New-York Tribune.

Vol. LXVI....No. 21,944. To-day, rain and warmer. To-morrow, fair and cooler; west winds. NEW-YORK, SATURDAY, DECEMBER 15, 1906.—SIXTEEN PAGES.— Copyright, 1906, by The Tribune Association. PRICE THREE CENTS.

NEW N. P. STOCK ISSUE.

INCREASE OF $95,000,000.

Rapid Growth of Business Reason Given by Road's Directors.

The expected financial plan of the Northern Pacific Railway Company was made public late last night. It provides for the increase of the capital stock from $155,000,000, the present amount, to $250,000,000. A special meeting of the stockholders is called for January 7 to take action on the proposal to authorize the issue of $95,000,000 additional stock, the right to subscribe to $93,000,000 of which at par, in proportion to their respective holdings of the present stock, is to be offered to shareholders of record at the close of business on December 31. The fact that the plan contemplated the immediate issue of $93,000,000 of new stock, the payments for which would be distributed over a longer period than that allowed the subscribers to the Great Northern's $60,000,000 of new stock, and also that 7 per cent interest would be allowed on the payments, has already been printed in The Tribune.

Payments are to be made at the office of J. P. Morgan & Co., fiscal agents of the company, as follows: Five per cent on or before February 1, 1907; 7½ per cent on or before April 1, and 12½ per cent every three months thereafter up to and including January 1, 1909. The reasons for making this great stock issue are set forth in a circular to the stockholders, which is in part as follows:

The rapid growth of population and development of business in the great territory served by your system of railways have overtaxed the capacity of all transportation lines, and that of none more than of your own.

Since your company began business in 1896 the commercial tons carried one mile upon your railways have increased from 982,487,281 to 5,245,269,089 in the year ended June 30, 1906. In the same period the earnings of the property have increased from $14,941,818 gross to $61,223,475 gross, and from $5,785,-846 net to $30,128,043 net.

Freight cars have been increased 17,881, passenger cars 589 and locomotives 423. Increase in capacity of freight cars and in hauling power of locomotives has been much greater than the increase in their number. Nevertheless your railways are unable to promptly move all the business urged upon them, the volume of which is continually growing, and the required improvements and additions are of such a nature that from one to three years will be needed to complete them, owing to the state of the labor market and the necessarily slow progress of improvement work on lines already in service moving traffic.

In view of these facts, your directors consider it a duty to the public and to the stockholders of the company to further considerably increase the company's mileage and facilities. Such increase will require the early raising of large amounts of fresh capital, for which the existing securities of the company would not be available or sufficient. Your directors are of opinion that this can be done to best advantage of the public and the stockholders by increase of the company's present capital stock of $155,000,000 by $95,000,000 of new stock, the legal right of the holders of the existing stock to subscribe ratably for the new, in proportion to their holdings, being observed.

In view of the considerable time that will elapse before the new stock will be issuable, the board has recommended to the stockholders that the resolutions to be adopted by them for increase of stock should contain a provision for payment by the company to subscribers, not in default, of interest upon the payments stated in their receipts, which interest shall be payable quarterly at the same rate per cent as the regular quarterly dividends (not including any extra dividend) which from time to time shall be declared and be paid in respect of its present issue of capital stock out of the company's net revenues derived from its current transportation business.

The reservation regarding "any extra dividend" is believed to refer to the probability of an extra dividend within the next two years, representing payment for the Northern Pacific's equity in the Burlington, it being understood that the plan for the sale of the Northern Pacific's holdings of Burlington stock to the Great Northern, which has been temporarily shelved, will be taken up again well before the end of 1908 and carried to a conclusion.

It may be noted that the resolutions recommended by the directors for adoption by the stockholders recite as the reason for the increase of the capital stock that the stockholders "deem it necessary for the construction, acquisition and operation of this company's railways now in course of construction or acquisition, or which may hereafter be constructed or acquired."

No further advices from St. Paul were received yesterday at the Great Northern offices in this city concerning the objections raised by the Attorney General of Minnesota to the proposed $60,000,000 increase in the company's capital stock. President Hill says that there is absolutely no mystery about the case at all. The circular tells the whole story. It is a plain business proposition prompted by the needs of the company and the development of the country.

