

GARY FOR FEDERAL CONTROL

STEEL MAN SUGGESTS INTER-STATE TRADE COMMISSION

And Would Endow This Commission With as Broad Powers Over Industrial Corporations as is Now Exercised by Commerce Commission Over Railroads.

WASHINGTON, Nov. 29.—Regulation of corporations through a Federal commission, even to the extent of fixing prices, was advocated to-day before the Senate Committee on Interstate Commerce by Judge E. H. Gary of the United States Steel Corporation. Judge Gary declared that "the only regulation adequate to deal with modern aggregations of capital is regulation by the Federal Government."

The executive head of the Steel Corporation was followed with keen interest by the members of the Senate committee and by the large crowd that turned out to hear him. Judge Gary was on the stand practically the entire day. He will appear before the committee again Wednesday or Thursday of next week to elaborate his plan of Government control of interstate corporations. The Gary plan for control of corporations would endow the proposed industrial commission with as broad supervising powers over industrial corporations as is now exercised by the Interstate Commerce Commission over the railroads of the country.

Senator Cummins of Colorado, a member of the committee, attacked the constitutionality of the Gary plan, which embraces the Federal license proposal and the right to enter into trade agreements, but Judge Gary insisted that the law he suggested would stand the test of judicial procedure. The Gary plan coincides with the bill in its aim so far as Federal incorporation is involved, but Mr. Taft has never gone to the extent of advocating price fixing by the Federal Government.

"I believe," said Judge Gary, "that the sentiment of the country and the principles of law in their application are being modified under changing conditions. I believe that even private corporations, so called, are reaching the position where they are in principle more or less quasi-public corporations. I believe that the Government has the right under the Constitution in the regulation of interstate commerce to say that there shall be a maximum price fixed for the sale of the products of a manufacturer, when such provision is necessary to do so in order to prevent undue restraint of trade."

Judge Gary proclaimed his belief in "fair, honest and healthy competition." "It is the opposite of restraint of trade," he said. "Unrestrained competition in the end results in monopoly and restraint of trade."

Judge Gary outlined his plan as follows: First—Every corporation engaged in interstate commerce should be required to obtain Federal license, which would be granted only upon the following conditions: A.—That the utmost public policy should be observed in all matters specified by the Federal authority. B.—That there should be no overcapitalization. C.—That prices should be the same to all customers without discrimination between persons or localities. D.—That the business should be conducted in conformity to the laws of the United States and not in contravention thereof.

If there be any other regulations capable of general application they could be made conditions of the granting and continuance of these licenses. Second—A corporation commission should be created, similar to the Interstate Commerce Commission, with power to grant these licenses, also suspend, subject to a right to appeal to the courts. This commission should be given the following powers: A.—To see to it that the conditions on which the interstate commerce licenses were granted were strictly observed. B.—To decide questions submitted by the managers of business organizations who desire to observe the law in all respects and to avoid any question of liability in their actions. C.—To regulate prices so far as necessary to prevent monopoly and restraint of trade, for example, if prices should be established by trade agreements of raw materials, such as cotton or tobacco, should be pooled or if patents should be used to the public detriment this commission should be empowered to establish maximum prices for the goods thus controlled. D.—Provision should be made for an appeal from decisions of this corporation commission to the Commerce Court or some other qualified tribunal, so that the refusal, suspension or revocation of an interstate commerce license could be reviewed by the courts before final determination of the matter.

Dr. Lyon's PERFECT Tooth Powder

neutralizes the destructive acids of the mouth—cleanses, preserves and beautifies the teeth, and imparts purity and fragrance to the breath

opinion that was written in August, 1901, by Senator Hoar of Massachusetts, who was for many years chairman of the Senate Committee on the Judiciary. "Senator Hoar held," said Judge Gary, "that an agreement between manufacturers to divide territory and maintain prices was perfectly legal, despite the Sherman law. Mr. Hoar did not believe the law was aimed at such agreements, because he was of opinion that these agreements did not restrain trade. I would not advise the ignoring of such agreements now. A change has come about. I am not so certain that such agreements are legal now. However, I am not prepared to give an opinion on the subject. We would not do now what Mr. Carnegie did a dozen years ago in the full consciousness that he was not violating the law."

Judge Gary took occasion to announce his disapproval of the proposed judicial recall. He said he would be opposed to the enforcement of laws regulating corporations by men appointed in the law. "I do not believe in the recall of judges at all," he said. "I do not say anything against the reasons of those who urge the adoption of the recall. It goes without saying that a judge may make mistakes. If the judges were all made independent of the people, independent of the rich man and independent of the poor man, there would be little danger of wrongs being committed on the bench. I think every lawyer on this committee will bear me out in this statement that there is very little corruption, very little dishonesty, among the judges. The salvation of the country lies in the courts."

