CARRANZA'S RULE SET UP IN JUAREZ

Lower California Rebels Surrender—Deserters Drifting In.

HUERTA QUITS JAIL FOR WIFE'S HOME

Army of 10,000 Gathers to Move on Yaqui—Britain Advises Concessionaires.

El Paso, Tex., Dec. 27.—Control of the civil government of Juarez by the Mexican de facto government began to-day with the installation of officials, inspection of archives and establishment of official bank accounts. The mustering out of Villa soldiers also began.

José Cantu, brother of Governor Cantu, of Lower California, said to-day that Governor Cantu had turned over his entire organization to the government yesterday.

Generals Villa, Rodriguez and Medinavieta are the only known leaders in arms in Chihuahua state against the de facto government, General Obregon said to-day. Rodriguez's men, deserting in Western Chihuahua, are proceeding to Juarez, and Medinavieta's men also are coming in.

None of the generals, declared outlaws yesterday, has more than a corporal's guard of adherents with him according to Obregon.

General Victoriano Huerta, held for violation of neutrality laws of the United States, is seriously ill and was removed to-day from the prison at Fort Bliss to the home of his wife. His guards remained with him. The nature of his illness is not stated. Recently it was reported he had recovered from a nervous affliction.

Carranza Mobilizes 10,000 Men to Conquer Yaqui

Douglas, Ariz., Dec. 27.—Ten thousand men, with twenty-five field pieces, fifty machine guns and several trainloads of ammunition, are being concentrated at Hermosillo, Sonora, for a campaign against the Bronco Yaqui Indians, now on the warpath southeast of Guaymas, according to statements made to-day at Carranza headquarters at Agua Prieta, opposite here.

General P. Elias Calles, who defeated Villa's attack on Agua Prieta in November, will command. Three thousand other Carranza soldiers are marching from Nogales, Sonora, to Naco, to entrain there and travel over American territory to Juarez.

London, Dec. 27.—The British government has issued a notification to holders of rights and concessions granted while Victoriano Huerta was President of Mexico, advising them to apply for revalidation before January 31, in accordance with the requirements of the present Mexican government.

Villa Will War and Win, Declares Wife at Havana

Havana, Dec. 27.—Mrs. Francisco Villa, wife of the Mexican rebel leader, and Mrs. Hipolito Villa, wife of General Villa's brother, accompanied by their children, several relatives and many servants, arrived here to-day on the steamer Atenas, from New Orleans. They announced that they intended to establish a residence in Havana.

Mrs. Francisco Villa said that neither her husband nor Colonel Hipolito Villa had any intention of leaving Mexico, but, confident of success, were determined to continue the struggle.

Chattanooga Off to Join Fleet Patrol in Mexico

Seattle, Dec. 27.—The protected cruiser Chattanooga, which has been undergoing repairs at the Puget Sound navy yard, sailed to-day for Mexican waters to join the Pacific fleet on patrol duty. The Chattanooga will stop at San Francisco to take on commercial and naval stores.

FIRE RECORD.

SUNDAY.

P.M.
7:45—169 St. Nicholas av.; Mrs. James Burg; trifling.
7:55—66 Montgomery st.; unknown; no damage.
9:25—Grand av., east of Mosholu av.; automobile; owner unknown; no damage.
9:40—16 Greenwich st.; Isaac Rosenoff; trifling.
10:10—441 West 31st st.; Lasky scenery warehouse; damage unknown.
11:10—807 East 180th st.; Louis Pober; trifling.

MONDAY.

A.M.
3:45—1849 Broadway; Used Car Co.; none.
4:44—474 Canal st.; S. Harbringer; $500.
5:45—133 West 27th st.; Eagle Manufacturing Co.; slight.
6:30—62 North Moore st.; Max Schlesinger; trifling.
7:06—256 East 59th st.; Julia O'Connor; trifling.
8:40—67 West 23d st.; William Engelhardt; slight.
8:40—78 Mangin st.; R. Sackman; slight.
11:25—337 West 48th st.; Salvation Army; trifling.

P.M.
1:25—59 Christopher st.; Morris Steinberg; trifling.
2:20—North end of Hart's Island; city property; trifling.
5:40—Ninth av. and 23d st.; surface car; none.
6:00—Front of 307 Bowery; wagon of Horsehead Trucking Co.; $200.
6:20—602 Amsterdam av.; L. A. Ware; trifling.
6:40—15 East 38th st.; Mrs. Pennbecker; trifling.

JUDGE SWANN SWORN IN

Names of 55 Assistant District Attorneys Will Be Made Public Friday.

District Attorney-elect Edward Swann took the oath of office yesterday afternoon before Presiding Justice Ingraham of the Supreme Court, First Department. Mr. Swann will take office on New Year's Day. He expects to make public the names of his fifty-five assistants on Friday evening.

