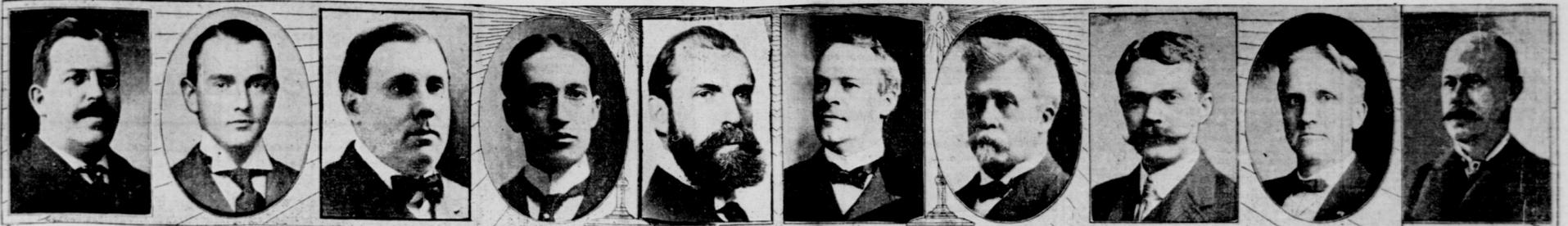




THE ARMSTRONG LEGISLATIVE INSURANCE INVESTIGATING COMMITTEE AND ITS COUNSEL.



JAMES T. ROGERS. EZRA P. PRENTICE. DANIEL J. RIORDAN. WILLIAM J. TULLY. CHARLES E. HUGHES. SENATOR W. L. ARMSTRONG. JAMES M'KEEN. ROBERT L. COX. W. W. WEMPLE. JOHN M'KEOWN.

SAY STRIKE IS ASSURED MINE WORKERS TALK.

Soft Coal Fields May Be Tied Up April 1—Anthracite in Danger.

According to the officers of the United Mine Workers, a strike of the soft coal miners on April 1 is as good as settled, and a strike of the anthracite miners will take place then if the operators do not make concessions.

The reporters did not quote me correctly. I told them that so far as I knew there would be a coal strike on April 1. I did not say there would be a strike in some of the districts or specify any places where I thought there would be a strike.

Mitchell would not specify whether he meant a general strike in the anthracite and soft coal districts or only in the soft coal district. He was visited by Joseph Cavenaugh, a general freight agent of the Chicago, Milwaukee and St. Paul Railroad, and went with him, remaining for some hours.

Mitchell, it was said, has an idea that he can use the district controlled by Mr. Taylor and other Illinois operators to bring about a settlement with Mr. Robbins and his sixty allies, whose miners are expected to strike.

It was announced last night that the miners' committee had finished the wage scales. This completes the list of demands, as instead of making a demand on the operators for a modification in the methods of the conciliation board they will bring documents to show that the methods employed by the board worked injustice to the miners.

In the wage scales a demand is not made for a specific general percentage of increase, but a readjustment of the wage scales is demanded. The rates are different in the various districts, being determined by the conditions under which the coal is mined.

The wage demands are considered of much greater importance than the general eight hour demand. It was said last night that the committee would be willing to make the eight hour demand less ironclad if the wage demands are agreed to.

MINE FOREMAN TESTS SENTIMENT.

Wilkes-Barre, Penn., Feb. 22.—A mine foreman of the Delaware and Hudson Coal Company began a canvass of all of the employees of all the collieries to ascertain if possible how they feel regarding the question of going on strike, provided the scale committee and the anthracite operators fail to effect an agreement.

It is understood that the canvass for the canvass came from President Wilcox of the company, and that he desires the information to use the sentiment of the mine workers, if it is against a strike, in an effort to preserve peace in the region.

BIG ENOUGH TO KILL 100.

Bomb Buried at Justice Goddard's Gate Dissected.

Denver, Feb. 22.—The bomb which was found buried at the gate of Supreme Court Justice Goddard's home has been dissected. It contained one hundred giant caps, two pounds of dynamite, cotton saturated with potassium chlorate, fine sugar and a bottle of sulphuric acid.

MARCH ACROSS ROCKIES.

Batteries to Make 500-mile Trip with Full Equipment.

