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Carolina Dailies

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LEFT WING OF THE RUSS REELS BACK

Crumpling in the Savage Grasp of the Japanese Who Have Seized Several Positions North of the Shakhe.

THE CENTER ATTACKED

The Japanese Infantry Advance After a Furious Bombardment of Pontiloff and Novgorod Hills, But Under a Withering Fire From the Russian Trenches Are Forced to Fall Back. The Bombardment is Then Resumed. Meanwhile Over the Dominions of the Czar the Black Clouds of Industrial and Political Unrest Are Again Lowering.

(By the Associated Press.) Tokio, March 2 .- 5:30 p. m .- Advices from the headquarters of the Japanese armies in Manchuria show Japanese armies in Manchuria show that the Japanese activity on the extreme right continues. That wing is pressing forward and is dislodging the Russians. A dispatch from headquarters says:

"Our force in the Sinking (Yenhochong (Tsinkhetchen?) is now pursuing the enemy northyard. We captured large quantities of provisions at Tsinhocheng.

"Our force at Henshsu is gradually dislodging the enemy from his position, thirteen miles northeast of Bentsiaputze and from another position seven miles northwest. The first position is four miles west of the second. Our force has pressed the enemy

the railroad heretofore unused, and it is now shelling us."

Capture of Three Villages.

(By the Associated Press.) General Kuropatkin's Headquarters in the Field, via Fusan, March 2 .--During the night the Japanese infantry crept forward from the hills and took three small villages in front of Waite on the plain close to the river, which has been the scene of many One column adoutpost affairs. vanced northeast and captured the town of Kodaies, fifteen miles from Waito. The engagement there was | 000 which Representative Small passed

The artillery duel is continuing in the east and is most active about House, and will become a law as soon Waito, but the cannonading is neither of shrapnel across the villages.

One village which the Japanese occupied was subjected to a fierce bomcompanies there stuck to their posi-

Cannon Boom on All Sides.

(By the Associated Press.) Mukden, March 2 .- The thunder of cannon is heard from all positions Putiloff and Novgorod Hills are hidthe smoke from the guns. The bombardment was resumed after the repulse of an infantry attack by Jap anese. A heavy bombardment is also in the neighborhood of the Shakhe bridge apparently in pre; aration for an attack in that quarter The weather continues fair and

The Chinese are preparing to sow their grain.

Forcing the Russians Back.

(By the Associated Press.) St. Petersburg, March 2.-A dispatch from General Kuropatkin dated March 1 says:
"In a third attack on the Russian

detachment near Oubenepusa the Japanese charged with the bayonet and succeeded in occupying the central height, forcing the Russian advance guard to retire to the neighboring

"The Russians at 9 o'clock at night, February 28, were still holding a position near Kondiasa against the Jap-

anese attack.
"The Japanese made a fresh attack on the Gauto Pass position, at 3 o'clock in the morning of March 1. After repulsing several assaults the Russians were forced to abandon two entrenchments which had been

molished by the Japanese artillery.' General Kuropatkin adds that sev erai Japanese attacks on Manshanou Shakhe river on the morning of March 1 were repulsed and says the bombardment of Poutfloff and Novgorod Hills and the Russian position at Sandepas was continued throughout March 1. The losses were

Raid on Sinmintin.

(By the Associated Press.) New Chwang, March 2.—Via Tien together they don' Tsin.—A detachment of four hundred ing everybody so.

Japanese cavalry with one gun raided summitin about 30 miles west of Mukden this afternoon. With the gun trained on the main street the troopers ransacked the railroad buildings

and Chinese inns.

For months Sinmintin has been the eadquarters of contraband trade and he Japanese heretofore have not inerfered with it. On the completion of their examina-

tion of Simmintin the Japanese with-drew to Pauchiatun. An engagement is expected as it is known that Cossacks are not far distant. It is possible that the Japanese may ize Sinmintin as it has long been de-neutralized owing to Russian tradic there. There are large accumulations of steres at Chencow and Koup-(Continued on Page Seven.)

Canal Zone.

den) direction after occupying Tsing- Bill to Increase the Cost of the Light House at Diamond Shoals Passes the Sen-

ate.

