OAKS GROW FROM ACORNS
—BEE ADS BUILD BUSINESS

THE OMAHA DAILY BEE.

BIG BUSINESS OR LITTLE—
BEE ADS WILL BOOST IT.

ESTABLISHED JUNE 19, 1871. OMAHA, WEDNESDAY MORNING, SEPTEMBER 13, 1905—TEN PAGES. SINGLE COPY THREE CENTS.

MORE HIGH FINANCE

Sensational Disclosures in Insurance Investigation at New York.

NEW YORK LIFE MANIPULATES SECURITIES

Bonds Sold and Bought Back Two Days Later to Make Report Good.

STATEMENT OF TREASURER RANDOLPH

Facts Finally Admitted After an Hour's Cross-Examination.

RELATIONS WITH TRUST COMPANY

Insurance Company Refuses to Make Loans on Collateral, but Makes Practice of Loaning to a Trust Company for This Purpose.

NEW YORK, Sept. 12.—Selling $800,000 in bonds one day and buying them back the next, except one, a holiday intervening in order to keep within statements made in the New York Life Insurance company's report to the superintendent of insurance, was the sensational disclosure made today at the session of the legislative insurance investigating committee. The fact was drawn from Edmund D. Randolph, treasurer of the New York Life Insurance company, late in the day after Attorney Charles E. Hughes, of counsel to the committee, had labored for more than an hour to get a direct answer from Mr. Randolph to the direct question.

The inquiry had dragged through a mass of figures during almost the entire day, but it was not until the hour for ending the session that the sensational feature was brought out.

Earlier in the day, Mr. Randolph had handed Mr. Hughes a schedule of syndicate underwritings and transactions of the New York Life for the last ten years. This statement was to show a footnote to the schedule so stated, that the company had participated in no syndicate transactions that had been closed out with a loss. Among these syndicate transactions was the underwriting of the navigation syndicate, or International Mercantile Marine.

Mr. Hughes drew from the witness that there was an aggregate of $4,000,000 paid by the New York Life to J. P. Morgan & Co., on this "joint account." Mr. Hughes then took up a sales item dated December 1, 1903, of $800,000 of International Mercantile Marine stock. Mr. Randolph, replying to Mr. Hughes, said this sale was made to J. P. Morgan & Co., and that a purchase of $800,000 was made on January 2, 1904, from J. P. Morgan & Co.

After failing for some time to get a direct answer, Mr. Hughes finally asked Mr. Randolph:

"As a matter of fact there was a report to the superintendent of insurance on December 31, 1903?"

"Yes."

"Then, the sole purpose of the transaction was that you might be able to tell the superintendent of insurance you held only $3,200,000 of International Mercantile Marine shares?"

The witness hesitated and tried to evade a direct answer, but Mr. Hughes repeated the question, until finally Mr. Randolph said:

"Yes."

There was a momentary hush, followed by a murmur of suppressed excitement.

Stocks Sold at a Loss.

Following up the navigation syndicate transactions, Mr. Hughes referred to an item on the schedule of syndicate transactions under date of December 30, 1904, by which $800,000 of bonds were sold to J. S. Morgan & Co., of London, for $720,000. Mr. Randolph admitted that this was an outright sale, and the loss of $80,000 was charged off to the profit and loss account. Mr. Hughes left the point and took up the relations of an association known as "Nylic" with the New York Life Insurance company. He got from the witness the admission that on April 11, 1904, a sale of $50,000 stock to "Nylic" was made.

Relations with Trust Company.

The usefulness of the New York Security & Trust company to the New York Life came out when it was testified that while the insurance company was not taking collateral loans, it made a practice of lending its money to the trust company, which made the loans.

Mr. Hughes took up the accounts of the money deposited with the New York Security and Trust company in 1902, which was called account No. 4. It ran from $6,750,000 in May and June up to $12,531,000 in September and ended well over $10,000,000 in December.

"Now," said Mr. Hughes, "why did you reduce the amount deposited with the New York Security and Trust company in July, 1904, to $2,500,000 and keep it at that even figure to the end of the year? Your balance at the beginning of 1904 was $8,000,607?"

Mr. Randolph professed ignorance, the impossibility of remembering every transaction and interrupted again and again.

Mr. Hughes begged the witness to refrain from "general conversation" and repeated the question. Mr. Randolph finally said:

"There was a question at this time whether our relations would continue with the company. The consolidation of the New York Security and Trust company was taking place at this time."

"Now, prior to the end of 1901, the trustees of the New York Security and Trust company held 5,006, that is a majority of the 10,000 shares?"

"Yes."

"Well, in March, 1904, when the total stock of the company was increased to 10,000 shares, were the holding of the trustees increased?"

"No."

Transfer of Deposits.

Witness was then led through the change of the name of the trust company and admitted the three accounts with the old company were closed and four opened with the new one. When the money was withdrawn from the New York Security and Trust company it was deposited with the First National bank. This admission was elicited from the witness after much pressure.

