



HARRIMAN'S MEN DEFEND MERGER

Deny Union Pacific Is Through Line.

NOT COMPETITOR OF SOUTHERN

Stubbs Contradicted by Hannaford and Markham.

CAN'T STAND LOWER RATES

All Insist That Joint Ownership Does Not Destroy Rivalry for Business—No Rate Reduction Without Agreement.

CHICAGO, Jan. 9.—Two attorneys representing the Government made determined efforts today to induce two traffic managers of transcontinental railroads to admit that a concentration of ownership means the stifling of competition in railroad traffic. The attorneys were C. A. Severance and F. B. Kellogg, and the traffic managers were J. C. Stubbs, of the Southern Pacific and Union Pacific systems, and J. M. Hannaford, of the Northern Pacific Railroad. Both traffic men contended that, despite the consolidation of interests that has taken place between the Union Pacific and the Northern Pacific, and between the Northern Pacific and the Great Northern, competition between the lines which are under joint ownership is as sharp today as it ever was.

There are influences at work which would prevent it. "But the Southern Pacific, as an independent line, might do this?" "It might and destroy itself," Mr. Milburn then asked if the Union Pacific via Portland to San Francisco was to be compared to a direct line west of Ogden. As Low Rate via Portland. The witness replied: "The rate action those things, and rates can be made as low via Portland to San Francisco as by any other route." Mr. Markham said that, while he was acting as assistant traffic manager of the Illinois Central, it was understood that traffic originating west of a line drawn from Cairo to the vicinity of Cleveland was to go west via Ogden, traffic originating east of that line to go via New Orleans. Mr. Milburn brought out the statement that in all Pacific Coast traffic origin-



J. C. Stubbs, Traffic Director of Hannaford and Markham.

ating on the Illinois Central that line and the Southern Pacific must be factored, his object being to show that, however the traffic went, the Southern Pacific was certain to be an element and could not in all cases be construed as a competitor of the Union Pacific.

All Lines Are Competitors. Commissioner Lane asked the witness if he considered all transcontinental lines as competitors to the extent that the Canadian Pacific is a competitor of the Southern Pacific. The witness replied in the affirmative.

Commissioner Clements asked when the Union Pacific and Southern Pacific were competing for Illinois Central traffic if the rates were identical by both lines. "The published rates were the same," he replied.

In answer to questions by Commissioner Knapp, the witness said that the only difference to the Illinois Central made by the combination of the two roads was that the Illinois Central was compelled to ship much of the freight via Omaha, which would have otherwise been taken by New Orleans, making a loss to it of a 40-mile haul—a corresponding loss in revenue.

Compete for Coast Traffic. The next witness was J. C. Stubbs, the freight director of the Southern Pacific system. Answering many questions, Mr. Stubbs said that the rates from Pittsburgh to the Atlantic, thence via the Morgan steamship lines and Southern Pacific to California, are the same as those via the all-rail route, but he believes very little freight from Pittsburgh, Buffalo or Wheeling ever went that way. Asked whether his Chicago office could not route freight either via New Orleans or Ogden, witness said that the line on which the traffic originated dictated the route. Mr. Stubbs said there was strong competition in Chicago for Pacific Coast business. He was asked if Mr. Nehmeyer, the Chicago agent, was a competitor for this business.

"He is." "Is he a competitor as between the Union Pacific and Southern Pacific?" "As much as ever he was." "That means he was never a competitor?" "Mr. Nehmeyer has always been instructed to ship from this territory via Ogden. If he worked for any other road he violated his instructions."

Mr. Kellogg asked many questions regarding the competition of the Union Pacific and Southern Pacific, designed to show that the roads were prior to 1901, but are not now competitors. Mr. Stubbs' answers were not always satisfactory to the attorney.

"I understand," said Mr. Stubbs, "what your idea is, but I am giving you the facts as I know them." "I understand perfectly, Mr. Stubbs," said Mr. Kellogg, "just exactly what you are giving me."

Tries to Pir Down Stubbs. Mr. Stubbs declared that the attorney overlooked entirely the fact that the Union Pacific is a connection of the Southern Pacific.

"I don't overlook it at all," broke in Mr. Kellogg. "As," continued Mr. Stubbs, ignoring the interruption, "they are not competitors for California business."

"And never were?" "Not according to my theory." "How was it, then, when both roads were members of the pool on Pacific Coast business, the Southern Pacific took 21 per cent, and the Union Pacific 20 per cent of the business?" "There were other lines in that pool, you must remember."

