SANTA CLAUS

VOL. XCIII-NO. 75.

WILMINGTON, N. C., THURSDAY MORNING, DECEMBER 18, 1913.

WHOLE NUMBER 13,510.

TAKE CHIHUAN TO REUNITE PARTY

total.

early action.

portion:

Colorado.

for Reform in Party

is Trimmed Close-North Caro-

lina Loses Three, While

Others Lose More.

ity of votes in the electoral college before it becomes party law. The committee appointed a sub-committee of three, consisting of Charles B. Warren, of Michigan; Senator Borah,

of Idaho, and Governor Hatfield, of West Virginia, to prepare an address

hope tonight that it would be met by

Approval by the States will insure

a call from the National committee

for the National convention of 1916,

came as a compromise which reflect-

ed the views of many committeemen

that Southern representation should

vanishing point. The resolution reads

cimmittee, representing as it does, practically the unanimous sentiment

of the Republican electors of the

States, will be ratified by the Repub-

"Be it resolved, That this commit

tee shall issue a call for the National

convention to be held in the year

1916, to nominate candidates for Pres-

ident and Vice President in accord-

ance with the following basis of pro-

Four Delegates to a State.

such convention to four delegates at

large; one delegate at large for each

representative in Congress at large

from any State, one delegate from

each congressional district, an addi-

sional district in which the vote either

for Republican Presidential electors

in 1908, or for the Republican candi-

date for Congress in lor-, shall have

been not less than 7,500 and that for

each delegate chosen, an alternate

delegate shall be chosen in the same

manner and at the same time to act

basis of representation shall not be

made the basis of the call for the Na-

tional convention to be held in the

year 1916, unless prior to January 1, 1915, Republican State conventions

held under the laws of the States, or

called by the Republican State com-

mittees of the States in such number

of States as are entitled to cast a ma-

jority of the votes in the present elec-

toral college, shall ratify the action

of this committee in respect to deter-

mining this basis of representation."

tana, Nevada, New Hampshire, New

Jersey, New Mexico, North Carolina.

New York, North Dakota, Ohio, Okla-

homa, Oregon, Pennsylvania, Rhode

Virginia, Wisconsin—38.

Virginia 7.
The Votes Trimmed.

The vote on the resolution was as

Connecticut, Delaware, Dis-

Provided, however, that the above

in the absence of the delegate.

delegate from each congres-

"Each State shall be entitled in

lican electors of the States,

The re-organization plan adopted

along the lines laid down today.

Rebels Ready to Begin Act. Committee Concluded Labors In Address to North Carolina To Be Settled By Attorney Commission Will Permit the Government Ownership of Underwood in Conference ive Campaign Southward.

Quietude Reigns Supreme at Capital | Southern Vote in National Convention | He Says This So-called "Hysteria" City-Fighting Around Tampico Has Ceased Altogether-Huerta Confident.

Ojinaga, Chihuahua, Mexico, December 17 .- "Unless present plans are changed, and I see no reason why they should be, the Federal army will leave Ojinaga within a few days to march for a reunion of warring elements, teria'," were roundly denounced here the Panama railway commissary de to be permitted by the Inter-State that the postal service now is self- ber 19th," was reached in the Senate on Chihuahua."

General Salvador Mercado, commander-in-chief of the Federal army of representation in National nominatthe north, made this assertion in his ing conventions, which would reduce camp here today. He said Ojinaga the quota of Southern States from 33 will be evacuated.

The commander's statement was given without the usual reservation attached to military plans. "We came of its members but made unanimous here to replenish our provision train before adjournment, must be indorsand communicate with the War Department at Mexico City," General Mercado continued. "Our orders are to attack the rebels. There seems to be little prospect of a battle here, for the rebels have not yet appeared in large numbers in this city. I never believed Villa's troops would be sent against Ojinaga for we were ready to meet them with 5,00 en and me vat

General Mercado would not comment on the reason for his evacuation of Chihuahua, except to say that his flight to the border was to enable him to communicate with Mexico City. In Chihuahua he had no way of obtaining orders or money for the troops. Should Mercado attack or surround Chihuahua where General Francisco filla and the main body of rebels is fortified he would check any rebel activity toward Torreon, directly south.

