IES AND
IRE DEFENCE

ON CONTROL
OVERSEA FORCES

hould Be Organized ommon Imperial Basis.

e 9.—The Imperial press sumed its discussion of ence this morning with lfour presiding. Lord cretary of War Haldane and a grave note was ed in speeches of home

appealed for a broad hit- nt when the overseas do- organizing the local de- the same time the Im- must bear in mind the various component parts

with the military part of he laid down two propo- at all forces of the over- ould be under control of and second, that they anized on a common im- regarding the navy he did as useless and local at- anything of [coastal] ably subordinated to fleet hear)

The Empire at the last dependent on fleet su- hnaval superiority must be waters. If there was to ion it would take place in ocean, the English haps the Mediterranean. continuing, said: nd reads the signs of the hink, agree with the rey and will recognize n now speak of the Im- without provoking some we have to look around g forces and armaments o consider the strate- these and possible hous- ns, and everyone will the language of the ry, if language unusual of a foreign secretary, yond the necessities of

next humorously re- the British nation is about itself that if it is used to be. In this re- he looked forward, not of anxiety, but with high age, towards dangers enace the Empire, the the responsibility lay ause) editor of the Montreal, llowed, assumed the pos- nada was willing to take this imperial defence it- these two elements were (hear, hear). He ex- nat the full recognition ernment that the over- st be allowed full con- r minds.

ER CHASE
UGH MOUNTAINS

Accused of Being in Shooting of eudist.

June 8.—Govan Smith, ha and Levi Johnson -day after a hot pur- mountains by a sher- charged with complici- g of Ed. Callahan, the and friend of the late

is the head of the n his side of the strong- minations in this part

out upon the trail of the allahan, led the posse me. Occupants of the ght to admit that the hay had dashed up to ed on horses that had l. They left the scene and taking fresh ones, hills. The officers rode ing use of short trails, the men and placed

VERBOARD.

Kootenay Prospector n Moyie Lake.

nd, one of the best in Moyie and East drowned in the nar- e last week. ichards and Dan Mc- a boat on their way for a few days' fish- hing through the nar- two Moyie lakes. ichards and fell

as about 50 years of d mining and pros-

W SULTAN.

ll Notify Powers of f Mehmed V.

The Turkish commis- ify the powers of the as Sultan of to-day that it would the 13th.

FRENCH NAVY.

he naval programme volves an ex- 000, covering a period acticality of the Dan- Republique type and ers of the Gambetta in the estimates.

NARROW ESCAPE
FROM DEATH

PASSENGERS OVERCOME
BY AMMONIA FUMES

Officers and Crew of Liner Risk Lives in Rescue Work.

San Francisco, Cal., June 8.—Passengers aboard the Pacific mail steamship China, that arrived in port to-day, narrowly escaped a horrible death in mid-ocean yesterday when a valve in the vessel's ice plant burst, flooding the first class cabins with suffocating ammonia fumes.

A dozen women and children passengers were overcome by gas and were rescued with great difficulty by fellow passengers and members of the crew. Several passengers were confined to their staterooms as a result of the accident, until the steamer reached port to-day.

Mrs. C. R. Rosenstock, wife of a former editor of the Manila Bulletin, and her four children, were among the victims. One of the children was overcome by the fumes, as was Mrs. Rosenstock when she returned to the cabin to rescue her unconscious child. Both were carried to safety by officers of the ship. In her attempts to carry her child from the stateroom, Mrs. Rosenstock sustained a severe sprain of her right ankle.

J. R. Squires, senior member of the Manila firm of Squires and Bingham, who was accompanied by his family, displayed great presence of mind during the rescue work. Rushing to the cabins occupied by women and children, Squires made frantic efforts to open the port holes. He was overcome by the fumes and carried unconscious to the upper deck.

According to the statements of the passengers Capt. Friele and the other officers of the ship met the terrible situation with courage, and led the work of rescuing those who were unable to leave their staterooms.

