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WASHINGTON, 23.—Abram S. Hewitt, representing the minority of the committee on ways and means, to-day submitted a report on the Morrison bill, directing the payments of the surplus in the Treasury exceeding \$100,000,000 in liquidation of the national debt.

"The effect of the resolution," says the report, "if enacted into law would be to reduce the balance in the Treasury available for the payment of its current indebtedness and for the redemption of legal tender notes to \$100,000,000. It makes no provision for replenishing the Treasury when the available balance shall fall below \$100,000,000. The question thus presented is whether in view of the functions of the Treasury, as now defined by law, the proposed limitation or balance now held for meeting the liabilities payable on demand is prudent and safe in view of the pledge of the United States to redeem all its indebtedness in coin or its equivalent? The undersigned believes that such a limitation would be unwise, dangerous and at variance with the experience of solvent nations and of sound financial institutions. The ordinary disbursements of the Treasury may be roughly stated to amount to \$1,000,000 daily. To meet this disbursement it is necessary that a reasonable working balance should be kept on hand, because at times the current expenditures largely exceed the daily receipts. Careful business firms usually carry a balance equal to one month's disbursements. Measured by this standard, and a lower one could safely be adopted, because the Secretary of the Treasury has no power to make temporary loans, the working balance in the Treasury should be about \$30,000,000. That this amount is not too large will be apparent from the fact that in the Pension Bureau alone drafts for \$10,000,000 will be made on the first of March, and that the amount of probable payments under the arrears account cannot be fixed for any specified date. But besides the current expenses provided for by law, the United States has a totally distinct obligation to provide for the debt payable on demand in the shape of \$16,681,016 of legal tender notes. These notes form about one-half of the paper currency. They constitute the final means of payment between the individual and of the settlement in all transactions. It is absolutely necessary therefore, that the ability to redeem these notes in coin should be at all times assured beyond peradventure. The only question is as to the amount of coin which will constitute a reasonable and adequate reserve to determine this point. We have another guide than that of usage and experience. In the case of gold and silver certificates, the Treasury keeps dollar for dollar, but in case of legal tender notes it has not been usual to have at any time in the Treasury a reserve in coin exceeding one-half the whole issue of such notes. When specie payments were resumed the bonds of the United States were sold so as to provide a fund amounting to \$95,000,000 in gold for the purpose of assuring the redemption of notes which, as the law then provided, were to be reduced by the cancellation of \$30,000,000. It was certainly not considered safe to begin resumption with less than one-third the reserve, and as a matter of fact, the available balance in the Treasury amounted to over 40 per cent. At the present time, under the practice of the Treasury claimed to be in accordance with the bank act of 1882, \$100,000,000 in gold coin is set apart for the redemption of legal tender notes being rather less than 20 per cent. This reserve would be regarded by prudent bankers as the minimum amount in an easy money market, but if the financial prospects should be threatening, prudence would require that it should be enlarged and strengthened. The practice of the Treasury under Secretary Sherman, who put the redemption act into operation, was not to allow the reserve to fall off below 40 per cent., and all things considered, this is probably the smallest amount consistent with absolute safety. If this ratio should be adopted, the amount of reserve in coin would be \$133,000,000. Adding this amount to the amount heretofore stated as a reasonable working balance, we have the sum of \$133,000,000 as the minimum balance which the Treasury should carry, in order to be in a condition of ease and safety. Any other conclusion is at variance with the lessons of experience and well-established rules for the safe conduct of business. The main argument for infringing on this balance must be the saving of interest on \$8,000,000, which, after allowing for the tax on bank circulation, is 2 1/2 per cent. per annum, amounting to \$1,700,000 annually. But it is to be remembered that the demand debt of the United States represented by the legal tender notes bears interest, so that the government could well afford the outlay required to keep its finances in the strongest possible condition, and should certainly never approach the point where, under the law, it may become necessary to sell United States bonds in order to preserve specie payments. Such a contingency would not be an edifying spectacle to the people whose proud boast it is that within 20 years from the close of the war it has paid off more than one-half of the public debt and reduced the burden of in-

terest to one-third of its original amount. Certainly a policy so humiliating would be condemned by the people when its effect should become apparent. The greatest care must be taken not to interfere with the flexibility of the currency, and the only flexible agency rests in the Treasury, in the power now exercised by the Secretary, to make calls for the redemption of the public debt.

