draw their proposition, or if they agree with the railroads, then the strike will take place.

"As a matter of courtesy we probably will inform President Wilson of the condition of affairs. That will not take very long. If he is disposed to try to bring about peace in spite of the apparently unbreakable deadlock we may wait for a day out of courtesy. We stand by our position and the strike will come and come swiftly unless the managers' committee withdraws its propositions."

When Seth Low last evening expressed a hopeful view of the situation he said:

"There are many points to be discussed relating to the stipulations on which the arbitration will be based, and it is the business of the new board of mediation and conciliation appointed by the President under the Newlands law to bring the parties to an agreement on such points, for without an agreement on the stipulations there can be no arbitration.

"Knowing the members of the board as I do, I am confident of their ability to do this. Both sides, I am informed, will await the coming of the board."

ROOT FINDS INCOME TAX FLAW.

Believes Incomes Accruing March 1, 1913, Cannot Be Taxed.

WASHINGTON, July 18.—Senator Elihu Root proposed an amendment to the income tax provisions of the tariff bill today which would make the income tax apply solely to incomes accruing after the bill becomes a law. The bill proposes to tax incomes received after March 1, 1913. The House bill proposed to tax incomes beginning January 1, 1913.

Senator Root said that it would be impossible to enforce the tax against incomes received between March 1 and the date the new law goes into effect.

"I believe," he said, "that the courts would hold that incomes received before the law goes into effect become a part of the property of the person taxed and that it would be found impossible to apply the income tax law provisions to it. An income becomes a part of principal after it is received."

M'CUMBER PREDICTS T.R. G. O. P. ENTRANT IN 1916

Senator Says Colonel Will Make the Fight Through Primaries.

LANSING, Mich., July 18.—United States Senator Porter J. McCumber, Republican, of North Dakota, who addressed the Michigan Bar Association on Thursday, declared in an interview to-day that Theodore Roosevelt was preparing to attempt to seize the Republican nomination for President in 1916.

"I believe Roosevelt's friends will enter his name in the primaries in the various States and he will become an active candidate for the nomination for President on the Republican ticket," said Senator McCumber. "I do not pretend to say that Roosevelt will be nominated or that, if nominated, he will be elected."

This is not the first time that the suggestion has been made in State capital political circles. Some State politicians hold the same opinion.

Progressives are loud in their denials, however, and say Roosevelt will never desert their party.

WASHINGTON, July 18.—Unusual interest was manifested to-night by Republican leaders in Congress in a statement made by Senator McCumber of North Dakota in an interview at Lansing, Mich., to-day, that Col. Roosevelt's friends are planning to have him become a candidate in the primaries in 1916 for the Republican nomination for President.

A number of other Republican Senators expect to see Col. Roosevelt enter the race. Not long ago the suggestion that the Republicans and the Progressives should get together on a programme looking to the nomination of Col. Roosevelt in 1916 was made by a friend of Col. Roosevelt to one of the progressive Republican Senators.

The Colonel's friend said that he had no assurances that Col. Roosevelt would consent to any such arrangement, but believed that he could be induced to accept the nomination if the Republican party should be reorganized on a progressive basis and the Colonel could be convinced that it was his patriotic duty to make the sacrifice.

PAID $4,680 TOO MUCH ALIMONY.

Sutton Finds Ex-Wife Remarried Six Years Ago.

Supreme Court Justice Goff signed an order yesterday cutting off alimony of $15 a week from a woman who has been collecting it from her first husband during six years that she has been married to a second.

The alimony was paid by Eugene D. Sutton, who was divorced by Mrs. Isabella Sutton in 1902. Since that time Sutton has continued to pay $15 a week through his wife's attorney, William M. Sullivan.

He had no idea that his wife was married again until his daughter, Mrs. Justine Sutton Gray, began proceedings against her husband, John Boyd Gray, a broker, when he found that Mrs. Sutton was married to Edgar Bates Sharpe in 1907.

Mrs. Sharpe admitted that she married Sharpe six years ago and that she believed she was justified in keeping her marriage a secret and accepting alimony from Sutton because of the hardships she endured in providing for her two children before she married Sharpe. She said that her second husband was well able to provide for her and had urged her to give up her alimony, "but I refused because I wanted Mr. Sutton to have as hard a time as possible."

HENWOOD NEARER GALLOWS.

Colorado Court Denies Application for Rehearing of Case.

