

THE WEATHER

Washington, Aug. 4.—Fair and warmer today.
TEMPERATURE AT EACH HOUR
8 10 12 2 4 6
70 75 78 76 78 74

Evening Public Ledger

NIGHT EXTRA FINANCIAL

VOL. V.—NO. 276

Entered as Second-Class Matter at the Postoffice at Philadelphia, Pa., Under the Act of March 3, 1879.

PHILADELPHIA, MONDAY, AUGUST 4, 1919

Published Daily Except Sunday. Subscription Price \$4 a Year by Mail. Copyright, 1919, by Public Ledger Company.

PRICE TWO CENTS

NORTH PENN DEPOSITORS TO GET PRO-RATE PAYMENT; POLITICIANS, NOT POLITICS, IN FAILURE, IS CHARGE

FISHER SAYS BANK VICTIMS ARE TO GET PART AS SOON AS FUNDS ARE COLLECTED

Commissioner Asserts Depositors Will Share in Assets

400 OVERDRAFTS DECLARED FOUND

Appraisal, When Made, to Be Filled With Prothonotary—To Become Public Property

LACK OF INFORMATION BY DIRECTORS DEPLORED

Points to Fact That Confused Condition of Books Hampers Inquiry

By M. E. PARROTT

Staff Correspondent of the Evening Public Ledger

Indiana, Pa., Aug. 4.—John S. Fisher, state commissioner of banking, promised this afternoon that a pro rata distribution of the assets of the defunct North Penn Bank would be made depositors as soon as available funds had been collected from debtors of the institution.

"As soon as we have sufficient funds available," said Mr. Fisher "from the collection of outstanding notes and the sale of marketable securities we will make a pro rata distribution among the depositors."

"This depends on the amount of time required to determine the condition of accounts of various depositors of the institution."

400 Overdrafts Found

"When we complete the schedule of the assets of the North Penn Bank we will then make an appraisal. This when filed in the prothonotary's office will become public property."

"In the North Penn Bank we find some four hundred or five hundred overdrafts. How can we get at the bottom of these overdrafts except by hard work and laborious checking over each account? So with the Liberty Bonds."

"We must find whether a depositor's bond has been paid for. If so, if it is still in the bank, and if not whether it has been rehypothecated with other banks for loans."

"It is impossible as yet to determine how good a showing the assets of the North Penn Bank will make when they are gathered together and scheduled preparatory to making the first pro rata distribution of funds among the depositors."

Fluctuation of Funds Cited
"Comment has been made that had the North Penn Bank been closed by former Banking Commissioner Daniel R. Latham at the time the last examination of the institution was made toward the close of his administration in September, 1918, the depositors would not have suffered the loss of as much money as now is indicated."

"I cannot hold with any such contention as this. To my mind the loss would have been about as great, although perhaps different people might have been affected. Bank deposits fluctuate."

"Depositors come and go. Illustrative of the fallaciousness of the argument that more money was lost by the depositors through the delay in the closing of the bank until July 18 of the present year, let me say that, following the examination of the North Penn Bank in September, 1918, there had been deposited there public funds aggregating nearly \$500,000. At the time of the closing of the bank only a minor part of this large sum had been withdrawn."

"This is a big gain for the depositors. The state funds will now go to swell the assets of the bank and will make up part of the fund which all of

Continued on Page Two, Column Five

Continued on Page Two, Column Five

Continued on Page Two, Column Five

Continued on Page Two, Column Five

Continued on Page Two, Column Five

Outstanding Facts Today in North Penn Bank Case

John S. Fisher, state banking commissioner, announces that depositors will receive pro-rata payments on money.

Directors blamed for crash. Charles A. Ambler, former insurance commissioner, given statement of his account.

Colonel Fred Taylor Pusey, state investigator, denies laxity in probe.

Ralph T. Moyer, cashier of the defunct North Penn Bank, denies there is a "man higher-up" in the wreck.

State investigators today continue their questioning of Moyer and will extend it to Louis H. Michel, president of the bank, and other directors.

Depositors meet today to demand enlightenment on the assets and liabilities of the looted institution.

