

LINES TAKEN OVER

By Mexican Government Under One Big Company.

HOLDS MAJORITY STOCK

System Will Comprise More Than Ten Thousand Miles—Deal Was Financed by Prominent New York Bankers.

The details of the railway merger, by which the Mexican government takes control of all of the important lines in the republic, are now known.

By the terms of the contract, the government secures absolute control of the Mexican Central, the National, the International, the Inter-Oceanic and the Hidalgo and Northeastern, all of which will be merged into one great railroad system. The government also comes into control of the Texas-Mexican, a railroad at Laredo, Texas, which is owned by the National. The mileage of the system will, with extensions, which are rapidly nearing completion, aggregate approximately 10,000 miles.

The Tehuantepec National and Vera Cruz and Pacific, two other railroads controlled by the government, will continue to be operated as independent companies.

A Mexican company, of which a majority of the stock will be held by the Mexican government, will be organized with headquarters in Mexico City. The company will issue its securities in exchange for the securities outstanding of the two companies and the new company will acquire all the physical property and government concessions held by the old companies.

It is contemplated to create a board of twenty-one directors to be divided into a general board which will reside in Mexico, and a local board, with headquarters in New York. The board in Mexico will consist of twelve members and the New York board of nine.

The new company will make a limited issue of prior lien bonds at 4 1/2 per cent and general mortgage bonds at 4 per cent, the principal and interest of the latter being guaranteed by the Mexican government.

In addition to the bond issues, the company will issue first and second preferred and common stock. It is proposed to leave an ample reserve in cash and securities for future improvement, development and extension of the lines of the company and for the acquisition of additional rolling stock and motive power. The new company will take over the holdings of the National railroad of Mexico and the Mexican International and Inter-Oceanic railroads, which it will thus control, as they are at present in control, of the National. It is expected that by a reduction of the general charges, the elimination of competition, the economical routing of freight and by the increased development of the properties, the new company will not only be able to meet its fixed charges, but will earn at an early date dividends on its first and second preferred stock.

The banking houses interested in the transaction are composed of the firms of Ladenburg, Thalmann & Co. and Hallgarten & Co. of New York, bankers of the Mexican Central railroad; Speyer & Co. of New York, bankers of the National lines, and Kuhn, Loeb & Co., of New York, who represent the Mexican Central Security company, limited, of London. In addition to this group some of the largest bankers in Paris, Berlin, Frankfurt and London are interested in the banking syndicate, thus forming a combination of extraordinary strength and international scope.

Episcopalians Not in It.
It developed at Norfolk, Friday, that the Episcopalians, as a denomination, have withdrawn from the proposed interdenominational evangelistic campaign to be conducted during the Jamestown exposition period.

ROOSEVELT BOWS TO CONGRESS.
President Yields to Knock-Out Blow Given Freak Spelling.

President Roosevelt will withdraw his simplified spelling order to the public printer, and hereafter all documents of the executive departments will again be printed in the old-fashioned style.

Representative Landis of the joint committee on spelling had a conference Thursday with the president, when Mr. Roosevelt said he did not wish to have spelling overshadow matters of great importance, and expressed a willingness to revoke his order for the new spelling.

REPRODUCTION OF "BEAUVOIR."
Contract for Daughters' Building at Jamestown is Let.

The contract for the building to be erected at the Jamestown exposition by the Daughters of the Confederacy all over the country has been awarded. The building will cost five thousand dollars, and will be a reproduction of "Beauvoir," the home of Jefferson Davis.

POLICE WATCH PRIESTS

The Catholic Prelates and Vicars in France Summoned to Court for Infraction of New Law.

A Paris special says: Thursday was marked by the total absence of any of the sensational or dramatic incidents anticipated in alarmist quarters in connection with the execution of the law of separation of church and state.

The parish priests everywhere celebrated mass in the presence of unusually large congregations, but the actions of the authorities were confined to noting infractions of the law and citing the priests and vicars to appear before justices of the peace.

Everywhere legal notices have been served for the evacuation of the ecclesiastical residences, the seminaries, etc. Several of these buildings were abandoned without further ado, but a majority of the prelates, while fully prepared to go, announced that they would not depart except under duress.

