THE REPLY TO MR. CARLISLE.

RANDALL'S LETTER TO THE SPEAKER ON THE TARIFF MEASURES.

He Answers Speaker Carlisle and Urges a Conference Committee in Preference to a Caucus—A Democratic Protest.

WASHINGTON, Feb. 8.—There was sent to Speaker Carlisle to-day a letter signed by Representatives Randall, Warner, Henley, McAdoo, Henderson, Wise of Virginia, and Gay, in response to his communication returning the substitute bill presented for the consideration of himself and those holding similar views respecting tariff revision. The letter says:

The gentlemen present at our recent conference, representing States South, West, and North, were led to hope that the way had finally been opened for an agreement on a measure that could be generally supported by our political friends, and we sincerely regret, in view of the importance of the adoption by this Congress of some measure that would materially reduce the revenues and prevent the further accumulation of a Treasury surplus, that differences so wide as appear in your communication should still exist. It was hoped that a basis of compromise could be reached without requiring of any one a sacrifice of principle or of convictions entertained on the subject of tariff and internal taxes. To do this it is evident that those things respecting which radical differences exist in the minds of men must be excluded from a bill intended as a compromise measure. It was believed there could be found room inside of these limits for an agreement on a list of articles to be remitted to the free list, as well as upon many on which the tariff could be reduced, thereby effecting a material reduction of the revenues without injuring or endangering any important industries, or impairing the earnings of labor in this country. It is believed yet that such a measure ought to be agreed upon and carried through the House at this session.

As to the items in the proposed bill on which it is claimed that an increase in the tariff would result, we have to say that the apparent increase arises in most instances from a change from ad valorem to specific duties, made in accordance with recommendations from the Treasury Department. The principal object in making duties specific where they are now ad valorem is to prevent the deception and dishonesty practised by undervaluation; and while, in fixing what is deemed to be fair specific equivalents an apparent increase may arise, it is believed to be apparent only, and not real. However, on all these matters, inasmuch as the proposed bill is not intended to be a revision of the tariff, but a bill for the reduction of revenues and the correction of certain inequalities only, we think there will be no difficulty in agreeing either to strike out of the bill such articles, or to reduce the proposed rates so as to insure no increase in the actual duties in any case. A careful examination of the list shows, we think, that, except as to a very few articles, you are in error in the statement that the duty is increased.

Certain of the things which you ask to be placed on the free list, as proposed in the Morrison bill, raise at once those vital questions which have heretofore prevented harmonious action on the tariff question. As many of us believe that such a step, if carried to its logical conclusion, would be destructive of very many of our most important agricultural as well as mechanical industries, and we are in no way authorized, neither by our own convictions, but the interests of the people we represent, we could not, of course, make this concession, and we did not expect to be asked to make it.

With respect to the proposition to adopt a modification of the Hewitt bill in place of the administrative sections of the bill proposed by you, it may be stated that the list of articles in the substitute of the administrative section of House bill No. 7,832 (with certain verbal modifications) favorably reported by the Ways and Means Committee at the first session of the present Congress, except the section authorizing the warehousing period, etc., which we did not adopt. Certain of the provisions since recommended by the Secretary of the Treasury have been added also, together with certain additional provisions which we have deemed needful and desirable to be adopted.

You say that the substitute which you recommend relates alone to the administrative features of the law, and is "at part of the measures which propose to reduce the amount of taxation. A careful comparison and an analysis of the two measures does not, we think, sustain this statement. On the contrary, the administrative measures proposed by you contain certain direct restrictions of rates which the bill presented by you does not, and in some instances it increases the rates.

The most important difference between the administrative features of the two measures in the section relating to coverings, which although embodied in the bill favorably reported by the Committee on Ways and Means at this last session, in now stricken out of your bill. This section provides for the correction of the unfortunate phraseology of section 7 of the tariff act of March 3, 1883. As is well known, that section was intended to except from duty charges for the packing cases used for the transportation of merchandise, but under the rulings and opinions of the Supreme Court and the Attorney General, it has caused the value of the merchandise as purchased by the importer, or as shipped by the consigner is held to be nonduitiable under that section. The correction of this legislative blunder was unanimously recommended by the Treasury as the most important and essential feature of the bill proposed by Mr. Hewitt.

In striking from the proposed compromise measure the repeal of the tobacco taxes, the tax on fruit brandies, alcohol used in the arts, weins beer, and the alternative proposition to reduce the tax on all distilled spirits from 90 cents to 60 cents a gallon, you eliminate from the bill all propositions to reduce internal revenue taxes, except the retail license provision, and this you do not in terms agree to.

In lieu of these provisions in our bill you propose to repeal all statutes imposing restrictions upon the sale of leaf tobacco by farmers and to modify the laws relating to storekeepers and gaugers at small distilleries, and the destruction of stills also to modify the administrative features of the law relating to the issue of warrants, &c.