DENVER, Col., July 18.—Judge Butler denied to-day an application for a rehearing of the case of Harold Frank Henwood, sentenced to be hanged for the killing of George E. Copeland in 1911 during a quarrel with Sylvester von Puhl of St. Louis, whom he also killed.

The only legal step now between Henwood and hanging is a grant of seven days for the defence to file a bill of arrested judgment.

Henwood, while promoting a new gas process in Denver for a New Jersey concern, encountered Von Puhl, an aeronaut, at the bar of a Denver hotel on the night of May 24, 1911. There was a quarrel. Henwood drew a revolver and shot in the direction of Von Puhl.

George E. Copeland, a mine owner, and J. W. Atkinson, a contractor, were hit by stray bullets. Copeland died on June 1, and on June 29 Henwood was found guilty of murder in the second degree. Von Puhl died the day following the shooting.

SEEK NEW PRESIDENT FOR THE NEW HAVEN

Committee Named Will Meet Next Week to Compare Suggestions.

WHY MELLEN RESIGNED

Says the Situation Demanded It, but He Will Be Justified in the Future.

A committee of six New Haven Railroad directors, instructed to find a successor to President Charles S. Mellen, whose resignation was accepted yesterday, will meet next week, probably on Wednesday, to discuss informally the qualifications of possible candidates whom members of the committee will be ready to suggest at that time.

The committeemen are J. P. Morgan, Theordore N. Vail, Samuel Rea, William Skinner, Edward Milligan and Robert W. Taft.

A particularly well informed director said last night that thus far the board hasn't even a suspicion as to who the new president will be. Professional guessers have succeeded in "mentioning" a dozen men for the post, but according to the best information the field is still open. This director said that so far as he knew the name of Howard Elliott, president of the Northern Pacific, whom rumor has pushed to the front, had not been considered at any meeting of the board and for that matter nobody else had been considered either.

"The committee," added the director, "will propably need a good deal of time to make a selection for the consideration of the board. Each member will be expected to canvass the field himself and to lay his opinions before the other members at next week's conference.

Sorry Mellen Resigned.

"As to Mr. Mellen," the director added, "the board is sorry that he felt compelled to resign and it did not want him to go. The matter of his resignation never came up in a board meeting until it was received from him on Thursday. The directors know Mr. Mellen and his habit of determination. When he asked to be relieved of the presidency there was nothing to do but acquiesce. Personally I believe the time will come when New England will appreciate the value of Mr. Mellen's services and will realize that it has profited by his administration."

On the Stock Exchange New Haven shares opened at 105¾ yesterday morning, a point and a quarter above Thursday's closing price. About noon it reached 106½, but took a tumble in the afternoon and closed at 102, a drop of 2½ points since Thursday.

Followers of the market figured that the morning rise reflected an opinion that public confidence in the company would rise as a result of the Mellen resignation, but that diagnosis was upset by the later slump. Trading amounted to 2,200 shares, about twice the total of the average day recently. New Haven 6 per cent. bonds opened at 116, the closing price of Thursday, and closed at 114¾.

Quarterly Dividend Declared.

The directors declared the quarterly stock dividend of 1½ per cent. yesterday, the annual rate of 8 per cent. having been dropped to 6 per cent. at the last annual meeting.

Yesterday's directors' meeting was not as well attended as that of Thursday. It was very short, beginning a little after noon and closing at 1:30 o'clock. Most of the time the directors were at luncheon with several officers of the road in the dining room adjoining Mr. Mellen's office. Mr. Mellen left for Stockbridge at 1:35, saying he was going to have a good rest—"which," he said, "I need."

This report of the meeting, with Mr. Mellen's reason for resigning, was supplied by Edward G. Riggs, executive assistant:

"In a conference between a committee of the board and Mr. Mellen (the same committee named above) Mr. Mellen stated that in his opinion a condition existed that was full of disquieting possibilities for the New Haven railroad and its allied property; that it was useless to discuss the reasons for or the causes of that condition; that it had to be met, and the only way it could be met, having proper consideration for the property, was by his resignation; that he felt that everything he had done was and would be in time justified, but that there was a question whether if he remained to work the problem to that justification it would not be still further embarrassed. Therefore he resigned.

Appreciate His Work.

"The committee after considering Mr. Mellen's statement accepted his conclusion with great reluctance and at the same time with full appreciation of his work.

"The resignation of Mr. Mellen was accepted by the board to take effect upon the appointment of his successor, and the committee was instructed to consider the selection of such successor.