It is a great question whether such a power should ever be entrusted to the government or to the discretion of an official. In other conservative commercial countries it has been conferred upon intermediate agencies in direct communication with the business interests of the people. We have no such system, and hence the Treasury has been forced to become a member of the New York Clearing House, which is the financial center of exchanges in the country. The Treasury is thus practically engaged in the banking business, not only in the issue of currency, but in adapting its operations to the general requirements of trade. Dangerous as this system is, it was the outgrowth of necessity, and until some other security beside the bonded debt of the United States is devised for the issue of bank currency, the power to the relief of the money market in times of stringency must rest with the Treasurer.

One other consideration may be presented as a fatal argument against the reduction of the Treasury balance to \$100,000,000 in coin as necessary at all times to be kept for the redemption of the legal tender notes.

The ability of speculators to reduce this balance below \$100,000,000 by presenting demand notes for payment is obvious, and unless the expedient of replacing the amount by the sale of bonds be resorted to, the money market can be so manipulated as to impair confidence and bring about general disaster by which the operators for the full would reap an abundant profit at the expense of the legitimate business of the country. The undersigned being clearly of the opinion that the proposed reduction will neither be economical so far as the Government is concerned nor advantageous to the interests of the country, but in fact extremely dangerous in times of recurring stringencies in the money market recommends that it be laid upon the table.

The report is signed by Mr. Hewitt. Messrs. Reed, Hiseock, Brown and McKinley, while agreeing with Mr. Hewitt that the resolution should not pass, differ as to some points of his argument and attach the following to his report.

The undersigned deem that \$100,000,000 at least are needed as a suitable security for the redemption of legal tender notes, and think that the securities ought not to be impaired. We think that a sufficient working reserve for the business of the Government ought to be retained in the Treasury in addition to the legal tender redemption fund. The bill proposed by the committee, in our opinion, ignores these conditions, and, in our judgment, will shake public confidence in the stability of our currency in such a way that the saving of interest, which the bill might cause, will be but a trifle compared with the injury threatened.

MONTREAL, 23.—Supt. Stephenson of the Grand Trunk Railway recently made an application to the Treasury Department at Washington to have the customs regulations which apply to passengers and baggage now in force in New England extended to the Middle, Southern and Southwestern States. Duplications of the application have just been granted, and on and after the 1st of March next, all passengers destined for any point in the United States over the Grand Trunk Railway can have their baggage examined by the U. S. custom officers located at Montreal, Prescott, Toronto, London and Stratford, after which the baggage will go through without further examination at the United States frontier.

The suit of McRae against the Canada Pacific Railway for \$167,000 was commenced yesterday. McRae was one of the contractors on the trestle work north of Lake Superior, and claims that by his contract he was entitled to be paid not only for the permanent trestle, but also for all wood work upon which these trestles were built, and which has since been removed. A large number of prominent engineers from the United States and Canada will be examined. Upwards of 2,000 witnesses have been summoned. If McRae is successful in his suit, three other contractors will take similar action, aggregating over \$300,000.

SAN FRANCISCO, 23.—The United States steamer Bear, one of the Greeley relief vessels arrived from New York to-day. It is expected she will be sent to the Arctic Ocean in search of the crew of the whaler Amethyst.

Facts have been learned to-day of a number of disasters in the South Pacific Ocean. The schooner Navigator, which left this city several months ago for a cruise among the Samoan Islands, was struck by a heavy sea, capsized and became a total loss, while bound from Apia to Tortuilla, two cities on the Samoan Islands. The crew and seven passengers were saved. The vessel was recently built and was valued at \$10,000.

The schooner Dormateta, cruising among the Sandwich Islands, was discovered bottom up in the Hawaiian channel. She had on board a crew of six men and one passenger, all of whom, it is believed, are lost. The vessel was valued at \$5,500; insured for \$4,000.

On January 28th, the steamer Planter,

while bound from Kavi to Nelhan, in the Sandwich Islands, struck a reef near the latter place during a heavy fog, and was completely wrecked. No lives were lost. The vessel was valued at \$15,000. Uninsured.

