

CABINET OFFICERS BEGIN THEIR WORK

**All Except Two of Taft's Aids
Sworn in and Roosevelt
Men Displaced.**

MacVEAGH TO LACK MONEY

**May Be Compelled to Borrow Before
the New Tariff Law Goes
Into Effect.**

Special to The New York Times.

WASHINGTON, March 6.—All except two members of Taft's Cabinet took up their duties to-day. Six of them gathered in the Executive Offices this morning and were sworn in, the oath being administered by Chief Justice Fuller of the Supreme Court. They were Secretary of State Knox, Postmaster General Hitchcock, Secretary of the Navy Meyer, Secretary of the Interior Ballinger, Secretary of Agriculture Wilson, and Secretary of Commerce and Labor Nagel, whose name, by the way, is pronounced as if it were spelled "Nahgel," and not "Naygel."

The administration of the oath by Chief Justice Fuller recalled to the new President the incident of his own oath at the inauguration. The Chief Justice, in reading the oath, obligated Mr. Taft "to faithfully execute the Constitution" instead of "the office of President."

This slip has been a subject of pleasantries between Mr. Taft and his Secretary of State, who, it is said, remarked at the time in an undertone to Mr. Taft, "Don't do it." The oath, however, is considered sufficiently binding.

Secretaries Take Their Posts.

Senator Burton of Ohio, Secretary Carpenter, and two or three others were present at this ceremony, and after the congratulations were over, the Secretaries went to their offices to assume command. With the exception of Postmaster Hitchcock, all the new Cabinet officers were received by the retiring Secretaries. In each case there was an informal reception and presentation of the bureau chiefs and subordinate officials to the new head of the department. Then the retiring Secretaries took leave of their former subordinates.

Mr. Meyer said his good-byes at the Post Office Department this morning, and Mr. Hitchcock did not take hold there until after noon. Secretary Wilson simply took the oath for the fourth time and went back to the old routine, without further ceremony. Attorney General Wickersham, having taken the oath of office yesterday afternoon, was at the Department of Justice for only a short time this morning, and went back to New York this afternoon. He will return on Monday.

Secretary Knox spent a good part of his day at the State Department in receiving callers, who wished merely to pay their respects. Many of the Senators and Representatives still in town called. Secretary Knox also made the round of the department offices on a sort of tour of inspection. He remarked that it was only the third time he had been in the department.

It is expected that Mr. Dickinson, the new Secretary of War, will be in Washington ready to take charge of his department on Monday. Meantime Secretary Wright continues at his desk, as does Secretary Cortelyou at the Treasury Department.

Difficulty in Treasury.

A difficult problem faces the incoming Secretary of the Treasury. Mr. Cortelyou goes out with the immediate condition of the Treasury better than when he took charge of it two years ago, but the ultimate condition is not reassuring. The working balance is a little over \$66,000,000, higher than it has been for more than a year, or since the panic of October, 1907, ran it down to less than \$3,000,000. But within the last year there has been withdrawn from the National bank depositaries almost \$200,000,000, and the item shown in the daily Treasury statement as "available cash balance" has shown a corresponding decrease.

The customs receipts have been picking up a little lately, and the deficit for the month is only about \$125,000, as against nearly \$2,000,000 for the corresponding period of last year. But the deficit for the year is about \$86,500,000, and unless there is a change in the downward tendency pretty soon, Secretary MacVeagh will find himself face to face with the problem of providing means to pay the regular running expenses of the Government. Congress gave no help at the sessions just ended, but cheerfully appropriated considerably more than there is any prospect of receiving through the regular channels.

There is still about \$125,000,000 between Uncle Sam and a perfectly flat pocket-book, which, on the present lines of income and expenditure, would run him about a year. But the Secretary of the Treasury cannot permit that situation to arise, and must soon take measures to reimburse the rapidly thinning Government wallet.

Treasury officials are hopeful, however, that it will not be necessary to resort to a sale of bonds. The bond market is not now in such condition as would justify hopes of a very successful issue of Panama 2 per cents, and Secretary MacVeagh may conclude to issue 3 per cent. certificates of indebtedness, under the law of June 13, 1898. By the time they had run their one-year course the new customs and revenue laws would have had opportunity to show what they will do, and the Treasury officials hope that the stringency will be permanently ended.

Changes in Corporation Laws.

The Administration has already begun to consider what steps are necessary and advisable in the way of new legislation to perfect the control of the Federal Government over inter-State commerce and inter-State corporations. Two of the lawyer members of the new Cabinet—Attorney General Wickersham and Secretary Nagel of the Department of Commerce and Labor—now have under advisement the development of the details of the general plan by which President Taft hopes to accomplish the reforms to which he referred, first in his speech of acceptance of the Republican Presidential nomination last Summer, and second, in his inaugural address on Thursday.

It is planned to restrict the Inter-State Commerce Commission to a purely quasi-judicial function. This will make it the official interpreter of laws affecting common carriers and will deprive it of the duty of administering those laws, which it now has. This duty it is planned to devolve upon either the Bureau of Corporations in the Department of Commerce and Labor, or upon a new bureau to be created in that department, to deal solely with administrative matters affecting inter-State carriers.

The plan also contemplates such a re-

organization of the Department of Justice as will facilitate the prosecution by it of offenses against the inter-State commerce laws. There is also to be a closer co-operation between the Department of Agriculture in its administration of the pure food and meat inspection laws and the Departments of Commerce and Labor and of Justice.

President Taft believes that not many changes in the present laws are necessary, and his opinion in that respect coincides with the best legal advice he has been able to obtain. It is especially desirable to retain, as far as possible, the benefit of the great body of judicial decisions under the inter-State commerce laws. These decisions have furnished authoritative interpretations of the words and terms of the laws, which in some measure might be lost through amendments.