

## HAINES AND DAVEY ON FIRST BALLOT

### Senate and House Organize at Salem.

#### FOUR DEMOCRATS FOR HAINES

With His Solid 13, This Gives Him a Vote of 17 to 7.

#### IN HOUSE, ALL FOR DAVEY

Democrats Will Face Well in Committee Appointments, It Is Assured, and Belief Is Majority Will Work With Governor.

SALEM, Or., Jan. 14.—(Special.)—The caucus of the House and Senate will be held at 1:30 P. M. Tuesday. The two houses will meet in joint session to elect the speaker of the House and the speaker of the Senate. It was announced that the vote on Haines and Davey was 17 to 7 in favor of Haines. The caucus was held in the presence of the press and the public. The House caucus was held in the morning and the Senate caucus in the afternoon. The House caucus was held in the presence of the press and the public. The Senate caucus was held in the presence of the press and the public. The House caucus was held in the presence of the press and the public. The Senate caucus was held in the presence of the press and the public.

The 14 pledged Haines supporters attended. The Haines men had expected Bailey and possibly Booth to go into the caucus, thus giving them 15 or 16. At the same time the Hodson forces held a conference with the following present: Bailey, Beach, Booth, Hodson, Johnson, Loughery, Sichel, and Wheldon, total 8; Coakley, of Coos, was absent.

Haines' camp sent a committee to invite the Hodson forces to join in the caucus, but the latter declined and sent back the following proposition: That the Hodson men be permitted to name five of Haines' men who should not be candidates for President, and that then the Hodson caucus would join the Haines caucus and select a President.

This plan contemplated practically a surrender of the Haines people, and was promptly rejected. This ended the negotiations and when, at 2 o'clock the Senate was called to order and the Haines men disclosed their intention to proceed to caucus, it was evident that they were certain of their strength. The Hodson

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## ARTILLERY FIRE BEGUN BY POPGUN

### Spokane's Weak Case for Terminal Rates.

#### HILL'S FORGOTTEN PROMISES

Merchants Admit Success in Competition.

#### RAILROAD MEN IN FORCE

Interstate Commission Hears How Hill Got Terminals With Alry Promises—Cotton States the Case for Coast Cities.

#### SPOKANE, Wash., Jan. 14.—(Special.)—

Spokane has a weak case before the Interstate Commerce Commission or it is being badly handled. Perhaps it is both weak and badly handled. Later developments may disclose stronger points than the subject under fire, but the proceedings and the attorneys for the prosecution may make a better showing, but the first sign in this battle for terminal rates was only a popgun and no destruction followed the discharge.

Brooks Adams, of Boston, has charge of the case for Spokane and, in lieu of a knowledge of local conditions which enter into the making of rates, he fired a few oratorical blank cartridges at the Interstate Commission and the Great Northern in particular. The drubbing which he gave the railroads was probably deserved, but it had little or no bearing on the case at hand and accordingly didn't help matters.

H. M. Stephens, a local attorney, confined his efforts a little closer to the subject under fire, but he suffered a handicap of lack of familiarity with the rates and the conditions governing their making. The prosecution seemed to be lame on data with which to back up its assertions and the witnesses with one or two exceptions could not be named down in double statements.

#### Admissions Weaken Case.

If the few jobbers who testified knew exactly how far west and south of Spokane they could ship, they carefully avoided confessing it and, when cross-examination brought out that they were shipping from 100 to 200 miles west of Spokane into territory from which Portland and Puget Sound jobbers had been driven, their case was weakened. It was further weakened by the ridiculous testimony of Mr. Gillette, the engineering expert of the Washington Railroad Commission, who asserted that the Great Northern terminal properties at Seattle were worth \$75,000,000. He repeated the statement in cross-examination, although the very best any of them had expected was terminal rates, while one shipper testified that Mr. Hill had promised him "better than terminal rates."

#### Hill's Glowing Promise.

But the keynote of the day's proceedings was the glowing promise made by James J. Hill when he secured a right of way into the city many years ago. Spokane is angry and her anger is like that of one who has bought a gold brick that won't stand the acid test, or has paid good, hard-earned money to learn that the lock tick and shell game return to profits to the investors. The testimony of some of these witnesses was almost pathetic, as they told of the enormous cost of securing the right of way into the city for Mr. Hill in the belief that he was to grant them terminal rates, and they told the story with its sequel of Mr. Hill's alleged bad faith with a simplicity that revealed confiding natures mourning over a shattered idol.

#### Get Preference Over Portland.

A. W. Dolan, a wholesale druggist, also offered corroborative testimony on the Hill story. Mr. Hill promised him better than terminal rates. On cross-examination Mr. Cotton got from him an admission that Mr. Hill had promised him "better than terminal rates."

#### Where Chairmanships Will Go.

While the appointment of committees in the Senate will not be made for two or three days, it has been the talk for some time that Smith of Marion would get the chairmanship on ways and means. If Haines people win, and he seems likely to get the place if he wants it. It is said that Bowerman, who was one of the Haines leaders, and a lawyer of ability, could probably have the judiciary committee if he asked for it, but he is more likely to take revision of laws and leave judiciary to Senator Markey. It is quite likely that Schofield, residing at Astoria, will get fisheries and Hart of Baker the mining committee. Laycock of Grant would naturally fall heir to the irrigation committee. As Senator Smith of Umatilla has given considerable attention to educational matters, he is in line for the committee on education and is talked of as a probable chairman.