It is pointed out that in any case, even granting everything that the Attorney General may allege, a stock issue cannot be prevented except when illegal; that Great Northern stockholders may be sure that the company is not issuing stock for illegal purposes, and that no person or place will benefit more by the expenditure of the money than Minnesota itself.

It is also pointed out that the proposed issue of stock is not to be made until May, 1908, and before then there will be time for everybody to be satisfied. Mr. Hill says that 90 per cent of the stock is closely held, which means that $135,000,000 of it is not for sale.

The stock market showed decided improvement yesterday, and the Hill stocks, which had suffered exceedingly severe declines on Thursday, rallied with the rest of the list, after initial weakness. Northern Pacific made a net gain of 3⅛ points, closing at 210⅞, after having touched 206; Great Northern advanced 2½ points, and the ore certificates gained 3¾ points.

JOIN EAST RIVER TUBES.

Men Walk Through Tunnel from Manhattan to Brooklyn.

A shrill whistle blowing for ten minutes in the yards of the New York Tunnel Company, at the Battery, was the only external demonstration made yesterday in celebration of the joining of the two sections of the East River tunnel. But there was great cheering below the river bed when the earth between the two great shields broke and T. J. Brown, general superintendent, forced his way from the Manhattan tube and began his walk to Brooklyn. He walked quickly, and returned on a ferryboat to the Manhattan yards at the Battery. He entered the gate at 2:35 p. m., and for ten minutes a steam whistle announced to all within a radius of half a mile that the East River tunnel was practically completed.

When the noise ceased Mr. Brown called up D. L. Hough, president of the New York Tunnel Company, and announced that the tubes had been accurately joined.

More than two weeks ago the tunnel workers connected the tubes by forcing a six-inch pipe through the earth between the shields. Early yesterday morning, with some seven feet of earth between them, the gangs in both tubes could hear each other at work.

At about 2 p. m. a pick from the Brooklyn side came through the thin wall of earth into the Manhattan tube, and within a few minutes the men of both gangs were able to see one another.

When a hole about twenty inches wide was made, Superintendent Mullen crawled into it and was pushed through by Mr. Brown, who followed him. F. A. Snyder, engineer of the Brooklyn division, followed Mr. Brown, and the officials walked to Brooklyn.

Mr. Hough announced yesterday that there was no hitch in the meeting of the tubes. He said they joined exactly. No visitors will be allowed to enter the tunnels, and the celebration which was planned for Monday will be deferred until the completion of the north tube.

Ground was broken for the East River tunnel on December 17, 1902.

Try Gold & Black Label 1, 2 & 3 Crown Sherries of A. R. Lulz & Hermanos, Jerez, Spain.—Advt.

THE REICHSTAG IN SESSION.

Dissolved by imperial decree on Thursday

COUNT VON BALLESTREM.
President of the Reichstag.

MRS. STOKES A SPEAKER

ATTACKS HORSECARS.

Says They Hurt Spiritual Side of Men and Women.

As a "friend of the working men and women" and a "socialist," Mrs. J. G. Phelps Stokes, who was Miss Rose Harriet Pastor, appeared yesterday before the Board of Aldermen's committee on railroads and denounced the city's antiquated horsecars. She was glad such conditions existed because it helped the cause of socialism. Mrs. Stokes predicted "a change in our industrial conditions" in "less than a hundred years," which she hoped would come "without blood." Her protest was based largely on the injury the cars brought to the spiritual side of the men and women.

"I appear for the workingwomen and the workingmen," said Mrs. Stokes. "And I am here as a socialist. The greatest danger to the people has not been stated, and that is their spiritual danger. Men and women are imbruted by these horsecars. They are embittered, and they become hateful through them and the conditions they meet on them. It is not so much the lack of comfort and the neglect, the injury to their physical being, and even to their morals, but their morals suffer through their spiritual side. As a socialist I am glad, in a measure, of this oppression. I am glad if such conditions exist strongly enough to make people protest. If it calls their attention to heinous wrongs it is good. It makes strongly for socialism. It means that the change is coming in our industrial conditions. I hope it will come without blood and peaceably, but it will come—yes, and in less than a hundred years." This was said to some of the aldermen, who smiled.

"You gentlemen don't realize what they suffer on the East Side. They can't protest. They don't know what to do. Some of them don't even know you exist. If they wanted to protest they couldn't spare the time to come here. But they feel these conditions deeply, and they are learning, and they will some day make the change from this industrial system to a better one."

