AGREEMENT NEAR WITH ENGINEERS

Railroads Stave Off Dispute on Wages and Eight-Hour Question.

SETTLE IN TWO DAYS MORE

Conference at Chicago Thrashes Out Points of Difference and Clears Way for Arrangement of Contract.

CHICAGO, Ill., Jan. 11.—(Special.)—Railway managers and representatives of the Western engineers, who have been in conference here for many days on the eight-hour and wage advance questions, were smiling when they came out of executive session this evening.

"Have you reached an agreement?" was asked.

"No, but everything is moving smoothly to a satisfactory end," replied the leaders of both sides.

After the crowd had dispersed, one of the engineers who are attending the conferences said:

"No agreement has been reached on a single point. We have discussed and threshed out the eight-hour proposition, the wage problem and other matters, and all of them are about at the point where they can be agreed upon in a few minutes—at one sitting of the conference, I may say."

"Will an agreement be reached tomorrow?"

"No, there will be no general agreement reached tomorrow, but it will not be delayed more than one or two days beyond that."

WEED OUT CARPET KNIGHTS

Russia Appoints Veterans to Command Army Corps.

ST. PETERSBURG, Jan. 11.—General Rennenkampf, commander of the Third Siberian Corps, has been appointed commander of the Third Army Corps. Major-General Kashtalinski has been appointed commander of the Fourth Army Corps. General Fleischer succeeds General Rennenkampf in command of the Third Siberian Corps.

The appointments are in accordance with the new policy of the War Ministry in selecting men of experience who have seen service in the field, instead of so-called "carpet knights" for high commands.

An imperial order has been published limiting the terms of service of members of the military council, which acts in an advisory capacity under the War Minister, to four years. This is designed to rid the council of many superannuated Generals who have been enjoying well-paid sinecures as members of that body.

Bomb Explosion in Capital.

ST. PETERSBURG, Jan. 11. (6:35 P. M.)—There was a mysterious bomb explosion today at Vassilly Island, in the courtyard of a house at the corner of Little Prospect street, a part of that district of St. Petersburg where many English families reside.

Though the bomb tore a hole three feet deep in the ground and drove splinters a foot in the walls of adjoining houses, no one was injured. The perpetrators escaped.

Abruzzi to Try If Wellman Fails.

ROME, Jan. 11.—It is reported here that the Duke of Abruzzi intends to make another attempt to reach the North Pole. It will not be made, however, until the result of the Wellman-Chicago Record-Herald expedition is known.

TEXAS TO BACK ROOSEVELT

Resolutions Offered Indorsing Discharge of Rioters.

AUSTIN, Tex., Jan. 11.—A resolution was offered in the Legislature indorsing President Roosevelt's action in discharging negro soldiers charged with complicity in the Brownsville riots and expressing hearty accord with the Texas Congressmen in supporting the President. Action regarding the resolution was deferred.

Will Tell Troubles to Roosevelt.

WASHINGTON, Jan. 11.—A delegation of Ute Indians from Fort Meade, S. D., arrived in this city tonight. It will see the President Monday and lay certain grievances before him. It is understood the Indians will explain the reasons for leaving their reservation last Summer, and ask authority to move elsewhere.

Message on Negroes Monday.

WASHINGTON, Jan. 11.—The President had a conference today with Milton D. Purdy, and the latter turned over the testimony and affidavits secured by him at Brownsville. These with a special message are to be sent to the Senate Monday next.

Tennessee Senate for Roosevelt.

NASHVILLE, Jan. 11.—The Senate today adopted resolutions indorsing President Roosevelt's stand on the discharge of the negro troops.

HITS WALL STREET HARD

New Pennsylvania Stock Issue Gives Bears Merry Sport.

NEW YORK, Jan. 11.—The announcement of an intended issue of additional capital by the Pennsylvania Railway Company to the extent of $100,000,000 in bonds and $100,000,000 in stocks arrived to shock speculative investment in the stock market today. Pennsylvania shares sold down four points from yesterday's close under enormous unloading.

