POSTAL DEFICIT STIRS HITCHCOCK

Revision of Rates on More Business-Like Basis Declared Imperative.

ZONE SYSTEM SUGGESTED

Magazines Have Longest Haul in Proportion to Revenue Produced - Business Growing Enormously.

WASHINGTON, Jan. 1.- The deficit of the last year in the postal revenues of the United States amounts to \$17,441,719, and this fact has caused Postmaster-General Hitchcock to take particular notice of the necessity for some sort of reform in the business methods governing the department. In his forthcoming amount

department. In his forthcoming afmual report, which has not yet been made public, he will call attention to the figures and will suggest that a sweeping investigation be made. The tramendous increase in the quantity of second-class mail matter and the rapid extension of rural free delivery routes are held chiefly responsible for the showing made. So long as the annual deficit amounted to only a few millions and did not increase in proportion to the increase in the service given, the postal deficit, so long a feature of annual reports, has not caused much more than passing comment. But when in the last few years it leaped to upward of \$10,000,000 and finally in 1909 exceeded \$17,000,000, ordinary business prudence suggested that the husiness prudence suggested that the causes definitely be located. The investigations made have established that the second-class mail matter and the rural free delivery system were the great sources of loss.

Two Items Responsible.

"In these two items alone," Mr. Hitch-cook observes, "the postal service now suffers an annual loss of more than the entire."National deficit of the last fiscal

Simultaneously with the growing deficit in postal service a panic occurred. The department's drafts on the Treasury were heaviest when public funds were lowest. At the same time, Mr. Hitchcock does not believe in economy enforced at cost of efficiency. He declares there is to be no impairment of the service. Therefore, only such measures of economy will be adopted as can be made a part of a consistent programme having for its chief object the improvement of personnel, form of organization, and business methods of the postal establishment.

Magazines alone form about 20 per

Magazines Carried Far.

"While the average haul of the magacontinues, "and that of other classes of periodicals, not including daily news-papers, ranges from 550 miles to more than 100 miles, the haul of the daily newspapers, which comprise about 40 per cent of the second-class mail average. mail, averages

less than 300 miles.

"The cost of transportation by rail and by other means forms slightly more than a third of the total expense of handling second-class mail. Magazines proper, because of their long average haul, show a cost of more than 5 cents a pound for transportation, while in the case of the daily newspapers the transportation cost is less than 2 cents a pound."

It is these conditions which give rise to the question of how far the length of haul should be regarded in fixing the rates of postage for second-class matter. No matter what solution shall be reached, the Postmaster-General says, some substantial advance in the

says, some substantial advance in the postage rate on this class of mail should be made in order to reduce the tremendous losses the Government revues now are suffering from this

Rural Service Important.

"The rural delivery service was developed in 12 years from an experiment, requiring an appropriation of \$46,000, to one of the largest branches of the postal establishment, with an annual expenditure exceeding \$35,000,000. The postage on matter mailed on rural routes is estimated at about \$7,000,000, "The importance of this service to a large number of people is fully appreciated. It brings the farms and villages into closer communication with commercial and educational centers. It encourages the improvement of country roads. By making rural life more at-

encourages the improvement of country roads. By making rural life more attractive, it stimulates agriculture. No doubt it partly is responsible for the increase in farm values.

"Owing to the marvelously rapid growth of this service, however, it is but natural that defects have developed. The cost of rural delivery probably is much greater than it should be. Now is an appropriate time for conby is much greater than it should be.
Now is an appropriate time for considering carefully the conditions under
which it is operated, for perfecting the
existing organization and for introducing such economies as are consistnt with a proper conduct of the serv-

The magnitude of the business is shown by these figures, showing business transacted in 1909:

Number of posinfiles, 60.144; number of rural routes, 40.028; number of transportation routes, 26.632; length of transportation routes, 446.612; anomal routes, over transportation routes, 842.161.12 number of employes, 326.000; pieces of mail handled, 74.000.000, 000; postage stamps odd, S.712.807.031; domestic number of employes, 326.000, 326.000; pieces, 5221,001,102; total receipts, \$203.582, 582.582.