In reply as to interest paid by the various banks where the insurance company had deposits, Mr. Randolph said all of the banks paid 2 per cent except the Bank of Montreal, which paid 2½ per cent.

In discussing the syndicate to handle the New Orleans railroad securities, which transaction was closed out in 1904, Mr. Randolph referred to a receivership being appointed, which was unforeseen by the New York Life when the securities were taken up. Witness also said that some parties to the company who had expected to join in handling the securities had failed to do so, but when asked the names re-

(Continued on Second Page.)

FORTY-THREE NEW CASES

Among the Latest Victims of Yellow Fever is H. S. Douglass, Civil Engineer.

NEW ORLEANS, Sept. 12.—Report of yellow [illegible] situation to 6 p. m.:

New c[illegible]	43
Total [illegible]	2,370
Deaths	3
Total [illegible]	319
New f[illegible]	12
Cases [illegible] treatment	314
Discha[illegible]	1,737

The [illegible] name on the list of new cases that it [illegible] special note is that of H. S. Douglas, [illegible] United States civil engineer, who is [illegible]ned at the mouth of the river superv[illegible] certain work in progress there. He wa[illegible]ken in a house in the city and taken [illegible] Emergency hospital.

In vi[illegible] the ordinance recently adopted requiring all householders to have their cisterns screened with 18-mesh wire by October 1, and the danger attending the removal of the temporary screens of cheesecloth, Dr. White and the medical society published a card to the public asking them in placing the permanent screens to put them over the cloth and under no circumstances to remove the latter. If the cloth is removed it is believed that many mosquitoes would escape and thus nullify much of the work that has been done towards exterminating them.

News from the country was meager today. The State board has sent ample relief to Tallulah, three physicians and a marine hospital service surgeon and eight nurses being on the scene. New cases are reported as follows:

Patterson, 2; Kenner, 2; Hanson City, 2; St. Rose, 6; Patterson plantation, 1; Lafayette, 1.

JACKSON, Miss., Sept. 12.—The Mississippi yellow fever summary of new cases tonight is as follows:

Mississippi City, 6; Gulfport, 1; Natchez, 1; Vicksburg, 1.

BAD BLOOD IN HIGHLANDERS

All But One of Old Officers Re-elected in Spite of the Acrimonious Talk.

DENVER, Colo., Sept. 12.—(Special Telegram.)—That evils in management exist in the Royal Highlanders is the accusation hinted at by delegates attending the executive council in this city.

Charges that the officers of the organization are in a clique have been frequent, and this morning a resolution was introduced by Judge A. V. Taylor of York, Neb., providing that officers be prevented from voting upon their eligibility or election or upon any matters pertaining to their remuneration or duties. The resolution caused bitter feeling, and Judge Jerome H. Smith of Lincoln defended the officers.

This morning Charles Sharp, brother of the president and secretary, was dropped from the executive committee, and C. A. Smith of Tilden, Neb., was elected to succeed him.

W. E. Sharp and F. J. Sharp, two brothers of Aurora, Neb., are chief president and chief secretary of the Royal Highlanders, and each receives $275 monthly. A. E. Siekmann of the same place is treasurer and receives $200 per month. It is claimed that the salaries are too high. Excepting Sharp, all of the old officers were re-elected. The list includes H. B. Treat of Fremont, Neb.; F. H. Hanke of Sutton, Neb.; L. J. Siekmann of Hastings, and W. B. McQueen of Hay Springs, members of the executive committee; E. P. Keefer of Spokane, Wash., chief counselor; L. A. Morris, chief warden, and A. E. Davis of Spokane, sentry.

CATTLE QUARANTINE RAISED

Secretary Wilson Announces Practical Eradication of Scabies Over a Wide Area.

WASHINGTON, Sept. 12.—It having been determined by the Department of Agriculture that the contagious and communicable disease known as scabies exists to a slight extent only, if at all, in practically all of the cattle country, Secretary Wilson today gave notice that the quarantine established in the following area will be removed September 15: The states of Washington and Oregon; all that part of Kansas lying east of the western boundary lines of the counties of Smith, Osborn, Russell, Barton, Stafford, Pratt and Barber; all that part of the state of Colorado lying west of the summit of the Medicine Bow range of mountains in Larimer county, the west line of Boulder, Gilpin, Jefferson, Teller, Custer, Huerfano and Las Animas counties, and also that part of Colorado lying west of the Ninth guide meridian west, in Fremont county; the counties of Big Horn, Fremont, Sweetwater and Uinta, in the state of Wyoming; all that part of the state of Texas lying east of the 100th meridian of longitude west of Greenwich and north of the twenty-ninth parallel of north latitude; the counties of San Juan, Rio Arriba, Taos, McKinney, Barnadillo, Santa Fe, Valencia, Socorro, Lincoln, Grant, Sierra Luna, Donna Ana and Otero, in the territory of New Mexico, and all the territory of Oklahoma except the counties of Woodward and Beaver.