The supposition is that within a few months changes will be made, a few at a time, until the great majority of the offices will be filled with Democrats. There are six Democrats on the staff at present, including Robert C. Taylor, of the appeal bureau. James E. McDonald, a son-in-law of Senator O'Gorman, is a deputy assistant, as is John M. Minton, jr., a nephew of DeLancey Nicoll. The others are Royal H. Weller, Robert S. Johnstone and James H. Smith.

District Attorney Perkins was the guest of his staff last night at a dinner at Healy's. They gave him a desk set. After a long vacation, which he will spend in the South, Mr. Perkins will practise law in New York.

CLEARY GETS 3 YEARS; CONVICTED OF FORGERY

Ex-Boss of Haverstraw Says Clamor Made Him a Goat.

William V. Cleary, former Democratic boss of Haverstraw, acquitted of killing his son-in-law, but found guilty of forgery as town clerk, was sentenced by Justice A. S. Tompkins, in New City yesterday, to serve from three years to six years and four months. His lawyer, Edward Briggs, moved for a certificate of reasonable doubt. The court made the motion returnable before Justice M. J. Keogh at White Plains on Tuesday, January 7. Cleary was sent back to the New City jail until then.

"Clamor made me a goat," muttered the boss as he was being led back to the jail from which he walked out a free man a year ago. Cleary is confident the courts will upset the forgery verdict. He was convicted of forging the name of Thomas Allison, a Haverstraw assessor, to notes he cashed in the National Bank of Haverstraw.

When the boss was out of the way Deputy Attorney General Wilber Chambers moved the case of Fire Chief Bernard Fox, an associate of Cleary, who witnessed the murder, to trial. Fox is accused of perjury, in that he swore at the coroner's inquest he did not know where the murder gun was, and afterward that he had given it to his wife. The state will endeavor to show that Fox contradicted himself by giving various versions of the disappearance of the gun under oath. The case went over until Wednesday. Fox, Democratic town chairman of Haverstraw, is backed by the same old ring that has packed the courtroom at various Cleary trials. There are still seven indictments against Boss Cleary which have not been tried.

GIBBONS APPROVES BILLY SUNDAY'S WORK

Cardinal Willing That Clergy Cooperate in Campaign.

[By Telegraph to The Tribune.]

Baltimore, Dec. 27.—Cardinal Gibbons gave his sanction to-day to the Billy Sunday campaign movement in Baltimore, when he assured a committee that he had no objection whatever to the Catholic clergy being asked to coöperate in the campaign.

The Cardinal was visited by one of the Sunday committee, of which the Rev. Dr. George Clark Peck, pastor of the First Methodist Episcopal Church, is chairman.

Dr. Peck submitted this report to his committee:

"I visited the residence of the Cardinal by appointment and was graciously received. It was my purpose to ask the Cardinal's assent to the sending of letters by the prayer meeting committee to the Catholic clergy of the city, asking their coöperation in prayers for the success of the Sunday campaign in Baltimore.

"The Cardinal expressed much interest in Mr. Sunday and his work and said he was glad to approve of the soundness of Mr. Sunday's doctrine in certain great truths neglected by many modern churches. He had no objection to the proposed letter being sent to his clergymen."

STATE GETS BALLOON FOR AERIAL PRACTICE

Fund of $2,500 Also Given for Military Aviation Purposes.

Albany, Dec. 27.—Two gifts to stimulate aerial practice in the militia were announced by Adjutant General L. W. Stotesbury to-day. Robert Glendenning, of New York, has presented to the national guard the balloon L'Ecureuil, which won the Pittsfield balloon race in 1914, and Alan R. Hawley, president of the Aero Club of America, has turned over to the state $2,500, half of the fund contributed by an unknown donor to be divided between Massachusetts and New York for military aviation purposes. Of New York's share in this gift, $1,250 goes to the national guard and $1,250 to the naval militia.

The balloon L'Ecureuil has a gas capacity of 38,000 cubic feet and carries three passengers. It is to be employed as a captive craft for aerial observation during military manœuvres. In this connection, the National Aeroplane Fund has contributed $1,000 toward the preliminary cost of equipment. The fund also stands ready to contribute 10 per cent, up to $10,000, of the total of gifts received before February 1 next to aid military aviation.

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HIS INNER VOICE WHISPERED 'KILL'

So Police Defective Laboratory Sends Prisoner to Hospital, Not Cell.

THIRD DEGREE ROOM LIKE DOCTOR'S OFFICE

Woods and Faurot Sure New Experiment in Criminology Will Lead to Reforms.

