

fronted with a strike on one side and financial stringency on the other.

Object to Wilson Assumption.

Some of the railroad officials objected emphatically to the President's assumption in his statement to the public that the railroads which have already adopted the eight-hour day do not seem to be at any serious disadvantage in respect of their cost of operation as compared with the railroads that have retained the ten-hour day.

One of the railroad officials referring to this statement by President Wilson said tonight:

"Some of the roads in the Southeast now have the eight-hour basic day, but affecting through freight service, and including less than 25 per cent. of the men in freight service. All the men in yard service and those running local freight and mine runs are on the ten-hour basis, while on the ten-hour basis ten and twelve-hour basic days prevail.

"These roads are the Seaboard Air Line, Richmond, Fredericksburg and Potomac, Norfolk and Southern Atlantic Coast Line, Central of Georgia, Georgia Southern, Florida East Coast and Queen and Crescent lines. South of all of them are roads with high percentage of desirable traffic, such as fruits and vegetables, which must be moved at a high rate of speed in order to reach markets in good condition and which, for all reason, carry freight rates which no shipper could afford to pay for the movement of ordinary freight.

Shorter Workday Not in Effect.

"On some of the largest and most important roads in the Southeast the eight-hour basic day is not in effect in any branch of the service. Among these are the Norfolk and Western, Chesapeake and Ohio, Virginia Southern Railway, Mobile and Ohio, Queen and Crescent line north of Richmond, and the Texas Pacific Railway and Alabama Great Southern Railroad and Carolina, Clinchfield and Ohio. These roads handle a much larger volume of freight than other heavy traffic than the roads which have the eight-hour basic day in through freight service, and the adoption of this basic day would mean increased cost in every branch of freight service for each of them.

"The Louisville and Nashville and the Nashville, Chattanooga and St. Louis have a peculiar system under which no overtime is paid if trains make schedule. The adoption of the eight-hour basic day would necessitate a general revision of the bases of pay on these roads.

President Wilson's Statement.

In the formal statement given out at the White House while the railroads were still in progress the President declared as follows:

"The eight-hour day—that is the substitution of an eight-hour day for the present ten-hour day—in all the existing practices and agreements.

"I made this recommendation because I believe the concession right. The eight-hour day now undoubtedly has the sanction of the judgment of society in its favor, even where the concession work to be done cannot be completed within eight hours.

"Concerning the adjustment which should be made in the rates of pay for the roads and their stockholders in the payment and privileges to which their men are now entitled of such adjustments are necessary, there is a wide diversity of opinion.

Favors a Board of Inquiry.

"Therefore, proposed that the demand for extra pay for overtime, made by the men, and the adjustment of the rates of pay for the roads, should be postponed until facts shall have taken the place of calculations and forecasts with regard to the effect of a change to the eight-hour day, that, in the meantime, while experience was developing the facts, I should seek and, if need be, obtain authority from the Congress to appoint a small board of inquiry to investigate and thoroughly acquaint themselves with the results, with a view to reporting to Congress at the earliest possible time the facts disclosed by their investigation, but without recommendation of any kind, and that it should then be entirely open to either or both parties to the present controversy to give notice of a determination to accept or to reject the results of the inquiry into the suggested readjustments of pay or practice.

"This seems to me a thoroughly practical and equitable arrangement. I think that the public has the right to expect its acceptance."

Surprises Railroad Heads.

The announcement that the President's statement had been received by the railroad executives when they filed out of the White House. They returned immediately to their hotels and went to bed. It was not until later in the afternoon, making public their side of the controversy. The argument given out in behalf of the railroads was the first of a series of statements by Mr. Holden, as spokesman for the carriers, at the White House conference. Here is the statement:

"The representatives of the railroads here present have given careful consideration to the proposals submitted by you for an adjustment of the critical conditions confronting us. May we again express our sense of responsibility upon our shoulders to discharge, as faithful trustees of the public interest, the duty to maintain and operate these properties as agencies efficient at all times to serve the continuous public demand for transportation service, as faithful trustees also to protect, in so far as it is in our power, the interests of the owners of these properties committed to our charge.

