

GERMANS BEAT RUSSIANS IN WARSAW BEATEN BY THE RUSSIANS

Strong German Attack on Russian Right Flank Repelled After Tuetons Seven Times Charge Russian Trenches And Are Withered by a Murderous Fire; South of Cracow The Second German Turning Movement Is Also Repelled With Heavy Losses—Serbian Victory of Great Magnitude Is a Reality—French Retake Lost Trench Near Ypres

(By the Associated Press.) Petrograd, Dec. 11.—The following statement from the general staff of the Russian commander-in-chief was issued tonight: "In the direction of Miava the Germans on December 10 kept up a strong offensive through the day and night but we succeeded in repelling them. Our troops, themselves, taking the offensive, gave chase to the German columns which, in some places, retreated in disorder. "In the region to the north of Lodz, the enemy made some fierce attacks on the night of December 9-10 and throughout the whole of the following day. We repelled these attacks and inflicted enormous losses on the Germans. "We expected, in all, seven attacks, during which some of our units permitted the enemy to approach very near and then put them to flight with a murderous fire. "In the region to the south of Cracow on December 10, we were still continuing our offensive with success in spite of the stubborn resistance offered by the Germans. "We captured several guns and mitrailleurs, and as many as 2,000 prisoners. "There has been no important change on the remainder of the front."

London, Dec. 11.—(10:40 p. m.)—Of the five Austro-German columns which for some days appeared to be making steady progress in their invasion of Poland three have suffered checks, according to tonight's official reports from Russian headquarters. The column making a downward stroke from Miava, on the East Prussian frontier, reported in one dispatch from Petrograd today to be within fifteen miles of Warsaw, was repulsed after an energetic offensive and under counter attacks from the Russians was compelled to retire at some points. The attacks of the main German column, which had its front on the line between Lodz and Lwow and which came down diagonally from Lodz, were delivered with great force, but according to the Russian account, were repulsed with heavy losses to the invaders. That the Germans attached great importance to the success of their attack here is shown by the fact that during the two days they faced the Russian trenches seven times and were driven back by a murderous fire.

Flanking Movement. The other column which has suffered is that composed of German and Austrian troops, which had been trying to outflank the Russian left south of Cracow. In this case the Russians assumed the offensive and they claim that after a tenacious resistance they defeated the Germans, taking several guns and 2,000 prisoners. Of the German column operating in the region of Piotrkow and that advancing from Czenstochowa there is no news except the Russian statement that on other days it made no progress and that after a tenacious resistance they have been no substantial changes. A check or repulse of any one of the columns, however, in the opinion of military critics, must affect the whole German plan which was a formidable diversionary movement aiming at the capture of Warsaw and their relief of Cracow. For this purpose large reinforcements were sent from the west and operations were pushed with great resolution against a determined opposition. It probably will take some days to determine, however, whether the checks have upset this plan. Serbian Victory Is Great. The Serbian victory over the Austrians appears fully confirmed by the London dispatches and Valjevo. Serbians have regained most of the territory toward the Bosnian border and they also have defeated Austrians advancing from the west. On December 7, the Serbians had captured about 25,000 prisoners, 115 of all kinds and great quantities of material. The Serbians claim that they were due entirely to brilliant leadership and the courage of their fighting men, which were veterans. Acting in their third war. These qualities, they say, overcame the greater numbers the Austrians had on their side. On the west, both the French and the Serbians claim they have made progress in the Argonne region and in Belgium. It is evident the Germans in an effort to stop the allies' advance in Belgium, attempted an offensive in the vicinity of Ypres and took prisoners from the French. The latest French official communication says the French were recaptured. Elsewhere on the front there have been artillery duels with occasional infantry attacks by first one side then the other. Admiral Sturdee reports to the admiralty that the British suffered a remarkably small loss in the naval engagement off the Falkland Islands. Seven men were killed and four were wounded. This indicates, officials believe that the Germans were completely outflanked and possibly not more than one mile each of the British ships. First Lord Spencer Churchill, in a cablegram of congratulations from Japan regarding the naval victory shows that Japanese and Australian ships are co-operating in the Pacific and declares that the defeat of Germany is a matter of time. Przemysl Only Surrounded. Amsterdam, Dec. 11.—(Via London 10:35 p. m.)—The following Austrian official statement has been received from Vienna: "Operations in the Carpathians are progressing according to our plan. The enemy yesterday fought mainly rear guard actions, which were repelled. "In Galicia there is no decision. Przemysl is only surrounded by the enemy and is not being attacked. The garrison makes daily sorties which keep the enemy at a respectful distance from the fortress zone. "Quiet reigned in Poland yesterday along our front."