St. Paul, Atchison, Northern Pacific and Baltimore & Ohio were the most acutely affected of the stocks in the general list.

The sharpness of the break invited profit-taking by bears, and supporting orders were put into the market also as a protective measure by inside interests. The result was a substantial rally in the course of the first hour. Trading then became quieter.

G. N. Stock Issue Deferred.

NEW YORK, Jan. 11.—Owing to no decision having been handed down by the Minnesota courts in the action by which the Attorney-General of that state would enjoin the Great Northern Railway Company from issuing its proposed $60,000,000 of new stock, the company is obliged again to postpone closing its books relative to the issue. The books were to have been closed yesterday, but they will now be kept open until January 15.

The date of the first payment on the new stock has been advanced from January 14 to January 18. The stock exchange issued notice yesterday that the day for settlement of the Northern Pacific rights which was set for today has been put over until January 14.

MUST PAY QUAKE LOSSES

Hamburg Courts Compel North German Company to Pay.

HAMBURG, Jan. 11.—The North German Fire Insurance Company, according to a decision rendered by the local court in a test case today, must pay the losses which it incurred as a result of the San Francisco earthquake last year.

The court held that the earthquake clause in the policy was too ambiguous to justify the company seeking to escape liability.

The court also ordered the Trans-Atlantic Fire Insurance Company to reimburse two English companies, which had reinsured San Francisco risks when the fire losses were adjusted. The court refused to sustain the Trans-Atlantic Company's contention that the English companies exceeded the limit of generosity in settling the losses so rapidly.

The case against the North German Fire Insurance Company was won by San Francisco lawyers, including Mr. Sutro who came to Germany in the Autumn for the purpose of pressing the claim.

DECISION HINGED ON COMMA

Matter of Punctuation Decides Insurance Case for Policyholders.

SAN FRANCISCO, Jan. 11.—The North German Insurance Company, of Hamburg, had risks to the amount of $4,500,000 in the big fire of last April. The company denied all the liability on the ground of an earthquake clause in their policies, and has paid no claims.

It is understood by insurance men here that the suit in the German courts was to test the validity of this particular clause, and that the decision is based upon the punctuation of the clause. It is understood that the decision hinged upon the position of a comma or semicolon in the clause, and the interpretation of it in view of the punctuation or error in punctuation.

According to insurance men here, separate proofs of loss will now have to be made and separate suits instituted by the individuals.

ELLEN TERRY IS COMING

Famous Actress on Farewell Tour. Daughter as Stage Manager.

LONDON, Jan. 11.—Ellen Terry will sail tomorrow for the United States on board the American line steamer Philadelphia and will open her American tour at New York January 28 under the management of Charles Frohman.

Her daughter, who accompanies her, will be her stage manager, being one of the few women serving in that capacity.

GERMAN INTERESTS CONFLICT

Russo-British Negotiations in Persia May Strike Snag.

LONDON, Jan. 11.—The pacific views held in German official circles with regard to the second peace conference at The Hague have even further minimized the possibility of international complications as a result of the death of the Shah of Persia. At the same time, the determination of Germany to maintain equal trade opportunities in Persia is noted here as being in direct conflict with the aims of the negotiations pending between Great Britain and Russia.

SAYS HARGIS BACKED HIM

John Smith Makes Startling Confession of Murder.

JACKSON, Ky., Jan. 11.—John Smith, under indictment for the assassination of Dr. Cox, confessed today that Judge James Hargis and Edward Callahan induced him to kill Cox, and that he, Spicer and Abner shot Cox, firing simultaneously.

Blow Tells on Hargis.

LEXINGTON, Ky., Jan. 11.—Judge James Hargis and his supporters are stupefied today as the result of Smith's confession. Smith's confession bears out in every detail the story told by Asbury Spicer last June. Hargis swears Smith is lying.

