

GROSVENOR ON A HIGH HORSE.

ROUNDLY DENOUNCES CARL SCHURZ.

Crowded Galleries Watch the Civil Service War in the House—The Spectators Mostly With the Enemies of the Law—Two Big Speeches, One For and One Against It—Johnson Defends Civil Service and Opposes the Evils of the Spoils System—Grosvenor Scores the National Civil Service Reform League.

Washington, Jan. 6.—The friends and enemies of the civil service law exchanged broadsides in the House today. The heaviest guns on each side were brought into action. Mr. Grosvenor, of Ohio, and Mr. Johnson, of Indiana, each made exhaustive speeches and kept their respective sides in a constant furore. The interest in the debate was much more lively than yesterday. The crowded galleries, which were plainly in sympathy with the opponents of the law, became so noisy in their demonstrations of approval at one juncture that the chair was compelled to call them to order.

In opening, Mr. Grosvenor disclaimed any leadership of the anti-civil service reform forces, or any purpose to speak for any officer of the government, executive, legislative or judicial. "All efforts to entangle me in a collision with the President," said he, "are a waste of so much powder. If I believed that my relations to the executive would be changed or modified because I differ with him in any representative capacity, I would despise him as he would despise me if I faltered in my convictions." Mr. Grosvenor said he had watched with admiration the President's public career and one of his most prominent characteristics had always been that he not only did not demand subservience, but despised a man who sought favors by sycophancy.

Mr. Grosvenor proceeded to pay his respects to the National Civil Service Reform League and to Carl Schurz, its president. His exhortation of the latter was the most scathing that has been heard on the floor of the House in months. He denounced unsparringly those who sought to read out of the Republican party those who believed in the repeal of the civil service law. With vitriolic language, he sketched the political career of Mr. Schurz, which he characterized as the checked, spotted, leprous career of one who betrayed every party and every duty to which he was bound, and whose betrayals had been his only stock in trade in the arena of politics.

Mr. Grosvenor in replying to the charge made against himself and his colleagues that they were betraying the Republican party, asked attention to what he called the list of traitors among high priests of civil service reform, at the head of which he placed George William Curtis, who abandoned the Republican party in 1854. He reviewed the platform declarations of the Republican party to show that the present position occupied by the majority of the House was not inconsistent with these declarations. "For I give the members of the civil service committee notice," said he, "that we have a majority on this floor and you cannot strangle a majority in the American Congress." (Applause.)

One of Mr. Grosvenor's statements which evoked an enthusiastic outburst from the galleries was in the nature of a warning that members refused to listen to the voice of the people in hostility to this law they would not be members of the Fifty-third House of Representatives. He argued that the people were overwhelmingly opposed to the law and said that hundreds of thousands of Republicans felt a secret sympathy with Mayor Van Wyck, of New York, who announced that none but Democrats would be appointed to office under the new city government. Mr. Grosvenor professed his adherence to the principle of the merit system and to the theory of examinations for office within certain limitations. "But," he exclaimed, "in conclusion, addressing the defenders of the law, 'I want to serve notice on you, that unless you join us in the correction of abuses and the reformation of the law, that we will join any portion of the community, legislative, executive or judicial, and destroy the law, root and branch.'" (Uproarious applause.)

Mr. Johnson, Republican, of Indiana, one of the ardent defenders of the law, followed Mr. Grosvenor with an extended argument in support of the merit system. He took occasion to review the history of the civil service, pointing out that previous to the time of Jackson the spoils system did not exist. He repudiated the statements of the adversaries of the law that Lincoln and Grant believed in the spoils system. In enumerating the evils of the spoils system Mr. Johnson said it made towards of legislators, stormed the White House, interfered with the departments; it reached into the capitol and shaped legislation, it exalted the office broker and attacked, vilified and culminated the conscientious man. He took up the criticisms of the opponents of the law, one by one and argued them amid applause from the friends of the law on the floor. Sneaking to the Republican side of the House he told his colleagues that the merit system was a Republican child. The American people were behind it.