When Mrs. Stokes concluded her speech she was warmly applauded. Several other women also attacked the horsecars. A representative of the University Settlement followed, and asked the committee to introduce to the board an ordinance, which read as follows:

That the Board of Aldermen publicly censure the Metropolitan Street Railway Company for its neglect of the public comfort and the defiance of the public right.

That the Board of Aldermen request the Board of Estimate and Apportionment to take such steps as are within its power to remove the horsecars from the city streets.

That the Board of Aldermen request, and it hereby does request, the Legislature at the next session to give power to the Railroad Commissioners to enforce its orders or to create a local board with adequate power to cope with the transit problem.

That the Legislature be requested to enact legislation for the removal of horsecars from the city of New York.

W. N. Amory, who is suing President Vreeland of the New York City Railway Company for libel, and has brought charges against District Attorney Jerome, also took the floor as a strong opponent of the horsecars. Mr. Amory had a long speech prepared and in it were innumerable charges, including one in which he invited Mr. Vreeland and Mr. Jerome to sue him if it was not true. This charge said: "There would be no horsecars in this city to-day if the managers of the Metropolitan Railway Company had not robbed their own stockholders of millions of dollars and cheated the citizens of New York." Mr. Amory was exceedingly bitter in his attack on Mr. Jerome.

After the speaker had made charges against nearly all of the men connected with traction interests in the city he was asked by Alderman Diemer if he could proved what he had said. Mr. Amory was positive that he could. Alderman Diemer thought Mr. Amory was wandering from the subject under discussion, and told him so, but other aldermen cried out: "Let him go on," and the speaker continued for many minutes. Mr. Amory's statement was accepted, and he was told that he would be called on later for evidence.

STANDARD OIL INCREASES WAGES.

Will Affect Employes of Subsidiary Companies Receiving Less Than $100 a Month.

The Pipe Lines, Natural Gas Companies, and Oil Producing Companies, commonly known as Standard Oil Company properties, have advanced the wages of their employes 10 per cent in all cases where employes were receiving less than $100 a month, the increase to take effect on January 1.

GREAT BEAR SPRING WATER.
"Its Purity has made it famous."—Advt.

HENRI, CONFISEUR, 67-69 W. 44TH, opposite Hippodrome, Parisian Tea Room, Patisserie Glaces Françaises, Bonbons. Catalogue.—Advt.

VATICAN'S STATEMENT.

THE CONCORDAT HOLDS.

Declares It Has Not Yet Been Denounced by France.

Rome, Dec. 14.—The Pope and the Papal Secretary of State, Cardinal Merry del Val, have refused all requests to grant interviews for publication on the Franco-Vatican situation. But the following statement is authorized by the Vatican:

The Concordat, the most solemn bilateral contract, has not yet been denounced by the French government, which wishes to establish a new legal standing for the Church in France.

The government did not agree with the Holy See on this subject, and repeatedly and openly showed hostility toward the head of the Church. Violence may prevail for a time, but those who are suffering from this state of oppression preserve all their rights and all their claims. The explosion of joy among the Masonic and demagogic societies as a result of the persecution on the part of the government shows that the war is against the Church and religion.

Notwithstanding the bills passed and regulations adopted, France at the present time has no law granting religious liberty to those who do not comply with the law providing for the separation of Church and State. The one good point in the circular issued recently by the French Minister of Public Worship, M. Briand, is his confession that it is impossible to apply to cultural associations the laws of 1881 and 1901, which were adopted for the regulation of other kinds of associations' meetings. Therefore what is needed is a real law providing for real liberty, instead of arbitrary ministerial circulars.

The loyalty and good will of the Holy See under similar circumstances was shown in Brazil.

There were a monarchy and a Concordat, both of which the republicans suppressed and proclaimed their separation from the Holy See, under certain reserves. Later the Brazilian Republic came to an understanding with the Vatican, and a Papal Nuncio was accredited to Rio Janeiro, while a Brazilian Minister was accredited to the Vatican.

The search of the nunciature at Paris and the expulsion from France of Monsignor Montagnini, secretary of the nunciature, were steps taken with the object of making the world believe the false statements circulated later and which were said to have originated in the discovery of documents seized at the nunciature, such as the report that some of the French episcopacy and clergy were ready to make applications to hold religious meetings. There is no truth in the statement. The Holy See is not opposed to the making of applications under the law, but takes exception to the whole spirit of the circular issued by Minister of Public Worship M. Briand.

