DRASTIC LAWS FOR INSURANCE

Committee Puts Finger on Abuses.

PRESCRIBES MANY REMEDIES

None of Guilty Spared by New York Inquisitors.

WITNESSES FLY THE LAND

Eight Bills Proposed, One of Which Would Immediately Give Policy-Holders Full Control of All The Companies.

FINDINGS OF FACT.

Wasteful expenditure for new busiyears received upwards of \$1,000,000 from the New York Life Insurance

reau of legislation and taxation, has The excessive premiums, the enormous lapsed rate and the high comnissions of the agents seem to be inherent in the system.

Stock control of large life insurance corporations no longer commands con-

At times members of the Senate, while serving on its insurance com mittee, lived at Andrew C. Fields' house in Albany, which the Mutual Life Company maintained.

It is apparent that contributions were made by insurance companies in state campaigns with the idea that they would be protected in matters of legislation.

The New York Life Co. has per mitted its executive officers to disourse enormous sums of money with-

cut proper accounting.

Every effort was made in the books of the company to topped the company to topped. of the company to conceal payments by the New York Life to the Repub-Bean National Campaign Committee The directors of the Equitable Life are consured for non-performance of the functions with which they are charged, and for the most part have been figureheads.

The Germania Life's expenses have been high, amounting to 14.3 per cent

of the loading on its premiums. It was left to the three leading mpanies to make contribu political campaign funds. The Home

have not done this. Regeman, of the Metropolitan Life, with Vermilye & Co., has been a more or less speculative one, en

bracing purchases and sales of se-In the so-called mutual companies the policy-holders have had little no voice in the management. The of-

ficers exercise despotic power by means of proxies collected by agents. ganized to control a large part of the logislation of the state.

Enormous sums have been expended in a surreptitious manner and dishonestly used.

Officers of the three big companies from whom light might have been exon disbursements either remained out of jurisdiction or have been disabled by illness.

NEW YORK, Feb. 22 .- The committee appointed at the last session of the New York Legislature to investigate life insurance made its report today. The report is extremely voluminous extending to \$19 printed pages. It embraces a long review of the testimony and recommendations and conclusions as to remedial legislation. In addition there is a chapter devoted to the State Insurance Department, in which the committee declares it would seem the superintendent of the department har had ample power to ascertain the transactions o finsurance companies, but the supervision by the department has not proved a sufficient protection against extravagance and maladministration. Instances are given of reports made on the affairs of the Mutual Life Insurance Company, the New York Life and the Equitable Life Assurance Society, in which nothing was brought out to show the conditions developed in the testimony given before the committee. No substantial amplification of the powers of the department seems necessary, according to the committee, which holds that most of the evils which have been disclosed would have been impossible had there been a vigorous performance of the duties already laid upon the insurance Department.

Many Remedies Proposed.

The remedial legislation recommended by the committee provides for the safeguarding of the rights of policyholders in mutual companies in the election of directors; recommends that stock companies be given authority to retire their stock and become mutual companies; that such mutualization not be compulsory. A recommendation is made limiting new business to \$150,000,000 a year. Lobbying is condemned; the committee favors the prohibition of contributions by insurance companies for political purposes. The wisdom of economical management is urged, but the committee does not deem it advisable that the

Legislature should attempt to prescribe expenditures of insurance compaon the valuation of policies, surrender values, surplus, forms of policles, and publicity of all facts pertaining to a company's business. An amendment to the penal code is recommended to provide that the person receiving a rebate should be qually guilty with the one who gives it,

Finds Extraordinary Abuses.

In its detailed report of the investigation, the committee says that the acts of the Mutual Life Company should be thoroughly examined, in order that the extent to which moneys have been misapplied and the responsibility for such may be determined.

Concerning the New York Life Comactions with Andrew Hamilton showed extraordinary abuses, and that the statement scut from Paris by Hamilton was withdrawn without suitable specifications.

Condemn Harriman Pool.