WHOLE TRAINLOAD OF GOLD

Eight Armed Men Guard Load of Ore Valued at $7,000,000.

SACRAMENTO, Cal., Jan. 11.—Thirteen cars loaded with Goldfield ore valued at $7,000,000 arrived in this city this evening and will remain on a spur north of the depot all night, guarded closely by eight heavily armed men. The ore is destined for Callejo Junction, where it will be treated in the reduction works and turned into shining bars of gold and silver.

Each car contained 100,000 pounds of ore, carefully sacked.

LIKE A TWOHEADED DOG

(Continued From First Page.)

with the plaintive cries of patriots, who believe they were more deserving of "honorable mention" than either DeFord or Shober. But they are beginning to pick up their spirits again, owing to the fact that they expect the recount of votes to seat Hearst in the mayoralty chair and then of course there will be jobs enough for everyone, perhaps.

In the meantime Thomsen is busily at work reorganizing the shattered ranks of the League and long before the time for the National convention rolls around there will undoubtedly be something doing in the local political field.

Pending decisive action, everybody "has hopes," even Driscoll and his extremely independent Independence League.

Abolish Last Horse-Car Lines.

NEW YORK, Jan. 11.—The New York City Railroad Company is soon to do away with the last of its horsecar lines and install electric cars. The directors yesterday instructed President Vreeland to proceed at once to contract for materials and to expedite the change.

The abolition of horsecars means that there will be an entire rearrangement of surface traffic conditions in Manhattan borough. It is expected that present congestion on some lines will be relieved, and that new routes will be laid to touch important traffic centers, which will be created by the new Pennsylvania and Grand Central terminals, new subways and other means of public travel.

OUR GREAT JANUARY SALE AND ANNUAL WHITE CARNIVAL NOW IN FULL BLAST

Butterick Pattern Store

Window Shades Made to Order at Lowest Prices. Headq'rt'rs for Picture Framing

Lipman, Wolfe & Co.

Good Merchandise Only—Quality Considered Our Prices Are Always the Lowest

Mail Orders Promptly Filled. New Fall Catalog Sent on Request

Columbia Yarn Store

$10, $12.50 Long Plaid Coats, $6.83

$15 to $20 Long Plaid Coats, $8.85

325 new Long Coats, full, loose back and front; 50 inches long; made of fancy gray shadow plaid cloth; all the newest and most approved styles; sold regularly at $10 to $12.50. Special sale **$6.83**

125 Women's Plaid and Fancy Mixture Long Coats in the swellest effects; made of all wool materials in browns, grays, green and blue mixtures. Reg. $15 to $20 values. Greatest coat bargain of the year **$8.85**

Children's Coats At Half Price

The most extraordinary sale event of its kind in Portland this Saturday is the absolute clearance of our entire splendid stock of Children's Coats at just one-half the low prices already marked. Choice ½ Price

"Don't Worry—Watch Us Grow"—We ARE Growing

Laxative Fig Syrup	24c	Bronchial Lozenges	10c
Bay Rum, half pint	21c	Witch Hazel, pint	18c
10c can Chloride of Lime	7c	Violet Witch Hazel, bottle	18c
Rochelle Salts, 1-lb. package	19c	Excelsior Spirits, for alcohol burners, pt.	29c
Pinkham's Liver Pills	20c	1-lb. pkg. Bicarbonate of Soda	4c
25c Charcoal Lozenges	10c	25c bot. Rose Water	18c
Laxative Quinine Tablets	15c	Henderson's Syrup of the Hypophosphites	89c

"Fighting the Drug Trust" and Saving You Money

SPRING SUITINGS

60c Values for 43c

New Spring Suitings, in black and white effects, checks and plaids; regular price, 60c the yard; January Sale price **43c**

$2.00 Suitings, $1.48

$2 Shadow Plaid Broadcloths—54 inches wide, in brown, navy and green; January sale price **$1.48**