"CORN" MURPHY DECORATED

Czar Confers Order of St. Stanislaus Upon a Former Iowa Man.

NEW YORK, Sept. 12.—Charles J. Murphy, formerly a foreign agent of the United States Department of Agriculture, yesterday received from Emperor Nicholas of Russia the decoration of the Order of St. Stanislaus.

This honor, which has rarely been conferred on American citizens, was given to him through the Russian embassy at Washington. It was a recognition of his services in behalf of Russia's peasants during the famine of 1891, when as foreign agent at Berlin of the Department of Agriculture he started the movement for sending shiploads of corn to Russia. Mr. Murphy was formerly a resident of Iowa, but at present resides in New York.

SCHOONER WASHED ASHORE

Four Bodies Are Found on Beach, but Vessel Is Not Identified.

TACOMA, Wash., Sept. 12.—A Valdez dispatch says a three-masted schooner has been discovered ashore, bottom up, three miles from Kakatag beach, Alaska. Its name was not visible, but a bill for goods was found that was made out to the schooner Prosper. The wrecked vessel is apparently of foreign build, but answers the description of the San Francisco vessel of that name.

Four bodies have been washed ashore. One is that of George Fermling, but the others are unknown.

The steamer Excelsior brought the news to Valdez and wired to Sitka for the assistance of the revenue cutter.

BRYAN NOT NOW A CANDIDATE

Nebraskan Rebukes Friends Who Would Launch Boom for Him.

FEAST IN HONOR OF DEMOCRATIC LEADER

Jefferson Club of Chicago Tenders Him a Testimonial Previous to His Departure for Trip Abroad.

CHICAGO, Sept. 12.—"I want to make my position perfectly clear. I want to say to you that not only am I not announcing a candidacy, but I am not permitting announcement of a candidacy by any one else for me."

In these words William Jennings Bryan administered a check to the enthusiasm which at the Jefferson club banquet given tonight in Mr. Bryan's honor greeted the speeches advocating his nomination for the third time for president.

There had been warm words of praise for Mr. Bryan, particularly from former Congressman Ollie M. James of Kentucky and Judge James B. Tarvin of Covington, Ky., who had declared unqualifiedly for Mr. Bryan as the democratic nominee for president in 1908, and from Mr. Alexander Troup of New Haven, Conn., who declared that Bryan was the natural and legitimate leader of the democratic party in the coming campaign. When Mr. Bryan, who came last on the program rose to respond to the toast, "Democracy versus Centralization," he deferred for a few moments entering upon his formal address until he had returned thanks for the words of praise showered upon him by the speakers who preceded him and until he had set himself right on the question of possible candidacy for the presidency. Mr. Bryan said:

I am not now a candidate for any office. I have never said that I would never again be a candidate for office, but I want to say now that talk of candidacy for office does not affect me as it once did. I believe that my place in history will be determined not by what the people are able to do for me but by what I am able to do for the people. (Applause and cheers.) I think it is now too soon to choose a candidate for president to make the race three years from now; it is too early to pledge ourselves to any one man. I trust that before the time comes to name a man for the next presidential race light may be thrown upon our party's pathway and that a man may be chosen who will be best able to do for the party more than I have yet been able to do.

Ovation for Nebraskan.

William Jennings Bryan, soon to leave for a tour of the world, received a notable testimonial of esteem tonight at a banquet given in his honor by the Jefferson club at their rooms, Randolph and Clark streets. Covers were laid for 300 guests and among those present were Congressman H. T. Rainey of Illinois, Mayor Edward F. Dunne of Chicago, Judge James B. Tarvin of Covington, Ky.; Samuel Alschuler of Aurora, Ill.; E. L. Masters, president of the Jefferson club; Clarence S. Darrow and other Chicagoans. William Prentiss was toastmaster. He introduced as the first speaker Congressman Rainey of Illinois, who spoke of "Our Obligations as a World Power, at Home and Abroad." Congressman Rainey's address had as its keynote trade expansion and the need of tariff revision. He concluded amid applause, with expressions of admiration for Mr. Bryan and wishes for a pleasant tour and the safe return of Mr. Bryan "to those whom he loves and who love him."

Dunne on Municipal Ownership.

Mayor Dunne was cordially greeted as he rose to speak on "The Progress of Municipal Ownership." He said in part:

We have met tonight to do honor and wish bon voyage to our distinguished and admired guest, Colonel Bryan. We admire and respect him because at all times and under all circumstances, and in every place in which he found himself, he has stood for purity in politics and placed man before mammon.

Whether in victory or in defeat he has always stood for the right, and the man who so acts must always earn, as he has earned, the respect and confidence of his fellow countrymen. And now that he is leaving us for a trip abroad, our good wishes go with him, and we ask him, in his travels abroad, to note well the advantages and disadvantages of governmental institutions, and to bring back to us the benefits of his observations and experience. And particularly we ask him to inquire into and report to us the results which he discovers of the operation of great public utilities in private and public hands.