"In the previous stages of these negotiations the conference committee and managers has consistently adhered to the policy of arbitration as a fundamental principle. It is essentially the common right of every citizen, of whatever station in life, to be heard to be heard in day in court. It is, indeed, a prerequisite for wasteful litigation, recognized long since in the codes of all civilized countries.

"A denial of the right to be heard does not exist under any form of government with which our race has ever been familiar, and in the conduct of our international affairs, in the adjustment of public and private rights under our Federal and State governments, of the principle of arbitration as an approved method for the friendly settlement of the serious contentions of the parties has put the right to claim arbitration as a method of settling such controversies beyond question. For these reasons we have supported our committee in their outspoken demand, and in those important particulars upon which an adjustment could be reached that arbitration should be accorded upon any reasonable basis that might be adopted.

Analysis of 8 Hour Day Demand.

"The eight-hour day—I shall not at this time stop to fully analyze or comment upon the importance of the difference between the eight-hour day as commonly understood in the building and manufacturing trades and the so-called eight-hour day demanded in this controversy—the eight-hour day is, in our mature judgment, when analyzed in connection with railroad train service, questioned upon which honest minds may differ and is therefore necessarily a subject for arbitration. In that manner the contentions of the parties may be considered and a fair answer given.

"Social questions affecting the ordinary workday in which for six days a week a regular daily routine is pursued during each of those periods, the laborer should work, and while in some States eight-hour basic day has been adopted as the standard of the industry, this broad land is today teeming with the contented and efficient industry of millions of workers that are working more than eight hours a day. The present, therefore, exists—exists in fact, and the right or wrong of it, as we feel, has not yet in this country passed beyond the realm of debate.

"That these are not our problems. The railroad day is a different thing, as has been pointed out, and I infer, many times explained. Railroad trains run on a twenty-four-hour basis, and the public demands that they run on Sundays and holidays—they start at any hour that the necessities may demand—under conditions, different often from the general conditions affecting the question.

Approve of the Ten Hour Day.

"In a general movement of some years ago the present ten-hour basic day was negotiated and approved by the representatives of railroad labor throughout the country and the organization of the present day. These negotiations have been worked out under local conditions, different often from the general conditions affecting the question.

"In several important arbitrations of railroad rates of pay and conditions of service in recent years, the last within two years, the representatives of the railroads serving the entire territory between Chicago and the Pacific coast, the ten-hour basic day was incorporated in the demands of the organization of the railroad labor, and made the basis of them of the rates and rules awarded by the Federal board.

"At the present time, in a controversy now pending over the identical questions involved here and in which numerous important railroads and a national organization of railroad labor are participating, the Federal Board of Mediation has been agreed to, wherein the question of the ten-hour basic day has been submitted as an arbitrable question.

Stand for Arbitration Principle.

"We stand for the principle of arbitration for the settlement of industrial disputes. Arbitration is the ideal toward which the organization of the railroad labor of the country have been steadily tending for the settlement of disputes between employers and employees, particularly in the case of public service corporations, rather than the strike and lockout with attendant disturbances and paralysis of public business.

"Arbitration has been provided by legislation of the Federal and State. So late as 1912 the Federal law was perfected or improved by amendments framed in conference with some of the railroad companies, and the Federal Board of Mediation has been established to arbitrate, and includes in its scope all controversies in railroad service.

"We invoke that principle now and are willing for the Interstate Commerce Commission to arbitrate the whole question. More than that we are willing for the President of the United States to appoint a commission of disinterested persons to arbitrate all matters in dispute if neither the Interstate Commerce Commission nor the machinery of arbitration act is satisfactory to the labor leaders.

Workers Now Most Highly Paid.

"But we have been met with a refusal to arbitrate in this manner, and are now asked to surrender the principle and to add an additional burden of many millions per annum to the country for the benefit of a class which is among the most highly paid and favored workmen in the world. This is demanded under the eight-hour day, and it is in reality only an indirect plea for an enormous increase in wages.

"The intricate and complex nature of the case and the complexity of the facts make the controversy preeminently one for arbitration by an impartial tribunal with authority to examine into every detail and reach a decision fair and just to the employees, the owners and the public, which ultimately must bear the burden. To refuse to arbitrate is to add to the burden of the country an additional demand, moreover, the refusal is by those demanding a vital change in an existing status. For a party to demand arbitration of such a nature as to require the demand with a refusal to arbitrate is in conflict with right standards of conduct. In this instance for those who demand that they be allowed to submit their demands to arbitration is indefensible.