While to all these proposed modifications of the present laws readily assent, we do not see in them alone how the revenue is to be reduced.

Our object in the matter of internal taxes is two-fold: First, to reduce the revenues when, second, to relieve the people of vexatious and inquisitorial methods of taxation, and to do this without offering temptations to frauds or to the evasions of the law. Furthermore, in proposing the abolition of the taxes on internal revenue taxes, we believe we are acting in harmony with the principles and declarations of the Democratic national platform. The internal revenue tax, in that platform, is declared to be a war tax, and the repeal of crushing war taxes is demanded. It has, moreover, been the policy of our Government after each war, to abandon this form of taxation first, as evinced under the Administrations of Jefferson and Jackson, and a tax that requires an armed force to execute it can never be popular in a free country.

We demand that if the repeal of the tobacco tax, or other internal taxes in whole or in part, is insisted upon by us, then you and those acting with you will insist that in the same bill an equal amount of reduction in revenue derived from customs duties shall be made, if it presented otherwise debateable ground for a compromise seems to us to forestall such action by your further demand that the reduction in revenue to shall be made upon such articles only as those with whom you are acting shall indicate. This is equivalent to saying at the outset that those holding different views from your own and the views of those acting with you, shall be precluded from having any voice in determining what things duties shall be reduced on. But, in the first place, internal taxes and customs have never stood on equal ground in our system of taxation. Tariff taxes have been always our chief reliance for revenue; internal taxes have been the exceptional taxes.

In the next place we hold it next to impossible to adjust tariff rates as to secure a definite reduction of revenues, such as the repeal of reduction of an internal revenue tax will produce. When a direct tax is repealed we know what the loss to the revenue will be. So when dutiable articles are placed on the free list, but a reduction of the rates of duty may be followed by an increase of revenue and not a decrease.

Between the two extremes of free trade on the one hand and prohibitory tariff, or no trade, on the other, there are three principles, and only three, one or the other of which must prevail when duties are intelligently laid. These may be represented by three lines—first, a horizontal line, representing an even rate laid upon all imports for revenue purposes; next an upward or irregular line, representing maximum revenue; and third, the line representing the difference in the cost of production arising out of the different conditions under which production is carried on in this and other countries.

We are ready to join in reducing the tariff on all articles that are above the line of difference in cost of production, and on those things on which the duty is now above that line, thus permitting monopolies to be formed to arbitrarily raise prices to the consumer, without benefitting labor, we think it the imperative duty of Congress to reduce the tariff so as to prevent the possibility of monopoly combinations to put prices above the competing point.

Labor has an interest above the competing line, or line that marks the difference in cost of production; but up to this point wage earners are vitally concerned, and we believe that only by maintaining duties up to this point on importations from Europe and other countries can labor continue to receive the larger share of what it produces, which our industrial system affords as compared with the industrial systems of other countries. The continued importation of the foreign product, notwithstanding the tariff, is proof that the duty is not above the line of difference in cost. Our national party platform, recognizing this controlling principle, declares that "the necessary reduction in taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor, and without imposing upon the rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages existing in this country. In the face of this declaration, and in the light of political events which have transpired since the last National Convention sustaining this principle, we would not feel justified in departing from it in any revision of our tariff laws; and we certainly do not think, as a political measure, it can properly be asked of us. There is, however, ample room for a reduction of tariff and a corresponding reduction of the revenues without contravening this important principle. All that is needed, in our opinion, is a disposition to meet the question fairly and deal with it as a matter of business and not of politics.

Respecting your proposition to submit the measures proposed by us to a caucus of our political friends, "all parties to be bound by such action as it may take upon the subjects to which the bill relates," it seems to us, that ought not to be asked. The question is not a political question; it is not a party question. Republicans differ on it as do Democrats, the differences between us are not political differences, but differences on important economic and industrial questions, and we submit that it is not unusual in legislation, nor fair nor right, to attempt to bind men by caucus action on such questions, and there, by not only to take from them their right and duty to act in accordance with their own convictions, but to compel them to act contrary to their obligations as faithful representatives of the people who have sent them here. These, too are the very matters respecting which we are attempting to make a compromise. In lieu, therefore, of a caucus we suggest that a committee composed of members representing different phases of the question in dispute in the two measures under discussion should be appointed to take up these differences in a spirit of fairness with a view of coming together on a measure all can support with our either side being called upon to surrender principles or to prove derelict in their duty to their constituents. We urge the suggestion of a conference the more because many of the gentlemen who joined with us in the matter of internal taxes do not agree on all matters pertaining to the tariff

In accordance with your fourth suggestion, that in case no other arrangement is agreed upon, upon reasonable notice a motion be made to go into the Committee of the Whole on Bill 9,702, introduced by Mr. Randall at the last session of congress, we have to say that due notice will be given of the time when it is proposed to make such a motion, so that it may be generally known. We cannot, however, close this communication without expressing our hope that an agreement on a measure which our political friends can generally support is not yet impossible.

