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THE OMAHA DAILY BEE

THE WEATHER. Rain or Snow

VOL. XLIV—NO. 218. OMAHA, SATURDAY MORNING, FEBRUARY 27, 1915—FOURTEEN PAGES. On Trains and at Hotels News Stands, 5c. SINGLE COPY TWO CENTS.

ALLIES AGREE TO STARVE GERMANS; REJECT U. S. PLEA

England, France, Russia, Belgium and Serbia on Program of Keeping All Foodstuffs from Foes.

COTTON MAY BE BARRED, ALSO

Believed that Note of America Suggesting Compromise Will Not Be Heeded.

CONFEDERATES IN CONFERENCE

LONDON, Feb. 26.—France, Russia, England, Serbia and Belgium are said by English officials to be in absolute accord as to reprisals to be made on Germany, Austria and Turkey in retaliation for the German submarine campaign. England was in conference with its allies concerning reprisals before the receipt of the last American note making informal representations looking to the discontinuance of submarine activities and to the admission of food to Germany for its civil population. It is believed the suggestions will be rejected.

Decide on Main Points.

England and its allies have decided upon the main points which probably will be announced Monday by Premier Asquith in a statement for the press. Simultaneously the position of all the opponents of Germany toward neutral countries whose trade is so vitally affected by the present naval methods will be submitted to the neutral governments.

There is every reason to believe that England fully intends to make all foodstuffs for Germany absolute contraband, thus cutting off the movement of ships to German ports and making export trade by sea impossible.

Interest of Public.

Great interest is being shown by the British press and the public in the probable treatment of cotton under the new system of reprisals. The belief seems to be general that cotton and food all will become absolute contraband.

British officials are now persuaded, they state, that several ships which at first were reported as having been destroyed by mines were the victims of submarines.

Congress Is Asked To Forfeit Hundred-Foot Right-of-Way

(From a Staff Correspondent.)

LINCOLN, Feb. 26.—(Special.)—The joint congress lshil'secmfwy cmfw em cmfyy resolution of Spirk and Kohl, asking congress to forfeit the extra 100 feet on either side of the Union Pacific right-of-way, passed the senate this morning on third reading, by a vote of 18 to 19.

The 200-foot strip of land throughout the state of Nebraska, involved in the resolution, is occupied by thead jacent land owners in most cases, a court decision of recent years having decided for the first time that the original grant was for 400 feet.

The vote was:

Ayes: Beal, Bedford, Buhrman, Bygland, Douthett, Gates, Hoagland, Howell, Kiechel, Kohl, Krumbach, Lahners, Piller, Robertson, Ruden, Sandall, Shumway, Spirk.

Nays: Brookley, Bushee, Dodge, Henry, Mallery, Mattes, Quinby, Saunders, Spencer, Weesner, Wilson, Wilson of Frontier, Wink.

Quinby's bill to limit all public service franchises to twenty-five years failed to get the required three-fifths vote in the senate and went to its death. However, the vote was close, being 16 to 16 for the measure.

The following bills were killed on report of senate standing committees Friday morning:

S. F. 127, Grace of Harlan—Extends scope of law allowing attorneys' fees in contested insurance losses.

S. F. 187, Shumway of Dixon—Fixes number of pounds for docking of stag hogs or sows in farrow.

S. F. 229, Saunders of Douglas—Provides that impairment of the capital stock of domestic stock insurance companies may be made good by reduction of outstanding capital stock by majority vote of the stockholders.

S. F. 276, Henry of Colfax—Provides for the assessment of money on deposit and goods in storage.

The Weather

For Omaha, Council Bluffs and Vicinity—Snow or rain.

Temperature at Omaha Yesterday.

SNOW FLURRIES

Hour.	Deg.
5 a. m.	32
6 a. m.	32
7 a. m.	31
8 a. m.	31
9 a. m.	30
10 a. m.	32
11 a. m.	32
12 m.	33
1 p. m.	34
2 p. m.	34
3 p. m.	34
4 p. m.	33
5 p. m.	32
6 p. m.	31
7 p. m.	30
8 p. m.	30

Comparative Local Record.