In taking up the Equitable Lafe Assurance Society, the committee tells of the dissensions last February which resulted in the reorganization of that society and in the disclosures which brought about this grave inquiry. The syndicate operatlons of the Equitable and James H. Hyde and the relations between the society and Kuhn, Loeb & Co., as brought out in testimony, are referred to, as is the \$50,000,000 Union Pacific pool under the management of E. H. Harriman, Jacob H Schiff and James Stillman, Participation in this pool by the Equitable, the committee holds, was clearly an improper transaction for an insurance com-

Ex-Governor Odell's shipbuilding suit against the Mercantile Trust Company is treated of, the committee holding that the circumstance of the introduction of the Ambler bill might have been sufficient to induce the settlement of the suit through fear that proceedings inimical to its interests might be taken if those who could initiate them were not appeased. The committee report contains a full statement of loans made to Mr. Harriman and to Kuhn, Loeb & Co. by

Depew and Hill Roasted.

The payment of \$20,000 a year to Sen-ator Depew by the Equitable, the comholds, was not warranted, the testimony as to the services rendered by Mr. Depew not appearing to give sum cient reason for such payment. The committee also sets forth that it does not appear that services were rendered by ex-Senator Hill, who was paid \$3000 a year. In justice to Mr. Hill, the committee says it was not able to get his testimony on this subject because he was too ill to appear.

The committee finds that in spite of the irregularities shown there is no reason to question the solvency of the Mutual Life the New York Life on the Equitable

Lafe Company. the work and the plan adopted for the investigation by the committee, each individual company is passed in review. There are 15 companies organized under the laws of New York issuing level premium policies and in a single instance policy of limiting its investigation to companies organized under the laws of dential Life Insurance Company of New

Subjects Needing Remedy.

The matters demanding the consideration of the Legislature for the purpose of remedying existing evils and of establishing more securely the business of under the following heads: First-Organizations of life insurance

Second-Control, or the rights of policyholders in the election of directors. Third-Retirement of stock.

Fourth-Investment including syndicate participations Fifth-Limitation of new business.

Sixth-Political contributions. Seventh-Lobbying. Eight-Limitation of expenses. Ninth-Valuation of policies. Tenth-Rebates.

Eleventh-Surrender values. Twelfth-Ascertainment and distribu tion of surplus. Thirteenth-Remedies of policy-holders, or right to escort to the courts.

Fourteenth-Forms of policies. Fifteenth-Publicity and state super-

Stateenth-Penalties. Allow Mutuals to Incorporate.

The committee recommends that article Il of the insurance law be so amended as to permit the formation thereunder of mutual corporations without capital stock to transact the business of life insurance. and for such other purposes as are authorized to be connected therewith in the case of stock corporations; provided, at least 500 persons have subscribed to become members therein the aggregate amount of at least \$1,000,000 to be insured upon their lives, and shall have each paid in one full annual premium in cash upon the insurance subscribed for, and provided further, that it shall make the same deposits with the Superintendent of Insurance as are required of stock corporations formed for similar purposes.

Section 200, permitting the incorporation of companies under the co-operative or assessment plan, should be amended, the report says, so as not to permit such companies to be incorporated in the future, and foreign companies of this sort not already transacting business in this state should not be permitted to enterthe state.

Evils of Proxy System.

Concerning the so-called mutual com-

panies the committee says: Notwithstanding their theoretical rights, policy-holders have had little or no voice in the management. Entremched behind proxies easily collected by subservient agents and running for long periods unless expressly revoked, the officers of these companies have occupied unsersible have companies have counted unsersible. panies have occupied unassailable posit and have been able to exercise despotic er. Ownership of the entire stock of an er. Ownership of the suite stock of an or mixed stock corporation scarcely could git a tenure more secure. The most fertil source of evil in administration has bee irresponsibility of official power. However, much this may be expected in the case of much this may be expected in the case of absolute stock control of a stock company, in that of a mutual company it proceeds from a flagrant disregard of the law of its being

MIZNER CAST OUT

Widow of Yerkes Renounces Dashing Husband and Drops His Name.

WILL NOT CONTEST WILL

Apollo From Alaska Loses Hope of Sharing in Millions, Which Report Swells to Seventy-Dream of Love Is Ended.

NEW YORK, Peb. 22.-(Special.)-Wilson Misner, the much-advertised bridegroom of the widow of the late Charles T. Yerkes, is in the city today. He arrived last night, and, after registering at the Hotel Astor, started down Broadway with some congenial spirits. Later he was seen alone in a Broadway resort. It is said that Mirner has given up all hopes of effecting a reconciliation with his wealthy bride and he expects to start back to the West in the next few days.