Cheyenne, Wyo., Feb. 22.—A forced march of five hundred miles across the rocky mountains is soon to be made by two batteries of the United States Army from Salt Lake City to the west here.

FLORIDA'S FAMOUS TRAINS.

St. Y. & Fla. Special, 2:30 P. M., Fla. & West Indian, 9:25 A. M. Unexcelled service, via Fla. & Atlantic Coast Line, 1:30 P. M., N. Y. & Fla., 11:30 P. M.

TURNER'S EXILE ENDS.

Former President of St. Louis Railway Dies Here.

Charles H. Turner, ex-president of the St. Louis and Suburban Railroad, who was a prominent figure in the St. Louis "boodle" scandals four years ago, died in his apartments at the Waldorf at 5:40 p. m. yesterday after a brief illness.

Mr. Turner was the man who first yielded to the pressure exerted by City Attorney Folk, now Governor of Missouri, when that official began to probe the corrupt methods employed by public service corporations to control the municipal legislature of St. Louis.

Mr. Turner was wanted as a witness in some of the "boodle" cases, but rather than testify he came to New-York a year and a half ago, and never returned to Missouri.

Until Monday last Mr. Turner was in his usual health. While in the office of Rowland, Knapp & Co., brokers, at No. 1 Nassau-st., of which he had become a member the first of the year, Mr. Turner complained of feeling ill.

Mr. Turner was still very weak from loss of blood when the members of his family arrived, but the physicians did not fear a fatal termination of the attack, and so thoroughly were Mrs. Turner and her son assured of Mr. Turner's speedy recovery that they returned to St. Louis Wednesday evening.

Yesterday morning, however, Mr. Turner suffered from a series of hemorrhages, followed by a sinking spell from which he never rallied. He was unconscious until death came.

Mr. Turner's body will be taken to St. Louis to-day. Mr. Turner was born in St. Louis fifty-six years ago, and in his native city achieved a large measure of material success.

FEAR RISING AT PEKING.

German Legation Doubled Its Guards Last Night.

London, Feb. 23.—The correspondent of "The Tribune" at Peking says: "The court is nervous over the possibility of trouble on February 24. The president of the Chinese Foreign Board appreciates the possibility of an anti-dynastic rising.

Hammerstein to Compete with Carried in Opera Next Year.

New-York will have rival operatic performances next winter. Oscar Hammerstein, who is to be the second impresario, signed a contract yesterday with Edouard de Reszke for a season of twenty weeks and with Jean de Reszke to appear as a visiting star during the course of the winter.

WHITNEY SEEKS TO PROTECT LAKE.

Payne Whitney, who owns much of the land about the old village of Manhasset, Long Island, wants the Board of Health of North Hempstead to stop his neighbors from throwing refuse along the shores of Mitchell Lake.

FLORIDA-PALM BEACH-TAMPA.

Seaboard Air Line—shortest route via Pinehurst and Camden. Booklets, etc., 1:18 Ddwy.—Adv.

CHIEF POINTS OF ARMSTRONG COMMITTEE'S RECOMMENDATIONS

Formation of mutual insurance corporations without capital stock. Prohibition of incorporation of life insurance companies on co-operative or assessment plan.

Policyholders to cast votes directly for trustees. Proxies to be revocable at pleasure, to be given within two months of election, and be valid only for that election.

All existing proxies void. Full opportunity for direct and independent nominations by policyholders. Placing by company in hands of every policyholder ballot containing names of all nominees.

Voting to be limited to policyholders having \$1,000 insurance, who have been insured for year before election and whose policies are still in force. Trustees or directors to file nominations with Superintendent of Insurance four months before election.

Terms of present directors of mutual companies to expire November 15, and new directors to be elected. All existing proxies void. First election to be held under supervision of Superintendent of Insurance.

Directors of stock life insurance corporations to have authority to grant to policyholders right to vote for directors and opportunity for stock companies to become mutual companies on payment of stock.

Every company owning stock of the prohibited class to be required to dispose of the same within five years from December 31, 1906, and each year prior thereto shall make a reduction in the stock investment to an extent approved by the Superintendent of Insurance.

