

SALARY BILL IS PASSED OVER GOVERNOR'S VETO

Senate Takes Prompt Action in Putting It Through, Following Receipt of Disapproval Message of Executive.

HOUSE TO CONSIDER MEASURE ON MONDAY

Poll Shows It is Two Shy of Necessary Two-Thirds Majority; Prohibition Resolution Adopted.

that we are not justified in providing \$49,000 annually for county officers in excess of liberal compensation for the work performed, which is done by this bill. This occurs chiefly in counties of the first and second classes although there is considerable of it in the third class counties.

Assessors alone, in all the counties would obtain \$18,000 more than justice and fairness would give them.

"In first class counties \$4,000 is provided for treasurer, while it is well known that in four of the six counties in this class, the work is practically entirely done by deputies who receive from \$1,200 to \$2,000, leaving a net sum for the treasurer of from \$2,000 to \$2,800 for bearing the honor conferred by the people.

"Sheriffs in first class counties would receive \$2,500 salary, in second class counties \$2,000, and in third class counties \$2,000. "Under the head of jailer, third class counties are allowed only \$400, which is not sufficient to employ a man who can be considered safe for handling prisoners; and at the same time \$300 is provided to pay a deputy district clerk in each of these counties, when it is a well known fact that, except during terms of the district court, there is very little work to be done.

"The county officers are presumed to give their entire time to the performance of the duties of their offices, and in counties where a competent man is unable to perform all the duties of his office, provision should be made for deputies whose compensation should be distinct and separate from that of the county officers.

"I believe this bill is wrong in principle and unfair in the details as they have been worked out. A net salary should be provided, so far as practicable, for all county officers, and compensation in each case should be commensurate with the services to be performed.

Senator Holt moved that the senate pass Senate Bill 104, the governor's veto to the contrary notwithstanding. Upon this motion, Mr. Farth made the first speech since his recent newspaper notoriety. He declared that the reasons given by the governor for the veto of the bill were ample. He indicated that those who strongly for the bill wanted to reward some of their friends now in office. He declared that the measure had not been sufficiently considered in public, and that the majority members had performed most of what considering there had been in caucus. He asserted that the governor should not be supported merely because he was governor, but because the opinions of such an executive as William C. McCall were worthy of support.

Mr. Hinkle expressed great dislike for having to take the position he proposed to take against the governor, but said that the bill had been agreed upon by fifty of the seventy members in the legislature, and that the best he could do was to support it, even though he did not feel entirely satisfied with it.

Mr. Mabry said that the work of making a salary bill was a tremendous task, and that while he did not charge politics in the framing of the present bill, he did believe the people had not been sufficiently listened to.

"But the people will be heard from when they pay their taxes," he said. He characterized the bill as exceedingly high and asserted that the county school superintendents had been unfairly treated in it.

Mr. Cranston called the statements of Senator Farth "indignant," and indicated that the bill was not a political one, but a measure framed as the best efforts of fifty men in the two houses.

Mr. Holt declared that the veto was unjustified and that the measure was not an "officeholders' bill." He said that only the county superintendents of two or three counties had asked to appear before the committee, while the bill was being framed, and that other county officers who had appeared, had been called by the committee to give information but they had not done so. He asserted that the bill introduced by the governor (Senate Bill 125, by Mr. McCoy), was \$2,100 higher in the aggregate than the present one and that this one was specific, while the McCoy bill opened the door for endless expense in the hiring of deputies by the county commissioners. He warned the legislature that if this measure were not passed there would be nothing else done this session except the drafting of salary bills, and that this would hinder consideration of many important measures still to come up. He said the majority members were willing to vote upon this bill and then leave it to the people to judge if they had acted well.

Senator Doopp spoke for the bill in strong terms, declaring it was the best one that could be framed at present. After Mr. Farth had suggested that the members of the committee had been influenced, though unconvincingly, by the officeholders in the framing of this measure, and after Mr. Mabry had said the arguments of the majority were unfair, the roll call was taken.

The following was the vote: For—Athey, Bowman, Bur, S. Clark, Cranston, Doopp, Gallegos, Hart, Hinkle, Holt, Hilde, Laughren, Mirra, Navarro, Page, Pankey, Romero, Sulzer and Walton. Total 18. Against—Alldredge, Barth, Evans, McCoy and Mabry. Total 5.

A large crowd was present to witness the bill's passage, most of the house members being included. They had come over from the lower body during recess, taken when they heard of the governor's veto.

At the conclusion of the debate and (Continued on Page Three).

