

FLINT BILL WILL MAKE CANAL FREE TO COAST SHIPS

Two Measures, Carrying Different Ideas on Panama Legislation, to Be Introduced

SPLIT OVER DISCRIMINATION Boats Controlled by Competing Railroads Do Not Escape the Regular Tolls

(Associated Press)
WASHINGTON, Dec. 29.—Both Senator Flint of California, chairman of the committee on interoceanic canals, and Representative Mann of Illinois, chairman of the house committee on interstate and foreign commerce, expect to introduce general Panama canal bills. These will incorporate their differing ideas as to the needs of legislation for the waterway—in the light of the White House conference last night.

This conference developed substantial harmony of opinion favoring fortification of the canal; presidential discretion as to the exact amount of tolls under prescribed maximum and minimum limits; the government operation of the dry dock and repair shop facilities, and government sale of all the coal, oil and other ship supplies at both ends of the canal to the benefit of the world passing through it, and for the safeguarding of the competition through the canal. The differences of views as to whether foreign shipping and coastwise shipping should receive equal treatment in canal charges could not be reconciled, and the problem is still unsolved.

Senator Flint's bill will provide either an unqualified free passage of American ships or the collection of toll and subsequent rebate of the entire toll, which from the viewpoint of some of those in the conference merely would operate as a matter of bookkeeping.

PRESIDENT TO FIX TOLLS

Senator Flint's bill will fix a certain maximum and minimum of tolls on vessels of other countries, probably from 50 to 75 cents per net ton, or \$1.50 maximum a net ton, leaving the exact charge to the discretion of the president so that it can be adjusted by changing through it. It will provide that the rebate to coastwise vessels shall not be allowed to any vessels owned or controlled by any railroad with which they are in competition, directly or indirectly. It will provide that the government may take over to its own uses, when public emergencies make it necessary, any vessels that are engaged in the rebate, which would make all coastwise craft engaged in canal traffic subject to naval uses on demand.

The question of what treatment to accord coastwise shipping caused the principal discussion at the conference. Much of the time was devoted to the interpretation of treaties with England, as to whether the general reference to all powers being treated alike was to be interpreted to include the United States or to mean all the powers foreign to the United States.

BAY CITY TO HOLD FAIR CONGRESS SANCTION OR NO Flint Says Solons' Decision Will Not Affect Exposition

(Special to The Herald)

WASHINGTON, Dec. 29.—Whether or not congress sanctions San Francisco as the exposition city in 1915, a world's fair, equal or greater than any other Panama-Pacific exposition will be held there, according to Senator Frank Flint, who is spending his holidays here working in conjunction with the San Francisco committee. "While we would like congressional sanction of our fair," said Flint today, "with \$17,000,000 at our disposal we will have an exposition that will draw from any other fair when the Panama canal is opened. I'm not worrying about what congress does."

BEAUTY TO RIDE WITH BALDWIN IN AEROPLANE

SANTA BARBARA, Dec. 29.—Ten pretty young women, turned disappointed from Captain Ivy Baldwin today when he declined to make ascensions with them as passengers in his aeroplane at the aviation meet here Sunday and Monday, January 1 and 2. Miss Emma Hill, 19, the beautiful daughter of a San Bernardino rancher, employed on a local newspaper, saw Baldwin first, insisted on making an ascension despite warnings of peril, and the aviator capitulated to the insistent beauty and will take her to the air. Captain Baldwin will make trial flights Friday and Saturday.

MRS. JACK CUDAHY DENIES RECONCILIATION REPORTS

KANSAS CITY, Dec. 29.—A recent report that J. P. (Jack) Cudahy and his divorced wife, Mrs. Edna Cudahy, had met in Pasadena, Cal., and were about to effect a reconciliation, was denied today emphatically by Mrs. Cudahy, who is here.

CHARLES BATTLE LOOMIS ILL

ENGLEWOOD, N. J., Dec. 29.—Chas Battle Loomis, the author, who has been ill for some time at his home in Leola, N. J., has been brought to a hospital here for treatment. His ailment has not been diagnosed definitely.

