



VALLEY EXTENDS A FRIENDLY HAND

Portland Business Men Made Very Welcome.

BOND OF UNITY IS FORGED

Pilgrimage Takes as Far as Salem for the Night.

CAPITAL CITY IS CORDIAL

Desire Is Shown for Aid From the Metropolis in the Development of the Valley, Especially by Opening Locks.

radship between the various towns of Oregon, it will have been all that its promoters dreamed it would be.

EVERY BERTH IS OCCUPIED

Nearly All of Original Party Take the Pilgrimage.

SALEM, Or., Nov. 14.—(Staff Correspondence.)—The business men's excursion occupies three Pullman cars, a day coach, a diner and a baggage car, and numbers 84 people, all principals or important representatives of the leading commercial establishments of the city. There is not an empty berth on the entire train.

The demand for accommodations was from the first so great that a large waiting list was created, from which names could be drawn to supply vacancies which might occur in the original schedule, but it happened that almost everyone who planned to go showed up at the Union Station at 12 o'clock today and the waiting list for the most part is still waiting. The only salvation for the business men would seem to be to provide two trains. Chairman Pittcock and Manager Richardson would have not the slightest trouble in filling them.

The first stop was at Oregon City. Everyone knew all about Oregon City and its development in the past ten years into a splendid manufacturing center. Oregon City is not a suburb of Portland. It has a complete and distinct identity of its own. Nevertheless it has a share in the commercial and social life of Portland that gives it a special sympathy with and knowledge of all the purposes and ambitions of the larger city. Therefore, the committee that came to the train did little more than to receive the business men informally and to wish them Godspeed on their mission.

Lawyer Hedges made a very good speech and the pilgrims took a short run around the town, interviewing the business community and looking over the splendid manufacturing establishments grouped around the Willamette's fall.

Pioneer Makes Special Trip.

At Canby there was an interested group at the train, but there were no formalities. An interesting incident was the presence at the station of Mr. Evans, a pioneer, who came to Oregon 55 years ago. Mr. Evans' special errand at Canby today was to meet Mr. Pittcock, himself something of an old-timer. F. A. Rosenkrans, one of Canby's prosperous storekeepers, invited everybody into his store and distributed a large number of very choice apples. You might not think these varieties are much of a treat, but these were Oregon apples, the choicest and the most luscious grown in the neighborhood of Canby.

At Barlow the school children marched down to the station under the direction of their fair teachers, Miss Kerr and Miss Taylor. Albany.

Friday—Turner, Jefferson, Lebanon, Corvallis, Independence, Mounmouth, Dallas, McMinnville, Forest Grove, Hillsboro.

IRRIGATION FUND IN BAD MUDDLE

Oregon and Washington Suffer From Effects of "Too Many Cooks."

ALL PROJECTS ARE TIED UP

Money Allotted for Work Which Is Postponed, Yet None for Prac- ticable Ones—Amount in Fund Uncertain.

allocations for all projects not under actual construction, including Malheur and Wolf Creek. But, if this situation is made, then the department cannot reasonably refuse to build in Oregon and Washington, on the ground that it has "no money."

The plain truth, which cannot long be concealed, is simply this: Mr. Hitchcock, in directing irrigation affairs, has taken counsel of too many subordinate officials, men whose views and politics do not coincide. These advisers are working at cross purposes; they make counter-recommendations; what one favors other attacks, and by following the suggestion first of one and then another, the Secretary has unintentionally so tangled the reclamation fund that no living man can say how much money is available for building irrigation works, how much has been appropriated or how much has been spent. One adviser says there is a deficit; another tells him there is a surplus of \$3,000,000; another says there is a surplus of less than \$100,000, and all have figures and records to support them.

It is the same situation that always results from "too many cooks," and there will be no improvement until some of these advisers are put aside and the Secretary controls irrigation matters by direct co-operation with the Reclamation Service, which was created for this specific purpose. There has been too much outside interference; too many key-positions; too much meddling with public matters to satisfy personal jealousies and, unfortunately, Oregon and Washington come to the front just in time to feel the full effect of this reign of chaos. There is room for the Keep Commission to take hold right here, and there are indications that it will do so. If there is no reorganization, there is going to be an enormous public scandal.

New Northwest Postmasters.