The following letter, bearing date of to-day, is been sent to Speaker Carlisle:

DEAR SIR: We regret exceedingly that you could not see your way clear to give the recognition on yesterday to some Democrat to enable him to move to suspend the rules for the purpose of giving the House an opportunity of considering the question of the total repeal of the internal revenue tax on tobacco." Your refusal to give this recognition, together with your letter of the 7th inst. deserves more than a passing notice. If two-thirds or more of the House are in favor of such repeal, it was a grave responsibility for you to oppose such a large majority of the representatives of the people. Assuming, however, for the sake of the argument, that the friends of the proposition constitute a less number than two-thirds, their strength is certainly such that they ought to have been permitted to test the sense of the House upon the question, especially since the country is watching with intense interest the action of the House in respect thereto, and the constituents of a large number of the members of the House have been urging them to obtain, if possible, a consideration of this subject.

We do not wish to be misunderstood. We earnestly desired, from a party standpoint, that recognition should have been given to a Democrat to make the motion, but we would vote cheerfully for the proposition, whether made by a Democrat or by a Republican.

We believed that the friends of the repeal of the tobacco tax were so strong in the House that we would save to the people of the taxpayers of this country an annual reduction of taxation to the extent of $60,000,000, if the motion for repeal could be made in the House on Monday of this week, the latest day when such a motion, to be effective, under the rules, would be in order during the Forty-ninth Congress. The motion, if made during the last six days of the session, would almost certainly be too late to secure favorable consideration for the question by the Senate.

We did not anticipate refusal of recognition for the purpose intended. We understood you to say to us verbally that if you gave to any one of our friends the desired recognition, fair play all round would require you to give other Democrats an opportunity to make a like motion to pass some distinct proposition having relation to a reduction of the tariff duties. To this we assented. You instanced as one such proposition the putting of salt on the free list.

We think that a revision of the tariff and of the internal revenue laws can be attained from time to time by reforming the obvious and greater grievances of the two systems; and that we should not refuse to make such reforms because sweeping changes have not been practicable. The country is expecting to obtain from this Congress relief from the grievous burdens of taxation. If some of us cannot get all we want, we should take what we can get. Our single proposition for the repeal of the tax on tobacco was not intended and cannot fairly be construed as intended to exclude from the consideration of the House "all other measures for the reduction of taxation." We wished to obtain consideration for that proposition, but we were not pressing for the reduction of the internal revenue taxes to the exclusion of other measures for the revision and reduction of the tariff.

A Democratic caucus cannot successfully deal with "the whole subject of revenue reduction" at this late stage of the session. That suggestion comes too late. If the caucus could have controlled the legislation of the Forty-ninth Congress from the beginning, the country might have been much better off. If the House was considered competent to deal with the silver question, with the pension question, and with the oleomargarine question, free from the dictation of a Democratic caucus, we think it ought to be competent to deal with the question of a reduction of taxation. The caucus ought not now to be invoked to justify a policy of delay and non-action on this subject.

We sincerely hope, with you, "that some plan may yet be devised which will enable the House to consider the whole subject of revenue reduction" and revision, "in a spirit of fairness to all interests," and in accordance with the letter and spirit of the platform of the National Democratic party adopted at the Convention held at Chicago in the year 1884; and we assure you that we are ready to meet any of our Democratic associates who are prepared to treat with us on such basis.

JOHN S. HENDERSON,
GEORGE D. WISE,
SAMUEL J. RANDALL.

YOUNG FALK'S FLIGHT.

He Drew $16,000 from the Firm and Left Home and Debts of Large Amount.

Little is known in New York of the whereabouts of Joseph I. Falk of 27 West Fifty-eighth street, who left town last Wednesday. When he was first missed his friends were alarmed and feared that he had met with foul play. They asked the police to search for him, but subsequent developments calmed their fears, and they have stopped their search and are now quietly waiting for him to return. He was a member of the firm of I. L. Falk & Co., clothiers at 691 Broadway. It was against the rules for the members to speculate, but Joseph took flyers last fall and was unsuccessful. He said nothing about it, put the brokers to whom he owed money off with promises, and passed December and January travelling in the South.

Once at his brokers' he spoke with which he did business was that of Washington Seligman & Co., 80 Wall street, and when his account was closed he owed them $5,556.74. They pressed him for the money, and he wrote promising to pay on Feb. 3. He returned from the South week before last, and finding that his creditors were pressing him, confessed to his father that he had been speculating and was in difficulties. The latter was very angry at first, but finally relented, and told the young man to make up a list of his debts and he would pay them on condition that he would solemnly swear never to speculate hereafter. While preparing the list his courage failed him. The amount was so large that he feared another quarrel with his father.

Last Wednesday he went to the two banks in which the firm has its cash account and drew out $16,000, the exact amount of his interest in the firm. He could if he wished have drawn double the amount. He did not return home that night nor the following day, and his family was alarmed. No tidings of him arrived until a letter came to his mother on Saturday. In it he expressed sorrow for causing her pain, hoped she would forgive him, and said he would return after a time and set matters right. The letter was dated on Friday and postmarked New York.