No Truce For Christmas. Berlin, Dec. 11.—(By wireless)—Pope Benedict's proposal for a truce among the warring nations during the Christmas holidays has been declined by Russia, according to the German official press. The German press bureau previously announced that Germany was willing to agree to a Christmas truce if the other nations assented. Serbians Were Reinfused. Amsterdam Via London, Dec. 11.—(Midnight)—The Frankfurter Zeitung says the Serbians have been reinfused by five Russian regiments which left Srebrenica on Nov. 22 and arrived at Antivari Nov. 29.

FIGURES QUOTED ON UNFAIRNESS

Rate Expert Wright Further Throws Harpoon Into Methods of The Southern

(By the Associated Press.) Washington, D. C., Dec. 11.—Further testimony in support of charges that the Southern railroad discriminated against Southern coal operators and Southern ports in favor of Northern operators and ports, including Norfolk, was given before the Senate sub-committee today by Frank C. Wright, an expert engaged by the committee to investigate conditions. Mr. Wright compared freight rates from East Tennessee, East Kentucky and Southern Virginia, from coal fields to South Atlantic ports with those from Pennsylvania fields to New York, Philadelphia, Baltimore and Norfolk, to support his claim that an effort had been made to bottle up independent coal operators in the Appalachian coal district. Coal rates from this district to Norfolk, Charleston, Wilmington, Savannah and Jacksonville were quoted at from \$1.50 to \$2.25 per ton while rates from Pennsylvania fields to Philadelphia, Baltimore, New York, Norfolk and Charleston were given at \$1.40 to \$1.60 per ton. Wright said the committee had a letter showing that since the Southern railway acquired the Virginia and the Carolina, there was a division of rates allowing the Virginia and Southern western 72 1-2 cents a ton on business to North and South Carolina and East Georgia points delivered to the Southern coast, and 66 cents on business afterward delivered to the Atlantic Coast Line and 66 cents on business for Ohio River points and St. Louis. "Where did the committee get those figures?" asked A. P. Thom, counsel for the Southern. "From the Department of Justice," said Wright. "And where did the Department of Justice get them?" he was asked. "From the men of the Southern railway," he replied.

TWO NEGROES ARE LYNCHED

Louisiana Mob Avenges Murder of Young White Man

Shreveport, La., Dec. 11.—Charles Washington and Bernard Henderson, negroes, who, according to the police, last night killed and robbed Cyrus Hotchkin, a white man, were hanged today and were lynched late today about five miles from Shreveport while being transferred to Mansfield, La., for safe keeping. They were hanged to a tree near the roadway by a mob of about fifty men. According to the police who arrested Washington and Henderson here last night, the negroes confessed that they killed Hotchkin, an oil field employee, for the purpose of robbery. Hotchkin came to Morgansport recently. His mother lives in Chiloquin, Oregon.