"To say that such a demand as that made here is an evolutionary change in the arrangements that have grown up in the development of the railroad business and involving so many complicated facts and relations and which adds to the cost of the country's transportation is not arbitrable is to destroy the principle of arbitration, and to demand that the Interstate Commerce Commission should immediately discard all of the legislation, State and national, which has been enacted in recent years and set the country back to the old days of strikes, lockouts, public disorder and business anarchy for the settlement of questions inherent in the relation of employer and employee.

Charge Unions With Coercion.

"The view that so important a issue as this may not in conscience be honestly debated, and therefore arbitrable, raises the question always and beyond the limits of the present controversy, of the propriety of wages—raises it in gravity beyond the social or monetary questions affecting the parties before you. The claim that the force of the great weight of your spoken word the railroads to surrender a right to be heard—a right expressly recognized by the policy of the Federal legislation enacted by the Congress of adjusting their disputes and under the ban of your disapproval, expressed before the bar of public opinion, to accept an indefensible and unjust demand for a change in status and a demand for an increase in wages—raises it in gravity beyond the social or monetary questions affecting the parties before you.

Man Yield Many Points.

W. G. Lee, head of the Brotherhood of Railroad Trainmen, gave out a brief statement tonight on behalf of the men, pointing out that in accepting President Wilson's plan the employees "surrendered a very large portion of their demands," while the railroad companies "seems about as unwilling to accept suggestions from the President of the United States as they have in the past refused to consider requests from their employees." He added the workmen would remain here but would take no further action until released by Mr. Wilson.

Union Men in Congress Plea.

Many of the brotherhood men called on their representatives in Congress today and protested in advance against any compulsory arbitration bills which might be introduced. The men are fearful that the railroads may try to pass through such a bill.

Could and Will Summoned.

The eighty-four railroad executives summoned by the President to-day include Lewis W. Hill, Great Northern; J. M. Hammond, Northern Pacific; J. M. Dickinson, Rock Island; E. F. Kearney, Wabash; W. C. Nixon, St. Louis and San Francisco; H. J. Madge, Denver and Rio Grande; C. M. Leve, Western Pacific; W. G. Hoeler, Central Railroad of New Jersey; E. Pennington, Minnesota; J. P. H. and S. M. Harris, M. E. Smith, Louisville and Nashville; E. E. Schaff, Missouri, Kansas and Texas; Edwin Gould, St. Louis and Southwest.

Man Yield Dramatic Appeal.

President Wilson welcomed the railroad officials in the blue room, and after Mr. Holden had stated their position, a dramatic appeal which left the entire room in a gasp. At times splashing and down from the small group of men, Mr. Wilson's eyes were turned to the tentative position. At the same time the general committee of employees held a meeting, but only a few minutes waiting the decision of the officials.

"We must face the naked truth in this crisis," he said. "We must not discuss impractical things. We must get down to a basis on which this situation can be solved."

THE battle of the Somme, the greatest battle in all history to-day in its fifty-first day. On July 1 the British and French troops in western France commenced their attack upon the strongly fortified German trench lines on the twenty-five mile front north and south of the River Somme. The immediate objective of the French on the



southern half of the battle line is the town of Peronne. The British objective is Bapaume. Yesterday the British took German trenches from 200 to 600 yards deep along a six mile front. The French drove the last German from the village of Maurepas, a little southeast of Guilleumont.

BRITISH GAIN ON CALLS GOMPERS LABOR PARASITE

fortify themselves against the expected German counter attacks. The Germans attacked strongly along the entire outskirts of the village, but each attack was thrown back by the accurate fire of the French 75s and machine guns, leaving the French beyond all doubt masters of the village.

RUSSIANS FORGE AHEAD.

Open New Path into Hungary and Resume Kovel Drive.

LONDON, Aug. 19.—Russian drives on Kovel and the Carpathian passes that lead to Hungary have met with success, the War Office in Petrograd announced in its official report issued today. Moreover, the official statement issued in Vienna tonight admits that Russian attacks have driven back the Austrian advance troops from the mountains into the Hungarian plains.