Federal troops also were moving to-ward Chihuahua from Torreon. Juarez, Dec. 17.—Despite General Mercado's statement at Ojinaga that the Federals would attempt to re-capture Chihuahua, General Benavides, rebel commander at Juarez, said today that the rebels were preparing for an active campaign southward.

Federal officers had information that

"It was General Villa's intention after reaching Chihuahua to carry the campaign southward and that intention has not been abandoned," General Benavides said. "Already 2,000 rebels are near Ojinaga. If the Federals attempt to march from the border they will be attacked."

That he does not intend to restore the property of foreigners who participated in the revolution and that he considers the expelled Spaniards as having so participated was the justi-fication given by General Villa for confiscating property in Chihuahua. He said that in expelling the Spaniards in a body he was acting according to the position taken by General Carranza, with whom he was in full ac-

ADMINISTRATION RELIEVED. By Reassurance as to Safety of Americans at Chihuahua.

Washington, Dec. 17.-Reassurance as to the safety of Americans in Chi-huahua conveyed today by Consul Letcher immediately upon the re-opening of telegraphic communication between that city and El Paso, came as a relief to the administration here. Washington officials had believed that the stories emanating from refugees and Federal partisans to the effect that Americans and other foreigners in Chihuahua were subjected to gross mistreatment were without foundation, but in the absence of official information it had been impossible to convey definite assurance to the many anxious inquirers alarmed for the safety of relatives and friends.

No Reply from Villa. So far, Consul Letcher has forwarded to the State Department no reply from Gen. Villa to its representations regarding the treatment of the Spanish residents of Chihuahua, but it is assumed that the consul has found it difficult to communicate quickly with the rebel general owing to his military activity. Little doubt is felt that Gen. Villa will heed the admonition of the department. In this connection department officials deprecate the demonstrations in favor of Huerta which are said to have been made by the Spanish element on the American side

ONLY SPANIARDS EXPELLED. Villa Denies That Other Foreigners Were Molested in Chihuahua. Hermosillo, Sonora, Dec. 17.—Gen Francisco Villa, in a long report re ceived here today by Gen. Carranza, denied that any foreigners were mo-

lested in Chihuahua cit- with the exception of the Spaniards, who were Villa suggested that Chi huahua City be made n onal provisional capital. "The foreign consuls asked for guarantees for their countrymen and

these were given in full for all except port. These, as you know, almost en tirely have taken an undue part in the internal struggle of our country, and have put themselves always against the cause of the people, of

whom we are the defenders.'

Presidential Decree. Mexico City, Dec. 17.—A Presidential decree making the State bank notes legal tender throughout the re public, a guarantee fund to be subscribed by the State banks and deposited in the National Bank and finally, by a committee of five bankers, representing the National, the Bank of London and Mexico, and two or three other concerns, which met this after-

(Continued on Page Eight.)

'HYSTERIA' CRIERS ARE DENOUNCED

Society of New York

Keeps Party Pledges and Makes

Protection-Built Wealth

Pay Income Tax.

Washington, Dec. 17.—The Repub-New York, Dec. 17.—"Reactionaries lican National committee tonight con- who think to weaken the advocacy of Garrison today asked Attorney Gencluded its labor for reform in party progressive measures by declaring eral McReynolds to rule on the ques- day's session of the hearing of the pe- government ownership of telephone the administration currency bill "on procedure, and launched its campaign that they are the products of 'hys- tion whether John Burke, manager of tition of the North Carolina carriers and telegraph lines and an assertion the legislative day of Friday, Decemby adopting a resolution providing tonight by Secretary Daniels, of the for a radical change in the basis of Navy, in an address at the dinner of der investigation, is a government effect the proposed compromise 1883, are features of the annual report that debate tomorrow and Friday shall the North Carolina Society of New employe or the employe of a private freight rates, was featured by the ex- of Postmaster General Burleson, trans- be limited to 15 minutes for each Sen-York.