On Saturday the remaining members of the firm dissolved the old partnership and left Joseph out. His disappearance had been freely talked of among their friends, and it came to the ears of Washington Seligman & Co., and on Monday they took out an attachment against the firm for the money due them.

Mr. Falk said yesterday that he had heard nothing further of his son, and feared he had sailed for Europe. There was no necessity of his running away, as he had only taken money which belonged to him, and his debts would have been paid.

Dr. Fischer Tries to Prove an Alibi.

Testimony to prove an alibi for Dr. Louis Fischer, who is being sued for an alleged assault upon Matilda Friedman last August at 14 East Second street, the house of her employer, Dr. Jacob Spillinger, was introduced yesterday in the City Court. Dr. Fischer denies the girl's charges, and asserts that the suit is the result of a conspiracy to injure his reputation. Dr. Spillinger is his brother-in-law. The testimony of several witnesses showed that at 9 o'clock on the night of the alleged assault Dr. Fischer was in Otto Kuehler's drug store at 19 Avington street from 8 to 11 o'clock. The case was adjourned owing to the indisposition of the plaintiff's lawyer. Dr. Spillinger has been summoned to attend the funeral of Mrs. Sarah M. Cochrane, which will be continued at White Plains to-morrow. His certificate to the Health Department said that Mrs. Cochrane had died of natural causes, while the autopsy showed that her death was the result of malpractice.

Contesting a Million Dollar Will.

Mrs. G. T. Vingert, the only child of Mrs. Elizabeth Ferguson Floyd, a wealthy widow who died in this city in November, 1885, leaving an estate valued at about $1,000,000, has filed objections to her mother's will, alleging mental incapacity, undue influence, and irregularity in the execution of the instrument. By her will, which was signed on July 30, 1881, Mrs. Floyd left her estate to her five grandchildren in trust. Yesterday the paper was filed in the Surrogate's Court of J. Te. McMahon and Dr. Lemuel B. Bangs, two of the subscribing witnesses to the will, who declared that at the time of the execution of the paper she was of sound mind and the will was properly executed. The case was adjourned until the 10th inst.

Suicide of a Lighthouse Keeper.

BRISTOL FERRY, R. I., Feb. 8.—Capt. Hall, the keeper of the Hog Island Light, committed suicide by jumping overboard this morning. A boat put out from the shore to rescue him, but failed.

BROOKLYN.

Seth Low will lecture to-night in St. Ann's Chapel, in Clinton street, on his recent travels in Europe.

A Young Men's Democratic Club has been organized in the Second Congress district, with E. Z. Carhill as President.

The Rev. Dr. Theodore L. Cuyler's $50 overcoat was stolen on Monday night from the hall of his house, 170 South Oxford street.

Capt. Henry Jim, master of the canal boat Tom and Jim has been fined $25 by Justice Massey for running a poker game on his boat while lying up during the winter in the Erie Basin.

President Howell has again discharged Bridge Policeman Patrick Murphy, who had been reinstated by the influence of the Knights of Labor. The dismissal followed Murphy's conviction of drunkenness in a police court.

In the suit of Mrs. Emma S. Hart for separation from Charles F. Hart Justice Cullen has granted the plaintiff $20 a week alimony. In Mr. Hart's suit for separation Justice Cullen has opened the default. Both cases will be tried together.

S. Y. White will not be troubled with a contest of his seat in Congress from the Third District. Supervisor Jas. D. Bell, who came within 175 votes of winning, has found it impossible to secure the evidence sufficient to prove that he was defeated by improper methods.

The Fort Green Presbyterian Church has elected this new Board of Trustees to extricate it from its difficulties growing out of the troubled pastorate of the Rev. Benjamin Stanaston: W. W. Hope, James Moore, Archer Christie, Charles R. Perry, and William T. Allen. The church is indebted to Mr. Staunton $680.

Peter Shortall of 82 Douglass street, while passing through Columbia street on Monday night, was knocked down and robbed of a gold watch and chain and $42 in money. Owen Metiee of 13 Third place and Thomas Hare of 136 Union street were accused by Shortall of having participated in the robbery. Metiee has a good reputation. He denied the accusation, and made a charge of assault against Shortall.

Several months ago Eugene M. Packard, aged 71, was arrested on the complaint of Henry Owen, a grocer, whose trusted bookkeeper he had been for twenty-five years, on complaint that he had embezzled from time to time more than $80,000. Packard, as it is alleged, drew checks for mythical creditors and pocketed the money himself. He was tried yesterday in the Court of Sessions for one of these alleged fraudulent transactions, and was acquitted.

