flood or drought human ingenuity can but partially repair the disaster. A general failure of crops would hurt all of us. Again, if the folly of man mars the general well-being, then those who are innocent of the folly will have to pay part of the penalty incurred by those who are guilty of the folly. A panic brought on by the speculative folly of part of the business community would hurt the whole business community. But such stoppage of welfare, though it might be severe, would not be lasting. In the long run the one vital factor in the permanent prosperity of the country is the high individual character of the average American etizen, no matter whether his work be mental or ican worker, the average American citizen, no matter whether his work be mental or manual, whether he be farmer or wage-worker, business man or professional man.

Control of Corporations.

The fortunes amassed through corporate organization are now so large, and vest such power in those that wield them, as to make it a matter of necessity to give to the sovereign—that is, to the government, which represents the people as a whole—some effective power of supervision over their corporate use. In order to insure a healthy social and industrial life, every big corporation should be held responsible by, and be accountable to, some sovereign strong enough to control its conduct. I am in no sense hostile to corporations. This is an age of combination, and any effort to prevent all combination will be not only useless, but in the end vicious, because of the contempt for law which the failure to enforce law inevitably produces. The corporation has come to stay, just as the trade union has come to stay, Each can do and has done great good. Each should be favored so long as it does good. But each should be sharply checked where it acts against law and justice.

State Legislation Impotent. Control of Corporations.

State Legislation Impotent.

Experience has shown conclusively that it is useless to try to get any adequate regulation and supervision of these great corporations by state action. Such regulation and supervision can only be effectively exercised by a sovereign whose jurisdiction is co extensive with the field of work of the corporation—that is, by the national government. I believe that this regulation and supervision can be obtained by the enactment of law by the congress. If it proves impossible, it will certainly be necessary ultimately to confer in fullest form such power upon the national government by a proper amendment of the constitution. It would obviously be unwise to endeavor to secure such an amendment until it is certain that the result can not be obtained under the constitution as it now is. Experience has shown conclusively that

now is.

What is needed is not sweeping prohibiwhat is needed in the state of lation as will prevent any restriction of competition from being to the detriment of the public—as well as such supervision and regulation as will prevent other abuses in no way connected with restriction of com-

Abuse of Over-Capitalization. Of these abuses, perhaps the chief, although by no means the only one, is overcapitalization—generally itself the result of dishonest promotion—because of the myriad evils it brings in its train; for such overcapitalization often means an inflation that invites business panic; it always conteals the true relation of the profit earned to the capital actually invested, and it creates a burden of interest payments which is a fertile cause of improper reduction in or limitation of wages; it damages the small investor, discourages thrift, and encourages gambling and speculation; while perhaps worst of all is the trickiness and dishonestly which it implies—for harm to morals is worse than any possible harm to material interests, and the debauchery of politics and business by great dishonest corporations is far worse than any actual material evil they do the public.

Railroad Rate Legislation.

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The first thing to do is to deal with the great corporations engaged in the business of interstate transportation. As I said in my message of December 6 last, the immediate and most pressing need, so far as legislation is concerned, is the enactment into law of some scheme to secure to the agents of the government such supervision and regulation of the rates charged by the railroads of the country engaged in interstate traffic as shall summarily and effectively prevent the imposition of unjust or unreasonable rates. It must include putting a complete stop to rebates in every shape and form. This power over the business world, should be exercised with moderation, caution, and self restraint; but it should exist, so that it can be effectively exercised when the need arises.

Commission Must Be Administrative. Commission Must Be Administrative. The first consideration to be kept in mind is that the power should be affimative and should be given to some administrative body created by the congress. If given to the present Interstate Commerce commission or to a reorganized Interstate Commerce commission, such commission should be made unequivocally administrative.

Suggests the Terms.

Suggests the Terms.

It is not my province to indicate the exact terms of the law which should be enacted; but I call the attention of the congress to certain existing conditions with which it is desirable to deal. In my judgment the most important provision which such law should contain is that conferring upon some competent administrative body the power to decide, upon the case being brought before it, whether a given rate prescribed by a railroad is reasonable and just, and if it is found to be unreasonable and unjust, then, after full investigation of the complaint, to prescribe the limit of the rate beyond which it shall not be lawful to go—the maximum reasonable rate, as it is commonly called—this decision to go into effect within a reasonable time and to obtain from thence onward, subject to review by the courts.

Prehibit Too Low Rates.

Prohibit Too Low Rates.