Washington, March 2.—The President has appointed H. A. Gudger, of North Carolina, to be judge of the Supreme Court of the Panama Canal Hampshire, Virginia, Governor Ward Supreme Court of the Panama Cana northward of the Shakhe River and zone in place of Judge Osceola Kyle, has occupied Sunmupaetzu. Tiaochin-hutun and Sunhupoatz, three miles has been consul general at Panama north of Waito Mountain.

Mr. Gudger Higgins, New York, First Brigade, of the May term of court. After hear-has been consul general at Panama National Guard New York, North Since July, 1897, and is thoroughly Carolina, Rhode Island, Vermont; judge said he thought the case should "The enemy has many field and acquainted with the people and condiheavy siege guns on either side of tion of affairs on the isthmus. One of the reasons for the resignation of derstand Spanish and another his unfamiliarity with the customs of the Judge Gudger is especially gade. ticulars. Secretary Taft said today that the change involved no reflection upon the character of Judge Kyle.

Light House Bill Passed.

(Special to News and Observer.) Washington, D. C., March 2.—Se ator Simmons today passed the bill to increase the cost of the lighthouse off Cape Hatteras from \$590,000 to \$750,through the House. The bill passed the Senate exactly as it passed the as the President signs it.

as heavy or as unceasing as heard Senator Overman today passed the from the westward. he batteries of bill to pay F. D. Koonee, of Richlands, both armies have maintained their Onslow county, one thousand dollars positions and are exchanging volleys expenses of his contest for Congress against ex-Congressman Grady in 1893. This bill was passed through the House by Representative Thom bardment of solid shot, but the two as and it now awaits the President's

> All the North Carolina members of the House either voted against the mileage grab last night or were paired are against it. One North Carolina member said teday that he would not take the mileage if Congress passed the o'clock a. m. allowing it, but would give a sheek upon the sergeant-at-arms to military and civic grand divisions. he Methodist Orphanage at Raleigh,

'or the money part as follows: Congressman-elect dress, at about 1:20 o'clock 5. m. Blackbarn, of Greensboro; Col. H. C. VI. Review of the military lowles, clerk of the Federal court at civic grand divisions by the President Statesville: Postmaster Isaac M. Meek-ns, of Elizabeth City; J. C. McNeill, White House at 2:45 o'clock p. m. of the Charlotte Observer; Dr. Mcmal'y, of Rockingham county; J. W. McNeill, of Wilkesboro; L. C. Caldvell, of Statesville, and Mr. Newcombe, of Charlotte.

A Hundred and Fifty Bales Burned.

(Special to News and Observer.) Charlotte, N. C., March 2-One hundred and fifty bales of cotton were destroyed by fire at Lancaster, S. C., this in the air. afterneon. A spark from a shifting engine set fire to the cotton which was engine set fire to the cotton which was A., whose position is at the head of owned by the Lancaster Mercantile the column, is the only band which Company and the Heath Banking and Mercantile Company. Fifty bales which were damaged were hauled to a creek and dumped in to save all possible. The loss is covered by insurance.

Wreck at King's Mountain

(Special to News and Observer.) Gastonia, N. C., March 2.—About roon teday at King's Mountain, a station twelve miles south of here, South-places in line in the order given crn Railway freight train No. 82, in above. was wrecked. The engine and tender turned over, several ears were piled continued up and considerable damage was done to rolling stock, tractic being tied up for six or eight hours. There were

You can put it down for a fact that together they don't have to keep tell- commanding.

THE PARADE, THE

Great Military and Civic Pageant.

THE DETAILS GIVEN

A Splendid Spectacle Which Will Add Glamour and Glitter to the Inaugural Ceremonies at the National Capital On the

Fourth. (By the Associated Press.) Washington, March 2 .- The details of the personnel of the great military and civic pageant which is to be the crowning feature of the ceremonies of President Roosevelt's inauguration on March 4th, are given in "general orders No. 5" of the Grand Marshal made public tonight by the Inaugural this lodge during the present session. Committee. It gives the order of the This building was used by the Yankee parade, its organization, movement and dismissal and shows all of the military and civic bodies which are to participate, as well as the position which they will occupy. It is estimated that approximately 30,000 men will be in line. The order of parade fol-

MILITARY GRAND DIVISION. Major General Jas. F. Wade, U. S.

Rowan County.