The new Russian success in the sweep into Hungary has been won west of Zabolie. The Austrian troops were driven toward the Carpathians after very severe fighting. Zabolie is thirty-five miles southwest of Kolomea, held by the Russians. It is some fifteen miles north of Jablonka Pass, the route which other Russian army already is moving into Hungary.

Zabolie is on a tributary of the "Carpathian" advance, the town which means on the side toward Hungary, evidently were won by an army separate from, yet cooperating with the Russian army who are pushing through Jablonka Pass. This Hungarian route of invasion from two points at once.

Successes in the drive against Kovel in the Volhynia, are reported after comparative inactivity there for some time. Here the Russians have thrust back the Austrian and German troops along the Stokhod and captured the town of Tobol. Tobol is two miles north of the "Carpathian" advance, which is on the Stokhod, forty miles northeast of Kovel.

Official reports say that a "considerable advance" was made in the fighting in the boggy borders of the Pripiet marshes. In the same fighting the farm of Tcherich was taken. The Germans had been reported to have been driven back, and it was made before the war, and had strongly equipped it with machine guns. The Russians rushed it with the bayonet in their hand and hand fighting drove out the Germans. They took two officers and 120 men.

Renewed attacks upon Kovel are reported not only to capture this important town, but also to straighten the Russian line which, south of Kovel, has pushed to a point almost west of a line drawn across the junction of five railroads.

If this drive to the north of Kovel continues, the city will be caught between the two Russian wedges to north and south, and the city will be cut off. This would compel the withdrawal farther west of the center, now along the Zlota Lipa and Zlota Hystriya rivers, and greatly aid the attack on Lemberg.

The Russian advance upon the Carpathian pass, near Kiribaba, some distance south of today's gains in the Carpathians, is reported to have been stopped for the time. Near this pass which leads into Transylvania, the official statement admits that slight reverses were suffered by advanced troops.

RUSSIA HARD HIT.

Berlin Says (See's) Losses Have Been Heavy.

Berlin says wireless to St. Petersburg, Aug. 19.—The Russian losses in the recent engagements on the eastern front have been extremely heavy, says the Overseas News Agency in a statement today. The news agency instances these losses, according to information it has received, by the figures for one regiment, the Russian 23rd Infantry.

This regiment, says the statement, received for the replenishment of its ranks on July 7 from the depot of Pavograd 2,000 men, and July 28 from the depot of Novograd-Volynsk 1,000 men, on July 23 from the depot of Pavograd 1,000 men, or 4,000 men within a week.

"Since the completion of the regiment numbered after the engagement of August 2," adds the statement, "only 30 to 40 men, the regiment has, altogether, 400 men. Russian taken prisoner since August 2 out of 100,000 reserves were available for the regiment from the depot.

Man Accused of Helping 100 Canadians to Reach U. S. ST. JOHN, N. B., Aug. 19.—Frank Loring of St. Andrews was brought here today to answer a charge of endeavoring to persuade soldiers to desert from the Canadian army. He was arrested by Lieut. Dawson of the Fourth Pioneer Battalion, from which command, it is charged, he also helped others to escape.

A soldier detailed by the command to make an investigation arranged with Loring, it is alleged, to take him and three others to Eastport, Me., for the purpose of crossing the water to the American port. Loring was caught, cuffed and placed under arrest.

It was said today that one hundred and fifty soldiers of the Fourth Pioneer Battalion, recruited at St. Andrews, deserted last month and crossed to the United States.

CHARGE PATRONS MAY HAVE PURCHASES BILLED OCT. 1.

J. M. Gidding & Co. 564-566 and 568 Fifth Avenue, 46th and 47th Sts.

Absolute "Close-Out" of Fashionable Summer Dresses

Formerly priced at \$65, \$75, \$95 to \$125—to close at... \$25

Smart, seasonable models—suitable for any and all occasions—COUNTRY FROCKS of French crepe, voile, batiste and net SMART STREET DRESSES of silk and serge CHARMING AFTERNOON GOWNS of plain and printed chiffon and in smart combinations of taffeta combined with chiffon or net—also a number of PRETTY DANCE FROCKS.