It sometimes happens at present, not that a rate is too high but that a favored shipper is given too low a rate. In such case the commission would have the right to fix this already established minimum rate as the maximum; and it would need only one or two such decisions by the commission to cure railroad companies of the practice of giving improper minimum rates.

I call your attention to the fact that my proposal is not to give the commission power in initiate or originate rates generally, but to regulate a rate already fixed or originated by the roads, upon complaint and after investigation. A heavy penalty should be exacted from any cor-

poration which falls to respect an order of the commission. I regard this power to establish a maximum rate as being essential to any scheme of real reform in the matter of railway regulation. The first necessity is to secure it; and unless it is granted to the commission there is little use of touching the subject at all.

To Punish All Subterfuges.

Illegal transactions often occur under the forms of law. It has often occurred that a shipper has been told by a traffic officer to buy a large quantity of some commodity and then after it has been bought an open reduction is made in the rate to take effect immediately, the arrangement resulting to the profit of the one shipper and the one railroad and to the damage of all their competitors; for it must not be forgotten that the big shippers are at least as much to blame as any railroad in the matter of rebates. The law should make it clear so that nobody can fail to understand that any kind of commission paid on freight shipments, whether in this form or in the form of fictitious damages, or of a concession, a free pass, reduced passenger rate, or payment of brokerage, is illegal.

It is worth while considering whether it would not be wise to confer on the government the right of civil action against the beneficiary of a rebate for at least twice the value of the rebate; this would help stop what is really blackmail. Ellevator allowances should be stopped, for they have now grown to such an extent that they are demoralizing and are used To Punish All Subterfuges.

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Control Over Private Car Lines.

All private-car lines, industrial roads, refrigerator charges, and the like should be expressly put under the supervision of the Interstate Commerce commission or some similar body so far as rates, and agreements practically affecting rates, and concerned. The private-car owners and the owners of industrial railroads are entitled to a fair and reasonable compensation on their investment, but neither private cars nor industrial railroads nor spur tracks should be utilized as devices for securing preferential rates. A rebate in icing charges, or in mileage, or in advision of the rate for refrigerating charges is just as pernicious as a rebate in any other way. No lower rates should apply on goods imported than actually obtains on domestic goods from the American seaboard to destination except in cases where water competition is the controlling influence. Control Over Private Car Lines.

Publicity Is Much Needed.

There should be publicity of the accounts of common carriers; no common carrier engaged in interstate business should keep any books of memoranda other than those reported pursuant to law or regulation, and these books or memoranda should be open to the inspection of the government. Only in this way can violations or evasions of the law be surely detected. A system of examination of ralicad accounts should be provided similar to that now conducted into the national banks by the bank examiners; a few first-class railroad accountants, if they had proper direction and proper authority to inspect books and papers, could accomplish much in preventing willful violations of the law.

Courts to Act Rapidly. Publicity Is Much Needed.

Courts to Act Rapidly. Courts to Act Rapidly.

I urge upon the congress the need of providing for expeditious action by the Interstate Commerce commission in all these matters, whether in regulating rates for transportation or for storing or for handling property or commodities in transit. The history of the cases litigated under the present commerce act shows that its efficacy has been to a great degree destroyed by the weapon of delay, almost the most formidable weapon in the hands of those whose purpose it is to violate the law.

The Labor Question.

The question of securing a healthy, self respecting and mutually sympathetic attitude as between employer and employe, capitalist and wage worker, is a difficult one. All phases of the labor problem prove difficult when approached. But the underlying principles, the root principles, in accordance with which the problem must be solved, are entirely simple. We can get justice and right dealing only if we put as of paramount importance the principle of treating a man on his worth as a man rather than with reference to his social position, his occupation, or the class to which he belongs. There are selfish and brutal men in all ranks of life.

This government is not and never shall be government by a plutocracy. This government is not and never shall be government by a mob. It shall continue to be in the future what it has been in the past, a government based on the theory that each man, rich or poor, is to be treated simply and solely on his worth as a man, that all his personal and property rights are to be safeguarded, and that he is neither to wrong others nor to suffer wrong from others.

To Regulate Life Insurance.

To Regulate Life Insurance.