Judge Gary told the committee that in his opinion elections were held too frequently in this country. "I would like to see municipal, State and national elections held all at the same time," he said. "I would like to see the term of the President of the United States extended to eight years with no reelection. I'd like to see the President absolutely independent. I have no reference now to any individual," added Judge Gary, smilingly.

Again referring to the Sherman law Judge Gary said: "It is inadequate to meet present conditions. There must be something more."

Judge Gary said he was opposed to the overcapitalization of corporations. "I think if a corporation engaged in interstate commerce is obliged to take out a Federal license that is the time to have the question determined as to whether capitalization is fair and reasonable," he said. "If a corporation controls too much of the raw products or controls too many railroads, the time to correct the abuse is when the corporation applies for a Federal license."

Speaking of the attitude of the Steel Corporation Judge Gary said: "There has never been a time since our organization that we have not been ready to observe the law in every particular." In response to a question of Senator Clapp, chairman of the committee, Judge Gary said that at present the export price of steel products is higher than the domestic price. On the average a considerable portion of steel products is sold at lower prices abroad than at home. Earlier in his testimony Judge Gary had said there was a general industrial "unrest" throughout the world. This, he said, particularly to the United States, France, Italy, Austria and to some sections of Germany.

TO TEST THE MAINE'S COAL

May Result in Navy Storing Coal Under Water Instead of in the Open Air.

WASHINGTON, Nov. 29.—The Navy Department is preparing to make tests of the calorific qualities of the coal remaining in the bunkers of the old battleship Maine for the purpose of determining the amount of deterioration due to the contact of salt water. A fifty-ton sample will be taken from the wreck now in Havana harbor and the air, it is proposed to store quantities of navy coal under water regularly. Army engineers at work on the raising of the Maine have been using coal found in the bunkers, but to determine the quality of its comparative quality has been made by them.

MAILS VIA PANAMA CANAL.

Informal Proposal by the American-Hawaiian Steamship Company.

WASHINGTON, Nov. 29.—Postmaster-General Hitchcock to-day opened the informal proposal of the American-Hawaiian Steamship Company for carrying mail through the Panama Canal. In the communication the company said that the proposals were not in conformity with the circular of the Department, but were in the nature of suggestion. The company offered to carry the mail nine sailings a month, the time from New York to Colon to be from six to seven days, and to San Francisco from eighteen to twenty days, and from San Francisco to Panama from ten to twelve days. As to compensation the company says the regular rate of four cents a pound for the regular mail is available at the opening of the canal \$700,000 per annum for ten years for the payment of subsidies for mail contracts by way of the canal. Postmaster-General Hitchcock said this afternoon that the company's suggestions would receive consideration and if they were not acceptable the contracts would be readvertised in six months.

Army and Navy Orders.

WASHINGTON, Nov. 29.—These army orders were issued today: Capt. Conrad H. Lanza, Second Field Artillery, to Vancouver Barracks, Washington. First Lieut. W. H. Sumner, Twenty-sixth Infantry, to Florida as inspector-instructor of the regular militia. Lieut.-Col. William H. Allaire, Infantry, from office of the chief of staff. Major Robert L. H. Wye, to Fourth Cavalry. Capt. George A. Purinton, to Fifth Cavalry. Capt. James L. Koch, to Fourth Cavalry. Major Jesse McCall, to Ninth Cavalry. Major Joseph G. Carter, to Ninth Cavalry. Capt. James L. Koch, to Fourth Cavalry. These navy orders were issued: Midshipman C. Q. Wright, from the Hartford. Midshipman H. M. Clay, from the Hartford to the New Jersey.

Advertisement for Washburn-Crosby's Gold Medal Flour. The ad features a large illustration of a flour sack with the 'Gold Medal' logo. Text includes: 'Give the Miller His Due, Mrs. Housewife', 'If he selects his wheat—Washes, brushes and scours it—Grinds it 20 times, so the granules are all alike—Sifts it 10 times through silk, so you get only utterly perfect flour—Then bakes a batch from every lot before it leaves the mill—He deserves recognition. It is fair to you and fair to him that you specify his flour.' Below the sack, it says 'WASHBURN-CROSBY'S GOLD MEDAL FLOUR'.

THE CONTROLLER BAY CASE

COMPLETE COLLAPSE OF CHARGES AGAINST TAFT.

Louis D. Brandeis, Gifford Pinchot's Friend, Who Investigated the Charges, Reports That No Further Action by the House Committee is Required.

WASHINGTON, Nov. 29.—The complete collapse of the so-called Controller Bay case against the Taft Administration came to-day with the publication of a letter from Louis D. Brandeis, Gifford Pinchot's friend, counsel and now attorney to Chairman Graham of the House Committee that has been investigating Alaska affairs. Mr. Brandeis was asked by the committee to investigate all the papers in the Controller Bay case and make a report to Chairman Graham. The substance of Mr. Brandeis's report is contained in this single paragraph: "I have made such examination and respectfully report that in my opinion no further action by your committee is required."