Mr. Johnson attributed the present "discordant and disgraceful scene," now being acted in Ohio with its "vision of senatorships going glimmering," to the scramble for spoils, State and national, and said that the surest way to put Bryan and his black banner in the White House in 1900, would be for the Republican party to be recalcitrant to its trust and to slap in the face those who believed in an honestly conducted service. Without desiring in any way to reflect upon the present occupant of the White House, Mr. Johnson said, he was convinced that there could be no genuine civil service reform until, by constitutional

amendment, the President was made ineligible for re-election. Mr. Johnson was given an enthusiastic demonstration of approval when he concluded.

Mr. Lloyd, of Missouri, Democrat, followed in opposition to the law, which he argued was an attempt to establish an aristocratic government by establishing an office-holding class.

At 4:30 p. m., the House adjourned.

INDIAN CONGRESS AT OMAHA.

Fast and Present Conditions of the Red Man to be Shown—Newport News' Public Building—A Short Session of the Senate.

Washington, Jan. 6.—While the Senate was in session two hours today, practically no business was transacted beyond the passage of a few bills. Mr. Allen, of Nebraska, called up the bill providing for the holding of a congress of the representatives of different tribes of the United States at Omaha, in 1898, and appropriating \$45,000 therefor. The idea of the congress is to show the past and present condition of the Indian tribes of the country, at the Omaha Exposition, and to show what advancement they have made in education and civilization. After some minor amendments to the bill, were made, it was passed.

The bill to protect the name and insignia of the Red Cross was passed.

A bill appropriating \$100,000 for the erection of a public building at Newport News, Va., was passed.

At 1:50 p. m., the Senate, on motion of Mr. Quay, went into executive session, and at 2 o'clock adjourned until to-morrow.

FRIES FOR THE GOLD DEMOCRATS.

The Monetary Commission to be Heard on January 12th.

Washington, Jan. 6.—The House committee on banking and currency, made arrangements to-day to hear reports of the Indianapolis monetary commission on January 12th, relative to the bill for currency reform prepared by the body. Those to appear will be Judge Edmunds, representing the North and East; Judge R. S. S. Taylor, of Terre Haute, Ind., representing the Middle West; J. W. Fries, of Salem, N. C., representing the gold Democratic sentiment of the South, and ex-Secretary Fairchild, of New York.

The bill introduced.

Washington, Jan. 6.—The civil service bill adopted at the conference of Republican opponents of the existing civil service system last night, was introduced in the House this afternoon by Mr. Evans, of Kentucky. It was referred to the committee on civil service. The details of the bill have heretofore been outlined.

ANOTHER EXPRESS ROBBERY.

A Trusted Clerk in New York Gets Away With Over Ten Thousand Dollars of the American Express Company's Funds.

New York, Jan. 6.—The American Express Company was robbed to-day of \$10,582, and Clark Braden, Jr., a trusted employe, is missing. Central officers and private detectives are hunting for him. Three days ago the night manager in charge of the office at Forty-seventh street and Madison avenue, was taken ill, and Braden, a clerk of the company for more than ten years, was temporarily substituted. This office the company uses as a clearing house for all its matter sent or received from the Grand Central station.

Among the parcels to be sent on the 6:30 o'clock train on the Hudson river road this morning, were several containing cash to the amount of \$5,582 and one containing five \$1,000 Chicago Gas bonds. It was Braden's place to take these packages to the train, return to the office and remain on duty until 7 o'clock. When the day employe arrived, Braden was not in the office. The safe was locked. There were no receipts for valuable packages by the morning train, although the books showed that several such packages had been received at the office. At first the absence of Braden and the receipts were set down to carelessness. But a few minutes later the leather bags which had contained the packages were found under some other freight. They had been cut open and the money and bonds were taken. Notices were sent to every financial institution in the country warning them against purchasing the stolen gas bonds.

These bonds have a face value of \$5,000, but are worth in the market \$5,550. They are \$1,000 each, issued in 1896 and bearing 5 per cent interest. They are numbered 1603, 1827, 2359, 4009 and 4191.

HAPPY DAY FOR ATLANTA.

A Negro Who Killed a Servant of the Governor, is to be Hanged To-day.