The great insurance companies afford striking examples of corporations whose business has extended so far beyond the jurisdiction of the states which created them as to preclude strict enforcement of supervision and regulation by the parent states, in my last annual message I recommended "that congress carefully consider whether the power of the bureau of corporations can not constitutionally be extended to cover interstate transactions in insurance." To Regulate Life Insurance.

tended to cover interstate transactions in insurance."
Recent events have emphasized the importance of an early and exhaustive consideration of this question, to see whether it is not possible to furnish better safeguards than the several states have been able to furnish against corruption of the flagrant kind which has been exposed. It has been only too clearly shown that certain of the men at the head of these large corporations take but small note of the ethical distinction between honesty and dishonesty; they draw the line only this side of what may be called lawhonesty, the kind of honesty necessary in order to avoid falling into the clutches of order to avoid falling into the clutches of

State Supervision Inadequate.

State Supervision Inadequate.

I repeat my previous recommendation that the congress should also consider whether the federal government has any power or owes any duty with respect to domestic transactions in insurance of an interstate character. That state supervision has proved inadequate is generally conceded. The burden upon insurance companies, and therefore their policy holders, of conflicting regulations of many states, is unquestioned, while but little effective check is imposed upon any able and unscrupulous man who desires to exploit the company in his own interest at ploit the company in his own interest at the expense of the policy holders and of

a remedy for this evil of conflicting. As a remedy for this evil of conflicting, ineffective, and yet burdensome regulations there has been for many years a wide-spread demand for federal supervision. The spread demand for federal supervision. The congress has already recognized that interstate insurance may be a proper subject for federal legislation, for in creating the bureau of corporations it authorized it to publish and supply useful information concerning interstate corporations, "including corporations engaged in insurance." What is said above applies with equal force to fraternal and benevolent organizations which contract for life insurance.

Takes lin the Tariff.

Takes Up the Tariff. There is more need of stability than of the attempt to attain an ideal perfection in the methods of raising revenue; and the

Need an Elastic Currency.

Every consideration of prudence demands the addition of the element of elasticity to our currency system. The evil does not consist in an inadequate volume of money, but in the rigidity of this volume, which does not respond as it should to the varying needs of communities and of seasons. Inflation must be avoided; but some provision should be made that will insure a larger volume of money during the fall and winter months than in the less active seasons of the year; so that the currency will contract against speculation, and will expand for the needs of legitimate busness. At present the treasury department is at irregularly recurring intervals obliged, in the interest of the business world—that is, in the interests of the American public—to try, to avert financial crises by providing a remedy which should be provided by congressional action.

Scrutinize Campaign Gifts. Need an Elastic Currency.

Scrutinize Campaign Gifts.

I desire to repeat this recommendation:
In political campaigns in a country as large and populous as ours it is inevitable that there should be much expense of an entirely legitimate kind. This, of course, meany that many contributions, and some of them of large size, must be made, and, as a matter of fact, in any big political contest such contributions are always made to both sides. It is entirely proper both to give and receive them, unless there is an improper motive connected with either gift or reception. If they are extorted by any kind of pressure or promise, express or implied, direct or indirect in the way of favor or immunity, then the giving or receiving becomes not only improper but criminal. It will undoubtefully be difficult as a matter of practical detail to shape an act which shall guard with reasonable certainty against such misconduct; but if it is possible to secure by law the full and verified publication in detail of all the sums contributed to and expended by the candidates or committees of any political parties, the result can not but be wholesome.

Stop Insurance Campaign Funds. Scrutinize Campaign Gifts.

Stop Insurance Campaign Funds.
All contributions by corporations to any political committee or for any political purpose should be forbidden by law; directors should not be permitted to use stockholders' money for such purposes; and, moreover, a prohibition of this kind would be, as far as it went, an effective method of stopping the evils aimed at in corrupt practices acts. Not only should both the national and the several state legislatures forbid any officer of a corporation from using the money of the corporation in or about any election, but they should also forbid such use of money in connection with any legislation save by the employment of counsel in public manner for distinctly legal services. Stop Insurance Campaign Funds

Takes Up Peace Question.

More and more war is coming to be looked upon as in itself a lamentable and evil thing. A wanton or useless war, or a war of mere aggression—in short, any war begun or carried on in a conscience-less spirit, is to be condemned as a peculiarly atrocious crime against all humanity. Whenever it is possible for a nation or an individual to work for real peace, assuredly it is failure of duty not so to strive; but if war is necessary and righteous then either the man or the nation shrinking from it forfeits all title to self respect. We have scant sympathy with the sentimentalist who dreads oppression less than physical suffering, who would prefer a shameful peace to the pain and toil sometimes lamentably necessary in order to secure a righteous peace. Takes Up Peace Question.

International Arbitration.