CHICAGO, 23.—The Atchison, Topeka & Santa Fe Railroad withdrew its rebate to-day, the Union Pacific fell into line and the Burlington & Missouri River rate to San Francisco from the Missouri River, of \$30 limited first-class and \$20 emigrant, because the ruling figure. This again reduces the rate to Portland, Oregon, via San Francisco below the reduction recently made by the Northern Pacific to the same point, and that line will be forced to come down again. The last cut drives into the Utah Territory. The local rate from Council Bluffs to Ogden has been \$11.50, which is \$2.50 above the present ruling rate to San Francisco. As a consequence, all the local rates to and beyond Ogden are disturbed. The leading officials think that both passenger and freight rates will go down to merely nominal figures. At present freight out of Chicago is being taken at about 50 per cent off, although heavy shippers can get still lower figures.

RIVERSIDE, Cal., 23.—Arrangements have been completed for holding a Southern California Citrus Fair at Chicago under the auspices of the Immigration Association of Southern California, of which Col. H. H. Boyce, of the Los Angeles Times, is president. The fair will be held about the middle of March in the Exposition building. One of the features will be a bearing orange grove.

SAN FRANCISCO, 23.—By the efforts of C. B. Buckland resident agent of the New Zealand government in this city, and the co-operation of the local post-office authorities, the Australian mail which arrived yesterday afternoon on the Mariposa was sent overland on the east-bound train.

TUCSON, Arizona, 23.—General Crook left to-day for Mexico, to meet the Apache Chief Geronimo, with whom he expects to make terms for the surrender of all the hostile Apaches.

ST. PAUL, 24.—The St. Paul & Minneapolis Local Passenger Agents Association this morning issued instructions to sell first-class limited tickets to San Francisco, via either Omaha or Kansas City, for \$44.65, and second class limited for \$32.65. The Northern Pacific still retains the \$65 passenger rate to San Francisco, but has made a cut on the rate to Portland as announced yesterday.

WASHINGTON, 24.—Charles Francis Adams, president of the Union Pacific Railway Company, and ex-Senator McDonald, attorney for the Central Pacific roads, appeared before the House committee on Pacific railways to-day and expressed their views at length upon the general subject of the indebtedness of the Pacific railways. Adams declared that the present management of the Union Pacific Company was endeavoring to fulfill the company's obligations to the government in good faith and that the road was not manipulated for speculative purposes.

A large proportion of the stock, they said, was held by trust companies, estates and widows. The unpaid branch lines constituted the main source of revenue and without them the road could not be operated at a profit.

WASHINGTON, 24.—The general subject of the issue of the Treasury notes and silver certificates on small denominations was discussed at to-day's meeting of the House committee of banking and currency. There are now 48 bills before the committee touching the subject under consideration. It was the sense of the committee that a general bill or perhaps two covering the matter should be formulated and reported in lieu of these bills and with that view the bills will be divided among three sub-committees for examination.

The Secretary of the Treasury has written to Representative Morrison, chairman of the ways and means committee in regard to the probable effect the passage of the Morrison tariff bill will have upon the public revenues. In the letter he says that the net reduction computed on the basis of last year's importations would be about twelve million dollars. In regard to the proviso limiting the maximum of duties to certain *ad valorem* rates, it says it leaves room for controversy on values but that the values could be approximately ascertained by the custom officers. He suggests, however, that the provisions be made final, and not to leave this important question to be in after years subjected to the uncertainties of trial in the courts, with consequent cost to the people and refunds of duty.

The chief of the bureau of statistics says that of the 2,548,000,000 pounds of sugar imported into the United States during the last fiscal year, 74 per cent. came from Cuba, Porto Rico, Brazil and the British West Indies. Those countries, according to the latest advice, impose an import duty on sugar. If such is the fact, it is probable that 80 per cent. of the sugar imported for the last year came from countries imposing an export duty thereon. This would change the figures in the reduction on sugar from \$1,000,000 to \$2,000,000, and the aggregate reduction of duty of \$20,000,000 to \$12,000,000.

The House committee on rules to-day agreed to report back Hauback's resolution providing for the investigation of the Pan-Electric Telephone matter. The committee has not yet framed the resolution, but are agreed that the investigating committee should consist of nine members.

Senator Miller to-day introduced a bill in the Senate to establish a Postal

Saving Depository as a branch of the Postoffice Department.