Mr. Maynard (Va.) moved to suspend the resolution and pass the bill appropriating \$250,000 for an international naval, marine and military celebration to be held on the waters of Hampton Roads beginning May 13th and ending not later than November 1, 1907, in commemoration of the first permanent settlement of Engagery. chief marshal. Guard, District of Columbia; Briga dier General G. H. Harries, N. G. D. C. Second Division. Governor S. W. Pennypacker, Pennsylvania, commanding, First Brigade, National Guard Delaware and Pennsylvania, Governor Preston Lea, Delaware, School Careta, School Care (By the Associated Press.)
Washington, March 2.—The PresiJersey, Georgia, Connecticut, Massa-National!

Third Division. Governor Carolina, Rhode Island, Vermont; Brigadier General G. M. Smith, Na-tional Guard, New York. Second Bri-Judge Kyle was his inability to understand Spanish and abother his understand Spanish and Spanish an National Guard Ohio, Louis-Military Cadets organizations of

VETERAN DIVISION.

General O. O. Howard, U. S. A., ommanding; Captain A. S. Perham, hief of staff; Colonel M. E. Urell, adutant general. First Brigade-Veterans Associa

Second Brigade-Veterans Associaion Spanish-American War. Third Brigade-Veterans tion U. S. Army and Navy.

CIVIC GRAND DIVISION. Chief Marsha!-B. H. Warner.

First Division-Major General O. O. loward, U. S. A .-- First Brigade, Secnd Brigade, Third Brigade. Second Division-Brigadier General oseph Wheeler, U. S. A .- First Brig-Second Brigade, Third Brigade.

Third Division-Hon. J. W. Lyons.

The parade ceremonies of the day II. Escort of the President from the White House to Capitol at 9:30

Escort of the President from North Carolinians in the city are in the conclusion of his inaugural ad-VI. Review of the military and

> The general orders prescribe at length the order of formation of the parade and prescribe that no organization, military or civic, will execute my change of formation or perform any exhibition movement during the

> entire march Drum-Majors will use their baton or staffs only as prescribed in drill regulations, and will not throw them

> The fifth band artillery corps, U. S. will play "Hail to the Chief" at any Governors of States and commanders of divisions and brigades are for-

bidden to leave the line and go on The parade will be reviewed by the President in front of the White House and by the grand marshal on America, especially in the Southern Verment Avenue and K street. The order of march includes the fellowing organizations, which take their

commanding

Blues Virginia Volunteers, Major L. L. Cheatwood. commanding. Company E, 70th Regiment Virginia Company C, 76th Regiment Vir- duties.

ginia Volunteers, Captain G. N. Skipwith, commanding, Petersburg Greys Infantry Virginia Volunteers, Captain A. R. Moody, Volunteers, Captain A. R. Moody, commanding. Company F, 7th Regiment Virginia Volunteers, Captain J. H. Stone, commanding. Culpepper minute men, Captain E. H. Gibson, commanding. Farmville, Guard, Company I, 7th Regiment, Captain H. H. Hunt, commanding. Battery B, 1st Battalion Artillery Virginia Volunteers, Captain M. C. Bill to Aid in Virginia Volunteers, Captain M. C. Keeting, commanding. Bill to Aid in Virginia Virginia Volunteers, Captain M. C. Keeting, commanding.

Battery C, 1st Battalion Artillery, Virginia Volunteers, Captain C. A. Cuthrell, commanding. NORTH CAROLINA.

Governor R. B. Glenn, of North Battery A, N. G., N. C., Captain R. E. Davidson, commanding.

LOUISIANA. Governor Newton C. Blanchard, of Staff.

FLORIDA. Company E. First Regiment, F. S. T., Captain W. H. Lyle, commanding. Georgia Military College cadets.

To Receive Money for Lodge.

(Special to News and Observer.) New Bern, N. C., March 2.—The Masonic order of St. John's Lodge met this afternoon and elected the treasat Washington to receive a voucher for \$5,000 which was appropriated to soldiers during the War Between the

Can Get a Fair Trial in Davidson Coun-

(Special to News and Observer.) Lexington, N. C., March 2 .- Judge Bryan this morning ordered the re- ported by Mr. Sulzer (N. Y.) on the moval of the Clay Grubb case to Rowan county. The case will be taken up on Wednesday of the first week be moved and that he did not think Second Bri-Ohio, Louis. Davidson county. He asked counsel for defense if they had any suggesida, Alabama, Burgesses Corps; Gov- tion as to the county in which to try ernor M. T. Herrick, Ohio. Third Bri- the case and gave them choice of the case and gave them choice of Rowan, Iredell or Randolph. Coun-

> Solleitor Hammer began the argument, briefly took up each affidavit read vesterday and contraded the second solleitor. We whether there would be assailant could fire and appeared immediately with a 38 calibre revolver, with which is read yesterday and contended that the case should be moved on account of great influence in the county that he had had agents at work trying to influence possible jurors to

evidence. As a good many references had been made in affidavits for the been made in allidavits for the ferror and his paper, The Dispatch, Varner and his paper, The Dispatch, Solicitor Hammer defended the edisolicitor Hammer defended the ediscitle will be had not been unfair.