COMMITTEE CONTINUES
ITS INVESTIGATIONS

More State Institutions in Washington Will Receive Attention.

Spokane, Wash., June 8.—At the conclusion of a conference held here yesterday between Governor Hay and the members of the legislative investigating committee, Chairman Allen said:

"The committee will as carefully complete a preliminary draft of its report on the insurance department, prepared by Assistant Attorney-General Lee, and after agreeing on its form, will turn it over to Lee again to be typewritten. The committee will go to Pullman and will get the completed report upon its return to Spokane and place it in the hand of the governor. It is the sense of the committee that is now initiative. Then two months to obey. At the end of that time Chinese justice will take its course and the bearers of the cord will accomplish their mission as effectively as in the present as they have in the past.

Yuan Shi Kai, enemy of the present Dowager Empress, is believed to have "lost face" because of friendship for Tang Shao Yol, who recently bore to America the Imperial thanks for remission of the Boxer indemnity due to the United States, Yuan and Tang were friendly to Prince Chang, who is dangerously ill, and who at present is unable to protect his friends from the enemies at court.

While on this side of the boundary the committee will visit the six state institutions in Eastern Washington to investigate charges of irregular conduct.

Governor's Statement.

"The Republican party must clean house in this state at once if the people will clean house for the party," declared Governor Hay yesterday in announcing that every department on which the slightest suspicion has been cast would be thoroughly investigated as the result of the special session of the legislature to be called June 23rd.

Governor Hay and the committee are working in harmony, and an upheaval will result in all the state branches unless the legislature refuses to appropriate funds for the general "house cleaning."

TAFT'S VISIT TO COAST.

May Participate in Portola Celebration at San Francisco in October.

Washington, D. C., June 8.—President Taft will visit San Francisco to participate in the Portola celebration in October if his official duties will permit. In a conference with Senator Flint of California, the president displayed great interest in the coming celebration and said that if possible he will be in San Francisco October 13th, the opening day.

In response to the invitation issued by the officials of the Alaska-Yukon-Pacific exposition at Seattle, representative Wm. A. Rodenburg of Illinois, introduced a resolution in the house empowering the speaker to appoint an official committee of fifteen representatives to attend the big day.

The opening of the Portland flower festival yesterday was the occasion of an official telegram from President Taft to the city of Portland congratulating its citizens upon their enterprise and expressing his best wishes for the success of the festival.

ENGINEER FALLS TO DEATH.

Goldfield, Nev., June 7.—Frank A. Lucy, superintendent of the Consolidated Mines Company, was killed this morning by falling 250 feet down the shaft of the Old Reilly workings. Lucy was one of the best known mining engineers in Nevada. He stepped on a rotten board near the mouth of the shaft and it gave way beneath his weight.

"SAWMILL DESTROYED."

Three Valley, B. C., June 8.—The Mundy Lumber company's mill here took fire yesterday, apparently from the burner, and after one hour's fierce burning was practically ruined. The mill and machinery will be a total loss. The well organized mill fire brigade held the fire from the yard. The loss is a quarter of a million.

CONSTRUCTION CAMP BURNED.

Bush Fires Are Doing Considerable Damage in Ontario.

Nepigon, Ont., June 8.—Sherwood & Russell's construction camp on the National Transcontinental railway has been destroyed by fire which spread from a bush fire which is raging in that vicinity. The loss is estimated at several thousands of dollars. Bush fires are doing much damage.

FIRE IN HOTEL.

Charlottetown, P. E. I., June 8.—Fire at the Queen's hotel here this morning damaged twelve rooms in the upper story. There were no fatalities.

FLAG INCIDENT
AT SEATTLE FAIR

Japanese Officer Claims the Colors of His Country Are Insulted.

Seattle, Wash., June 8.—International complications, involving the Japanese fleet now in the harbor, were narrowly averted at the exposition last evening, when an officer of the fleet demanded that Manager Rinehart, of the jin ricksha concession, haul down the Japanese flag which floated over the booth where the rickshas are hired. The officer protested because the Japanese flag was flying beneath the American flag. Rinehart took no chances with international law, but hauled down the flag.

