

gan stirring up provocative agitation in the neighbouring street against the police and the trade union leaders who were preserving order. The police declare that when they tried to suppress this counter-demonstration a shot was fired from the crowd and the police then resorted to the use of blackjacks. This brought a shower of stones and bits of glass from the disturbers, who in turn began using blackjacks and also knives. After vainly trying to disperse the crowd by shooting into the air, the police shot directly at the rioters. Mounted police and other reinforcements soon afterwards succeeded in restoring order.

Berlin, June 7th.—The text of the German amendatory reparation is as follows: After full and careful consideration Germany has stated her sincere belief as to her capacity to make payment for reparations. The German Government would not be acting fairly and it would not bring the real solution any nearer, if, for the sake of temporary alleviation of its political difficulties, it were to promise more than in its judgment the German people can with the utmost effort perform. Nevertheless the question of Germany's capacity is one of fact on which different opinions can be held and the German Government admits the difficulty of arriving at any secure estimate in the present conditions. For this reason it has already offered to accept the decision of an impartial international body as to the amount and method of payment. Germany can give no stronger proof than this of her determination to discharge the reparation. The German Government also is ready to supply all available information necessary in forming a reliable judgment of Germany's capacity to pay. It will, if it wishes, throw open to inspection all its financial records and furnish any details that may be desired concerning the resources of German industry and business. The German Government has made reference to the flotation of big loans in order that large capital sums might accrue at the earliest possible moment to those powers to which reparations are due. Should loans on a great scale prove impracticable for a time it is ready to substitute a scheme of annuities. Since the Allied Governments have attached importance to Germany's furnishing forthwith precise indications as to the kind and mode of guarantees which she is in a position to offer, the German Government proposes the following as part of a definite reparations settlement. A. the railway situation of the Reich, with all its appurtenances, will be detached from the other state property and held as a separate fund, the accounts of which would be independent of the general financial administration and under its own control, and obligations will be issued upon the amount of ten billion gold marks, with a direct first charge on the assets of this administration and carrying interest at five percent as from July

1st 1927, thus securing an annual payment of five hundred billion gold marks. (B). To secure a further annual payment of five hundred million marks, as from July 1st 1927, the German Government will at once subject the entire business industry, banking trade, traffic and agriculture of the country, to a guarantee in the form of a first mortgage of ten billion gold marks on real estate whether buildings, dwelling, lands or forests. The annuities of five hundred million gold marks will be levied either indirectly in the form of a general tax on all classes of property, or on the specific objects of the mortgage. (C). In addition, the German Government will pledge as security the customs on imports of consumable articles other than necessities, the excise on tobacco, beer, wine and sugar with the receipts of the spirits monopoly. On the average of the years preceding the war, these customs and excise receipts reached about eight hundred million marks. Their yield in gold marks has now fallen to one quarter, on account of the loss of territory and population and reduced consumption. With the recovery of the economic activity of Germany, it will automatically increase. In conclusion, the German Government feels that it must lay emphasis on the following, in a matter so vast and complicated. Real progress cannot be made by the exchange of written documents. But can only be achieved by word of mouth at the conference table. Germany's capacity to pay depends on the character of the settlement as a whole. A method of payment can only be arranged in direct consultation with those who are to receive payment. The guarantees can only be worked out in detail with the collaboration of those whom they are intended to serve, for the solution of all these questions, oral discussion is essential. Germany acknowledges her liability to make reparation. The German Government repeats its request that a conference be summoned to decide how it may best discharge it.

Paris, June 7th.—The German reparations offer, elaborated in the note delivered to the Entente Allies today, remains entirely unacceptable to France, it was declared in Government circles tonight. It makes no appreciable advance over the previous offers and France cannot even discuss it with Germany, for, as was decided at Brussels yesterday, the passive resistance in the Ruhr must be abandoned before any negotiations can begin. The note was characterized as unsatisfactory of abandoning the passive resistance, which is the first of the Franco-Belgian conditions. Second. Germany offers no definite sum as the total reparations. Third. In suggesting an impartial international commission to fix the reparations total Germany ignores and seeks to violate the Versailles Treaty, which created the reparation commission for exactly that

purpose. The French see no reason why the reparation commission should be supplanted. Fourth. The suggestion for guarantees might be open to discussion if Germany proposed their administration by the Allies, but if the Germans administer the guarantees, the French would expect no satisfactory result. The French are still unconvinced, they say, when Germany pleads inability to pay. They declare they have seen her living sumptuously and that they know she can meet her obligations. M. Poincaré had a lengthy conversation with President Millerand this afternoon and gave him a report of his meeting with the Belgian statesmen at Brussels. The question of how the German note is to be answered, it is said in official circles, depends upon the other Allies. France would be glad to join in a collective answer, but the terms must agree with the French views. The Germans were careful not to ignore the reparation commission and delivered a copy of the note to the commission today, as they did the main proposals were made early last month.

London, June 8th.—The first prize in the Calcutta Derby sweets takes, amounting to 74,000 pounds, was drawn by a resident of Zanzibar named P. Mole who sold half his chance before the race, according to a Calcutta despatch to the Morning Post.

Paris, June 6th.—M. Poincaré, upon seeing the German reparation note, is reported to have called it "ridiculous", and the newspapers with the exception of the extremist organization, take the same attitude. The six leading papers of Paris apply to the memorandum such epithets as "inadmissible", "unacceptable" and "not needing a reply".

Paris, June 9th.—The French rejection of the latest German reparations proposals, which had been regarded in official circles as offering up to the hilt of German capacity to pay has caused deep pessimism here, despite the fact that all preliminary evidence showed France would be unresponsive. German officials declare every effort was made to make satisfactory terms. Official circles said until the last moment hoped that either English or Belgium influence might bring France to a more friendly reception of the proposals. Belgium's alignment with France at the Brussels conference, however, was final assurance of unity of the Allied front. Chancellor Cuno faces new difficulties with the rejection of Germany's offer, he has already been under cross fire in the Reichstag as a result of the Ruhr disorders and troubles throughout Central Germany that followed the latest drop of the mark. As sponsor of the reparations offer he was subjected to much labour criticism for measures contained therein which might threaten the eight hour day. Many believe his attitude on the proposals commits the Government to stand or fall by their success.