PRESIDENT ROOSEVELT'S ANNUAL MESSAGE

Roosevelt's message was transmitted to both houses of Congress today. The message follows:

To the Senate and House of Representa-

To the Senate and House of Representatives:

The financial standing of the Nation at the present time is excellent, and the financial management of the Nation's interests by the Government during the last seven years has shown the most autefactory results. But our currency system is imperfect, and it is earnessly to be hoped that the Currency Commission will be able to propose a theroughly good system which will do away with the existing detects.

During the period from July 1, 1801, to September 20, 1908, there was an increase in the amount of money in circulation of Specific 1909. The increase in the per capital during this period was \$7.06. Within 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 redemptions of United States bonds; by increasing deposits in National banks; by stimulating additional issues of National banks; by stimulating additional issues of National bank notes, and by facilitating importations from abroad of gold. Our imperfect currency system has made these proceedings necessary, and they were effective until the monetary disturbance in the Fall of 1907 immensely increased the difficulty of certinary methods of relief. By the middle of November the available working balance in the Treasury bad been reduced to approximately \$5.500.000 for caping house associations throughout the country had been obliged to resort to the expedient of besting clearing house certificates, to be used as money. In this subscriptions for \$50,000.000 Farama Canal bonds, and \$10,000.000 it per cent certificates of indebtedness authorized by the act of June 18, 1808. It was proposed to resort to the re-deposit in the National banks the proceeds of these issues, and to permit their use as a bank for additional circulating notes of National banks. The moral effect of this procedure was so great that it was necessary to issue only \$24,681,980 of the Panama Canal bonds and \$10,000.000 of the certificates of indebtedness.

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Ner Surplus in Seven Years.

During the period from July 1, 1901, to Sepsember 30, 1908, the balance between the net ordinary receipts and the net ordinary repeases of the dovernment showed a surplus in the four years 1902, 1903, 1906 and 1907, and a deficit in the three years 1904, 1905, 1908 and a fractional part of the fiscal year 1909. The net result was a surplus of 890,283,413.54. The financial operations of the Government during this period, based upon these differences between receipts and expenditures, resulted in a net reduction of the interest-bearing debt of the United States from \$987,141.043 to \$897, 203,590, notwithstanding that thorse had been two sales of Parama Canal bonds amounting in the aggregate to \$54,631.980, and an issue of I per cent certificates of indebtedness under the act of June 13, 1898, amounting to \$15,435,500. Refunding operations of the Treasury Department under the act of March 14, 1900, resulted in the conversion into 2 per cent consols of 1930 of \$200,303,400 bonds bearing higher rates of literest. A decrease of \$8,687,956 in the annual interest charge resulted from these operations.

Regulation of Railroads.

The rathways of the country should be put completely under the Interstate Commerce Commission and removed from the domain of the anti-frust law. The power of the Commission and removed from the domain of the anti-frust law. The power of the Commission and control over the issue of securities as well as over the raising and lowering of rates. As regards rates, at least, this power should be summary. The power to investigate the financial operations and accounts of the railways hus been one of the most valinable features in recent legislation. Power to make combinations and traffic agreements should be explicitly conferred upon the railroads, the permission of the Commission being first gained and the combination or agreement heing published in all fits details. In the interest of the public the representatives of the public should have complete power to see that the railroads do thir duty by the subble, and as a matter of course this power should also be exercised so as to see that no injustice is done to the railroads. The shareholders, the employee and the shippers all have interests that must be guarded. It is to the interest of all of them that no swindling stock speculation should be no improper issuance of securities. The guiding intelligences necessary for the successful building and successful management of railroads should receive ample remuneration; but no man should be allowed, and that there should be no improper issuance of securities. The guiding intelligences necessary for the successful building and successful management of railroads should receive ample remuneration; but no man should be allowed, and that there should be no improper some consideration is to should also the rights and needs of the employes. In addition to this the interests of the shareholders, of the employes, and the rights and needs of the misplaces in the suppless should all be guarded as against one another. To give any one of the railroad, from the highest to the bounces shareholders; but they must

PRESIDENT ROOSEVELT'S RECOMMENDATIONS

Permit combinations in public interest, but under National control.
Put railroads completely under Interstate Commerce Commission and remove them from domain of anti-Give Commission control of issue of securities by railroads.