John McNally and William White quarrelled during the longshoremen's strike in April. McNally belonged to the union and joined in the strike. On the night of April 27 McNally, it is alleged, went to White's house, at 44 Green lane, and calling him into the hall, struck him a deadly blow on the head with a piece of lead pipe covered with cloth. He was indicted for murder in the first degree. Yesterday, after the prosecution had submitted all its testimony, he entered a plea of guilty of manslaughter in the second degree, which was accepted by the District Attorney.

The Kings County Republican General Committee met in Everett Hall last night, and adopted a new set of by-laws, which it is expected will bring about better discipline and render the party Mugwump proof. An applicant for membership in a ward association must give assurance that it his purpose to vote for the regularly nominated candidates of his party. The Chairman of the General Committee is empowered to appoint Captains in each of the 28 election districts, whose duty it shall be to see that the Republican voters are registered and to attend to other important election matters. With 28 skilful and experienced district Captains under his command Mr. Green, the young and ambitious Chairman of the Committee, expects to prevent a revolution. Some members of the committee opposed this new feature in Republican management, and held up Capt. Cregan of the Navy Yard as a frightful example, but it was approved by a vote of 84 to 7.

Give Them a Trial.

The unanimous verdict of all who have used them is that Pomeroy's Patrolne Plasters are superior to all others.—Adv.

THE FISHERIES DISPUTE.

CORRESPONDENCE OF THE UNITED STATES AND GREAT BRITAIN

Minister Phelps Communicates to Lord Salisbury the Determination of the United States Not to Parley with Canada.

WASHINGTON, Feb. 8.—The President today sent to the House, in answer to the resolution introduced by Mr. Belmont, copies of correspondence which has taken place since Dec. 8 last, between the Department of State and the Government of Great Britain. The correspondence begins with a letter from Secretary Bayard to Minister West, dated Dec. 11, in which the Secretary says that before receiving the communication of Minister West, dated Dec. 7, he had instructed the United States Minister at London to make representation of the regrettable occurrences attending the lowering of the flag of the United States on the Marion Grimes while under detention by the Custom House in the harbor of Shelburne, N. S., on Oct. 11. This is followed by a report from Gov.-Gen. Landsdowne, dated Nov. 18, 1886, containing an account of the action of the Privy Council upon the telegram from Secretary Bayard, in relation to the seizure of the Everitt Steel, to the effect that the Privy Council approve the Collector's action in the matter of the seizure.

On Dec. 16 Lord Iddesleigh, in a communication to Minister Phelps, transmits the apology of the Canadian Government for having hauled down the flag of the Marion Grimes. Alluding to the seizure of the Everitt Steel, Lord Iddesleigh says:

Her Majesty's Government greatly regret that incidents alluded to should occur, and they can only renew the assurances conveyed to you in my note of the 30th ultimo that, while firmly resolved to uphold the undoubted treaty rights of her Majesty's North American subjects in regard to the fisheries, they will also equally maintain the undoubted rights of the United States fishermen to obtain shelter in Canadian ports under such restrictions as may be necessary to prevent their abusing the privileges reserved to them by the treaty.

I mentioned to Mr. Bayard's note to you of the 6th ultimo concerning the case of the Marion Grimes an old discussion is revived which her Majesty's Government had hoped was finally disposed of by the correspondence which took place on the subject in 1815-16. I allude to the argument that the right to the common enjoyment of the fisheries by Great Britain and the United States after the separation of the latter from the mother country was recognized by the treaty of 1783, although the exercise of that right was made subject to certain restrictions. I refer to this point merely to observe that the views of her Majesty's Government in relation to it have not modified in any way since the note of Lord Rathurst of the 30th October, 1815, to Mr. John Quincy Adams.

On Jan. 26 Minister Phelps writes to Lord Salisbury as follows:

It seems now very important that before the commencement of another fishing season a distinct understanding should be reached between the United States Government and that of her Majesty relative to the course to be pursued by the respective Governments toward American vessels. It is not without surprise that I have read Lord Iddesleigh's remark in a note above mentioned, bearing date two months after, that her Majesty's Government have not as yet been informed in what respect the construction placed upon that instrument by the Government of the United States differs from that put upon it by Lord Rathurst, who wrote relatively my note to his predecessor in office, Lord Rosebery, under date of June 2, 1886, to which reference was made in my note to Lord Iddesleigh of September, 1. I think he could not have failed to be apprised of distinctly the construction of that treaty for which the Government of the United States contended, and the reasons and arguments upon which it rests, since I had written to respectfully refer your Lordship to my note to Lord Rosebery of June 2, 1886, for a very full, and, I hope, clear exposition of the ground taken by the United States Government in regard to the treaty. It is unnecessary to repeat it, and I am unable to add to it.

In reply to the observation in my note to Lord Iddesleigh of September 11, 1886, I repeat that the such discussion should be sustained in these cases until the result of the judicial proceedings in respect to them should be known—a proposition to which, as I stated in my note, the United States Government cannot assent. Your Lordship cites in support of it some language of Mr. Fish, when Secretary of State of the United States, addressed to the United States Consul-General at Montreal, in May, 1873, upon the view of Mr. Fish that United States Government has no disposition nor occasion to dissent. But it cannot regard it as in any way applicable to the present cases.

