

BANKS WIN THEIR BATTLE WITH THE TRUST COMPANIES.

When the average citizen finds in his mail an artistic magazine sent him, free of charge, by some trust company, and sees within an article headed, "We do your banking at your home or office," his first impulse is to say to himself, "Here's an enterprise. These people are certainly up-to-date. I'll look into this proposition."

"This is indeed the twentieth century. How glad I am that I was born no sooner. I'll draw my money from that old-fashioned, slow-going bank that our family has done business with so long, and put it where it will be handled both conveniently and profitably for me."

On the face of it the "old-fashioned" bank appears to such a man less obliging and less businesslike than his new acquaintance, the trust company. Yet such is not necessarily the case. If the depositor should have a talk with the president of his bank, for example, he might learn that it would be glad to render him all the conveniences and facilities of the most up-to-date trust company, if it only could. He might also get a better understanding of the trust company reserve question, which has been agitating banking circles in this state for the last four years, and which has just now come to a climax.

"The reason that your trust company can render you all these services," the bank president would say, "is because it makes far more money than we do. It is not handicapped by a reserve. It is not compelled, as this national bank is, to keep one-quarter of its cash in its vaults uninvested. The trust company can make profits on practically all of its deposits."

"But is that kind of a banking institution safe?" the depositor might ask. "The trust company people say so," is the reply, "but I do not think so. I think that this great increase in the trust company business has made our financial structure topheavy. Any conservative banker will tell you the same thing. Indeed, I fear for what might happen if another panic should come."

"Then again, in national and state banks all depositors are equal; in trust companies, the court funds are first preferred, the savings banks second, and the ordinary, common, everyday mortal third and last. Much has been said about the infrequency of trust company failures, but little of how their ordinary depositors fare. I call to mind the disastrous failures of the National Trust Company and the American Loan and Trust Company. The latter institution paid its preferred creditors in full, and the ordinary depositors the munificent sum of five cents on the dollar."

RELIEF FROM ALBANY.

Believing that trust companies, if they do banking, should give the public the same safeguards against financial vicissitude as the banks have long been required to do, the heads of the national and state banks in this state had a bill introduced at Albany at the beginning of the present legislative session. This measure provided that every trust company in New-York City should maintain a 15 per cent reserve, half of which should be in its own vaults, and half in the keeping of another trust company or a bank, subject to call. Elsewhere in the state the trust companies should maintain a 10 per cent reserve.

The attack on this measure by the trust companies was so vigorous that the prospect of passing the bill at first looked dubious. The leading exponents of the trust companies asserted first and most strongly that these institutions were as secure against a panic as the public could expect. John E. Borne, president of the Colonial Trust Company of New-York, and president and spokesman of the State Association of Trust Companies, made the statement that in the last ten years, although the deposits of the trust companies in this state had increased from \$300,000,000 to \$1,000,000,000, yet there were only two failures of these institutions, and in each case the depositors did not suffer loss. Trust companies, he also said, did not need such a large reserve as the bill demanded because they did only one-fourteenth of the exchange business that banks carry on, because also they had a vast number of time deposits, not subject to immediate call, and consequently their moneys were not so plastic as those of banks.

The bankers, however, combated such arguments so vehemently that some time later the trust companies consented to the passage of the bill, if amended to require a smaller reserve. Finally they agreed that it should provide that each New-York City trust company should keep a 10 instead of a 15 per cent cash reserve, half of which should be in its own vaults and half on deposit in another trust company or bank. In addition, it should keep a 5 per cent reserve in bonds of the United States or the State of New-York.

Although the bill as amended was not satisfactory to the conservative bankers, nevertheless they agreed that if it could pass in such a form it would be far better than nothing. "Two-thirds of a loaf is better than hunger," they said. Senator Stevens and Assemblyman Walnwright, chairmen respectively of the Senate and Assembly Banking committees, were accordingly left by both sides to see that it was passed. The Senator and Assemblyman, however, instead of uniting on one bill, are each backing a different measure, so that there is fear that in spite of all that has been done the legislation will be endangered. The two bills, however, are so nearly alike that it would hardly seem possible for Mr. Stevens and Mr. Walnwright to thwart each other through a failure to agree. The Walnwright bill provides for a 15 per cent reserve, distributed as described above. The Stevens bill is the Walnwright bill amended so as to include the bonds of any municipality in this state. The Stevens bill has passed the Senate and is in Mr. Walnwright's committee. The Walnwright bill is expected to pass the Assembly Tuesday, when it will go to Mr. Stevens's committee.