The House committee on postoffices and post roads to-day completed the postoffice appropriation bill and it will be promptly reported to the House. The bill appropriates for the postal service during the fiscal year the sum of \$54,326,588, an increase of \$625,598 over the appropriation for the present fiscal year, and a decrease of \$659,579 as compared with the Department's estimates. The estimated revenue for the next fiscal year is \$47,142,252, and the estimated deficiency (indefinite) is \$7,443,912. The principal items of the appropriation are as follows: For compensation of postmasters, \$11,700,000; appropriations for the present year, \$12,300,000; for compensation to clerks in postoffices, \$5,180,000; for transportation of foreign mails, \$375,000; appropriations for the present year, \$400,000; estimates for next year, \$350,000. To this estimate the committee append the following note: If it should be decided to pay vessels of United States register, sea and inland postage, then the additional sum of \$75,000 should be added to the estimate. For balance due to foreign countries, \$100,000; appropriation for the present year, \$75,000.

Senator Van Wyck said to-day in answer to an inquiry, that his bill introduced yesterday, to authorize the use of the proceeds of the sinking funds in the construction and equipment of branch railroads is intended to meet the complaint of the subsidized roads that the money was taken from them and buried in the Treasury, and they were thus unable to build branch roads to develop the country and increase their revenue. "I provide," he said, "that the roads shall be built for cash and that the stock shall not exceed the actual cost, shall never be increased and that the roads shall belong to the United States until the debts due from the subsidized companies are fully paid. I provide that no interest in contracts, town sites, elevators or stock yards shall be held by the directors; that the rates on the branches shall not be greater than the minimum rates on the main line, and that the rates on the main lines and branches shall not exceed the average rates between the Missouri river and Chicago. I provide against all discriminations of any kind, charges or character or service. The work is all to be done by contract, and advertisements are to be made for sections of ten miles. This will give small men a chance. The Union Pacific alone has now about five millions in the treasury which will, as the railroad people admit, build about 300 miles of road."

The following confirmations were made to-day: Joseph Emery, Indian Agent at the Klamath Agency, Oregon; Joseph B. Kinney, Indian Agent at the Utah Agency, Utah; John La Fabra, Receiver of Public Money at Deadwood, Dakota; W. Parker, Consul General at Corea; S. M. Johnston, Postmaster at Anaconda, Montana.

Senator Morgan to-day reported an amendment to the appropriation bill accepting the offer of the Government of Japan to this Government of a site in the city of Tokio for legation purposes, and recommended an appropriation of \$25,000 for the erection of a suitable building.

THE HAWAIIAN ISLANDS TREATY.

In answer to a request from the sub-committee of the House Committee on Ways and Means for information concerning the working of the reciprocal treaty with the Hawaiian Islands, Mr. John Searies, Jr., the Government Commissioner who visited the Islands, has returned a statement of the facts ascertained in connection with his visit. He says if we had made the Islands a present of every dollar's worth of goods they bought from this country and collected duties on their sugars, we should have made no loss. As to the effect of the treaty on this country, Mr. Searies says that the price of refined sugar in San Francisco since the treaty went into effect has averaged two cents a pound more than in New York, where every pound has paid full duty. He speaks in bitter terms of the course pursued by Claus Spreckles. For seven years he was dictator. The planters, however, during the past year rebelled against his autocracy and are seeking to break his commercial, if not his political power. They have secured possession of a small refinery in San Francisco, which they hope to operate successfully in connection with their sugar estates on the Islands, but Sir Claus Spreckles has determined upon their destruction and this explains the unprecedented low prices now ruling in San Francisco, being only about one cent above New York figures. The reason why the treaty should be abrogated is first on account of the enormous loss in the revenue to this country, which is practically paid out of the pockets of our taxpayers into the pockets of a small company of sugar planters and speculators. The production has assumed proportions never dreamed of when the treaty was made and the crop is steadily increasing.

Second, it has not either directly or indirectly benefitted the consumers of sugar in this country, but has brought the products of the Islands into direct competition with our sugar producers and manufacturers.

Third, the treaty has not benefitted, but has on the contrary injured the Sandwich Islands, demoralizing and destroying the native population and substituting Chinese and other Asiatics, while American influence in the affairs of the Islands, except so far as it is exercised for the selfish interest of an individual, has been weakened.

WILWAUKEE, Wis., 24.—At noon today Abbot Lawrence, assistant cashier of the National Exchange Bank, was shot and dangerously wounded near the Milwaukee Club House by George A. Wardner, formerly bookkeeper for the same bank. The ball entered the small of his back and is supposed to have glanced off into his chest. After the shooting, Wardner walked to the Central Police Station, followed by a large crowd of people, and delivered himself up.