$2.50 Suitings, $1.25

$2.50 and $2.25 silk and wool crepe, 47 inches wide; imported French cloth in all street colors; January sale price **$1.25**

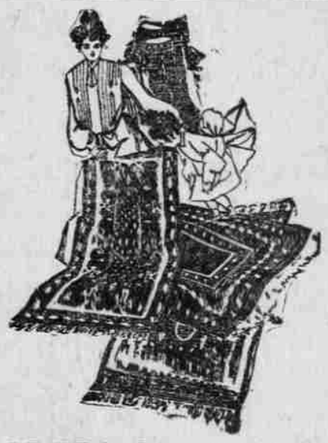
60c Novelty Suitings 39c a Yard

$1.25 Novelty Suitings 69c a Yard

$1.50 Novelty Suitings 89c a Yard

Remnants of black and colored Dress Goods at Clearance Sale prices.

Manufacturers' Rug Sale At 1/4 Value



5000 Rug Carpet Samples of the best quality of velvet, tapestry and body Brussels. They are in full rug sizes, all bound ready for use. This is the greatest rug value ever offered, and splendid opportunity for every home and office.

Tapestry Rug Samples, 27x27 inches, special 29c

Tapestry Rug Samples, 27x36 inches, special 59c

Tapestry Rug Samples, 27x54 inches, special 89c

Axminster Rug Samples, 27x54 ins., special $1.39

GREATEST STATIONERY SALE Ever Held in Portland—Half Price

An enormous shipment of stationery intended for the holiday trade has just reached us, delayed by unforeseen accidents. That is the reason for giving the greatest stationery values ever seen in Portland.

25c STATIONERY 12c

A number of styles of juvenile Paper, or small note size; white and blue; regular 25c value.

35c, 40c STATIONERY 18c

Regular size linen fabric boxed Paper, new shape; colors, blue, white, gray-white; box contains quire of paper and envelopes.

50c STATIONERY 28c

Cabinet box of paper, containing 50 sheets of paper and 50 envelopes; blue or white linen fabric; best quality.

75c STATIONERY 33c

Cabinet box containing assortment of paper, two sizes; some blue, some white; 50 sheets of paper and envelopes to match.

$1.00 STATIONERY 48c

Large cabinet containing 100 sheets of paper and 100 envelopes of fine linen paper; new shape envelopes.

$1.25 STATIONERY 58c

Fine large box of linen fabric paper; new shape envelopes.

$1.25 STATIONERY 68c

Beautiful box, containing 50 sheets of paper and envelopes to match; great value.

$3 STATIONERY $1.48

Handsome cabinet, containing four different sizes of paper; eight quires of paper and envelopes to match; latest shapes and styles.

35c STATIONERY 20c

Children's Lilliputian-size Decorated Paper, nice for parties and correspondence; assorted designs; nicely finished.

50c STATIONERY 28c

Novelty hemstitched paper, in box containing quire of paper and envelopes to match; smart effect.

BEHIND IN THE RACE

Germany Outstripped by Anglo-Saxon Nations.

MUST DEVELOP COLONIES

Dernburg Expounds Kaiser's World Policy to Business Men—African Territories to Produce Raw Materials.

BERLIN, Jan. 11.—Colonial Director Dernberg explained the foundation of Emperor William's so-called "weltpolitik" (world policy) this evening at the German Chamber of Commerce. Herr Dernberg said:

The German colonial question is the question of the future of National labor, the question of the bread of millions of industrial workers and the question of employment of German capital in trade, production and navigation.

In presenting the facts leading up to these conclusions, Herr Dernberg said that the English-speaking nations of the middle of the 18th century numbered 9,000,000, while the German-speaking nations numbered 20,000,000. Today 170,000,000 spoke English and only 75,000,000 spoke German. Germany had lost a position of relative importance in the world because she had no colonies and was dependent more than ever on other countries for raw materials and food supplies.