SENATE OVERRIDES VETO OF TAFT AND REPASSES WEBB LIQUOR BILL

After Voting Down Motion to Postpone Action, Measure is Immediately Taken Up; Carries 63 to 21.

OPINION BY ATTORNEY GENERAL IS IGNORED

Senator Fall Votes with Majority Members, While Senator Catron Was for Sustaining President.

(By Morning Journal Special Leased Wire.)

Washington, Feb. 28.—The Webb liquor bill, prohibiting the shipment of liquor into "dry" states, was repassed in the senate today, over President Taft's veto, within two hours from the time the president's message of disapproval had been laid before that body. A short debate in which the advocates of the bill voted down a motion to postpone action until tomorrow and in which they reaffirmed their belief that the measure is constitutional, ended with the repassage of the bill by the large majority of 63 to 21.

The Webb bill passed both houses of congress and went to the president ten days ago. His veto message reached the senate by 3 o'clock today, accompanied by an opinion from Attorney General Wickersham. The senate took up the bill at once. Attorney General Wickersham's opinion was not read. A motion made by Mr. Kohn to postpone the vote until 12 o'clock tomorrow was defeated, 21 to 9. Efforts will be made tomorrow to override the veto in the house. The senators voted as follows:

To override the president's veto: Ashurst, Borah, Brady, Bristol, Brown, Bryan, Burdette, Burton, Chamberlain, Chilton, Clapp, Clarke of Arkansas, Crawford, Culberson, Cullom, Cramm, Curtis, Dillingham, Dixon, Felt, Fletcher, Gallinger, Glavin, Gardner, Gore, Griggs, Jackson, Johnson, Johnston, Jones, Kavinagh, Keenon, Kern, Lea, Lodge, McCumber, Martin, Myers, Nelson, Newlands, Oliver, Overman, Owen, Page, Pittman, Polk, Pomeroy, Shoup, Silberman, Simmons, Smith of Arizona, Smith of Michigan, Smith of South Carolina, Swanson, Thomas, Thurston, Tillman, Townsend, Webb, Williams, Works—Total, 63.

To sustain the president: Bradley, Brandegee, Catron, Crane, Dismock, Foster, Guggenheim, McLean, Martin, O'Gorman, Parvater, Penrose, Perry, Perkins, Pomeroy, Richardson, Root, Stephenson, Sutherland, Warren, Walker—Total, 21.

WASHINGTON READY TO INAUGURATE OFFICIALS

Vice President-Elect Reaches Capital and is Greeted by Senators, Representatives and Citizens.

(By Morning Journal Special Leased Wire.)

Washington, Feb. 28.—Thomas R. Marshall, of Indiana, reached Washington today, ready to become vice president of the United States, at noon next Tuesday. Accompanied by Mrs. Marshall, the future vice president was met at the railroad station by a committee of senators, representatives and citizens. The first inaugural ceremony over the members of the inaugural committee turned their attention to the finishing touches for the reception of the president-elect.

A request from Mr. Wilson necessitated quick action. The president-elect insisted that ten seats be reserved on the floor of the senate for members of his cabinet during the vice presidential inauguration and that ten seats for their wives be reserved in the senate gallery. This indicates an early announcement of his cabinet.

The president-elect and Mrs. Wilson will arrive in Washington Monday afternoon. Mr. Marshall said tonight that while he was aware of the personal of President-elect Wilson's cabinet, he preferred not to give an indication regarding Mr. Wilson's selections.

Two Negroes Summarily Lynched.

Cornelia, Ga., Feb. 28.—Two unidentified negro thugs, charged with killing Policeman John Gibbs, of Cornelia, were taken from a public and lynched here early tonight by a mob of masked men.

Gibbs was killed as he attempted to handcuff two negroes he had arrested.

HUERTA STRENGTH IS BELIEVED IN BY WASHINGTON OFFICIALS

All Mexican Prisoners in American Jails for Political Offenses Are Ordered Released by Secretary Knox.

PERMISSION GIVEN TO RELAX BORDER PATROL

Death of Emilio Madero Regarded as Favorable to Order Removing as It Does an Implacable Revolutionary.

(By Morning Journal Special Leased Wire.)

Washington, Feb. 28.—The administration in two actions today, evinced its belief in the stability of the Huerta government of Mexico, for the present at least. First, orders were sent to the military commanders from California to Texas to release all of the Mexican refugees captured on the American side of the line. This was done because these prisoners, few in number, can no longer be regarded as rebels in view of the successful revolution in Mexico. Second, a safe conduct was granted to Colonel de la Fronte and the members of his party, now somewhere in the vicinity of Juarez, to proceed to San Antonio, where an important conference is to be held between the Mexican factions in the interest of general peace.