Mayor Dunne discussed the progress made towards municipal ownership in Chicago since the spring election in 1905, saying he had no doubt that the plan which he had submitted to the city council would, if adopted, bring about municipal ownership of the street railways at a very early date.

Olin M. James of Kentucky brought out round after round of applause by the eulogy of Bryan and the plea for democratic harmony with which he closed a speech in which he declared that Bryan had long ago declared in favor of crushing the trusts, reforming the tariff and bringing to arbitration all international disputes.

Bryan for President.

In a brief address Judge J. B. Tarvin of Covington, Ky., declared for Mr. Bryan as the standard bearer of democracy in 1908. He brought out a great outburst of applause when he said:

You will look for a man who stands for something and will adopt a platform that can bear only one construction. It will be a democratic platform as democracy is constructed to be, by an overwhelming majority of those who claim to be within the party. Who will he be? I say we want a man who can win. We will allow no personal feeling or regard to influence. There can be only one answer. William Jennings Bryan has been through the fiery furnace again and again and yet again. As a result he stands today, twice defeated for the presidency, the foremost man in America.

Mr. Bryan's Speech.

Mr. Bryan then rose to speak. He was greeted with an enthusiastic demonstration and it was some minutes before the applause subsided sufficiently to allow him to proceed. He spoke on "Democracy versus Centralization," his speech being in part as follows:

The partial adoption by some of the republican leaders of remedies proposed by the democratic party make it opportune to draw a distinction between the fundamental principle of democracy and the principle of those who view subjects of government from a different standpoint. There are two forces constantly at work in every nation, one force tending to carry the government from the people. In this country opposition to the rule of the people usually takes the form of the advocacy of legislation which removes authority from a point near to the people to some point more remote from them. This tendency to remove authority from the locality to a center farther away may be described as centralization. If the principles upon which self-government rest are sound, then the people can best govern where they are best acquainted with the machinery of the government and with the propositions on which they are to act. Every attempt to take authority away from a community and invest it in some power outside of the community contains a certain amount of infidelity to the democratic theory of government.

Just now public attention is being directed to the encroachments of great corporations on the rights of the people and the discussion of remedies reveals the fact that among those who really desire effectively to restrain corporations, there are two elements—those who desire to enlarge the scope of the federal government and those who desire to preserve the integrity and authority of the several states. I invite your attention to this subject because it is likely to be the rock on which honest reformers will split unless there is a clear

(Continued on Second Page.)

RUSSIAN ENVOY STARTS HOME

M. Witte Leaves Saying that He Finds the Pen Mightier Than the Sword.

NEW YORK, Sept. 12.—The Russian commissioners who successfully concluded a treaty of peace with the envoys of Japan at Portsmouth, N. H., started on the return to St. Petersburg today. The party, headed by Sergius Witte, sailed on the steamer Kaiser Wilhelm II at 3 o'clock this afternoon.

Before leaving the city, M. Witte and Baron Rosen made a farewell call upon the Japanese diplomats, who expect to leave for home later in the week. Baron Komura was unable to see the Russians because of his illness, but through Minister Takahira he sent them a cordial message of farewell. Mr. Takahira and other members of the Japanese party entertained the Russians for half an hour. In addition to M. Witte, the party sailing on the Kaiser Wilhelm II included Gregory Wilken, financial agent of the Russian government to the United States. Before leaving the hotel M. Witte shook hands with some of the hotel attaches with whom he had been brought into contact.

A big crowd had gathered at the dock of the Kaiser Wilhelm in Hoboken to see M. Witte off, cheering and handclapping as he went to the gangplank, to which he bowed acknowledgments. He received the newspaper men cordially in his rooms on board the steamer, and, through Baron Rosen, made a statement to those whom he had met, thanking them and saying that never in his life before "had it been so forcibly impressed upon him" that the pen is mightier than the sword."

He then shook hands with all of them and said goodby.

Before M. Witte left his hotel today he had a conference with Isaac W. Seligman, and Oscar Strauss of this city and Adolph Krauss of Chicago.

Mr. Seligman said after the conference:

M. Witte allowed us to foresee the emancipation of the Jews in Russia and their participation in the government of the empire in the same degree and proportion that other Russian subjects are allowed to participate.

M. Witte made no pledges engaging his government, he spoke for himself as an individual, but it is well I know that while he is not now in power he soon will be. With him at the helm the Jews in Russia will enjoin civic and national registration.

Mr. Seligman was asked if the subject of a loan to Russia, to be made by a syndicate of Jewish financiers had been broached, but he replied in the negative.

BISHOP O'CONNELL FOR JAPAN

Prelate of Maine Will Represent the Pope at Court of Mikado.