WANTS BODY BURNED AND BAND TO PLAY 'DIXIE' IN CEMETERY

Will of Man Who Died in Asylum Directs That Ashes Be Thrown on Wife's Grave

Unusual directions for the disposition of his body were made in the will, filed today, of George W. Chambers, who died recently in the State Asylum for the Insane at Norristown.

After disposing of an estate of \$3000 to his son and grandchild, Mr. Chambers asks that his body be cremated and that the ashes be placed in an urn.

The ashes are to be scattered over the graves of his wife and daughter in a cemetery at Grafton, W. Va., while a band, not to cost more than \$50, plays "The Star Spangled Banner," "Dixie" and "Turkey Trot."

The ceremony at the grave is to be in charge of Friendship Lodge, Knights of Pythias, of Grafton, to which the cremated urn is to be presented.

N. J. ARSENAL BLAST KILLS AT LEAST 12

Flames Sweep Government Buildings Wrecked by Explosion at Raritan

Raritan, N. J., Aug. 4.—(By A. P.)—At least twelve men were killed and many injured by the explosion of several of the magazines of the United States arsenal here at 1 o'clock this afternoon.

The buildings which were wrecked caught fire and the arsenal fire department is striving to keep the flames from spreading to the main structure.

RAIL STOCKS DECLINE; BUYERS ARE CAUTIOUS

Brokers Loaded With Selling Orders Long Before New York Market Opens

New York, Aug. 4.—On the Stock Exchange today bears were helped by the developments in reference to the projected railroad legislation investigation and the demands by the railroad organizations.

Long before the opening of the stock market brokers were gathered in large crowds around the railroads, in which the leading railroad stocks were traded in all of them loaded down with selling orders which in some cases ran into thousands of shares.

It was stated by one of the most conservative houses that when efforts were made to execute these selling orders there were no bids in sight and stocks had to be offered down to a level which would induce covering of shorts before buyers could be found.

New Haven opened with a loss of 2½ points at 36½ and then dropped further to 35½. Reading sustained the greatest decline in the railroad group, falling 4½ points to 83. Other railroad stocks generally yielded 1 to 3 points, Missouri Pacific, one of the low priced issues, falling over 2 points to 31½.

Bonds were offered at moderate concessions, but the railroad bond market was soft for a time, and today's market and news developments did not alter the situation there to any extent.

The declines in the railroad stocks had more of an effect on the industrial than had been expected. The railway equipment stocks, including Baldwin, were depressed on the market.

Steel industrials generally were under pressure during the first half of the day. United States Steel common falling ½ point to 106¼, and many other steel stocks from 4 to 8 points.

Continued on Page Two, Column Five

Continued on Page Two, Column Five

Continued on Page Two, Column Five

Continued on Page Two, Column Five

Councilman Lewis Says Depositors Demand More Action

17 DAYS SINCE BANK CLOSED; ONE ARREST

Committee Meets to Consider Criminal Aspect of the Case

WANT TO KNOW HOW MUCH MONEY THEY'LL GET

Ambler Gets Statement of Indebtedness—Promises to Pay in Few Days

Depositors whose savings were swept away by the maelstrom in the North Penn Bank demand action.

A committee, representing 500 persons who lost their savings, today perfected plans to insist that they be accorded representation among the probors.

Seventeen days having elapsed since the doors of the bank at Twenty-ninth and Duane streets were closed, with but one arrest, the North Penn Depositors' Association has decided to take matters into its own hands.

The executive committee met in the office of William M. Lewis, common councilman from the Thirty-second ward, and formulated definite lines of action.

While it is known that the criminal aspect of the failure was discussed, the only public announcement made was that the depositors insisted upon representation, and they call upon all depositors to meet Friday night in the North Penn Theatre, Twenty-ninth and York streets, to sanction the move.

"Not Exactly" Disatisfied
After the meeting Mr. Lewis explained that the depositors were "not exactly" dissatisfied with the present probors, but that "the committee felt that the small depositors, who were most vitally interested, should be protected."

"It is not only the big debtors that we are interested in," he added, "We want to see how much money is going to be paid back."

"Do the depositors feel that there is politics in this case?"
"I would not say politics, but there certainly were politicians in it."

One of the heavy depositors explained the attitude of the depositors. He said they wanted to know:
How much money is coming back?
How were the loans made?
When will definite information be forthcoming?