"At the meeting of the New Haven directors practically no business was transacted beyond the discussion occasioned by Mr. Mellen's resignation and the declaration of the dividend payable September 30, which is always declared at this time of the year, the August meeting being always omitted.

"No discussion whatever was had of the Prouty report. Further consideration of that matter was referred to the executive committee, which will meet to consider the same on Friday of next week, when a draft for a reply to the report will be submitted by Mr. Mellen to the executive committee for its consideration."

The "Prouty report" is the report of the Interstate Commerce Commissioner severely criticising Mr. Mellen's administration, which was made public on July 10. Mr. Mellen has already spent a good deal of time on his answer to it.

Scouts who saw Vice-President Timothy E. Byrnes of the New Haven going into the directors' luncheon room yesterday hastily deduced that the presidency of the road was about to be offered to him. His stock fell, however, when it was learned that he was merely one of a group of New Haven officials who broke bread with Mr. Mellen and the directors. The others were H. H. Kochersperger, vice-president in charge of finance; Benjamin Campbell, vice-president in charge of traffic; E. G. Buckland, vice-president in charge of legal matters; A. R. Whaley, vice-president in charge of operation, and Edwin D. Robbins, general counsel.

If the new president is to be selected from Mellen's present staff it is argued that the choice will lie among Mr. Robbins, Mr. Campbell and Mr. Byrnes. Mr. Robbins is a Yale graduate and at one time taught jurisprudence in that university. He has been with the New Haven road for more than twenty years. Mr. Campbell had all his railroad training in the West, beginning as a telegraph operator. He came to the New Haven not long ago from the Great Northern. Mr. Byrnes came from the Northern Pacific about nine years ago.

Many persons will be surprised, however, if the New Haven directors pick one of their own men as the final choice. Several directors are anxious to get a president of proved ability from another road—one who will enter office with a clean slate and who in the public mind will be entirely dissociated from Mr. Mellen and his policies.

Willard of B. & O. Mentioned.

The name of Daniel Willard, president of the Batimore and Ohio, was heard in a good many places downtown yesterday, although there was nothing to indicate that the New Haven directors had decided to offer the presidency to him.

Mr. Willard has always been credited with unusual success in the way of popularizing his undertakings. He used to be a locomotive engineer on the "Soo." Frederick D. Underwood, now president of the Erie, found him out and pushed him along. When Mr. Underwood came to the Erie he brought Mr. Willard as his chief aid. In the recent controversy with the engineers Mr. Willard represented the railroads. He is also spokesman in the fight of the Eastern roads for permission to raise freight rates.

Other railroad men around whom prophecy centred yesterday in relation to the New Haven presidency were B. L. Winchell, formerly president of the St. Louis and San Francisco, now with the Union Pacific; Samuel Higgins, formerly the New Haven's general manager, and Vice-President J. H. Hustis of the Boston and Albany.

The New Haven directors took no action yesterday toward splitting up the New Haven system. In the absence of specific recommendations from Commissioner Prouty it is believed that the road will stick to what it has for the present.

C. W. Morse Interested.

One who is watching the situation with a good deal of interest is Charles W. Morse. Being asked yesterday if he had any comment to make on Mr. Mellen's resignation Mr. Morse laughed and said, "I beg to be excused." Mr. Morse, through his sister, Miss Jennie Morse, is now suing the New Haven to get back the Metropolitan line of steamships and all its property, including the steamships Harvard and Yale, which Mr. Morse formerly controlled.

Geographically the committee which is to consider a successor for Mr. Mellen is evenly split. Mr. Morgan, Mr. Vail and Mr. Rea can be conceived of as representing great financial interests and stockholders in this city, while Mr. Skinner, Mr. Milligan and Mr. Taft are New Englanders.

Mr. Rea, who is president of the Pennsylvania, was a close friend of the late J. P. Morgan, as was Mr. Vail. It was said yesterday that they might stand with the present J. P. Morgan in whatever attitude he may take as to choosing a president, although both are known as men of independent and open minds. The leanings of the New England members of the committee could not be conjectured.

It is expected that Mr. Mellen will remain a director of the New Haven for the present, but will retire not long after a new president is chosen.

SAY THEY WON'T RESIGN.

New Haven Directors Laugh at Louis Brandeis's Suggestion.