SPECIAL GROUPS OF HANDSOME AFTERNOON and EVENING GOWNS—Formerly to \$145—at... \$35

Fashionable Silk Wraps Formerly \$75, \$95 to \$145—at \$25 and \$35 Suitable for wear well into the Autumn.

\$45 to \$75 Street & Sport Coats. \$25 An assembling of a few of a kind from many broken lines.

Remaining Summer Suits—Formerly \$65, \$95 to \$175—at \$25, \$35, \$45 Including many practical models and materials which will serve well for wear well into the Fall Season.

FINAL CLOSING PRICES. ON PARASOLS, HAND BAGS, PARIS NOVELTIES, BLOUSES, SILK SWEATERS, FRENCH CANES, SUMMER SKIRTS, EXCLUSIVE BATHING COSTUMES, SMART OUTFIT FURS, SUMMER HATS, etc.

No Exchanges—Refunds—Credits—or Approvals

"SAY SQUIRREL" IS BRITISH SPY TEST

American So Challenged in North Wales Soon Proves He's No German.

J. J. A. Murphy, an American decorative artist who spent the past four years in England, said on his return yesterday on board the American liner Finland that he was saved from imprisonment and possible execution as a spy by the word "squirrel."

Mr. Murphy, who has been acting as chief assistant to Frank Brampton, the noted English mural decorator, decided last Christmas to go on a walking tour through Ireland, where he had no expectation that his name would arouse suspicion. Under the impression that no passport was necessary, to go from England to the Emerald Isle he set out innocently, but was arrested at Holyhead because he lacked all the important papers of identification.

Several layabouts were held thickly close to his ribs while English officers made inquiries as to his past life and future career. Though one of them, a territorial, treated him as if all articles were open to suspicion, a Captain in the regular service acted more like "an officer and a gentleman," and suddenly shot this order at him:

"Say squirrel."

Mr. Murphy, whose touch of Irish brogue and American enunciation has in the last few years been overlaid with English diction, mumbled the required word. The officer promptly commanded that he be set free. Much astonished, the artist inquired how he happened to deliver this order.

"A German," explained the captain, "said the word—he loses it down his throat. An Englishman stirs the final 's' while the word under his tongue. You said it like an Englishman."

Addressed to the Senators and Representatives of the United States Congress, the petition urges the passage of legislation which will make it impossible for a small minority of railroad employees by concerted action to jeopardize the positions and earnings of the great majority.

To avoid "destructive interruption of interstate commerce" enactment of a law requiring the arbitration of railway wage differences is advocated.

35,000 SIGN PROTEST. Pennsylvania Railroad Employees Line Up Against Strike.

Signatures of more than 35,000 employees of the Pennsylvania Railroad lines east of Pittsburgh have thus far been affixed to the petition protesting against the calling of a nationwide railroad strike and the refusal of the four train service brotherhoods to arbitrate their demands.

Practically every employee who up to the present time has had the opportunity to sign the petition has done so. The canvass is less than one-third completed.

The petition is being offered for signature to the 82 per cent. of the employees of the Pennsylvania Railroad who are not concerned in the demands of the engineers, conductors, firemen and trainmen in freight and yard service. It is being circulated on the Pennsylvania and other railroads by Robert T. Frazier, a draughtsman on the Nashville, Chattanooga and St. Louis Railway, who has voluntarily taken up this work and has left of absence to carry it on.

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Advertisement for New York Telephone Co. featuring a telephone receiver and the slogan "The quickest way to re-call the operator is to move the receiver hook up and down SLOWLY." The ad includes the company name "NEW YORK TELEPHONE CO." and a list of names: Lewis W. Hill, Great Northern; J. M. Hammond, Northern Pacific; J. M. Dickinson, Rock Island; E. F. Kearney, Wabash; W. C. Nixon, St. Louis and San Francisco; H. J. Madge, Denver and Rio Grande; C. M. Leve, Western Pacific; W. G. Hoeler, Central Railroad of New Jersey; E. Pennington, Minnesota; J. P. H. and S. M. Harris, M. E. Smith, Louisville and Nashville; E. E. Schaff, Missouri, Kansas and Texas; Edwin Gould, St. Louis and Southwest.