CHARLES A. WEBB GOES TO CAPITAL

Rousseau May Lose His Place, Colonel Watts Not Worrying About The Matter

(W. E. YELVERTON.) Washington, D. C., Dec. 11.—U. S. Marshal Charles A. Webb, who probably comes to Washington tomorrow or Sunday for a conference with Senator Overman about the appointment of J. R. Rousseau, as deputy marshal in Wilkes county, Col. A. D. Watts today said he is skeptical in the case so nothing seems to be left but a personal conference among Mr. Webb, Senator Overman and Representative Page and Doughton. It is probable that Mr. Rousseau's appointment will not stand, and that an Ashe county man will get the place. Though Mrs. Caleb Osborne, whom Representative Stedman has recommended for postmaster at Oxford, 66 years old, Major Stedman believes she will be appointed. He says he received what he believes to be sufficient assurances from the Postoffice Department today that the appointment will be made. Attend Cotton Ball. Several North Carolinians attended the cotton ball tonight at the P. N. American Union, Mr. Amos then were Gen. Julian S. Carr, and John Sprunt Hill, of Durham; Mrs. Walter Borden, Mrs. B. H. Griffin and Misses Mary Aycock and Sarah Michaux, of Raleigh; and Mrs. J. B. Harrison, of Lenoir. L. B. Bristol and J. A. Harrison, of Statesville.

PUBLIC FUNERAL OF PAYNE

First Time in Fifteen Years Congress Has So Honored Dead Member. Washington, D. C., Dec. 11.—The House of Representatives will meet Sunday to mourn the death of Sen. E. Payne, for thirty years a congressman from New York. It will be the first time in fifteen years that the House has held a public funeral to pay tribute to a dead member. Resolutions passed today invited all official Washington to the ceremony. The President and his cabinet, the Supreme court, the diplomatic corps, and the high officers of the army and navy were asked to be present. The Senate appointed a committee to set with the House funeral committee, and arranged to attend the ceremony. The services will be entirely religious in character. The choir of the Cavalry Baptist church, which Mr. Payne attended, will sing and a section of the marine band will play appropriate music during the settlement. After the services the body will be taken to Auburn, N. Y., by House and Senate committees.

ROBESON HAS NO TREASURER

Treasurer-Elect Falls to Present Bond and Office Declared Vacant. (Special to The News and Observer.) Lumberton, Dec. 11.—At the meeting of the county commissioners last Monday all the county officers except the treasurer tendered their bonds, which were accepted. The board met again today for further consideration and the treasurer still failing to present bond, the office was declared vacant until January fifteenth and the sheriff instructed to pay the county claims. The treasurer's bond required for Robeson is one hundred thousand dollars.

ANDREW CARNEGIE DEFENDS KAISER

Says German Emperor III and Militarists Ruled; Is Against Christmas Truce

(By the Associated Press.) Washington, D. C., Dec. 11.—Andrew Carnegie, a White House caller today, expressed decided opposition to a Christmas truce in the European war. It would be unchristian-like and immoral, he said, to stop fighting then resume it. He added he could not believe that any nation which adopted such a suggestion was doing it sincerely. Mr. Carnegie gave it as his opinion that the military caste in Germany was responsible for the war and that at the time hostilities broke out the Kaiser was ill and opposed to the war. "The Kaiser has told me that he took the greatest pride in the fact that he reigned for many years without being involved in war," said Mr. Carnegie. "But he was surrounded by a ring of militarists who were eager for war at any price." Mr. Carnegie said he hoped that the world would be so horrified over the war that permanent peace would follow.

Mr. Carnegie showed some interest in a suggestion that he might be called upon by the President to help bring about peace, when the time came. "I will do anything I possibly can," he said. "I believe Mr. Wilson earnestly desires peace." "For the men in the trenches," Mr. Carnegie expressed greatest sympathy. Speaking of Germany's part in the war, Mr. Carnegie said he believed the Emperor was ill when the conflict broke out as he is now. He expressed great sympathy for the Emperor and said he knew his "heart must be broken" over the break in his peaceful dream. Later Mr. Carnegie called on Secretary Bryan.

It seems to be incongruous—in fact, an impertinence," he said after reading "that the nations should pray for the Peace of Peace when every day their men are killing each other." Asked if he had heard of any development looking toward peace, he shook his head regretfully.