Why is a clerk, who confessed falsifying records, permitted to remain free?
Why was the paying teller permitted to get out of town before he was questioned?

What will the expense be to the depositors?
Colonel Fred Taylor Pusey, chief state probor, has been quoted as being unfavorable to working with a representative of the depositors. He is alleged to be striving to keep the flames from spreading to the main structure.

Not "Private Parties"
Mr. Lewis answered this phase of the case by saying that the depositors did not believe they were "private parties," but were vitally interested in the probe, and, in view of the fact that their money is at stake, should be accorded an investigator—an accountant or lawyer—to especially watch their interests.

It was said by one of the committee that all plans would be submitted to the depositors on Friday night and that the criminal aspect of the case would be discussed in detail.

Those who attended the meeting were: Charles Segall, chairman, Jacob Keen, Henry Roberts, Jr., Henry Spear, Morris Joseph and Samuel Meyerman.

Ambler Gets Statement

It was announced in Colonel Pusey's office this afternoon that Charles A. Ambler, former insurance commissioner, who owes the bank about \$75,000, had been given a detailed statement of his account.

Two weeks ago Mr. Ambler said he would liquidate his indebtedness "within a few days" after he received a statement from the bank.

Puts Blame on Directors

"The directors of the North Penn Bank are responsible for the crash," this statement was made today by an ex-director and large depositor, Wallace C. Powelson, a paint dealer, 2232 North Twenty-ninth street.

"The directors should have known what was going on," he added.

Mr. Powelson was a director in the shattered institution in 1914. He resigned in 1915.

"At that time," he said, "the bank

Continued on Page Two, Column Five



JOHN S. FISHER
State Banking Commissioner

REGULARS WANTED STUART FOR MAYOR

Former Governor Considered as Candidate for Long Time at Secret Meetings

IS AVERSE TO RUNNING

By GEORGE NOX M'CRAIN

When the EVENING PUBLIC LEDGER on Saturday published a categorical interview with ex-Governor and ex-Mayor Edwin S. Stuart, it was with a knowledge that that gentleman had been for weeks considered as the one big available candidate for Mayor.

Governor Stuart's refusal to deny that he would be a candidate and his indisposition to say whether or not he had been approached upon the subject was to have been expected under the circumstances.

Governor Stuart has been from the beginning the "big man," who has been quietly considered by the regular organization leaders. Fewer than a dozen of them were in the secret. It was the most closely guarded political mystery for many a year.

On the part of the regular organization I think the hope lingered that the injection of the ex-Governor's name into the campaign would prove to be such a potent move that the Penrose Alliance would "go along" under theegis of the ex-Governor's name and the fact that he would play square.

A Previous Thought

It was in a way, though, a previous thought, the same scheme that the Independent people wanted to put over by putting on Congressman J. Hampton Moore with the hope of having the Vares accept him as a "harmonizer."

The definite suggestion of ex-Governor Stuart's name came as a curtain raiser last Friday. The announcement by Councilman Seger, of the Seventh ward, that the former Governor would make an ideal candidate was the real move.

Would He Consider It?

The paramount question now is, would the ex-Governor and ex-Mayor consider the question of a candidacy for Mayor of Philadelphia?

Enjoying, as he does, the unique distinction of having once been Mayor of this city, and going from there to the distinguished position of Governor of the Commonwealth, would he at his present age care to enter the political field and sacrifice the quiet dignity of well-earned rest?

If the Vares organization, or even the Penrose alliance, were to lay down the proposition that specific guarantees were to be given by Governor Stuart, I feel assured that they would have such a proposition for their pains. The former governor has always been a partisan Republican. He has, as such, rendered distinguished service to his party. If, under the very remote contingency that he would consider a nomination even tentatively, it would be only that it could be as a Republican, and one who would be in the widest acceptance of the term free to act as he saw fit for the ultimate benefit of the city.

Believes He Would Refuse

In the absence of any public expression of his feeling on the matter, I am of the opinion that not only does the ex-governor not desire office but he would not accept the nomination, though aware that his name had long been under discussion by the regular wing of the party.

Certainly he would conform to Senator Penrose's idea of a non "pussey-footing" candidate in the sense that he would be "no man's man." He would be the scoundrel of the regular Reg-ular.