The confirmation of the first reports of the killing of Emilio Madero, the third of the family to pay the extreme penalty, is regarded as another move in the direction of peace removing as it does a remorseful and implacable rebel leader. From various quarters came reports of the admission of rebel chiefs to the new government. General Campes, one of Ormsby's oldest lieutenants with 200 former rebels, entered General Huerta's today in accord with and escorted by federal troops. Consul Stuart telegraphed from Durango that the local situation is rapidly improving, that the new administration is very popular with the better classes, who, though heretofore holding aloof from politics, now have determined to cooperate with the provisional government to restore order.

Though the six warships now in Mexican ports will continue there for the present, the tension has so relaxed that Admiral Rader was authorized today to resume the routine drills and maneuvers with the big fleet of tinianahuis, which for the last week has been kept under banked fire in readiness for instant departure for Mexico.

The announcement of the candidacy of General Felix Diaz for the presidency, though expected, has excited some interest here, as it is felt that the development of his campaign speedily will disclose the existence of any rival candidates and apply the acid test to the existing friendly compact between Diaz and Huerta.

CONFERENCE BETWEEN REBELS AND HUERTA AGENTS CALLED.

El Paso, Texas, Feb. 28.—A conference between northern rebel leaders and delegates from the Huerta government at Mexico City has been called at San Antonio, Texas. The date of the conference has not been set, but it is expected it will be held soon. American consuls in northern Mexico received telegrams from Secretary Knox today instructing them to assure the rebel chiefs that they may attend the conference without fear of arrest by United States authorities. Secretary Knox, through the consuls, assured the former revolutionists that all charges held against them by the departments of state, war, justice and commerce and labor, will be considered void, during the conference, except such as pertain to criminal or political offenses. Consul T. D. Edwards at Juarez, is attempting to communicate the message to the rebel leaders, Inez Salazar, Pascual Orozco, Junior, and Antonio Robles.

STRIKE OF GARMENT WORKERS CALLED OFF OFFICIALLY

Industrial Conflict Involving 150,000 Wage Earners Ends When Unionists Accept the Terms of Manufacturers.

(By Morning Journal Special Leased Wire.)

New York, Feb. 28.—The garment workers' strike in progress here since early in January, involving at its heights 150,000 or more workers, officially was declared off tonight. The workers accepted the manufacturers' terms, which included a raise in pay, revocation of certain working conditions, arbitration as to wages, and the open shop principle.

PUJO'S COMMITTEE BRINGS IN THREE DIVERGENT REPORTS

Chairman Holds Views of Samuel Undermyer That Money and Credit Combinations Must be Rightly Restrained.

REPUBLICANS TAKE NO SUCH GLOOMY VIEW

One Member Regards Whole Proceeding as Farce, Injurious to Business and Unjust to Wall Street.

(By Morning Journal Special Leased Wire.)

Washington, Feb. 28.—Three divergent reports were presented to the house today by the members of the committee which conducted the money trust investigation. The majority report, signed by Chairman Pujo and the six other democratic members of the committee, found that a money trust exists according to their understanding of the term. This report names as the "most active agents in bringing about the concentration of money and credit," J. P. Morgan & Company, First National and National City banks and Kuhn, Loeb & Company of New York, Lee Higginson & Company, and Kidder, Peabody & Company, of Boston. Two bills accompanied the report, one forbidding the use of the mails to stock exchanges which fail to observe prescribed stringent regulations as to the conduct of their business and the other prescribing rigid rules for the conduct of national banks, their officers and clearing house associations, to which they belong.

This report is substantially in accord with the conclusions presented to the committee by Samuel Undermyer, counsel. The first minority report, signed by Representative Baynes of California, Representative Hoard of Delaware, and Representative Guernsey of Maine, republicans, set forth that the investigation "has not disclosed the existence of any so-called money trust," but added, "It has, however, disclosed a dangerous concentration of credit in New York City and to some extent in Boston and Chicago.

"While agreeing substantially with the majority," said the report, "on many of the issues to be corrected in the financial system, the stock exchanges and the clearing house associations, the undersigned have doubts as to the wisdom of some of the remedies proposed by the majority." This report further sets forth the belief that before definitely recommending any remedial legislation, testimony should be taken covering more fully the effect of the various changes in the laws that have been suggested. "It manifestly is impossible," the report concludes, "that any of the proposed legislation can be considered by this congress, and it seems to us wise to leave the matter of recommending complete remedial legislation to those who will be charged with the responsibility of formulating and reporting such legislation to congress.