The Postmaster-General also is making inquiries to determine what reforms can be introduced to prevent loss on the third-class mails. He desires each executive department to pay the expense of its official mail and suggests that Congress consider the advisability of abolishing the franking privilege, lie also has taken action to ascertain the cost to the railroads of handling the mails with a view to the reduction of their compensation.

MONEY READY FOR RANSOM

Alma Kellner's Uncle Reported to Be on Trail.

who this morning ejected reporters from their home, it is believed that a definite trace of the child, Aima, who disappeared December 8, has been

It is learned that Frederick Fehr, the millionaire brewer, who went to Chicago Thursday night, drew \$5000 from a bank after the close of busi-ness that day and immediately on re-celpt of a telegram from Cincinnati.

NO RANSOM YET DEMANDED

Fehr Says Mystery Is No Neargr Solution.

WASHINGTON, Jan. 1.—The report that a definite clew as to the wheresbouts of Alma Keliner, who disappeared from her home in Louisville, December 8, has been obtained and was being investigated in this city by Frank Fehr, a relative of the family, was denied today by Mr. Fehr at the residence of his sister.

"There is absolutely nothing new in

"There is absolutely nothing new in the situation," said Mr. Fehr. "We are apparently no nearer a solution of the mystery today than we were at the time of the girl's disappearance. All talk of a ransom of \$5000 having been proposed is mere nonsense."

Case Like Whitla Boy's.

CLEVELAND, Jan. 1.—The report that a letter was sent to the family of the missing Alma Kellner by Cleveland persons demanding a ransom of \$5000 is regarded by the local police as being nothing more nor less than a trick, patterned after the methods of the kidnapers of Billy Whitia, to obtain money. The method suggested in the Louisville matter is identical with the Whitia case.

CONSERVATION WORK UNDER-TAKEN IN EARNEST.

As Result of Suggestions From Various Governors Daughters of American Revolution Act.

WASHINGTON, Jan. 1 .- The conservation committee of the Daughters of the American Revolution appeals to every member of its organization and to all patriotic women to begin the new year with a determination to use all honorable means to support the conservation measures being carried out all over the

ountry.
That is the keynote of what might be called a resume of the first few months' work of the conservation committee of the organization, which is composed of members from every state and territory in the Union.

Conservation of all America's resources is the concensus of the sentiment of the Governors of 16 states and territories who were asked to answer the question. "What is the especial need of conservation in your state?" and "How many women help?"

business methods of the postal establishment.

The Postmaster-General gives figures to show the losses upon various classes of the service. On second-class mail makier the loss was \$4,000,000; on third-class, \$3,000,000; on free official mail, \$5,50,000; on congressional franked matter, \$60,000. Looking at the largest figures first, Mr. Hitchcock naturally has expled the loss on second-class matter, and his analysis indicates that the magazines are paying least of any for the service they exact. Mr. Hitchcock says magazines and other periodical publications, exclusive of daily newspapers, comprise about 60 per cent of the second class mail. Magazines alone form about 20 per cent of the continental Congress made. papers, and in that way teach the pris-ciple of conservation where it could not be taught otherwise. The conservation committee of the D. A. R. was last April at the Continental Congress made a Na-tional committee.

for to public schools in the United States. Governor Fornald, of Maine, indorsed the educational feature of the work.

Governor Warner, of Michigan, said: "If he had done nothing cise to win the gratitude of his country, the fame of Roosevelt would be secure because of the impetus he gave the cause of

the impetus he gave the cause of con-

REPORT OF CONDITIONS AMONG

INDIANS IS BAD. Commissioner Wants Congress to Make Appropriation for Natives

to Work in Arizona.

WASHINGTON, Jan. 1 .- Tuberculasis WASHINGTON, Jan. 1.—Tuberculasis stands at the head of the diseases which afflict the Indian. This is the statement made in the annual report of the Commissioner of Indian Affairs. That it is on the increase is further stated, but methods are being employed by which it is hoped to eliminate the disease as far as possible. Three hundred and three Government schools were conducted during the last fiscal year, a net increase of 22. In conclusion the report says:

year, a net increase of 22. In conclusion the report says:

There is no authority for leasing for mining purposes the lands of the reservations that have been established by Executive order. There are several such reservations, rich in minerals, and one particularly in Arizona containing deposits of tufa atone, which it is hoped that Congress, by special appropriation, will allow the natives to use.