It was an inner voice that ordered Fritz Knauff, a farmhand, to kill himself on the East Side a few nights ago. This same inner voice told him to burn churches, kill four persons, rob his employer and finally to buy iodine to end his life. So he has informed Dr. Louis Bisch, in charge of the laboratory at Police Headquarters for discovering mental defectives among criminals taken there. Knauff is now at Bellevue Hospital under observation, following an exciting session at Police Headquarters, in which he described an amazing series of crimes he had committed.

Once in his recital he stopped and, taking three $20 bills from his pockets, began tearing off the edges, handing them to Inspector Faurot. Another time he interrupted his story to point to a Tribune reporter who was near. "That's the man who ordered me to burn down the churches," he said.

"The good work of Policeman Weinstein," said Inspector Faurot, in charge of the Detective Bureau, "brought this man to us for examination and simplified things considerably.

"Weinstein followed instructions which make every policeman a lay worker in our laboratory for discovering the mentally defective. He noted how the prisoner acted. He paid particular attention to the talk to see if it was connected or rambling, and then he observed whether the man appeared like the usual run of persons he had arrested on this charge. Then he made a detailed report to Lieutenant Abrams, of the Clinton Street station, who sent a written recommendation that Dr. Bisch examine the prisoner."

Police Commissioner Woods, who has just permanently established the defectives laboratory, is encouraged by the work already accomplished.

"Results within the last two months indicate that about 5 per cent of the prisoners brought to the Detective Bureau line-up are of abnormal mentality," said the Commissioner. "It is not unreasonable to infer from this that approximately 5 per cent of the total daily arrests would be made up of abnormal persons. This would mean that some thirty individuals who are mentally defective—irresponsible and almost certain to commit crime if the opportunity offers—are daily taken into custody by the police."

Dr. Bisch and Inspector Faurot have their headquarters on the top floor of Police Headquarters, in a sunny corner of the building. There, surrounded by books, a rolltop desk, a few chairs and some good pictures, a small office has been installed. From this office everything that suggests police has been removed.

ASKS RECEIVERSHIP FOR TEXAS & PACIFIC

Bankers Trust Co. Alleges Default in Interest Payment.

Dallas, Tex., Dec. 27.—Receivership for the Texas & Pacific Railway Company was asked in a petition filed here to-day by the Bankers Trust Company of New York, through their local attorneys. Default in payment of interest on bonds is alleged. Hearing was set for January 31.

Attorneys for the railroad served notice that they would contest the receivership.

The petition, which included the New Orleans Railway Company, a Texas & Pacific property, alleges default on interest and principal of $14,000,000 second mortgage bonds, issued originally in 1888 for $25,000,000 and since reduced. George J. Gould is chairman of the Texas & Pacific, which operates mainly in Louisiana, Texas & Arkansas, under Federal charter. The road was constructed in the 70's. Its main line extends from New Orleans to El Paso. Officials of the road here said the filing of the suit was a complete surprise to them.

The complaint alleges diversion of funds after the payment of all operating expenses of the road and asks a full accounting of funds expended, a revision of accounts in their favor and a foreclosure and sale of all properties mentioned under the second mortgage, from which they want payment of their claims.

Nine Texas railroads are already in receivership, as follows: Missouri, Kansas & Texas, St. Louis & San Francisco, Trinity & Brazos Valley, Missouri, Oklahoma & Gulf, International & Great Northern, San Antonio, Uvalde & Gulf, Kansas City, Mexico & Orient, Fort Worth & Rio Grande and Gulf Coast Lines.

T. & P. Petition Believed Step to Eliminate Gould

W. W. Green, of Alexander & Green, attorneys for the Bankers Trust Company, in a statement issued here yesterday afternoon said that the bill filed in the United States District Court by the trust company, as trustee of the second or income mortgage bonds of the Texas & Pacific Railroad, was intended to ascertain and enforce the rights under that mortgage. The statement added:

"The bill was filed at the request of B. F. Bush, receiver of the St. Louis & Iron Mountain Railway Company, which is the owner (subject to pledge) of $23,000,000 and upward of the bonds issued under the mortgage of $25,000,000."

Should the court appoint a receiver for the Texas & Pacific it will mean that practically every railroad now managed by George Gould will be in bankruptcy, with the exception of the Denver & Rio Grande, which probably will meet with difficulties in efforts to avoid meeting the guarantee of interest on Western Pacific bonds.

The Wabash was recently taken out of receivership by banking interests independent of the Gould's. The Missouri Pacific is no longer controlled by the Goulds, and is being reorganized by Kuhn, Loeb & Co. and their associates. A receiver was appointed to facilitate the reorganization.

The Texas & Pacific, of which George J. Gould is president and chairman, has been in the hands of the family since the days of Jay Gould. The company was reorganized without foreclosure in 1888. The Missouri Pacific system owns $6,555,000 of the $38,763,810 outstanding stock.

Wall Street saw in yesterday's move another development in the efforts of Kuhn, Loeb & Co. to eliminate George Gould from the chain of railroads once controlled by him.