PORTLAND, Me., Sept. 12.—Bishop William H. O'Connell of the Catholic diocese of Maine announced today his intention to leave here Thursday for Japan for a special mission on behalf of Pope Pius X. Bishop O'Connell declined to state the purpose of his visit, but it is believed to be an important diplomatic mission from the Vatican to the emperor of Japan, decided upon about the time of the conclusion of peace between Japan and Russia. It is understood in Catholic circles here that the bishop will present to the emperor personal congratulations of the pope on the magnanimous manner in which Japan yielded to Russia, and also thank the emperor for his kindly interest in the Catholic subjects of Japan and express the hope that this interest may continue.

ROME, Sept. 12.—In connection with the forthcoming visit to Tokio of Bishop William H. O'Connell of the diocese of Maine, as special envoy of the pope to the emperor of Japan, it is now known that the appointment of such a representative has been in contemplation for a long time. It was thought that the Japanese people could never be converted individually, but would have to be Christianized if at all by diplomatic methods.

At the present time the Catholic church in Japan is suffering from the imputation that it is a French institution and France, being the ally of Russia, the church comes in for a share of popular disfavor. To counteract this it was suggested that the pope should appoint a representative at Tokio, at the same time requesting the Japanese government to appoint a minister at the Vatican. The suggestion was well received by his holiness. It was at first believed that Archbishop Ireland of St. Paul would be sent to Japan, but the honor has fallen on Bishop O'Connell, who is in high favor at the Vatican. Bishop O'Connell's stay in Japan is likely to be a protracted one.

The selection of an American for such a mission is considered evidence of the friendship entertained by the pope for the people of the United States, such missions being usually entrusted to Italians.

NEW PLAN FOR CATHOLICS

National Board of American Federation Adopts Volksverein Idea Suggested by the Pope.

CINCINNATI, O., Sept. 12.—After six hours discussion the national board of the American Federation of Catholic Societies today adopted a plan for including in the work of the American society the Volksverein idea, which is favored by Pope Pius X in a recent letter. The immediate result will be the presentation of this plan to the next national meeting of the society, and if it is adopted every Catholic in the United States can become a member of the American Federation of Catholic societies.

The American Federation will include in its work the Volksverein idea, which involves the education of Catholic people by a campaign of literature. The American Federation of Catholic societies is now in communication with similar federations in Italy, Germany, France and other foreign countries, and a world federation of Catholic societies may be a possibility of the future.

As a committee on Catholic Indian affairs, Bishop McFaul, Rev. J. Wynn, Walter G. Smith, T. B. Minahan and A. Koehle were appointed.

HOO HOOS ELECT OFFICERS

Robert D. Inman of Portland, Ore., is Chosen Snark—Next Meeting at Oklahoma City.

PORTLAND, Ore., Sept. 12.—The Concatentated Order of Hoo-Hoos today concluded a three days' convention after choosing Oklahoma City, Okl., as the next meeting place and electing the following officers:

Snark, Robert D. Inman of Portland; senior hoo-hoo, A. C. Ramsey of St. Louis; junior hoo-hoo, George V. Denny of Illinois; schrivenoter, James H. Baird of Tennessee; bojum, Benjamin F. Cobb of Chicago; custocation, B. Price of Little Rock, Ark.; arcanofer, Donald Ferguson of London, Ont.; gurdon, E. Clark of Seattle; jabberwock, E. C. Boggess of West Virginia.

CITY COUNCIL PROCEEDINGS

Mayor Returns the Gas Contract as Not Having Been Passed.

CLEVELAND MEN VISIT THE CHAMBER

Message Accompanying the Ordinance on Its Return Deals with Interference of Judiciary with Legislative Acts.

Mayor Moores returned the Dyball gas street lighting ordinance to the council last night with the declaration that it had not been passed and recommending its remaining with the clerk until the injunction and contempt proceedings regarding it, now in court, are disposed of. The council concurred in the mayor's suggestion by a formal resolution which had been prepared in advance.

Although Mayor Moores did not sign the ordinance he asserted he would have done so, without regard to the restraining order, if it had been properly passed by the council.

Frank M. Gregg, secretary and general manager of the Cleveland Street Lighting company and George R. Doty, representing a syndicate of Cleveland men who want a gas franchise in Omaha were at the council meeting. Mr. Gregg explained that they had arrived in the city only last evening and that he was not prepared to go into the details of the proposition to be made until after he has consulted local attorneys about legal points and otherwise investigated conditions here.

"We are here prepared to put in a gas plant and to sell gas for $1," he told the council. "I should like to meet the councilmen in open meeting and go into the matter fully at any time they may designate." Thursday morning at 10 o'clock was set for taking the matter up.

Mayor's Message on Ordinance.

The mayor told how he felt about the gas affair in the following communication:

I hereby return without either approving or vetoing the same, document No. [illegible], entitled: "An ordinance authorizing and directing the mayor to enter into a contract with the Omaha Gas company to furnish gas, equipment and maintenance of street lamps and for lighting and extinguishing the same, in accordance with the terms and conditions and provisions hereof."