OREGONIAN NEWS BUREAU, Wash- ington, Nov. 14.—Postmasters have been appointed as follows:
Oregon—Placer, Josephine County, Allen Road vice Edward H. Wise resigned; Wolf Creek, Josephine County, Lucetta E. E.H.H. vice Elmer E. Danber, resigned; Washington—Monitor, Clallam County, Mrs. Rose Gridley vice William P. Wells, resigned.

STRAIGHT TALK ON RATE ISSUE

President Answers Objections of Railroad Employees' Delegates.

WANTS ONLY EQUAL RATES

Does Not Propose Reduction, but Justice and Equality—Might In- crease Wages by Squeezing Out Watered Capital.

WASHINGTON, Nov. 14.—An earnest protest was made to the President today against proposed railroad freight legislation. The protest was filed by representatives of the five great labor organizations connected with railroading—the engineers, firemen, conductors, switchmen and trainmen.

The statement presented by Mr. Huntley was as follows:

The railroad employees and those dependent upon them represent upwards of six millions of people in this country, whose earnings approximately amount to one-half billion dollars annually. We believe that there is no other class of American workers who produce a higher general standard of citizenship than the railroad employees, and we also claim that we are entitled to fair and impartial consideration in the framing or adoption of any National Legislation that threatens our general prosperity. We take keen and active interest in all matters that seem to conduce to a higher and broader standard of conditions for the workmen of this country, and therefore it is not strange that since the inception of this movement for National legislation on railroad rates all union railroad employees have from time to time and in various ways expressed their convictions.

All Brotherhoods Protest.

For example, the Brotherhood of Railroad Trainmen, with a membership of 90,000, at their last annual meeting in Buffalo last Spring adopted resolutions and at the most emphatic nature against any reduction in railroad rates. The Brotherhood of Locomotive Engineers and the Brotherhood of Locomotive Firemen have expressed similar views by official utterances, and the same can be said of the Switchmen's Union Association. The Order of Railroad Conductors, at their biennial convention at Portland, Or., last May, adopted resolutions of the same nature. The membership of these organizations is now a little more than a quarter of a million, and there are still being organized other half million of laborers in the railroad world, who would be similarly affected by any reduction in the earning capacity of the railroad lines of this country, and what increases its with more force than any side of the issue is this:

HYDE REVEALS ENEMIES' DEEDS

Exposes Secret of \$685,000 Loan.

PUTS ODELL IN BAD LIGHT

Harriman Advised Settlement With Governor.

BITTERLY SCORES FRICK

Accuses Him and Harriman of Try- ing to Get Him Out of Country and Playing the Part of False Friends.

NEW YORK, Nov. 14.—James Hyde, ex-vice-president of the Equitable Life Assurance Society, whose resignation followed the sensational disclosures in that company last Spring, which led to the investigation of insurance company methods by the Armstrong committee of the Legislature; the man whose presence as a witness before this committee has been looked forward to in the expectation that it would produce the greatest sensation of the investigation, appeared before the committee today.

Mr. Hyde's manner on the stand was one of composure and deliberation and his replies to questions from counsel were calm and deliberate, oft-times studied. He was fortified with statements and data, and he was very frank in his explanations. Frequently he would become bitter in his reference to himself and his associates, while his entire testimony was of deep interest and cleared up many points that have heretofore remained in the dark. It was not until late in the day that the sensational features of his testimony were developed.

Mr. Hyde was called to the stand shortly after the session opened this morning and he was under examination all day until a few minutes before adjournment. In anticipation of his presence as a witness, there was a greater crowd than has attended the sessions of the committee heretofore and extra police were stationed in the corridor without the committee-room to keep order.

Clears Up Loan Mystery.

Mr. Hyde cleared up the mystery of the \$685,000 loan of the Mercantile Trust Company, which appeared on the books of the Equitable Life under the caption of the "J. W. Alexander No. 3 Account." This account has been under investigation of the witness on several occasions, but none of them has been able to explain it. Mr. Hyde first heard of this account in the Fall of 1902, when his attention was called to it by President Alexander, who said that he and Mr. Jordan had incurred the loan to take up stock that was being bid up to fictitious values to the detriment of the company; to settle suits that were hampering the business of the society and for campaign contributions to see that the contribution of the one to the last campaign and was asked by Mr. Frick, who suggested it for the benefit of the society. To procure this money, Mr. Alexander had Mr. Hyde write a letter to the president of the Mercantile Trust Company and this letter practically placed him in the position of a guarantor.