Atlanta, Ga., Jan. 6.—Tom Cyrus, the negro convicted of the murder of Annie Johnson, a servant of Georgia's chief executive, will die on the gallows to-morrow at noon. He is despondent to-day, but since the crime was committed he has held up with the idea that executive clemency would save his life. He has never denied the crime, and immediately after it was committed gave himself up to the officers. Jealousy was the cause of the murder, and in a fit of anger, because his mistress had been with another man, he killed her. His case was carried through all the courts and to the Governor, but none of them would save him. The crime was committed in July, 1897.

BECOMING MORE TRANQUIL.

Suggestion of the Advisability for an Inter National Arrangement.

Berlin, Jan. 6.—The North German Gazette, in a semi-official article, says: "The development of affairs in China is becoming more tranquil. Tension was caused by the political antagonism of Great Britain and Russia, but behind the political antagonism now appears an economic one, which, however, should be arranged with little difficulty. There is no reason why one State should exclusively undertake the Chinese loan. Prudent considerations suggest the advisability of an international arrangement."

The Columbia theatre, San Francisco, was gutted by fire last evening and is a total loss. The fire was confined to the theatre building. No one was injured.

THE SHADOW OF THE GALLOWS.

PREPARING FOR HANGING DURRANT.

Gen. Nicholson Will Not Permit the Condemned Man to be Pestered—His Father Will be Done With His Body—His Father Urged to Cremate It, But May Give It to the Pacific Ocean—Many Particulars Requested.

San Francisco, Jan. 6.—Governor Budd has announced that he will not interfere with the execution of Durrant. The Governor waited at his apartments this afternoon for General Dickinson, Durrant's attorney, to appear. Dickinson did not come and the Governor expressed his determination to allow the law to take its course. It was stated that Mr. and Mrs. Durrant would call on Governor Budd this afternoon, to make a last appeal for their son's life, but the Governor said that he would not receive them.

In speaking of the Durrant case, General Dickinson, said: "No one will have permission to interview the condemned man before he is hanged, as I have authority in the matter and have given strict orders that no one shall see him. If the unfortunate man wants to die, I believe in letting him spend his last hours in peace, and will not submit to having him pestered."

Durrant's father has not decided what disposition he will make of the body. Owing to the fact that some of the cemetery associations refuse to receive it, on account of the notoriety that would result, the elder Durrant threatens to bury the body under the broad waters of the Pacific Ocean. Friends are trying to induce the stricken parents to have the remains cremated.

Durrant is breaking down rapidly. He seems to have put all hope out of his thoughts. It hardly seems that he will make a brave show on the scaffold, or that he will, in any condition, request the warden, making a number of requests which were granted. The father of the condemned murderer asked that after the execution the remains of his son be placed at once in the coffin without autopsy or inquest, and that the black cap be not removed, so that no one would be permitted to see the boy's face after death. He also asked that the rope be burned after the execution, so that it could not be cut up and bits distributed as souvenirs.

The condemned man has received spiritual consolation from Rev. Wm. Fader, a Congregational minister from San Francisco. Chaplain Drumm also called, and Rev. Logan, of San Rafael, came to say farewell.

The execution will take place to-morrow at San Quentin prison. Durrant's parents left here to-day for San Quentin, that they might spend the night with their son and bid him farewell. Amos Lunt, the hangman, visited Durrant's cell this afternoon for the purpose of taking his measure and determining the length of the drop. The machine of the gallows was tested and everything was found to work smoothly to-day. About 150 invitations have been issued by Warden Hale.

Justice Brewer Refuses to Interfere.

Washington, Jan. 6.—Justice Brewer, of the Supreme Court, who is in charge of the ninth district, late this afternoon refused to interfere in the Durrant case. Attorney Boardman, of California, came here with the hope of securing a writ of error or supersedeas, which would act as a stay to Durrant's execution. Mr. Boardman saw Justice Brewer immediately after the adjournment of the Supreme Court, and made a strong plea for his client, but both of his applications were refused. After his conclusion, Mr. Boardman stated that he was undecided as to whether to make an application to the full Supreme Court to-morrow for a writ of prohibition, staying the execution, as the court does not convene until noon, and the execution is set for 10:30. He was fearful that the difference in time would not be sufficient to save Durrant even if he should be successful in having his motion granted.