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Very much can be done through another Hague conference in this direction, and I most earnestly urge that this nation do all in its power to try to further the movement and to make the result of the decisions of The Hague conference effective. I earnestly hope that the conference may be able to devise some way to make arbitration between nations the customary way of settling international disputes in all save a few classes of cases, which all save a few classes of cases, which should themselves be as sharply defined and rigidly limited as the present gov-ernmental and social development of the world will permit. If possible there should be a general arbitration treaty negotiated among all the nations represented at the

The Monroe Doctrine.

The Monroe Doctrine.

One of the most effective instruments for peace is the Monroe doctrine as it has been and is being gradually developed by this nation and accepted by other nations. No other policy could have been as efficient in promoting peace in the western hemisphere and in giving to each nation thereon the chance to develop along its own lines. If we had refused to apply the doctrine to changing conditions it would now be completely outworn, would not meet any of the needs of the present day, and indeed would probably by this time have sunk into complete oblivion. That our rights and interests are deeply concerned in the maintenance of the doctrine is so clear as hardly to need argument. This is especially true in view of the construction of the Panama canal. As a mere matter of self-defense we must exercise a close watch over the approaches

exercise a close watch over the approaches to this canal; and this means that we must be thoroughly alive to our interests in the Caribbean sea.

Not a Means of Aggression. There are certain essential points which nust never be forgotten as regards the Monroe doctrine. In the first place we must as a nation make it evident that we do not intend to treat it in any shape or way as an excuse for aggrandizement on our part at the expense of the republics to the south. We must recognize the fact that in some South American south as the south a that in some South American countries there has been much suspicion lest we should interpret the Monroe doctrine as in some way inimical to their interests, and we must try to convince all the other na-tions of this continent once and for all that no just and orderly government has anything to fear from us.

Can't Use it as a Shield.

Moreover, we must make it evident that we do not intend to permit the Monroe doctrine to be used by any nation on this continent as a shield to protect it from the consequences of its own misdeeds against foreign nations. If a republic to the south of us commits a tort against a foreign nation, such as an outrage against a citizen of that nation, then the Monroe doctrine does not force us to interfere to prevent punishment of the tort, save to see that the punishment does not assume the form of territorial occupation in any shape. On the one hand, this country would certainly decline to go to Can't Use It as a Shield. save to see that the punishment does not assume the form of territorial occupation in any shape. On the one hand, this country would certainly decline to go to war to prevent a foreign government from collecting a just debt; on the other hand, it is very inadvisable to permit any foreign power to take possession, even temporarily, of the custom houses of an American republic in order to enforce the payment of its obligations; for such temporarily occupation. The only escape from these aiternatives may at any time be that we must ourselves undertake to bring about some airrangement by which so much as possible of a just obligation shall be paid. If is far better that this country should put through such an airrangement, rather than allow any foreign country to undertake it.

The Santo Domingo Question.

The Santo Domingo Question. There is more need of stability than of the attempt to attain an ideal periodical in the metrods of raising revenue; and the shock and strain to the business word certain to attend any serious change all the shock and strain to the business word certain to attend any serious change all the shock and strain to the business word certain to attend any serious change all the strain the attend any serious change all the strain that the strain the action and the appeal. It is a to be supported to the visible unless for grave reason, it is not possible to lay down any general rule by which to determine the moment when the reasons for will outweight the reasons against such a change. Much must depend, not merely on the needs, but on the desires, of the people as a whole. In the case of sain to Domingo as an includant of the wise development of the grave desires are not necessarily identical.

Of course no change, and the made on the case of sain to bomingo as an includant of the wise development of the strain of the same thing like a general agreement among the citizens of the several states, as represented in the congress, that the change is needed and desired in the interest of the people as a whole. In time of peace and revenues much on the average, taking a series of years together, equal the case of the several states, as the congress, that the change is needed and desired in the interest of the people as a whole. In the congress, that the change is needed and desired in the interest of the people as a whole. In the congress, that the change is needed and desired in the interest of the people as a whole. In the case of this country to five against their best interest, to come here. The conditions in Sain Demingo and the people are a whole. In the case of this country to five against their best interest, to come here. The conditions in Sain Demingo and the people are a whole. In the change is needed and desired in the interest of the country of the onity great and power and as they hoped are of the will to help the Santo Domingo, in her turn, has now made an appear to us to help her, and not only every principle of wisdom but

were just, while some were not of a character which really renders it obligatory on, or proper for, santo Domingo to pay them in full. But she could not pay any of them unless some stability was assured her government and people.

was assured her government and people.