Upon receipt of this ordinance, it not having the signature of the president of the council, and it being asserted in the published reports in the newspapers that it had not been passed, I called upon the city clerk for a certified copy of the proceedings of the council relating to the same, and received from him the enclosed copy of the official record. From this record it clearly appears that this ordinance was not passed.

The charter provides (section 15) that all ordinances of the city shall be passed pursuant to such rules and regulations as the council may prescribe. Rule 23 of the rules of the city council now in force requires that every ordinance shall receive three readings before its passage, which may be by title only. It is further expressly provided in rule 23 that after the third reading of an ordinance the question which next arises is, "Shall the ordinance pass?" and at this stage is open to debate. While it appears from the record of the council proceedings that a motion was made by Mr. Evans that the ordinance be read a third time by title and placed upon its passage, it further affirmatively appears that this motion was not entertained by the chair, and that upon an appeal being taken from the decision of the chair no action was taken on such an appeal, thus leaving the decision of the chair a final decision. It was further declared by the chair from which no appeal was taken, that the motion of Mr. Huntington, that the ordinance be read a third time by title and placed upon its passage, being the same as the previous motion of Mr. Evans, would not be entertained by the chair. From this ruling no appeal was taken. Thereupon Mr. Back made a similar motion that the ordinance be placed upon its passage and that the clerk proceed to call the roll, which motion the chair, in accordance with the ruling just previously made, refused to entertain. Upon a roll call by the clerk, resulting in 5 votes "Yea," Mr. Huntington declared the ordinance passed and title agreed to. The record utterly fails to show that the ordinance passed or that a declaration by the council or chair was made that it had passed. On the contrary, the record clearly shows that while an attempt was made to pass the ordinance it was not passed, and I therefore return the ordinance to your honorable body for such action thereon as may be proper.

About Going to Prison.

If the purpose, intent or attempt of a majority of the members of your honorable body to pass this ordinance is a contempt of court, I am equally guilty, for it was my deliberate purpose and intent to approve it if it had passed. I have already done prison service for the cause of my country, and if necessary I am willing again to go to the bastile for doing my duty. I do not believe that the court has any right or jurisdiction to interfere with the legislative action of the council or the performance of official duties imposed by the charter on the mayor and council. And I further believe that government by injunction has reached and unendurable as well as unauthorized limit, when judges on the bench assume and undertake to run the municipal affairs of this city. The charter expressly requires the mayor and council to provide for lighting the streets of the city. This duty is imposed on the mayor and council and not on the courts. The contract with the gas company expires December 31. Under this contract, 1,386 gas lamps, with Welsbach burners, are now lighting the streets of Omaha. Under the proposed contract the amount to be paid the gas company for the present fiscal year not only will be reduced, but other substantial advantages and reductions will be secured. The gas company has treated Omaha fairly and is entitled to fair treatment in return. For the year 1904 the cash royalty paid into the city treasury by the gas company was $17,125.60. For 1905 the royalty will be greatly increased. As the result of making this contract, a reduction in the price of gas will be made which will benefit the public the first year not less than $40,000. As the result of the reduced price of gas and the construction of many new buildings, the royalty received by the city will be greatly increased, for the reason that this royalty is based on the total number of feet sold and not the revenue derived by the gas company.

A moderate estimate of the direct benefit of the city and public in the reduction of the price of gas and street lamps and royalty paid will be not less than $80,000 per year, or $400,000 for the period of five years covered by the proposed contract.

In returning this ordinance to your honorable body, I desire merely to further suggest that inasmuch as it has not been passed and a restraining order of Judge Sutton prohibits its passage, the validity of which is soon to be argued and determined, it remain on the clerk's desk until the conclusion of such argument and a decision is reached.

Another Appropriation Wrinkle.

Comptroller Lobeck again submitted an estimate of the shortage amounting to $6,964.89 in the amounts set aside in the general fund for the maintenance of departments whose chiefs had salaries increased by the last legislature. He recommended that a surplus in the tax commissioner's appropriation be drawn upon to cover the deficiency. The matter went to the finance committee.

An ordinance was introduced providing for the submission at the November election of propositions to issue $125,000 sewer bonds and $75,000 paving intersection bonds.

Councilman Hoye, as chairman of the committee on building and property, reported on Councilman Huntington's resolution authorizing work in the council chamber to improve the acoustics. The report said there is not money enough in the city hall maintaining fund to do the job. Huntington protested that it would not cost much to string a few wires from wall to wall so the audience can hear and the report was recommitted.

Peter E. Iler's ordinance granting con-

(Continued on Second Page.)

NEBRASKA WEATHER FORECAST

Showers Wednesday and Thursday.