The attitude of the bankers toward the amended Trust Company Reserve bill is well expressed by Alfred H. Curtis, president of the National Bank of North America, of this city, and also president of the New-York State Bankers' Association. "The bill as agreed on by the banking committees of Senate and Assembly," he said yesterday to a Tribune representative, "is not what the bankers of the state hoped for, but it is a step in the right direction. We have the greatest confidence in Senator Stevens and Assemblyman Walnwright, for they are not what we know as professional statesmen. The public at last has awakened to the fact that banking without reserves is a dangerous condition of affairs, and the demand for a reserve law for trust companies is almost universal. Many trust company officials who were never heard to say one word in favor of a reserve now publicly admit that a law of the kind would be welcomed. Yet, of course, they

desire to have the percentage made as low as possible.

"As I have said, the Stevens bill, although a move in the right direction, is not all we hoped for. The trust company has become a national institution and should be controlled by national laws, the same as national banks, instead of having, as in some states, a 25 per cent reserve, and in others, as in this state, none at all. The trust company of to-day is a banking institution with special privileges. It can do everything a bank can do except issue circulation.

"Personally I have no feeling against trust companies. Many of their officials are warm personal friends of mine, but as an officer of our State Bankers' Association it is my duty to take the action I have. And I am sure we will win in the end."

At Buffalo on December 29, 1905, at the annual meeting of Group I of the New-York State Bankers' Association, Mr. Curtis made a speech on this same subject which attracted attention throughout the country and which did much toward bringing the question before the Legislature.

"I tell you, gentlemen, the present situation, to say the least, is uncomfortable, and is a matter of much concern to those who have studied the subject. In New-York City the trust companies have over a billion of dollars on deposit, and less than 2 per cent cash in their vaults. Now, let the banks of our Clearing House fall 2 per cent below their customary 25 per cent reserve and it is heralded all over the country in large type, and a financial crash is prophesied.

"When the national banking act and the laws of some states were enacted many years ago the framers of these laws very wisely insisted upon a cash reserve. This reserve was considered the safety valve, and to-day you hear from all parts of the country that this national bank or that state bank is being liquidated to become a trust company, and the safety valve is day by day gradually becoming reduced in size. In the city of Springfield, Mass., alone, five banks were closed up and merged into the Union Trust Company.

"I have spent my entire business life in Wall Street and have witnessed every panic since the memorable Black Friday, and I know too well how easy it is to retire at night, in the calm of a summer evening, and awaken in the wildest storm. Sometimes we receive a warning, and then again it may come like a bolt out of a clear sky, similar to the crash of 1901.

"The last report of the Superintendent of Banking showed that one large trust company in New-York City had nearly sixty millions of deposits, and did not have one dollar of cash in its vaults. It is true that this trust company, like many others, had a good sized bank account, but the banks cannot pay from 2 1/2 to over 3 per cent on these accounts and keep this vast sum, amounting to nearly one hundred millions of dollars, idle. They must also invest it, and if called upon to-morrow by the trust companies to pay they must meet the demand or suspend payment.

"The city of New-York is a central reserve city, and is carrying a large portion of the reserves of many out-of-town banks; if, in addition to this, they are compelled in times of stress to also carry the reserves for the trust companies the load may prove too heavy. Skating on thin ice has long been known as a dangerous sport. Skating on this reserve may prove equally dangerous."

SOME TRUSTS ASSENT.

The campaign of the bankers for trust company reserves in this state has won the support of many trust company people in other states. J. D. Powers, president of the United States Trust Company, of Louisville, writing to Mr. Curtis, said: "I heartily agree with you in all that you have so well and forcibly said. Trust companies . . . that do a banking business should be required to observe the conditions that obtain with reference to banks. The reserve of such companies is not only proper, but absolutely essential to safeguard such institutions from calamitous conditions."

P. C. Kaufman, second vice-president of the Fidelity Trust Company, of Tacoma, Wash., and one of the most prominent bankers on the Pacific Coast, who was at one time a member of the Executive Council of the American Bankers' Association, wrote Mr. Curtis: "I believe that it is only a question of time when all banks that are doing a banking business will be compelled to maintain a legitimate reserve irrespective of their title or class."