HARTFORD, July 18.—None of the Connecticut directors of the New Haven was willing to make any serious comment to-night on the suggestion emanating from Louis Brandeis of Boston that all had best resign with President Mellen. Edward Milligan said to-night that nobody paid any attention to Brandeis, and that he had no intention of resigning.

Mr. Milligan did not care to comment upon the possibility of Howard Elliott of the Northern Pacific or Daniel Willard of the Baltimore and Ohio being named to succeed Mellen. He said he felt each member of the committee was open minded on the subject.

Director D. Newton Barney said he wasn't going to resign.

MELLEN TO GROW FLOWERS.

After Resignation Takes Effect Will Live at Country Home.

STOCKBRIDGE, Mass., July 18.—As soon as Charles S. Mellen can arrange his affairs at the office of the New Haven system in New Haven, he will come up to Stockbridge to be a permanent resident.

He has been contemplating this for a long time, and last winter kept his country place, Council Grove, open and made frequent visits here. He will pass his time in farming and cultivating flowers. His property is assessed on $110,805.

NEW HAVEN ENGINE DERAILED.

Passengers Tossed About, but None Hurt Seriously.

MERIDEN, Conn., July 18.—Passengers in three Pullman cars and in three day coaches on the eastbound Bankers Express of the New York, New Haven and Hartford Railroad, which left New York at 5 o'clock this afternoon, were tossed about and badly scared when the engine jumped the track a mile west of here shortly after 7 o'clock to-night. No one was seriously hurt.

Passengers were thrown from their seats by the application of the emergency brakes. The engine, one of the type which Engineer Doherty was driving at Stamford on June 12, pulled away from the cars and lies a crumbled heap beside the roadbed.

13 MONTHS FOR $98,000 THEFT.

Clerk Who Robbed Udall & Ballou Sent to Reformatory.

William Beck, 19 years old, a repair clerk who pleaded guilty of stealing $98,000 worth of jewelry from Udall & Ballou, jewellers, and who hid part of his booty in Central Park, was sentenced to Elmira Reformatory yesterday by Judge Foster in General Sessions Court.

The prisoner told the court that he had tuberculosis and wanted money to go to another climate. The sentence means that Beck will spend thirteen months in the reformatory.

Proved to me that the rest way is the best way—The ROCKY MOUNTAIN LIMITED to COLORADO

Other splendidly equipped daily trains—including the "Colorado Flyer" from Chicago and St. Louis to Denver, Colorado Springs and Pueblo.

For booklets, low fares and details address K. E. Palmer, 1238 Broadway, New York, cor. 31st St. Phone, Madison 2350.

Rock Island

THINK JEALOUS RIVAL SENT BOMB BY MAIL

Continued from First Page.

nished the police with the name and address of the young woman in New Britain on whom he had called, but insisted that he was positive she had no knowledge whatever of anybody's intention to send him a deadly bomb by mail.

It is said to be a police theory, based on statements made by Franck, that it was possible the bomb was sent to him by a man who may have been angered by his attentions to the young woman.

Commissioner Dougherty's declaration that he expected to have the bomb sender in custody before long justified the belief that Franck had norrowed the lines of police investigation down to one man.

After a very busy day in the hands of Commissioner Dougherty's men Franck went to his Greene street store. It was said there late in the afternoon that when he left he said that he wouldn't come back until Monday.

Franck telephoned to the Allview apartment that he would return home at 8 o'clock. He had not arrived there at midnight.

Inasmuch as the Franck bomb was sent through the mails, a report of the matter was made to the postal authorities early in the day and inspectors started out on a hunt for clues.

The bomb designed for Franck differed radically from mailed and other bombs of recent years in that matches were used to touch it off and sent its flames into the powder. The bomb which killed Grace Walker at 103 West Seventy-seventh street and the one that brought death to Mrs. Madeline Herrera at 1473 Fulton avenue, The Bronx, in February of this year, together with the bomb that went off in Judge Otto Rosalsky's home, 611 West 110th street, on March 16, 1912, were all enclosed in cigar boxes. The chief ingredients of these bombs were antimony and chlorate of potash.

Although one John Paul Farrell, a crazy ex-convict, was said by the police in February to have confessed to making and sending this trio of bombs, the blowing up of Henry Klotz, a draughtsman, in his "arsenal" at his home in The Bronx last May and disclosures on his deathbed led the police to change their mind about Farrell. They later declared that Klotz confessed just before he died that he was the guilty one.

MRS. CURTISS LOST JEWELS.