WAGE CUT NOW GENERAL.

Additional Notices Posted in New England Mills.

Saco, Me., Jan. 6.—Notices were posted in the cotton mills of the York corporation to-day, that on and after January 17, wages would be reduced. The amount of the reduction was not mentioned in the notice, but it is thought it will be about 10 per cent. The York corporation employs 1,500 people.

The Lacons and Pepperell Mills, at Biddeford, posted similar notices a few days ago and the reduction is now general in the Maine cotton mills.

Fisherville Company Cuts Wages.

Crafton, Mass., Jan. 6.—Notices have been posted in the cotton mills of the Fisherville Manufacturing Company, at Fisherville, announcing that the wages of the 500 employes will be reduced on January 17. The amount of the reduction has not been made public, but it is thought the cut will be about 10 per cent.

New Bedford Weavers Will Strike.

New Bedford, Mass., Jan. 6.—The weavers of the city to-night informally voted to strike on January 17, the date on which the cut down takes effect.

Disastrous Nitro-Glycerine Explosion.

Toledo, O., Jan. 6.—An explosion of 1,500 quarts of nitro-glycerine near Both, an oil town a few miles east of this city, killed an oil well shooter named Stephen Wilson, of this city, and wiped out of existence a team of horses and a wagon. A piece of Wilson's flesh and the head of one horse was all that was found. Considerable damage was done to property in the vicinity, but no one else was injured.

THE HOLE THAT HANNA IS IN.

WILL HE SUCCEED IN PULLING OUT?

As It Stands, the Combination Against Him is Now Only Taxed With Keeping His Majority in Line—They Hold the Fort and Hanna's Men Are Charging the Breast-Works—It is a Fight to a Finish—The Vote is 75 to 70 Against Hanna—Trouble in Finding the Right Sort of a Candidate—Burr to Get Cranley's Place.

Columbus, O., Jan. 6.—Conservative estimates to-night place the legislative vote at 75 to 70 against Hanna. The workers of the Senator claim 71 votes, and assurances of the necessary two additional votes, and possibly three more. The opposition insists that Hanna will never have 70 votes on joint ballot, and that they have gained two votes since the Legislature adjourned over till Monday. Before the chairmanships, preferred places and other patronage are disposed of, the opposition says that Hanna's vote will be reduced considerably below 70, which is now at least three short of enough to elect.

The opposition to Hanna consists of the 65 Democratic members, and of the following ten Republican members: Representatives Harry C. Mason and M. F. Bramley, of Cayahoga; J. P. Jones, of Stark; John E. Griffith, of Union; J. C. Olin, of Hamilton; Wm. O. Scott, of Fulton; Henry H. Redkey, of Highland; D. O. Rutan, of Carroll and Harrison; James Manuel, of Montgomery, and Senator Vernon H. Burke, of Cleveland.

Included in the list of those supporting Hanna are Representatives Droste and Lane, silver Republicans from Cincinnati, who are counted on for Jephtha Garrard. The developments to-day indicated that Garrard would not only be voted for on the ballots for Senators, but that he might lead on the first ballot if the present efforts are successful. Garrard is one of the wealthiest men in Cincinnati, and has always been a radical silver man.

Representative James Joyce, of Guernsey, who is included in the 70 votes claimed for Hanna, is considered as a doubtful. The Hanna men claim that Jones, of Stark; Burke, of Hamilton; Rutan, of Carroll and Harrison, and Manuel, of Montgomery, who are on the list of the opposition, are doubtful.

The combine workers were aggressive until the past day or two, when they not only had votes enough to defeat Hanna, but had also reached all the doubtful members. The opposition is now on the defensive in keeping its majority in line. The content has settled down to a siege in which the opposition holds the fort, and the Hanna men are charging on the breastworks. It is conceded that the opposition is well organized and drilled, and also desperate in its fight. Ever since Kurtz was retired as State chairman, at Toledo last June, efforts have been made to retire Hanna, and there will be a fight to a finish on that issue.