It developed that the Japanese officer was acting on his own initiative, claiming that his flag was insulted and that he wished only to avoid trouble from the Japanese sailors who were visiting the fair.

Rinehart set to work to read up on international law and discovered that when ships of a foreign nation visited any port their flag is flown beneath the American flag. Hence, Rinehart has been advised to replace the Japanese emblem if he so desired. He has not done so to-day, however.

NEW AMBASSADOR

R. Bacon, Former U. S. Secretary of State, Will Go to Paris.

Paris, June 8.—Robert Bacon, former secretary of state, has, it is reported here to-day, accepted the ambassadorship to France, and will succeed Henry White at the end of the year. The report is based on private advices received here from Washington.

Mr. White's retirement will cause genuine regret, especially in official circles, where he was very popular.

"YELLOW CORD" FOR
CHINESE STATESMAN

Yuan Sha Kai Receives Grim Hint From the Emperor:

Pekin, June 8.—Yuan Shi Kai, one of the few colossal figures remaining after the era of Empress Tsi An and her renowned councillor, Li Hung Chang, is reported to be awaiting at Honan, the grim "yellow cord," the imperial intimation that the recipient's death at his own hands would be most pleasing to the monarch.

Five officials, it is said, are bearing the symbol to the statesman, and it is further reported that they are commissioned to watch him and allow Yuan two months to obey. At the end of that time Chinese justice will take its course and the bearers of the cord will accomplish their mission as effectively in the present as they have in the past.

Yuan Sha Kai, enemy of the present Dowager Empress, is believed to have "lost face" because of friendship for Tang Shao Yol, who recently bore to America the Imperial thanks for remission of the Boxer indemnity due to the United States, Yuan and Tang were friendly to Prince Chang, who is dangerously ill, and who at present is unable to protect his friends from the enemies at court.

PORTLAND'S NEW MAYOR.

Jos. Simon, Former United States Senator for Oregon, Is Elected.

Portland, Ore., June 8.—Jos. Simon, Republican, and former United States Senator from Oregon, is mayor-elect of Portland. He was elected yesterday by a big plurality and a comfortable majority. The entire Republican ticket was successful.

CUTS HIS THROAT,
THEN REPENTS ACT

Would-be Suicide Struggles to Telephone and Calls for Help.

Portland, Ore., June 8.—Frederick K. Foster, who, after deciding that he wanted to live on after he had cut his throat with a razor, staggered to a telephone and called faintly for help, is thought to be dying to-day.

When the clerk of the Sargent hotel reached Foster's room late yesterday afternoon in response to the call, he found the latter lying on his bed with blood flowing from the wound. He was immediately removed to a hospital. Very little is known of Foster at the hotel. He registered there June 1st from Philadelphia, saying he had been in Portland some time and was employed as a fire marshal. Inquiry among city officers failed, however, to confirm this statement. He had made no friends at the hotel nor in the city that could be learned, and his movements the past few days have seemed despondent since his arrival.

PLEADS NOT GUILTY.

Olympia, Wash., June 7.—When arraigned to-day upon the charge of embezzling funds belonging to the military department of the state, former Adjutant-General Ortis Hamilton pleaded not guilty. The date for the trial was not announced.

'PHONE LINES
UNDERGROUND

COMPANY IS TO BEAR
NINE-TENTHS OF COST

City Will Borrow Some $50,000 for Company—Council Routine.

(From Tuesday's Daily.)

On a proposal first made by the B. C. Telephone Company two years ago the city council last night declared its willingness to allow the company to put its wires underground.

The proposition amounts to this, that the city finances the scheme in the way of securing the loan of some $50,000, the company meeting the charges of interest and sinking fund and paying nine-tenths of the cost of the work. On motion of Ald. Mable and Turner the council endorsed this.

Ald. Humber secured the passage of an order for the fixing of expenditure on the high level tank, whether it was completed and if not why it was not.

