

# The Work of the President's Cabinet

## POSTOFFICE DEPARTMENT

The following, from a message of Postmaster General Burleson, read before the democratic achievement banquet held at Minot, N. D., February 17, tells of the work of the postoffice department during the first year of this administration:

Of all the internal activities of the government, none touches the people more intimately than the postal service. The record of what has been done by the Wilson administration through the instrumentality of the postoffice department will be a fair sample of the achievement in the other departments.

On March 4th, last, the mail service of the United States was in an impoverished and disorganized condition. The admitted object of the last administration had been to reduce the cost of the service to the amount of the revenue. This mistaken policy ignored the duty of the government to provide in every community adequate and satisfactory postal facilities. Needed extensions and improvements had not been made and the force of clerks and carriers was inadequate. Every interest of the service and the public had been sacrificed to the enforcement of a ruthless program of retrenchment. The necessity of meeting and correcting this situation and of conducting the new parcel post was made more difficult by the lack of sufficient appropriations. In April therefore an emergency appropriation of \$1,000,000 was secured that enabled the department to effect some immediate improvement in the general condition of the mail service and to assimilate the great volume of parcel post mail.

The fiscal year closed with an actual surplus of revenues over expenditures and outstanding obligations amounting to \$3,841,000. There has been no surplus since 1863 when the revenues and expenditures of the department were less than one-seventh the present amount.

The policy of the department now is to conduct the postal service for the convenience of the public and not to attempt profit making; to extend service wherever its benefits, social and commercial, warrant the necessary expenditure, and not to require each such extension to pay its own way; and to standardize the personnel, equipment and methods of the whole service and not to permit future growth and development to continue without any logical coordination of work and uniformity of organization. In accordance with these general ideals a detailed and specific program has been mapped out and much already accomplished.

By granting additional clerks and carriers, normal mail facilities have been restored in many cities.

By rearrangement and increase of force, overwork and delay in the railway mail service have been avoided.

Important extensions have been authorized in the rural mail service, the importance of which has been greatly enhanced by parcel post. The great future of this service and the probability of employing motor vehicles eventually for transportation on these routes is the justification for important work done by the department in connection with the department of agriculture for the improvement of roads and the encouragement of the good roads movement. The greatest advancement of our country depends on the proper development of the parcel post, the rural mail service and the national system of highways. By means of these three the cost of distributing food products may be greatly reduced and the conditions of farm life improved.

The weight limits for parcel post have twice been increased and at the same time reductions in the rates have been authorized. The special delivery and C. O. D. features have been added. The restrictions on the mailing of books and miscellaneous printed matter have been removed.

The popularity of the parcel post can not be doubted. Its facilities are better and its rates are generally lower than those of the private companies, whose exorbitant charges and unsatisfactory service finally provoked an agitation so insistent as to overcome legislative inertia behind which the express monopoly lay entrenched. Parcel post reaches everywhere, whereas private

expresses extend their operations only to profitable territory. Twenty millions of rural residents now have house to house delivery and collection of parcels, a service formerly to be had only in cities and towns. The benefits of parcel post applied to the rural delivery service work both ways. Manufactured articles and the means of culture and education are brought to the farm, while the smaller agricultural products are returned from the farm to the city, swelling the supply of the necessities of life and reducing the cost of living.

A survey made in the opening weeks of the present administration disclosed the fact that service of differing kinds had been accorded communities whose requirements were in general the same. It has been the policy of the present administration not to withdraw service already in operation, but to adjust these inequalities in the enjoyment of postal facilities by judicious discrimination in authorizing extensions. An impartial administration requires a full recognition of this principle.

While extending in this manner to each community postal facilities adequate to its needs and similar to those rendered other communities of like size, population, and relative importance, the department is endeavoring to apply the principle of standardization to the internal affairs of the service. Not only should equipment be uniform, but the best method of performing each operation should be determined and adopted. This insures to the service an elasticity that it has formerly lacked and conduces to flexibility of management by making it possible to shift personnel as well as equipment from point to point as the conditions may demand. The adoption of approved innovations throughout the service is facilitated, thereby increasing efficiency and consequently reducing cost. Well equipped experts of the department are now studying postal conditions in representative sections of the country. Their reports are being analyzed, and every suggested improvement found feasible and desirable promptly adopted and put into operation wherever practicable.

An order has already been issued for the adoption of a universal money order system under rules and regulations that are now being devised by a departmental committee. When their plans are formulated this innovation will become effective at the 54,000 money order offices. Then a money order drawn payable at New York, for instance, will be paid as readily in San Francisco. When the present supply of money order forms is exhausted a new form will be devised on which the name of the office of payment will not be inserted. Money orders are thus made far more negotiable and useful.