PEACE FLEET FOR PACIFIC

Shipping Men See Boom in Release of Canadian Pacific Liners.

Vancouver, B. C., Dec. 27.—Shipping men are jubilant in their expectation of renewed trans-Pacific activities directly, due to the release by the British Admiralty of the Canadian Pacific's Oriental fleet, which, until a few months ago, was engaged as auxiliary to the British navy in the Pacific.

Vancouver is anticipating the early arrival of the Empress of Japan, which has been entirely remodelled and refitted, making her as spick and span as when she first came from the shipyards on the Clyde. Close in her wake will be the trans-Pacific greyhounds the Empresses of Russia and Asia, sister ships, which have been thoroughly overhauled at Hong Kong and made as fit as new for the return of fully normal conditions. Awaiting them are thousands of tons of freight destined for trans-Pacific ports.

Recently several hundred carloads of American and Canadian products consigned to Russian ports arrived in Vancouver, to await the coming of the Canadian Pacific Empresses. There are as many carloads of goods and war supplies for the Russian government.

STREET RAILWAY LITIGATION

N. Y. Railways Acquires Claims Against N. Y. City Railway Co.

In order to bring to an end the litigation arising out of the New York City Railways and the Metropolitan Street Railway receiverships the New York Railways Company has acquired the claims of the principal general creditors against the New York City Railway Company upon the basis of 45 per cent of the face amount of the claims.

The New York Railways Company now offers to acquire the claims of all creditors which have not been acquired under the plan of reorganization of the Metropolitan company upon the basis of 50 per cent of the face amount allowed by the special master. Payment will be made on January 15, provided the offer is accepted and approved assignments and releases executed. The Guaranty Trust Company is asking for deposit of the assignments.

THE WEATHER REPORT

Forecasts and Records of the Last Twenty-four Hours.

Washington, Dec. 27.—An extensive belt of low pressure connects a storm area over the St. Lawrence Valley and another over Texas. This low pressure system has been attended by local snows in the region of the Great Lakes, the middle Mississippi Valley, the south plains states and the southern Rocky Mountain region, and rains in the Ohio and lower Mississippi valleys. Rains are also reported from the north Pacific states.

The temperature has fallen decidedly, and it has risen throughout the Eastern states and the Far Northwest.

The indications are that the Texas storm will move northeast and be attended by snows and rains in the Middle Atlantic states, the Ohio Valley and Tennessee, and rains in the east Gulf and south Atlantic states.

The weather will be generally fair in the region of the Great Lakes and northern New England.

The temperature will fall Tuesday in the Middle Atlantic and New England states, the lower Lake region, the Ohio Valley, Tennessee and the Gulf states, and Wednesday in the south Atlantic states.

Cold wave warnings have been issued for the lower Mississippi Valley and the west Gulf states. Storm warnings are displayed on the Texas coast.

Winds for Tuesday and Wednesday: North Atlantic, fresh west; Middle Atlantic, moderate south shifting to north; South Atlantic, moderate east and southeast; East Gulf, fresh east and southeast; West Gulf, fresh and strong north; Upper Lakes, moderate west and southwest; Lower Lakes, moderate west.

Forecasts for Special Localities.—For Eastern New York, cloudy and colder Tuesday, probably local snows; Wednesday unsettled, probably snow in southern portion.

For Northern New England, fair and colder Tuesday; Wednesday cloudy.

For Southern New England, cloudy Tuesday, probably rain or snow by night; Wednesday snow.

For Eastern Pennsylvania, cloudy and colder Tuesday, probably rain, turning to snow; Wednesday probably snow.

For New Jersey, Delaware, Maryland, the District of Columbia and Virginia, cloudy, probably followed by rain Tuesday; Wednesday rain or snow.

For North and South Carolina, Georgia and Florida, probably rain Tuesday and Wednesday.

For Alabama, Mississippi, Louisiana and Tennessee, rain and colder Tuesday; Wednesday fair.

Local Official Record.—The following official record from the Weather Bureau shows the changes in the temperature for the last twenty-four hours, in comparison with the corresponding date of last year:

	1914.	1915.		1914.	1915.
3 a. m.	8	18	6 p. m.	23	39
6 a. m.	6	20	9 p. m.	21	38
9 a. m.	16	22	11 p. m.	21	39
12 m.	20	25	12 p. m.	20	—
3 p. m.	26	30			

Highest temperature yesterday, 39 degrees (at 4 p. m.); lowest, 16 degrees (at 6 a. m.); average yesterday, 32 degrees; average for corresponding date last year, 19 degrees; average for corresponding date last thirty-three years, 32 degrees.

Barometer Readings.

8 a. m. ... 30.24 | 1 p. m. ... 30.17 | 8 p. m. ... 30.12

Humidity.