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WHAT'S GOING ON TODAY IN LOS ANGELES

AMUSEMENTS
Auditorium—"The Man of the Hour," 8:15 p. m.
Burbank—"The Battle," 8:15 p. m.
Grand—"The Topknicker," 8:15 p. m.
Levy's Cafe Cantina—Continous vaudeville, 2:30 p. m. to 12:30 a. m.
Los Angeles—Vaudeville, 2:30, 7:45 and 9 p. m.
Luna park—Outdoor amusements, band concert and vaudeville, 10 a. m. to midnight.
Majestic—Mary Manning in "A Man's World," 2:15 and 8:15 p. m.
Mason—Lillian Russell in "In Search of a Sister."
Olympic—"Mr. Santa Claus Jr.," 3, 7:45 and 9:15 p. m.
Orpheum—Vaudeville, 2:15 and 8:15 p. m.
Pantages—Vaudeville, 2:30, 7:45 and 9 p. m.
Princes—"On the Quai," 7:45 and 9:15 p. m.
OF INTEREST TO WOMEN
Ebell club, Christmas party for 250 settlement children, 7 p. m.
Friday Morning club musicale, Mr. and Mrs. Balfour, 10:30 a. m.
Pepito Arriola and Bruce Gordon Kingsley, subscription dance, Goldberg Boley hall, 9:30 p. m.
Mrs. Guy Barham's dinner for debutantes, California club, 6:30 p. m.
Christmas entertainment for children of the King's Daughters' day nursery, tonight.
MISCELLANEOUS
Los Angeles Central W. C. T. U. meets 2 p. m. in Temperance temple, 291 North Broadway. Annual holiday social.
Musical and literary entertainment by Christian Endeavor society of the South Main Street church in the church tonight.
The Rev. Bruce Brown of Spokane will conduct revival services, which are to continue nightly for some time.
Sunset club, high jinks, Levy's cafe, 6:15 p. m.
Noon meeting, Cluna's theater, last of the year under auspices of United Brotherhood, 12 p. m. Whittcomb Brougher will speak on "How to Have a Happy New Year."
Women's day, aviation meet. Reception to aviators. Program begins at 1 o'clock.

U. S. ORDERS 1100 BANKS TO ADOPT LIKE ACCOUNTING

Uniform System of Bookkeeping in All National Institutions Insisted On

TEXANS HOODWINK EXAMINER Federal Expert Fails to Detect Insolvency During Visits Lasting Two Years

(Associated Press)
WASHINGTON, Dec. 29.—Disclosures following the forced liquidation of the Quannah National bank of Quannah, Tex., ten days ago, caused the comptroller of the currency today to issue an order directing every one of the 7100 national banks in the United States to install what practically amounts to a uniform system of bookkeeping.

Investigation disclosed that the bank had been doing business for the last two years, although undoubtedly insolvent, and although inspected at regular intervals by national bank examiners. Within that time the examiners were unable to learn the bank's true condition largely because the management refused to keep a proper record of its transactions. It also showed that the entire capital of \$500,000 and probably some of the \$25,000 surplus was paid out to stockholders as dividends.

In a statement, Comptroller Murray says his examiners were hoodwinked for two years by the way the bank handled its notes.

"Within these two years," the comptroller says, "the bank carried comparatively little paid-up capital, all the notes having the appearance of being promptly paid or renewed. The bank had no discount register and the various earnings accounts were kept in such a manner as to make it practically impossible to audit them."

PAY CAPITAL FOR DIVIDENDS

"By this method of accounting the bank, without detection by the examiner, had the doubtful and worthless notes renewed with the interest added to the notes at the time of renewal. This interest on worthless paper had not been collected, and was credited to some one of the earnings accounts, and as the dividends were regularly paid this resulted in paying the capital out to shareholders as dividends."

SENATE ASPIRANT FAVORS REVISING TARIFF DOWN

William F. Sheehan Announces Candidacy for Depew's Seat

NEW YORK, Dec. 29.—William F. Sheehan made formal announcement of his candidacy for the United States senate tonight in a letter addressed to Mayor Fuhrmann of Buffalo, who, with other leading Buffalo Democrats, enthusiastically endorsed him for the seat to become vacant when the term of Senator Depew expires March 4.

COLD WAVE ROLLS OVER SOUTH ATLANTIC STATES

Snow Falls in Texas—Windstorm Along Gulf

LOUISVILLE, Ky., Dec. 29.—Unusually cold weather with freezing temperatures almost to the gulf prevails throughout a large portion of the south tonight.