Another trust company man who advocates reserves for trust companies is Festus J. Wade, president of the Trust Company Section of the American Bankers' Association. "The trust company," he says in "The Monetary Record," "is an established American institution. Its success is most marvellous, its development astonishing, and it is only a question of time until

Arguments by Which the Older Institutions Prevailed Against Their More Modern and Less Conservative Rivals.

trust companies, in point of importance as to deposits and wealth, will exceed the national banking system itself, provided they will carry a strong reserve.

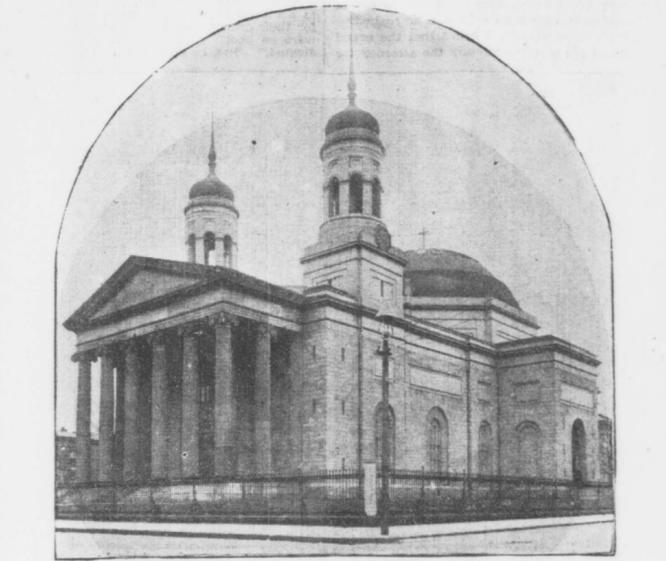
"The combined deposits of trust companies in the United States are greater than \$2,847,000,000. The combined deposits of the entire national banking system were, ten years ago, \$2,141,604,270. The combined deposits of the national banks in the United States in 1905 were \$5,554,845,194. The banking power of the world is \$33,008,000,000. The banking power of the trust companies in the United States is \$3,802,000,000. Thus it will be seen that the trust companies of the United States represent more than 11 per cent of the world's banking power."

"Can any man who desires to be regarded as a safe banker say that trust companies should carry no cash reserve, when these facts are presented? Why any trust company official should hesitate to keep a cash reserve of less than 7 1/2 per cent against his deposits is absolutely beyond my comprehension. I not only advocate a

keep at least 15 per cent cash? One system or the other is at fault."

In a statement made to the Senate and Assembly committees on Banks Mr. Parker said: "To allow trust companies to do a banking business without reserve, and not the banks, is worse than any rebate or discrimination system existing, and this is a time when rebates and discriminations are recognized as no longer to be tolerated."

William A. Nash, president of the Corn Exchange Bank, and formerly chairman of the Clearing House committee, sounded a note of warning to that committee last October that the bankers should insist that the trust companies should keep the same reserves as state banks—7 1/2 per cent cash in a company's own vaults and 7 1/2 per cent in the vaults of another trust company or bank. The resolution which Mr. Nash proposed was passed unanimously, but the committee took no further action. "The trust companies have grasped at the business of the banks," he said, "and are now



THE OLD ROMAN CATHOLIC CATHEDRAL AT BALTIMORE. Centenary of the laying of its cornerstone to be observed next month with great ceremony.

stiff reserve for trust companies. I go further. I advocate rigid, expert examinations at frequent intervals during the year; the publication of statements every time the controller or the Currency calls for one; and last, but by no means least, governmental supervision of every financial institution, be it state, national, a private or public bank, a trust company or corporation or individual, who acts as a depository for funds of citizens of the United States."

The Mercantile Trust Company, of which Mr. Wade is president, is one of the largest in the West. It voluntarily entered the St. Louis Clearing House Association, which requires it to carry the same reserve as the state and national banks which are also members.

NOT ENOUGH YET.

Forrest H. Parker, president of the New-York Produce Exchange Bank, believes that the amended trust company reserve bill will safeguard the financial interests of this state to a considerable degree, but not enough. "As things have been going," he said yesterday, "our financial structure was becoming topheavy. The great growth of companies doing a banking business without reserves was bringing us to a condition where there would be no money enough to go around. The total deposits in this city are now represented by a smaller proportionate reserve than in any great money centre in the world.

"I see no reason why the trust companies should not make weekly reports, as well as the banks."