Police Recover Gems Which Disappeared in Auto Accident.

GREENWICH, Conn., July 18.—While it is believed that Mrs. G. H. Curtiss, who was injured severely in an automobile accident here yesterday, has a fighting chance for life the Curtiss chauffeur, James Lunny, and Elon Huntington Hooker's chauffeur, Edward Smith, are under arrest awaiting the result of Mrs. Curtiss's injuries. Lunny is being held under a $1,000 and Smith under a $2,000 bond. The bonds were provided by the chauffeurs' employers.

In the excitement of the accident it was not noticed that Mrs. Curtiss's jewels which she usually wore were missing. It was learned that a boy showed a diamond ring and a diamond brooch to a friend. Police Captain Andrew Talbot at once got busy and recovered from a woman and two men Mrs. Curtiss's diamond earrings, a string of pearls and several other pieces of jewelry, as well as a purse containing a large sum. No arrests were made, in response to the request of Mr. Curtiss.

"LET 'EM SMOKE," SAYS STOVER.

May Fix It So Folk Can Drink Beer Too at Park Concerts.

Park Commissioner Stover said yesterday that personally he had no objection to smoking at open air concerts in Central Park.

The matter came up when he received another letter from Dr. Charles G. Pease, the smoke crusader, who made further protests against pollution of the atmosphere. The Commissioner wrote back asking for practical suggestions as to how Dr. Pease proposed to suppress smoking.

"I don't smoke myself," Commissioner Stover said, "but I have no objection to tobacco smoke in my neighborhood. I think men should be allowed to enjoy smoking while listening to the music in the parks.

"I am in favor of getting up at the concert next Sunday afternoon and asking how many are in favor of allowing smoking. I am convinced that not one in a hundred will vote against it."

LAMAR STILL IN WASHINGTON.

Not Worried Over New Grand Jury Proceedings.

WASHINGTON, July 18.—David Lamar was flitting about Washington to-day. He has been here for several days, consorting with some of the leading lights of the Anti-Trust League.

If Lamar was alarmed over the Grand Jury proceedings in New York city he showed no evidence of it to-day. District Attorney Marshall of New York was in town to-day, but denied that he wanted to see Lamar.

Mr. Marshall left for New York at midnight, but Lamar stayed here.

WESTON GETS TO MADISON, WIS.

Intends to Resume His Walk at 2:45 o'Clock This Morning.

MADISON, Wis., July 18.—Edward Payson Weston, the veteran pedestrian, reached Madison at 5:30 o'clock this evening on his long walk from New York city to Minneapolis. He was met by Mayor J. B. Heim and other officials.

After taking a light dinner Weston retired and intends to arise at 2:45 o'clock to-morrow morning and resume his journey. He expects to reach Baraboo tomorrow night. He walked from Evansville to Madison to-day.

New York Marine is a Robber.

PHILADELPHIA, July 18.—Ewald Wiberg of New York, a corporal in the United States Marine Corps, who enlisted in New York, was convicted to-day of robbery in the house of John Brooks here and was remanded to Moyamensing prison. After he has been dishonorably discharged from the Federal service he will be brought up for sentence.

HEADS FALL TO STIR NEW HAVEN R. R. MEN

Breakers of Rules Discharged in Effort to Restore Alert Discipline.

MANAGER GAVE WARNING

Photographs Taken While Offenders Were in Saloons Shirking Duties.

Following out a policy that was proclaimed immediately after the fatal wreck at Stamford recently, the New York, New Haven and Hartford Railroad has dropped from its payrolls a number of men who failed to heed warnings that infractions of the company's rules would result in dismissal.

The hardest blow has fallen upon the men employed in the Harlem River yards and the yards at Stamford. The men upon whom discipline was visited were confronted with photographs of themselves in saloons, with the testimony of detectives who had followed them, and by the records which disclosed their deliquencies. They were told that they had had fair warning and then they were told to get out.

Clinton L. Bardo, general manager of the railroad, in testifying before the Interstate Commerce Commission at Bridgeport on July 17, let it be known that he was going to enforce discipline on the road at any cost, and incidentally assailed the unions of the employees as responsible in large part for the cynical attitude of the men toward the rules of the company.

Tells Need of Discipline.

"We have got to do something," he said, "to put down the bars on this question of discipline, this question of having somebody other than the man who in the final analysis is going to be responsible say whether John Jones shall be suspended ten days or ten years and whether when that discipline is inflicted it is going to stick. No man can enforce discipline unless he can inflict and enforce punishment and the labor organizations and the men representing labor organizations must understand that.