GRANDSON OF JEFF DAVIS MARRIES COLORADO GIRL

Descendant of Confederacy Executive Coming to L. A.

COLORADO SPRINGS, Colo., Dec. 29.—One of the most elaborate and impressive wedding ceremonies ever witnessed in this city was that last evening of Jefferson Hayes Davis, son of J. A. Hayes and of the late Mrs. Margaret Howell Jefferson Davis Hayes, and grandson of Jefferson Davis, and Miss Doree Dewitt, daughter of Dr. and Mrs. Theodore F. Dewitt of Broadmead, an aristocratic suburb of Colorado Springs.

Hoxsey Scales Mt. Wilson, Flies 10,000 Feet Into Air

MANBIRD NEARLY REACHES RECORD

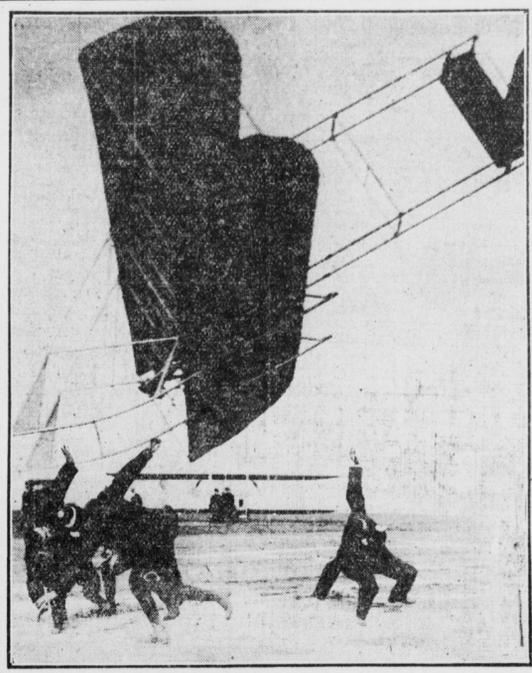
Pasadena Flyer Makes Remarkable 100-Mile Trip, Hovering Over Snow-Capped Peaks

SUMMARY OF RESULTS
Orange Belt Race—James Bradley in Bleriot monoplane won; time for five laps around one and three-fourths mile course 9 minutes 35 and 3-5 seconds; best lap one minute and 51 seconds. Eugene Ely in Curtiss biplane second; time 10 minutes 17-5 seconds; best lap 2 minutes 2-5 seconds. Phil O. Parmelee in "Baby" Wright biplane third; time 10 minutes 30-3-5 seconds; best lap 2 minutes 4-2-5 seconds. Glen Martin in biplane ran into fence, disqualified.

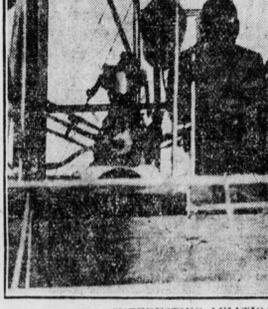
Second lap with new machine by Glenn Curtiss over 13 1/2 mile course, 1:57 2-5. Altitude—Arch Hoxsey won, 10,000 feet, being in the air 2 hours, 31 minutes and 15 seconds. Parmelee attained 5200 feet; Radley 1400 feet and Willard 900 feet.

Passenger carrying—Parmelee and Knabenshue, longest flight, 15 minutes and 10 seconds. Garland and Brookins second with 9 minutes and 40 seconds, and Latham third with 6 minutes and 40 seconds.

Bomb throwing contest—Charles F. Willard in Curtiss biplane, 11 points; Parmelee 8 points; Brookins 7 points; Ely 1 point. Accurate landing—Brookins won, 7 1/2 feet (Continued on Page Three)



INTERESTING AVIATION FIELD SCENES
Above, Starling Jones Diving as Arch Hoxsey Sweeps Down Toward Them in His Biplane. Below, W. M. Garland Getting Out of Car After Flight With Walter Brookings.



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TRUST MAGNATES MAY SEEK MERCY

Members of Bath Tub Combine Eager to Be Fined Rather Than to Face Jail Term

WASHINGTON, Dec. 29.—Pleas for clemency, it is reported, will be made to the department of justice by the indicted members of the so-called "bath tub trust."