The Victoria Yacht Club wrote to ask what was being done in regard to the placing a floating landing at the steps from the Causeway. The council was reminded that time was slipping by. Complaint was made of the mud bank which spoiled the anchorage for small boats.

The mayor said he was told by the city engineer on Saturday that it was to be put in at once.

"It is not there yet," remarked Ald. Bishop, who has been perfunctious in his efforts to have this float put in place. Ald. Bishop moved that Mr. Keefer be asked to do some dredging along there. This was seconded by Ald. Turner and carried.

R. H. Lamont, who has frequently written council about an old petition for a by-law providing for the measuring of coal and wood, has a poor opinion of the legislation committee. He wrote to state to council that the reference of the petition to that committee was merely a "relegation to oblivion," and to complain that there had been "unconscionable delay in dealing with a simple matter which requires no by-law to be voted upon, and therefore gives no excuse for procrastination."

Ald. Stewart, chairman of the committee, declared that they were not afraid to do their duty. Last year's committee had not done anything in the matter, but were not blamed by Mr. Lamont.

The letter was received and the reply will be sent that the committee has the matter in hand.

The city engineer and city assessor reported that the cost of the paving of Cormorant street, between Store street and Government street, with granitoid will be $9,558; of which the city pays $3,186.

A petition signed by John Meston, J. G. Hay, Lee Woy, Lee Cheong, Lee Yun Yow, J. L. Clay and B. C. Pottery Company, Ltd., was received asking for the laying of Broad street, between Johnson and Cormorant streets, with the Biome Co.'s granitoid pavement, as one that would suit the condition of traffic upon that street.

A petition in exactly similar terms in regard to Pandora street, between Government and Douglas streets, was received from John Raymond, J. G. Hay, Lee Woy, Lee Yun Yow, J. B. Joseph, J. L. Clay, B. C. Pottery Co., Ltd.

The Labourers' Union wanted the council not to pave the Causeway with vitrified brick, but to do the work with local material and by day labor. They will be informed that it is impossible to make any change in this matter, which has been voted upon by the ratepayers.

The mayor announced that he intended to move that W. W. Northcott, city assessor, be appointed fair wage officer to see that contractors on city works were paying a fair wage.

A report from the sanitary inspector, recommending the removal of a stable owned by H. Roper in rear of 1723 Cook street, on account of its being unsanitary, was referred to the solicitor. Another report concerning the old wooden building at the northeast corner of Herald and Store streets will be acted on next Monday evening, when an inquiry will be held.

A request from the S. P. C. A. for a grant of $100 was referred to the finance committee.

PLACED IN PRISON.

Fernie, B. C., June 8.—The Black Hander captured on Saturday was brought to Fernie. Rameria was captured on the Fernie side of Elko, and was first seen by Station Agent Austin, who informed Provincial Constable Gook. He gave an assumed Italian name, said he was a carpenter and wanted a job.

The constable replied that he had a good job he would give him, and said he had better come along with him. He went along, and was immediately locked up. When taken he had enough provisions to last a couple of weeks, consisting of six large loaves of bread, tins of salmon and sardines.

On arrival at Fernie he was stripped and searched, and sewn into the lining of his pants was a new $20 bill. The bread looks like the same made and size as the captured Black Hands had last year. There is no doubt Black Hand friends helped Rameria and others last year. When Rameria broke jail he had no money.

The police are making diligent search, and hope to make additional arrests. When arrested he was still carrying a hatchet or tomahawk with him. He will be tried at the Supreme court here.

C. P. R. CONDUCTORS.

Awaiting Reply Regarding Working Agreement on Western Lines.

(Special to the Times.)

Winnipeg, June 8.—There is a general belief that the Canadian Pacific is endeavoring to break the ranks of the trades unions, and the trouble with the conductors at present is traced to this cause. Twenty-seven conductors were suspended on the system recently. The conductors to-day are expecting a favorable reply from the company this evening regarding the working agreement on the western lines.