No investment in the stock of any corporation except a municipal one. No investments in bonds secured to the extent of more than one-third the value of the entire security thereof by the hypothecation of corporate stocks.

Forbidding by law of all syndicate participations, purchases and sales on joint account, and making of any agreement that a company shall withhold from sale any securities which it may own or acquire.

Forbidding by law that any officer or director shall be pecuniarily interested in any deal made by a company, except in case of loan on his policy. Limit the new business which any company make take to \$150,000,000 a year.

Absolute prohibition of political contributions. Including in annual statement to Superintendent of Insurance names of and payments to all legislative agents and nature of their services.

Action by legislature to stop lobbying. Annual distribution of dividends in cash or to be applied in reinsurance or reduction of premiums.

Compelling of an annual accounting. Issue of deferred dividend policies in the future forbidden. Repeal of law requiring that action by the Attorney General must precede order for an accounting by officials of companies.

Standardization of present and future types of policies. Clear and specific provisions for the disclosure of all transactions of the companies. Revising of insurance law to provide suitable penalties for infractions of it, making them a misdemeanor.

Increase of power of Superintendent of Insurance. The substance of the insurance report will be found beginning on page 9.

PRIVATE MAIL OPENED

Charity Boat Captain Up for Prosecution Against Order.

An order issued three weeks ago by Charities Commissioner Robert W. Heberd, that in the future all mail addressed to heads of departments, unless marked "Personal," would be opened by his private secretary, Mr. Baker, has resulted in Captain John McCarthy of the Charities boat Thomas S. Brennan receiving a command to appear before the Commissioner to-day on a charge of insubordination.

It appears that several days ago Captain McCarthy had a letter sent to him at the Charities Department from the secretary of a lodge of which he is a member. The contents were of a strictly private nature, and when it was handed to him opened by the postmaster of Station F and asked him if his letter had been received.

The superintendent replied in the negative, which caused Captain McCarthy to go at once to Mr. Baker. Mr. Baker replied that he had opened the communication, and when the captain pointed out that he had given Mr. Baker no authority to open his letters the latter replied that he had authority so to do from Commissioner Heberd.

Captain McCarthy then informed his lodge, the president of which is going to take the subject before United States Commissioner Shields. Wednesday Captain McCarthy had an interview with Commissioner Heberd and told him that he had no right to open his mail, and that the Commissioner had no respect for the law, else he would not have done so. Yesterday Captain McCarthy received notice to appear before the Commissioner to answer a charge of insubordination.

It is understood that after the trial Captain McCarthy intends to take the case before the courts and make a test. The order has caused great dissatisfaction among the heads of departments, several of whom have had their letters opened.

DECIDES UNION CAN'T PICKET PLANT.

Springfield, Ill., Feb. 22.—The Supreme Court today handed down an opinion affirming a decision of the Cook County Court in finding members of Franklin Press Feeders' Union No. 4 for unlawful assaults on non-union men, and finding the union for being guilty of illegal conspiracy. The Supreme Court holds that the strikers had no right to picket plants, and that the union can be held liable as a corporation. Justices Boggs and Scott dissent, holding that there was no evidence to justify a verdict against the union.

BUFFALO AND NIAGARA FALLS ARE STILL OPEN.

Twenty trains a day by the New York Central Line.—Adv.

KNIFE FOR ALEXANDER.

Former Equitable President Undergoes Second Operation.

James W. Alexander, former president of the Equitable Life Assurance Society, was again operated upon yesterday morning in his home, at No. 4 East 64th-st., for the relief of the organic trouble for which he has been under treatment for the last six months. His son said last night:

James W. Alexander was operated on again by Drs. E. L. Keyes and O. H. Chetwood at 9 o'clock this forenoon in his home. This second operation was contemplated from the beginning and was necessary to complete the surgical treatment. Mr. Alexander was in such a weak condition as to render it inadvisable to complete the operation all at once. It was hoped that by separating the operation in two parts he would be better able to stand the shock. The operation is for relief of the bladder. His doctors say that his condition after the operation to-day was as satisfactory as they could expect.