Later, when the settlement of the loan was forced, Mr. Alexander and Mr. Jordan refused all they could toward it. The stock purchased with part of the loan was sold by them to Thomas F. Ryan for \$121,000 and the balance, \$212,500, Mr. Hyde paid personally. He did this because he understood Mr. Alexander was financially embarrassed. In a bitter way, he said:

"Notwithstanding the strained relations with these two gentlemen, Alexander and Jordan, I felt bound to see that the debt was liquidated by reason of the letter Mr. Alexander extracted from me."

Hyde's Modest Salary.

Mr. Hyde said that he first received a salary of \$50,000 seven years ago, in 1901, when he became chairman of the finance committee, this was advanced to \$75,000, and in 1903 it was advanced to \$100,000, at which it remained until he resigned as vice-president. Mr. Hyde presented a statement showing that in the seven years of his connection with the Equitable Life and the allied corporations his average income had been only a little more than \$28,000 a year. This was figured as seven years' salary from the Equitable amounting to \$245,000, from which he deducted his losses in syndicate transactions, amounting to \$28,415, and the \$212,500 paid on the \$685,000 loan, which left a balance of \$188,584, or an average annual income of \$27,084, to which was added the average income from his offices in the trust companies of \$19,590. Witness said he presented this statement to show that he had been misrepresented.

The instructions of Mr. Jordan to A. C. Fields, the "legislative generalissimo," as Mr. Hughes referred to him today, Mr. Hyde knew nothing about. He said he never consulted with Mr. Jordan about legislative matters, and that none of the legislative measures affected him or his interests in any way.

Lost on Syndicate Deals.

The syndicate operations of J. H. Hyde and associates were gone into very thoroughly, and it was shown that in 23 syndicates Mr. Hyde sustained personal losses of \$28,415. Mr. Hyde ascribed the allotment of the Equitable's allotment of

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OREGONIAN NEWS BUREAU, Wash- ington, Nov. 14.—The Malheur irrigation project in Eastern Oregon is rocking with graft," said a high official of the Interior Department today, "and until this graft has been eliminated the Government will not adopt and build the project which the Reclamation Service has prepared. The Government does not propose to be held up."

This statement was made by an official very close to Secretary Hitchcock, and he, apparently, knows where he speaks; for he but recently returned from Malheur County, where he made careful investigation into the entire irrigation situation, and found such conditions as warranted him in recommending against the immediate construction of that project. It is his candid opinion that the time is remote when the Government will undertake the construction of the Malheur project; indeed, he has doubts whether that project will ever be built by Government aid.

Tied Up by Technicalities.

Notwithstanding it has been determined indefinitely to postpone construction of this project, because of the recommendation of the reclamation engineers, backed by the report of this official, the \$2,500,000 allotted for its construction are tied up, and, apparently, are not to be expended on any other work in Oregon, although the Reclamation Service is anxious to use about half that money in building the Umatilla project, which has been found both feasible and desirable. Yet the Umatilla project is sidetracked, not alone because of alleged "lack of money," but because of a small technicality that might be waived. If this project could be immediately approved, and the money set aside for its construction, it would be completed in every detail within 12 months, and 15,000 acres of valuable land could be placed under water before the season of 1907 opens, not to mention about 12,000 acres of additional land that could be irrigated in the food season. If Mr. Hitchcock would but approve the Umatilla project, the Reclamation Service is ready to begin its construction immediately, and its recent recommendation to the Secretary is an indication of its anxiety to "do something" for Eastern Oregon.

No Just Objection.

There is no just reason why the Umatilla project should be delayed one day. It has been demonstrated that there is money available; the technical objection is trivial, and ought to be waived. The Maxwell Company merely asks to retain 30 acres, with water right, but Mr. Hitchcock rules that, under the law, this company can have but 160 acres, with water right, overlooking entirely the fact that the three members of the Maxwell Company should they make entry individually, could each hold 160 acres, or 480 acres in all, with water rights attached. They cut their request to 200 acres, which is all they care to retain. But the Secretary is firm on this point. He overlooks the fact that these men already own more than one-third of the project, and are willing to sell out to the Government at what has been pronounced a reasonable figure, and the whole project is virtually turned down because of this minor detail.