Asks Support for Treaty.

Accordingly the executive department of our government negotiated a treaty under which we are to try to help the Dominican people to straighten out their finances. This treaty is pending before the senate. In the meantime a temporary arrangement has been made which will last until the senate has had time to take action upon the treaty. Under this arrangement the Dominican government has appointed Americans to all the important positions in the customs service, and they are seeing to the honest collection of the revenues, turning over 45 percent, to the government for running expenses and putting the other 55 per cent, into a safe depository for equitable division in case the treaty shall be ratified, among the various creditors, whether European or American.

This has completely discouraged all revolutionary movement, while it has already produced such an increase in the revenues that the government is actually getting more from the 45 per cent, that the American collectors turn over to it than it got formerly when it took the entire revenue. It is enabling the poor harassed people of Santo Domingo once more to turn their attention to industry and to be free from the curse of interminable revolutionary disturbance.

There is, of course, opposition to the treaty from dishonest cred'tors, foreign and American, and from the professional revolutionists of the island itself.

The Army and Navy.

We cannot cons'der the guestion of our Asks Support for Treaty.

The Army and Navy.

The Army and Navy.

We cannot consider the question of our foreign policy without at the same time treating of the army and navy. We now have a very small army—indeed, one well-nigh infinitesimal when compared with the army of any other large nation. Of course the army we do have should be as nearly perfect of its kind and for its size as is possible. I do not believe that any army in the world has a better average of enlisted man or a better type of junior officer; but the army should be trained to act effectively in a mass. Provision should be made by sufficient appropriations for maneuvers of a practical kind so that the troops may learn how to take care of themselves under actual service conditions.

The number of posts in which the army is kept in time of peace should be materially diminished and the posts that are left made correspondingly larger.

To accomplish this end we must have not company or regimental garrisons, but brigade and division garrisons.

brigade and division garrisons,

For a Big Navy.

Our navy must, relatively to the navies of other nations, always be of greater size than our army. We have most wisely continued for a number of years to build up our navy, and it has now reached a fairly high standard of efficiency. This standard of efficiency must not only be maintained, but increased. It does not seem to me necessary, however, that the navy sheuld—at least in the immediate future—be increased beyond the present number of units. What is now clearly necessary is to substitute efficient for inefficient units as the latter become worn out or as it becomes apparent that they are useless. Probably the result would be attained by adding a single battle ship to our navy each year, the superseded or outworn vessels being laid up or broken up as they are thus replaced.

Public Land Laws.

Public Land Laws. One again I call your attention to the condition of the public land laws. Recent developments have given new urgency to the need for such changes as will fit these laws to actual present conditions. The honest disposal and right use of the remaining public lands is of fundamental importance. The iniquitous methods by which the monopolizing of the public lands is being brought about under the present laws are becoming more generally known, laws are becoming more generally known, but the existing laws do not furnish effective remedies. The recommendations of the public lands commission upon this subject are wise and should be given

As to the Grazing Land Claim.

The greater part of the remaining public lands cannot be irrigated. They are at present and will probably always be of greater value for grazing than for any other purpose. This fact has led to the grazing homestead of 640 acres in Nebraska and to the proposed extension of it to other states. It is argued that a family can not be supported on 160 acres of arid grazing land. This is obviously true; but neither can a family be supported on 640 acres of much of the land to which it is proposed to apply the grazing homestead. To establish universally any such arbitrary limit would be unwise at the present time. It would probably result on the one hand in enlarging the holdings of some of the great land owners, and on the other in needless suffering and fallure on the part of a very considerable proportion of the bona fide settlers who give faith to the implied assurance of the government that such an area is sufficient.

The best use of the public grazing lands requires the careful examination and classification of these lands in order to give each settler land enough to support his family and no more. While this work is being done, and until the lands are settled, the government should take control of the open range, under reasonable requiations suited to local needs, following the effect. As to the Grazing Land Claim.

tled the government should take control of the open range, under reasonable regulations suited to local needs, following the general policy already in successful operation on the forest reserves. It is probable that the present grazing value of the open public range is scarcely more than half what it once was or what it might easily be again under careful regulation.