The talk about Senator Burke being in the doubtful list has about subsided. He was slated for president pro tem of the Senate by the opposition. As he was not present on Monday to qualify, Thaddeus E. Crumley, Democrat, was elected president pro tem. It transpires that Senator Crumley wrote out his resignation before his election, and it is in the hands of Senator Pink, the leader of the Democratic side. When Senator Burke is ready, Senator Pink will present the resignation of Crumley as president pro tem, and Burke will get the place.

So far, the opposition to Hanna is not only holding its men well in line, but it has recruited all the plans, provided for previous to the caucuses of last Saturday. The opposition managers say they are having no trouble to hold their men out against Hanna, but admit little trouble in finding any candidate for whom all "bolting" Republicans and the Democratic members will vote. The "bolting" Republicans are unanimous in declaring they cannot vote for any Democrat for Senator. Enough Democratic trouble and anxiety say they do not want to vote for a Republican for Senator.

The soliflutence of the combine on this issue is shown in the following editorial leader in this evening's issue of the Democratic Press, the organ of the combined opposition to Senator Hanna: "The Democratic members of the Legislature now have it in their power to defeat M. A. Hanna for the Senate, and blame for a failure to do it will rest with them. They can make no satisfactory explanation if they fail. Stupidity in such an emergency as the present is intolerable as guilt. Every Republican vote against Boxwell for Speaker was cast to show unflinching opposition to Hanna, and has no other significance whatever. If so, the overthrow of Hanna cannot be accomplished by the same union of Bryan Democrats and Foraker Republicans that defeated Boxwell and elected Mason Speaker. How can this be brought about?"

Let course Hanna cannot be elected so long as every Democrat and Foraker Republican is in his seat and refuses to vote for him. But if any of them remain away when the vote is being taken, he may be elected (or so declared) by less than a majority of all the members elected to the Assembly. To guard against this chance, let every Democratic member be present when the ballots for Senator are taken.

But this is not all. Let them all vote for the same candidate in opposition to Hanna and let the candidate be one for whom every Foraker Republican can vote. This will not only insure the election of another. Failure of the Democrats and Foraker Republicans to agree is exactly the opportunity Hanna seeks.

Let no Democratic member of the Legislature suppose that a time will ever arise during the session when a Democratic candidate for the Senate can be elected. No Foraker Republican can be induced to read himself out of his party and thereby justify the charge of 'traitor and deserter' that is even now being made by the Hanna faction.

about electing a Democratic Senator, popular Democrats. No man worthy to be Senator in the Democratic party in Ohio desires in this crisis to receive a complimentary vote from any Democratic member of the Legislature. On the contrary, any man in the Democratic party who permits a complimentary vote to be cast for him will deserve the censure of the next Democratic State convention for his miserable and selfish ambition.

"The Democrat who refuses to agree upon any honorable Republican the Foraker members unanimously propose, will in effect be casting his vote for Mark Hanna. The Democrat whose vote would elect Hanna if he refuses to cast it."

A call was issued to-night by the Republican State executive committee for a mass convention of Republicans to be held in this city next Monday afternoon, to protest against the attempt to defeat Senator Hanna. The call follows:

"Headquarters Ohio Republican State Executive Committee, Columbus, O., Jan. 6, 1898. To the Republicans of Ohio: The constitution of our State provides that 'the people have a right to assemble together in a peaceable manner to consult for their common good; to instruct their Representatives and to petition the General Assembly for the redress of grievances.'"

"We call upon you in the exercise of this right to meet in mass convention at the auditorium in Columbus, O., on Monday, January 10th, 1898, at 3 p. m. The Republicans of Ohio, in county, district and State conventions assembled last spring and summer, promised the people they would return Hon. M. A. Hanna to the Senate of the United States. A pledge more sacred was never given. Upon this issue, one of the fiercest political campaigns in the history of the State was fought until it achieved a splendid victory."

"During this campaign a few conspirators, pretended Republicans, not giving heed to the lawfully expressed will of a vast majority of their party, sought in every section of the State to defeat the nominees of the Republican party. Overwhelmed and defeated by your ballots, they have since consorted with your enemies for the purpose of defeating your will, solemnly expressed at the ballot box. By these acts they have shown that they do not love the great and beneficent principles of our party, and that the wishes of the people are not to be regarded by them. All that is dear to them is personal revenge and spoils."