CHURCH COUNCIL SENDS GREETINGS TO THE JAPANESE

Richmond, Va., Dec. 11.—The final session of the convention of the Federal Council of Churches of America here closed at noon today with the adoption of a fraternal message drawn by a committee of nine members to be transmitted to Japan for the purpose of welding the friendship between the Japanese and the people of the United States, and the launching of a movement for a change in the method of teaching history in the schools to minimize the glory of war, as part of the peace propaganda of the council.

The council, earlier in the morning, created a new commission, headed by Gifford Pinchot, on country life and churches. Dr. Sidney L. Gulick, of Japan, and Dr. Shailer Mathews, of Chicago, were selected to head the commission of 17,000,000 Christians to "our beloved brethren" in Japan. Bishop Hendrix, of St. Louis, offered a resolution which was adopted, extending the council's sympathy for the suffering of the Jews, brought on by the European war, and urging that material aid be given by Christian churches. The council adjourned without naming its place of meeting next year.

THE DAY IN CONGRESS

(By the Associated Press.) Washington, D. C., Dec. 11. SENATE: Chairman Hitchcock, of the Philippines, announced that the independence bill would be pressed for passage at this session. Testimony continued before a special committee on charges of railroad rate discriminations against South Atlantic ports, sympathy for the suffering of the Jews, brought on by the European war, and urging that material aid be given by Christian churches. The council adjourned without naming its place of meeting next year.

TROOPS STAY IN COLORADO

Governor Ammons Refuses to Accept Responsibility. (By the Associated Press.) Washington, D. C., Dec. 11.—Because of Gov. Ammons' refusal to accept responsibility for requesting that all Federal troops in the Colorado strike districts be withdrawn, President Wilson today decided to await further developments before ordering the troops away. The troops were sent at Governor Ammons' request. At an hour's conference today with Seth Low, Patrick Gilroy and C. W. Mills, his new Colorado strike commission, the President outlined his efforts to restore industrial peace in Colorado. The commission will tomorrow formally organize. The President named the commission prior to the settlement of the strike, which might be ready to act in any future disagreements.

ONE GREAT FLEET FOR BOTH COASTS

Secretary Daniels Thinks Panama Canal Does Away With The Need For Two SUBMARINES IN PACIFIC

Those at Manila and Honolulu Could Hinder any Fleet Coming From That Direction. Most Likely To Have War With "Dahomey" Humorously Says Secretary Navy

(By the Associated Press.) Washington, D. C., Dec. 11.—Although the Pacific coast is not adequately protected for war, the Atlantic fleet could be rushed through the Panama Canal while any hostile fleet would be delayed by the necessity of reducing Manila and Honolulu, in the opinion of Secretary Daniels, who continued his testimony today before the House Naval Affairs committee. In the course of an all-day examination the Secretary discussed the difficulties of constructing satisfactory airships and submarines, but expressed opposition to "extravagant appropriations" for either of these branches of the service. He predicted that ultimately the government must build its own warships. While Mr. Daniels was before the committee the question of military preparedness was again under discussion on the floor of Congress. Senator Weeks, of Massachusetts, declared in a speech in the Senate that there was too much publicity of military secrets. He pointed to the secrecy observed by the nations now at war as an object lesson. Secretary Daniels frankly told the committee that there were no dreadnoughts or first-class battleships on the Pacific coast. The only battleship in the fleet was the Oregon, a twenty-year-old vessel. The active naval strength on the Pacific he gave as nine cruisers, two gunboats, one transport, one torpedo boat, three submarines and one tender. The reserve fleet, he added, comprised five armored cruisers, four torpedo boat destroyers and two submarines. "Send Fleet Through Canal." The Secretary said that the vessels are adequate protection to the Pacific coast for war? "asked Representative Stephens, of California. "No," replied the Secretary. "You would not commission the Oregon as a first-class battleship, would you?" "No."

"You wouldn't consider the Pacific coast sufficiently protected in so far as the naval arm of the government is concerned?" "I would not put it that strong. If we were to have trouble with the Panama canal, I would think a fleet through the Panama canal would be a chief reason why we would take damage could be done before the fleet could arrive on the Pacific coast from the Atlantic?" "I think the odds are the other way. One of the reasons, perhaps, a chief reason, why we built the Panama canal to make it possible to have a fleet to defend both coasts."