Favors Merchant Marine To the spread of our trade in peace and the defense of our flag in war a great and prosperous merchant marine is indispensi-ble. We should have ships of our own and ble. We should have ships of our own and seamen of our own to convey our goods to neutral markets, and in case of need to reenforce our battle line. It can not but be a source of regret and theasiness to us that the lines of communication with our sister republics of South America should be chiefly under foreign control. It is not a good thing that American merchants and manufacturers should have to send their goods and letters to South America via Europe if they wish security and dispatch. Even on the Pacific, where our ships have held their own better than on the Atlantic, our merchant flag is now threatened through the liberal aid bestowed by other governments on their own the Atlantic, our merchant flag is now threatened through the liberal aid be-stowed by other governments on their own steam lines. I ask your earnest consider-ation of the report with which the Mer-chant Marine commission has followed its long and careful inquiry.

'The Immigration Question. The Immigration Question.

The question of immigration is of vital interest to this country. In the year ending June 30, 1905, there came to the United States 1,025,000 ailen immigrants. In other words, in the single year that has just elapsed there came to this country a greater number of people than came here during the one hundred and sixty-nine years of our colonial life which intervened between the first landing at Jamestown and the Declaration of Independence. It is clearly shown in the report of the commissioner- general of immigration the commissioner- general of immigration that while much of this enormous immi gration is undoubtedly healthy and natur al, a considerable proportion is undesirable from one reason or another; moreover, a considerable proportion of it, probably a

ed and adulterated foods, drinks, and ed and adulterated foods, drinks, and drugs. Such law would protect legitimate manufacture and commerce, and would tend to secure the health and welface of the consuming public. Traffic in foodstuffs which have been debased or adulterated so as to injure health or to deceive purchasers should be forbidden. The Indian Question.

The Indian Question.

During the year just past, the phase of the Indian question which has been most sharply brought to public attention is the larger legal significance of the Indian's induction into citizenship. This has made itself manifest not only in a great excess of Ritgation in which the citizen Indian figures as a party defendant and in a more widespread disposition to levy local taxation upon his personality, but in a decision of the United States supreme court which struck away the main prop on which has

tion upon his personality, but in a decision of the United States supreme court which struck away the main prop on which has hitherto rested the government's benevolent effort to protect him against the evils of intemperance. The court holds, in effect, that when an Indian becomes, by virtue of an allotment of land to him, a citizen of the state in which his land is situated, he passes from under federal control in such matters as this, and the acts of the congress prohibiting the sale or gift to him of intoxicants become substantially inoperative. It is gratifying to note that the states and municipalities of the west which have most at stake in the welfare of the Indians are taking up this subject and are trying to supply, in a measure at least, the abdication of its trusteeship forced upon the federal government.

Nevertheless, I would urgently press upon the attention of the congress the question whether some amendment of the internal revenue laws might not be of aid in prosceuting those malefactors, known in the Indian country at "bootleggers." who are engaged at once in defrauding the United States treasury of taxes and, what is far more important, in debauching the Indians by carrying Hours illicitly into territory still completely under federal jurisdiction.

Among the crying present needs of the

Indians by carrying liquors illicity into territory still completely under federal jurisdiction.

Among the crying present needs of the Indians are more day schools situated in the midst of their settlements, more effective instruction in the industries pursued on their own farms, and a more liberal extension of the field-matron service, which means the education of the Indian women in the arts of home making.

The Philippines.

The Philippines. The Philippines.

During the last year the Philippine islands have been slowly recovering from the series of disasters which, since American occupation, have greatly reduced the amount of agricultural products below what was produced in Spanish times. The war, the rinderpest, the locusts, the drought, and the choiera have been united as causes to prevent a return of the prosperity much needed in the islands. The most serious is the destruction by the rinderpest of more than 75 per cent. of the draft cattle, because it will take several years of breeding to restore the necessary number of these indispensable aids to agriculture.

Would Reduce Tariff.

The agricultural conditions of the

Would Reduce Tariff.

The agricultural conditions of the islands enforce more strongly than ever the argument in favor of reducing the tariff on the products of the Philippine islands entering the United States, I carnestly recommend that the tariff now imposed by the Dingley bill upon the products of the Philippine islands be entirely removed, except the tariff on sugar and tobacco, and that that tariff be reduced to 25 per cent. of the present rates under the Dingley act; that after July 1, 1998, the tariff upon tobacco and sugar produced in the Philippine islands be entirely removed, and that free trade between the islands and the United States in the products of each country then be provided for by law.

A statute in force, enacted April 15, 1994, suspends the operation of the coastwise laws of the United States upon the trade between the Philippine islands and the United States until July 1, 1996. I carnestly recommend that this suspension be postponed until July 1, 1999.