American Influence on Europe.

Herr Dernberg described the rapid development of the United States and its increasing economic importance and commercial influence throughout the Western Hemisphere to the detriment of European nations.

He discussed in detail the probabilities of supplying Germany's needs, such as cotton, copper, rubber, petroleum, rice, coffee, oil, yielding fruits, hemp, wool, etc., from her colonies. Herr Dernberg said that Germany imported $32,750,000 worth of copper yearly. Copper mines were now being opened at Otavi, German Southwest Africa, and other deposits were being investigated. As to wool, Herr Dernberg said Germany imported 175,000 tons, which can hardly be supplied in German Southwest Africa. Of oil-producing fruits, Germany imported $42,500,000 worth, of which $1,875,000 worth came from the colonies. German East Africa alone was able to supply Germany's entire requirements.

Resources of Colonies.

On the subject of colonization, Herr Dernberg said that, while the greater part of the African colonies were not adapted to colonization by Europeans, German Southwest Africa and the highlands in East Africa contained areas twice as large as Germany, which could be settled by Europeans, and large areas were also available in the South Sea colonies. The rest of Germany's colonial possessions must remain so-called "plantation colonies."

He proceeded:

With the necessary patience and persistence a great part of Germany's requirements in raw materials can be obtained from her colonies. Germany necessarily is becoming an industrial state owing to the lack of agricultural land. Hence it is necessary to export part of the goods manufactured. Our colonies can supply cheap raw materials and German manufacturers and working people can thus be assured of being able to influence prices through the world as against foreign monopolies and high tariffs.

Herr Dernberg added that the colonies were powerful strategic weapons when it became necessary to make arrangements with other countries for reciprocal trade in raw materials and finished products.

MAY ONLY MENACE MOROCCO

Powers Agree to Limit Franco-Spanish Intervention.

ROME, Jan. 11.—It is semi-officially stated that the difficulties between France and Germany over the Moroccan question have been settled through the assistance of Vienna, St. Petersburg and Rome on the basis that a Franco-Spanish demonstration at Tangier shall be merely to induce the Moroccan Foreign Office to re-establish order. The fleet will not be allowed to land men except with the consent of the diplomatic corps at Tangier, but the chief Admiral will be allowed to land them on his own responsibility in case there is imminent danger to Europeans.

ENGULFED BY TIDAL WAVE

Hundreds Drowned on Coast of Dutch East Indies.

THE HAGUE, Jan. 11.—A tidal wave has devastated some of the Dutch East Indian Islands south of Achin. The loss is very great. It is known that 200 persons perished on the Island of Tana, and 40 were drowned at the Island of Simalu.

WASTEFUL EVEN IN DEATH

Persians Criticise Dead Shah's Request for Costly Funeral.

TEHERAN, Jan. 11.—The populace does not favor the deceased Shah's request for burial at Kerbela, which is regarded as a second Mecca, owing to its cost, significantly declaring that he, having been extravagant in life, should not be permitted to be extravagant in death.

The Shah has received a telegram from Emperor Nicholas expressing regret at the death of his father.

STEAD'S CAMPAIGN FOR PEACE

Asks Pope to Send Encyclical and Nations Reduce Armaments.

ROME, Jan. 11.—W. T. Stead is conducting a campaign here to have the next peace conference at The Hague not only a meeting of lawyers versed in international law and diplomatists but a gathering of statesmen able to bring about a reduction of armaments and insure peace.

Mr. Stead is finding support in official circles and will try to induce Pope Pius to issue an encyclical in favor of peace. He thinks the intervention of the papal representative at the conference is desirable.

Says Revolution Is Fizzle.

MEXICO CITY, Jan. 11.—Dr. Baltazar Estupin, Minister to Mexico from San Salvador and Honduras, made the following statement last night, relative to a revolution in the former country:

"As soon as I read the Associated Press despatches which spoke of a probable revolution, I cabled my government to ascertain the exact condition of affairs. I received a reply today which says that everything is absolutely peaceable throughout Salvador. At the same time I cabled Honduras, but as yet I have not received a reply.