Estate May Be Worth \$70,000,000. The sensational statement is made from rce which cannot be considered authoritative that the Yerkes estate, in stead of having shrunk to \$7,000,000 from \$15,000,000, has really swelled and that, when a final estimate is taken, it will be shown to be worth \$70,000,000. Some strength is lent to this report by the scement from Chicago that Mrs. Yerkes-Minner will not withdraw as a trustee of the estate and Louis S. Owsley, with her stepson, Charles Yerkes is hurrying to this city from Chicago both having been summoned here for a conference

Brief But Pointed. At the Fifth-avenue mansion this after

noon the following spirited conversation "Is Mr. Migner in?" asked the reporter

"No," was the terse reply in a masculine "Is Mrs. Yerkes in?" inquired the re-

"Yes, Mrs. Yerkes is in," the voice Then, the further information was vol-

"There is no Mrs. Minner now, Mrs. Yerkes is sick in bed. The door

shut quickly. The bridegroom of two weeks odd did not return to the haunt of his youth in San Francisco after the quarrel with his bride last week over the slenderness of not one of the lover's sort, but a breach that will probably never be healed, is New York. This company was the Pru- borne out by his conduct since he suddenly appeared at the Hotel Astor yes-

terday.

After his hurried exit from the Yerke manejon-and he went out, as he entered for the honeymoon, with two dress suitcases—the six-foot dandy went immediatelife insurance in this state are grouped by to Washington. From there threats of his projected journey to California reached his wife through the newspapers and through telephone messages of Addison Mizner, brother of the young man. But, contrary to all expectations, absence did not make Mrs. Yerkes-Mizner's heart grow fonder. The portcullis of her Fifth-avenue stronghold did not rattle down at the signal of the stalwart knight upon his return to New York yesterday. instead of reclining upon the Yerkes divans and sipping nectar from the Yerkes Sevres, the whilom tamer of lions from the Golden Gate sought the cold hospitality and iced refreshments of the Hotel Astor, Woe was written on his

> RE-ELECTED SPEAKER OF THE BRITISH COMMONS



James W. Lowther,

James William Lowther, who has been re-elected Speaker of the Brittah House of Commons, is a Tory in politics, and has been in Parliament since 1883. In the last Parliamens is member by name, but he finds a re markable change as the result of the elections. Mr. Lowther was born in 1855, and was educated at Eton. King's College, London, and Trinity College, Cambridge, graduating from the latter institution with honors; in 1879 he was made a barrister; in 1891 was undersecretary for foreign affairs, and the following year represented conference at Venice. Before attain ing the Speakership he was Deputy Speaker and chairman of the co member of the Privy Council,

untenance, and the old, jaunty swing of his long legs was gone.

Attempt to Contest Will.

PORTLAND, OREGON, FRIDAY, FEBRUARY 23, 1906

That Minner's influence had been brought to bear upon his bride to correct the Yerkes will became known imme-diately after he had installed himself in the Pitth-avenue mansion. Under the will his bride had only a life interest in a portion of the \$15,000,000 estate, whereas, if the will were broken, it was possible to get a large slice of the fortune in compensation for dower rights.

A beggarly \$300,000 a year did not sat isfy the lofty ideas of this singular young man. Personally he wanted to become rich at a bound and not have only an al-lowance of the interest on three or four million dollars. At the time of his hurried departure for, Washington his mate friends admitted that he had made and unsuccessful effort to induce his wife to give him a large sum of money. While his influence held, she began to entertain the idea of contesting her former hus-band's will. But suddenly the young Californian lost his grip and at the same time, in the language of some of his ac-quaintances in the fenderioin, "lost his good thing."

Will Probate Yerkes' Will.

Mr. Owsley practically admitted today that he knew Mizner and his bride had separated for all time.

"Is it true," he was asked, "that Mrs Yerkes-Mizner and her husband have quarreled and parted and that the separation is complete?"

"All I can say," responded Mr. Owsley, "is that there will now be no contest of Mr. Yerkes' will. Mrs. Yerkes, or Mrs. Yerkes-Mizner, if you prefer to call her that, has agreed to accept the terms of her late husband's will-and I expect to have the document probated in this city

RUMOR SAYS UPRISING WILL COME TODAY.