Mr. Swanson (va.) replicate that the Burkett, indignantly denied that the money was intended for a government exhibit. He emphatically asserted exhibit. He said he would not enter into the ed none, and that his paper was always impartial. He said Grubb's The

an able manner took up each affidavit and insisted that they showed that an impartial trial could be had in Davidson county. Be justified the treat-ment accorded Grubb at the jail and manity, and that there was no reason why Grubb should be kept in solitary onfinement. It was necessary for him to see his employees and relatives. He said the whole course of H. B. Varner

TEXT BOOK ON ECONOMICS. Preparation to Le Brought Out

By The McMillan Company.

(Special to News and Observer.) New York and London, to prepare pute is the one providing for an in-and write for them an elementary crease of 1,200 officers and men in text book on Economics. He has accepted this offer and is now at work upon the book. The title of the book will be: Economics for High Schools with a sub-title—Principles of Wealth

The McMillan Company will pubpublishers intend to push the sale and being devoted to conference use of this book in the high schools of and bills of minor importance.

This proposition comes to Dr. Raper without the slightest solicitation knowledge on his part or that of any of his friends, from one of the largest publishing houses in the world.

Mr. George Nelson Coffee, of the 71st regiment infantry Virginia Volunteers, Colonel A. M. Higgins, commanding.

Mr. George Nelson Coffee, of the class of 1900, has just completed a month's daily lectures in the Universemment of the commanding of the commanding of the class of 1900, has just completed a month's daily lectures in the Universemment of the commanding of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of 1900, has just completed a month's daily lectures in the Universemment of the class of th He has had during the 000. who have gained great profit from them were debated at some

these lectures.
Mr. Coffee is in charge of the Uni-

Exposition.

LEE IS A SPECTATOR

Appropriatton Bill and Transacts Other Business. A Curious Incident About "Corners" and the Boll Weevil.

(By the Associated Press.) Washington, March 2 .-- Government participation in the exposition to cele-English speaking people on the West-ern Hemisphere in the vicinity of Charles Willia Cunningham, of Texas, urer, James Redmond, as a delegate ern Hemisphere in the vicinity of to go before the proper department Jamestown, Va., on the waters of Hampton Roads, was provided by the boll weevil into the Southern States. House today when by a vote of 192 While the letter purported to be from Hampton Roads, was provided by the to 91, the bill for that purpose was passed under a suspension of the The amount appropriated \$250,000. To put the bill through two-thirds vote was necessary a this was obtained only after a spirited debate. The members of the Virginia delegation during the roll call mingled among their colleagues and personally Grubb Will Be Tried in Lee, president of the exposition com-

the first permanent settlement of English-speaking people in America at Jamestewn, Va., in 1607. Mr. Tawney (Minn.) chairman of

the Committee on Industrial Arts and Expositions, in favoring the bill gave a graphic description of the plans and purposes of the exposition company. The bill also was strongly ground that expositions educate the people and that the results are last-

ing and beneficial.

The Kicking Begins. Vigorous opposition came from son and Zeb Frazier. The contemposars. Littlefield (Me.); Burkett (Neb.), and Hepburn (Ia.), the former of his right arm shot off, while declaring that the conditions not such as to warrant such an expenditure of the character stated. try of Mr. Burkett as "ridiculous from beginning to end." The proposed exand position, he said, was clouded with inof for Grubb wanted Davie and definiteness, because he said, no one definiteness, because he said, no one that he had come to kill him. Law-son dodged around a door before his as made.

appropriation an international junket for certain foreign guests provided they came with a military or naval trying to influence possible jurors to display. In addition, he said, it was stand for his acquittal regardless of but the beginning of the authorization captured by Revenue Officer, It Defor a further expenditure. Mr. Baker (N. Y.) also opposed the

Mr. Swanson (Va.) replying to Mr

treatment at the jail was something unheard of before.