SUSPECTED TRAIN ROBBER.

Jack Shelton Committed to Jail in Default of $25,000 Bail.

Omaha, Neb., June 8.—Jack Shelton, held here on suspicion of being one of the robbers who recently held up the Overland Limited on the Union Pacific near here, was committed to jail yesterday in default of $25,000 bonds. His preliminary hearing was set for June 14th.

Lillian Stephenson, who was arrested with Shelton, is being held as a witness in default of bonds.

AUTO UPSET AND
FOUR DROWNED

CHAUFFEUR LOSES
CONTROL OF CAR

Machine Rolls Down Embankment Into River—One Body Recovered.

Knights Landing, Cal., June 8.—By the overturning of an automobile, four women were last night thrown into the Sacramento river and drowned. John Armstrong, driver of the machine, lost control of the steering gear while attempting to turn the car on the levee road and it rolled over the embankment into the water. The dead are:

Mrs. W. F. Mixon, wife of the editor of the Woodland Mail; Miss H. Dugan, wife of the postmaster at Woodland; Miss Merrll Dugan, daughter of Mrs. Dugan; Miss Julia Dugan, Mrs. Dugan's sister-in-law.

The women were dragged down by the weight of their clothing, but Armstrong managed to escape by seizing a boat that was moored nearby and crawled aboard.

Although men had been working all night, at 9 o'clock this morning no other body than that of Miss Julia Dugan had been recovered.

That she died of shock in the awful moment the falling automobile was precipitated into the rushing water, was the prevailed opinion to-day among those who helped to recover the body. She was found seated upright in the car, her features distorted by an awful fear. A physician stated that the girl died of fright.

Armstrong, the chauffeur, twice during the night tried to commit suicide by jumping into the river. He was beside himself with grief and fears for his reason were entertained.

STRIKING HATTERS
WIN THEIR FIGHT

Seventeen Factories Sign an Agreement With Executive of Union.

Danbury, Conn., June 8.—The strike of the United Hatters came to an end to-day in Connecticut, Massachusetts and New Jersey, the strikers winning a complete victory.

The strike was called off when 17 of the 22 factories, against whom the strike was declared five months ago, signed an agreement with the executive board of the union.

Work will be resumed Monday morning. Twenty-five thousand men and women were affected here.

Although the striking hatters consider that they won a great victory, the settlement is somewhat in the nature of a compromise. The bill of settlement is called "Father Kennedy's proposition." It was prepared by a Catholic priest who negotiated the treaty on behalf of the union with the manufacturers had announced that their associations forbid negotiations. The settlement provides that when it is mutually agreed to arbitrate, a judge of the state superior court shall be the final referee when representatives of both sides fail to come to terms. It is also provided that the bill of prices shall remain the same and that the union label is not to be a subject for arbitration.

FIREMAN KILLED.

Struck By Falling Timber While Trying to Save Books at Fire.

Springfield, Ill., June 8.—One fireman was killed to-day in a fire which destroyed the plant of the Decatur Cereal company. He was struck by falling timber while trying to save the company's books.

BALLOON INDIANA
BREAKS RECORD

Was Aloft Forty-nine Hours— The New York Wins Distance Cup.

Indianapolis, Ind., June 8.—The balloon Indiana landed at Dickson, Tenn., at 6 o'clock last evening, winning the American endurance record. A report received from Ashland this morning saying the balloon had re-ascended proved to be a delayed message. Fisher wired here at noon to-day from Dickson telling of the landing of the balloon.

On arrival at Ferrie he was stripped and searched, and sewn into the lining of his pants was a new $20 bill.

The distance cup offered in the race, which started from here Saturday, was won by A. Holland Forbes, who, in the balloon New York, landed at Corinth, Miss., after travelling 400 miles.

In his message Fisher explained that he found he was retracing his course already covered and was compelled to descend on that account and also because he was short of provisions.

The Indiana's record was 49 hours aloft. The previous record was 44 hours.