"In order to handle successfully many problems of sanitation and those arising from epidemics and diseases to which Indians are susceptible, an appropriation of a sufficient sum for the establishment of a medical corps should be enacted.

establishment of a medical corps should be enacted.

"There is a great need for a determined and systematic effort to teach the Indians the industries best suited to their localities and to their abilities. An industrial corps similar in its administrative feature to the medical corps should be established for the education of males and females, whose duty it should be to educate the Indians in such industries that they might become self-respecting and self-supporting."

Be on Trail.

To stop runaway horses, a Michigan man has patented a brake, consisting of a pointed rold, to be hung under a vehicle and attached to the velocity of the velocity of the stop and the velocity of the velocity

President's Wife Aids in Receiving Distinguished Visitors, and Then Retires.

OVER 5000 AT RECEPTION

Blue Room at White House Scene of Brilliant Gathering of Diplomats, Officers and Citizens to Wish Executive Well.

WASHINGTON, Jan. 1.-President and Mrs. Taft held their first New Year's levee at the White House today. Although Mrs. Taft has not vet regained her full strength, and seemed rather frail in a gown of white silk, she carried out her original intention of remaining in the receiving line until the members of the Cabinet, the Justices of the Supreme Court, etc., had paid their respects. At the end of 20 minutes respects. At the Mrs. Taft retired.

The Vice-President and the Cabinet remained in the receiving party until the last of the general public had passed. For two hours and 50 minutes President Taft held his position at the entrance to the famous Blue Room, and shook hands with over 5000 persons. The line of persons began to form at 19:30 A. M.

Taft Gives Warm Greetings.

President Taft's personal friends among the Army and Navy officials got hearty words of greeting. Occasionally a citizen addressed the President and the latter listened attentively. The average time of passing was about 60 persons to the minute. The President declared he felt no fatigue.

minute. The President declared he tenno fatigue.
Standing in one position so long, hoveever, made him declare that he felt as
though he would almost have to learn to
walk over again. Several tourists were
relieved of their cameras at the entrance to the Blue Room. The new Chirance to the Blue Room. The new Chiness Minister and staff attracted the usual amount of attention. His four young sons attracted the greatest attention. In Oriental robes, with white and pink ribbons in their hair, they added picturesqueness to the scene.

"Uncle Joe" Arrives Late.

Speaker Cannon was half an hour late and had to go through the line long after members of Congress. Representa-tive Murdock, one of the insurgent lead-ers, got a most cordial reception from the President. So did Gifford Pinchot. It was reported that MF. Pinchot and Secretary Ballinger shook hands, but this proved incorrect

Four trumpeters of the marine band

sounded four flourishes as the President and Mrs. Taft came to their places in the Blue Room at Il o'clock. Mrs. Taft was most gracious in her greetings as long as she remained in line.

long as she remained in line.

The delegation of Army officers was headed by General Nelson A. Miles, and General Bell, Chief of Staff. Admiral Leutze, in command of the Washington Navy-yard, led the naval contingent. Admiral Dewey did not attend.

Italian Heads Diplomats.

The diplomatic line was headed by

committee of the D. A. R. was last April at the Continental Congress made a National committee.

The replies of the Governors indicate perhaps some difference of application, but the principle of conservation is there. In Connecticut, the particular interest leans to the prevention of pollution of streams and preservation of forests. Governor Gilchrist, of Florida, emphasized the protection of song and plume birds. Protection of song and plume birds. Protection of the forests is the thing needed in Idaho, said Governor Brady, and the women of that state have manifested a great interest in the work.

Governor Carroll, of lowa, thought the efforts of the women towards conservation might well be turned to the establishing of better social relations in the general welfare of the agricultural sections of the state.

Kentucky, as a whole, is not engaged in conservation work, wrote Governor Willson, but she is the largest contributor to public schools in the United States. Governor Fornald, of Maine, indorsed the educational feature of the work.

The diplomatic line was headed by Baron Meyer des Planches, the Italian Ambassador, dean of the corps. The introductions were made by Colonel Spencer Cosby, of the army, Major-Domo of the White House, assisted by Captain Butt, Lieurenant-Commander Palmer and others.

