

THE ALDRICH CURRENCY PLAN

A RESERVE ASSOCIATION FOR ALL NATIONAL BANKS.

The Senator Would Divide the Country Into 15 Districts, With a Branch of the Reserve Association in Each. No New National Bank Notes.

WASHINGTON, Jan. 17.—Senator Nelson W. Aldrich's scheme of monetary and banking reform for the country was presented at a meeting of the National Monetary Commission here this morning. The Senator had expected to present the plan in person, but had to leave for the South on account of illness. He accordingly laid it before the commission through Representative Edward B. Vreeland, vice-chairman of the commission. The plan as submitted by Senator Aldrich represents merely his personal views, and he submits them to the commission as such.

The outline of Senator Aldrich's plan is prefaced by a preliminary statement to the commission. Here is the Senator's plan as it was submitted to the commission.

"It is proposed to charter the Reserve Association of America, which will be the principal fiscal agent of the Government of the United States. The authorized capital of the reserve association shall be approximately \$300,000,000. The length of its charter shall be fifty years. The head office of the association shall be in Washington, D. C.

The country shall be divided into fifteen districts, and a branch of the Reserve Association shall be located in each district.

The Reserve Association and its branches shall be exempt from State and local taxation except in respect to taxes upon real estate owned by it.

Only national banks of the classes hereinafter provided for may subscribe to the capital stock of the Reserve Association. A national bank having a minimum capital of at least \$25,000 may subscribe to an amount of capital stock of the Reserve Association equal to 20 per cent of the stock of the subscribing national bank, and not less, and each of such subscribing banks shall become a member of a local association as hereinafter provided for.

Fifty per cent of the subscriptions to the capital stock of the Reserve Association shall be called in cash; the balance of the subscriptions will remain a liability of the stockholders, subject to call.

Shares of the capital stock of the Reserve Association will not be transferable, and under no circumstances may they be owned by any corporation other than the subscribing national bank, nor by any individual, nor may they be owned by any national bank in any other amount than in the proportion here provided.

EARNINGS AND DIVIDENDS.—The earnings of the Reserve Association shall be distributed in the following manner:

After the payment of all expenses and taxes the stockholders shall receive a per cent. Further earnings shall be divided one-half to go to the surplus of the Reserve Association until that surplus shall amount to 20 per cent of the paid in capital, one-fourth to go to the Government of the United States, and one-fourth to the stockholders; but when the stockholders' dividends shall reach 5 per cent they shall receive an additional distribution.

After the stockholders receive a per cent the earnings shall be divided one-half to be added to the surplus of the Reserve Association and one-half to go to the Government. After the stockholders receive a per cent the surplus of the Reserve Association shall be divided into 20 per cent of the paid in capital, all excess earnings shall go to the Government.

The Government shall have the right to demand deposits by law to be held against demand deposits by national banks, except as otherwise provided herein, in the same manner as provided for in the Reserve Association shall be counted as a part of its legal reserve.

NOTE.—There is hereafter to be no further issue, beyond the amount now outstanding, of bank notes by national banks. National banks shall be authorized to issue bank notes, but whenever a bank retires the whole of any part of its existing issue it will permanently surrender its right to issue further notes.

The Reserve Association must, for a period of one year, offer to purchase at a price not less than par and accepted by the Government, the notes held by national banks and deposited to secure their circulating notes. The Reserve Association shall take over these notes with the existing responsibility attached, and assume responsibility for the redemption upon presentation of the outstanding notes secured thereby.

The Reserve Association shall issue, on the terms of the present act, bonds in exchange for the outstanding notes secured by this act. The bonds shall be presented for redemption, it being the policy of the United States to retire as rapidly as possible, consistent with the public interest, bond secured circulation, and to substitute therefor notes of the Reserve Association of a character and secured as provided in this act.

The Reserve Association agrees to hold, for a period of not less than ten years, the bonds so purchased, or until the Government security which may be exchanged for them by refunding or otherwise. The Reserve Association, however, shall have the right to sell the bonds to the Secretary of the Treasury, after two years to dispose annually of \$50,000,000 of the bonds held by it to secure circulation. The bonds so sold shall be held by the Reserve Association, through the trustee of the postal savings bank or otherwise, any or all of such bonds to be held by the Reserve Association.