Legations Double Sentries and Prepare for Defense-Manchus Hated by People.

PEKIN, Feb. 22 .- (Special.)-The court s in a state of alarm over a reported uprising to take place tomorrow, according to rumor. The German Legation last night doubled the sentries on duty at that building. Other foreign embassies also are taking the same precautions.

LONDON, Feb. 22.-The correspondent of he Tribune at Pekin, says:

The court is nervous over the possibility of trouble on February 24. The President of the Chinese Poreign Board appreciates the combinity of an anti-dynastic rising. The German Legation, tonight doubled its sentries on account of the anti-foreign feeling.

REALLY AIMED AT MANCHUS

Missionary's Explanation of Reform

SAN FRANCISCO, Feb. 22.-Dr. T. Ayer, returned yesterday from five years in hospital work in North China in connection with the Southern Bap-tist mission, discusses the situation in China, on which he is well informed.

"All the trouble brewing in China is directly attributable to a deep-seated and unconquerable antipathy toward the government. Dissatisfaction is spreading, and to my mind a revolu-tion is imminent.

The anti-foreign feeling is merely one of the expressions of the move-ment, which has for its purpose the unseating of the Manchu dynasty and the establishment of a republican form of government. The boycott on American goods is an expression of the same revolutionary purpose. These things are merely the means to an

"The student class has become numerous and influential body. It a matter of interest that a month or a matter of interest that a month or so ago 12,000 students who returned to China in a body from the schools they had been attending in Tokio had a great many unkind things to say of the rulers of their own country.

"These students, who are members of the better class in China, are responsible for the growth and propaga-tion of the anti-foreign sentiment and

rected particularly toward the misstonaries. The doctrine that is being spread abroad in the empire is that the foreigners are here to grab territory, and the Chinese can see that the missionaries are not in China to make money or grab territory.

TOKIO, Feb. 22.—Despite unfavorable weather, the American Embassy this afternoon was the scene of a lively gathering, the occasion being the reception given by Huntington Wilson, ington's hirthday. Americans residing in Tokio and Yokohama, Japanese members of the American Society and several others attended, Prince Arthur of Connaught being among those present. An artistically designed artificial cherry tree with a hatches here. Charge d'Affaires, in honor of Wash tificial cherry tree with a hatcher be-side it commanded hearty admiration. The day has been one of rejoicing among Americans.

LOW RATES FOR SUMMER Northern Lines Meet Cuts Made by

Harriman

ST. PAUL. Minn., Feb. 22.—(Special.)— New rates to the Pacific Coast on the Great Northern and Northern Pacific Railroads, in effect from June 1 to Sep-tember I, will be: Chicago to Coast points nd return, \$175; St. Paul to Coast points \$60 for the round trip; St. Paul to Spokane and return, \$50.

Publishers Discuss Advertising.

NEW YORK, Feb. 22-The American NEW YORK, Feb. 2.—The American Newspaper Association continued its annual meeting here today. There were general discussions upon the following subjects: "The Advantages of Newspaper vs. Magazine Advertising." "A Coppright Law to Protect Cable Dispatches"; "Discountenancing of Advertising Agenta Who Cut Commissions"; "Methods of Taking From Magazines Advertising Which May Be Said to Belong Rightfully to Newspapers," and "Postoffice Rulings,"

Canoe of Howard Catlin Is Upset in Swollen River, and He Goes Down.

Midshipman Fred Perkins, Home on Visit, Tries to Save His Friend, But Barely Escapes With His Own Life.

SALEM, Or., April 22.- Howard C. Catlin, aged 20, the son of Russell Catminent hopman, was drowned in the Williamette River here at 5 o'clock this afternoon. Catlin, accomby Midshipman Fred Perkins, just home from Annapolis, went out in a canoe, when the swift waters incldent to the present flood capsized the craft. Both were good swimmers, and made heroic effort to reach the shore near the steel bridge, where the bank is high and precipitous

Perkins, who was the most experi-



eaching the willows on the bank, to which he clung until a relief boat reached him. He was nearly overcome with cold and exertion, and after the rescue almost collapsed with grief over the loss of his companion.

Catlin was a bright student at the High School and prominent in school athletics. Grief is universal, as the family is prominent and popular in the community. Mrs. Catlin, mother of the drowned boy, is president of the Salem Woman's Club.