E. E. Raper, for the defendant in an able manner took up each affidavit and insisted that they showed the showed that they showed the showed the showed that they showed the showed the showed the showed that they showed the showed that they showed the showed the showed the showed the showed that they showed the showed th

On division the House-185 to 81

the yeas and nays were ordered and the bill was passed, 192 to 91. Conference reports on the Fortifi-cations and Agricultural Appropriation has shown him to be unfriendly to bills were agreed to while the conference report on the Naval Appro priation Bill after being partially agreed to was sent back for further conference after a lively debate over Dr. Charles Lee Raper Has One in the question of investigation of the Preparation to Ee Brought Out of an armor plate plant. Amendments by Mr. Vandiver, of Missouri, designed to have the investigation conducted by a special naval board were voted Chapel Hill. N. C., March 2 .- Dr. down, as was also a motion by Mr. Charles Lee Raper, professor of Po-Rixey, of Virginia, to concur in the litical Economy in the University, has Senate amendment to have the invesbeen asked by the great international tigation made by the Secretary of the publishers, the McMillan Company, of Navy. Among other items still in dis-

the House. lish this book at once, as soon as the o'clock the House recessed until nine author can complete his work. The o'clock tonight, the evening session devoted to conference reports

SIXTY-EIGHT MILLIONS.

or This is The Amount Appropriated by The Sundry Civil Bill.

(By the Associated Press.) Washington, March 2.—The S Various amendments Battalion Richmond Light Infantry, month a large and enthusiastic class fered to the measure and most of There also was discussion of the Pure Food Bill and Mr. Dolliver made a today confirmed the following nom-Volunteers, Captain R. E. Craighill, ted States Geological Survey and will brief speech in support of his reso-ination: commanding. of a joint Congressional Commission per Z. Waller, Burlington.

to investigate the question of 9613, rates. The resolution was referred the Committee on Inter-State Com-

News and

excess of their salaries. It was aimed especially at the New York District Attorney. Mr. Bacon suggested a fixed salary of \$10,000 for the New York officer and with this change the amendment was adopted. It prohibits the payment of fees to district attorneys except in the case of District of Columbia.

An amendment was adopted author The Senate Passes the Sundry Civil English the construction of a lightship off Brunswick, Ga., at a cost of \$90,000.

The bill then was passed.

River and Harbor Bill. A conference on the River and

Harbor Bill was granted and Messrs. Gallinger, Nelson and Berry appointed conferees on behalf of the Senate. Mr. Heyburn immediately called up the Pure Food Bill and addressed the Senate on its provisions. While talking he was interrupted by many Senators desiring to pass bills. Among these was one prohibiting the sending brate the first permanent settlement of the mails. Mr. Culberson objected proposing to "corner" the cotton crop by the wholesale destruction of the Texas, it was written on paper the letter head of Price, McCormick

(Continued on Page Five.)

Bang of Gun and Crack of Revolver,

Lawson Has the Muscle of One Arm Shot Off. and Frazier Gets a Bullet in the

Groin.

(Special to News and Observer.) Winston-Salem, N. C., March 2 .-here that a gun and pistol duel took

The participants were Charles Law Burkett sulted in Lawson egtting the muscle ier received a bal lthrough the groin. It appears that Lawson had a war rant for Frazier's arrest. Frazier hearing of this, went in search of Lawson with a gun in one hand and a revolver in the other. Finding his man at a still house, he told Lawson revolver, with which he shot Frazie through the groin. Frazier then show Lawson's arm before he fell.

THE WHISKEY TOOK WINGS. parts Rather Abruptly.

(Special to News and Observer.) Salisbury: N. C., March 2 .- At a late our last night Deputy Miller, of the exhibit. He emphatically asserted United States Revenue Service, captur-that the exposition company had at ed a two-horse wagon loaded with ilits disposal \$1,200,000 for the under-licit whiskey three miles north of this taking. who, in crnment warehouse and the team and

and the wagon and escaped unobserv ed. It is conceded that the perpetratsaid it was nothing but common hu-manity, and that there was no reason bill, but on demand of Mr. Littlefield assisted in the glavery assisted in the eleverly worked The owner of the team and whiskey is unknown to the officers

Supposed Incendiary Fire.