to 16 per cent of the convention's The action of the committee criticised in vigorous terms by several of its members but made unanimous before adjournment, must be indorsed by States entitled to cast a majority of votes in the electoral college of the committee criticists and referendum were revolutionary. Another distinguished authority, a statesman and an educator, referred to certain modern American political doctribes as wild theories which

to the States urging immediate rati- pledges, it does not take from labor will be drawn up shortly after the tion-built weakn pay Christmas holidays and leading mem- elects Senators direc elects Senators direct from the peo- ploy. bers of the committee expressed the ple.

from the New York Central Raailroad, hour working day. It was pointed out day. no more senators from the Southern that the Panama railroad is a private Express Company; no more senators corporation, chartered under the laws Ch from the New York, New Haven & of New York, although the United Hartford Railroad; no more senators States holds the majority of the stock. from the Standard Oil Trust. War Department officials, including

be reduced, but not brought to the the real hystericals are not the people with a financial scandal. They pointwho stand upon the house tops and cry for reform, but the people who are guarding special privileges and are seeing the castles built by privilege financial irregularity. tumble down about their heads. Who Hysteria Victims Are.

"No, gentlemen," continued period to class legislation; who wildy proclaims that we are turning away present high state.

"Legislators in the recent past have been the favorites of great corporations. They have felt a compeling power from 'higher up.' The impersonal element in the situation made it hard to cure, but at last the axe has been laid at the root of the tree, and the people have demanded that all this must be changed. How? ident, by pure food laws, by an income tax, by a lower tariff, by laws to protect seamen, by regulation of trusts, by the abolition of interlockng directorates and rebates, etc.

Tariff and Currency Bill. "Take the tariff. The men who revised it were not hysterical. They used figures and facts. They were painstaking and scientific. And what follows: Aye: Arkansas, California, was the answer? The beneficiaries of protection, the infant industries, trict of Columbia, Florida, Idaho, In- gray and hoary with age, and obese diana, Iowa, Kansas, Louisiana, from their long pull at the pap bot-Maine, Maryland, Massochusetts, Michigan, Minnesota, Missouri, Mon-poverish our country.' Four months under the new tariff have passed, and the report of Secretary of Commerce Redfield declares that 'the flooding of our markets with the cheap wares of Europe has not happened,' as predicted and America's foreign trade is still evidencing a healthy growth. The latest exhibition of hysteria is the effort to prevent the passage of the currency bill. It is well known by everybody that this bill is certain

South Carolina, Tennessee, Vermont, Washington, West Nay: Alabama, Georgia, Mississip-i, Nebraska, South Dakota, Texas, to become a law substantially as now mas amounted to over \$7,000,000. According to figures submitted by the sub-committee, the new plan would framed, and the principal features of reduce the total number of delegates from 1.083, as in 1912, to 993. Under books, and yet those who would deit these States would lose delegates: stroy confidence in the American gov-Alabama 9; Arkansas 3; Florida 4; Georgia 10; Illinois 2; Kentucky 1; Louisiana 7; Mississippi 8; New York

(Continued on Page Eight.) EXAMINE HARRY THAW GETS "DIVINE INSPIRATION"

Experts to Say Whether It is Safe to To Take the Stand in His Own De-Turn Him Loose Under Bail While Awaiting Trial.

Concord, N. H., Dec. 17.-A commission to examine Harry K. Thaw, to determine whether his liberty under bail would be dangerous to public safe- the witness stand and tell his story ty, was announced in a rescript isin his own way. The inspiration did
interest the freight rate matter at change in the East until he settles the
not extend to his lawyers. sued by Judge Aldrich in Federal Court today. The commission is to consist of Frank S. Streeter, Concord: a government guarantee of the bank Dr. Morton Prince, Boston; Dr. George was practically unchanged. notes, is the programme decided upon A. Blumer, Providence, R. I., and Dr. In the rescript, which is on "Thaw's cousin, both of Germany. They testiapplication for admission to bail under fied as tot Schmidt's marked eccen-

(Continued on Page Eight.)

fense But Inspiration Did Not Extend to His Lawyers.

