ROOSEVELT TO CONGRESS

His Angual Communication Upon Questions of Importance to the Nation.

VIEWS ON THE TRUSTS AND TARIFF

A Lowering of Import Duties Would Not Remedy the Evils of Monopoly-Believes in a Tariff Commission-Much That Is Good in Labor Unions and Corporations-Many Needs of the Nation.

To the Senate and House of Representatives: We still continue in a period of unbounded prosperity. This prosperity is not the creature of law, but undoubtedly the laws under which we work have been instrumental in creating the conditions which made it possible, and by unwise legislation it would be easy enough to destroy it. There will undoubtedly be periods of depression. The wave will recede, but the tide will advance. This nation is seated on a continent flanked by two great occabs. It is composed of men the descendants of ploneers, or in a sense, ploneers themselves; of men winnowed out from among the nations of the old world by the emergy, boldness, and love of adventure found in their own eager hearts. Such a nation, so placed, will surely wrest success from forture.

The Contraction of the Contracti

revolution.

No more important subject can come before the congress than this of the regulation of interstate business. This country cannot afford to stisupine on the plea that under our peculiar system of government we are helpless in the presence of the new conditions, and unable to grapple with them or to cut out whatever of without them connection with them. The power of the congress to regulate interstate comparce is an absolute and inducable grant and without limitations other than those prescribed by the constitution. The congress has constitutional authority to make all laws necessary and proper for executing

commercial freedom entailing restraint upon national commerce fall within the regulative power of the congress, and that a wise and reasonable law would be a necessary and proper exercise of congressional authority to the end that such evils should be cradicated.

I believe that monopolies, unjust discriminations, which prevent or cripple competition, fraudulent overcapitalization, and other evils in trust organizations and practices which injuriously affect interstate trade can be prevented under the power of the congress to "regulate commerce with foreign nations and among the several states" through regulations and requirements operating directly upon such commerce, the instrumentalities thereof, and those engaged therein.

I carnestly recommend this subject to the consideration of the congress with a view to the passage of a law reasonable in its provisions and effective in its operations, upon which the questions can be finally adjudicated that now raise doubts as to the necessity of constitutional amendment, if it prove impossible to accomplish the purposes above set forth by such a law, then, assuredly, we should not shrink from amending the constitution so as to secure beyond peradventure the power sought.

crises it might be of service to the peg-Needed Financial Legislation. Interest rates are a potent dector is business activity, and in order that them rates may be aqualized to meet the varying seeds of the seasons and of widely separated communities, and to prevent the recurrence of manicial atringencies which injuriously affect legitimate business, it is necessary that there should be an element of elasticity in our monetary system. Hanks are the natural servants or commerce, and upon them should be placed, as far as practicable, the burden of furnishing and maintaining a circulation adequate to supply the needs of our diversified industries and of our demestic and foreign commerce; and the issue of this should be so regulated that a sufficient supply about he always available for the business interests of the country.

available for the business interests of the country.

It would be both unwiss and unnecessary at this time to attempt to reconstruct our financial system, which has been the growth of a century; but some additional lesislation is. I think, desirable. The more outline of any plan sumciently comprehensive to meet times, requirements would transgress the appropriate limits of this communication. It is suggested, however, that all future legislation on the subject should be with the view of encouraging the use of such instrumentalities as will automatically supply every legitimate demand of productive industries and of compense, not only in the absent, but in the character of circulation, and of making all kinds of money interchangeable, and, at the will of the holder, convertible into the established gold standard.

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International Arbitration.

As civilization grows warfare becomes less and less the normal condition of foreign relations, a The last century harsen a marked diminition of wars between a marked diminition of wars between

seen a marked diminition of wars be-tween civilized powers; wars with unciv-ilized powers are largely mere matters of international police duty, essential for the weifare of the world. Wherever pos-sible, arbitration or some similar method should is employed in smill we to settle difficulties between a filled sations, sil-though as yet the world has not progressed sundiciently to render it possible, or neces-sarily desirable, to invoke arbitration in every case. The formation of the inter-national tribunal which are it in

permanent tribunal than to create special arbitrators for a given purpose.