STATE TO GET CHURCHES.

Continuance of Public Worship in France Under Laws of 1881.

Paris, Dec. 14.—The Cabinet met to-day, with President Fallières in the chair, in order to decide on the new legislation to be presented to Parliament, but the text of the measures decided on will not be ready until to-morrow. The steps to be taken are of a very sweeping character.

It is proposed to amend the law of 1905, providing for the separation of Church and State, by which a year's grace was allowed before the permanent alienation of the Church property, and to suppress the privilege of forming new diocesan associations during that period, and all Church property, including the seminaries, will immediately be handed over to the State, to the departments and to the communes, under conditions insuring that the churches themselves will be retained for religious uses. The continuance of public worship will be provided for under a combination of the laws of 1881 and 1901.

With regard to the pensions and allowances of the clergy distinctions will be made by which those who are entitled to the former will lose their rights if they are deprived of their French citizenship, while those who are entitled to the latter will lose their allowances if they do not conform with the law. The conditions under which the clergy will forfeit their French citizenship will be drawn up in a special measure to be prepared later.

The first day of the regime of the separation of Church and State having passed without grave disorders, public interest in the details of the continuation of the struggle is already visibly flagging. It is now apparent that the resistance of the clergy will be purely passive, and that there is no prospect of religious passions being aroused unless the churches are closed, and the government therefore is resting on its oars and will continue to do so until Parliament authorizes the drastic measures which the Cabinet is preparing. In the mean time in this city,

Continued on fourth page.

OVER NIGHT TO CHICAGO.
PENNSYLVANIA SPECIAL.
In 18 hours via Pennsylvania Railroad, rock-ballast, dustless roadbed. Leaves New York 3:55 P. M., arrives Chicago 8:55 A. M. Other fast trains to Chicago, Cleveland, Cincinnati and St. Louis.—Advt.

ROAD ENGULFS WAGON.

WALDORF GUESTS SCARED

P. R. R. Tunnel Causes Section of 33d Street to Sink.

A big garbage wagon, laden with the refuse of the Waldorf Astoria, went crashing through the roadway of 33d street opposite that hotel about 10 o'clock last night, and caused much excitement among the guests. The wagon fell into a hollow section of the roadway caused by the digging of the Pennsylvania tunnel, and wild rumors flew around that the entire hotel was in danger. This intensified the excitement and brought hundreds to the scene, until the Tenderloin reserves had to be summoned.

The wagon was being driven through 33d street, and had reached a point about two hundred feet west of Fifth avenue when a piece of asphalt about fifteen feet square gave way under the weight of the heavy vehicle. The driver, Charles Mahoney, an employe of Donovan Brothers, contractors, jumped from his seat, cut the traces and lashed up the horses. He said afterward that he thought the "ind of creation wuz cumin'." The wagon meanwhile had sunk about two feet into the ground.

Then the rumor spread that the whole street was sinking and that the Waldorf was threatened. The corridors of the big hotel were jammed with guests eager to know the truth about the situation and very much alarmed. Out in 33d street and along the avenue there was a blockade of carriages, cabs and automobiles, and traffic was stopped for nearly an hour.

Officials of the railroad company first denied, then admitted, that the accident was caused by the tunnel digging. One of the engineers of the company, after he had carefully inspected the roadbed, admitted that the company had been alarmed for some days, and actually feared that a serious accident might have occurred. Explaining, he said:

There is absolutely no danger to the buildings, but a serious accident might have occurred on the roadway which we could not well avert. All the buildings in the neighborhood have been shored up, and, as a matter of fact, there is a huge layer of rock below this hollow section, separating it and the tunnel. Several days ago when the men were at work they dug into an old stream, wide and deep in some sections. This stream runs into what is known on the old map of the city as Collet Pond. Naturally we were alarmed, for it is a long, hollow excavation, which causes the streets it traverses to be unsafe. There is no danger now, I believe. The street will be filled in tonight.

The Pennsylvania tunnel at this point is said to be sixty-five feet below the surface. The police would not take any chances of further accidents, and closed 33d street from Fifth avenue to Astor Court.

RUNAWAY INJURES SHOPPERS.