An individual minority report filed by Representative McMoran, of Chicago, republican, was a flat, detailed disagreement with the recommendations and findings of the majority.

"While I believe that attention has been called to grave deficiencies in our financial laws, I also believe that a sinister force has been brought over banking practices which was not justified by the facts that an effort has been made to show the reasonable and commendable explanations of those practices, and that in many cases an impression has been given to the country as to the character and motives of leading bankers, which is altogether unfair. A sentiment has been created throughout the country against Wall Street and many of our own citizens do not realize what it means that New York has become one of the world's leading money markets, and that the banks of New York and their associates now are able to handle large transactions which they were unable to handle only a few years since.

"I feel that every American citizen should be proud of the fact that we have a city where there is sufficient capital to handle these enterprises and should take pride also in the character and integrity of the man who sits at the head of its financial institutions."

Mr. McMoran declared the proposed solution for regulating stock exchanges "arbitrary and unwarranted," and that there was "no real evil" in interlocking directorates.

The majority report, after declaring the existence of a money trust, said that the increased consideration of control of money and credit had been effected principally as follows:

First—Through consolidation of competitive or potentially competitive banks and trust companies, which consolidations in turn have recently been brought under sympathetic management.

Second—Through the same power of the interests becoming large stockholders in potentially competitive banks and trust companies. This is the simplest way of acquiring control, but since it requires the largest investment of capital it is the least used, although the recent investments

in that direction for that apparent purpose amount to tens of millions of dollars in present market values.

"Third—Through the confederation of potentially competitive banks and trust companies by means of the system of interlocking directorates.

"Fourth—Through the influence which the more powerful banking houses, banks and trust companies have secured in the management of insurance companies, railroads, producing and trading corporations and public utility corporations, by means of stockholdings, voting trusts, fiscal agency contracts or representation upon their boards of directors or through applying the money requirements of railroad, industrial and public utility corporations and thereby being able to participate in their financial and business policies.

"Fifth—Through perpetration of joint account arrangements between a few of the leading banking houses, banks and trust companies in the purchase of security issues of the great interstate corporations, accompanied by understandings of recent growth—sometimes called 'locking growth'—which have had the effect of effectually destroying competition between the national banking acts, and trust companies in the purchase of business or in the purchase and sale of large issues of such securities."

The report, signed by Chairman Pujo, was accompanied by two bills, one to regulate stock exchanges through forbidding the mails to exchanges which do not comply with federal regulations and the other to regulate clearing house associations through forbidding national banks to join such associations unless federal regulations are observed. In the latter bill proposed, as an amendment to the national banking act, the conduct of national bank officers and directors is closely restricted. On the question of the existence of a money trust, the report is specific and detailed.

"It would be of course absurd," said the report, "to suggest that control of the bulk of the widely distributed wealth of a great nation can be controlled by one set of men. If that is what is meant by the gentlemen who deny the existence of a money trust, the committee agrees with them. It is not, however, necessary that a group of men shall directly control the small savings in the bank nor the scattered resources of the country in order to monopolize the great financial institutions or to be able to dictate credit to be extended or withheld from business enterprises."

The great bank or banker "with access to the hoards of the concentrated resources of other people's money," the report declares, "can handle the vast issues of securities now demanded by the commercial and industrial development of the country, and the bank reserve system." It is further contended, "concentrates a large part of the funds of the smaller banks in New York, where a group of men have strength and their interest in the various banking institutions." The report said:

"If, therefore, by a money trust is meant 'an established and well-defined identity and community of interest between a few leaders of finance which has been created and held together through stockholdings, interlocking directorates and other forms of dominating cover banks, trust companies, railroads, public service and industrial corporations and which has resulted in a vast and growing concentration of the control of money and credit in the hands of a comparatively few men, your committee has no hesitation in asserting that the condition thus described exists in this country today.

"To say that the domination of this group over the money and credit of the country controlled by our largest financial institutions and other agencies for financing large security issues for the current needs of our principal interstate corporations and of the individuals conducting great enterprises and for stock exchanges, is at least as effective, for instance, as the control of the United States Steel corporation over the steel industry, is an understatement of the situation, although the methods by which this control is effected and held together are, of course, essentially different and of a more boss and intangible character."

Accepting this as the long sought money trust," the committee outlined the membership as follows: "The parties to this combination or understanding or community of interest, by whatever name it may be called, may be conveniently classified for the purpose of dissemination into four separate groups.