Mr. Brandeis, however, gives the opinion that the elimination from a forest reserve of a large tract of land on Controller Bay was "opposed to the best interests of the people, but I find no evidence of illegality or bad faith on the part of any Government official." Mr. Brandeis declares that the Government has evidently revoked its policy, as was signalled by the recent announcement of Walter R. Fisher, Secretary of the Interior, and that Richard S. Ryan, whose entries in the neighborhood of Controller Bay had started all the trouble, would renounce one of them. The Boston attorney who figured prominently in the Ballinger-Pinchot investigation, compliments the La Follette resolution, Senator Peckelder's bill and the Robinson-Works bill, all of which provide for the development of Alaska. He has this to say concerning the policy pursued by the Administration until recently: "The policy and method pursued by the President under which private individuals were afforded an opportunity to control the transportation of the Bearing River coal field appears now to be recognized as mistaken. Substantial agreement has been reached on the principles which should govern the immediate development and safeguarding of the resources of Alaska in the interest of the people and the main object of the proposed inquiry has been attained."

LEATHER FURNITURE

LEATHER FURNITURE IN A LARGE NUMBER OF STYLES SUITABLE FOR LIBRARY, DEN OR LIVING ROOM IS SHOWN IN THE NEW DEPARTMENT ON THE FOURTH FLOOR.

Fifth Avenue, 34th and 35th Streets, New York.

NO INTERVIEW WITH TAFT.

Frenchman's Publication of President's Casual Remarks is Repeated.

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Five New Yorkers Win Army Commissions.

WASHINGTON, Nov. 29.—Commissions will shortly be issued by Secretary of War Stimson to forty-five new officers of the army who have been appointed from civil life after competitive examinations. Five residents of New York are in the list. They are as follows: J. Ambrose O'Brien, Alexander L. P. Johnson, Dexter C. Runsey, Livingston Watrous and Augustin C. Rudd.

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Advertisement for B. Altman & Co. featuring fur and women's clothing. Text includes: 'B. Altman & Co.', 'HAVE IN PROCESS OF MANUFACTURE A LARGE QUANTITY OF FURS AND FUR GARMENTS WHICH WILL SHORTLY BE PLACED ON SALE AT EXTRAORDINARILY LOW PRICES', 'WOMEN'S DOMESTIC UNDERWEAR', 'AN UNUSUAL SHOWING IS BEING MADE OF BOUDOIR, BREAKFAST AND BED JACKETS OF CREPE DE CHINE, CHINA SILK, ALBATROSS AND VIYELLA FLANNEL; ALSO UNDERGARMENTS OF CHIFFON, CREPE DE CHINE, CHINA SILK AND FINE MUSLINS.', 'EXTRA LARGE SIZES IN WOMEN'S MUSLIN UNDERGARMENTS.', 'B. Altman & Co.', 'AN ATTRACTIVE SALE OF WOMEN'S GLOVES HAS BEEN ARRANGED FOR TO-MORROW (FRIDAY), AS FOLLOWS: WOMEN'S "MARVEX" GLACE KIDSKIN GLOVES 3-CLASP, IN BLACK, WHITE OR TANS; REGULAR PRICE \$2.00 PER PAIR AT \$1.35. WOMEN'S "MARVEX" MOUSQUETAIRE 16-BUTTON GLOVES OF GLACE KIDSKIN, BLACK OR WHITE; REGULAR PRICE \$3.50 PER PAIR AT \$2.65. WOMEN'S MOUSQUETAIRE 8-BUTTON SUEDE GLOVES IN COLORS, REGULAR PRICES \$1.50 & \$2.00 PER PAIR AT \$1.00.

Advertisement for Gilbey's Spey-Royal Pure Pot-Still All Scotch Whisky. Text includes: 'GILBEY'S SPEY-ROYAL PURE POT-STILL ALL SCOTCH WHISKY', 'It's ALL Scotch and ALL ten years old.', 'a secretary of the French Embassy and bore letters from the French Ambassador. At the French Embassy it is said that he is not related to Capt. De Chambrun, the Military Attaché of the embassy.', 'Col. Matthias W. Day to Be Retired.', 'WASHINGTON, Nov. 29.—Major-Gen. Leonard Wood, Chief of Staff of the Army, to-day approved the voluntary application for retirement of Col. Matthias W. Day of the Sixth Cavalry. Col. Day has served more than thirty-seven years and is entitled by law to go on the retired list.', 'Mr. Hillis explained that much surprise had been felt at the White House in finding that a gentleman, the cousin of the French military attaché, coming introduced by the French Ambassador, should have sought, without any authorization, to circulate as an interview his recollections of casual remarks made by the President in the course of hurried conversation. The gentleman in question was one of very large number received during a busy morning, and no interview whatever was authorized.', 'The French correspondent referred to in the official statement is Francois de Tesson, a representative of the *Matin* and *La Liberté*, who is now in New York. He was introduced to the President by