Mr. Alexander was under the anesthetic about an hour. The surgeon could not say last night whether Mr. Alexander would recover from the second part of the operation as readily as he did from the first, as it was too soon to say, but that there had been no alarming developments since the operation. Dr. Pierce Bailey was called into consultation with Drs. Chetwood and Keyes, and one of the doctors is at his bedside or within immediate call day and night.

Mr. Alexander was first operated on ten days ago, being brought to New-York for the purpose from a sanatorium in Deerfield, Mass.

FIELDS ESTATE HIT.

Illinois Court Decides Inheritance Taxes Are Due at Once.

Chicago, Feb. 22.—By a ruling of the Illinois Supreme Court to-day a radical change in the usual practice in collecting inheritance taxes was made, which will at once put into the treasury of Cook County about \$750,000 from Marshall Field's estate and a large amount from the Yerkes estate. The ruling provides that residuary legacies must bear their share of the inheritance tax immediately after the death of the testator, and not at the end of the period of trust, as heretofore.

It means that the tax on the bequests to the grandchildren of Marshall Field must be paid now instead of at the end of forty years. The decision was in the Martin Kingman estate, appealed from Peoria, Ill.

FLORIDA-PALM BEACH-TAMPA.

Seaboard Air Line—shortest route via Pinehurst and Camden. Booklets, etc., 1:18 Ddwy.—Adv.

PRESENT INSURANCE REPORT

Senate Hears Committee's Recommendations for Purging Foul Spots—Call for Sweeping Reforms.

EIGHT BILLS EMBODY NEW LAWS.

McCarren and Grady Ask for Hearings—Measures to Go to Joint Body—More Trouble with State Printer.

Albany, Feb. 22.—After working all night on the final draft of the insurance report and its accompanying bills, Senator Armstrong, chairman of the investigating committee, made a flying trip from New-York City, and reached this city before the legislature adjourned. He presented the report and eight bills embodying his recommendations in statutory form, bills sweeping, aggressive, almost revolutionary in their treatment of present day insurance practices and the evil customs surrounding them.

Worn from work and lack of sleep, Senator Armstrong went to the Senate chamber just as the House was about to adjourn. Senator Raines moved that he be permitted to submit his report. An immediate meeting of the committee was called after which the formal turning in of the report and the introduction of the bills were accomplished. A supplemental report and additional bills will be submitted next week. Expecting opposition which the insurance companies will make, after a long argument Senator Armstrong fixed a date for a hearing, which will be held on March 9 at 11:30 a. m. in the Assembly chamber.

Immediately after Senator Armstrong had presented the bills and said that he would return to New-York to-night to complete work on the supplemental report and the standard forms of policies which will accompany it, Senator Grady brought up the old subject of the printed evidence.

Despite the promise of the State Printer, there has been much delay in the delivery of the bound volumes, and Assemblyman Cox was scurrying all day trying to make arrangements by which each member of the legislature could have a copy of the testimony by the time the report in its printed form reached them.

"Assemblyman Cox, who has had charge of the printing of the testimony," Senator Armstrong replied to Senator Grady, "tells me that only two volumes have been delivered in sufficient numbers for distribution, in spite of his efforts. The printer has insisted on red tape in every way, even to a written order from the Secretary of State for the delivery of the volumes. I want to remind the Senate of the

promises he made before the Senate Finance Committee, and compare their fulfillment with the original promises. Unless this is settled satisfactorily in some manner immediately we shall have to take advantage of the special act passed in reference to this situation.

"It seems to me this Senate is too large to be trifled with in this way," said Senator Grady. "I'm ready to sit here all day if necessary to wake up the board which has this in charge and serve notice that if the books are not here in a reasonable time we will abrogate the contract."

Then Senator McCarren put in his plea for a hearing on the bills. Senator Brackett wanted to know what besides hearings had been held all summer, but Senator McCarren maintained that the sessions of the committee were merely to collect information.

"Nobody except the committee knows what these bills contain," said he. "They are so important that all the interests affected should have a hearing."

Senator Armstrong suggested that the hearing be held before the Senate as a committee of the whole. This Lieutenant Governor Bruce said, was not permissible under the rules. Senator Grady thought a hearing should be held, as the bills "might go too far or not proceed in the right direction."