Continued on Page Two, Column Three

Cloudy and Warmer for Today

Partly cloudy weather with a rising temperature is predicted for this city today by the Weather Bureau. The maximum reached yesterday afternoon was 79 degrees at 5 o'clock. The weather man said it might touch 85 today.

U. S. OWNERSHIP GRAVEST ISSUE AT WASHINGTON

Railroad Men's Demand Indicates Fight for Nationalization of Industries

BRITISH LABOR'S POLICY EMULATED IN AMERICA

Probability of Triple Alliance Overcoming Compers's Moderation Seen

WILSON MAY COMPROMISE

Workers Expected to Secure Larger Representation in Railway Affairs

By CLINTON W. GILBERT

Washington, Aug. 4.—The demand of Warren S. Stone, president of the Brotherhood of Engineers, for the adoption of government ownership of railroads raises the gravest issue that has been projected in Washington since the return of President Wilson.

It is the first indication that the great big unions of this country are going to follow the policy adopted by the similar dominating unions of Great Britain and demand the nationalization of the great fundamental industries.

Politically this is fought with the biggest consequences. You can see the campaign of 1920 taking shape, and economically the results will be equally large.

Forcing Industrial Nationalization

It matters little if Mr. Compers and his federation of labor remain conservative when an organization as vital to the country as the railroad labor combination is pursuing a policy of forcing industrial nationalization.

A combination of Mr. Stone's forces and his natural allies with the mine workers and shipping workers of this country would be as formidable as the Triple Alliance in England, and would make empty all the sense of security that comes from the feeling that Mr. Compers' leadership is moderate.

The issue is brought to the front by Mr. Wilson's promise to return the railroads to private operation at the end of the year. Walker D. Hines is preparing a bill to accomplish this end and evidently his plans are much too conservative to suit the railroad labor leaders.

Seeks to Strengthen Labor

Mr. Stone demands government ownership not so much with the expectation of securing it as for the purpose of strengthening the influence of labor in whatever plan for the management of the railroad is worked out by Mr. Hines and subsequently by Congress.

The President could sharply refuse the demands of Mr. Stone and win the applause of the country. He might even regard the popularity which his surrenders at Paris have cost him.

For the nation has turned against government ownership, being disgusted by its experiences with Mr. Burleigh and his control of the telegraph and telephone systems.

The railroad workers are regarded by the public as having been exceptionally favored in the past. The relation between their demand for higher wages and a further increase in the cost of living is instantly perceived.

Wilson's Policy One of Compromise

But no one expects to see Mr. Wilson flatly resist Mr. Stone. The President's policy, like that of Lloyd George in England, has been one of compromise. The President never fights except with some one who is of no importance to him, as with Italy over the Fiume issue.

And the labor vote is of immense importance to Mr. Wilson. If the railroad labor leaders of America are borrowing from the example of the British triple alliance, Mr. Wilson is borrowing from the example of Lloyd George.

British labor looks to Mr. Lloyd George as its friend among the conservatives. The conservatives regard him as their best agent in moderating the radicalism of labor. Mr. Wilson

Continued on Page Fifteen—Column Four

"The Lady of the Night Wind"

The first installment of a fascinating serial will be found in this issue of the EVENING PUBLIC LEDGER.

Varick Vanardy, the author, has heretofore demonstrated his ability to write thrilling detective stories. In "The Lady of the Night Wind" he has excelled himself.

TURN TO PAGE 22 AND JUDGE FOR YOURSELF

Continued on Page Two, Column Two

Military Service for All, Bill in Congress Decees

War Department Measure Proposes Three Months of Compulsory Training for Youths of 19—Peace-Time Army, 510,000.

By the Associated Press

Washington, Aug. 4.—Maintenance of one field army with a war strength of 1,250,000 men is proposed in a bill establishing a new military policy, which was sent to Congress today by Secretary Baker.

The active force of this army would be 510,000 regulars, while the remainder would be young men who had taken a three months' military training course, which would be compulsory for all nineteen-year-old youths.

This reserve strength would be used to fill out the twenty infantry divisions and one cavalry division into which it is proposed to divide the regular army.