"If the national banking law requires the reserve agents of national banks to keep 25 per cent of their deposits in cash, should not the reserve agents of state banks or trust companies

doing the business formerly belonging to the banks under such different conditions that the profit of banking has drifted from us to them. We know very well that this has been done with the aid and connivance of bank officers and directors. I am simply stating well known facts.

"I make these remarks at this time because I think the hour has struck when it is imperative that the New-York Clearing House should be true to its history and traditions and apply the cure to an evil that grows more threatening every day. Credit has been enormously extended. It was perhaps needed and useful. But the basis of credit has been neglected and narrowed. Before the effects of such disproportion become unmanageable I urge this association to take the matter in hand. It is expected of us."

MR. NASH'S VIEWS.

To the Senate and Assembly committees on Banks Mr. Nash said:

"The dangers of the situation have been discussed by various persons. I am perhaps responsible for one note of this chorus. I see a great and beneficial development unbalanced, and I call attention to the fact. I see immense debts owed to two classes of state institutions. The banks of discount are prepared to meet their contracts with a cash reserve prescribed by law. A great section of similar institutions, bearing another name, are without this essential basis of payment. The depositor does not want his money in cash, but he wants to feel that it is in sight. If it is in sight, he is satisfied. You may call this sentimental, if you will, and perhaps it is so, but it is the hardest fact that I know of in banking. Then there is this plain duty to safeguard the deposits of the people.

"Every other line of business is prosperous and on a sound working basis except the banking interest in this state."

John D. Crammins, a director in many banks and trust companies, said that he thought trust companies should have a 15 per cent reserve. "Five should be in cash," he explained, "five in bank deposits, and five in quick assets. There should be only one classification of trust companies, and that classification surrounded by the conditions which require reserves. All trust companies, banks, railway companies, or any company organized and existing under a state charter, in which the public has funds invested or deposited, should be required to make the fullest reports."

PRESENT METHODS DEFENDED.

In defending the present methods of trust companies, Mr. Borne, the president of their state organization, said that trust companies had grown so enormous simply because they supplied a public want. "They are the savings banks of the well to do, of individuals, firms and corporations," he said. "With the increase of wealth supplies of surplus moneys have grown, and it has been the natural desire, on the part of their owners, that these moneys should bear interest. The trust companies recognized this, the result being that, while ten years ago the number of trust companies in this state was thirty-eight, with a combined capital of \$29,000,000 and deposits of \$97,000,000, to-day the number of trust companies has grown to eighty-one, with \$64,000,000 of capital, over \$1,000,000,000 deposits, and with 250,000 depositors.

"Coming back to the record of the character of the trust company deposits as shown by the extent to which they are drawn on by the depositors, we hold that this feature should be taken into consideration in any bill instituting a trust company reserve. Therefore, in this respect, a bill for a 15 per cent cash reserve is unjust and inequitable.

"Every trust company has among its deposits a number of time deposits, of varying periods, for which certificates are issued, from ten days to one year. These deposits cannot be withdrawn until the termination of the period arranged for at the time they are deposited. It is unnecessary to hold a reserve against deposits of this class.

"Let us examine into this claim of similarity of business. Carefully tabulated figures for the year 1905 show that the clearings of the banks in the New-York Clearing House, with combined deposits of \$97,651,300, were \$93,822,000,201; and that the clearings of the trust companies of Manhattan, Brooklyn and Queens, forty-eight in number, having deposits of \$28,390,568, amounted to \$6,809,162,000, being less than 7 per cent of the clearings of the New-York City banks; in other words, the extent to which customers of New-York banks drew on these institutions was fourteen times greater than the extent to which trust companies were drawn on by their depositors. Surely with these figures before us the claim cannot be made that the business of the trust company is similar to that of the bank. It shows conclusively that the deposits are of a more stable and permanent character.

"Now as to trust companies themselves. They are creatures of the state, and the state has every reason to be proud of them. They have conducted their business with rare judgment and conservatism, and have served the public and their depositors well. In 1905 they distributed to their depositors \$32,000,000 in interest and paid to their stockholders \$10,400,000. In ten years they have distributed to depositors \$147,000,000 in interest and have paid their stockholders \$62,000,000 in dividends. In other words, they have distributed two-thirds of their earnings among their depositors. They are large taxpayers. In 1905 they paid to the state of New-York \$2,301,390 in taxes, as against \$973,038 paid by the New-York State banks.