"Have we a fleet sufficient to defend both coasts?" "But it cannot defend both coasts?" "Not at the same time, but there is hardly a possibility of our being attacked on both sides at once."

"An enemy," he added, "has got to run the gauntlet of our submarines in the Philippines and Hawaii and we could delay them a good deal with the fleet we have there now until the Philippines were done as well as about eighteen days, roughly, for the fleet to go from New York to San Francisco, provided the canal is open and unobstructed."

"Do you think the submarines now in the Pacific would offer any serious hindrance to the navy of the Pacific ocean attacking us?" "We are going to send more over there, and we are asking for more now."

The Secretary made a veiled allusion to emergencies during the Vera Cruz occupation which might have led to taking half of the men off the Atlantic fleet to join the army in proceeding to the capital, but he would like to question as to the use of battleships where gunboats would suffice for the naval necessities of the situation, he said.

The Mexican Emergency. "You have heard of the last Mexican trouble occurred in January 1913, we sent battleships to Mexico. Some said the United States should have sent gunboats and saved the battleships for other purposes, but the gunboats would not have done as well. If we had had to blockade all the Mexican ports all the battleships would have been needed. If we had gone to Mexico City we would have had to take half the navy with us."

Secretary Daniels told the committee that the naval war effort had been greatly strengthened. He declared "the navy is getting into the navy in the practical instruction and technical training aboard ship." He said the time was past when more than three others was drowned about a month ago off Masonboro Beach.

"TAR HEEL" TIME HAD IN BALTIMORE

North Carolina Society of That City Enjoy The Pleasure of Annual Banquet OCCASION WAS NOTABLE

There Were Many Guests at The Event and The Evening at The Emerson Hotel Was One Which Was Featured With Incidents and Oratory as Well as a Menu of Delight

(Special to The News and Observer.) Baltimore, Md., Dec. 11.—This was a gala night in Baltimore for the "Down Homers" of this city who compose the membership of the North Carolina Society of Baltimore. It was featured by a reception and a banquet given at the Emerson hotel over ninety North Carolinians and their guests participating in the event. As the guests gathered for the banquet they assembled in the "Blue Room" of the Emerson where a reception was held, there being much shaking of hands, making of new acquaintances, renewing of old, and a general expression of good wishes. When it came the time for the banquet the guests of honor passed down the mezzanine floor to the entrance to the banquet room while the orchestra rendered a familiar Southern air. Entering the banquet room the guests passed through a high hedge of cotton plants in full bloom, planted just as they had been taken from the fields of North Carolina.

The banquet room itself was brilliant with beautiful "Tar Heel" decorations. Great numbers of original North Carolina pines were used, these about seven feet high, and in their branches there were six canary birds, and a number of other decorations. The assemblage was a brilliant one and the banquet oratory was of the kind which makes happy such an occasion. Dr. Ryland O. Sadler, the president of the society, was the toastmaster and he made a most admirable one. The speakers of the evening were Hon. John H. Small, Congressman from the First North Carolina District; Whitehead Klutz, of Salisbury, secretary of the International Boundary Commission; Mr. R. E. Lee, representing Mayor James H. Preston, of Baltimore; Mr. Malcolm McDowell, of Baltimore; Mr. W. H. Bagley, managing director of the Raleigh News and Observer.

The banquet was served on group tables of four and the decorations of these were extremely beautiful. The menu cards were such as to become souvenirs, on them appearing the names of the officers of the past year and the officers for 1915 as well as the list roll of the members of the society. The menu of the banquet provided for a feast which was a delight to all and the service was in such form as that promised from the fact that the banquet was given at the Emerson Hotel. The North Carolina Society has a right to congratulate itself on the great success of its annual banquet, this one of the most successful which it has ever given.