8 a. m. ... 77 | 1 p. m. ... 57 | 8 p. m. ... 60

Local Forecast—Cloudy and colder to-day, with probably local snows; to-morrow unsettled, probably snow; moderate variable winds.

POLICE DEPARTMENT.

Retired, Dec. 27—Lieut. Robert Graves, 155th, on his own application; $1,125; appointed June 20, 1895.

Promoted to the rank of sergeant, Dec. 24, and transferred as indicated: William E. Voss, Telegraph Bureau to 38th; James F. Smith (mounted), from Traffic A to 17th, with horse and equipments; Daniel J. O'Sullivan, Traffic B, to 34th; James M. Byrne, Traffic C to 22d.

Assignment.—Pilmn. John Crosby, 40th, as driver of patrol wagon, 8 a. m., Jan. 1.

Temporary Assignments.—Inspectors Frank A. Tierney, 5th I. D., to command 11th I. D., in addition to his own, 10 days, 8 a. m., Dec. 25; Henry Cohen, 11th I. D., to office of Chief Inspector, 10 days, 8 a. m., Dec. 28. Surgeons—Charles E. Nammack, 3d District, in charge 24 District, in addition to his own, 6 days, 12 p. m., Dec. 25; Frank R. Oastler, 20th District, in charge 23d District, in addition to his own, 12 p. m., Dec. 25; Julius A. Becker, 23d District, in charge 1st District, 12 p. m., Dec. 25. Sergt. Daniel O'Grady, 28th, to signal box duty, 30 days, 8 a. m., Dec. 25. Pilmn. John H. Schaupert, 81st, as station house attendant, during absence of attendant on sick report, 6 p. m., Dec. 28; John McNamara, 145d to 169th, raided premises, 30 days, 4 p. m., Dec. 24.

Leave of Absence (with full pay)—Surgeon Arthur S. Vosburgh, 2d S. D., 5 days, 12 p. m., Dec. 28, balance of vacation.

Fines Imposed—Capt. John Lonergan, 28th, Nov. 23, forwarded false duplicate report, 10 days; Pilmn. William J. Blanch, 1st (2 charges), Oct. 22, absent without leave, 10 days; Nov. 6, absent without leave, 10 days; Nov. 14, absent without leave, 10 days. Arthur Heine, 1st, Dec. 3, (1) absent from post, 2 days. Francis J. Dougherty, 2d, Nov. 5, (1) ran away from interrupted patrolman who had drawn revolver on him; (2) failed to disarm said patrolman after he had fired a shot at him; (4) failed to promptly report the above, 5 days. William J. Ahearn, 22d, Oct. 9, absent from post 4 days. Arthur Vilet, 28th, Oct. 2, testified falsely, 8 days. Thomas H. Timpel, 30th (2 charges), Oct. 8, failed to respond to flashlight signal as directed, 2 days; Oct. 8, failed to respond to flashlight signal as directed, 2 days. Kyle D. Clemens, 36th, Oct. 12, absent from school cross, half day. Joseph Sheppard, 156th, Sept. 29, failed to comply with contents of general order re Primary Election duties, half day. John J. Gildea, Traffic A, Dec. 1, absent from post, 2 days. William H. Ryan, Traffic D, Oct. 19th, in conversation with a citizen, 1 day.

Reprimanded.—Pilmn. Karl M. Huber, 56th, Aug. 24, failed to report for inspection of uniforms and equipments and instructions.

The following members having passed probationary period without being again convicted on a complaint are reprimanded: Pilmn. John A. Nelson, 4th, July 25, sitting on chair in doorway; Thomas M. O'Connor, 21st, Nov. 2, absent without leave 2 days; Dunn, 43d, Nov. 3, failed to signal promptly; William F. Gallagher, 66th, June 2, improper patrolmen leaving taxicab and entering saloon; Hector W. Meningher, 17th, June 4, asleep in booth; Henning Hedes, 27th, Oct. 11, absent from post, in conversation with two women; William J. Verlin, 23d, Oct. 1, left post without being relieved; Albert G. Hotter, 25th, Oct. 1, left post without being relieved; George F. Dorsch, 28th, Oct. 1, left post without being relieved.

Charges Dismissed.—Sergt. Timothy Sullivan, 10th, Nov. 16, failed to take proper police action and did not have summons served; Act. Det. Sergt. Bernardino Grant, 1st, Dec. 11, (1) in room of saloon with patrolman who was in uniform and who had quit post; (2) failed to report that he was in company with said patrolman; Pilmn. Edward A. Sunkey, 1st, Sept. 7, called another patrolman improper names while in public conveyance; Jacob J. Levy, 30th (attached to 169th precinct when charges were preferred), Sept. 17, struck a man with his hand and used improper language; Joseph A. Walsh, 169th (attached to 164th precinct when charges were preferred), June 17, improper patrol and conversing with a patrolman.