Would Fortify Hawaii.

Would Fortify Hawaii.

In my judgment immediate steps should be taken for the fortification of Hawaii. This is the most important point in the Pacific to fortify in order to conserve the interests of this country. It would be hard to overstate the importance of this need. Hawaii is too heavily taxed. Laws should be enacted setting aside for a period of, say, twenty years 75 per cent. of the internal revenue and customs receipts from Hawaii as a special fund to be expended in the islands for educational and public buildings, and for harbor improvements and military and navai defenses. It cannot be too often repeated that our aim must be to develop the territory of Hawaii on traditional American lines.

Citizenship for Porto Ricans. Would Fortify Hawaii.

Citizenship for Porto Ricans.

I earnestly advocate the adoption of legislation which will explicitly confer American citizenship on all citizens of Porto Rico. There is, in my judgment, no excuse for failure to do this. The harbor of San Juan should be dredged and improved. The expenses of the federal court of Porto Rico should be met from the federal treasury, and not from the Porto Rican treasury, and not from the Porto Rican treasury. The elections in Porto Rico should take place every four years, and the legislature should meet in session every two years. The present form of government in Porto Rico, which provides for the appointment by the president of the members of the executive council or upper house of the legislature, has proved satisfactory and has inspired confidence in property owners and investors. I do not deem it advisable at the present time to change this form in any material feature. The problems and needs of the island are industrial and commercial rather than political.

Needs of Alaska. Citizenship for Porto Ricans.

Needs of Alaska.

Needs of Alaska.

I earnestly ask that Alaska be given an elective delegate. Some person should be chosen who can speak with authority of the needs of the territory. The government should aid in the construction of a railroad from the gulf of Alaska to the Yukon river, in American territory. In my last two messages I advocated certain additional action on behalf of Alaska. I shall not now repeat those recommendations, but I shall lay all my stress upon the one recommendation of giving to Alaska some one authorized to speak for it. I should prefer that the delegate was made elective but if this is not deemed wise then make him appointive.

The Panama Canal.

The treaty between the United States and the republic of Panama, under which the construction of the Panama canal was made possible, went into effect with its ratification by the United States senate on February 23, 1804. The canal properties of the French Canal company were transferred to the United States on April 23, 1904, on payment of \$40,00,000 to that company. On April 1, 1905, the commission was reorganized, and it now consists of Theodore P. Shonts, chairman, Charles E. Magoon, Benjamin M. Harrod. Rear-Admiral Mordecai T. Endicott, Brigadier General Peter C. Hains, and Colonel Oswald H. Ernst, John F. Stevens was appointed chief engineer on July 1 last. Active work in canal construction, mainly, preparatory, has been in progress for less than a year and a half. During that period two points about the canal have ceased to be open to debate. First, the question of route; the canal will be built on the Isthmus of Panama. Second, the question of feasibility; there are no physical obstacles on this route that American engineering skill will not be able to overcome without serious difficulty, or that will prevent the completion of the canal within a reasonable time and at a reasonable cost. This is virtually the unanimous testimony of the engineers who have investigated the matter for the government.

Must Build It Rapidly. The Panama Canal. Must Build It Rapidly.

Must Build It Rapidly.

The American people is pledged to the speedlest possible construction of a canal adequate to meet the demands which the commerce of the world will make upon it, and I appeal most earnestly to the congress to aid in the fulfillment of the pledge. Gratifying progress has been made during the past year and especially during the past four months.

What is needed now and without delay is an appropriation by the congress to meet the current and accruing expenses of the commission. The first appropriation of \$10,000,000, out of the \$135,000,000 authorized by the Spooner act, was made three years ago. It is nearly exhausted. There is barely enough of it remaining to carry the commission to the end of the year. Unless the congress shall appropriate before that time all work must cease. To arrest progress for any length of time now, when matters are advancing so satisfactorily, would be deplorable.

Theodore Roosevelt.

The White House, December 5, 1905.

Norfolk, Va., shipped recently the largest single cargo of lumber ever sent out—1,250,000 feet of North Carolina pine for New York Avms.

# **USUAL SCENES AT** OPENING SESSION

Hepburn of Iowa Has the Honor of Nominating Speaker Cannon for Re-Election.

#### QUORUM IN ATTENDANCE

Soth Houses Have Requisite Majority -Large Number of Bills Introduced Senate Adjourns at 12:30 O'Clock.