At a conference to be held here tomorrow, attorneys for both sides will bring into the matter in detail. Two or three days ago, some of the defendants appeared in court in Detroit, pleaded not guilty and asked to reserve the right to change their pleas.

ARREST ROBIN FOR LOOTING OF BANKS

Financier, Technically Insane, Indicted for Larceny of \$90,000

NEW YORK, Dec. 29.—It took the grand jury just an hour today to indict Joseph G. Robin on a charge of the larceny of \$90,000 from the Washington Savings bank, of which he was president.

Robinson was immediately placed under arrest at the home of his sister, Dr. Louise Robinson, but his arraignment was postponed until tomorrow, when he must give \$25,000 bail or go to jail.

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'IT WAS FINE,' SAYS GARLAND, AFTER TRIP IN BROOKINGS' PLANE

BY WILLIAM M. GARLAND

"You can never realize Los Angeles' geographical situation as it relates to commerce and expansion until you see the city and the country surrounding from an aeroplane. The scenery was magnificent and inspiring from the mountains to the sea. The harbor I never saw to better advantage and it shows up great."

"Flying is fine sport without the dips and spiral curves. Brookings gave me his word as a man he wouldn't do any high diving while in the air and under that consideration I accompanied him on his flight this afternoon. He did not abuse my confidence, but sailed along with me as though he were on a smooth sea. It was fine. I can't say too much for it and of it. Indeed words fail me when I attempt to express my keen enjoyment of the whole flight."

"It does not seem as though you were flying. The earth just moves from under you and drops away and under you is floating."

"Brookings appeared a master hand at the game of handling his machine and made no fuss over it. He just simply ran it along as though he had run one all his life."

"Allow me to add one thing more. Anyone who sees this city and its surrounding country from an airship cannot fail to see its future. When I got up there and looked down on the city I said to myself: 'It's a million in population for Los Angeles in 1929.'"

ACCUMULATION OF CAPITAL AIDS UPLIFT, SAYS JAMES

Problem of Great Wealth Discussed Before State Teachers

BERKELEY, Dec. 29.—Speaking before the convention of the California Teachers' association at a general session in Harmon gymnasium this afternoon, Dr. George F. James, dean of the college of education, University of Minnesota, declared that capital and democracy were the principal factors in the future progress of the United States.

"Even a cursory thought makes clear that the United States is offered an unparalleled opportunity in human progress," he said. "The vast resources of a virgin continent, even though recklessly exploited, have brought our people to a standard of living to a material comfort, unknown to past ages. The prodigious accumulation of capital, however ill distributed that capital may at present be, is a potential instrument of human uplift."

DETECTIVES UNEARTH PLOT TO MURDER KING GEORGE

LONDON, Dec. 29.—A plot to assassinate King George has been unearthed in connection with the discovery of a bomb factory in the east end of London, according to secret operatives and officials of Scotland Yard.

"The discovery of the infernal machine works is a sequel to the Houndsditch crime, where three policemen were killed by burglars, the police say. Documents found at the bomb factory, and at the burglars' lair, the police say, prove conclusively that a plan existed to kill King George."

ILLINOIS JUDGE DROWNED

SPRINGFIELD, Ill., Dec. 29.—Precipitated into Shoal creek, when the ice broke under the weight of his horse and buggy, Judge Milton M. Creighton of the Montgomery county circuit court, was drowned today. A companion, another jurist, escaped.

U. S. DIPLOMAT'S WIDOW WELLS

LONDON, Dec. 29.—Mrs. John Walker Fearn, widow of the former American minister to Greece, Roumania and Serbia, and Arthur Inkersley of Lyme Regis, a well known traveler, were married in Salisbury cathedral today.

The bishop of Salisbury, a personal friend of the bridegroom, officiated, and American Ambassador Reid gave away the bride.

I'M A LAFOLETTE INSURGENT: IRAM JOHNSON TO G. O. P.

Governor-Elect Tells Conferees He Demands Loyalty to Progressive Cause

PARDEE AND FORBES CLASH Alameda Man Fires Hot Shots for Conservation at Legislative Preliminary

(Associated Press)
SAN FRANCISCO, Dec. 29.—A tilt between Governor George C. Pardee and Colonel E. A. Forbes of Sacramento, state Republican leaders, in their preliminary legislative conference at the Palace hotel this afternoon, threw open the conservation issues which will come before the state legislature in the next session.