The removal of the limitation in the amount of a postal saving deposit is a matter of legislation. The department has earnestly brought to the attention of congress the desirability of permitting patrons of the postal savings system to deposit any amounts desired subject to the provision that no interest be paid on deposits in excess of \$1,000. Such an arrangement could not represent competition with private banking institutions but would indirectly supply such institutions with funds that otherwise would remain in hoarding.

In advocating the operation of telegraphs and telephones as a part of the postal service the department does not commit itself to an endorsement of government ownership of public utilities generally. That phase of the question has not been considered. Careful consideration, however, has been given to the constitutional purposes of the postal establishment and the conclusion reached that the transmission of intelligence by any means is a postal function. A thorough investigation of the telegraph and telephone services in this country and abroad was conducted last year by a committee of the postoffice department whose report has been published as a public document by the United States senate. It is believed that now is an opportune time to consider this important subject. Successful operation of the parcel post service proves the capacity of the postal establishment to conduct efficiently and economically services of this character.

The policy of this administration, which has already enlisted the hearty support of all the people, is to return to them through a service which touches every citizen whatever there may

cellent security ought to be salable at a decidedly lower rate of interest than is necessary for the usual farm mortgage.

The plan proposed in the Fletcher bill is modeled upon the cooperative farm banks which have been in successful operation in Europe for many years. It seems to follow more closely than any other the plan of the *Landschaften* of Germany. The *Landschaften* in 1909 issued bonds to the amount of over six hundred and fifty dollars. The loans are repayable almost entirely by instalment payments, though the borrower is at liberty to repay in whole or in part whenever he pleases. The yearly payments which the borrower makes to the *Landschaft*, known as annuities, are made up of four parts, interest, and contributions to a sinking fund, a guaranty fund, and an expense fund. The annuities in recent years have averaged about four per cent. When they are four per cent the interest would be three per cent, sinking fund one-half of one per cent, guaranty fund one-quarter of one per cent, expense fund one-quarter of one per cent. These figures compare favorably with the average cost of money to the American farmer, cited above, of eight and one-half per cent.

The Fletcher bill is a long step in the right direction. Whether in all its details it is as good as it can be made, we do not pretend to say. That is a matter for experts who have made a careful study of the subject.

But in view of the tremendous importance of the improvement of the credit facilities of the American farmer, it is a measure that should receive the most serious attention of congress and that without delay.

It will throw open to the farmer for the development of his plant an abundant source of cheap money.

It will enable him to use the credit which he possesses in abundant measure, but which under present conditions he can often avail himself of only at a ruinous cost.

It will introduce the tremendously valuable principle of cooperation into our rural life at a vital point.

It will help to keep the money which the farmer makes in the regions where it is made instead of encouraging its concentration in the big financial centers as is so largely the case under our present system or lack of it. The provision for the deposit of postal savings funds in the farm-land banks is particularly well adapted to secure this end.

The United States has long been far behind the countries of Europe in its development of a system of agricultural credit. The country is rapidly awakening to its lack in this regard. The national platforms of the three great political parties contained planks calling for legislation to supply the need. The farm-land bank, on the Fletcher plan, or some modification of it, should speedily become a part of our national banking system.—The Independent.

The government will build a line of railroad in Alaska largely because the people have outgrown the idea that it is good policy to permit private capital to do what they can do better themselves. In the sixties the government built the Pacific railroads and then turned them, along with millions of acres of land, to private ownership. It will keep the one in Alaska, after it has built it, and will also reap the profits from the increased value of lands along the line that it was once thought was necessary in order to get a road built.

Former Congressman L. N. Littauer, recently convicted of smuggling, was one of the eminent republicans who wrote the glove schedule in the Payne-Aldrich tariff law. Mr. Littauer was a glove manufacturer, and, therefore, particularly qualified to write glove schedules in republican tariff bills, but he overstepped his privileges when he tried to evade the law which he helped to write. Maybe this will explain why he was also compelled to resign as regent of the New York state university, which is teaching youths of the east the value of ideals.

The interstate commerce commission has notified the eastern railroads that are asking for an increase of 5 per cent in freight rates that they will not be permitted to recoup themselves in increased freight rates for the millions of money lost by the giving of free passes over passenger trains. After awhile, we suppose, even the rich men down east will have to pay for riding on the steam cars just like they do in the west.