Mr. Stubbs was asked if earlier in his connection with the Southern Pacific, the Union Pacific had made higher rates to California from points west of New York than from New York itself because the Southern Pacific was compelled to assume the eastbound haul to New York in order to connect with steamship lines.

"That was done," said Mr. Stubbs. "We had to be consistent." He was asked if at that time the

"I don't know whether it could or not."

PLEASES PEOPLE, NOT POLITICIANS

Hughes' First Message Worries Old Guard.

TRACTION TRUST IN TROUBLE

Governor Proposes New Laws to Rule Railroads.

GAS COMPANY IS HIT HARD

Prospect of Fight Draws Strong Lobby to Albany—Hughes Not Experienced Lawmaker, but Gets What He Wants.

NEW YORK, Jan. 9.—Governor Charles E. Hughes has started out his term auspiciously. His admirable message has pleased the people and paralyzed the politicians. The interesting subject of discussion at present is how many of the reforms which the Governor has proposed will find a place on the statute books as laws. The old guard at Albany is convinced that it will not like the Governor. "He is courteous to all, but confidential with none," grumbled one Senator, who has been accustomed to having his suggestions received with marked success. As was predicted in the Oregonian some time ago, the Governor intends to devote a great deal of time to remedying the traction conditions in this city, and the suggestions he has made on that subject show that he has carefully considered conditions and remedies. Under the present law, authority and responsibility are divided, the public is ignored and the traction companies run as many or as few cars as they please. The surface and elevated lines are under the nominal control of the State Railroad Commission, a board consisting of five members. Each receives a salary of \$8000 a year, and the expenses of the Commission are assessed pro rata upon the railroads of the state. The real value of this board, except as a comfortable resting place for party hacks, has never been discovered by the ordinary citizen. It holds frequent investigations into the conditions of different cities, carefully pores over the evidence and gravely recommends needed reforms. But here is the surprising thing. It has no power to enforce its recommendations, and consequently the rail-

roads obey them or not, just as they see fit. For example, the Railroad Commission held a long series of hearings in Brooklyn last summer. Many witnesses were examined and it was finally decided that the Brooklyn Rapid Transit Company should run more cars. The numbers to be added to the different lines at different hours were carefully specified, and the ordinary strap-hangers expressed great satisfaction. But the railroad company paid absolutely no attention to the orders of the Commission. And it was not necessary that it should, for the state board had no power to enforce its alleged orders. The control and direction of the present subway, and those which may hereafter be constructed, rests in the hands of the Rapid Transit Commission, the only self-perpetuating political body in the state. When the

original board was named, it was provided in the act that the original members should fill all vacancies that might occur. And they have done so religiously. "The complaint made is that the members of the board, being in no way responsible to the people, pay little attention to what they want."

Governor Hughes showed himself a diplomat by refraining from throwing rocks at the commission, but he won popular approval by suggesting that it be hurried out of office. Governor Hughes' Remedies. Through members of the Legislature who are in sympathy with him, the Governor has prepared a number of bills, designed to carry into effect the reforms upon which he has decided. He will not admit that they are his own measures, for he believes that executive, legislative and judicial functions have each their own orbit. But to all intents and purposes they represent the wishes of Charles E. Hughes. Here they are, so far as they have been introduced or drawn up to date: A bill abolishing the Railroad Commission and the State Gas Commission, and providing for a new three-headed board to take its place. Abolishing the Rapid Transit Commission.

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MAY HAVE FIGHT WITH FAIRBANKS

Roosevelt on Verge of Open Conflict.

FOR CONTROL OF COMMITTEE

Vice-President Wants Scott, Not New, as Chairman.

HIS MAN HATES ROOSEVELT

Fairbanks Tries to Force Meeting of National Committee—Roosevelt Opposes Him as Friend of Corporations.



J. M. Hannaford, Second Vice-President of Northern Pacific Railroad.

OREGONIAN NEWS BUREAU. Washington, D. C., Jan. 9.—There is a possibility of an open break between President Roosevelt and Vice-President Fairbanks growing out of the fight being made on the designation of Harry S. New as acting chairman of the Republican National Committee. Senator Scott of West Virginia, senior member of the committee, is making a vigorous fight to have the committee called together to elect a successor to G. B. Cortelyou, it being his belief that such an election would result in his favor, but Scott is a rabid anti-Roosevelt Republican.