Dashes Into Crowd Outside Store and Bowls Over Men, Women and Babies.

A runaway horse dashed in among a crowd of holiday shoppers at 60th street and Third avenue yesterday, knocked down two women and the perambulators they were wheeling and so severely injured William Plant, of No. 146 East 43d street, that he was taken to the Presbyterian Hospital.

The horse was being ridden from a blacksmith's shop by John Shick, sixteen years old, of No. 1117 Third avenue. The boy lost control of the animal, and it galloped madly down the avenue, Shick clinging to its neck. At 60th street it ran on the sidewalk and bowled over Plant and the two women.

Mrs. Ellen Frylten and Mrs. Mary Roller, both of No. 415 East 64th street, were the women. They were more frightened than hurt, and their babies, apparently, quite uninjured. Plant was injured about the head and body.

MAINE HUNTING SEASON COST 10 LIVES.

Augusta, Me., Dec. 14.—During the open season on big game, which closed to-night, ten persons lost their lives in Maine by the use of firearms, the overturning of a canoe or exposure. In three cases the victim was mistaken for a deer or bear, five persons were killed by the accidental discharge of guns, one was capsized from a canoe and one died from exposure. In addition there were a number of accidents which did not result fatally.

ACCIDENTALLY SHOT BY BROTHER.

New Brunswick, N. J., Dec. 14 (Special).—George R. Patterson was killed at his home, at Ryder's Lane, this afternoon by his own gun. He had been hunting, and on returning home removed one of the shells from the gun and stood it up. A younger brother got hold of the gun, and in handling it the shell not removed exploded, the charge entering Patterson's face and blowing one side of it off. He died almost instantly. Coroner Moke was summoned and gave a permit for burial.

AUGUSTA, CHARLESTON, SUMMERVILLE AND SOUTH.
9:25 a. m. and 9:25 p. m. Unexcelled service via Penn. & Atlantic Coast Line R. R. Florida Information Bureau, Broadway, cor. 30th St.—Advt

OFFICERS TO BE TRIED.

Court Martial for Those in Charge of Negro Troops at Brownsville.

[From The Tribune Bureau.]

Washington, Dec. 14.—Major C. W. Penrose and Captain E. A. Macklin, 25th Infantry, will be tried by general court martial, by order of the President. This means the bringing before an army court of the officers who were in charge of the troops of the 25th Infantry at Brownsville, Tex., at the time of the disturbances in that town leading to the discharge without honor of the members of the battalion of the regiment stationed at Fort Brown. The trial will in each case be on the charge of neglect of duty, under the Sixty-second Article of War. The detail of a court for this purpose is the result of the recommendation of the General Staff. The President ordered an investigation of the conduct of the officers of the 25th Infantry who were in command of the battalion of Negro soldiers at Fort Brown. He desires to be in possession of all the information relating to the incident. The instructions to those who obtained testimony were that they should ascertain to what extent the commissioned officers were responsible for the occurrences and in what degree they failed to be properly posted on all that went on in the weeks just preceding the outbreak of the Negro troops in the town. It has been charged that the officers failed to make themselves familiar with the local sentiment and the action of the men, and that the commanding officer refused to believe the complaints made by citizens. The fact that soldiers could get their weapons and go into the town and return without the knowledge of any of the officers has been commented on, and the President feels that the previous investigations did not fully cover the situation.

The specifications will include among other things the charge that the two officers named failed to exercise due diligence in preventing the occurrence when the condition of affairs at Brownsville made it necessary that all proper precautions should be taken to prevent a clash between the troops and the citizens, and also that they did not examine the rifles of the men until daylight, although they learned of the true state of affairs by 1 or 2 o'clock in the morning.

The details as to the membership of the court and the place of trial have been left to the discretion of the commander of the Department of Texas.

SIX MORE MESSAGES.

To Be Sent by the President to Congress Next Week.

[From The Tribune Bureau.]

Washington, Dec. 14.—If Congress pays proper heed to the messages it receives from the White House next week the members will have little time to get into mischief. No less than half a dozen important documents are promised from the President before Wednesday evening, and one or two more are said to be "in the air."

On Monday the President will transmit messages bearing on Panama and the personnel of the navy; on Tuesday Congress will read a message accompanying the report of Mr. Metcalf on the Japanese incident, a message on Cuba and a message relating to public lands; on Wednesday the President will send in a message on the Brownsville incident. This document, it is understood, will contain a complete report on the riot and subsequent discharge of the Negro troops, and will give more fully than has yet appeared the President's attitude toward the men dismissed from the army.