"The man is entitled to fair treatment, and we want him to have fair treatment and will insist that he get it, but he must get it from the man he is working for. We cannot go on here as we have been going on and maintain discipline. You cannot have an organization on that basis. It will never be an effective one if we continue on that basis."

Before the inquiry into the causes of the Stamford wreck was ended Mr. Bardo began a tour of the various railroad yards. He went to Boston, New Haven, Stamford, the Harlem River yards; he went everywhere that the employees of the company could be gathered together in large numbers. He is a big man and he speaks a brand of English that gets under the thickest hide. There is never any doubt in the mind of his auditors as to just what he means. At every one of these meetings with the men he spoke as plainly as he knew how.

He took the book of rules and explained it. He informed them that orders posted at any time and in any place were posted for the purpose of instructing the men, and not to give employment to typewriters.

Without reservation he told the men that infractions of the rules must cease. He told them that drinking would have to stop, that any man who came to work with a jag on would be discharged, and that any man who was discovered in a place where jags are accumulated would be disciplined immediately.

Warns Men They'll Be Watched.

He warned the men that the company was going to protect itself and that they would be watched. He told them he believed the New York, New Haven and Hartford Railroad Company employed men who were just as competent as the men on any other railroad in the country, but that a spirit of derision for anything in the way of discipline had been gaining among them to their own hurt and the hurt of the railroad.

Having warned its men, the railroad company took steps to see that the warning was being heeded. Detectives were assigned to watch employees and those who kept records were directed to see that every infraction of the rules was reported to the proper authorities. The result of this was a calling together of certain men in the Harlem River and Stamford yards on Thursday night. The foremen produced photographs of some of these men in barrooms. They produced the record of failures to report on time. They showed the work books with improper entries or no entries at all. Then they told the men who had been negligent that they must expect what had been threatened. Some were suspended, others were discharged outright.

The unexpected blow has set the railroad men thinking. Some of them have raised the cry that a second chance should have been given. The foremen have replied that the warning was ample. Threats have been made that the men will appeal to their unions and these threats have been met with the declaration that the company proposes to stand for discipline. The officials are confident that the severe measures already taken will convince the men in other places that the company intends to make good on its promises.

P. S. C. LOOKS UP FISH STORY.

Hotel Man's Catch in Fulton Market Went Wrong on Way Home.

One of the strangest fish stories ever told in the official records of the Public Service Commission is the complaint of Andrew Nelson, who has a hotel at Grassy Point near Far Rockaway. It is also a Fourth of July story, for on that day Nelson bought 700 pounds of fish at Fulton Market, to be sent to him at Broad Channel.

Nelson watched the fish loaded into an Adams Express wagon and then hustled off to Broad Channel to be on hand when they should arrive on the 10 o'clock train. They didn't come—that is, they didn't get off the train; they went on to Holland's. Nelson followed, hot foot; had some words with the express agent at Hollands, and returned to Broad Channel. After a while the fish arrived, heralded far in advance by their own odor, according to Nelson. He wouldn't take them. He wrote to the Adams Express Company, claiming damages, but has heard nothing. So he appealed to the Public Service Commission, which is investigating.

NO COMMITTEE SPEECH BY KAHN

Democrats Prevent Threatened Attack on McReynolds.

WASHINGTON, July 18.—The Republicans in the House made further efforts to-day to play politics with the Diggs-Caminetti white slave case. The Kahn resolution seeking the publication of all papers in the case was up for debate.

A sensational speech by Representative Kahn in support of his resolution had been promised. Despite the apparent willingness of the Democratic leaders to permit the airing of the matter Representative Byrns of Tennessee, a friend of McReynolds, raised the objection which prevented the debate. Mr. Byrns contended that the Kahn attack was a political move by Republicans to embarrass the Wilson Administration. He moved that the Kahn resolution be tabled without debate. Chairman Clayton urged that the debate be allowed to proceed, but the Byrns motion carried.

After the House had adjourned until Tuesday Mr. Mann issued a statement in which he charged Byrns with acting at the instigation of Attorney-General McReynolds and said that the Democrats are desperately afraid of having the truth known.

"That the Attorney-General does not want the truth known is not surprising," Mr. Mann said. "He did not send all the papers to the Judiciary Committee.