The same thing is true of the Sunnyvale project in the Yakima Valley in Washington. The Sunnyvale canal works are willing to sell out for \$1,500,000, but they ask to retain more than 150 acres of the land they now own, with water right attached, and the Secretary is unwilling to grant them this privilege. So he holds up that project, which in the opinion of the reclamation engineers is very attractive and can be acquired to advantage at this time.

Washington Projects Tied Up.

Representative Jones, through his Secretary, today made inquiry as to why Mr. Hitchcock refused to approve the Tieton and Okanogan projects and found, as previously stated in these dispatches, that both were sidetracked "because there is no money." Nearly a year ago Mr. Hitchcock allotted \$2,300,000 for the construction of the Palouse project, but the reclamation engineers recommended indefinite postponement of this undertaking, and it has been temporarily abandoned because of excessive cost. It has been decided to withdraw this allotment, which contains enough money to build the Tieton and Okanogan projects and purchase the Sunnyvale canal as well, yet the department still cries, "No money." There is much quibbling among officials over the exact status of irrigation projects in Oregon and Washington, but the situation is as represented; there is money enough in both states for immediate work, but Mr. Hitchcock refuses to authorize its expenditure.

Affairs Badly Muddled.

This situation brings to light the fact that the management of reclamation funds has become badly involved in the last few months. According to official figures, Mr. Hitchcock has allotted \$23,000,000, when in fact there are only \$23,000,000 in the fund. Since that embarrassment became apparent, the figures have been changed, and Mr. Hitchcock today declared that instead of a deficit he actually had a surplus of \$5,000,000. The only way this surplus can be reckoned is by wiping out

NEW NORTHWEST POSTMASTERS.

OREGONIAN NEWS BUREAU, WASHINGTON, NOV. 14.—

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HENRY AND BURNS AT THEATER.

OREGONIAN NEWS BUREAU, WASHINGTON, NOV. 14.

Burns were guests of Secretary Hitchcock tonight at a theater party.

BURTON DEMURS AGAIN

FILES TECHNICAL OBJECTIONS, BUT MAY BE INDICTED AGAIN.

ST. LOUIS, Nov. 14.—Counsel for United States Senator Burton, of Kansas, who was indicted by the Federal Grand Jury last Friday, today filed a demurrer to the indictment. The grounds upon which the demurrer is based are as follows:

First—Falls to allege in specific terms what Senator Burton did for the Rialto Grain Company at Washington.

Second—Falls to state how his action benefited the Rialto people.

Third—Falls to show that the matter under consideration at Washington was a matter over which the Postmaster-General had jurisdiction.

Fourth—Falls to state that Burton knew that acts charged against him would influence the action of the Postoffice Department.

Before court adjourned today, Judge Vandewater stated that he would render his decision on the demurrer tomorrow. If the demurrer is sustained there is still time to secure another indictment before the statute of limitation becomes effective November 16th, according to District Attorney Dyer.

In this connection it is regarded as significant that the Federal grand jury was twice reorganized in the last few weeks, and a report today, and delayed adjourning until some future date, as is customary.

HERO OF BALAKAVA.

LONDON, Nov. 14.—Lieutenant-Colonel Arthur Tremayne, one of the few remaining survivors of the charge of the Light Brigade at Balakava, in which he was wounded and his horse shot, died in Cornwall today, aged 78 years.

CONTENTS TODAY'S PAPER

News.

Soldiers at Vladivostok mutiny, murder of Sect. burn China's general. Page 2.

Workmen order new general strike. Page 2.

Poisoned revolt grows worse. Page 2.

Wife refuses appeal of Polish delegate. Page 2.

Germany denies she will interfere in Poland. Page 2.

Nearly all Jews in Bessarabia murdered. Page 2.

Committee of Jews to investigate massacre. Page 2.

Foreign.

Balfour threatens to resign if fellows don't sue. Page 5.

Rooseby to be next British Premier. Page 5.

Bermudez company tried to bribe Castro, says counsel for Venezuela. Page 5.

National.

Roosevelt defies railroad policy to railroad employees. Page 3.

Courthouse re-organized. Postal Department. Page 3.

Northwest suffers by muddle in irrigation affairs. Page 1.

Garfield inquires into rebate on oil. Page 3.

Prince Louis gives ball on his flagship. Page 4.

Follies.

Taft tells how to dethrone bosses finally. Page 3.