It was said on the floor of the House to-day by a Republican member who had seen the President that he was preparing a special message on the ship subsidy question. If the President does prepare such a paper and sends it to Congress next week, it will make seven for the period, and will break all records for the number of special documents transmitted from the White House to the Capitol in a similar space of time.

COAL SHORTAGE WORSE.

Governors May Be Asked to Have Militia Move Trains.

Minneapolis, Dec. 14.—With the cold wave signal flying, the coal shortage in the Northwest becomes not only a cause of severe suffering, but an absolute menace to human life.

Glenburn, N. D., is seriously considering an appeal to the governors of North Dakota and Minnesota to employ the state militia in forcing the moving of coal trains. Eveleth, Minn., faces darkness and suffering through deprivation of coal, and apprehensive reports have come from numerous other places.

The Glenburn, N. D., situation is summed up in a statement from the Glenburn Commercial Club, as follows:

The dealers advise that the situation is entirely up to the railroads, as shippers are unable to obtain cars to load with coal. To-day we will wire Governor Searles, requesting him to take up the matter with Governor Johnson of Minnesota, and, if necessary, call out the militia of the two states to run coal trains.

The situation all through this section is desperate, and with the liability of blizzards at any time many may freeze to death if fuel is not available soon. Farmers are already coming to town with reports of burning sheds and other outhouses for fuel. We have notified the farmers that if the worst comes they can bring their families and bedding and camp in our four-room brick schoolhouse. We have sufficient coal to heat the building for three months at least, and it will go further in this way than it would if distributed among those who are out of coal, as it would not make a bushel each.

We will also wire our Senators at Washington to-day asking their interest with the federal government. We cannot put our words strong enough to convey to you the importance of getting railroads to haul special trains of coal into the section that is suffering. Lignite is unavailable, as the same handicap is met there. We telephoned the Burlington mines and asked if they could not let us have five cars if we sent men there to load them. They replied they were sixty cars or more back in orders and could not obtain cars to load. Farmers cannot go to the mines and haul more than 1,000 to 1,200 pounds, as the roads are almost impassable.

ASKS ABOUT CAR SHORTAGE.

Commerce Commission Urges Railroads to Relieve Suffering.

Washington, Dec. 14.—In view of the complaints of car shortage, resulting, it is said, in failure to transport the necessaries of life and coal for household use, the Interstate Commerce Commission has sent the following telegram to the presidents of a number of Western and Northwestern railroads:

From many parts of the country, and particularly from your section, the Interstate Commerce Commission is receiving numerous and importunate complaints of car shortage and failure to transport the necessaries of life. In various places in the Northwest it is represented that people are actually freezing because sufficient coal for household use cannot be procured, owing to extraordinary delays in moving that article. The commission therefore urges you to make every possible effort to meet at once the needs and relieve the suffering of those dependent upon the facilities of your road.

The telegram was sent to the presidents of the Great Northern, Northern Pacific, Minneapolis, St. Paul & Sault Ste. Marie, Chicago & Northwestern, Chicago, Milwaukee & St. Paul and Chicago, Burlington & Quincy.

FLORIDA AND CAROLINA RESORTS.
Seaboard Air Line shortest, quickest, pleasantest route. Booklets, etc. No. 1183 Broadway, New York.—Advt

REJECT BANKERS' PLAN.

NO CREDIT CURRENCY.

Congress, However, May Enact Some Remedial Measure.

[From The Tribune Bureau.]

Washington, Dec. 14.—The credit currency plan formulated by the American Bankers' Association in its convention in Washington last month will not be adopted by Congress at this session, nor will it find an easy road to adoption for some years to come. When the plan of the bankers was first made public an unofficial statement appeared which credited Secretary Shaw with criticising the plan on the ground that the first proposition provided for the issue of any bank meeting the required conditions of a credit currency equal to 40 per cent of its bond secured circulation, subject to a tax of 2½ per cent a year on the average amount outstanding. Such a circulation, according to the newspaper reports of the Secretary's views, would not constitute an emergency circulation, as was asserted for it, because the tax was not sufficiently high to insure its retirement as soon as the emergency had passed. On the contrary, a bank issue subject to a tax of only 2½ per cent might easily remain in circulation throughout a prolonged period of prosperity, when interest was high, and might thus be absorbed into the permanent circulation, and so serve merely to inflate the volume of currency rather than add that elasticity the need of which is felt at not infrequent but usually for brief periods.