If the Government should adopt the policy of issuing securities at a higher rate of interest than 2 per cent, the Reserve Association shall have the right to exchange at par the Government securities which it may have acquired from the national banks, previously held by it to secure circulation, for any bonds bearing an interest rate in excess of 2 per cent, but in that event the amount of annual taxes to be paid on notes based upon such new securities shall be as much greater as the interest rate on the new securities shall exceed 2 per cent.

To illustrate: If the Government should decide hereafter to issue a 2 1/2 per cent note, the rate of taxation on currency issued by the Reserve Association thereon would be 1 per cent, instead of one-half of 1 per cent, as on the existing issue, and upon a 3 per cent bond the rate of taxation would be 1 1/2 per cent.

In addition to the authority to issue notes to replace any national bank notes outstanding at the time of the organization of the Reserve Association, it shall have the right to issue additional circulating notes as follows: The whole or any part of the first \$100,000,000 of such additional notes shall pay at the Government rate of interest, but not more than \$100,000,000 may be issued at an annual tax of 4 per cent, and not more than \$200,000,000 shall pay an annual tax of 6 per cent.

All notes issued by the Reserve Association must be secured to the extent of at least one-third by gold or other lawful money, and the remaining portion by bonds of the United States or bankable commercial paper, or by a combination of both. It shall be provided, however, that the Reserve Association may also hold in its reserve foreign coin, or that it may issue notes secured by bills against foreign coin. The notes are to constitute a first lien upon all the assets

of the Reserve Association, and adequate provision must be made for their immediate redemption in lawful money on presentation of the Reserve Association or any of its branches.

The notes of the Reserve Association shall be received at par in payment of all debts, dues, and other claims, and other debts and demands owing by the United States to individuals, corporations or associations, except obligations of the Government which are payable in gold, and for all debts due from one national bank to another, and for all obligations due to a national bank.

The Reserve Association shall, on application of the local association, forward its circulating notes to any depositing bank against its credit balance.

SHIP SUBSIDY VOTE.—Gallinger Endeavors in Vain to Have a Date for It Fixed.

WASHINGTON, Jan. 17.—Senator Gallinger today endeavored to secure an agreement that the Senate vote on a ship subsidy bill on Thursday, January 20. Senator Clapp of Minnesota, Chairman of the Finance Committee, and other members of the Senate, however, opposed the bill, and Senator Gallinger was unable to secure a vote.

Senator Burton of Ohio said that while he intended to speak in opposition to the bill he did not object to an early vote. He thought, however, a definite date should not be fixed at this time for final action on the measure.

Senator Hale of Maine again admonished the Senate that if the unfinished business was to be deferred from day to day a situation would speedily arise where it would be impossible to pass anything but appropriation bills. A special session of Congress would be the result of the present course of the Senate, he said.

The country wanted a rest, he said, instead of an extra session of Congress after March 1. Senator Clapp of Minnesota disclaimed any purpose of delaying consideration of the bill and said that in his judgment the best way to reach an early vote was to take the bill from day to day until a vote was had rather than to fix a definite date far in advance for a vote.

Senator Gallinger tried to close the discussion by announcing that to-morrow he would name a day on which he would insist upon consideration of the bill until it had been finally disposed of.

CANADA AT DIPLOMATIC DINNER.—Minister of Finance Fielding One of the Guests of Mr. Taft.

WASHINGTON, Jan. 17.—Canada does not maintain diplomatic relations with the United States, but for the first time in history she was represented to-night at the annual dinner given by President and Mrs. Taft to the members of the Diplomatic Corps. Ambassador and Mrs. Bryce were at the dinner as representatives of Great Britain, but W. S. Fielding, Minister of Finance of Canada, Mrs. Fielding and Miss Edith Fielding were also guests of the President and Mrs. Taft.