In the present case the facts constituting the alleged infraction by the vessel seized are not in dispute, except some circumstances of alleged aggravation not material to the validity of the seizure. And the United States Government insist: First, that such an act is not in violation of the treaty of 1818, and, second, that no then existing statute of Great Britain or Canada authorized any proceeding against the vessel for such an act, even if it could be regarded as in violation of the terms of the treaty. And no such statute has been in force since, and consequently the charge brought against the Adams, and upon which many other vessels have been seized—that of a technical violation of the Customs act in omitting to report to the Customs House, though actually on business at the port (and in some instances where the vessel seized was not within several miles of the port), the United States Government claim, while admitting that such an omission to report was a technical transgression of the act, that even if it were, no harm having been done or intended, the proceedings against the vessel for an indictment, and that are, in a high degree harsh, unreasonable, and unfriendly, especially as for many years no such effort had been given to the act in respect to the fishing vessels, and no prosecution of the change in its construction has been promulgated.

It seems apparent, therefore, that the cases in question, as they are to be considered between the two Governments, present no question of the construction of the courts of Nova Scotia need to be awaited or would be material. Nor is it any longer open to the United States Government to assert that the cases complained of will (as stated by Mr. Fish in the despatch above quoted) be repudiated as the pretensions of overzealous officers of the colonial vessels. Because they have been so many times repeated as to constitute a regular system of procedure; have been directed and approved by the Canadian Government, and have been, if not disapproved or restrained by her Majesty's Government, though repeatedly and earnestly protested against on the part of the United States; it is therefore to her Majesty's Government alone that the United States Government can look for consideration and redress. It cannot consent to become directly or indirectly a party to the proceedings complained of, nor to await their termination before the questions involved between the two Governments shall be been dealt with. Those questions appear to the United States Government to stand upon higher ground, and to be determinable by principles in large very certain degree of construction from those upon which the courts of Nova Scotia must proceed in the pending litigation.

Mr. Phelps then refers to Lord Iddesleigh's comment upon his (Mr. Phelps's) failure to reply to the arguments and points in controversy contained in the report of the Canadian Minister of Marine and Fisheries. On this point he says:

So soon as Her Majesty's Government consents to enter upon the consideration of the points involved, any suggestion it may advance will receive immediate and respectful attention on the part of the United States. Until then further argument on this subject would seem to be neither consistent or proper. Still less can the United States Government consent to be drawn at any time into a discussion of the subject with the colonial Government of Canada.

The United States Government is not able to concur in the favorable view of the Canadian Government of the efforts of the Canadian Government "to promote a friendly negotiation." That the conduct of the Government has been directed to obtaining a revision of the existing treaty cannot be doubted. But its efforts have been of such a character as to preclude the prospect of a successful negotiation so long as they continue, and so long as they continue they unfriendly relations between the United States and Great Britain. Aside from the question as to the right of American vessels to purchase bait in Canadian ports, such a construction has been given to the treaty by the United States and Great Britain as to amount almost to a declaration of complete non-intercourse. The usual comity between nations has been refused in their cases, and in one instance, at least, the ordinary offices of humanity. The treaty of friendship and amity which, in return for very important concessions by the United States to Great Britain, is reserved to the American vessels certain specific privileges, has been construed to exclude them from all other intercourse common to civilized life and common to maritime usages among nations not at war, as well as from the benefit of those which are extended to all other vessels. And quite aside from any questions arising from the construction of the treaty, the provisions of the Customs House act and regulations have been systematically enforced against American vessels for alleged petty technical violations of legal requirements in a measure so unreasonable, unfriendly, and unjust as to render the privileges conferred by the treaty practically nugatory.

What the United States Government complain of in these cases is that existing regulations have been construed with a technical strictness and enforced with a severity in cases of inadvertent and accidental violations, where no harm was done, which is both unusual and unnecessary. Heavy fines and costs in cases have been broken up and heavy penalties incurred; that the liberal and reasonable construction of those laws that have prevailed for many years, and to which the fishermen had become accustomed, were changed without any notice given, and that every opportunity of unnecessary interference with the American fishing vessels, to the injury of them and destruction of their business, has been availed of.

Whether in any one of these cases a technical violation of some requirement of law had, upon close and severe construction, been made out, is not the point at issue. But if such rules were generally enforced in such a manner in the ports of the world no vessel could sail in safety without carrying a solicitor versed in the intricacies of revenue and port regulations.

Since the receipt of Lord Iddesleigh's note the United States Government has learned with grave regret that her Majesty's assent has been given to the act of Parliament of Canada, passed at its late session, entitled an act "further to amend the act respecting fishing by foreign vessels."