"I shall not oppose the Stevens bill, as it now stands, but I do not think that the reserves which it demands need be as large as it stipulates."

In commenting on the figures given by Mr. Borne in reference to the clearances of banks and trust companies, the bankers call attention to the immense transactions of the New-York Stock Exchange which pass through the Clearing House.

"The Clearing House clears not only the checks of the Clearing House banks and those who are non-members with deposits amounting to \$147,000,000," said Mr. Parker, president of the New-York Produce Exchange Bank, "but also the checks given by the trust companies, and in addition the vast number of checks and drafts received by banks from their correspondents all over the country and from foreign countries; and to these also must be added the checks given by the Stock Exchange houses (whose volume of business is enormous, as the average sales per week are about \$500,000,000 par value) for the payment of loans, stock and bonds, and these

alone represent probably over 50 per cent. of the total clearings."

SHOULD MAINTAIN RESERVES.

Edward King, president of the Union Trust Company of New-York, says the rigid rule enforced by the New-York Clearing House Association, requiring trust companies affiliated with the association to maintain a minimum of 10 per cent of deposits after July 1, 1904, could not be made operative. "The withdrawal of nearly all trust companies from their connections with the Clearing House," he said, "shows that such a plan cannot be made effective. It is both wise and prudent, however, for trust companies to maintain a moderate reserve, leaving the percentage and the disposition of such a reserve to the discretion of the trust company. To require trust companies to keep a cash reserve of deposits amounting, in the case of all New-York City trust companies, to over \$40,000,000, or at least \$30,000,000, if the Clearing House rule had become operative, would be to retire just that much from circulation, as a dead asset, increase money rates and impair the stability of this money centre to that degree. To determine upon a fixed reserve is an action obviously unwise and a mistake, as viewed in the light of the situation to-day."

In reference to the same subject of withdrawal, Mr. Curtis at a hearing at Albany recently said: "You should not be frightened by the bugaboo of a possible withdrawal of a large sum of money from circulation. If banking with no reserves is so objectionable to the National Bank Act amended to 15 per cent, and in New-York City alone it would release one hundred millions of dollars."

"I am in favor of legislation for trust companies requiring a reserve of 5 per cent and 10 per cent divided up in deposits in depository banks and in demand loans," said Charles T. Barney, president of the Knickerbocker Trust. "This protection would be adequate, and would fully answer the argument made by members of the New-York Clearing House that practically no reserve is maintained against the total deposits of \$75,691,840, as reported at the beginning of the year 1904. The amount claimed there is no reserve maintained by trust companies against these deposits is misleading. Trust companies maintain a reserve in cash deposits in the banks and demand Wall Street loans."

"Although there may be a variety of views on the subject, I am convinced that procrastination is unwise, and that the earlier this problem is solved the more advantageous it will be for all."

The reserve proposal has not been demonstrated as a necessity said George W. Young, chairman of the board of directors of the United States Mortgage and Trust Company, in a recent article in "The North American Review": "The record of experience is not available for that line of argument. The most that is claimed is that it is a necessity, threatened. It is the future welfare of the trust company depositors about which there is such deep concern. Their welfare in the past has been abundantly looked after by the trust companies themselves. It is the 'what-might-happen' which is the issue. To be sure, the experience of over thirty years has demonstrated that the 'what-might-happen' has not happened. The argument simply is that it 'might.' This is the sole ground on which has been based so much anxiety for the safety of trust company depositors. The inference sought to be drawn is that between trust company depositors and the loss of their deposits there is no safeguard, no matter how faithful to their responsibilities the trust companies may have been in the past."

TRUST COMPANIES AND BANKING.

In reply to Mr. Young, Alexander Gilbert, president of the Market and Fulton National Bank, of New-York, said that Mr. Young omitted in his article to state that for twenty-two of the last thirty years the old fashioned idea that trust companies were not organized to do a general banking business prevailed in theory and practice. "It is only within the last eight years," he said, "that the modern trust company has invaded the field of commercial banking, during which time there has been no severe commercial panic to test the ability of the trust company to withstand the pressure of a general develop from a deposit liability of a thousand millions of dollars, with no cash reserve in the vaults to protect it."

Edmund Fisher, secretary of the Flatbush Trust Company, of Brooklyn, said that twenty-two of the forty-five states of the Union required trust companies to maintain reserves, and that more states are constantly being added to the list. "To show how New-York, which requires no reserve, contrasts with these other states, Mr. Fisher has worked out the following table:

Table with 4 columns: State, Reserve Required, Character of Deposits, and Proportion of Deposits. Lists states from Alabama to Wyoming with their respective reserve requirements and deposit types.