"Mr. Kahn was prepared to show that a month or more before the trouble broke the Attorney-General had sent a telegram to McNab in California directing him to take no further steps in the Caminetti case, and that it was sent not from the Department of Justice but from a hotel in Washington and undoubtedly at the request of some political influence. Mr. Kahn was prepared to show a number of other things which the Attorney-General does not wish made public."

Byrns retorted that his action was without the knowledge of the Attorney-General and that he considered the Kahn attack was intended to embarrass the Administration and to promote the political fortunes of McNab, who, Mr. Byrns said, "is a notorious candidate for Governor of California."

Mr. Byrns said that the Diggs-Caminetti trial is set for August 5 and that he believed the Kahn speech would tend to influence public opinion on the eve of the trial.

DEMOCRATS FURTHER APART ON CURRENCY

Big Clashes Next Week—Buckley's Bank Director Amendment Beaten.

WASHINGTON, July 18.—The differences among the Democratic members of the House on banking and currency are growing more pronounced as consideration of the Owen-Glass Administration currency bill progresses, and the prospects to-day were that not only will the committee have difficulty in reporting the measure next week, but it is probable that strong support will be mustered for a substitute bill which is being drafted by a member of the committee, assisted by Representative Henry, chairman of the Rules Committee of the House.

Indications when the committee adjourned to-day until Monday were that the radicals and conservatives will have their most serious clashes next week.

Representative Winger's proposal to prevent interlocking directorates and the section devoted to farm land credit are not near a final decision.

The only proposal brought to a vote to-day was an amendment offered by Representative Buckley of Ohio "to prohibit a bank from making a loan in which directors are at all interested." This was defeated by a large majority. Representative Buckley, who proposed the change, said that later he would offer another amendment of the same kind.

"Such a measure would mean the disbandment of every bank directorate in the United States," said Chairman Glass of the House committee.

The section which would permit national banks other than those situated in reserve cities to make loans on improved and unencumbered farm land for a period not exceeding nine months and for an amount not in excess of 50 per cent. of the actual value of the property occupied most of the committee's attention to-day. This provision stipulates that the aggregate of such loans shall not exceed 25 per cent. of the capital and surplus of the bank making the loans nor more than 50 per cent. of its time deposits.

Several conservatives asserted that there is no demand for this farm loan provision, while others urged that the banks should be permitted to make similar loans on city real estate. To this latter proposal the objection raised was that there have been no requests for such a proviso. No action was taken on the section.

Representative Ragsdale of South Carolina announced his intention of offering an amendment which would permit banks to accept cotton warehouse receipts as security on notes. He says that the sale of cotton brings much foreign gold into the country and that his proposal would relieve the stringency in the South when Northern banks press their Southern correspondents.

WESTERN BANKERS PROTEST.

Pick Flaws in the Administration's Currency Bill.

OMAHA, Neb., July 18.—Sixty prominent bankers from clearing house cities between the Mississippi River and the Rocky Mountains met in Omaha last night to discuss the Administration's currency bill and to give Congress the benefit of their advice on financial legislation. The meeting remained in session until midnight before it put into shape a set of resolutions which were passed and ordered sent to the national Congress.

The resolutions find fault from end to end with the provisions of the Administration's bill. The meeting first expressed faith in Congress and in the belief that Congress desired the advice of bankers and business men in its work. The bankers went on record as wanting smaller Federal associations for the benefit of local business.

The proposal to have twelve or more Federal banks presents, say the resolutions, a serious menace to the business interests of the entire country. The bankers feared the piling up of so much cash in Federal banks as to cause drastic curtailments of general credits harmful to business everywhere. It is set forth further in the resolutions that country banks do not carry the character of paper that is subject to discount under the bill and cannot avail themselves of its provisions. The results would be disastrous, it is alleged.

The bankers finally desire that bankers should manage the banks and that these managing bankers should be interested financially in the institutions. The fear is expressed that the entire system may fall into the hands of politicians to manage.

T. D. Fitzgerald Heads Printers.

ROCHESTER, July 18.—Thomas D. Fitzgerald of Albany was reelected president of the New York State Allied Printing Trades Council to-day.

CUT TARIFF BILL IS REPORTED TO SENATE

Rates Now Said to Be 4.22 Per Cent. Below Figures of the House.

BIG REVENUE REDUCTIONS

Framers Say High Cost of Living Will Be Reduced Under New Law.