Temperature at Omaha Yesterday:

Hour.	Deg.	Hour.	Deg.
5 a. m.	66	1 p. m.	79
6 a. m.	67	2 p. m.	78
7 a. m.	67	3 p. m.	74
8 a. m.	68	4 p. m.	73
9 a. m.	69	5 p. m.	74
10 a. m.	71	6 p. m.	73
11 a. m.	77	7 p. m.	72
12 m.	77	8 p. m.	69
		9 p. m.	67

REFUSE TO GRANT DEMANDS

Chicago Railway Managers Say They Cannot Increase Pay of Freight Handlers.

CHICAGO, Sept. 12.—Despite the prompt refusals of the various railroads today to grant the demands of the freight handlers for an increase of wages, an outward calm pervades the situation and if a strike does come it will be only after effort has been exhausted by both sides to avoid it.

The railroads today for the first time since the beginning of the controversy recognized the International Union of Freight Handlers by mailing to the union officials "regret" that they were unable to meet the demand for increased wages, but expressing willingness to meet the employes and discuss matters. The union officials at the same time announced that whatever is done will be along conservative lines. In the Wabash freight house the following notice was posted:

Do not make any mistake or be misled by stories in the newspapers that officials of this road are unwilling to treat with their employes and give a courteous reply to any courteous request. We are ready as we always have been to listen to what you have to say and give you a courteous answer. H. W. BALLOU, Supt.

The executive board of the freight handlers will meet tomorrow and seek to arrange a conference with the railroads and arrange individually or collectively.

UPHEAVAL IN PHILADELPHIA

Recent Political Fight Makes Changes in the Republican City Ticket Necessary.

PHILADELPHIA, Sept. 12.—As a result of the recent political upheaval in this city the county ticket named by the republicans last spring, prior to Mayor Weaver's fight against the gas lease, was withdrawn today and a new ticket will be selected by the city committee. The candidates who withdrew are Harry C. Ransley, president of the select council, nominee for sheriff; John B. Lukens, nominee for coroner, and Hugh Black and Jacob Wildemore, who had been named for city commissioners. Each candidate, besides being the leader of his ward, is a member of the city committee. The four vacancies will be filled next Monday when the city committee holds its regular meeting.

The total number of voters in Philadelphia, according to the September canvass, the complete returns of which were announced today, is 339,960, a decrease of 25,810 compared with the canvass made in May prior to the gas lease fight.

THREE VOLCANOES ARE ACTIVE

Returned Missionary Tells of Eruption on Island of Savaii Near Samoa.

SAN FRANCISCO, Sept. 12.—Among the passengers who arrived today on the liner Sierra was J. F. Brim, a mormon missionary from Samoa, who a few days before joining the Sierra at Tutuila, visited the scene of the great volcanic eruption on the Island of Savaii. The eruption was still active when he came away. The lava, still flowing, had covered a distance of four miles.

The eruption occurred in a mountain behind the district of Mataute. About 3 o'clock a. m. of August 21 natives and missionaries for ten miles around were awakened by a terrific booming. Investigation showed three volcanoes on the Mataute slope in full action. An old volcano, twenty miles away has also awakened from a long slumber and is once more in full eruption. The town of Safotu is menaced by the flow.

NEW PAYMASTER FOR OMAHA

Captain Claude B. Sweeney Comes Here to Relieve Captain Guy Carleton.

(From a Staff Correspondent.)

WASHINGTON, Sept. 12.—(Special Telegram.)—Captain Claude B. Sweeney, Thirteenth cavalry, is detailed for service and to fill a vacancy in the pay department to take effect October 15, vice Captain Guy Carleton, paymaster relieved from duty in that department and assigned to the Thirteenth cavalry. Captain Sweeney will proceed at the proper time to Omaha and report to the commanding general, department of the Missouri for duty, with station in that city.

Major M. G. Zalinski, quartermaster, in addition to his present duties, will report to the commanding general, department of the Missouri, for duty as chief quartermaster of that department, relieving Lieutenant Colonel J. E. Sawyer, deputy quartermaster general.

COLLEGE SOCIALISTS MEET

Intercollegiate Society Formed to Promote Dissemination of Principles of the Cult.

NEW YORK, Sept. 12.—The first steps toward forming a socialistic organization, to be known as the Intercollegiate Socialistic society, were taken here today. The purposes of the organization were said to be the dissemination of socialistic principles among college and university men. A temporary organization was effected today, subject to the approval by a referendum, of those who have signified their intention of joining and who were said to number about twenty-five. Among the organizers of the society were the following: J. G. Phelps Stokes, Thomas Wentworth Higginson, Charlotte Perkins Gilman, Clarence S. Darrow, Oscar Lovell Triggs, B. O. Flower, William English Walling, Leonard B. Abbott, Jack London and Upton Sinclair.

Movements of Ocean Vessels Sept. 12.

At New York—Arrived: Numidian from Glasgow; Furnessia from Glasgow. Sailed: Prince Adelbert for Naples; Kaiser Wilhelm II. for Bremen.

At Plymouth—Arrived: St. Paul from New York.