"Also railroad bonds, legal, for savings banks, 3 per cent. "The United States and municipal bonds, 10 per cent. of bank balances. "Five per cent may consist of United States bonds, etc. "Five per cent in bonds of commonwealth. "Five per cent United States bonds, etc."

ENJOYMENTS AT PINE FOREST INN.

Summerville, S. C., March 17 (Special)—The week at Pine Forest Inn has been the most enjoyable of the previous ones. There is no doubt that this is one of the healthiest places on earth, and to judge from the appearance of the guests here, one would not say that there was an invalid or even a convalescent within one hundred miles of the Inn. On Monday was the regular semi-weekly golf handicap. There were thirty-eight entries, and an ideal day, a gallery of pretty women and a course to make the true golfer glad. The contest resulted in E. A. Hoopes, of Wilmington, Del., winning first prize, and J. A. Ward, of Rochester, the second prize. Mrs. W. R. Spence, of Washington, won first prize for women. On Wednesday evening there was a special bowling tournament. Victor Wierman, of Camden, N. J., striking first prize, and Mrs. Nicol, of New-York, second prize. Among the recent New-York arrivals are A. P. Walker, E. Craig Lawrence, of Vicksburg, Miss.; Mrs. E. C. E. Spatt, Mr. and Mrs. H. E. Brown, Mr. and Mrs. J. E. Chapman, L. Flehmann, Mr. and Mrs. E. B. Holt, Mrs. E. A. Nicol, Mr. and Mrs. H. T. Swan and Theodore Northrup.

AUTOMOBILE DEVELOPMENT.

In 1905 the only mechanically moved vehicle was the cumbersome engine that broke down country bridges and scared roads out of their harness. Since then the development of the light, powerful car has been so rapid. More than one hundred thousand vehicles of both foreign and American make are now on the roads, representing an energy of 300,000 horsepower. Last year here, and it is now probable that the coming year will see 30,000 more pass into owners' hands. The car's weekly.

BALTIMORE CATHEDRAL 100 YEARS OLD.

Baltimore, March 17.—Probably the most notable gathering of prelates of the Roman Catholic Church since the plenary council in 1884 will be at the celebration on April 29 of the centenary of the laying of the cornerstone of the old Baltimore Cathedral, the seat of the primacy of the American Roman Catholic hierarchy, the great hall of legislation for that church in the United States.

Twelve archbishops and a hundred or more bishops, monsignors, abbots and leaders of the various ecclesiastical orders will take part in the ceremonies, which will be on a scale of magnificence never before equaled in this church, not even at the national councils.

For more than a year decorators and gliders have worked on the minarets, dome and the interior of the big edifice, completely renovating it for the centenary. The costly work is now complete.

The Baltimore Cathedral is the second oldest cathedral in the United States, the oldest being the cathedral at St. Augustine, Fla., built by the Spaniards. The programme for the celebration includes a procession of the prelates and priests around the Cathedral block on the morning of Sunday, April 29, to be followed by mass at which Archbishop Farley of New-York will pontificate. Archbishop Ryan of Philadelphia will preach the sermon. To this service may also be invited the President and Vice-President of the United States, members of the Cabinet, many Senators, representatives and diplomats and state and city officials.

At vespers Archbishop Messmer of Milwaukee will pontificate, and Archbishop Ireland of St. Paul will preach. These two services will compose the religious part of the programme. The main social feature will take place on the evening of the following day at the Lyric.

There Will Be a Great Gathering of Roman Catholic Churchmen to Celebrate the Anniversary Next Month.

There all of the prelates will gather to a reception. This will be one of the most notable gatherings of its kind ever held in this country. Charles J. Bonaparte, Secretary of the Navy, will make the principal address welcoming the prelates, and he will also speak on the Cathedral and the work of which it has been the seat for a century.

The history of the old Cathedral is told by Cardinal Gibbons, who, in speaking of the importance to church circles of the coming event, said: "In celebrating the centenary the name of Archbishop Carroll will occupy a conspicuous place. John Carroll was appointed first Bishop of Baltimore by Pope Pius VII, and was consecrated on August 15, 1790, in the chapel attached to Lulworth Castle, Dorsetshire, England. His see, the oldest in the United States, embraced then the whole country. The consecrating prelate was the Right Rev. Dr. Walmsley, vicar apostolic of the London district.