New York, Dec. 17.—Hans Schmidt, on trial as slayer of Anna Aumuller, under a "divine inspiration" to take stand in his own defense. Mrs. Elizabeth Schadler, who came

here from Germany to testify that schmidt had been insane for years. was cross examined today. Her story There were introduced depositions of Carl Schmidt, brother of the accused and of Katherine Schmidt, a

(Continued on Page Eight.)

DIFFICULT MATTER VIRGINIA CITIES HAS TO BE SOLVED

General McReynolds

ment Control or is It Owned and Operated by a Private Company-Employes.

Washington, Dec. 17.—Secretary corporation. Upon the attorney gen-"A few days ago," Mr. Daniels said, eral's opinion will depend the action

ploy. Attorney General Wickersham held this in an opinion deciding that "They call it hysteria because it employes were not entitled to be

Details of the investigation are be ing withheld, officials declaring their the disclosure at the present time might keeping reformers, who quietly con- ever, it was admitted officially that Carolina cities to the compromise. vince the people that this New Way, for the last six months the investigahysterical man is that incarnate ex. R. Walker, a former subordinate of clamation point of self-intoxicated Burke's in the commissary departpatriotism who madly waves the ment, alleging that his superior offi-Stars and Stripes with one hand and cer was demanding and receiving grips his rebate-provided, protection- large commissions from persons holdostered wealth with the other, and ing supply contracts. Also it was albewails an alleged tendency to put a leged that Burke had awarded contracts to the Colon Import & Export Co., in which he was a stockholder rom those fundamental principles and that he had profited at least \$50,through which we have come to our 000 from his operations. His salary was \$4,500 a year. Several important

contracts were placed in Europe. Burke on The Square. Colon, Dec. 17.—Lieut. Col. Eugene T. Wilson, chief subsistence oncer for the Panama Canal commission, and head of the department under which John E. Burke is employed as manager of the canal commissary department, today characterized as ab-By legalized primaries, even for Pres- solutely untrue the intimation that Burke had profited by the placing of contracts for supplies.

Rumors to this effect were current on the Isthmus two months ago, but investigation showed they were with out foundation, according to Lieut. Col. Wilson. Mr. Burke is in the United States on a vacation.

Burke Issues Denial. Indianapolis, Dec. 17.-John Burke here this afternoon denied he had ever received money from any source other than his salary while connect ed with the Panama commissary department.

"There is not a word of truth in (Continued on Page Bight.)

OUTLINES

foreigners in New York to be sent back to the old countries for Christ-Secretary Daniels delivered an ad-Representative Godwin and later told argued that the cost would be much t are as good as upon the statute dress before the North Carolina Club newspaper men that he would sup- tee had estimated and "the game was nooks, and yet those who would dein New York City last night. The Federals in Mexico are planpass a long-needed currency reform, tensive campaign southward. Huerta understood here that Underwood was journed for the Christmas holidays in promised for years but never until has issued an order making all States ernment and its ability to control its ning to retake Chihuahua city while promised for years but never until has issued an order making all State

bank notes National money. Democratic leaders in the Senate are confident that a vote on currency will be reached by Friday night. They anticipate having the bill ready for the President's signature by Christmas. The Republican National committee changed the basis of representation so that the Southern States lose quite a number of votes in the convention

three votes. The Farmers' Union of North Caro- well, Dockery and Logan, and would line are holding their winter meeting not do so until his return to Washing- GOVERNOR CRAIG WILL BE this week. Hans Schmidt, on trial for murder means that the Republicans will hold in New York, told his lawyers that he office until after the first of January. Has Greatly Improved Through Treattoday notified his counsel that he was had a "divine inspiration" to take the It is understood that the delay is be The Interstate Commerce Commis- ment of Hammer and the unwillingsion's hearing of the North Carolina ness of the department to make