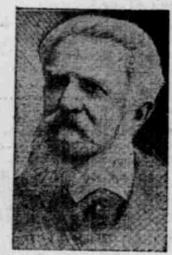
Immediately after the drowning a aunch and several small boats put out in search of the body, but it could not be found before darkness ended the search.

HOCH PREPARED TO HANG

Scorns Idea of Suicide and Will Die Like Soldier.

CHICAGO Feb. 22 - For the fourth time since the conviction of Johann Hoch, preparations were begun today for his execu-

ITALY'S CHIEF REPRESENTA-TIVE AT ALGECIRAS CON-FERENCE.



Marquis Visconti Venosta, Marquin Visconti Venosta, chief

Italian representative at the Moroccan conference at Algeofrus, is a distin gulshed statesman who has held the portfolio of foreign affairs in several cabinets. He first occupied the office in 1870, when the Italian troops entered Rome. From 1876 until 1894 he was under a political cloud, but in the latter year Premier Giolitti appointed him Bering Sea arbitrator. add in 1896, after an absence of 20 years from the department, he again assumed the reins at the Foreign Ofother Premiers he also has held the sition. The Marquis is now in his 75th year, and owing to his experience and conservation is said to possess a prestige held by no other Italian Foreign Secretary.

tion. Hoch appeared in good spirits, but announced that he had lost hope and expected to die. "I feel fine," he said, "but I guess that I will have to die tomorrow. This is the

fourth time I have been near death, and I guess this is the last time. I have no hope, but still I feel pretty good."

Hoch was told that there existed in many quarters an opinion that he intended to cheat the gallows by committing subode. He laughed heartly at the sur-

"Me? Me take my own life?" he asked "Why, do you know what that would mean? It would be an absolute confes-sion of my guilt. I am a soldier, and why should I not be brave and drop from the scaffold if I am innocent?" Late in the day Hoch was removed from

his cell to the death chamber in the jail and a death watch set over him.

COMPANION GETS ASHORE GIVES ROOT MORE TIME

Germany Extends Favored Nation Tariff for Another Year.

BERLIN, Feb. 22.-The Reichstag today passed the first and second readings, without amendment, of the Government's proposal to extend reciprocal tariff rates to the United States until June 33, 1907,

Chancellor von Buelow opened the de sate on the bill. He said he placed a high value on good political relations betwee Germany and the United States, which were a blessing to both lands, but I would be deceptive to believe that he would buy political friendship by the sacrifice of Germany's economic interests. The grounds for the government's proposal were that a tariff war which might only be resorted to in case of necessity would stempage not only Germany's shipposal were that a tariff war which might only be resorted to in case of necessity would damage not only Germany's shipping interests but other important departments of Germany. He explained that Germany's negotiations of treaties with other states had not always progressed smoothly and had extended over long periods.

"We are therefore forced."

'We are therefore forced." said the Chancellor, "to ask Parliament to consent to this proposal, so that we may continue in peace with the United States."

The note of the American Secretary of State to Ambassador von Sternberg on Tuesday shows that the United States has the same desire for friendly commercial and political relations that we have. This note says that as soon as the German conventional tariff has been granted to the United States for the period expiring June 30, 1907, the President will publish a receipment of the process of the period of the process of the period of the process of the period of the publish a receipment of the period of the p lish a proclamation granting Germany a continuance of the advantages of section 3 of the Dingley tariff. He hopes that the prospect of certain alterations in the cusregulations may be regarded as of the carnest wish of the President to free the American customs admin istration from the appearance of being severe on German exporters. "Mr. Root hoped further that the bill

extending the conventional rates to the United States will give time for establish-ing a permanent basis for mutual comunder conditions favorable to both Mr. Root trusts that the present feelings of mutual friendship will continue to exist and that the two countries will come to an agreement because of the true de-sire to be friends." Prince von Buelow concluded as follows:
"The Confederated German government, being well aware of the importance of

Howard C. Catlin.

Booing well aware of the importance of our commercial relations with the United States, intends to try by every means to settle the questions in a conciliatory manner. It hopes the Reichstag will act in that spirit toward the proposals.