Allow railroads to combine and make traffic agreements with permission of Commission.

- FOR BENEFIT OF LABOR.

Put telegraph and telephone companies under supervision of Commission.

Provide employers' liability for injuries to workmen sustained by Government employes and employes of corporations in interstate commerce.

Corporations in interstate commerce.

Give Government workmen half holidays in Summer.

Extend operation of eight-hour laws.

Double salaries of Federal Judges.

Do away with delays in administration of jusfice.

Limit power of injunction exercised by courts and require hearing on temporary injunctions within cer-

· IMPROVE INLAND WATERWAYS. Provide for improvement of inland waterways according to system, instead of haphazard methods, and

ereste permanent commission for purpose.

Place National parks under control of Ferest Service, with superintendent and corps of scouts or rangers Extinguish system of Indian agents.

Allow secret service to be employed in any branch of public service.

POSTAL SAVINGS BANKS

Provide against deforestation and for preservation of all natural resources,

Establish postal savings banks.

Establish local parcels post on rural routes.

Increase appropriations for National Bureau of Education.

Place Census Bureau under civil service law and remove geographical requirements as to employes.

Concentrate all bureaus dealing with public health in one department.

Place Public Printer under control of Secretary of Commerce and Labor; Soldiers' Homes under War

Department, and all independent commistons and bureaus under appropriate departments.

Admit Arizona and New Mexico as separate states.

Admit Arizona and New Mexico as separate states. FEDERAL CONTROL OF FISHERIES.

Put fisheries in insterstate waters, like Columbia River, under Federal control. Extend interstate gains

laws to include fish. Put Alaska seals under control of Fisheries Bureau.

Grant mail subsidies to steamer lines to South America, Asia, the Philippines and Australia, Improve Hawaiian harbors; amend coastwise shipping laws relating to Hawaii; modify allen contract labor law applying to islands; fortify Pearl Harbor to make it impregnable and increase garrison.

Confer American citizenship on Porto Ricaus.

IMPROVE ARMY AND NAVY.

Amend laws for promotion of Army officers, so that seniority alone shall not rule, and incompetents may Amenda laws for promotion of Army affects, as that selected and the retired. Reorganize cavalry. Establish general service corps. Create extra officers so that some may be assigned to training militla without depleting regular service. Provide plan for organizing volunteers in time of war, and to promote rifle practice among civilians.

For the Navy—Provide four battleships, additional destroyers and colliers: change General Board into

General Staff; provide promotion by merit; provide two hospitals; graduate midshipmen as ensigns.

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and proverty, which is a company of the relievant by the contraction of the critic business community, and and accounts of the relievant by the critic business community, and contract of the relievant by the the relie

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The All Power Nation Has.

To accomplish this, means, of course, a cestain increase in the use of—not the creation of—power, by the central Government. The power alvently exists, it does not have to be created; the only question is whether it shall be used or left idle—and meanwhile the corporations over which the power ought to be exercised will not remain idle. Let those who object to this increase in the use of the only power available, the National power, he frank, and admit openly that they fropose to abandon any effort to control the great business corporations and to exercise supervision over the accumulation and distribution of wealth, for surf supervision and control can only come through this particular kind of increase of power. We no more believe in that empiricism which demands absolutely unrestrained individualism than we do in that empiricism which clamors for a deadening socialism which would destroy, all individual initiative and would ruin the country with a completeness that not even an unrestrained individualism than itself could achieve. The danger to American democracy lies not in the least in the concentration of administrative power in responsible and accountable hands. It lies in having the power insufficiently concentrated, so that no one can be held responsible to the people for its use. Concentrated power is palpable, visible, responsible, easily reached, quickly held to account. Power scattered among a variety of men who work behind and through legislators and administrators, is impalpable, is unseen, is irresponsible, cannot be reached, cannot be held to account. Democracy is in peril wherever the administration of political power is scattered among a variety of men who work in secyel, whose very mames are unknown to the common people. It is not in peril from any man who derives anthority from the people, who exercises it in sight of the people, who were the search of its exercise to the people.