"The first, which will fill the inner circle, consists of J. P. Morgan & Company; the reformed leaders, and George F. Baker and James Stillman in their individual capacities and in their joint administration and control of the First National bank, the National City bank, the National Bank of Commerce, the Chase National bank, the Guaranty Trust company and the Bankers Trust company, with total known resources in these corporations alone, in excess of \$1,000,000,000, and of a number of small but important financial institutions. This takes us account of the personal fortunes of these gentlemen.

"Each allied with this inner group, and indeed related to them practically as partners in many of their larger financial enterprises, are the powerful international banking houses of Lee, Higginson & Company, and Kidder, Peabody & Company, with three affiliated banks in Boston, Mass.

"In New York City the International Banking House of Messrs. Kuhn, Loeb & Company, with its large foreign clientele and connections, which only qualifiedly allied with the inner group, yet through its close relations with the National City bank and the National Bank of Commerce and other financial institutions with which it has recently allied itself, has many interests in common, conducting large joint account transactions with them especially in recent years, and having what eventually amounts to an understanding not to compete, which is

(Continued on Page Two).

HUERTA CONTINUES VICTORIES OVER MALCONTENTS IN MEXICO

Forces of Orozco Are Placing Themselves at Command of New Administration and Some of Them Are Disarming.

ZAPATA BROTHERS NOW OPEN TO PROPOSALS

General Tracy Aubert Reports Raoul Madero is Probably Fugitive in United States; Government Gains Strength.

(By Morning Journal Special Leased Wire.)

Mexico City, Feb. 28.—General Porfirio Diaz, exiled president of Mexico, sent the following message to President Huerta from Minia, Egypt:

"The consideration which you have shown me by my displacement from public life is of inestimable satisfaction to me and even more so in the delicate manner and the kindly words in which you have been pleased to advise me of your elevation to the presidency ad interim of Mexico."

"Accept this as an assurance of my deepest gratitude and as a hope that your self-effacement and patriotism may bring to the condition of the people the realization that only in the shadow of peace can our country prosper and be happy and respected."

Leaders of General Orozco's army are placing themselves at the disposition of the federal authorities in various points throughout the country. The most important submission to date being that of General Cheche Campes, who has led 1,200 men to a suburb of Torreon and now is murdering them out. An emissary from Emiliano and Eufemio Zapata, southern rebel leaders, arrived in the Mexican capital today and reported to the provisional government authorities that the Zapata brothers were ready to enter into negotiations for laying down their arms. The Zapata brothers have a region about Villa Ahuja, in the state of Morelos, and are maintaining order.

The government probably will send agents to negotiate with the insurgents. Gonzalez Arango, Amador Sanchez and Juan Orozco with their rebel commands are operating some distance away from the Zapatistas in the same state. They are continuing their campaign of pillage and show no signs of surrendering.

General Tracy Aubert, commanding government troops at Torreon, reports today that he believed Raoul Madero, brother of Francisco Madero, Juneau, was a fugitive in the United States. The unofficial report of Raoul Madero's evasion received here a few days ago was credited at the time in the national palace.

REBEL LEADERS TO CONFER OVER PEACE PROPOSALS.

El Paso, Texas, Feb. 28.—Rebel leaders already are congregating to confer regarding the situation. The meeting will be held at Abasco, a station on the Mexican Central Railroad between Juarez and Chihuahua, where General Pascual Orozco, Junior, is reported to have been located during the last few days.

Coming to order with the missing rebel commander-in-chief, Mrs. Marcel Carrasco and Inez Salazar, the two chief leaders of the northern rebels, each is expected to be moving with armed forces. Carrasco has been near Chihuahua City, where a truce was arranged with General Antonio Huerta, even before the sudden ending of the Mexican City revolt. Salazar's troops have been at Asencion, southwest of Juarez.

The location of Orozco at Chihuahua appears to be well established. He has been missing since the rebel defeat about Chihuahua last September. Colonel de la Fuente, Salazar's chief of staff, named minister of communications of General Huerta's provisional cabinet, is expected to return here. The special train bearing de la Fuente and political refugees who left Mexico City, owing to damage done to the government railroad by rebel volunteers, de la Fuente, since he cannot enter Mexico, at Laredo, doubtless will attend the projected conference at San Antonio.

Passengers arriving here tonight from Chihuahua City reported that Augustin Lavados, police chief of that state capital, and seven others have been executed by the military authorities. They were charged with some