Under the measure all special services built up during the war would be maintained as separate branches except the chemical warfare service, which would be merged with the engineers' corps.

Compulsory Service for All

Three months' military training for youths in nineteen would be made compulsory and promotion of officers by

seniority would be abolished. Secretary Baker said the war had shown this system of promotion to be defective.

Under the War Department's plan, youths would be subject to military service for two years after completing the course of military training and in the event of war the selective service act in force during the great war would become operative.

The plan for registering youths of nineteen years is the same, with slight modifications, as was applied during the war under the selective service act. The bill provided for the appointment of local and appeal boards, compensation at the rate of \$10 for every day of actual service by board officials being prescribed.

Few Exempt From Service

Exemption from training would be given only to members of the regular army and navy, honorably discharged soldiers and sailors and members of the coast guard, mariners actually employed in sea service and "persons permanently physically, mentally or mor-

Continued on Page Fifteen, Column Five

HINES CONFERS WITH RAIL MEN ON LIVING COST

Majority of 2,000,000 Employees of Carriers Represented at Meeting

PLAN FOR COMMISSION OF INQUIRY EXPLAINED

Palmer Will Get Program for Reducing Food Prices Tomorrow

STEPS WILL BE DRASTIC

450,000 in Railroad and Steamship Clerks' Brotherhood Present Demands

Developments in Demands by Railroad Employees

Director General Hines called conference with railroad union officials today on high cost of living.

Plan for commission of inquiry proposed by President Wilson brought up for explanation.

Head of engineers' brotherhood declares fight for government ownership will be carried to the people. 450,000 railroad and steamship clerks and express agents present demands.

House committee reports out bill restoring interstate commerce commission's right to make rates.

Washington, Aug. 4.—All railroad union officials now in Washington were asked by Director General Hines to meet with him today for a conference on the high cost of living.

Besides the chiefs of the engineers and railway trainmen, who already have made demands for increased wages to meet high living costs, it was expected that the heads of the other two brotherhoods and the organizations of the shipmen and clerks would attend the meeting. Thus a majority of the 2,000,000 railroad workers would be represented.

Explains President's Plan

Mr. Hines expected to explain his plan to have Congress create a commission to go into all phases of railroad wages. This plan was proposed to Congress last week by the President.

As chairman of the committee appointed by Attorney General Palmer's conference on means to reduce the cost of living, Mr. Hines is in close touch with plans under consideration to bring about a normal level of prices and relieve the distress of the average citizen.

It was said today that the director general devotes clerks, freight handlers, considering the cost of living problem, going over many suggestions made by Assistant Secretary Leflingwell and Commissioner Colver, the other two members of the committee.

Report to Cabinet Tomorrow

A report to the conference will be made tomorrow at the second meeting of cabinet members and other officials called together by Mr. Palmer and recommendations are expected to be transmitted soon to President Wilson.

This report, it is expected, will recommend drastic action against "syndicators" and "hoarders," as well as an announcement concerning a wheat policy which, it is felt, will bring about quick results.

Four hundred and fifty thousand members of the brotherhood of railway clerks, station employees today joined with other railway workers in "demanding that unless something be done materially to reduce the cost of living our wages must be raised to give us immediate relief."

Present Demands to Hines

The demands have been transmitted to the railroad administration, J. J. Forester, president of the brotherhood, announced.

The brotherhood clerks' demands are retroactive to January 1, 1919, and include a forty-four-hour week, overtime and twenty cents an hour increase in wages. The railroad administration was asked to grant the workers a hearing.

Continued on Page Fifteen—Column One

Prices of Provisions Tumble in Chicago

Chicago, Aug. 4.—(By A. P.)—Grain and provisions crashed heavily downward today in value.

Selling was on a large scale, influenced chiefly by the widespread agitation against the high cost of living.

With an hour, corn prices dropped 5½¢ to 84¢ a bushel and pork \$1.25 a barrel.

On December delivery of corn, the principal option fell to \$1.40¼ and January pork to \$48.

Umbrella Weather

The winds will be changing. But most will be south. The clouds will be ranging. And gone will be draught. With showers and with thunder tomorrow, tonight. No wonder you wonder what next is in sight.

Continued on Page Two, Column Five

Continued on Page Two, Column Five