Lawrence is a son of an old and very wealthy resident. It is believed Wardner was influenced by some fancied wrong. The shooting created the greatest excitement in the city owing to the prominence of the two men. Both are 38 years of age and unmarried.

The officials of the bank as well as the intimate associates of Wardner say that his mental and nervous system has been falling for several years past, in consequence of hard work, and are positive of his insanity. He had become possessed with the idea that Lawrence and other attaches of the bank were harassing him at every opportunity and endeavoring to drive him from his position at home. However, this was purely imaginary, as the gentlemen were his friends. He readily talked of his act when seen by the Associated Press correspondent, and said:

"I had made up my mind that the only way to right the wrongs done me was to kill my tormentors, and I only regret that Lawrence was not killed on the spot. If I ever get out, and he is still living, I will shoot him again. Two others, meaning President Nash and Cashier Fitch, both of the bank, will be served in the same way, also." His talk clearly indicates his mind to be deranged, as he never had better friends than Messrs. Nash and Fitch, who but yesterday arranged to have him take a two months' vacation on full pay, and an assurance of his position being retained for him.

To-night Mr. Lawrence is resting comfortably, and although no attempt has been made to probe for the ball, his physicians have strong hopes of his recovery.

CLEVELAND, Ohio, 24.—Thomas A. Edison, the well-known electrician, was married at Akron, Ohio, to Miss Nina, daughter of Lewis Miller, a prominent manufacturer and president of the Chautauqua Sunday School Assembly. The ceremony was performed at 3 o'clock at Oak Place, Miller's elegant residence, in the presence of about 100 invited guests. Lieut. F. W. Tappan, U. S. Navy, was Edison's best man. Mr. and Mrs. Edison go to Edison's winter home, near Fort Meyers, Florida.

SAN FRANCISCO, 24.—The trustees of the Chamber of Commerce held a conference with Sir Alexander Stewart, ex-Premier of Australia, to take action toward securing a subsidy from the government of the United States to aid in the construction and maintenance of a cable between this country and Australia. A resolution was adopted by the trustees requesting the California congressional delegation to use its efforts to assist the project.

SAN FRANCISCO, 24.—The Post this evening prints the statement that the agents of the Sunset route have sent to their customers for all the freight bills paid since the war broke out and are making rebates on such bills, to meet the lowest cut rate made by themselves or any other road.

New York, 24.—The uneasy feeling of yesterday concerning the Western passenger rates has grown into a conviction that everybody is cutting. The officers of the Sunset route are "figuring out" their promised new tariff, which they will issue to-morrow. Rival lines ridicule this action, saying it would be nonsense for the Sunset to do anything of the kind, because they will immediately cut under its rates. The opinion prevails in some quarters that the Pacific Mail will jeopardize the \$85,000 which it receives under the existing agreement by cutting before the thirty day's notice expires. If the Eastern pool breaks up it will be everybody's fight, with the Sunset in the lead on the fighting facilities. The Iowa roads have made a cut to \$7 from Chicago to Omaha, so that now the \$30 and \$20 passenger rate from the Missouri river obtains on all lines. The Baltimore & Ohio people are jubilant and claim to see in all this trouble benefit for them. An official said that the fight was sure to spread to the Eastern trunk lines.

It was rumored that the freight rates had been cut from yesterday's figures, so that the discount now was 60 per cent off on all classes of freight, from \$4 per hundred to \$2.25; 40 per cent off on all grades from \$2.25 down to \$1.50 per hundred, and 25 per cent off on all grades under \$1.50. This was told to a Sunset official and he was asked whether their "new tariff" equalled that discount. He said: "We go under that," but refused any other information.

At a meeting of the general passenger agents of the trunk lines to-day it was decided to adopt the cut rates west of the Missouri from day to day as they were reported through Commissioner Fink's office.

Commissioner Midgely of the Southern Railway Association, and President Potter of the Chicago, Burlington & Quincy, will be in town to-morrow to meet the executive committee of the trunk lines to confer with them about the transcontinental fight.

Kansas City, Mo., 24.—Tickets were sold to San Francisco over the Atchison, Topeka & Santa Fe line this morn-