The net result of the uncompromising attitude assumed by the vatican in this conflict with the French government, seems to be that the clergy will lose its pensions, \$3,300 of which have been granted and gazetted since the beginning of this year, that all aspirants to the priesthood will be compelled to perform military service, and that the taking over of the episcopal mansions, rectories, seminaries, etc., by the state department and the commons will occur immediately instead of in December, 1907.

CRIME LAID TO SON-IN-LAW.

Charles Hardy Jailed for Alleged Assassination of Brooks.

Charles Hardy was arrested three miles west of Chipley, Ga., at the home of Henry Kimbrough, Thursday morning, at 11 o'clock, on the charge of murdering his father-in-law, Chas. H. Brooks, whose assassination a week ago, caused such a great sensation in that section.

Brooks was shot while seated before a fire at his home, his slayer standing on the outside and firing through the window pane. The coroner's jury, which had been investigating the case, returned a verdict Wednesday night, holding that the shot was fired by Hardy. When he learned of the verdict Hardy left Chipley hurriedly. A posse was formed soon Thursday morning and started in pursuit of him, and he was captured a few hours later. The capture was made by Henry Kimbrough, whose wife is a first cousin of Hardy. There were rewards for Hardy's arrest aggregating \$1,500, and one theory is that Kimbrough surrendered him in order that this fund could be used in defraying the expenses of the trial. This is simply conjecture, but if it is true the situation is a most curious one. The governor offered five hundred dollars reward, which was supplemented by the people of Chipley.

On account of the excited conditions at Chipley, Hardy was carried to the Troup county jail at LaGrange, by Sheriff Huling. Hardy was later removed to Columbus.

It is reported that Hardy, who is a farmer, was in sore financial straits. Mr. Brooks, his father-in-law, was well to do, possessing in the neighborhood of \$100,000 worth of property.

A day or two before the killing Hardy went to the county seat at Hamilton, and examined the property records.

If the coroner's verdict should be substantiated the only motive that has been suggested for Hardy's deed was that by the death of his father-in-law his (Hardy's) wife could come into possession of her share of the estate.

FOR MOST GIGANTIC WARSHIP

Secretary of Navy Bonaparte Submits Plans to Congress.

Congress received from Secretary Bonaparte Thursday the draft of the plans of the big battleship provided for at the last session.

The plan selected by the navy department was one prepared by the construction bureau, embodying many novel features.

HIGH SCHOOLS OPEN TO JAPS.

San Francisco Only Objects to Them in Grammar Grades.

"Japanese children who have passed the grammar grades have not been, and will not be barred from the high schools." This statement is made by President Altman, of the board of education, of San Francisco.

It is only in the grammar and primary grades that any objection is made to the presence of Japanese, and the chief objection in these grades is to grown men.

ONLY HEARST GOT LEFT.

All Other Democrats on the New York State Ticket Were Elected.

Complete and official returns of the vote cast for the state officers in every county of New York state in the recent state election show that the entire Democratic state ticket except its candidate for governor was re-elected. Hughes, Republican candidate for governor, was elected by a plurality of 57,973.

NO FREAK SPELLING

Will Be Allowed in Official Government Documents.

HOUSE GOES ON RECORD

By Decisive Vote of 142 to 25 Members Put Pet Hobby of Roosevelt Under Ban—Debate Mirth Provoking.

A Washington special says: The house of representatives Wednesday went on record in opposition to the new spelling as recommended by the president. By a vote of 142 to 25 the following was adopted as a substitute to the item reported by the appropriations committee on the legislative, executive judicial appropriation bill.

"No money appropriated in this act shall be used in connection with printing documents authorized by law or ordered by congress or either branch thereof unless the same shall conform to the orthography recognized and used generally in accepted dictionaries of the English language."

For hours during the session the debate on simplified spelling held the attention of the house and a score or more members took part in the discussion.

Representative Crumpacker of Indiana, made a point of order against the original paragraph in the bill which provided that public documents should be spelled as Webster's or other generally accepted dictionaries spells them.

Representative Bingham of Pennsylvania, in charge of the bill, then offered the amendment, which was adopted.

During the discussion Mr. Sullivan of Massachusetts remarked that if the president, by "imperial ukase," could change the spelling of 300 words of the English language he would have the authority to change 30,000 words, or every word in our language.

If this could be done, he thought a new court language might be established by executive decree for the American empire.

"We got along very well with the English language until the reign of the present president of the United States," said Mr. Sullivan.