"An election will take place Sunday and ex-Minister of War Figueroa will undoubtedly be chosen President. Gutierez, named as the instigator of the recent alleged revolutionary movement, has no real power now and will not figure in the coming elections."

Italian Lawyers May Strike.

ROME, Jan. 11.—A strike of lawyers in Italy has been declared. A number of barristers and solicitors met yesterday, and after examining the proposals of Minister of Justice Gallo for legal reforms, determined to ask the lawyers in all Italian towns to strike against them and to remain on strike until the measures are withdrawn. The Minister has referred the reform measures to the Chamber of Deputies for discussion.

Twenty Killed by Boiling Celluloid.

STRATSBURG, Jan. 11.—Twenty persons perished today in a fire, which destroyed the bookbindery of Hubert & Co., an English firm at Geispolsheim, near this city. A vat of boiling celluloid exploded and the flaming liquid caused such instantaneous destruction of everything with which it came in contact that all the exits were cut off in a very short time. Some of those who escaped from the burning rooms were badly scalded.

Dies Cheering for Revolution.

ST. PETERSBURG, Jan. 11.—The assassin of General Pavloff was executed today. He refused to take the sacrament and died unidentified and with a cheer for the revolution on his lips. The head of the assassin was preserved for later identification.

New Valparaiso to Be Beautiful.

VALPARAISO, Chile, Jan. 11.—Plans for the reconstruction of the Almendral quarter of the city have been presented to the President by the citizens' committee formed after the recent earthquake and fire. Wider streets and more open spaces, public gardens and squares are provided for.

French Submarine Sinks.

CHERBOURG, Jan. 11.—The submarine boat Algerian sank at her moorings here during the night. There was no one on board the vessel when she went down. Divers found the boat lying on her starboard side at the bottom of the harbor.

Tried and Executed Same Day.

MOSCOW, Jan. 11.—Epifanoff, the man who attempted to assassinate the Master of the Household of the Grand Duchess Elizabeth recently, was tried by drumhead court-martial today and executed.

Transvaal Produces More Gold.

LONDON, Jan. 11.—The gold output in the Transvaal for 1906 was £24,576,987, an increase of nearly £4,000,000 over 1905.

Catarrh

Whether it is of the nose, throat, stomach, bowels, or more delicate organs, catarrh is always debilitating and should never fail of attention.

It is a discharge from the mucous membrane when kept in a state of inflammation by an impure, commonly scrofulous, condition of the blood.

Hood's Sarsaparilla

Cures all forms of catarrh, radically and permanently—it removes the cause and overcomes all the effects. Get Hood's.

WEDDING AND VISITING CARDS

W. G. SMITH & CO.

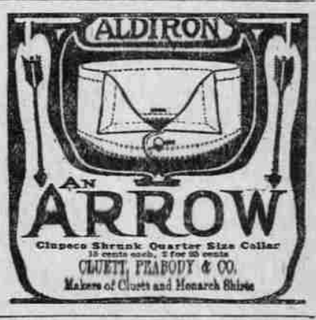
Washington Building

Choose **Dr. Graves' Tooth Powder**

Dentists say—"It is the best dentifrice and antiseptic in the world for the teeth and gums—leaves the enamel white and gleaming; also leaves a delicious after taste."

In handy metal cans or bottles. 25c.

Dr. Graves' Tooth Powder Co.



SICK HEADACHE

Positively cured by these Little Pills.

They also relieve Distress from Dyspepsia, Indigestion and Too Hearty Eating. A perfect remedy for Dizziness, Nausea, Drowsiness, Bad Taste in the Mouth, Coated Tongue Pain in the Side, TORPID LIVER. They Regulate the Bowels. Purely Vegetable.

Small Pill. Small Dose. Small Price.