Mr. Shaw is also credited with saying, about this time, that "no new and unguaranteed form of money should be injected into our system." But later the Secretary made an official statement in which he said: "The Secretary will be pleased beyond measure if Congress will adopt every detail of the plan recommended by the recent committee of bankers and business men." What led Mr. Shaw apparently so radically to change his views is not known, but that the unofficial statements credited to him are in far greater accord with the views of Congress than those expressed in the official statement quoted is unquestionably true.

Congress will not enact legislation providing for an addition to the present system of any credit circulation; neither will it make any provision for an emergency currency which might easily be converted into a practically permanent addition to the circulation, and thus utterly fail of the purpose for which it was provided. These statements are made with the utmost confidence in their accuracy.

It is possible that some plan will be formulated and enacted into law at this session by which such emergencies as have recently occurred, and which have led the Secretary of the Treasury to believe it necessary to advance interest, retire bonds, etc., to relieve financial stringency, may be obviated, but if this is accomplished it will not be along the lines of the plan of the Bankers' Association, and it will not be a resort to credit currency.

James B. Forgan, president of the First National Bank of Chicago, and A. B. Hepburn, president of the Chase National Bank of New York, have been in this city recently working for the adoption of the bankers' scheme, but have not met with much encouragement. In a general and non-committal way the Speaker has talked of the lack of time at a short session and the great amount of work attendant on getting the big supply bills through. Senator Aldrich, chairman of the Finance Committee, has asked some pertinent but abstruse questions of Messrs. Hepburn and Forgan, and they have returned to their homes little encouraged over the situation.

Nevertheless, the men who do things in Congress are really cudgelling their brains, and it is possible that some measure calculated to prove remedial in its operation will be devised. If this can be effected, the details carefully worked out and the leaders of the minority as well as the majority satisfied that it is a wise measure, so that it can be passed quietly and without much debate, it will be done. If it is not possible to do all this and if the scheme devised excites opposition and seems likely to provoke debate, it will be abandoned until the next session of Congress.

The Bankers' Association has done good by emphasizing the necessity of remedial legislation. The President has done more in this direction by congratulating Secretary Shaw on his ingenuity in meeting emergencies, but the framing of the legislation will be performed by that small coterie in the two houses of Congress popularly known as the "financial sharps," and only when they have worked out every detail and the respective committees are practically ready to report a bill will the provisions of the measure come to light. And whether that will be this session or next will depend almost entirely on the success of the "sharps" in "greasing the ways" for the launching of their contemplated measure.

CREEL TO BE AMBASSADOR.

Well Known Financier to Represent Mexico at Washington.

City of Mexico, Dec. 14.—It has been officially announced by the Mexican government that Enrique C. Creel, Governor of the State of Chihuahua, has been appointed Mexican Ambassador to the United States.

Señor Creel is of American descent, and is one of the wealthiest and most progressive men of the republic.

WIRELESS FISHING CRUSADE.

Boats in Menhaden Waters To Be Equipped with Special Apparatus.

The menhaden are to have a sorry time of it next season, for the fishing boats that pursue them are to be equipped with wireless telegraph apparatus. By this means the news of the swarming places of the wily menhaden may be flashed from any vessel finding them in greatest abundance to the entire fleet.

The American Fisheries Company has ordered complete equipments for five of its steamers—the Alaska, the Arizona, the J. L. Lawrence, the Joseph Wharton and the Walter Adams. The private yacht Mindora, belonging to General Manager Delaney of the American Fisheries Company, is also to be equipped with the wireless telegraph apparatus.

These vessels, which form about one-seventh of the fishing company's fleet, hail from Sag Harbor, Long Island. If the use of the wireless telegraph proves helpful in the 1907 season, which will open in the spring, all the company's other vessels will be equipped likewise.

NEW YORK HERALD'S CHRISTMAS NUMBER, SUNDAY, DECEMBER 16.
Charming Full Page Pictures in Colors, and eight page Comic Section in Colors, Original Christmas Stories, crisp Holiday Humor. Order copy now.—Advt.