Washington, D. C., Dec. 6 .- The first! session of the Fifty-ninth congress, convened Monday. At high noon Vice President Fairbanks called the senate, to order, while the house was called to order by Clerk McDowell.

The Fifty-ninth congress has been looked forward to as one likely to be more than ordinarily eventful. Pending matters of commercial and political interests have proved intensely attractive during the long recess. Matters to be urged upon congress include the questions of railroad rate legislation, protecting interests of policyholders in insurance companies, statehood for the remaining territories, Panama canal construction, immigration, treatment of Chinese, raising revenue against a possible deficit, control of corporations engaged in interstate business, corrupt use of money at elections, the Philippines, Santo Domingo and the tariff

Preceding the formal opening of the house, there were scenes of increasing animation on the floor and in the galleries. Legislative veterans exchanged cordial greetings and newly elected members made acquaintances.

Proceedings in House.

Hundreds of public bills had been placed in a basket on the clerk's desk before 11 o'clock.

Speaker Cannon held an enthusiastic reception in his office. Members of both political parties went to see him and extend congratulations. A half hour before noon there was not an empty seat in the galleries and long lines had formed in the corridors. Exactly at noon Clerk McDowell called the house to order. He announced prayer by Chaplain Couden. Roll call by states to show the presence

of a quorum was at once begun.

Hepburn of lowa to the Fore.

At the conclusion of the roll call the clerk announced 264 members present. a quorum of the Fifty-ninth congress. Speaker Cannon was placed in nomi-nation for speaker by Hepburn of Iowa, and the first applause of the session followed. Williams, of Miss., was nominated on behalf of the minority by Henry, of Texas, provoking democratic applause. Neither made nominating speeches and the roll call for speaker

at once proceeded. Cannon, 243; Williams, 128. Cannon received 243 votes and Williams 128. Cannon was brought into the hall and escorted to his chair amidst a round of applause from both

amidst a round of applause from both sides and galleries.

After accepting the position in a few appropriate words, Cannon took the oath of office, which was administered by Bingham of Pennsylvania, father of the house. The speaker then administered the oath to all members.

Hepburn Introduces Bill. Representative Hepburn today intro-duced a bill to amend the Panama canal law so as to facilitate sale of bonds and appropriating \$16,500,000 to be immediately available for canal construction.

The Day in the Senate.

Washington, Dec. 6.—It was a fam-iliar scene when Vice President Fairbanks called the senate to order. There were few changes in membership. Death had taken away Senators Bates of Tennessee and Platt of Connecticut. There were no changes among the senators

ate officials.

The public galleries were well occupied as early as 10 o'clock. Several members of the diplomatic corps were Chaplain Edward Everett Hale made

Chaplain Edward Everett Hale made the opening prayer. He referred briefly to the months since the senate had been in session and to the work before members. He concluded by asking the senate to join with him in the Lord's prayer.
Sixty-eight senators responded to roll call and the vice president announced the senate was ready to trans-

At 12:20 the senate adjourned as a mark of respect to the late Senator Platt of Connecticut.

# PAT CROWE ON TRIAL.

arge Crowd of Curious Spectator. Assemble in the Court Room at Omaha.

Omaha, Neb., Dec. 6.—Pat Crowa charged with shooting Policeman A. H. Jackson with intent to kill, was brought to trial at 11 o'clock this mornfrought to trial at 11 o clock this morning before Judge Day in the criminal court. The work of empaneling the jury occupied the entire session and the jurors have not been selected as yet. The better class of citizens are averse to serving at Crowe's trial.

When Crowe was brought in the When Crowe was brought in, the

court room was crowded with specta-tors, all of whom were men, excepting one woman. Crowe was dressed as immaculately as usual, in a new suit of clothes and new shoes. He was brought

clothes and new shoes. He was brought in by the jailer and two deputies who stood guard during the entire proceedings. No intimation has been made as to what the defense will be.

The crime with which Crowe is charged was committed on the night of September 6, near Sixteenth and Hickory streets, when Policeman Jackson was shot in the leg during a fusiliade of shots between a squad of police and a man supposed to be Crowe.

## TOO QUICK FOR ROBBER

Turns on Time Lock Just as Burglar Held Up the Cashier.

Arcola, Ill., Dec. 4 .- An unsuccessful attempt was made to rob the Arcola State bank just as the officials were closing by Will Shaw, who drew a gun on the cashier and demanded \$1,000. One of the clerks, who was putting the cash in the sale, turned the time lock and frustrated the robber. Shaw was arrested and disarmed. It is believed