By the provisions of this act any foreign ship, vessel, or boat, whether engaged in fishing or not, found within any harbor in Canada or within three marine miles of any of the "coasts, bays, or creeks of Canada," may be brought into port by any of the officers or persons mentioned in the act, her cargo searched, and her master examined on oath touching the cargo and voyage.

It is quite unnecessary to point out that grave embarrassments may arise in the relations between the United States and Great Britain under such administration as has been assumed to be adjudicated under the provisions of that act which it is not necessary at this time further to comment upon. It will be for her Majesty's Government to determine how far its sanction and support have given to proceedings which as yet the United States Government have now repeatedly complained of and have just ground to apprehend may be continued by the Canadian authorities. It was with the earnest desire of obviating the impending difficulty and of preventing collisions and dispute until such time as a permanent understanding between the two Governments could be reached that I suggested on the part of the United States in my note to Lord Iddesleigh of Sept. 11, 1886, that an ad interim construction of the treaty of 1818 in respect might be agreed upon to be carried into by instructions to be given on both sides without prejudice to the ultimate claims of either and terminable at the pleasure of either.

In view of the very grave questions which exist as to the extent of those rights in respect to which the views of the United States Government differ so widely from those insisted upon by her Majesty's Government, it does not seem to me an unreasonable proposal that the two Governments, by a temporary and mutual concession, without prejudice should adopt a modus vivendi in respect to the fisheries, some members of the committee opposed this new feature in Republican management, and held up Capt. Cregan of the Navy Yard as a frightful example, but it was approved by a vote of 84 to 7.

LEO XIII. SUPPORTS BISMARCK.

He Will Advise the Catholic Voters—Bismarck Hopes for a Big Majority.

BRESLAU, Feb. 8.—It is said that Monsignor Kopp, Catholic Bishop of Fulda, who mediated between Prussia and the Vatican in the negotiations for the revision of the May laws, has been deputed by the Pope to make a statement declaring the Pope's intentions in advising the Catholic electors to support the Government on the Septennate bill and explaining the Papal interest from a Catholic standpoint in having the Catholic electors assist in securing the success of Bismark's bill. The occasion for making this important statement will be the introduction in the Upper House of the Prussian Diet of the new Ecclesiastical bill.

ROME, Feb. 8.—Several Cardinals blame Cardinal Jacobini for the recent despatch to the Nuncio at Munich relative to the Septennate bill.

BERLIN, Feb. 8.—The *Kreuz Zeitung* publishes a communication from Prince Ilenburg Birstein protesting against the acceptance by the Centre party of the views of Dr. Windthorst regarding the Septennate bill. The Prince says that his relations with the party were of an intimate character throughout the Kulturkampf, but that they must cease if the Centre adheres to its opposition to the Government. He contends that the rights of the Reichstag will in no wise be impaired under the Septennate bill. The frequent occurrence of parliamentary debates on questions of this nature disturbs the political situation. He always doubted the expediency of any cooperation between the Centre and Progressive parties, and is now convinced that such cooperation is damaging to the interests of both the Centre and the country.

The Prince's protest has renewed the hopes of the Ministerial organs of a large majority. Among the Catholic papers there is a growing variance over the policy of the party. The *Germania* is silent in support of Windthorst, and insists that the Curia desires that the Centre should exercise the fullest liberty of action. The Westphalia *Mercury* suggests that members of the Centre be allowed individual freedom to support or oppose the septennate

Debating Parnell's Amendment.

LONDON, Feb. 8.—In the House of Commons to-day John Morley resumed the debate on Parnell's amendment. Mr. Morley said he agreed with that part of the amendment which affirmed that the remedy for the existing crisis in Irish affairs was to be found in such reform of the law and system of government as would satisfy the needs and secure the confidence of the Irish people. There was, in fact, Mr. Morley declared, no remedy short of granting to the Irish self government.

Jacob Bright (Liberal) said it was no discredit to England that she had failed to govern Ireland. The discredit was in refusing to abandon an impossible task. The attempt to govern Ireland had failed in America and Canada, and would fail in Ireland. Ireland must be treated the same as Canada.

T. P. O'Connor (Parnellite) called attention to the fact that the Government had at last frankly admitted the charge of jury packing. He said that Dillon would doubtless be tried and convicted by a packed jury.

Fighting the Socialists.

BERLIN, Feb. 8.—The police attempted to disperse a Socialist meeting in a beck brewery at Stettin last evening, but failed. A force of military was then summoned, and with fixed bayonets drove the people from the hall. Many people were wounded by bayonet thrusts, and three men were killed. The hall in which the meeting was held was completely wrecked. At Magdeburg yesterday twenty-four Socialists were arrested on a charge of belonging to an illegal society. Among them were members of the Reichstag, and all the members of the Socialist Electoral Committee. Many Socialists have been expelled from Friedrichsberg.

An American Swindler in London.