Mr. Crumpacker of Indiana said the house was not responsible for an order of the executive on the question of simplified spelling. He was of the opinion that legislation would retard progress and reform in spelling.

Mr. Lacey of Iowa asked Mr. Crumpacker if he thought the public printer would have the discretion to spell the word "Crumpacker" with a "F," and Mr. Crumpacker replied that he thought he would.

Representative Grosvenor of Ohio wanted to know what existing law the paragraph changed, and insisted that there was no law as to spelling except as to the commonly accepted way.

While Mr. Grosvenor was discussing the amendment, Mr. Towne of New York asked him whether the item referred to was not "on page 23, beginning with the line 23?"

"Yes, I believe so," replied Mr. Grosvenor.

"Then, is that not a double skidoo, and if so, does it not of necessity go out?"

"Oh, that's an old story!" replied Mr. Grosvenor, amid laughter.

The great confusion resulting from the government's double standard of spelling has made it necessary for the joint committee on printing to take immediate action, and Senator Platt and Representative Landis of the committee are at work on a resolution designed to strengthen the tangle at once. Even if the house and senate both pass the legislative bill, with a clause declaring for old-fashioned spelling, the measure will not become effective until the beginning of the new year and meantime there would be no well defined policy as to spelling.

MRS. BIRDSONG HAS FRIENDS.

Prominent Men Offer to Go On Her Bond for Any Amount.

A special from Hazlehurst, Miss., says: Powerful influences are being moved to save Mrs. Annie Birdsong, convicted of manslaughter, for killing Dr. Butler.

Leading business men, state and county officials and members of the clergy are signing a petition to the court to grant Mrs. Birdsong bail until her appeal for a new trial is decided upon. Local business men say that they will furnish the young woman bail without leaving the courtroom even if the amount is \$100,000.

CONVICTED REBATERS PAY UP.

Fines Aggregating \$168,000 Settled by Sugar Refiners.

Fines aggregating \$168,000 imposed upon the American Sugar Refining company and the Brooklyn Cooperage company in connection with accepting rebates on sugar shipments, were paid in the office of United States Commissioner Shields at New York Thursday. This concludes the prosecution of the sugar company.

INHERITANCE TAX

Favored by Carnegie in Address to Civic Federation.

SHARE WITH UNCLE SAM

Multi-Million Iron Master Says Fortunes of Rich Men, When They Die, Should Be Returned to the Public.

August Belmont's position as president of the National Civic Federation on the question of "the income and inheritance tax" was explained by him at considerable length at Thursday's session of the federation's annual meeting in New York. In his opening address Wednesday Br. Belmont touched on the same subject, and he declared that his remarks had been misinterpreted by the newspapers.

"I do not believe that men, as a general proposition, can accumulate large fortunes dishonestly and improperly. There may be isolated cases of it. The existing laws with regard to wrongdoing are complete and searching enough. These fortunes mostly come through large corporations. That these fortunes are accumulated in an improper manner all over this country and must be reduced in a punitive spirit is what I meant yesterday to deny. That a tax on inheritance should be passed, but it should be done on a view of wise and just taxation and on some economic grounds, was all that I meant to convey."

William D. Christie, a lawyer of New York, who led the fight in the local courts against an income tax on constitutional grounds, was the next speaker.

He held that there must, under American institutions, be equality of taxation, declaring that taxation goes hand in hand with representation.

Andrew Carnegie, who followed Mr. Guthrie, said that he was in hearty accord with what had been said by the previous speaker. He thought it would be a great mistake for a man who wants to borrow \$1,000 from his bank in a time of personal financial stress to be compelled to explain all his private business to another man, who is perhaps also a bank director.

"I think an income tax would penetrate business to the core," said Mr. Carnegie. "I think this country would never regret anything so much as to impose such a tax. I differ with the president strongly on the subject of the income tax. But I am in a peculiar position on the inheritance tax, advocating that as something like getting a better distribution of wealth. The subject of wealth distribution will not do."

Many States Get Cash.

Investigation by the bureau of the census shows that in 1902 about one-half of the states of the union had inheritance tax laws, which yielded to them an aggregate of a little more than \$7,000,000. This amount is believed by the census officials to have increased in the present year to fully \$10,000,000 or \$12,000,000. In a report based on the forthcoming report on "wealth, debt and taxation," the census officials say that "at least a dozen states are materially assisting in the support of the state governments from this source of revenue."