"Not in anger, but with shame, we inform you that some of your Representatives in the General Assembly have joined in this unholy compact, and there is danger that they will disregard your wishes and express instructions. We therefore call upon you to assemble and consult as to how our State can be saved from this infamy, and to petition your Representatives by your presence and by your words to faithfully perform the duty which you imposed upon them."

"By order of the committee: Geo. K. Nash, chairman; John R. Malloy, secretary; W. F. Burdell, treasurer; L. C. Laylin, Philo S. Clark, Geo. A. Meyer, G. L. Marble, S. D. Hohenbeck. McLean Out—One More Hanna Man.

Columbus, O., Jan. 6.—A report was current to-night that a telegram had been received by the Democratic leadership from John R. McLean, requesting that his name be kept out of the senatorial matter and urging the Democrats to agree upon a candidate for Senator to defeat Mr. Hanna. While there was some positive confirmation of this story, there were developments which led to the belief that it contained some truth. Hon. Henry H. Redkey, Representative from Highland City, came out to-day for Senator Hanna. He has been claimed repeatedly by the anti-Hanna people.

WM. BUCKLEY'S SUICIDE.

He Had Been Forced Out of the Big Dry Goods Firm of Dunham, Buckley & Co., and Killed Himself in Consequence.

New York, Jan. 6.—Wm. T. Buckley, who until January 1, was a member of the dry goods firm of Dunham, Buckley & Co., shot and killed himself in a little boat-house adjoining his residence in Wave Crest, L. I., this morning. Mr. Buckley was about 55 years of age and was well known in New York business and social circles. His stable is one of the finest and most costly on Long Island. Mr. Buckley was reputed to be a millionaire. The dry goods firm of Dunham, Buckley & Co., is known all over the country.

He was a member of the Union League, Players, Century, Merchant's and Down Town Association Clubs; Seawabachan and Corinthian Yacht Clubs, Rockaway Hunt Club, Dunlay Society and Cedarhurst Hunt Clubs. It is reported that Mr. Buckley had a misunderstanding with his partner, James H. Dunham, which resulted in the firm of which he had been so long a member, Mr. Dunham required that he be either out of his interest in the firm, or buy out Dunham, and the dissolution of the old partnership followed. Mr. Dunham said that his former partner had drawn largely from the business, though not to the extent of causing an embarrassment to the firm.

When asked what reasons there were for Mr. Buckley's retirement from the firm of which he had been so long a member, Mr. Dunham said: "Mr. Buckley was not needed in the business and I thought best to continue without him. There was, however, no irregularities or pecuniary embarrassments in connection with the firm that led to his retirement; and I do not care to rehearse the reasons that led us to form the new partnership." He was then asked if he could assign any direct motive for the act, and he said that he could not, except that Mr. Buckley had been in poor health for some time, and his retirement from a business in which he had taken such an active part for so many years, might have depressed and worried him.

Mr. L. D. Harrgrave, of this city, has traveled for Dunham, Buckley & Co. for seven years. He was greatly distressed yesterday when the news of the suicide flashed over the wires. He described Mr. Buckley as being a genial, good natured man, full of fun and always cheerful. "I can't imagine what could have caused him to commit such an act," said Mr. Harrgrave.

Dunham, Buckley & Co. have one of the largest dry goods houses in the United States. They are at 340 Broadway.

OVERSTREET'S CURRENCY BILL.

AN INDIANA CONGRESSMAN'S PLAN.

It is Built Upon Suggestions Made by the Monetary Commission for the Reform of the Currency—The Banking Features Elaborated—Speaker Reed Before It to the Committee on Banking and Currency—Senator Edmunds to be Given an Early Hearing.

Washington, Jan. 6.—Representative Overstreet, of Indiana, introduced in the House to-day, a comprehensive bill for carrying out the plan of the monetary commission for the reform of the currency. The bill was referred by Speaker Reed to the committee on banking and currency, and Chairman Walker has arranged to give early hearings to Senator Edmunds, the chairman of the commission, and perhaps to other members. The bill contains forty-seven sections and embodies in legislative form every feature of the recommendations of the commission.