Mr. Fielding is in Washington as one of the Canadian representatives in the reciprocal negotiations. The diplomatic dinner is one of the most brilliant of the White House season. Every country in the world which maintains diplomatic relations with the United States was represented to-night.

Among the guests outside of the Diplomatic Corps were Senators Root, Cullom and Bacon, Representative Foss of Illinois, and Mrs. Foss, Representative and Mrs. Longworth, the Misses Catherine and Harriet Anderson, guests at the White House, and Miss Helen Taft, President Lloyd Garrison of the New York county Republican committee, and Mrs. Garrison and Ezra P. Prentice, former Republican State chairman of New York, were also present.

PROBATE COURT.—House Approves an Amendment to That Effect in Appropriation Bill.

WASHINGTON, Jan. 17.—The House today put through the army appropriation bill and proceeded to the consideration of the post office appropriation bill. Among the amendments incorporated in the army bill was one authorizing the purchase of aeroplanes for the army.

Representative Sulzer of New York delivered a speech on the post bill urging the establishment of a system of parcels post. The agricultural appropriation bill was read and amended, and taken up immediately upon the passage of the post bill.

Presidential Nominations.—WASHINGTON, Jan. 17.—The President sent the following nominations to the Senate to-day:

To be a Captain General, Ernest L. Harris of Illinois, and Stenholm, Sweden. To be Consul, Arthur J. Clark of the District of Columbia, at Buenos Aires, Jose de Calvo of Missouri, at Madrid, India, Thomas M. W. Smith of New York, at Mexico. To be United States Circuit Judge, Elgin Circuit, Walter L. Smith of Iowa.

To be United States District Judge, Eastern District of Washington, Frank M. Rudolph of Washington.

Commander to be a Captain, Robert F. Lopez.

Movements of Naval Vessels.—WASHINGTON, Jan. 17.—The cruisers West Virginia and Maryland have arrived at San Francisco, the cruiser Yankton and collier Lebanon at Guantanamo, the torpedo boat Stringham at Norfolk and the tug bucket at Indian Head.

The despatch boat Dolphin has sailed from Washington for Hampton Roads, the destroyers Paulding, Drayton, Bee and Fox have sailed for Key West, the gunboat Wheeling from Portsmouth, N. H., for New York and the cruisers Birmingham and Salom from Guantanamo for San Juan Bay, Santo Domingo.

Army and Navy Orders.—WASHINGTON, Jan. 17.—These army orders have been issued:

Capt. Edwin D. Kilbourne, Medical Corps, on duty at Fort Hancock, Cal., to Columbus Barracks, Ohio.

Capt. Charles E. Morse, Medical Corps, on duty at Fort Hancock, Cal., to General Hospital, Fort George H. Scott, Medical Corps, to Fort Bayard.

Major Joseph T. Clark, Medical Corps, from Fort Hancock, Cal., to Columbus Barracks, Ohio.

Major Frederick A. Gale, Medical Corps, from Fort Hancock, Cal., to Columbus Barracks, Ohio.

Capt. Louis B. Brechenfeld, Medical Corps, from General Hospital, Fort George H. Scott, to Fort Hancock, Cal.

Capt. W. J. Boske, Medical Corps, from General Hospital, Fort George H. Scott, to Columbus Barracks, Ohio.

PSYCHICS FAVOR DR. COOK

CHEERING NEWS FOR HIM FROM THE SPIRIT WORLD.

Representative Roberts Hears From Lawyer Colburn, Who in Turn Had Heard From Stead Sir John Franklin's Was the Spirit Who Guided Cook.

WASHINGTON, Jan. 17.—According to the testimony of some disembodied spirits neither Dr. Cook nor Civil Engineer Peary reached the north pole, although Dr. Cook got nearer to the goal than his rival.

This astonishing statement is contained in a letter from W. R. Stead of the Review of Reviews of London to Arthur Rollinson Colburn, a lawyer of this city, and forwarded by Mr. Colburn to Representative Roberts of Massachusetts, a member of the House Committee on Naval Affairs, who has been outspoken in his opposition to the proposition that Congress reward Peary for his Arctic explorations.