The site selected for the edifice was purchased from Governor Howard, of Revolutionary fame, whose equestrian statue adorns Mount Vernon Place. His daughter, Mrs. William George Read, whom I had the pleasure of knowing, a convert to the Catholic Church, was for many years a devout worshipper in the Cathedral and a zealous member of the Sanctuary Society. The architect of the Cathedral was Benjamin Henry Latrobe, the grandfather of General Ferdinand C. Latrobe, many times Mayor of Baltimore. Mr. Latrobe also designed the old Capitol at Washington.

"The cornerstone of the Cathedral was laid by Bishop Carroll on July 7, 1806. Baltimore,

which to-day has nearly 600,000 souls, at that time had a population of about 30,000, and the Catholic community amounted to hardly 5,000 souls.

"The granite with which the church is built was brought from the quarries of Ellicott City in carts drawn by oxen. The work of construction slowly but steadily advanced until 1812, when it was interrupted by the war with England. After the close of the war the work was resumed and carried on until the completion of the building, in 1821.

"On May 31, 1821, the edifice was dedicated by Archbishop Mareschal. About fifty years ago the portico was constructed by Archbishop Kenrick.

"On Ascension Day, Thursday, May 25, 1870, the Cathedral was consecrated by Archbishop Bayley. The sanctuary was erected in 1870, and the building was enlarged and the new sanctuary added in 1888.

"Since its dedication, in 1821, the Cathedral has been the scene of many conspicuous and historic gatherings. No church in the United States has witnessed so many consecrations of bishops and ordinations of priests as have taken place within these walls. The twenty-six bishops have occupied leading positions among the American hierarchy, including Whitfield and Eccleston, of Baltimore; Fenwick, of Boston; Dubois, of New-York; Purcell and Elder, of Cincinnati; Whelan, of Wheeling; Cross, of Oregon, and the two Foleys. Of the twenty-six bishops the privilege of episcopal rank, I have had resumed in Baltimore with English. "Since my advent in Baltimore I have ordained 1,260 priests, of whom 588 received sacred orders in the Cathedral. Three prelates were in 1895 I was delegated by Pope Leo XIII to confer the biretta on Cardinal Satolli, and six years later I here performed a similar office in behalf of Cardinal Martinelli. "This venerable temple has been the great hall of legislation of the Church of the United States. Ten provincial councils and three plenary, or national, councils were assembled here.

Archbishop Patrick Kenrick presided over the first national council, in 1852. Archbishop Spalding presided over the second national council, in 1866, and I had the honor to preside over the third national council, in 1884. This last council was attended by seventy-eight bishops and abbots and by the leading clergy of the country. Of the seventy-eight bishops who attended that council only fourteen remain alive. "But this church is not only a temple of worship for the living; it is also a mausoleum for the sacred custody of the dead. In the crypt under the high altar are deposited the ashes of Carroll and Mareschal, of Whitfield and Eccleston, of Kenrick and Spalding.

"Many of our American citizens are in the habit every year of making pilgrimages to Mount Vernon to view the spot where the Father of the republic of the Church is plausibly drawn to this temple that he may contemplate the last resting place of the patriarchs of the American Church.

"What Mecca is to the Mahometan, what the Temple of Jerusalem is to the Israelite, what St. Peter's Basilica, in Rome, is to the faithful of the Church universal, this Cathedral is to the American Catholic.

Cardinal Gibbons, whose home adjoins the old edifice, loves it more than anything else earthly. Speaking of his own associations with this temple that he may contemplate the last resting place of the patriarchs of the American Church. "What Mecca is to the Mahometan, what the Temple of Jerusalem is to the Israelite, what St. Peter's Basilica, in Rome, is to the faithful of the Church universal, this Cathedral is to the American Catholic. Cardinal Gibbons, whose home adjoins the old edifice, loves it more than anything else earthly. Speaking of his own associations with this temple that he may contemplate the last resting place of the patriarchs of the American Church. "What Mecca is to the Mahometan, what the Temple of Jerusalem is to the Israelite, what St. Peter's Basilica, in Rome, is to the faithful of the Church universal, this Cathedral is to the American Catholic. Cardinal Gibbons, whose home adjoins the old edifice, loves it more than anything else earthly. 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