Greensboro will close today. Governor Craig will be back in his office in Raleigh Saturday. His health has greatly improved under treat- E. C. Duncan told the committee to- and that he has very greatly improvment at Hot Springs, he says.

day that North Carolina Republicans ed through the special treatment for tact in the treasury to provide for the New York markets: Money on call had no terrors of the representation rheumatism received at Hot Springs. redemption of outstanding notes. All steady, 3 1-4 to 3 1-2 per cent; rul- basis which reduces Southern repreing rate 3 1-2; closing 3 1-4 to 3 1-2. sentation at National conventions. Spot cotton quiet; middling uplands 12.90; middling gulf 13.15; no sales. Without outside interference," said Mr. Duncan, "North Carolina Republicans will go to the next National conventions. "Without outside interference," said or Craig returns, but he is declining the Democrats of the banking committee to consider the general run of applicant run o quiet. Turpentine quiet.

FIGHTING IN VAIN

Rates to go Into Effect

day-Several Important Witnesses Examined Yesterday -With Carolina.

(Special Star Correspondence.) partment, whose transactions are un- Commerce Commission to be put into supporting for the first time since late today. The agreement provides amination of Mr. J. L. Graham, con- mitted today to Congress. ceded to be the best rate man in the "a distinguished educator from a of the government at the conclusion State and connected with the R. J. York declared, that such new and pro- of an inquiry into a charge that Burke Reynolds Tobacco Company, at Winston-Salem. He made a good witness under the examination of Attorney his present information, he is inclined General Bickett for the State, Mr. Moore, for the carriers, and Mr.

fication of the proposal. This address the bread it earns, it makes protechas ruled that Panama railroad emwhich they operate. It was shown will be drawn up shortly after the tion-built wealth pay income tax. It ployes are not in the government emthat North Carolina has more freight business with the three big carriers. the Southern, Seaboard and Coast Line, than any other State. Other saw fit to relinquish this facility to pri- all changes made by the Senate, and means we can have no more senators brought under the government eight witnesses were examined during the

Will Close Case Today. Chairman Edgar E. Clark, who is presiding over the hearing, announced that he would give the carriers, the Corporation Commission and the Vir-"They call it hysteria because it prevents the classes from exploiting the masses, and brings the government back to the people. After all, the canal zone should be connected to the ca

into effect. Only Virginia Cities Object. Although there are some discriminations in favor of parts of North Car-Secretary, "the victims of hysteria defeat the purpose of the inquiry. At olina and against other sections, there are not the forward looking, promise the canal commission's office, how- is no objection being made by North is only Virginia cities that are objectthis gospel of progressive statesman tion inquiry has been in progress ing. Their part in the matter is beship is best for the country, but your based upon charges preferred by Chas. ing generally resented. They have endeavored to prejudice the commission against North Carolina by showing criticisms of the Inter-State Commerce Commission, but Chairman Clark said the criticisms would not be resented by the commission and would not affect the case. Another significant statement of the chairman was to the effect that the commission was inclined to approve agreements between carriers and shippers and

they desired to encourage settlements of controversies. Railroads With North Carolina, Some misinformed people are try-

(Continued on Page Eight.)

JOE UNDERWOOD OUT DEBATE IN CONGRESS

In Support of Godwin For Over Proposed Ownership Re-Election.

With Sixth District Congressman, Who He Thinks is Invincible.

(Special Star Telegram.) Postoffice money orders bought by date for Congress against Congress- scribed at length the project to build oreigners in New York to be sent man Godwin. Mr. Underwood confer- ern coast of Alaska to the rich coal port Godwin for re-election and that not worth the candle. he did not believe any one could beat candidate against Godwin, even if he charge of the bill expect a vote with had to run himself. But the Fayette- out delay. ville man denies this and is going to support the Sixth district Congress-

man for another term. "Big Four" Get Reprieve. On the eve of his departure from Washington for a vacation of a week of that party. North Carolina loses any recommendations for Democratic roads were dominated by the so-called appointees to succeed Holton, Seaton. This course, if followed ou cause of the opposition to the appoint Western controversy.