In Mr. Stead's letter to Mr. Colburn he says: "With regard to the pole controversy, the only message which we have received on the subject was one from Sir John Franklin last year. He did not say anything about Peary, but said he had personally conducted Cook nearly to the pole and then left him to complete the journey himself. Seeing you have received a communication in the same sense, I thought this would interest you."

Mr. Colburn adds: "It is most noteworthy that the testimony of the spirit world is unanimous that neither explorer reached the pole, but that Cook got nearer than Peary. This testimony I have received, and friends of mine likewise, from probably a hundred spirits ranging from those who simply have powers to receive correct mental impressions to those who have the wonderments of the independent voice, materializations, etc. And, too, these psychics represent all phases of the human condition, from those who are deeply interested to those who think the whole matter a piece of folly, inconsequential and valueless."

Mr. Colburn thinks the strangest feature about the communication from Mr. Stead is the statement that when near the pole the spirit of Sir John Franklin left Dr. Cook to finish the journey alone.

It was a diplomatic way of avoiding the announcement of technical failure, although a substantial success. His own forces might by that time have become depleted, you will understand that if you understand the subject of spirit action and the forces used and it may have been necessary for him to give way to those of greater vital power. Indians, for example, to sustain him on his return. Perhaps to have carried him further would have been to sacrifice him.

But compare the above with what a friend of mine received about the time the letter from Mr. Stead was written. He is the president of a corporation here in Washington. With him I visited a physician of great psychic power. He received through his own hand the signatures, correctly, of the friends of the doctor, and he then about nine Arctic explorers' signatures, including one whom my friend had never heard of. Then Sir John Franklin, in his own proper handwriting, gave an extended message on the subject—the pole controversy. Giving it from memory as best I can, it was that he, Sir John, was the inspirer and sustainer of Cook in his quest; that the cold was so intense that the breath would freeze upon the instruments, welding or interfering with their working parts, and rendering them useless. The effect of the cold on the mind was to render it dreamy and unable to think in a normal way or to make observations; that the monotony, mirages, hardships and exposure made every thing around seem fantastic and that any observations made under such circumstances were valueless and that reliable evidence could not be obtained. My friend did not know the handwriting of Sir John, but on comparison it was found to be all right and satisfactory. Sir John said that he got somewhat nearer the pole than Peary.

Mr. Colburn concludes his letter by stating that "Lieut. Booth Lockwood has communicated with us at our home through a great train medium and sustains Cook as against Peary."

MRS. EDDY'S WILL PROBATED.—Court Allows Document in Solemn Form at Concord.

CONCORD, N. H., Jan. 17.—The will of the late Mary Baker E. Eddy, together with two codicils, was proved in solemn form at 3 o'clock this afternoon in the Probate Court for Merrimack county in this city. Judge Charles R. Corning presiding.

There was present Henry E. Baker, executor, and his counsel, Frank S. Steiner of this city, William A. Morse and Samuel J. Elder of Boston, Josiah B. Fernald of this city and Adam H. Dickey and Archibald McLellan of Boston, trustees under the deed of trust which Mrs. Eddy executed by which she gave her fortune into their keeping.

All the living witnesses to the will and codicils were present. They are Alvin B. Cross, Concord; Mary E. Thompson, Josiah E. Fernald, the Rev. Irving C. Tomlinson, and Calvin C. Hill. Mary E. Tomlinson, a witness to the original will of 1901 and to its duplicate in 1904, a sister of the Rev. Mr. Tomlinson, is dead, as is also another witness, the late Myron J. Pratt of this city.

Although it has been said that the proving of the will would in no wise be contested in the Probate Court, Dr. W. C. Howe, of counsel who are asking both the State and Federal courts for a construction of the will, was present, and made some suggestions as to the form of several of the probate documents. At his request Mr. Howe was appointed guardian of the property of George W. Glover of Lead City, S. D.

Judge George M. Fletcher of this city was appointed as agent to represent in the probate proceedings the legatees under the will of Mrs. Eddy who reside outside of the State.