WASHINGTON, July 18.—The Senate Finance Committee majority made its formal report in support of the Underwood-Simmons tariff bill to-day. The report asserts that the bill as amended decreases the average ad valorem rate on all imports 27.64 per cent. below the rates of the Payne-Aldrich law and 4.22 per cent. below the rates of the House bill.

The report says the House bill freelisted imports valued at $103,000,000 and that the Senate has increased the amount by amendment to $147,367,000. The committee admits that there has been a reduction of the probable revenues under the bill as amended of nearly $10,000,000.

The average ad valorem rate of duty levied on imports for 1912 under the Payne-Aldrich law is said to have been 36.86 per cent. The authors of the bill as it came from the Senate committee say that if the Senate amendments are preserved it will be reduced to 28.67 per cent. The assertion is made that the revenues collected under the bill for the first year, ending June 30, 1914, will be $2,020,000 in excess of the disbursements. Of its estimated revenues the committee asserts it will derive $37,000,000 from the corporation tax and $58,330,000 from the income tax for ten months.

Estimates on Returns.

The estimates include also for this period duties under the Payne-Aldrich law for two months, exclusive of sugar and wool, $40,650,000, and $47,000,000 in revenues on sugar for eight months under the Payne bill and four months under the new law, and it is said there will be $58,300,000 in duties on wool for five months under the Payne-Aldrich law.

The committee also estimates that it will collect $5,000,000 from the tax on cotton futures.

The members of the committee expressed confidence that the Senate bill "will result in a more equitable distribution of the burdens and incidental benefits of our system of customs taxation; that it will tend to disintegrate monopolies built up under the present system; that it will enlarge opportunities for individual effort, reduce the cost of living and relieve the people from the burden of the protective system, strikingly exemplified in the so-called Payne-Aldrich law."

In defending its action in restoring a tax of $1.10 a gallon on wine spirits used for the fortification of pure sweet wines the committee says the law as it has existed heretofore, allowing the use of such wine spirits free of tax, "discriminates against all wine producers who are not distillers and who do not have their wineries at the vineyard and against all other makers and users of wine spirits."

Upholds Income Tax Exemption.

In justification of its action allowing an additional exemption on account of dependent wife and children in administering the income tax the Finance Committee says that while the addition to the House bill may make no wide difference in the volume of revenues derivable from the tax, it is deemed equitable as recognizing the added obligations on account of marriage and children and salutary as emphasizing the family as the unit in our social structure.

Referring to the amendment which exempts the incomes of States, cities, towns and other political subdivisions the committee says:

"One State enjoys the revenue from the gross earnings of a railway company to which a land grant was made by the State years ago. A city under its contracts with the street railway company is entitled to a certain per cent. of net earnings per annum. While it was regarded improbable that these revenues would be construed as taxable income to remove all doubt the amendment is inserted."

Explanation on Cotton Future Tax.

As to the proposed tax on contracts for the future delivery of cotton, the report says:

"It is contended by some that there is a legitimate branch of the business of dealing in contracts for the future delivery of cotton on cotton exchanges in the way of hedging actual cotton for sale or manufacture. It is admitted, however, that there is a large volume of business done on these exchanges nominally for the purchase and sale for future delivery of cotton where no delivery is ever made and where there is no real intention to make any such delivery, and the transaction in its analysis is one of gambling on the future price of one of the staple agricultural products of the country. This latter practice is universally recognized as an evil.

"The tax imposed by the committee is deemed to be sufficiently small to make its payment justifiable by those who resort to the exchanges for the purpose of hedging and sufficiently large to deter the activities of those who resort to such exchanges for the sole purpose of speculation and gambling."

TARIFF JOKE BY GALLINGER.

Proposes Amendment to Strike Out the Entire Bill.

WASHINGTON, July 18.—Republican Leader Gallinger had fun with the majority in the Senate to-day by introducing as a substitute for the tariff bill an amendment to "strike out the entire bill, including the enacting clause."

In its place he suggested a proviso whereby consideration of the bill was to be postponed until December, 1914, and in the meanwhile that it be submitted to a referendum of the voters.

Celtic Makes New Record.

The White Star liner Celtic, in last evening from Liverpool and Queenstown, made a record for herself from the latter port. Her time was 7 days, 8 hours and 40 minutes, which is good going for a ship of her class. She found mild weather and placid seas all the way. The racing record from Queenstown, owned by the Cunarder Mauretania, is 4 days, 10 hours and 41 minutes.