

THE PRESIDENT'S MESSAGE TO CONGRESS

President Roosevelt's message was delivered to Congress Tuesday, December 5.

In the beginning the people are congratulated upon their "great prosperity" and are reminded that in our industrial and social system the interests of all men are closely intertwined.

Referring to corporations, the president says that there must be governmental restraint or supervision, and that experience has shown that it is useless to try to get any adequate regulation and supervision by state action. In his view this can only be effectively exercised by the national government. He says that he believes that congress has the power to enact a law to give effective regulation, but if this 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."

Referring directly to the railway rate question, the president recommends that power be given to some administrative body, such as the interstate commerce commission to decide, upon a case being brought before it, whether a given railroad rate is reasonable and just. If such rate is found to be unreasonable and unjust, then this administrative body is to have power "after full investigation of the complaint, to prescribe the limit of 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 thence onward, subject to review by the courts."

On the subject of rebates he says "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 cases 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."

It is also recommended that all private car lines and refrigerator charges and the like be put under the supervision of the interstate commerce commission or some other administrative body to whose care railroad rates are intrusted.

The president lays considerable stress on the importance of "the need of providing for expeditious action by the interstate commerce commission in all matters." His reference to railway rate legislation and rebates are hereinafter reproduced in full.

Attention is again called to the necessity for legislation requiring the use of block signals upon railroads, and congress is reminded that "the number of serious collisions upon unblocked roads that have occurred within the past year adds force to the recommendation."

Attention is called to "the excessive hours of labor to which railroad employes in train service are in many cases subjected," and the president says "if there are any reasons for limiting by law the hours of labor in any employment, they certainly apply with peculiar force to the employment of those upon whose vigilance and alertness in the performance of their duties the safety of all who travel by rail depends."

The recommendation contained in a former message concerning an employer's liability law for the District of Columbia and for the Navy Yards is reiterated, and the hope is expressed that such a law will be prepared and enacted as speedily as possible.

He says that it is the duty of the national government to see that the city of Washington is "made a model city in all respects, both as regards parks, public play grounds, proper regulation of the system of housing, so as to do away with the evils of alley tenements, a proper system of education, a proper system of dealing with truancy, juvenile offenders, and proper handling of the charitable work of the District." He further recommends for the District of Columbia proper factory laws to prevent all abuses in the employment of women and children, and says that while "these will be used chiefly as object lessons" even "this limited amount of usefulness would be of real value."

While admitting that some judges have misused the power of injunctions, the president says

that it would be unwise to deprive courts of the power to issue injunctions in labor disputes. He says "the remedy is to regulate the procedure by requiring the judge to give due notice to the adverse parties before granting the writ, the hearing to be ex parte if the adverse party does not appear at the time and place ordered." He explains that "due notice" must depend upon the facts of the case, saying "it should not be used as a pretext to permit violation of law or the jeopardizing of life or property," and adds "of course this would not authorize the issuing of a restraining injunction in any cases in which it is not already authorized by existing law."

He renews the recommendation made in his last message for an investigation by the department of commerce and labor of general labor conditions, especial attention to be paid to the conditions of child labor and child labor legislation in the several states. A similar recommendation is made with respect to an inquiry into the conditions of women in industry.

The president says that the employer and employe are not the only ones interested in any great labor disturbance, but that the interests of a third party—the general public—must be considered, and he says "every considerable labor difficulty in which interstate commerce is involved should be investigated by the government and the facts officially reported to the public."

Referring to the recent disclosures before the insurance investigating committee, the president says "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 law honesty, the kind of honesty necessary in order to avoid falling into the clutches of the law." The president says that while the only complete remedy for this condition must be found in an aroused public conscience, that "much can be done by legislation which is not only drastic but practical." He recommends "adequate national supervision of commercial interests which are clearly national in character." He says that "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." He says that insurance business has outgrown in magnitude the possibility of adequate state supervision, also "the congress should carefully consider whether legislation can be had," adding "this legislation should apply with equal force to fraternal and benevolent organizations."

Approaching the tariff question the president says: "There is more need of stability than of the attempt to attain an ideal perfection in the methods of raising revenue; and the shock and strain to the business world certain to attend any serious change in these methods render such change inadvisable 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 outweigh the reasons against such a change. Much must depend not merely on the needs but on the desires of the people as a whole; for needs and desires are not necessarily identical. Of course no change can be made on lines beneficial to, or desired by, one section or one state only. There must be something like a general agreement among the citizens of the several states, as represented in congress, that the change is needed and desired in the interest of the people as a whole; and there should then be a sincere, intelligent and disinterested effort to make it in such shape as will combine so far as possible the maximum of good to the people at large, with the minimum of necessary disregard for the special interests of localities or sections." The president says that of course the income must equal the expenditure, or else the revenues must be increased, saying "unless our expenditure can be kept within the revenue, then our revenue laws must be readjusted." He adds: "It is as yet too early to attempt to outline what shape such a readjustment should take, for it is as yet too early to say whether there will be need for it. It should be considered whether it is not desirable that the tariff laws should provide for applying as against or in favor of any other nation the maximum and minimum tariff rates established by the congress, so as to secure a certain reciprocity of treatment between other nations and ourselves. Having in view even larger considerations of policy than those of a purely economic nature, it would, in my judgment, be

well to endeavor to bring about closer commercial connections with the other peoples of this continent. I am happy to be able to announce to you that Russia now treats upon the most-favored-nation basis."

Calling attention to the need of economy the president recommends "a rigid scrutiny of appropriations." He says that all unnecessary offices should be abolished, and particularly recommends the abolishment of what is known as the office of receiver of public moneys for United States land offices. He says this will effect a saving of about \$250,000 a year. He also says that considerable money may be saved in the public printing office, where "there is a constantly growing tendency to publish masses of unimportant information." He warns the congress against what he calls "false economy," explaining "a cutting down of the navy, for instance, would be a crime against the nation. To fail to push forward all work on the Panama canal would be as great a folly."

On the currency question the president says that there should be "the element of elasticity to our currency system." While "inflation must be avoided," he says "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." He wants a currency that will "contract against speculation and will expand for the needs of legitimate business."

Emphasizing the necessity for "business methods in the departments," the president suggests that congress "provide for the transfer, distribution, consolidation and assignment of duties and executive organizations, and for the changes in business methods within or between the several departments that will best promote the economy, efficiency and high character of the governmental work."

Referring to federal elections the president renews the recommendation made in the last annual message concerning the enactment of a law directed against bribery and corruption in elections. On this point he says:

"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, means that many contributions, and some of the 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 undoubtedly 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. 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 practice 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."

Referring to his invitation to another conference to be held at The Hague, the president says that he assumes that all civilized governments will support the movement. He devotes a paragraph in his message to reference to the general attitude of the United States government toward peace. He expresses the hope that this second Hague conference "may mark a long stride forward in the direction of securing the peace of justice throughout the world."

Reaffirming the Monroe doctrine, the president says that it must be made clear that that doctrine is not to be treated as an excuse for aggrandizement on our part at the expense of the republics to the south, and we must try to convince all the nations of "is continent" that "no just and orderly government has anything to fear from us." He says that some nation by being unable to keep order among its own people or