ROOSEVELT AIDED MORMONS

In the Last Election, is Charge Made by Dubois in Senate.

The senate Thursday listened to the second speech which has been made this session against the continuance of Reed Smoot as senator from Utah. It was delivered by Senator Dubois of Idaho, who after reviewing in detail the workings of the Mormon church and Mr. Smoot's prominent connection therewith, concluded with the charge that President Roosevelt has used the weight of his administration to assist the republican Mormon vote in the last election.

APPLY FOR RE-ENLISTMENT.

Six Discharged Negro Soldiers Call Upon Secretary Taft.

The immediate result of the memorandum of Secretary Taft to the military secretary, signed Tuesday, outlining the procedure to be followed by enlisted men of the twenty-fifth infantry, colored, who were discharged without honor, was the visit Wednesday to the war department of six of the discharged men who applied for re-enlistment, declaring that they were innocent of all complicity in and knowledge of the affair at Brownsville.

RUSSIAN FARMERS FOR SOUTH.

Entering Wedge in the Securing of White Agriculturalists Made.

The Louisiana agricultural and immigration commission announces that the entering wedge in the securing of desirable white agriculturalists from Europe to work Louisiana plantations has been made with thirty-five Russians. Ten of these were sent out upon truck farms, while the others were sent to railroad construction camps.

SALARY RAISE DEFEATED

By Members of House by Decisive Vote of 188 to 106—Matter is Now Up to the Senate.

A Washington special says: Practically every congressman was in his seat Friday when the weighty problem of voting to increase their own salaries was brought up for discussion. Personally a great many of the representatives felt that the increase was a just and a necessary one, on account of the increased cost of living in Washington, but they were deterred by what the folks at home might think about it, and as the statesmen felt that it was better to serve at insufficient pay than not to serve at all, they voted against the increase. The delicate problem is now up to the senate for its decision.

Representative Livingston of Georgia, while not an enthusiastic supporter of the increase, called attention to the fact that the salary of \$7,500 with mileage eliminated and only the actual expenses of members in attending sessions was allowed, was practically very little more than they receive on the \$5,000 basis.

A letter was read from Senator Tillman of South Carolina, facetiously stating if his salary was not raised he would starve to death.

Representative Clark of Florida said he desired to discuss the question from the standpoint of a poor man. He called attention to the fact that men are leaving the service of the country and returning to private life, solely because the salary which they receive in official positions was inadequate to maintain them.

"And they see in the future years poverty for their children and want in their old age. I believe there are not ten men on the floor in private conversation will not say 'the salary is inadequate, the increase is right,' but some say, 'I cannot afford to vote for it.' If the time ever comes while I am a member of this house, that I look upon any proposition as being right, and yet I am afraid to vote for it, I will tender my resignation, and go home."

A round of applause followed, which rather startled Mr. Clark.

"For God's sake let us answer the great daily papers, who are challenging our courage, to go upon the record by our votes before all the country," was his concluding appeal.

Mr. Lamar of Florida opposed the amendment, as did Representative Gronna of North Dakota, Lacey of Iowa and Webber of Ohio.

Others who spoke in favor of the amendment, were Representatives Grosvenor of Ohio and Sims and Gaines of Tennessee.

The amendment was defeated by a vote of ayes 106, noes 188.

After disposing of the salary question the house passed the legislative, executive and judicial appropriation bill.

WILL COURTMARTIAL OFFICERS.

Charged With Negligence at Time of Brownsville Outbreak.

On the recommendation of the general staff, the secretary of war has ordered the trial by courtmartial of Major Charles W. Penrose and Captain Edgar A. Macklin of company C, first battalion, twenty-fifth infantry, under the sixty-second article of war, for "conduct to the prejudice of good order and discipline," in failing in their duty in preventing and suppressing the riot at Brownsville, Texas, last August.

Specifications will include among other things the charge that the two officers named failed to exercise due diligence in preventing the occurrence when condition of affairs at Brownsville made it necessary that all proper precautions should be taken to prevent a clash between the negro troops and citizens, and also that they did not examine the rifles of the men until daylight, although they learned of the true state of affairs by 1 or 2 o'clock in the morning.