The retiring officers of the North Carolina Society of Baltimore are as follows: President, E. Frank Kelly, of the University of Maryland; vice-president, William T. Grimes; secretary, Horace E. Flack; treasurer, Oscar D. Green; board of governors, George S. Wills, chairman, Edward H. Norman, William H. Parker, Oscar T. Smith, George W. Spitzer, and W. M. Cortland. The officers for 1915 are: President, Dr. Ryland O. Sadler; vice-president, William H. Parker; secretary, Horace E. Flack; treasurer, Oscar D. Green; board of governors, E. Frank Kelly, chairman; Thomas C. Craft, Jr., T. W. Cone, Frank C. Pogue, and R. H. Tillman.

Members of the Society. The society is in a most flourishing condition and its members are: Edgar H. Austin, C. C. Buckman, S. M. Buckman, L. Ames Brown, Lonnie D. Byrd, Thos. H. Copeland, Thos. C. Craft, Jr., Bruce Cotten, F. M. Cortland, F. W. Cone, Dr. H. Cook Davis, H. M. Daniel, Geo. R. Deban, Jr., H. Guion Dewey, Rev. B. M. Douglas, Ernest W. Fetzer, Horace E. Flack, Geo. Arnold Frick, T. H. Gooch, Thos. A. Gilliam, J. Cardinal Gibbons, Oscar D. Green, Wm. T. Grimes, Geo. W. Hayes, Dr. Charles Hill, H. Arthur Harris, Rev. Rich. W. Hogue, H. G. Hawks, W. L. Humphreys, Frederick H. Hubbard, John W. Jenkins, Bart T. S. Johnston, Willis R. Jones, Geo. T. Jenkins, E. Douglas Jordan, E. Frank Kelly, Geo. M. Kimberley, Frank A. Knowler, Geo. F. Littlejohn, Daniel B. Lewis, Rev. Armand de Rossett Meares, Theodore Marburg, Dr. W. J. McMin, Ed. H. Norman, W. Tolar Nolley, Samuel H. Noe, Ernest T. Newell, Addison J. Outland, John H. Parker, Robert E. Post, Frank C. Pogue, Wm. H. Parker, John I. Rowe, Wm. L. Rawls, Thos. D. Ross, Albert E. Rosenthal, Dr. St. Clair Spruill, Dr. Ryland O. Sadler, W. S. Stallings, Oscar T. Smith, Walter L. Swink, Geo. W. Sparger, Judson C. Tuttle, Richard H. Tillman, Dr. Randolph Winslow, Dr. John R. Winslow, J. S. Whedbee, Thophilus White, Geo. E. Wills, Miles White, Jr., Richard J. White, Clarence E. Wood, Geo. I. Wood, J. B. Williams, Robert H. Wright, Leonard H. Well, Herbert H. Well, Francis M. Wellers.

Honorary members: Thos. J. Olys, Theodore Marburg, W. H. Maus. Corps Washed Ashore. Wilmington, Dec. 11.—The body of a negro man believed to be that of Albert Walker, colored, was found on Myrtle Grove Beach Wednesday afternoon by Richard McClellan, colored. The body was reduced, practically to a skeleton. It is believed that the body is that of Walker, who with three others was drowned about a month ago off Masonboro Beach.

299 VESSELS NOW IN AMERICAN NAVY

They Are As Good, Ship For Ship, Man For Man, As Those of Any Nation SO SAYS ANNUAL REPORT

The Condition of Enlisted Men Much Better and Only One Taken Where Six Apply. Secretary Daniels Will Submit Plan To Create an Adequate Naval Reserve