It is a matter of singers congratulation to car country that the United States and Region should have been the first to use the good affices of The Hague court. This was done last minmer with most existant at issue best west in a higher with most exists at issue between in and our sister republic. It is earnestly to be hoped that this first case will serve as a precedent for others, in which not only the United States, but foreign nations may take advantage of the machinery already in existence at The Hague.

I commend to the favorable consideration of the congress the Hawalian fire claims, which were the subject of careful investigation during the last session.

THE PANAMA CANAL. French Company Offers a Good Title

The congress has wisely provided that we shall build at once an isthmian canal, if possible at Panama. The attorney general reports that we can undoubtedly acquire good title from the French Panama Canal company. Negotiations are now pending with Colombia to secure her assent to our building the canal. This canal will be one of the greatest engineering feats of the twentisth century; a greater engineering feat than has yet been accomplished during the history of mankind. The work should be carried out as a continuing policy, without regard to change of administration; and it should be begun under circumstances which will make it a matter of pride for all administrations to continue the policy.

The measure providing for the reorganisation of the militia system and for securing the highest efficiency in the national guard, which has already-passed the house, should receive prompt attention and action. It is of great importance that the relation of the national guard to the militia and volunteer forces of the United States should be defined, and that in place of our present obsolete laws a practical and of solent system should be adopted.

More Ships and Men Needed to Keep

For the first time in our history naval maneuvers on a large scale are being held under the immediate command of the admiral of the navy. Constantly increasing attention is being paid to the gumnery of the navy, but it is yet far from what it should be. I carnestly urge that the increase asked for by the secretary of the navy in the appropriation for improving the marksmanship be granted. In battle the only shots that count are the shots that hit. It is necessary to provide ample funds for practice with the great guns in time of peace. These funds must provide notionin for the purchase of projectiles, but for allowances for prizes to encourage the gun crews, and especially the gun pointers, and for perfecting an intelligent system under which alone it is possible to get good practice.

issued and for its fuginer extension.

Free subjects of more importance have been taken up by the congress in recent years than the inauguration of the system of nationality aldel irrigation for the system of nationality aldel irrigation for the system of the far west. A good beginning therein has been made. Now that this policy of national irrigation has been adopted, the need of thorough and scientific forest protection will grow may be reclaimed under the national irrigation has been adopted them ever throughout the public land states it it is should be had reight for agriculture, and to whatever extent they may be reclaimed under the national irrigation law, the remaining public lands should be held reight for a proven himself it is made to whatever with the desart-tand law, the imber and store no one election is the desart-tand law, the imber and store the homestead law have been so perverted from the intention with which they were enacted as to permit the acquisition of the homestead law have been so perverted of the public ranges has off late led to much discussion as of the public ranges has off late led to much discussion as to the best marner of using these public lands in the west which are suitable chiefly or only for raining. The was built and standy development of the sound and steady develo

Alaska Legislation Asked Ver.

I especially urge upon the congress the need of wise legislation for Alaska. It is not to our credit as a nation that Alaska, which has been ours for 15 years, should still have as poor, a system of laws as is the case. No country has a more valuable possession—in mineral wealth, in fisheries, furs, forests, and also in land available for certain kinds of farming and stock growing. It is a territory of great size and varied resources, well fitted to support a large permanent population. Alaska naeds a good land law and such provisions for homesteads and preemptions as will encourage permanent settlement. We should shape legislation with a view not to the exploiting and abandoning of the territory, but to the building up of homestherin. The land laws should be liberal in type, so as to hold out inducements to the actual settler whom we must desire to see take possession of the country. The forests of Alaska should be protected, and, as a secondary but still important matter, the game also, and at the same time it is imperative that the settlers should be allowed to cut, timbe, under proper regulations, for their own use. Laws should be enacted to protect the Alaskan saimon fisheries against the greed which would destroy them. They should be preserved as a permanent industry and food supply. Their management and control should be united over to the commission of fish and fisheries. Alaska should have a delegate in the congress. It would be well if a congressional committee could visit Alaska and investigate its needs on the ground.

The Indians.