E. C. Duncan Talks.

SELF SUPPORTING

Telephone-Telegraph

With Senate Leaders

ROAD IS BELIEF AT GREENSBORD ADVOCATED BY MR. BURLESON DEMOCRATS IN SHORT CAUGUS

Is Panama Railroad Under Govern- Chairman Clark Will Close Case To- Annual Report of Postmaster General Bill Will be Completed All Except the Signature of Rresident Before Christmas Holidays—Big Featured by Sweeping Declaration for Government Ownership.

> Washington, D. C., Dec. 17.-A Greensboro, N. C., Dec. 17.-To- declaration in favor of the principle of ment to vote on the final passage of

Concerning the acquisition of telephone and telegraph lines, Postmaster General Burleson says that the government has demonstrated its capacity clearly to the taking over by the Postoffice Department of the telegraph

and it is to be regretted that Congress ture of the telegraph business makes t of vital importance to the people that it be conducted by unselfish interests, and this can be accomplished only through government ownership. Evidence of Ultimate Policy.

ing for the government acquisition of by Senator Hitchcock, defeating by 41 ed the commission as a whole will take up the case and enter its order. It is confidently believed that the commission will permit the rates to go and telephone system with the postal service by some feasible plan, and the act of 1902 directing the postmaster general to report to Congress the probable cost of connecting a telegraph and telephone system with the postal service by some feasible plan, are service by some feasible plan, are evidences of the policy of this government ultimately to acquire and operate these electrical means of communication as postal facilities, as is done by all the principal Nations, the United States alone excepted."

Financial Operations. Postmaster General Burleson sents an elaborate statement of the inancial operations of the Postoffice Department, including a discussion of he methods of bookkeeping, which he nas changed.

General Financial Policy. As to his general financial policy Postmaster General Burleson says: "The dominant policy of the pres ent administration will be to conduct the postal service for the convenience of the public and not for profits. Its controlling purpose will be to pro-mote efficiency by the complete standardization of the service, which will be attained by harmonizing equiping to create the impression that the | ment, adjusting the personnel, and se-

(Continued on Page Eight.)

of Alaska Railroads.

He So Announces After a Conference Government May Build Several Hundred Miles of Road From the

Coast to Inland Coal Fields.

Washington, Dec. 17.-Spirited debate in the House today marked the Reynolds, 'come on with your short-Washington, D. C., Dec. 17.—Mr. beginning of consideration of the bill term paper and get the money; but . B. Underwood, of Fayetteville, to for a government-owned railway in you say to the Smiths and the Browns day denied that he would be a candi- Alaska. Advocates of the measure dedistricts: 'Go somewhere else with red with both Senator Simmons and fields in the interior. Its opponents The debate is to be resumed next

Representative Houston, of Tennessee, chairman of the territories committee, and Representative Lenroot, of Wisconsin, led the fight for the measure. Mr. Houston said a bond issue of \$35,000,000 would meet the cost of the undertaking. Representative Lenroot or ten days, Attorney General McRey-undertaking. Representative Lenroot nolds stated that he had not made declared that Alaska's present rail-Guggenheim interests.

IN RALEIGH SATURDAY.

ment at Hot Springs.

(Special Star Telegram.) Raleigh, N. C., Dec. 17.—Governor Craig writes from Hot Springs, Ark., that he will be in the executive office of State banks and trust companies here Saturday of this week to re- into the new system and vote in favor Republican National Committeeman sume the reigns of State government, of a provision whereby regional banks Lieut. Gov. Daughtridge will be these changes, with several other here as acting governor until Govern- minor amendments, were referred to P. R. A. return of Governor Craig.

Washington, Dec. 17.—An agree-

Work Ahead.

ator upon each amendment or upon the bill itself.

While the executive day may run over into Saturday, it is the expectation of Senate leaders that the bill will be passed before midnight Friday night.

If important amendments are penddoctrines as 'wild theories,' which common sense and wise experience demand be rejected 'as the result of hysteria.'