(Special to News and Observer.) Goldsboro, N. C., March 2 .- Mr. D. F. Kornegay, of Dudley, lost his store and stock of merchandise last night The cause of the fire is unknown but it is supposed to be of amount to about \$4,000, with \$2,000 insurance

Gudger to be a Judge?

(Special to News and Observer.) Washington, D. C., March 2.-Hezekiah Gudger, Consul General to riving at the conclusion that in re-Panama, is to be succeeded in office gard to the Dakota Judgment, the Panama, is to be succeeded in office gard to the Dakota Judgment, the by Joseph W. J. Lee, of Maryland, one matter should be left to the Executive of Roosevelt's Rough Riders. It is intimated that Gudger will receive an appointment as judge in the canal

Death of W. P. King.

(Special to News and Observer.) Kinston, N. C., March 2 .- Mr. W P. King died yesterday at his home in this city, of diabetes. He was 71 years old and was a native of Wake county. He leaves a widow and three children. Mrs. Geo. O. McRac and Mr. Joseph B. King, of this city, and Mr. W. P. King, of Wake. Mr.

(By the Associated Press.) Washington, March 2 .- The Senate

Postmaster: North Caorlina-Jas-

Passed By House.

THE SCHAFER BONDS

The Bill Authorizing Payment Passes Its Second Reading. Message From Governor Relating to the Measure. Old Board of State University Trustees Re-Elected.

The Omnibus Appropriation Bill passed the House yesterday without a dissenting vote, a thing almost without a precedent in the history of the General Assembly of this State. The bill carries specific appropriations for the State educational institutions, the hospitals and asylums for the insane, the institution for the deaf and dumb at Morganton, and the Soldiers' Home, at Raleigh. The adoption of the bill single amendment without a single amendment or lengthy debate was taken as a high compliment to Col. Wescott Roberson.



WESCOTT ROBERSON, of Guilford. Particulars have just been received Chairman of the Committee on Appropriations Who Secured the Passage of the Appropriation Bill Yesterday Without a

> Dissenting Vote Appropriations, and the other menibers of the committee, and they were cordially congratulated for their work The bill authorizing the payment of two hundred and fifteen thousand dellars in settlement of the Schafer bonds, passed its second reading in the House after a brief discussion, and will have its final reading today. bill provides for a bond issue not to exceed \$250,000.

At noon the Senate and House elected the members of the board of trus-tees of the State University. No tees of the State change was made in the report of the committee containing the nomina-

The Scales bill to prevent fire insurance companies from limiting the commission of agents received from other fire insurance companies, passed the Senate after a long discussion, by vote of 31 to 4. Senator Webb introduced a resolution inviting the National Education-

al Association to hold its annual co vention for the year 1906 within the State of North Carolina, in the city of Asheville. The North Carolina Editorial Association has heretofore cordially and urgently invited the Na-tional Association to hold its next meeting in this State. A message was transmitted by the Governor relative to the report of the

special committee on the Dakota bond judgment and Schafer Brothers' The following is the full text of the

To the Honorable The General Assembly of North Carolina.

"Gentlemen:-You know that since my induction into office, that I have done everything in my power to bring about ah honest and just settlement of what is known as the Dakota Judgment and the Schafer Bonds. Some-time ago I sent to your Honorable Body a special message, to take some action in regard to both matters. In compliance with this message, you appointed two gentlemen, on the part of the Senate, and three on the part of the House, who, with the Governor, were a commitee to act with the Council of State to take into consideration both the Dakota Judgment, and the settlement of the Schafer Bonds. This committee met, and had no difficulty in ar-Department to take such action as it deemed wisest and best. In regard to the Schafer Bonds, counsel for the bondholders were invited to be present at the meeting, and they made a proposition to take par for their bonds. In other words, \$242,000.00 for the bonds held by them. well known to you, that this is a very large reduction in the first proposi-tion indicated by the bondholders. First they suggested \$395,000.00. Then \$350,000.00; then in writing, \$302,-000.00, and at the meeting of the com-mittee, \$242,000.00. The committee rejected this proposition, but made them a proposition of \$225.840.00,— this to include the South Dakota judgment, as well as the amount of their bonds. This proposition was not accepted by the bondholders, and after much discussion, your committee as a finality, offered to give the bondhold ers \$892.00 each each, for the 242 bends, -making \$215,364.00. This proposition has been accepted by the (Continued on Page Three;)