INSURANCE FOR
THE UNEMPLOYED

SYSTEM ADVOCATED
BY WINSTON CHURCHILL

President of Board of Trade Supports Chancellor of the Exchequer.

London, June 8.—The provision for the establishment of a labor exchange contained in the budget prepared by Chancellor of the Exchequer Lloyd-George, regarded by the Conservatives as the most socialistic provision of a socialistic budget, is receiving the enthusiastic support of Winston Churchill, president of the board of trade. Not only does Winston Churchill approve of the plan for national labor exchanges, but he strongly urges the establishment of a system of insurance for the unemployed.

Supported by a Liberal majority in the House of Commons and with a Liberal ministry behind him, the prime mover in this radical scheme of protection to the workingmen of the nation stands an excellent chance of being accorded an official trial.

If this plan is adopted, the board of trade will be the headquarters for the entire system. Below it will be ten divisional commands, each with its own officers. The largest cities in exchange divisions will be supplied with first exchanges, with second class exchanges for the smaller towns. Country villages will be protected by sub-offices. It is thought these exchanges, in addition to giving service in securing employment for those out of work, will be of assistance in the settlement of labor disputes.

The plan for insurance against unemployment is meeting with emphatic opposition from vested interests. The plan as outlined by Winston Churchill provides for the payment by each laborer of a tax of four cents a day. Employers would pay four cents a day for each man in their employ. Another four cents would be paid by the government.

It is estimated that the exchanges during the next ten years would cost $1,000,000 while the insurance would be $4,000,000 each from employers, employees and government.

In answer to severe conservative criticism of his budget, Chancellor Lloyd-George said:

"This budget is a war budget against the cruelty and privation of our present social system."

CHURCH UNION.

Question Again Discussed at the Presbyterian General Assembly.

Hamilton, Ont., June 8.—When the controversy on the question of church union came up at the Presbyterian General assembly to-day Wm. Drysdale spoke strongly in favor of the movement. Rev. Dr. Taylor, of Vancouver, was the staunch stand-by of Prof. McKay who supported federation. "If union could be brought about I would stand shoulder to shoulder with it, but it is impossible."

Rev. Dr. Pringle also strongly endorsed union as the means of abolishing overlapping in missionary work.

Mr. Brown, Portage la Prairie, said Prof. McKay's arguments were worthy of deliberation, but if a vote were taken to-day in congregations respecting union it would be defeated overwhelmingly.

Rev. A. N. Norton, of St. Mary's, thought it would be a great calamity to divide the church on the question now. It would undoubtedly be voted against by nine out of every ten members.

TWO DROWNED

Sulphur Springs, Colo., June 8.—While Robert Williams, a ranchman, his son, Thomas Williams, 8 years old, and Jacob Tyndall attempted to cross the Grand river on a cable ferry the cable broke, overturning the boat and throwing the occupants into the river. After a vain attempt to save his son, Williams dragged himself ashore.

TRANSCONTINENTAL AUTO RACE.

St. Louis, June 8.—Two Fords, the Acme and Shawmut, entered in the New York to Seattle race, which left here last night, are expected to arrive at Kansas City to-day.

The Itala is stuck in the mud near Litchfield, Ill., and early to-day it was reported that the drivers had been unable to move it. The Acme had a similar experience yesterday, but was finally freed and arrived here in time to join the other cars.

Elbert Bellows and F. P. Whitemore, in the Lozier home at the time of the explosion and that contrary to former testimony, Gallagher himself was home when the house was blown up.

PROPOSES LEGISLATIVE
ASSEMBLY FOR ALASKA

Delegate Wickersham Submits Resolution in U. S. House of Representatives.

Washington, D. C., June 7.—Delegate Wickersham, of Alaska, yesterday introduced in the house a resolution providing for a legislative assembly for the territory of Alaska.

The bill provides for the location of the territorial capital at Juneau. The legislative body suggested would consist of an upper and a lower house, the upper house to be composed of two territorial senators and the lower house of four representatives from each judicial district. The first session, if the bill is acted upon favorably by the House and the Senate, will be held in 1910. The session, according to precedent established, would be biennial and limited to sixty days.