The details as to the membership of the court and the place where the trial will be held, have been left to the discretion of the commanding officers of the department of Texas.

COTTON MONEY EVAPORATES.

House Refuses to Appropriate \$20,000 for Exports.

Representative Livingston of Georgia made a forceful and strongly convincing speech before the house on Thursday urging that the appropriation of \$20,000 formerly paid for securing the work of experts abroad to push foreign trade in cotton, be replaced on the appropriation bill.

By a strict party vote the measure was defeated by seven votes, all of the republicans present voting against the bill except five.

KING OSCAR SERIOUSLY ILL.

His Condition Causes Considerable Alarm Among Swedish People.

Considerable alarm was occasioned the Swedish people Thursday by a statement that King Oscar was seriously ill in Stockholm, that all the members of the royal family had assembled at the palace, and the crown prince had been summoned hurriedly from Berlin.

BIFFS ROOSEVELT

Smith of the L. & N. Says Teddy Bullies Courts.

TWO INSTANCES CITED

Harahan Speaks on South's Progress at great Banquet Held by Railroad Men in New Orleans.

James T. Harahan, president of the Illinois Central railroad, in a speech in New Orleans Saturday night, outlined that road's policy in furthering the south's commercial development, the occasion of the address being a banquet tendered Mr. Harahan by the New Orleans Protective Union. A notable gathering of southern railroad men were present, including Milton H. Smith, president of the Louisville and Nashville railroad. Mr. Smith was one of the speakers.

Mr. Harahan said in part:

"We have been handicapped by the action of the government, which has placed five ships on regular schedule between Colon and New York city, and none between New Orleans and Colon. Every pressure ought to be brought to bear to induce the government to divide the appropriations so that the gulf ports would not be placed at this disadvantage. At least 75, if not 80, per cent of the Panama traffic should pass through New Orleans."

"To my mind it is not right to haul a large quantity of goods which are manufactured or grown in the section I have mentioned all the way to the east when this traffic could be brought direct to New Orleans and shipped from here with a great saving in point of time and distance. I am confident the people in the south and in that territory, when they realize all of these facts, will join with us in making every possible effort to induce the government to properly and promptly recognize our just claims."

President Smith, speaking on "The Great Railroads of the South," said in part:

"In view of the existing prosperous conditions, a pessimistic note will, I fear, sound discordant, and yet, to those whose duties and responsibilities cause them to look ahead, and especially those who have struggled through the panics and depressions of the past—who, perhaps, have lived too long—the future, and especially for railway transportation interests is not free from anxiety. The cost of operating and maintaining railroads has been increasing with leaps and bounds. Already many corporations complain that, while their receipts from traffic are largely increasing, net receipts are not, and in some cases are decreasing."

"To add to the anxiety, the owners of railway properties are threatened with loss, possible expropriation, by the people, not that the people as a whole are antagonistic to vested or property rights, but are, to an extent, debauched by the leaders, who, for selfish reasons, voraciously denounce corporations, especially railway corporations, falsely charging them with ruining the country."

"To particularize somewhat, in the neighboring state of Alabama, a governor will within a few days be inaugurated and a legislature convened pledged to increase the burdens of the railways by largely increased taxation, and to reduce revenues by reducing rates. It is alleged that, in some instances, the current rates for transporting property are greater than the rates for similar service in the state of Alabama than the rates for similar service in the state of Georgia. In the last named state, the conditions are somewhat similar. A governor is to be inaugurated and a legislature convened, pledged to enact and enforce extreme anti-railway corporation laws."

"The attitude of the government through its administrators, is distinctly antagonistic to railway interests."

PREACHER IS ACQUITTED

Of Charge That He Was Conducting a Blockade Barroom.

Thomas H. Barnhill, minister of the Free Will Baptist church of Pitt county, and for two terms a member of the North Carolina general assembly, was acquitted at Raleigh Friday by the jury in the federal court of sensational charges to the effect that he had ten barrels of blockade whiskey buried in the woods near his home with a kerosene tank pump to pump up the whisky sold.

TRANSPORTATION FOR ADS.

Bill Introduced for Benefit of Newspaper Publishers.

Representative Garrett of Tennessee introduced in the house Friday a bill amendatory of the railroad rate law permitting the publishers of newspapers and periodicals to accept transportation from railroad companies for advertising. It provides that the transportation shall be issued at regular public rates.