The bill having passed its second reading, Baron Harnsheim introduced an amendment that it should extend only to part of Germany's conventional tariff. mal tariff. Count von Posadowsky-Wehner Count von Posadowsky-Wehner opposed the amendment on the ground that it would compel the government to discrim-inate forthwith against American goods. "What advantage could Germany gain with the United States?" the Minister continued, "the time has come when American citizens see they are merely the football of the great trusts; but we will not wait until this discovery has been made. A tariff

war causes the greatest embitterment, The amendment received only the votes of a part of the Nationalists. The bill was then adopted by an immense majority, the negatives coming from only par of the Nationalists and Conservatives.

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ORCHARD TURNS DOWN HIS LAWYER

Proof That Confession Has Been Made.

SERIOUS BLOW TO DEFENSE

Counsel for Federation Officials Hold Long Conference.

SQUABBLE OF DETECTIVES

Representatives of Rival Agencies Urge Claims for the Glory of Capturing the Men Charged With the Steunenberg Murder.

BY W. G. MACRAE. BOISE, Idaho. Feb. 22 .- (Staff Correpondence.)-Since the arrest of the officials of the Western Federation of Miners, there has been much talk of the so-called "inner circle," and speculation has been rife as to the names of the men who composed this committee of death. Here are the names of the men whom the detectives allege make up this formidable body of assassins; Charles Moyer, president of the Western Pederation of Miners.

William Haywood, secretary of the Federa George Pettibone, member of the executive ommittee of the order.

J. L. Simpkins, disbursing agent.

Except Mills, member of the executive com-

When the detectives first began work on the assassination of ex-Governor Steunenberg they had only four men linked with the "inner circle." The fifth man was named by Sheriff Bell, and today for the first time the name of Ernest Mills was connected

with this infamous cabal. Peturbation of the Officials.

So positive are the officers who have been at work or the case that these men actually planned the murders and dynamiting which has been charged to the Federation that they quote the actual language of Moyer and Havwood when the news was flashed over the country that ex-Governor Steunenberg was assassinated. According to the story told today by a detective who has worked on the case since December 30, the night the ex-Governor of Idaho was murdered. Moyer and Haywood met in the office of the Western Federation of Miners in Denver, and, after readings the news of the assassinution, were heard to remark: "For God's sake, we must find out whether Orchard was drunk. We must

find out whether he has been drinking. and where he is."

Prepare to Leave the Country. The agent who overheard this exclamation is said to have wired this information to the detectives in Caldwell, and it was this that led to the arrest of Orchard. Before the officials could learn whether Orchard had been drinking, he was safely behind the bars, and so carefully guarded was the prisoner that it was impossible for any agents of the Federation to reach him, and for this reason it is alleged they were about to flee the country when arrested. They knew that Orchard was unreliable, but they did not believe he would break down so soon, and trusting to this gave the officials time to round

them up. It seems that the mere fact of his arrest was not all that caused Orchard to turn to the prosecution. A letter which was found at Silver City, a letter which, it is said, is sufficient in itself to have brought about the arrest of the Federation officials, was already in the hands of the detectives. This letter was shown to Orchard and its contents are said to have been instrumental in bringing Orch-

ard to terms. His confession followed. Governor Admits the Confession.

Although the existence of this confesnon has been admitted and then denied it is a positive fact that Orchard has made a confession. Governor Gooding admitted late tonight that Orchard had confessed. The truth of this confession would not have needed Governor Good-

ing's admission. No stronger proof of Orehard's turning to the prosecution is needed than this: Fred Miller, the Spokane attorney whom Orchard employed to defend him when he was arrested at Caldwell, was turned down this afternoon. Attorney Miller tried to get an audience with Orchard yesterday. He called at the penitentiary and was refused admission because the

warden was not there. .. Orchard Turns Down Miller.

This afternoon when Miller called he was handed a letter from Orchard. The etter read: "Mr. Miller, I have learned that you have been retained to defend Mover. Havwood and Pettibone. I will no longer

need your services as attorney "HARRY ORCHARD." This letter was handed to Attorney Miller when he arrived at the prison and without trying to see his former client the Spokane attorney returned to the city and all day he has been in close consultation with Attorney Richardson, John Nugent, of Silver City, who is here

to represent Vincent St. John, and C. W. Moore, who will appear as counsel for Steve Adams, When it became known among the at-

(Concluded on Page 7.)