As usual, the public was in evidence early. It being the President's first New Year's reception, there was great pressure for the honor of wishing him the compliments of the season. The "citizen" contingent was made up largely of Washington people. The time for their reception had been fixed to clock, but three hours earlier the crowds began to gather, and by 11 o'clock the line stretched for blocks, extending beyond the State, War and Navy department buildings and down Seventeenth street.

TROLLEYS CRASH; 5 HURT

Motormen Stick to Post in Vain as Cars Meet in Fog.

GREENFIELD, Ind., Jan. 1.—Five per-ons were seriously injured, two probably

sons were seriously injured, two probably fatally, in a head-on collision between two cars on the Terre Haute, Indianapolis & Eastern line at Philadelphia, four miles west of here, late today.

The dangerously injured are: Claude Rotrand, motorman, chest crushed, and Charles Byers, of Greenfield, Ind., crushed and cut.

The cars were the Newcastle Limited, eastbound, and the Dayton Limited, westbound. They met at a siding as the westbound car was preparing to enter a switch. The Dayton Limited was running at full speed when it crashed into the eastbound car. Both cars were telescoped for 10 or 12 feet.

Both moformen stuck to their posts in vain attempts to stop their cars.

in vain attempts to stop their cars. There was such a heavy fog that the motormen could see only a few feet.

WOMAN CRUELLY KILLED Murder Is Third of Series Within

Few Miles of One Spot.

CINCINNATI, Jan. 1.—With her throat cut and her mouth gagged, the body of Miss Anna Lloyd, 36 years old, secretary of the Wiborgh-Hanna Lumber Company, was found in a lonely part of the city today. She had been assaulted. In the last three years the bodies of three young women, frightfully mutilated and abused, have been found within a few miles of the spot where Miss Lloyd's body was discovered. No clew has ever been found.

The snow in the neighborhood showed that a violent struggle must have taken place, for it was trampled and stained with blood for many yards. CINCINNATI, Jan. 1.-With her throat

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is the world's greatest blood purifier and strength-giver. It builds you up. Accept no substitute, but insist on having Hood's, and get it today. In usual liquid form or chocolated tab-lets called Sarsataba. 100 Doses \$1.

January Clearance Sale

Of Men's and Boys' Clothes

Here's an opportunity to use common sense and save dollars. Prices on our superb stock of high-grade Suits and Overcoats now reduced way below regular values. Useless to look elsewhere, no better bargains,



MEN'S FINE SUITS

We have a complete assortment of this season's newest fabrics and color effects in single and double-breasted models including a complete line of black worsteds and blue serges at the following low prices:

\$15 Suits now \$11.75 \$20 Suits now \$14.35 \$25 Suits now \$18.75 \$30 Suits now \$22.50 \$35 and \$40 Suits now \$25.00

Our complete stock of fine Overcoats at \$15 to \$40 reduced to same special prices quoted above on suits All this season's popular weaves and patterns.

BOYS' SUITS 4 to 16 YEARS

\$ 5.00 Suits reduced to	The materials are plain Serge, fancy Cassimeres, Thibets, and Tweeds, all exceptionally tailored.	Cheviots
\$ 6.50 Suits reduced to	\$ 5.00 Suits reduced to	63.75
\$ 7.50 Suits reduced to	\$ 6.50 Suits reduced to	64.50
\$ 8.00 Suits reduced to	\$ 7.50 Suits reduced to	\$5.00
\$10.00 Suits reduced to \$7.00	\$ 8.00 Suits reduced to	55.75
	\$10.00 Suits reduced to	67.00



F. H. JERMYN RUN DOWN BY

CAR IN NEW YEAR REVEL.

San Francisco Hospitals Crowded

of Scranton, Pa., owner of coal mines near Old Forge, Pa., and interested in banks and large industrial enterprises

in Pennsylvania, was run down by a

streetcar, receiving injuries that prob-

Jermyn's party tried to cross the his cl street between two cars. The others jured.

ably will prove fatal.

ago on a prolonged trip to the Coast and had been staying at the Fairmouni

Hotel. He had a daughter studying music in Berlin.

aire was hurled several feet and was unconscious when found. His skull was fractured and he was injured in-

Jermyn was about 50 years old: He EXPLOSION UNDER MONTREAL and his friends left Scranton six weeks DEPOT HURTS MANY.