	1915.	1914.	1913.	1912.
Highest yesterday	34	40	26	32
Lowest yesterday	29	25	9	17
Mean temperature	32	32	18	18
Precipitation	.43	.00	T	.24

Temperature and precipitation departures from the normal at Omaha since March 1, 1914, compared with the last two years:

Normal temperature	27
Excess for the day	5
Excess since March 1	799
Normal precipitation	.92 inch
Excess for the day	.41 inch
Total rainfall since March 1	39.83 inches
Deficiency since March 1	.77 inch
Deficiency cor. period, 1913	5.48 inches
Deficiency cor. period, 1912	4.39 inches

Reports from Stations at 7 P. M.

Station and State of Weather.	Temp. 7 p. m.	High-est.	Rain-fall
Cheyenne, snowing	16	36	T
Davenport, clear	32	36	.00
Denver, snowing	32	34	.01
Des Moines, part cloudy	34	34	.00
Dodge City, raining	44	58	.01
North Platte, raining	30	32	.02
Omaha, snowing	30	34	.43
Rapid City, snowing	20	32	.08
Sheridan, snowing	24	26	.03
Sioux City, part cloudy	30	32	.00
Valentine, snowing	30	30	.16

T indicates trace of precipitation.

L. A. WELSH, Local Forecaster.

BULLETIN BOARD IN POLAND—Germans print newspapers and post them on trees in Poland for natives to read. The news of the world is furnished from Berlin.

LOWER RATES ON ELECTRIC LIGHTS

General Harries, President of Electric Light Company, Promises Reduction in Due Time.

TALKS TO NOONDAY CLUB

The Noonday club unanimously favored the Saunders electric light bill at the noon meeting at the Commercial club. R. Beecher Howell two weeks ago spoke to them in favor of the bill. General George H. Harries, president of the Omaha Electric Light and Power company, spoke against the bill at the meeting Friday. After the club had extended him a vote of thanks and he had gone to his office the vote was taken, resulting in a unanimous endorsement of the bill he had opposed.

General Harries, in his talk, declared that all municipal plants of which he is able to gather data, use funds from the general tax fund every year for expenses. "The Hastings plant is using some $45,000 out of the general fund this year," he said.

"We hear a great deal about the 5 cent rate in Lincoln with a municipal plant," he continued. "It is not true that Lincoln has a 5 cent rate. Lincoln has a 50-cent service charge per month. That is, if we take the case of the typical poor man or small consumer of electricity who used say 5 kilowat hours per month. In Omaha his bill would be 50 cents if paid within the ten-day limit. In Lincoln he would have a 50-cent service charge to pay even if his house were locked up and he used no electricity, and if he used five kilowat hours he would be charged 5 cents a kilowat for that, which with his service charge of 50 cents per month would make his bill 75 cents, while the same man in Omaha would be paying but 50 cents.

"By and by I want to show you a schedule which I think will be satisfactory to all."

Asked if he meant by that that the company had found it could reduce rates, he said that was what he meant, and that the schedule, which is not quite ready for the public, would be announced in due time.

He declared that Omaha has a lower rate than any city of its size in the country.

STOCKS AND BONDS ISSUE BROUGHT UP OVER BILL

(From a Staff Correspondent.)

LINCOLN, Feb. 26.—(Special.)—T. W. Blackburn of Omaha, representing the Commercial club of that city; H. M. Christie of Omaha, representing the Omaha Real Estate exchange, and E. C. Hurd of Lincoln, representing the Omaha, Lincoln & Beatrice Railway company, appeared before the senate committee on railroads this afternoon to argue for S. F. No. 180.

This measure, introduced by Quinby, Dodge and Saunders of the Douglas county delegation, is described as a bill to encourage the development of interurban railways. Among other things it does is to amend the stocks and bonds act. It provides that the State Railway commission may not refuse to approve of the issue of bonds where it is shown that the net proceeds of the same will amount to not less than 70 per cent of their face value.

COMMITTEE CUTS SALARIES DOWN

Rail Commission Secretary and Bank Examiners Hardest Hit of All by Proposed Reduction.

NATIONAL GUARD LAID LOW

(From a Staff Correspondent.)

LINCOLN, Feb. 26.—(Special.)—Making a total cut in salaries of the various departments of the state and in the maintenance amounting to $785,349, the finance, ways and means committee of the house has passed the bills covering these items up to the members of the legislature for their approval.