Resignation Accepted.—Pilmn. Frederick C. Dunn, 174th, noon, Dec. 27, 1915.

DEBATE POLITICS AT CITY INQUIRY

Senator Wagner and Chairman Brown in Wrangle on State Taxes.

THREE BOROUGH PRESIDENTS TESTIFY

Favor Referendum on Whether Legislature or City Should Fix Employes' Salaries.

Politics stole into the afternoon session yesterday at the City Hall of the Brown legislative committee, which is investigating city finances, despite the effort of Senator Elon R. Brown to keep it out. Senator Robert F. Wagner, one of the three Tammany members of the committee, brought up the subject and a debate ensued as to how well, or how badly, the Democratic or Republican legislators had worked for the interests of New York City in the past.

Senator Wagner suggested that New York paid about 70 per cent of the state taxes, and pointed out that the city got practically no returns from the sums it invested, particularly in state highways, the normal and agricultural schools and the State Department of Health.

Chairman Brown took exception to Mr. Wagner's statements, and showed that the measures effecting these projects had been created by the Democratic legislators or passed by Republican legislators at the request of New York representatives in the Legislature. He pointed out that the state normal schools had many students from this city, as well as the agricultural school, and that the bill imposing a tax on this city in connection with the State Department of Health had been passed by a Democratic Legislature.

Borough Presidents Marcus M. Marks of Manhattan, Lewis H. Pounds of Brooklyn and Douglas Mathewson of The Bronx testified at the afternoon session. Thomas W. Churchill, president of the Board of Education, and Dr. Clarence E. Meleney, Associate City Superintendent of Schools, discussed educational matters at the morning session.

Chairman Brown recalled his statement at a previous session that the highly assessed values of real estate in this city were levied not so much from a sense of moral justice as the desire of the municipal authorities to increase the city's debt limit in questions he asked the Borough Presidents.

"Has the actual value of real estate in Kings County increased as rapidly as the assessed valuation would indicate?" the chairman asked President Pounds.

"Yes, I think it has," the witness replied. "Of course, there are many cases of overtaxation, but on the whole I do not think we have just cause for complaint."

"Has the present tax rate in New York City reached a point where there is a crisis and an emergency calling for some drastic relief, either by the reduction of city expenses or by obtaining some new sources of revenue?" asked Senator Brown.

The witness replied that he thought such a crisis had been reached and that real estate was bearing too much of the burden. He added that he did not see how the city's expenses could be reduced, as they had already been cut nearly to the bone, and they were bound to increase during the next few years.

President Pounds defended borough autonomy. He declared the Brooklyn budget had steadily decreased about 15 per cent since 1910, which was equal to if not greater than the decrease in any other city departments. He advocated, however, a centralization of power in the Board of Estimate to fix the salaries of all city and county employes other than elective offices, as well as teachers' salaries. He was not sure that the Board of Estimate would reduce salaries or show a material saving to the city if it had such power, but as that body was at present credited with the responsibility for the city's finances it should have the full power, he declared.

Assemblyman N. D. Shapiro, of Kings, wanted to know if the Borough President would approve of the reduction of the $9,000 salary of the chief clerk of the Surrogate's Court of that county, the position now held by John H. McCooey, the Brooklyn Tammany leader. Mr. Pounds demurred on an answer by saying that he did not care to go into particular cases.

In answer to Chairman Brown's questions the three Borough Presidents declared they would be in favor of a referendum to ascertain whether the people wanted the Legislature to fix the salaries of city employes or wanted it done by the local authorities. They agreed, however, that the question should not be submitted to the people at the national election next year, and that it would be a better time at the municipal election in 1917.

Dr. Meleney opposed the suggestion of Mayor Mitchel, Controller Prendergast and other city officials for a small paid Board of Education. The matter of the proposed new courthouse will be taken up to-day.

$20,000,000 BOND ISSUE FOR ERIE

J. P. Morgan & Co. Will Underwrite the Securities.

Directors of the Erie Railroad, at a meeting yesterday, approved a financing plan which will involve the issuance of new convertible general mortgage bonds bearing interest at 4 per cent. President F. D. Underwood has asked J. P. Morgan & Co. to form a syndicate to underwrite the bonds.

The amount of the new issue will be slightly under $20,000,000 convertible into common stock in two years at 50. The bonds will be offered to the shareholders at 25. The company already has two convertible issues authorized totalling $50,000,000, known as Series "A" and Series "B," of which about $21,000,000 is outstanding. The new bonds will probably be known as Series "C."