Scott is Fairbanks' Man. It developed today that the Vice-president has taken off his coat and gone to work to aid Scott, it being his belief that Scott can be induced in chairmanship. The Fairbanks presidential boom would thrive and prosper far better than it would with New at the head of the committee, notwithstanding that New is an Indiana man. Fairbanks was anxious to bring about the election of Scott as chairman in 1904, but he found himself unable to force a man into that office who was not acceptable to Roosevelt.

Scott is a died-in-the-wool Hanna man and in the days when Hanna was chairman of the National Committee Scott was a power. Under Cortelyou, however, he was completely muzzled and shorn of all authority. When he resigned, Cortelyou took care to see that there was no possibility whereby Scott might succeed to the chairmanship. But in spite of this precaution and in spite of the President's well-known aversion to Scott, Fairbanks is doing his utmost to get the committee together and then force the election of Scott over the President's protest.

Roosevelt Against Fairbanks. Getting down to bottom facts, Roosevelt does not want to see Fairbanks nominated in 1908, and he is therefore opposed to Cortelyou may be regularly elected. Heyburn insists that Cortelyou had no authority to designate New as acting chairman and makes the point that no one can act in that capacity until elected by the committee. Nevertheless, New will continue to act until the committee does meet and, when it gets together, Scott will not be elected to succeed Cortelyou, nor will any other Fairbanks man. If New himself is not chosen, some man acceptable to Roosevelt will be elected.

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MOLTEN IRON IS SHOWERED ON MEN

Race for Life at Pittsburg Furnace.

THIRTY-FOUR BURNED ALIVE

Burning Stream Overwhelms Most of Workmen.

SEVEN OF THEM STILL LIVE

Explosion Scatters Iron, and Men With Flooding Clothes Fall and Perish—Story of the Sole Uninjured Man.



Colonel Harry S. New, whose successor to Cortelyou may be regularly elected.

PITTSBURG, Jan. 9.—Thirty workmen were killed, seven fatally injured and 24 are missing as the result of an explosion tonight at the Eliza furnace of the Jones & Laughlin Steel Works. Gas, accumulating at the base of the furnaces, became ignited. In the resulting explosion tons of molten metal were showered across the furnace for a radius of 40 feet, overwhelming the workmen in a fiery flood.

John Cramer, Andrew Featherka and Gustave Kessler were killed. The seven injured are in hospitals. While the mill officials are inclined to believe all of the missing men were not cremated in the molten metal, nothing definite is known as to their whereabouts. Only one man, George Knox, has appeared since the explosion. He says everything happened so quickly that he doubts whether the men escaped.

Chief Peter Snyder, of the Fourth Fire District, was seriously injured while directing the firemen to extinguish the fire which followed the explosion. Snyder fell from a trestle 30 feet high and received internal injuries. While responding to the alarm, a horse carriage was struck by a street-car, seriously injuring two of the firemen. The windows of the car were shattered. Two women were injured.

Women Fight for Entrance. The scenes about the entrance to the mill were pathetic when the families of the victims learned of the disaster. Women, men and children gathered before the gate and made frantic efforts to gain admittance. Several of the frenzied women rushed upon the officers and tried to fight their way into the mill. Children ran through the streets crying that "father is dead." Later it became necessary to call additional police, forcibly to escort the women and children to their homes.

The officials at the mill refused to allow anyone to enter the yard where the furnace is located. Information was refused to newspaper men, the officials saying that later they might issue a statement. A heavy guard of foreign workmen was placed at the yard entrance and even the police were prohibited to get into the mill.

Race With Molten Metal. George Knox, the only man believed to have escaped uninjured, said to the correspondent of the Associated Press: "The furnace is one of the improved style and 25 of us were working about, never thinking of an explosion. Suddenly there was a terrific roar and molten metal was thrown every place. Streams of it were running in all directions, and I was confronted with an awful death unless I could run faster than the metal could travel. I don't know what happened to the other men. I did not see any of them after the explosion, if they did not run quick and fast, all are buried under six feet of molten metal."

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Must Guard Auto Race Course. PARIS, Jan. 9.—Premier Clemenceau has authorized Baron De Zuylen, president of the Automobile Club, to organize a long-distance motor-car speed contest in 1907 on condition that the race be held over a properly guarded course. The regulations stipulate that not more than 30 liters of liquid fuel be consumed in a run of 100 kilometers.

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AN EXPLOSION ABOUT DUE