> Men and Women Thrown 30 Feet in Air, One Will Die-Broken Legs Principal Injury.

With Injured Merrymakers.

Stranger Kills Himself.

SAN FRANCISCO, Jan. I.—When out early this morning with friends, celebrating the coming of the New Year, F. H. Jermyn, member of a rich family of Scranton, Pa., owner of coal mines near old Forgs, Pa., and interested in stronged. MONTREAL, Jan. 1.—Twenty-two ersons were injured by an explosion which wrecked the train platform at Place Vigor station, in the east end of the city last night. Most of the injuries consist of broken legs. Mrs. Charles Brunau, of Montreal, cannot live. The explosion was caused by the igniting of an accumulation of gas under the long wooden platform paralleling the station.

The midnight train of the Canadian Pacific for Quebec was standing on the casein contained in soya beans. Place Vigor station, in the east end of stroyed.

One applicant at the hospital was a young man named Charles Orr, who insisted that he had shot himself through the heart. The surgeons found that the buflet had gone only through his clothing and that he was unin-

tracks adjoining the platform and an tracks adjoining the platform and an uhusually large number of holiday travelers were bidding good-by to friends when suddenly a score of them were hurled into the air as if shot from a giant catapult. Some went straight up 20 or 30 feet. Others were thrown over the top of the train, and one man with both legs broken was found on the roof of one of the conches.

RUSSIAN EDITOR IS JAILED

Article on Army Conditions Cause Two Months' Imprisonment.

ST. PETERSBURG, Jan. 1.-Professor Maxim Kovalevesky, a member of the Council of the Empire for the Univer-

GREAT SALE OF HIGH-GRADE MEN'S FURNISHINGS

Underwear

Wool, silk and wool and Manhattan, Cluett and and Pajamas Balbriggan, in button and sweater necks. Regulars

and Stouts. Regular. \$10 2-piece and union \$7.50 \$7.50 2-piece and union \$5.50 \$6.00 2-piece and union \$4.75 \$5.00 2-piece and union \$3.75 \$4.00 2-piece and union \$3.00 \$3.50 2-piece and union \$2.50 \$3.00 2-piece and union \$2.50 \$2.50 2-piece and union \$1.75 \$2.00 2-piece and union \$1.50 \$1.50 2-piece and union \$1.00

Shirts

Earl & Wilson fancy, soft and stiff bosoms.

Now. Regular. \$5.00 Shirts..... \$3.75 \$3.50 Shirts..... \$2.55 \$3.00 Shirts..... \$1.95 \$2.50 Shirts..... \$1.75 \$2.00 Shirts..... \$1.35 \$1.50 Shirts..... \$1.10 Also Flannel and Neglige, with and without collar, \$1.50 Flannel\$1.00

Night Shirts

made large and comfortable. The kind that puts you to sleep. Now. Regular. \$15.00 Silk \$10.50 \$10.00 Silk \$7.50 \$7.50 Silk\$5.50 \$6.00 Flannel \$4.50 \$5.00 Soisette \$3.50 \$4.00 Soisette \$2.75 \$3.50 Soisette \$2.50

\$3.00 Flannel \$2.00

\$2.00 Linen \$1.50

Hats

Broken lines of \$5.00-\$4.00-\$3.00 soft and stiff Hats.

A Hat for every Head.

Fancy Vests

100000	
Regular.	Now.
\$10.00 Vests	\$6.50
\$ 6.00 Vests	\$3.50
\$ 5.00 Vests	\$3.00
	ts reduced

NECKWEAR

Latest shades and weaves from Fifth avenue and foreign fashion centers. \$2.00, now _____. \$1.35 \$1.50, now _____. 95¢ \$1.00, now ____. 65¢ 50c, now ____. 35¢

EXTRA SPECIALS

Underwear 85c Garment

Values to \$2 a garment. Broken

Silk Umbrellas Half Price

Half Hose Values to 50c.

6 Pair for \$1.00

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