After inquiring if any one desired to be heard, further Judge Corning announced that the will was allowed in solemn form.

There have been rumors of a settlement of the estate of Mrs. Eddy, but the litigation would go no further. These rumors were given out this afternoon by representatives of both sides.

Papers served on Executor Baker today require him to answer the petition of George W. Glover for a construction of the residuary clause in the will within two months, but it is not anticipated that issue will be actually joined before the regular term of court in April. No petition was served on Mr. Baker by the United States Circuit Court in the petition of Dr. E. J. Foster Eddy, whose bill is in effect the same as that filed by Glover in the State court.

12,000 Shirtmakers Ask More Wages.—The Shirtmakers Union has made demands affecting 12,000 shirtmakers for higher wages and a shorter workday. No general strike is likely, it is said, but strikes are to be ordered in shops which refuse to grant the demands. The proposed new shirtmakers' union, which may be averted by settlement with individual employers.

Prof. McVane to Retire From Harvard.—CAMBRIDGE, Mass., Jan. 17.—Prof. Silas McVane, oldest active member of the faculty of arts and sciences at Harvard, announces that he will retire in the spring. Prof. McVane is professor of the history of the United States. He was the founder of the courses known as History I and Government I. He became a member of the faculty in 1875. He has twenty years' experience in the teaching of all the university courses and examinations.

MAYOR PICKS ELECTION BOARD

BUT WILL ASK THE LEGISLATURE TO ABOLISH IT.

William Leary, J. Gabriel Britt, John E. Smith and J. G. McMahon Nominations by Manhattan Republicans and Brooklyn Democrats Rejected.

Mayor Gaynor has named as the new Board of Elections Gabriel Britt (Dem.) and William Leary (Rep.), Manhattan, and John E. Smith (Rep.) and J. G. McMahon (Dem.) Brooklyn. Commissioner Smith is the only man reappointed. Mr. Leary and Mr. McMahon the Mayor picked out himself, rejecting the recommendations made by the county organizations.

The Republican organization of this county suggested Moses M. McKee, the Republican leader of the Twenty-first Assembly district, but the Mayor refused to appoint him because he was a district leader. The Brooklyn Democrats wanted James Kane reappointed, although the Commissioner of Accounts had criticized him severely. The Mayor in rejecting these recommendations asked the organizations to present other names, but they did not comply and he picked out his own men. In the case of the two other appointments the Mayor followed the recommendations of the organizations.

It is the Mayor's purpose to have a bill introduced at Albany going away with the bipartisan Board of Elections. He wants a single head. The result of his partisanship, he finds, is that the courts really do the work which the board is supposed to do, for the reason that as the board is equally divided disputes have to be carried to the courts for settlement.

William Leary was State Superintendent of Elections. Gov. Dix refused to reappoint him.

"Mr. Leary," the Mayor said, yesterday "was my own selection because I recognized him while he was in charge of the office of Superintendent of Elections as the best and fairest man we ever had at the head of that department and it was due to him that illegal practices and intimidation of voters were done away at recent elections."

Mr. Britt will be the chairman of the new board. He is a lawyer and a former Assistant Corporation Counsel. Mr. McMahon is a lawyer. Mr. Smith was several years private secretary to Timothy L. Woodruff and secretary of the Republican county committee of Kings. The salary is \$3,000.

BISHOP TELLS THE COLONY CLUB ABOUT FRENCH PRODIGES WHO WIN PRIZES.

Corliss F. Bishop, ex-president of the Aero Club of America, explained aviation to the Colony Club in the club rooms on Madison avenue yesterday. He illustrated his remarks with lantern slides.

He called attention to the fact that there are now five licensed woman aviators, besides several other women, who are flying. Helen Dutrieu of France, who recently won the £2,000 cup by a flight of 105 miles in two hours and thirty-five minutes, was cited as an example of what women are accomplishing in the sport. Mr. Bishop said that although Miss Dutrieu had exceeded the time of a flying record of two hours and two minutes, Blériot himself has never made a two hour flight. Other women aviators mentioned were Mrs. Lathrop of London, Mrs. Maryling, Miss Niel Koehlin and Miss Frank.