Wickersham's bill was referred to the House committee on territories.

After a debate lasting three hours, the House passed the Porto Rican bill. The bill provides that whenever the Porto Rican legislature fails to pass an appropriation bill for the support of its government, the appropriation for the preceding year shall be renewed automatically.

MILITIA RECALLED.

McCloud, Cal., June 8.—Danger of trouble in McCloud is past, and the state militia, which was called here when it was feared that the striking Italian lumbermen would riot, is breaking camp to-day.

TRANSFERRED TO COAST.

Winnipeg, June 8.—W. C. Boles, general freight agent of the Canadian Pacific railway, central division, is to be transferred to Vancouver to be general freight agent of the Pacific division. Mr. Lanigan remains here.

HENEY ASSAILS
CALHOUN'S ATTORNEYS

Says They Follow Pre-arranged Plans in Attacking Veracity of Witnesses.

San Francisco, Cal., June 8.—That the Calhoun defence is following a pre-arranged method of attack when it attacks the veracity of the witnesses called by the prosecution, was the claim made to-day by Special Prosecutor Heney.

Heney's charge was made when Ray Schindler, an employee of the district attorney's office, was called to the stand by the defence to segregate certain reports on jurors alleged to have been stolen from the district attorney and recovered in a raid on the office of the United railways.

Attorney King, of the defence forces, objected to Schindler handling the reports and Heney made the charge that the defence endeavored generally to cast insinuations upon the truth of written reports called by the prosecution and those who had been in the employ of the United railroads.

Following Heney's statement, King withdrew the objection he had stated, upon the grounds that "a withdrawal will save valuable time."

Schindler, upon the admission of the reports as evidence, identified them as property of the district attorney. His testimony was corroborated by Miss Marion Doyle, a stenographer employed by special agent Burns.

In an attempt to refute the insinuations made early in the trial by the defence that James L. Gallagher, star witness for the prosecution, had caused the dynamiting of his home in Oakland to create sympathy for the graft prosecution, Miss Anita Schnek was called to the stand. She testified that she was in the Gallagher home at the time of the explosion and that contrary to former testimony, Gallagher himself was home when the house was blown up.

MANY MERRY-MAKERS
LOSE THEIR LIVES

Scores of Persons Perish During Storm in Spain.

Madrid, June 8.—Scores of lives were lost and immense property damage done by a storm which swept the districts of Durango, Arratia and Lazierra, Sunday, according to delayed reports received here to-day.

The deluge struck the town of Cerunles, where a fair was in progress. The fair grounds were wrecked and many lives lost. Reports received are meagre and no definite estimate has been made of the number of dead.

DEFENCES OF
BRITISH EMPIRE

NAVAL LORD SPEAKS
AT PRESS CONFERENCE

Declares Great Britain Must Maintain Supremacy on the Sea.

(Times Leased Wire.)

London, June 8.—The Imperial press conference discussed the "Press and the Empire" to-day, Reginald McKenna, first lord of the admiralty, presiding, Lord Cromer, Edward Grey and Hon. Lyttleton being present. The following resolution was on the agenda:

"That it is the duty of the press to do everything in its power to co-operate with the naval and military authorities in organizing the defences of the Empire and to take all possible precautions to avoid injury to public interests in publishing news in war time:

"That it was desirable that the press of Great Britain and the colonies should act in concert in the wise direction of emigration."

Mr. McKenna anticipated that as a result of the conference ideas would be cleared and the way be opened for common action. He dealt exclusively with the Imperial problems confronting Britain, although that in itself embraced the whole globe.

"I cannot," he said, "force our strategic ideas on you—we should fall if we attempted it. If you come to us (the admiralty) for naval expert advice, we shall be ready to answer you, but we should not necessarily expect you to accept that answer. It is only by working out your problems yourselves that you can gain the experience we have. We will assist you by every method in our power, no matter what the method is by which we are asked to assist. Out of this process of self-development in every dominion we will all come to the same issue, namely, that the maintenance of the supremacy of the sea means the maintenance of the supremacy of all seas alike."