In some instances salaries have been cut considerably, for instance, Secretary A. B. Allen of the State Railway commission has had $500 lopped off his salary, and the chief engineer suffers the same cut. However, there is an increase in the total amount appropriated for salaries, because clerks who have formerly been paid out of the maintenance fund are now placed on the regular office force on the salary appropriation.

Cuts in State House.

In the secretary of state's office the bookkeeper and corporation clerks are each cut $300. In the auditor's office the bookkeeper is cut $300 and the second bookkeeper thrown out entirely, while other changes are made. A few cuts are made of a small nature in the treasurer's office, while in the land commissioner's

(Continued on Page Two, Column Four.)

JERRY WANTS TO KNOW WHERE ALL CATTLE ARE

(From a Staff Correspondent.)

LINCOLN, Feb. 26.—(Special.)—If the house agrees with Representative Jerry Howard of Douglas county and adopts a resolution he sent up today, Food Commissioner Harman will be compelled to furnish the legislature with the figures showing just how much food products the various packing houses of Omaha have in the plants and how long those products have been in storage.

In his resolution this morning Howard shows that the number of beef cattle have been increasing in the United States, according to the report of the Department of Agriculture and Jerry wants to know whether these animals have been eaten up, are still walking around or are lying in state in the packing houses of Nebraska.

War Pictures From the Front Full Page in The Sunday Bee

FRANCE CONFIRMS THE DARDANELLES FORTS ARE RAZED

Official Announcement by Paris Marine Minister Corroborates the British Admiralty Report.

CONSTANTINOPLE DENIES IT

Sultan's Report Says Three Ships that Bombarded Dardanelles Forts Were Disabled.

MINE DRAGGING IS CONTINUING

PARIS, Feb. 26.—An official communication issued by the French minister of marine today confirms the announcement of the demolition of the forts guarding the entrance to the Dardanelles and says that mine dragging operations are now proceeding in the straits. The communication follows:

"The bombardment of the forts at the entrance to the Dardanelles was resumed from a great distance yesterday at 8 o'clock in the morning. This was followed by a bombardment at shorter range. Four forts were completely destroyed. One of them was entirely fortified by the Germans.

"Mine dragging in the straits is being effected under the protection of armored and other cruisers of the combined fleet."

Allies' Warships Damaged.

CONSTANTINOPLE, Feb. 26.—(Via London.)—Three warships of the allies were damaged in the bombardment of the Dardanelles forts February 25, according to an announcement given out today at the headquarters of the Turkish army.

Text of Announcement.

Here is the text of the announcement: "Ten high armored vessels on February 25 again bombarded the Turkish forts at the Dardanelles for a period of seven and a half hours. At the conclusion of this operation they retired in the direction of the Island of Tenedos.

"One ship of the Agamemnon type and two other armored vessels were damaged by the fire from the forts on the Asiatic side of the straits."

Key to Constantinople.

It was announced from London last night that all the forts at the entrance of the Dardanelles had been reduced by the fleets of Great Britain and France, a naval force which has been estimated at something over thirty vessels.

The English announcement made no mention of losses either to vessels or in men. It described the operations as successful and said they were continuing.

The Dardanelles is the key to Constantinople, and the efforts to force it has been going on since the middle of December. In possession of this waterway which is a strait about forty-five miles long and from one to three miles wide between the Sea of Marmora and the Mediterranean, the warships of the allies would not encounter any serious difficulty in making their way to Constantinople and training their great guns on the Turkish capital.

Turkey always has relied on the strength of the Dardanelles fortifications for protection from attack by sea; their defenses in the sea of Marmora and around Constantinople have been described as relatively unimportant.

Would Let Wheat Out.

It has been declared that with Constantinople in possession of the allies, a vast amount of Russian wheat would come out from the Black sea and be distributed to France and England. The possession of Constantinople also would have the effect of driving Turkish naval power, and particularly the former German cruisers Goeben and Breslau into the Black sea, where they would be without any port of refuge.

While the efforts to force the Dardanelles have been going on for over sixty days, the immediate operation which, according to the British official announcement, has now resulted successfully, began about a week ago. Aeroplanes are said to have rendered material assistance.