LONDON, Feb. 8.—George Franklin Anderson, who is described as an American Judge from Detroit, Mich., was to day committed for trial on a charge of having swindled Charles Deakin of Susquehanna, Pa., out of large sums of money under the pretence that they were necessary for expenses incurred in securing for the plaintiff a valuable inheritance. In the trial of Mr. Deakin's son testified that Anderson's wife offered $6,000 as a bribe to the plaintiff to withdraw the charge.

The Italian Ministry Resigns.

ROME, Feb. 8.—Prime Minister Depretis announced to the Chamber of Deputies this afternoon that the entire Cabinet had resigned. Signor Depretis accompanied his announcement with the statement that King Humbert had accepted the resignations, but that, pending the appointment of their successors, all the Ministers would continue to perform the duties of their respective departments. The Ministers resigned, Signor Depretis explained, because of their doubtful position in Parliament.

Money for National Defence.

BRUSSELS, Feb. 8.—The Government has introduced a bill into the Chamber of Deputies for extra budget appropriations amounting to 49,000,000 francs, of which 16,000,000 francs are asked for pressing military measures.

PARIS, Feb. 8.—The Chamber of Deputies to-day passed without debate the extra budgets asked for the War and Naval Departments.

Russian Troops Massing in the South.

LONDON, Feb. 8.—Reports received from various directions reassert that troops are being concentrated in southern Russia.

The Battles Near Massowah.

ROME, Feb. 8.—It is said that the Abyssinians lost 5,000 men in the battles in which the Italian forces were defeated near Massowah, in the Soudan, on Jan. 26 and 27.

The Last Tour to Old Point Comfort.

The last of the Pennsylvania Railroad Company's series of pleasure tours to Old Point Comfort will be made on Feb. 10. The round-trip rate from New York will be $11, which includes the price of one day's board at the Hygeia Hotel. The tickets will be good for the return trip, five days, and during that time a specially reduced rate of $3 per day will be granted at the hotel.

What Alex Hudnut is Doing.

We have said very little recently in the columns of the *Wall Street Daily News* in regard to the sale of the wonderful Ka-ren remedies, which the editor and proprietor of this journal has put upon public sale as a public benefit.

These Ka-ren remedies cure ordinary hoarseness in one hour, a bad cold over night, and severe cases of bronchial difficulty in a short time by continuous use. In regard to the sale of the Ka-ren remedies we received the following note yesterday from Alex Hudnut, who is one of the many leading druggists who are now overrun with orders by customers:

HUDNUT'S PHARMACY, HERALD BUILDING,
218 BROADWAY, NEW YORK, Feb. 8, 1887.

Charles D. Kerp, Esq.

DEAR SIR: The sales of your Ka-ren remedies have been unprecedented in an experience of over thirty years in this business. Your Ka-ren remedies are so popular that we have been keeping up a supply of the goods, which has necessitated employing a special messenger to run between your place and ours. We heartily congratulate you upon your success. Very truly yours,

ALEX HUDNUT.

From to-day's *Wall Street Daily News.*—Adv.

FINANCIAL AND COMMERCIAL.

New York Stock Exchange—Sales Feb. 8.

UNITED STATES AND STATE BONDS (IN $1,000s).

30 U. S. 4s, r	128¾	4 Ark. 7s, Mem. & L. Rock	22
10 N. C. con 4s	100¼@100	10 Tenn. Set. 3s	78¾
45 V. 6s, dev., T. R.	135¼@135¾		

RAILROAD AND OTHER BONDS (IN $1,000s).

5 Atl. A Pac in	27¾	46 N. O. & P. 1st	81¼@81¾
3 Amer. Dock & Imp. 5s	101¾	7 N. Y. & Sus. deb	63
23 Burl. & No. 5s	111¼@111¾	3 N. J. Cen. con. as	10
15 Ch. & Ind. Coal 1st	101@100	181 N. Y. & North T. R.	72¼@71¾
5 Ch. & O., S. W. mort	101¼	60 N. Y. Chic. & St. L. 1st	103¼@103¾
2 Ch. & O., so. B.	77¾	5 N. Y. Chic. & St. L. 2d	94
2 Ch. & Mil. 1st	120¾	14 N. W. con	140@139
10 Chic. Pac. 5s	114¼	17 Ohio & Miss. con. S. F.	118
12 Ch. & E. Ill. 1st	116@115¾	10 Or. R. & N. 1st	109¼@100
1 Col. Coal 6s	108¾	5 Or., R. & N. cn.	104¾
3 Den. & R. G. 1st, 4s	70	14 Ohio So. 1st	103¼@103
115 Erie 2d, ex.	97¾@97¾	7 Ohio So. inc	42¾@42¾
1 Erie 5th, ex	105¼	10 Or. S. L. 6s	107¾
28 E. Tenn. 5s, g.	99	1 Oregon Nav. 1st	101
15 Gulf & St. Fe 1st	122¾@123¼	10 Pacific of Mo. 1st	102
7 Green Bay 1st	108¾@109	30 Peo., D. & E. in	34