More than half the funds derived from the proceeds of the sale of the new bonds will be used to pay off the $10,000,000 collateral gold 5 per cent notes which mature April 1, 1916. Another maturity that will probably be provided for is an underlying issue of $2,380,000 Buffalo, New York & Erie 7 per cent first mortgage bonds, which were issued in 1876 and mature June 1, 1916. The taking up of these two maturities will leave about $7,000,000 for other corporate purposes.

With the freeing of millions for investment from the January 1 interest and dividend disbursements bond dealers look for an even greater improvement in the demand for railroad bonds.

Shipping Information and Marine News of the World

MINIATURE ALMANAC.

Sunrise, 7:23; sunset, 4:38; moon rises, 11:49 p. m.; moon's age, 19.

HIGH WATER.

	A.M.	P.M.
Sandy Hook	11:49	12:09
Governor's Island	12:03	12:03
Hell Gate	1:53	1:33

WIRELESS REPORTS.

Ss United States, Scandinavian-American Line, 310 miles east of Sandy Hook at 8 a. m. yesterday. Expected to dock this morning.

Ss New York, American Line, signalled yesterday. Time and place not given. Expected to dock this morning.

INCOMING STEAMERS.

TO-DAY

Vessel	From.	Sailed.
*New York	Liverpool	Dec. 18
*Rochambeau	Bordeaux	Dec. 18
*United States	Christiansand	Dec. 17
Thessaloniki	Gibraltar	Dec. 1
Devon City	Plymouth	Dec. 9
Bankdale	Bordeaux	Dec. 9
Palacios	Brltham	Dec. 11
Penobscot	Bordeaux	Dec. 7
Colorado	Hull	Dec. 11
Lord Cromer	Algiers	Dec. 6
Denis	Para	Dec. 14
Stephano	St. John's	Dec. 22
Veenbergen	Rio Janeiro	Nov. 27
Corville	Copenhagen	Dec. 10
Bylas	St. Lucia	Dec. 18
Patria	Pernau	Dec. 8
Saratoga	Havana	Dec. 25
City of Columbus	Savannah	Dec. 25
Medina	Galveston	Dec. 21

WEDNESDAY, DECEMBER 29.

Alliance	Cristobal	Dec. 23
Sonoma	Port Arthur	Dec. 20
Lenape	Jacksonville	Dec. 26
El Valle	Galveston	Dec. 23

THURSDAY, DECEMBER 30.

Korea	London	Dec. 18
Canadaka	St. Lucia	Dec. 21
Zacapa	Kingston	Dec. 25
Huron	Jacksonville	Dec. 27
Creole	New Orleans	Dec. 25

*Brings mail.

OUTGOING STEAMERS.

TO-DAY.

Vessel.	For.	Mails close.	Vessel sails.
Rotterdam	Rotterdam	8:30 am	12:00 m
Stampalia	Naples	8:30 am	12:00 m
Korona	Grenada	12:30 pm	3:00 pm
Maracaibo	Maracaibo	7:00 am	9:00 am
Santa Theresa	Havana	—	12:00 m
Mohawk	Jacksonville	—	1:00 pm

WEDNESDAY, DECEMBER 29.

Almirante	Jamaica	9:30 am	12:00 m
Caracas	San Juan	9:30 am	12:00 m
Guantanamo	Havana	9:00 am	12:00 m
Augustin	Turks Island	11:30 am	3:00 pm
Hawaiian	Rio de Janeiro	12:00 m	3:00 pm
Tudor Prince	Rio de Janeiro	12:00 m	2:00 pm
Arapahoe	Jacksonville	—	1:00 pm
Comino	Galveston	—	1:00 pm
Muscovi	Gibara	—	12:00 m
Lepanto	Hull	—	12:00 m
St. George	Liverpool	—	10:00 am
Hoadley	London	—	12:00 m
City of Columbus	Savannah	—	3:00 pm

THURSDAY, DECEMBER 30.

Lapland	Liverpool	8:30 am	12:00 m
San Guglielmo	Naples	9:00 am	12:00 m
Ionadhia	Piraeus	11:30 am	3:00 pm
Californian	Argentina	7:00 am	10:00 am
Monterey	Havana	9:00 am	12:00 m
Tivives	Jamaica	9:30 am	12:00 m
Paralela	Union	11:30 am	3:00 pm
Nickerie	Haiti	12:30 pm	3:00 pm
El Mundo	Galveston	—	12:00 m

TRANSPACIFIC MAILS.

	Close N.Y.
Hawaii (via San Francisco)—Line	6:30 p. m. Dec 30
Hilo, Hawaii (via San Francisco)—Northern	Dec 31
Tahiti, Marquesas, Cook Islands, New Zealand, Australia (via San Francisco), Malta	Dec 31
Guam, Philippine Islands (via San Francisco)—U. S. transport	Dec 31
Hawaii, Japan, Corea, China, Philippine Islands (via San Francisco)—China	Jan 1
Japan, Corea, China (via Seattle)—Chicago Maru	Jan 3
Hawaii, Japan, Corea, China, Philippine Islands (via San Francisco)—Tenyo Maru	Jan 3
Hawaii, Samoan Islands, Australia, New Zealand (via San Francisco)—Sonoma	Jan 13
Hawaii, Fiji Islands, New Zealand, Australia (via Vancouver and Victoria)—Niagara	Jan 14

ARRIVED.