The Real Trouble.

The real trouble is that this so-called 'hysteria' hurts. It keeps party pledges, it does not take from labor pledges, it does not take from labor.

The Department of Justice already loss in thus far has finiteated any loss in the carriers, and mr. James, for the intervening Virginia lines and, possibly, also, of the telephone lines. Discussing that the post-master general says:

Clerk A. J. Maxwell was recalled at the opening of the morning session to testify as to the comparative amount of business of the carriers, and mr. James, for the intervening Virginia ing at that time, however, a recess master general says:

Clerk A. J. Maxwell was recalled at the opening of the morning session to testify as to the comparative amount of business of the carriers in the carriers, and mr. James, for the intervening Virginia ing at that time, however, a recess master general says:

Clerk A. J. Maxwell was recalled at the opening of the morning session to testify as to the comparative amount of business of the control over a mount of business of the carriers in the post of the constitutional purposes of the postal establishment leads to the conversion that the post of the conversion to testify as to the conversion of the telephone in the first telegraph line in the first telegraph line in the carriers in the carr telligence. The first telegraph line in the thing that but two days will be this country was maintained and operated as a part of the postal service the joint conference committee. House leaders have kept in close touch with vate enterprise. The monopolistic na- they expect President Wilson's signature to be attached to the measure before Christmas. The big task of organizing a Federal reserve board and creating the vast system of regional

banks will then begin. The Senate spent today in consideration of further amendments proposed to 37 his amendment to extend the State banks that joined the new system as well as National banks. Sen-ator Oweh expressed his approval of this idea, but the Democrats would not support it because it had not received the endorsement of the caucus. a motion by Senator Hitchcock to increase from 90 days to 180 days the maturity date of paper that could be submitted for re-discount at the regional banks, was defeated 39 to 34.

Hurried Caucus. The Democrats gathered in a hurriedly called conference at 6 o'clock tonight to settle all final differences over the bill, and agree upon amendments. The list of amendments submitted to the caucus included many of these proposed by Senator Hitchcock or by Republicans and voted down, and it was said several of these might be offered tomorrow or Friday by Senator Owen and adopted as part of the bill. With the defeat of the last of the Hitchcock amendments, which is expected early tomorrow, affirmative work on the bill will begin at once. Senator Owen will offer his bill, endorsed by the Senate Democratic caucus as a substitute for the class bill that passed the House. Republican Senators joined Senator Hitchcock today in a strong fight against the provision limiting to 90 days the maturity period of commercial paper that might be re-discounted

at the proposed new regional reserve Senators Crawford, of South Da-kota, and McCumber, of North Da-kota, declared it would make it impossible for country banks of the West to meet an emergency; and that the mass of six months' notes of farmers and stock raisers would be valueless in time of panic because they could not be re-discounted.

"With this 90 pays' provision you are simply creating a bank of banks," declared Senator Crawford, "a bank to help big banks but for which you assess the little banks to get the

capital.
"You say to the Vanderlips and the Hepburns and the Morgans and the your long-time farmers' paper; we

cannot discount it." Senator Shafroth replied that the limitation against long-term paper had been settled upon solely to assure the Federal reserve banks having paper that would be "liquid" and quickly convertible into cash in time of

stress. Last Night's Conference. The Democratic conference tonight revised the reserve section, which has een the target for numerous attacks during the Senate debate. The recurred gold reserve behind the new circulating notes was increased from 35 per cent. to 40 per cent., with a tax of one per cent. on depletion of the reserve down to 32 1-2 per cent. An attempt to fix an arbitrary limit on the amount of notes to be issued failed. Other amendments adopted provided for the use of a part of the surplus earnings of the regional banks for building up the gold reserve, for an increase in the compensation of the members of the Federal reserve board \$10,000 to \$12,000 as provided in the Hitchcock amendment, and that all the member banks must receive the

proposed new notes at par was approved. The conference decided to remodel Section 8, providing for the entrance would be required to keep a fund in-

(Continued on Page Eight.)