

there we went through many of the public buildings. While in the White House a guard stepped up to us and asked us where we were from. We gladly told him who we were, what we were out for, and offered him a tract, also gave one to his friend. We find that a great many of the people here have been prosperous and the Lord has blessed them with riches, and now they think they are better and nearer to God than their neighbor who has not got as much as they have. We found kind people to take us in and keep us through the holidays, and we had a good Christmas dinner.

Your valuable paper comes regularly and we take pleasure in reading the news from home.

The addresses of the Elders in this conference are as follows:

Heber T. Robertson, president, and Nathan Thomas, Rockville, Maryland; E. Tanner, Jr. and Heber Hogan, Bel Air, Harford County, Maryland; A. J. Brodrick and R. P. Gillispie, Romany, Hemshire County, West Virginia; A. M. Palmer and Geo. M. White, West Minister, Carrol County, Maryland.

H. T. ROBERTSON,
NATHAN THOMAS.

REPORT ON ARMOR PLATES.

WASHINGTON, D. C., Jan. 5.—Secretary Herbert today transmitted to Congress his reply to a provision in the last naval appropriation bill directing him to examine into the actual cost of armor plate and report to Congress before January 1, 1897, and to make no contract for armor plate for the vessels authorized by that act until after the report was made to Congress. This provision of the bill grew out of a heated debate in the House and Senate, in which the contention was that the government was paying too much for armor plates.

The report is a very important and in many respects a sensational document. The present cost of armor is \$583 per ton. Mr. Herbert's conclusion is that the cost of material and labor is \$193.70, and allowing for the cost of maintaining the plant and the nickel now furnished by the government and 50 per cent profit to the companies, the net cost to the government would be in round numbers \$400 per ton.

The Carnegie and Bethlehem companies have both expressed a desire to sell out their plants to the government.

Secretary Herbert in his reply to Congress explains the methods of investigation he pursued and the difficulties which beset him. Both the Carnegie and Bethlehem companies declined last spring to give the information, on the ground that they were not obliged to give to the public the secret of their business, a position to which Mr. Herbert took exception on the ground that the government had bound itself not to buy armor plate abroad, and therefore was entitled to know whether the prices charged were reasonable. The government inspectors at the works of the companies were examined. In November, 1896, however, the Bethlehem Iron company sent to the department a statement of the cost of armor plates. The estimated cost of labor and material they fixed at \$250; interest on cost of plant, \$78.29; maintenance and depreciation, \$132.72; working capital, \$33.55; total, \$494.56. This statement concluded in

these sensational words: "When, at the instance of the United States government, we undertook this difficult and vexatious business, it was obvious that this could not be prudently done for the order which the government then desired to place, but we were given to expect such further orders as the government might have to give."

"The obstacles and delays that always beset the pioneer had, however, been overcome, when the government gave a private contract on the same terms as ours to a rival concern, which, guided by our sacrifices, was spared the outlay of more than a million dollars. And now the government is urged to set up and operate one for itself. Under the circumstances, we now confirm the informal suggestions made to yourself and others and state that we desire to withdraw from this troublesome business by selling to the government below cost our entire armor plate plant, which we believe to be the best in the world."

The letter is signed by Mr. Linderman, the president of the company.

Secretary Herbert severely criticises Mr. Linderman's methods of calculation.

The Carnegie company also sent a letter about this time, declining to give a full statement of cost, but giving the elements entering into the cost, exclusive of the shop cost: Interest on plant, per ton of armor, \$81.53; maintenance of plant, per ton of armor, \$67.94; loss by abandonment of the plant when the navy ball have been completed, per ton of armor, \$75.49; total, \$224.96. To this the Carnegie company also alluded on the fact that the work of making armor had been undertaken at the request of the government, and said it would, if the government decided to manufacture its own armor, be "only too happy to sell its plant at cost." The company, in case the plant was purchased, agreed to furnish steel in the ingot at the price fixed by three arbitrators.

The Carnegie company's statement is also severely criticised by the secretary.

Mr. Herbert calls attention to the fact that the companies made no statement until he had returned from Europe, where he had procured two estimates of the cost of armor plate.

An inspection of the prices paid by the American companies Mr. Herbert said "will indicate that they agreed with each other as to prices. They divided the contracts of this government between themselves, each bidding lower on one-half of the armor required by the government."

He speaks of the armor furnished by the companies to Russia at \$249 per ton and later at \$520 per ton, and concludes from a comparison of prices that there is at least a "friendly understanding or agreement among the powerful armor manufacturers of the world to maintain prices at or about the same level."

In summing up the secretary asks what will be a price sufficient to justify manufacturers in maintaining armor plants:

"These two contractors have already seen repaid the cost of their plants, together with fair profits. The government is under no obligations to pay them more than the cost of their original investment, but should pay

them enough to maintain the plants."

It has been determined, he says, that the cost of labor and material in a ton of double-forged nickel steel Harveyized armor, including allowances for losses in manufacture, is \$193.78. This comprises every element in cost save maintenance of plant. He allows 10 per cent for this, and says it is enough and more. He estimates the cost of the plants of the two companies to be \$1,500,000 and an allowance of \$150,000 per annum would be sufficient for maintaining the plants. He concludes that \$250 may be taken as the cost of armor when the companies have fair orders for work.

Mr. Herbert says it is not desirable that the government should manufacture armor, and for these reasons very liberal profits should be offered to the present contractors to induce them to continue their plants in operation, and he recommends as a fair profit 50 per cent on the cost of manufacture, which would be \$375 per ton. The secretary further advises that the contractors hereafter furnish the nickel, which now costs the government about \$20 per ton, making the cost \$395 per ton, or in round numbers about \$400. This figure he believes a fair and equitable price to pay for the armor for the Wisconsin, Alabama and Illinois, the three new battleships last authorized. The report continues that the sum may seem a very large profit, but some consideration must be given to the risks taken, and that the government demands the best armor.

The government is now paying \$563 per ton for armor, and with the nickel added \$583. At the prices suggested by Mr. Herbert \$500,000 would be saved on each battleship.

Unless the present law is changed the secretary could not obtain armor for the battleships already under contract, if the companies refuse to bid within the limit Congress might fix. To eliminate this difficulty Mr. Herbert recommends that upon fixing a price for armor Congress also authorize the secretary to erect or buy or lease an armor plant or a gun plant, if necessary. If this is done better results, he believes, could be obtained.

State Attorney General A. C. Bishop has submitted to the Governor his report for the year just closed. It is a clear and concise document, yet of necessity somewhat lengthy, as many matters and much ground had to be covered by it.

It recites in detail the business transacted and work performed by the attorney general's office during the year, the legislation that has been attended to, the opinions that have been handed down, etc. The report says: "In all of the civil cases disposed of during the year, in either the Supreme or district courts, the State was successful, securing favorable decisions upon practically every point contended for."

Correspondence with and instructions issued to county attorneys are given, as are the results, in the way of statistics, of the criminal business done in the courts in the several counties, etc. The report is an interesting and valuable document, and will no doubt be printed in connection with the Governor's message, by order of the Legislature.