Mr. McKenna concluded with an appeal to the press to maintain the navy above all party dissensions.

Sir Edward Grey concluded with humorous vagueness the British foreign policy. It was: To keep all we have; to consolidate and develop it; to quarrel as little as possible with other people, and uphold in the counsels of the world those ideals by which we set so much in store."

The event on the important functions of the press in the Empire questions, and concluded by endorsing all Lord Rosebery had said in regard to the European situation, saying that "excessive expenditure on armaments made the weather very sultry." He deprecated the idea that the colonial office was more prone to compromise where the interests of self-governing colonies were concerned, than in cases where they were not so directly affected, rather the opposite was the case. (Applause.)

Lord Cromer also spoke.

Mr. Ward, of Sydney, urged overseas assistance to the Imperial navy.

Mr. Gwynne, of the London Standard, protested against any happy-go-lucky naval policy, and advocated an Imperial admiralty.

Mr. Park, of the Cape Times, anticipated that when the union was completed South Africa would do more for the Imperial navy.

Hon. A. Lyttleton deprecated the annual contributions to the Imperial navy. He reiterated that Britain would spend her last shilling in the construction of Dreadnoughts for the defence of the Empire, but times and circumstances had changed since Trafalgar, and the time might come for the overseas assistance to give tremendous struggle when the future of the Empire might depend on its unity and its consolidation for defence. He thought that any monetary contributions should take the form of the cost of warships and contributors' ideals should be ultimately to man such a warship with natives, so that it should form a nucleus for its own naval aspirations.

The discussion was then adjourned.

STEEL PLANTS BUSY.

Pittsburg, Pa., June 8.—From a canvass made of the principal iron and steel manufacturers it is apparent that a wave of prosperity equal to any experienced in this country is about to take place.

The steel and plate department of the National Tube company's works at Wheeling, W. Va., began operations to-day, double turn, giving employment to 4,000 men, who have been idle since November, 1907.

Announcement was made yesterday of the following orders: One hundred and sixty-five thousand tons steel rails, 2,900 freight cars, 800 steel passenger cars and 100 locomotives.

According to steel manufacturers of Pittsburg boom times will be here in their fullness October 1st.

WHEN WHISKY IS WHISKY.

Washington, D. C., June 8.—Lloyd W. Boyers, of the department of justice, to whom President Taft referred the interpretation of the pure food law with regard to whisky, has made his report.

Boyers holds that whisky is whisky if it is made from grain. If it is made from potatoes, apple peelings, corn stalks, chips or any other thing, the liquor derived is not whisky.

The president will allow the whisky makers to reply to Boyers' report before rendering a decision in the matter.

DOMINION DAY CELEBRATION.

Ladysmith, June 7.—The various committees are busy compiling a programme of sports for July 1st. The management has decided to have all the entries amateur, and a good list is expected.

REVOLVER CAUSES
STIR IN COURT

One of Heney's Bodyguards Drops His Weapon Among Attorneys.

San Francisco, Cal., June 8.—A heavy colt's revolver that dropped from the pocket of Jack McCarthy, one of Heney's bodyguards, and fell among the attorneys created a sensation in the Calhoun trial yesterday. McCarthy sprang to regain his weapon and the startled lawyers leaped to their feet. Picking up the gun, McCarthy mumbled an apology to the bench, and resumed his seat behind the special prosecutor. The excited attorneys returned to their places and the proceedings were continued.

Samuel F. Scott, a detective formerly in the employ of Special Agent Burns was called to the witness stand. For more than two hours Attorney Stanley Moore, for the defence, tried to confuse Scott, and to impeach his testimony. Interruptions by counsel for the prosecution were frequent and Heney's periodically stated objections precipitated several lively tilts between him and Moore's efforts to make Scott contradict the testimony given last week.