Cive Labor Larger Share.

Employers' Liability Laws.

The above is the merest sketch, hardly even a sketch in outline, of the reforms for which we should work. But there is one insiter with which the Congress should deal at this session. There should no longer be any pattering with the question of taking cure of the wageworkers who, under our present indistrial system become killed, erippled or worn out as part of the regular incidents of a given business. The majority of wageworkers must have their rights seemed for them by state action; but the National Government should legislate in thoroughgoing and far-reaching fashion not only for all employes of the National Government, but for all persons engaged in interstate commerce. The object sought for could be achieved to a measurable degree, as far as those killed at crippled are concerned, by proper employers liability laws. As far as concerns those who have been worn out. I call your attention to the fact that definite steps toward providing old-age pensions have been taken in many of our private industries. These may be indefinitely extended through voluntary association and contributory schemes, or through the agency of savings habits, as under the recent Massachusetts plan. To strangthen these practical measures should be our immediate duty; it is not at present necessary to consider the larger and more general Governments have found themselves obliged to adogt.

favorably with that of every country in Europe—even the poorest.

The terms of the act are also a hardship in prolifiting payment in cases where the accident is in any way due to the negligence of the employe. It is inevitable that desiry familiarity with danger will lead men to take chances that can be construed into negligence. So well is this recognized that in practically all countries in the civilized world except the United States, only a great degree of negligence acts as a bar to securing compensation. Probably in no other respect is our legislation, both was and National, so far behind practically the emitre civilized world as in the matter of nability and compensation for accidents in entire civilized world as in the matter of inability and compensation for accidents in industry. It is humiliating that at European International congresses on accidents the United States should be singled out as the most beinted among the nations in respect to employers' liability legislation. This Government is itself a large employer of labor, and in its dealings with its employer it should set a standard in this country which would place it on a par with the most progressive countries in Europe. The laws of the United States in this respect and the tawa of European countries have been summarized in a recent builetin of the Bureau of Labor, and no American who reads this summary can fail to be struck by the great contrast between our practices and theirs—a contrast not in any sense to our credit.

Liability in Washington City.

The Congress should without further deliny pass a model employers' liability law for the District of Columbia. The employers' liability act recently declared unconstitutional, on account of apparently including in its provisions employes engaged in intrastate commerce as well as those engaged in interstate commerce, has been held by the local courts to be still in effect so far as its provisions angly to the District of Columbia. There should be no ambiguity on this point. If there is any doubt on the subject, the law should be re-enacted with special reference to the District of Columbia. This act, however, applies only to employes of common carriers. In all other occupations the inhility law of the District is the old common law. The severity and injustice of the common law in this matter has been in some degree or another modified in the Liability in Washington City. the common law in this matter has been in some degree or another modified in the majority of our states, and the only jurisdiction under the exclusive control of the Congress should be ahead and not behind the states of the Union in this respect. A comprehensive employers' Hability law should be passed for the District of Colum-bia.

previous message that half-holidays be granted during Summer to all wagework-ers in Government employ. ers in Government employ.

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

demned, while the right to carry on a business was explicitly taken out from under that pretection which the law throws over property. The demand was made that there should be trial by jury in contempt cases, thereby most seriously impairing the authority of the courts. All this represented a course of policy which, if carried out, would mean the enthronement of class privilege in its crudest and most brutal form, and the destruction of one of the most essential functions of the judiciary in all civilized lands.