Hearst gets order of court in contempt. Page 3.

Domestic.

Hyde gives sensational testimony in insurance inquiry. Page 1.

Odeell admits one of Hyde's charges is true. Page 4.

Prest says something outside should be made. Page 5.

Deaths of Labor Federation convention. Page 4.

Double set of books in Enterprise Bank helps Government prosecution. Page 4.

Portland business men have suspicious beginning to pilgrimage in the Willamette Valley. Page 1.

Major of Oregon City vetoes the objection. Page 4.

W. H. Odeell gives up struggle for approval of the land selections in Oregon. Page 6.

Two flings are made on site of Multnomah Falls. Page 6.

Notable ruling made in criminal procedure by the Washington Supreme Court. Page 6.

Three transcontinental roads reaching for the Coast. Page 6.

ITINERARY OF PILGRIMS.

Tuesday—Oregon City, Canby, Barlow, Aurora, Hubbard, Woodburn, Silverton, Mount Angel, Gervais, Salsola, Salem.

Wednesday—Ashland, Medford, Jacksonville, Central Point, Gold Ray, Gold Hill, Grants Pass, Meritt, Gresham, Hiddle, Myrtle Creek, Roseburg.

Thursday—Oakland, Yoncalla, Drain, Cottage Grove, Croswell, Eugene, Junction City, Harrisburg, Halsey, Sheed, Tangent, Albany.

Friday—Turner, Jefferson, Lebanon, Corvallis, Independence, Mounmouth, Dallas, McMinnville, Forest Grove, Hillsboro.

BY EDGAR R. PIPPER.

SALEM, Or., Nov. 14.—(Staff correspondence.)—The Willamette Valley has opened its arms to the business men of Portland. In the words of the old hymn:

This is the way they long have sought
And mourned because they found it not.

The people of the Valley are unfettersly glad to see their friends from Portland, but they have been wondering for a long time why Portland did not make greater trouble to cultivate more friendly social relations, a closer spirit of harmony, a stronger bond of unity. That is about the way they express it. They admit that they receive frequent visits from the representatives of Portland's commercial activities, but these were entirely in the line of trade.

When the recent excursion went to Eastern Oregon and Idaho, Valley folks did not attempt to conceal their injured feelings. They said openly that Portland did not care to seek their society because it was really more than they meant and more than they felt, because the people of the Valley knew always that Portland was aware of their high qualities as citizens and the value and need of their good will.

Second of the Formal Calls.

This business of making formal calls on their neighbors and friends is a new thing for Portland. They sought first the comparative strangers of Idaho, because it happened at that time to be opportune. They hasten now to present themselves in person to the people of Salem, Oregon City, Silverton, Woodburn and all the other towns in the Willamette Valley, because they want to assure them that Portland desires so far as it can to make the whole state a happy family.

This is the spirit in which the present journey is undertaken. Portland finds that the business men and citizens in all lines of industry are ready to meet them more than half way.

At Salem tonight there was a formal welcome, in which the cordial sentiment of the beautiful capital city was made manifest to all visitors. Salem appeared to be proud of Portland, and congratulated that city on its magnificent progress during the past several years. It did more—it assured the Portland visitors that the people of the Valley felt an interest in the despoiling of the Columbia river and the improvement of its entrance second only to the interest of Portland.

Interchange of Aid.

Salem did still more—it manifested a desire to secure the aid of Portland in the development and improvement of the Valley, with special reference to the locks at Oregon City, which are, through its tolls, a permanent handicap to the development of the Valley commerce.

If Salem had any notion that Portland desires at this time to pick up all the state buildings and remove the capital to Salem, it has probably never seen this changed its mind, for they were secured by various speakers that Portland is content to have the capital remain where it is. This expression was received by Salem with unbounded satisfaction.

People here were pleased, too, with the many compliments paid their broad and well-kept streets, their tasteful homes, beautiful lawns, thrifty inhabitants and the general aspect of happiness and well-being which the entire city presents.

The "Salem hog" was nowhere in evidence—there is no such animal. Salem did not even hint that there is a Portland hog, which, in view of some of the recent remarks of Salem newspapers, was very considerate indeed.

Salem feels a great deal better for the visit of Portland—so does Portland. If the remainder of the journey shall be as successful in stirring up enthusiasm and promoting a general spirit of com-

(Continued on Page 7.)