Branca, Maragnez Dec 18, Ponce 19, Guanica 21 and San Juan 22, to the New York and Porto Rico Ss Co, with mails and mdse. Bar, 6 a m.

Tivives, Belize Dec 11, Tela 12, Puerto Cortez 15, Puerto Barrios 16, Port Antonio 21 and San Jago 22, to the United Fruit Co, with mails and mdse. Bar, 2:30 a m.

Christoforos (Greek), Genoa Nov 19 and Oran 25, via Bermuda Dec 22, to J H Winchester & Co, with railroad ties. Bar, 7:45 p m, 26th. Called at Bermuda for coal.

Westmoor (Br), Norfolk Dec 25, to J H Winchester & Co. Quar, 8:55 a m.

Alleghany, Mobile Dec 20, to Bonnett, Hunter & Co, with railroad ties. Left Quar at 9 a m.

Hannington Court (Br), Naples Nov 17, Algiers 22 and Bermuda Dec 23, to Simpson, Spence & Young. Bar, 4:30 p m.

City of Columbus, Savannah, to the Ocean Ss Co, with mdse. Sandy Hook, 9:11 p m.

Pawnee, Philadelphia, to the Clyde Ss Co, with mdse. Quar, 6:47 p m.

Stockholm (Swed), Gothenburg Dec 11 and Kirkwall 18, to Furness, Withy & Co, with mails and mdse. Bar, 7:30 p m, 26th.

Zaandijk (Dutch), Rotterdam Dec 9, to the Holland-American Line. Bar, 7:30 a m, 26th.

Nyassa (Br), Huelva Dec 11, to A D Ledoux, with ore. Bar, 3:30 p m, 26th.

Ferngarth (Br), Liverpool Dec 7, to Houlder, Weir & Boyd. Bar, 5 a m, 26th.

Crios (Greek), Rotterdam Nov 27 and Delaware Breakwater Dec 23, to Norton, Lilly & Co. Bar, 7 a m, 26th, and obliged to go to sea on account of storm.

Bygdonaes (Nor), Genoa Nov 21, Gibraltar 29 and Bermuda Dec 23, to C B Richard & Co. Bar, 7 a m, 26th, and was blown out to sea, returning at midnight.

Arapahoe, Jacksonville Dec 24 and Charleston 25, to the Clyde Ss Co, with mdse. Quar, 7:10 a m.

Medina, Galveston Dec 21, to the Mallory Ss Co, with mdse. Quar, 7:10 a m.

Nepos (Nor), Guanaco for Perth Amboy. Sandy Hook, 7:10 a m.

Muncaster Castle (Br), Hong Kong Sept 14, Manila 23, Shanghai Oct 9, Karatzan 12, Kobe 18, Yokohama 22, Singapore Nov 4, Durban 21 and St Lucia Dec 19, to William T Tweddell & Co, with mdse. Bar at 1:30 p m.

Carson, Pensacola Dec 14, Arroyo 17, Humacao and Fajardo 18, Mayaguez 19, Aguadilla 20 and San Juan 21, to the Roll Insular Line, with mdse. Bar at 11:58 a m.

Currier, Guanica Dec 17 and Guayanilla 20, to Houlder, Weir & Boyd, with molasses. Bar at 12:45 p m.

Pastores, Bocas del Toro Dec 15, Port Limon 19, Cristobal 20 and Havana 23, to the United Fruit Co, with mails and mdse. Bar at 11:45 a m.

Cherokee, Georgetown, S C, Dec 22 and Wilmington, N C, 25, to the Clyde Ss Co, with mdse. Quar at 11:47 a m.

Matura (Br), Paramaribo Dec 10, Demerara 15, Trinidad 18 and Grenada 19, to the Trinidad Shipping and Trading Co, with mails and mdse. Bar at 10 a m.

J L Luckenbach, Cristobal Dec 17, to the Luckenbach Ss Co, with mdse. Bar, at 7 a m.

Monon, New Orleans Dec 22, to the Southern Pacific Co, with mdse. Left Quar at 7:50 a m.

SAILED.

Steamers City of Montgomery, Savannah; Kennebec, Philadelphia; W I Radcliffe (Br), Marseilles; Floridian, Bordeaux; Alamo, Key West; La Drome (Fr), Bordeaux; Manchuria, Liverpool; Europa (Ital), Naples; Mobile (Cuban), ——; Trinidadian, ——; Princ