Lesson of Gompers' Defeat.

should learn. In the first place, they ought to teach the workingman, the laborer, that wageworker, that by demanding what is improper and impossible he plays into the hands of his foes. Such a crude and victous attack upon the courts, even if it were temporarily successful, would inevitably in the end cause a violent reaction and would band the great mass of citizene bogother, forcing them to stand by all the Judges, competent and incompetent alike, rather than to see the wheels of justice stopped. A movement of this kind can ultimately result in nothing but damage to those in whose behalf if its nominally undertaken. This is a most healthy truth, which it is wise for all our peoples to learn. Any movement based on that class hatred which at times assumes the name of "class consciousness," is certain ultimately to fall, and if it temperarily succeeds, to do far-reaching damage. "Class consciousness," where it is merely another mane for the odious vice of class selfathness, is equally noxious whether in an employers' association or in a workingmen's association. The movement in question was one in which the appeal was made to all workingmen to vote primarily not as American citizens, but as individuals of a certain class in society. Such as appeal was made to all workingmen to vote primarily not as American citizens, but as individuals of a certain class in society. Such as appeal was made to all workingmen to vote primarily not as American citizens, but as individuals of a certain class in society. Such as appeal in the first place revolis the more high-minded and far-sighted among the persons to whom it is addressed, and in the eccond place tends to arouse a strong antagonism among all other classes of citizens, whom it therefore tends to under against the very organisation on whose behalf it is issued. The rebult is therefore unfortunate from every standpoint. This healthy truth, by the way, will be learned by the socialists if they ever succeed in establishing in this country an important National party bas

Interest.

The wageworkers, the workingmen, the laboring men of the country by the way in which they repudinted the effort to get them to cast their votes in response to an appeal to chose batted, have emphasized their sound patriotism and Americanism. The sound patriotism and Americanism. The whole country has cause to feel pride in this attitude of sturdy independence, in this uncompromising indistance upon acting simply as good citizens, as good Americans, without regard to fancied—and improper—class interests. Such an attitude is an object-lesson in good citizenship to the entire Nation,

Judges Who Do Most Wrong.



NORDICA

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The Queen of Song - NORDICA The King of Pianos - STEINWAY



Pollowing Is a List of the Retail Houses of Sherman, Clay & Company;

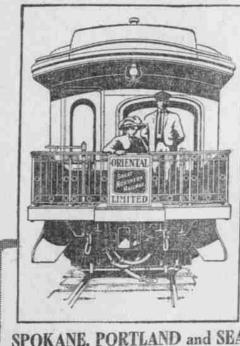
PORTLAND, OREGON SPOKANE, WASHINGTON RELLINGHAM, WASHINGTON RELLINGHAM, WASHINGTON REALTILE, WASHINGTON WENT TYRKING, WASHINGTON BOISE, IDAHO OAKLAND, CALIFORNIA SAN JOSE, CALIFORNIA LOS ANGELES, CALIFORNIA AND OTHER CALIFORNIA CITIES

The rapid changes in our social and in-dustrial life which have attended this rapid dustrial life which have attended this rupld growth have made it necessary that, in applying to concrete cases the great rule of right laid down in our Constitution, there should be a full understanding and appreciation of the new conditions to which the rules are to be applied. What would have been an infringement upon liberty half a century ago may be the necessary mategiant of liberty today. What would have been an injury to property then may be necessary to the enjoyment of property now. Every indicial decision involves two terms—one an interpretation of the law; the other, the understanding of the facts to which it is to be applied. The great mass of our judicial officers are I believe alive to these changes of conditions which so materially affect the performance of their judicial duties. Our judicial system is sound and effective at core, and it remains, and must ever be main-

sympathetic with the needs of the mass of our people, so that the dweller in the tenement houses, the man who practices a dangerous trade, the man who is crusted by excessive hours of labor, feel that their needs are understood by the courts—these judges are the real hulwark of the courts—the his signed in opposing labor when it has gone wrong, but fearless also in holding to strict around corporations that work injusts, and farsished in seeling that the workingman gets lits rights, are the men of all others to whom we owe it that the appeal for whom we owe it that the workingman gets lits rights, are the men of all others to the courts of the hisel are provingly in men of a sund workingman gets lits rights, are the men of all others to the courts of the hisel are provingly in men of a sund workingman gets lits rights, are the men of all others to the courts of the lited are prov

Decisions Which Nullify Liberty.

There are certain decisions by various couris which have been exceedingly detrimental 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 undestrable or improper number of hours, or to work in prefers one.



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