"Oh, fit the punishment to the crime when it is committed," suggested Senator Brackett laughingly. "Now, there are extremes in this proposition of reform," answered Senator Grady. "Some people go at it too strenuously and overreach themselves in what they seek to accomplish. It's not a crime for interests so vast as those affected to ask for a hearing. There may be another little joker in this affair. The bills will be progressed in the committee of the whole; then, when a hearing is asked, some Senator may say: 'Oh, this is just a dodge for delay.' We don't want any of that."

He scouted Senator Brackett's suggestion that the hearing be held by submitting written briefs.

"I'd rather have five minutes' oral discussion than submit a ton of printed matter," said he. Senator Raines thought a hearing set in advance of all requests would be a good thing, and finally Senator Armstrong said that at some convenient time he would move to have the bills recommitted to the joint committee, which would hold a hearing. He urged that every legislator attend.

SELL HOLDINGS OF STOCK.

DISPOSAL OF ALL PROHIBITED INVESTMENTS IN NEXT FIVE YEARS ADVISED—SYNDICATE DEALS AND JOINT ACCOUNTS UNLAWFUL.

"Wipe out prohibited stock holdings in the next five years, forbid all syndicate participations and joint account purchases and sales and prohibit investment in the stock of any corporation except a municipal one"—this is the most drastic and upturning recommendation of the committee. These recommendations, if they become a law, the committee believes, will do more than any other remedy could to destroy the cancer that has been eating into life insurance for so many years. The committee believes the existing law as to investments of life insurance companies in securities should be amended so as to provide:

That no investment in the stock of any corporation shall be permitted, except in public stocks of municipal corporations. That investments in bonds secured to the extent of more than one-third the value of the entire security thereof by the hypothecation of corporate stocks shall be prohibited. That no loans shall be made upon stocks and bonds which are not the subject of purchase under the above provisions.

That every company now owning stocks or bonds of the prohibited classes shall be required to dispose of the same within five years from December 31, 1906, and each year prior thereto shall make a reduction of the amount of such investments to an extent approved by the Superintendent of Insurance.

The statute should also forbid all syndicate participations, transactions for purchase and sale on joint account, and the making of any agreement providing that the company shall abstain from sale for any time, or subject to the discretion of others, any securities which it may own or acquire.

It should also be provided that no officer or director should be pecuniarily interested either as principal, co-principal, agent or beneficiary in any purchase, sale or loan made by the corporation, except in case of a loan upon his policy.

The committee, after quoting the restrictions placed by law on the real estate investments of insurance companies, says: Under the guise of procuring suitable accommodations have been expended in the acquisition of land and buildings of the corporation, which yield a poor return upon the amount expended. Only by successive reductions of the book value have the companies been able to show earnings equal to those demanded by the law regulating their reserves.

The committee recommends that the annual statements of insurance corporations should be required to show not only the value at which the properties are carried upon the books and the claimed market value, but the actual cost in each case, together with the gross and net income re-

ceived therefrom. The practice of disposing of real estate by exchange, which has led to serious abuses, should be prohibited as a purchaser of securities in such a way is merely because the makers of them have not the facilities or time for themselves making direct sale to the public. In this class of cases the "giving" of participation by the original purchaser is in the nature of a favor bestowed.

The syndicates in which the life insurance companies and their officers have participated have usually been of the last named description. It is quite obvious that in cases of this kind, where participation is offered to a life insurance company, the dominant activity is to secure the good will and the business of the company, and have determined the course of the company in its participation to profit by their action on behalf of the company.

The dangerous tendencies of these practices are obvious. They have brought insurance companies into close relations with railroads, banks, trust companies, banking houses and the flotation of new enterprises, thus involving them in the manifold transactions of the financial world, not in their normal relation as creditors through suitable investments, but as co-owners of the corporations and promoters of the undertakings to which they have thus become allied.

They have weakened the sense of official responsibility, multiplying the opportunities for gain, both direct and indirect, to officers and directors through the use of the company's funds, and making easy the exercise of official discretion at the promptings of self-interest.

The profits made possible under estate management of those closely identified with important financial operations furnish no answer to the criticism of this policy.

But they were not incorporated to make money by speculation, by barter, by purchase for resale or by the development of industry.

They were chartered to furnish life insurance, and the true measure of their power and their duty is