(By the Associated Press.) Washington, D. C., Dec. 11.—In his annual report Secretary of the Navy Joseph Daniels emphasizes the fact that 1913-14 has increased the fighting strength of the navy by three dreadnaughts, and he bespeaks the co-operation of Congress in the present to assure a continued steady and normal increase for the coming year. Congress was generous in its response to only 14 recommendations of the department for these three dreadnaughts, with the necessary supplementary craft called for, up to nearly all the recommendations. The program this year keeps pace with that of last year and includes 2 dreadnaughts, 6 destroyers, 8 or more submarines, a gunboat, and an oiler. The effective fighting force of the navy has been increased since June 30, 1913, by the completion of two battleships, the New York and Texas, 21 knots each, and the first of our warships to carry 14-inch guns; by completion of 3 destroyers, 2 submarines, 3 fuel ships, and 3 gunboats. The Secretary is especially solicitous to bring up our strength in submarines and the construction of gunboats, figures to show that, as compared with foreign nations, our submarine fleet is relatively and actually very powerful—51 submarines built or building, 14 more authorized by last year's bill. Nevertheless he would "impress upon Congress the importance of making a larger increase." He recommends 1 to be of 1,000 tons, and 1 of 1,500 tons. The Portsmouth (N. H.) Navy Yard is building one of the last authorized submarines, with the idea partly in view of ascertaining the exact cost of submarine construction—normalization which will be valuable in case the government, in the absence of competition, should desire to build its own submarines. During the coming year it is quite likely that it will be necessary to further increase the construction of submarines in navy yards.

Air Craft Important. The scout work of the two hydro-aeroplanes at Vera Cruz assured the fleet of the absence of mines and indicated sunken works. Air craft have well-nigh prevented the surprise of one army by another, as in even recent wars. The new aeronautic station with flying school at Pensacola, have fully justified their establishment. While conditions in Europe preclude the desired purchase, for the purpose of a try out, of foreign-built air craft, the navy has been manufacturing the best types of home manufacture, and has been prepared to develop this service faster than manufacturers of most advanced designs of hydro-aeroplanes. Their steady increase on a large scale is a fixed policy of the department.

The effort continues to be made to save appropriations at Vera Cruz. The estimates for the fiscal year of 1915-16 amount to \$129,659,495.99, or \$664,306.73 less than the 1915 appropriations. The department spent \$129,659,495.99, or \$664,306.73 less than the 1915 appropriations, and turned back into the Treasury \$2,427,539.76 out of the appropriations for the fiscal year. The sharpest competition has been instituted upon this year's program. The battleships authorized this year, which are to be known as the California, Idaho, and Mississippi, would have cost \$432,440 more had the contracts been placed at the same cost as the battleships authorized in the act of the Pennsylvania. The injunction of the naval act of 1914 that nothing shall be bought in the markets which can be made as cheaply or more so is being rigidly observed. The department has been obediently obeyed. Contrary to popular idea, the navy can manufacture its material—from leviathan superdreadnaughts, engines for battleships, gas-turbine engines, airplane engines, countermeasures, and the like, down to a pound of powder or a gallon of paint—cheaper than it can be purchased. It has lived to see powder fall from the sky, and ammunition, because it undertook itself to make it. If the department had purchased the powder it made last year its powder bill would have been increased by \$37,524.16. The navy has the two years' program of manufacturing torpedoes reduced the cost of manufacture in its Newport plant from \$4,200 to \$2,200 each, while the price at the only private plant is \$5,000 apiece.

Armor Plate Factory. Pursuant to a provision in the last naval bill, a commission, consisting of the chairman of the Naval Affairs Committee, Senator Tillman, and Representative Padgett, and one naval officer, Rear Admiral Strauss, chief of the Bureau of Ordnance, are at present investigating the cost of the government armor plate and whether 19,000 or 20,000 tons annually, it is sincerely to be regretted that the war in Europe prevents examination into armor plate abroad. The three armor-making plants in this country usually submit identical or nearly identical bids. The 24,384 tons of armor for the three battleships authorized during the first year of the present administration, which the Navy department expected to secure at wholesale rates at least, but this single-minded trio of factories submitted bids only a trifle less than the price they had received for the armor of the Arizona last year. The bids were promptly rejected and upon the second bidding the department accepted bids which resulted in an economy of \$13,819. The department renews its recommendation for a government armor-plate factory. Potential facilities for manufacture would prevent brass commercial holdup of the Navy. While it is not the policy of the department to make everything it needs, such proposed