At the close of Mr. Bishop's talk moving pictures of the Belmont Park meet were exhibited.

BANK SUPERINTENDENT WINS.—Test Case in Matters Involving Nearly \$1,000,000 to Be Appealed.

The suit brought by Bank Superintendent Cheney against August C. Schermann as a stockholder in the defunct Lafayette Trust Company to recover \$300,000 from him for the benefit of creditors was decided in favor of the plaintiff yesterday on points of law by Justice Aspinwall in the Supreme Court in Brooklyn.

The defendant, a brewer, held 300 shares of stock in the institution, for which the Banking Department demanded face value. He demanded was allowed by Justice Aspinwall under section 19 of the banking laws of 1908.

Almet E. Latson as counsel for the defendant waived the right to jury trial and moved the dismissal of the complaint on the ground that the Banking Superintendent is not empowered by law to call upon the stockholders to make losses good until he has used up every other available resource. Counsel for Mr. Cheney held that the later laws of 1908 empower the Banking Superintendent to proceed against the stockholders whenever he sees fit.

The suit was a test one, and Mr. Latson, as counsel for the defunct trust company, said that he would take to the Court of Appeals the case if the Supreme Court decided against him. The amounts involved aggregate nearly \$1,000,000.

EMPLOYERS' LIABILITY SUIT.—Test Before the Court of Appeals of Recent Legislation.

ALBANY, Jan. 17.—One of the most important cases that have come before the Court of Appeals in some years is that of Ives against the South Buffalo Railway Company, which was argued to-day. The case involves the constitutionality of the acts passed at the last session of the Legislature providing for graduated scales of compensation for employees injured in certain specified dangerous employments.

In this case an employee of a railroad was injured. The question is of great importance because other States have adopted or are about to adopt legislation along the lines of the New York State act. The plaintiff was thrown from a car and no contention is made that the railroad company was guilty of negligence. Louis Marshall and Charles B. Sears of New York argued the case for the defendant railroad company and Thomas C. Burke for the plaintiff.

To Take Howard Gould's Testimony in Paris.—Supreme Court Justice Goff yesterday directed the United States Consul at Paris to take the testimony of Howard Gould in a suit brought against Gould by Cartier, the Paris jeweler, for \$1,000,000 on a bill rendered to Kathrine Clemmens Gould before she got her decree of separation.

Child Welfare Exhibit Opens To-night.—The child welfare exhibit, got up by the Child Welfare Committee, of which John Sherman Hoyt is chairman, opens to-night at the Seventy-first Regiment Armory, Thirty-fourth street and Park avenue. Admission is free. There will be a music programme in which 1,000 children from the public schools will take part. Robert W. DeForest will make the opening address, turning the exhibit over to the city. Mrs. J. Borden Harrison, chairman of the women's committee, and Borough President McAnany, representing the city, will speak. William M. Kingsley, vice-president of the United States Trust Company, will preside.

F. CHAUVENET'S Red Cap THE RED SPARKLING WINE OF FRANCE

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MAYOR PICKS ELECTION BOARD BUT WILL ASK THE LEGISLATURE TO ABOLISH IT. Furniture of Old-World Elegance IT was Thomas Sheraton, with his delicately refined Tables, Chairs and Sideboards, who gave that distinction to the Georgian Dining Room with which the etchings of Dendy Sadler have made us familiar. In one of our Galleries will be found a collection of Furniture exactly reproduced from Sheraton originals. It includes a typical Swell-fronted Sideboard, a set of superb Chairs, a round Dining Table and a Lattice-fronted China Cabinet. Fashioned from richly hued Spanish Mahogany, inlaid, in Sheraton's favorite style, with East India Satinwood, this gathering offers an opportunity for the selection of Furniture which breathes a sentiment of old-time elegance and distinction. The Grand Rapids Furniture Company 34 and 36 West 32d Street Between Fifth Ave. & Broadway New York

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