The Dardanelles was forced in 1807 by an English admiral, who made his way through the sea of Marmora to Constantinople, but encountered much more difficulty in getting back through the narrow waterway than he had in going in.

The Agamemnon type of British battleship is of 16,500 tons displacement and 425 feet long, with a main battery of four twelve-inch guns.

Poison in Flour Causes Banker's Death at Alma

ALMA, Neb., Feb. 26.—One person is dead, another is reported tonight to be dying, and thirty are seriously ill as a result of eating rolls sold at a church festival held here several days ago. Some rat poison, it is believed, accidentally became mixed with the flour from which the rolls were made. A. A. Billings, cashier of the Alma State bank, died last night after being taken severely ill from the time of eating the rolls. The life of Lela Hagg, daughter of a merchant, is despaired of. Doctors believe the others will recover.

Department Orders.

WASHINGTON, Feb. 26.—(Special Telegram.)—Nebraska postmasters reappointed: Cheney, Lancaster county; Alison S. Huston, Princeton, Lancaster county; Noah Egger, Ir.

Elizabeth H. Robbins, Wallace, Neb., pension $12 granted.

The comptroller of the currency has approved the application of the following persons to organize the First National bank of Lake Norden, S. D., capital $25,000, D. F. Scott, A. S. Bedford, A. B. Scott, Lars Olsen, M. P. Cornelius and P. S. Loaman (to succeed the Farmers' State bank of Lake Norden.)

Reid Defends Issues of Stocks and Salaries of Rock Island

WASHINGTON, Feb. 26.—Daniel G. Reid, head of the group which took control of the Rock Island railway system in 1901, declared today at the Interstate Commerce commission's investigation of the road's financial affairs that organization of the two holding companies, with total capitalization of $350,000,000, put no additional burden on the Chicago, Rock Island & Pacific Railway company.

Mr. Reid's assertion came on cross-examination. During his direct examination Mr. Reid asserted that conditions had so changed in the railroad of recent years that he would not now accept as a gift control of any western or southwestern railroad.

"When you cut tht earning powers of railroads by fixing rates and everything else goes up, including taxes, conditions are worse," he said. "I am not complaining of the wages we must pay, but of what we get to pay wages with."

High Salaries for Officials.

"Let us look at the wages at the other end of the line," said Chief Counsel Folk for the commission. He pointed out that officers of the company has received during the period under investigation salaries ranging from $125,000 down to $25,000 a year.

"Do you complain of these high salaries?" he asked.

"There was not a man there who was not worth what he was getting," said Mr. Reid, adding that men capable of operating an 8,000 mile railway system were entitled to all they could get, "even if it was $1,000,000 a year."

Mr. Folk pointed out that B. A. Jackson, a retiring director got a present of $100,000 from the company in addition to a salary of $25,000. Mr. Reid said Jackson had been paid $50,000 a year, not $25,000, and that $100,000 was for "service rendered."

"Why didn't you give him more?" asked Mr. Folk.

"Because he did not ask for it," snapped the witness.

Later Mr. Reid said that what the railroads needed was "more rates, more tariffs and less legislation."

Commissioner Clements interposed with the observation that possibly what was needed was "more legislation to protect the public from security issues devised by lawyers."

Purchase of 'Frisco Lines.

Mr. Reid said that the purchase of the 'Frisco lines had cost the Rock Island $20,000,000 and described it as a "regrettable mistake." Purchase of the Chicago & Alton he would not admit under questioning had cost the company another $6,000,000.

The Alton deal had been suggested by William B. Leeds, now dead, Mr. Reid said, who had led him into his original purchases of more than $6,000,000 in Rock Island securities.

"To be frank, I was foolish," said Mr. Reid. He added that he was himself the greatest loser in the whole Rock Island transaction so far as he knew.

When he and his associates took over the line, he said, they found it to be a "streak of rust, a joke."

Mr. Folk called attention to the $8,000,000 surplus the road then had.

"That's all it had," replied Reid. "It had a surplus, but no railroad."

STARTLING CLIMAX IN MATTERS TRIAL

Accused Banker on Witness Stand Asserts that Immunity Was Promised Luebben.