Colonel Forbes took exception to some of the features of a conservation bill which Mr. Pardee gave a résumé, as chairman of the committee appointed by Meyer Lissner, to draft the bill. In a vein of pleasant satire Mr. Pardee replied to Colonel Forbes' warning against "hand-clapping capital," declaring that he did not propose to take away any of the colonel's water power, but planned only to prevent his "wicked partners" from "grabbing more water and putting it in cold storage."

Governor-elect Iram W. Johnson was loudly cheered when introduced by Chairman Lissner. In a short vigorous talk, he declared himself committed to LaFollette insurgency, and said he would demand loyalty to the insurgent cause of all associated with him in the government of the state.

The encounter between former Governor Pardee and Colonel Forbes arose when in a preliminary to his resumé of the proposed conservation bill Mr. Pardee defined his stand on the question.

"One of the first conclusions reached by the conservation committee," he said, "was that most of the water power of the state has been grabbed by the big interests and put in cold storage. There is still 6,000,000 horsepower of falling water in the state not utilized, the cream of which has been seized and kept from use by the big interests, honestly and within the law. This is which he have framed is designed to prevent the appropriation of the waters of Pitt, McCloud and Fall rivers."

The chief provisions of the proposed conservation bill, as reviewed by Mr. Pardee, are:

GATES IS TO GIVE TALK

That no appropriations be made for a period of longer than twenty-five years; that water for riparian uses be not utilized for electric power, except by a special appropriation; that the state be empowered to fix compensation to power companies and that the work of development must begin within three years of the appropriation. The bill also provides for the appointment of a board of control of which the governor and state engineer shall be ex-officio members.

City Attorney Percy V. Long of San Francisco discussed the proposed appointment of a public service commission.

State Senator Lee C. Gates of Los Angeles will speak on "Direct Legislation."

The conference will close with an evening session.

Lieutenant Governor Wallace announced the appointment this morning of Ray C. Waring as his private secretary.

In his opening address Chairman Lissner declared the Republican party would have no spoils to distribute in going into office. Democrats, but not hampered in its proposed progressive legislation by pre-election pledges.

"We are under no obligations whatsoever," he said. "The state central committee is not bound to distribute jobs in order to carry out its plans."

"A new line has divided the political forces of the country. It is not between the Republicans and Democrats, but it is between the insurgents and progressives on the one hand and the reactionaries on the other. The will of the people must be the guiding star, and every legislator-elect in the coming session must and will bow to the people's mandate."

Mrs. Lillian Harris Coffin and Mrs. Elizabeth G. Goodrich, prominent California suffragists, attended with the view of urging suffragist legislation.

LAST BROKERAGE FIRM OF PUGET SOUND IS BANKRUPT

SEATTLE, Wash., Dec. 29.—The investment brokerage firm of S. C. Osborn & Co., with offices in Seattle and Tacoma, and leased wires to Chicago and New York, was adjudged bankrupt in the federal court today.

The liabilities are given as \$2,000 and assets of \$42,000. Osborn is a member of the Chicago board of trade and until recently handled a heavy volume of business for Logan & Bryan of Chicago.

For the last six months, according to Osborn, both his offices have been run at a loss.

There is now no brokerage firm on Puget sound with leased wires to the east.

MRS. EDDY WILL REVEAL SELF, SAYS MRS. STETSON

NEW YORK, Dec. 29.—In the first interview Mrs. Augustus E. Stetson, formerly a director of the First Church of Christ, Scientist, in this city, has given since the death of Mrs. Mary Baker Eddy she made the positive statement tonight that she expects Mrs. Eddy will yet "demonstrate" over death.

"I believe," she said, "that Mrs. Eddy will make a manifestation that she will reveal herself to me and others—to the outside world. The same situation exists today as when Jesus of Nazareth was buried."

TRAINMEN'S WAGES RAISED

CHICAGO, Dec. 29.—Conductors and trainmen on fifty railroads running north, south and west of Chicago were granted a 10 per cent increase in wages of 10 per cent today.