The initial portions, relating to the maintenance of the gold standard, the creation of the Bureau of Issue and Redemption, and the gradual retirement of the legal tender notes, are embodied in the bill in almost the same language as in the report. The banking features are more elaborate and carefully define the character of the guaranty fund for the protection of notes issued upon assets, and the manner of redeeming the notes of failed banks. The section dealing with the guaranty fund is as follows:

"Section 2.—That every national banking association shall at all times keep and have on deposit with the Division of Issue and Redemption for the purpose hereinafter specified, a sum in gold coin equal to 5 per centum of its outstanding circulation. The amount so kept on deposit shall constitute a fund to be known as the 'bank note guaranty fund,' which funds shall be held for the following purposes, and for no other, namely, whenever the Comptroller of the Currency shall have become satisfied by the protest of the holder of a note, or by the report provided for in section 5,227 of the Revised Statutes of the United States, that any association has refused to pay its circulating notes on demand in lawful money, he shall direct the redemption of such notes from the bank note guaranty fund aforesaid, and such notes shall thereupon be so redeemed. After the failure of any national banking association to redeem its notes shall have been thus ascertained, the bonds deposited with the Treasurer of the United States shall be sold, as provided by law, and the proceeds of such sale shall be paid into the bank note guaranty fund. The Comptroller of the Currency shall forthwith collect, for the benefit of the fund, from the assets of the bank and from stockholders thereof, according to their liability as declared by this act, such sums as will make good the balance in the bank note guaranty fund, shall equal the amount of its circulating notes outstanding. And for this purpose the United States shall, on behalf of the bank note guaranty fund, have a paramount lien upon all the assets of the association; and such funds shall be made good out of such assets in preference to any and all other claims whatsoever, except the necessary costs and expenses of administering the same."

The next section of the bill provides, "that whenever the Comptroller of the Currency shall ascertain what deficiency, if any, exists between the aggregate collections for the benefit of the bank note security fund in the case of any failed bank and the amount of its outstanding notes redeemed and to be redeemed from the said fund, he shall assess such deficiency upon all the national banks in proportion to their notes outstanding at the time of the failure of such bank."

The provision for the assessment of the tax upon the circulation above the authorized limit is as follows: "Section 20.—That every national banking association shall pay, on or before the last day of every month, to the Division of Issue and Redemption, a duty imposed at the rate of 2 per cent per annum upon the average daily amount of its circulating notes outstanding in excess of 60 per cent of its capital stock, and not in excess of 80 per centum of its capital stock, and a duty imposed at the rate of 6 per cent per annum upon the average daily amount of such notes outstanding in excess of 80 per cent of its capital stock. Circulating notes of any national banking association shall be redeemed and held to be outstanding whenever they shall have been supplied by the Comptroller of the Currency to such association blank, registered and countersigned according to law, and shall have not been returned to the Comptroller for cancellation, or covered by an equal amount of lawful money deposited with the Assistant Treasurer in charge of the Division of Issue and Redemption for the retirement of such notes."

The present restrictions upon the amount of circulation which may be withdrawn monthly and also upon new issues of bank notes by banks having made withdrawals within six months are repealed. Section 34 of the bill provides for the redemption of notes in multiples of \$1,000 in lawful money, upon presentation at the Treasury or sub-Treasury designated for redemption purposes, but it is provided that "nothing in this act contained shall be construed to impose upon the United States any liability for the redemption of the notes of any national banking association beyond the proper application of the redemption and guaranty funds deposited with the Division of Issue and Redemption and the enforcement of the remedies by this act provided."

Section 37 authorizes the establishment of banks with a capital of \$25,000 in towns not exceeding 4,000 inhabitants, and section 38 declares "that it shall be lawful for any national banking association to establish branches under such rules and regulations as may be prescribed by the Comptroller of the Currency, with the approval of the Secretary of the Treasury." Provision is made for the entry of State banks into the new system.

Steamer Reported Foundered.

Marcellus, Jan. 7.—It is reported that a large steamer, as yet unidentified, has foundered with all hands, off Dunham, in the Mediterranean.