COURT STOPS THE WITNESS

Reaching a dramatic climax in his testimony in federal court in his own defense, Thomas H. Matters, charged with being an accomplice in violation of national banking laws, made allegations against President M. L. Luebben of the defunct First National bank of Sutton, and against United States District Attorney Howell and his assistant, A. W. Lane, just as adjournment was taken yesterday afternoon.

Matters testified that when the bank closed and the grand jury was ready to investigate, he had denounced Luebben, alleging that the bank president had been leading him into trouble, after he, (Matters), had helped the bank.

As for the government's attorneys, Matters testified that Luebben had said in the presence of he, Matters, his son Tate, and his lawyer at that time, A. W. Jefferis, that he (Luebben), "had made his peace with Howell and Lane," and would go before the garnd jury and tell all he knew, on promise of being pardoned for his part as principal in the alleged crooked deals that preceded the bank's failure.

Court Adjourns.

Judge Youmans stopped Matters upon objection of Prosecutor Howell, and ordered adjournment until 9 o'clock this morning.

That he had sought to help the bank out of financial dificulties, had no intention of injuring or defrauding the bank, and had not aided anyone else to defraud the bak, was the chief efense made by Matters to the charges on which he is being trie. To convict Matters, the government must prove that his motive was "to injury and defraud the bank," as alleged in the indictment. He asserted repeatedly that he had only the most hon-

(Continued on Page Four, Column Four.)

Nine Suffrage Votes Mustered in Senate

(From a Staff Correspondent.)

LINCOLN, Feb. 26.—(Special Telegram.)—A little touch of woman suffrage was given in the senate this afternoon just before adjournment. It came about over the discussion of Hoagland's bill to prohibit foreigners from voting on their first papers. Quinby moved to amend by striking out the word "male." This would make the bill apply to all persons irrespective of sex. Quinby was able to muster nine votes, among them the following: Shumway, Wilson of Dodge, Saunders, Sandall, Marshall, Dodge and Beal.

Fourteen senators stood up when the votes were called for against the amendment.

FORT CROOK SALOON BILL IS FINALLY LAID AWAY

(From a Staff Correspondent.)

LINCOLN, Feb. 26.—(Special.)—Senate file No. 13, the Gates bill to permit the licensing of saloons at Fort Crook, was laid at rest at noon today when Speaker Jackson announced in the house that all bill reported the day before for indefinite postponement would be erased from the calendar.

Under the house rules it will now require a three-fifths vote, or sixty members, to reconsider.

Tomorrow the Best Colored Comics —with— The Sunday Bee

NEW ANGLE IN THE LODY CASE

Stegler Says German Attache at Washington Got American Passport for Former Omahan.

CAPT. BOY-ED DENIES CHARGE

NEW YORK, Feb. 26.—Federal authorities today were investigating a statement made by counsel for Richard P. Stegler, the German naval reservist arrested in this city Wednesday night, that Captain Boy-Ed, naval attache of the German embassy in Washington, had furnished an American passport to Carl Hans Lody, the German spy who was put to death in the Tower of London last November. In his general denial of Stegler's statements involving him, Captain Boy-Ed referred to this allegation as "trash."

Charles H. Griffiths, former assistant United States attorney, who was assigned by United States Commissioner Houghton to defend Stegler, asked the names of the German naval attache and Lody in a statement given out after a conference with Stegler in the Tombs.

"Stegler told me," Mr. Griffiths said, "that on one occasion, while he was on his way to keep an appointment with Captain Boy-Ed, a Dr. Fuehr told him that Captain Boy-Ed had carried through the scheme that made it possible to obtain an American passport for Lody, and that Boy-Ed sent Lody to England, where he was executed. He also said that Dr. Fuehr had told him that Boy-Ed was the only person who knew all the details of the Lody plot, because he had planned the whole thing."

Stegler Transfers Passport.

Mr. Griffiths said that all of Stegler statements were corroborated by Mrs. Stegler, the young Georgia woman at whose suggestion Stegler abandoned his alleged plan to go abroad. According to Mr. Griffiths, Stegler was to have sailed for England to work for the German government to obtain information as to the whereabouts of an English fleet of dreadnoughts supposed to be in St. George's channel. Stegler was to have gone on the steamer Franconia, according to the lawyer, and when he decided not to go a young German-American, whom he knew by sight but not by name, was as-

(Continued Page Thirteenth—Col.