At Genoa—Arrived: Citta Di Napoli, from New York.

At Queenstown—Arrived: Friesland from Philadelphia; Umbria and Oceanic from New York.

At Glasgow—Arrived: Astoria from New York via Moville.

At Antwerp—Arrived: Finland from New York.

At Christiania—Sailed: United States, for New York.

At Bremen—Arrived: Kaiser Wilhelm Der Grosse from New York.

At Liverpool—Sailed: Ivernia for Boston.

JAP FLAGSHIP SINKS

Vessel Which Led Fleet Into Action in Sea of Japan Partially Destroyed.

NEARLY SIX HUNDRED LIVES ARE LOST

Mikasa Takes Fire in Sasebo Harbor and Aft Magazine Explodes.

ADMIRAL TOGO WAS NOT ON BOARD

Great Relief When it is Known that Famous Hero Escapes.

BATTLESHIP WAS BUILT IN ENGLAND

It Carried Crew of 935 Officers and Men and Was One of the Largest Vessels of Its Class Afloat.

TOKIO, Sept. 12.—2 p. m.—The Navy department announces that the battleship Mikasa has been destroyed by fire and the explosion of its magazine causing the loss of 599 lives, including men of other ships who went to the rescue.

The fire started from an unknown cause at midnight on Sunday last, September 10. Before the officers could be rescued the fire reached the aft magazine, which exploded, blowing a hole in the port side of the vessel below the water line and causing the ship to sink.

An investigation is now being held to determine the cause of the fire.

The Mikasa was a first class battleship of 15,000 tons displacement. It was built in England and was launched in 1902. The battleship was 400 feet long, had a speed of over eighteen knots and carried a crew of 935 officers and men. It was heavily armored and carried four twelve-inch guns, fourteen six-inch guns, twenty twelve-pounders and a number of smaller rapid-fire guns. It had four submerged torpedo tubes.

In the battle of the Sea of Japan the Mikasa was the heaviest loser of all the Japanese ships, having sixty-three killed and wounded. It approached nearest to the Russians than any other battleship.

The Mikasa was also the flagship of Admiral Togo after the great naval battle fought off Port Arthur on August 10, 1904, on which occasion the Japanese flagship also suffered the most, but continued in the fighting line. On that occasion the Mikasa had four officers and twenty-nine men killed, six officers and twenty-nine men severely wounded and four officers and twenty-nine men slightly wounded.

Accident Casts Gloom Over Nation.

The disaster to the battleship Mikasa has cast a gloom everywhere. The Mikasa was Togo's flagship and was endeared to the hearts of the people. The ship was in anchor in Sasebo harbor when the fire started at the base of the mainmast, at midnight. It spread with great rapidity, exploding the after magazine an hour after the fire had been discovered. The Mikasa sank in shallow water and it is believed the ship can be repaired. Rescuing parties were sent from the various warships in the harbor and there was heavy casualties among them.

Various conjectures are current as to the cause of the fire. Some attribute it to an overcharge of electricity.

Great relief was felt throughout Japan when it was learned that Admiral Togo was not on board the ship at the time of the fire.

Sensational Story at Rome.

ROME, Sept. 12.—The Tribuna today published a rumor from Tien Tsin to the effect that the family of Baron Komura, the Japanese plenipotentiary, now in New York City, had been assassinated.

In view of the fact that recent detailed dispatches describing the disturbances in Tokio have apparently been uncensored, it is not believed that the above rumor is well founded. The fact that it originated in Tien Tsin would also tend to discredit it, as Tien Tsin is not favorably located for the receipt of important news from Japan at first hand.

Report Not Believed.

NEW YORK, Sept. 12.—Baron Komura, the peace plenipotentiary, who is ill at the Waldorf-Astoria hotel, was somewhat improved today, his fever being abated appreciably. He was still, however, confined to his bed and members of his suite said that he was in too weak and nervous a condition to be shown the report from Rome that his family had been assassinated. Mr. Sato, official spokesman of the Japanese party, said that no dispatches had been received by the peace plenipotentiary which could furnish any ground for believing the reported misfortune, and added that the other members of the Japanese party considered the report to be entirely unfounded.

Notwithstanding his weakened condition, the baron is determined to leave New York on Thursday to begin his homeward trip, as originally planned.

FARMERS' NATIONAL CONGRESS

Twenty-Fifth Annual Session Opens at Richmond, Va., with Large Attendance.

RICHMOND, Va., Sept. 12.—The Farmers National congress met in its twenty-fifth annual session here today with a large attendance representing almost every section of the United States. The morning session was taken up with speeches of welcome. At the afternoon session a committee on resolutions was appointed and addresses were made by Hon. G. M. Whitaker of Boston, on the field and functions of the farmers of the Farmers National congress; H. P. Sherman of Greensburg, Ind., who pleaded for a system of regulation of prices of farm products by farmers instead of by dealers and by speculators, and Eric Olsen of Minnesota, who