Jitney Bus Comes Under the Head of Common Carrier

(From a Staff Correspondent.)

LINCOLN, Feb. 26.—(Special.)—The jitney bus is a common carrier and as such comes within the provision of the stock and bonds' act, according to an opinion furnished by the State Railway commission today by Assistant Attorney General Barrett.

The opinion cites the statute that defines "carriers" and points out that while the law does not specifically mention any such thing as a jitney bus, it does name "any other carrier" engaged in the transportation of passengers or freight for hire.

Hence any jitney bus company issuing stocks and bonds must do so upon the authority of the railway commission.

Canada Sends More Gold to New York

NEW YORK, Feb. 26.—Announcement today of another gold importation from Canada—$3,250,000—making a total of about $8,500,000 received from across the border in the last few weeks, directed renewed attention to the abnormal conditions now existing in all the markets for foreign exchange.

All the gold thus far received from Canada has been taken from the vast sum sent to Ottawa by American bankers in the early stages of the war and placed to the credit of the Bank of England. That institution showed a loss of $8,300,000 gold in its last weekly statement and its holdings of the metal at this time are less by $42,500,000 than they were three months ago.

Virtually all the gold reimported from Canada has been taken by one of the leading banking houses which has close relations with the Bank of France.

KAISER TO PUSH CAMPAIGN OVER WESTERN FRONT

British and French Experts Believe that Germans Are Preparing to Make Another Drive Into France.

ALLIES ARE READY FOR THEM

Armies Have Been Reinforced and Bigger Guns and Better Equipment Secured.

TURKS ACTIVE IN CAUCASUS

The Day's War News

THREE WARSHIPS of the Anglo-French fleet which bombarded the Dardanelles are said by the Turkish authorities, in a statement issued at Constantinople, to have been damaged.

CAPTURE OF PRZASNYSZ, in northern Poland, by the Germans has not been confirmed from Petrograd.

RUSSIANS CLAIM considerable successes in actions along the Warsaw front and in Galicia, in which regions it is said that important positions were captured from the Austrians and Germans.

AUSTRIAN FORCE which attacked a Montenegrin column in the Austrian province of Bosnia was repulsed after a violent fight.

GERMANY is framing a reply to the American note concerning food supplies for civilians in belligerent countries and mines and submarines.

BRITISH ADMIRALTY gave out a statement to the effect that since February 18, when the German naval war zone decree went into effect, there have been 703 arrivals and 673 sailings from British ports of the United Kingdom, and that German submarines have sunk seven vessels.

FRENCH DESTROYER DAGUE struck a mine in the Adriatic and went down, with the probable loss of thirty-eight lives. The Swedish merchantman Svarton was badly damaged by a mine or torpedo in the North Sea, but was able to reach a Dutch port.

CONSTANTINOPLE announces a victory by the Turkish forces over Russian forces in the Transcaucasus. It is said that after a battle of several days the Russians were put to flight, having suffered heavy losses.

LONDON, Feb. 26.—The impression is gaining ground among British and French military commentators that Germany is preparing for a fresh expenditure of energy in the land campaign along the western front. Notwithstanding the recent successes of the Germans in the east, they are are apparently encountering as stubborn resistance as at any time.

The resiliency and recuperating powers of the Russian armies, according to theories advanced here, have convinced the German general staff that it is wisest to adopt the defensive in the Russian campaign, while delivering another blow at the west.

If this rush comes, the allies will be prepared to meet it. During the last few months a decided change for the better has taken place in the forces of the allies, with reinforcements, bigger guns and more complete equipment, lack of which was felt keenly during the early stages of the war.

As against the expectation of a new German general offensive in the west, another theory is advanced is some quarters that the German attack in the east will be continued, with the main idea of taking Warsaw from the north. Prasasynis, fifty miles north of Warsaw, now being in the hands of the Germans, according to their claim it is probable that a battle is now raging along the river Orzye where the Russians are attempting to stay the Teutonic advance.

The Turks are again appearing in the war news by virtue of renewed fighting in the Caucuasus. Meantime the allied fleet has at last demolished the forts at

(Continued on Page Five, Column One.)

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