#### Wright of Yamhill, who led the Haines

campaign, is, according to rumor, likely to get the committee on ways and means. Haines may get banking or taxation, though the latter committee is generally believed to be scheduled for Kay or Marion.

## GREAT PROBLEM OF CAR SHORTAGE

### More Tracks and Terminals, Says Hill.

#### DEEP WATERWAY TO THE GULF

Business Grows Faster Than Capacity to Carry It.

#### MUST EXPEND BILLIONS

Outlay of \$5,500,000,000 in Next Five Years to Catch Up—Cars Doing Several Times as Much Work as Formerly.

#### ST. PAUL, Jan. 14.—Governor John

today received a long letter from J. J. Hill, president of the Great Northern Railway Company, in which the magnate dealt exhaustively with the various phases of the railroad problem. Mr. Hill set out at length what, in his opinion, is responsible for the existing situation and what should be done to remedy it. The Western country has grown so fast that the railroads have been unable to keep pace with it. Mr. Hill announced that he had the building of additional tracks in the best solution of the problem.

He says it will require a permanent investment of \$1,100,000,000 a year for five years to provide the railroads of the country with means to handle properly the business already in sight and also allowing for future growth.

#### Figures Show Vast Increase.

Mr. Hill's letter follows in part: During recent years the volume of business has increased and is increasing with extraordinary rapidity, while the necessary additional tracks and terminals have not been equal to the demand upon them. The result is that the railroads are being run at enormous proportions, especially at all terminal points. How to remedy this is a problem of the highest importance. The following figures, compiled from the official reports of the Interstate Commerce Commission and covering the growth of the railroad business for the last 10 years, exhibit the significant facts:

Passenger cars in 1895, 33,112; in 1905, 40,715; increase, 23 per cent.  
Freight cars in 1895, 1,100,000; in 1905, 1,711,000; increase, 55 per cent.  
Passenger miles in 1895, 12,188,446,271; in 1905, 23,800,149,436; increase, 95 per cent.  
Freight miles in 1895, 280,000,000,000; in 1905, 1,000,000,000,000; increase, 258 per cent.

#### Limit of Capacity Reached.

These figures show the cause of delay in the national transportation system. Equipment is being increased as rapidly as capital and labor can do it. There are and will be some 25,000,000 tons of freight in the country which cannot be moved, but which are being held up by the railroads. The limit of service of a common carrier has been reached when it has been moving at all times over its system as many cars as can be run on the tracks with safety and regularity and despatched from its terminals and junction points without unreasonable delay. Beyond that point increase of business cannot be handled by increasing cars and freight cars. The disparity between the growth of traffic and the additions to railroad mileage and the extension of terminals, shown by the following figures, is a clear and convincing evidence to take care of a traffic increase average 11 per cent a year for 10 years past, presents and explains the real problem.

#### More Tracks and Terminals.

No additions to equipment and no increased efficiency in operation can take the place of the imperatively required new tracks and terminal facilities. The country needs, however rapidly as they can be built, additional tracks and terminal facilities. No practical man would accept a contract for furnishing the facilities required, including additional equipment and terminal facilities, for less than \$75,000 a mile. The question of terminals alone is almost prohibitive. The terminals in the Great North were added to the Great Northern; the terminals in the West were added to the Northern Pacific.

#### Benjamin Campbell, in charge of Great

Northern traffic, is about to be appointed to the position of general manager of the Great Northern. He is a former member of the Senate and is a former member of the Senate. He is a former member of the Senate and is a former member of the Senate.

## LEAD THE WORLD IN EXTRAVAGANCE

### Americans Are Greatest Spenders.

#### \$1,000,000 A DAY IN BETTING

European Hotel Men Grow Fat on Lavish Tourists.

#### SWARM TO SEE THE SIGHTS

Niagara and Great Expositions. Live at Top Notch in New York.

#### BY FREDERIC J. HASKIN.

The Americans are the most extravagant race of spenders that ever lived. There is no question but that we spend more money in the evening for fun than the rest of the world does in during the day. Our unbridled extravagance takes innumerable forms. During the racing season we bet \$1,000,000 every day—and some more of it. Our women spend about \$1,000,000 a year for feathers to wear on their hats, and our small boys get an early start at sports by equipping \$1,000,000 a month for peanuts and popcorn.

The people of Chicago spend \$100,000 every week in going to their theaters, and they spend more than that on their last Fall on the series of championship ball games. New York City reports the sale of \$200,000 worth of hats for one woman's house, a Philadelphia jeweler sold a \$100,000 ruby to complete one woman's collection of jewels, and now comes a New Yorker who spends \$200,000 for a site for a private residence. The annual expenditure in this country for little things like hats, shoes, coats, etc., is \$2,000,000,000, and if it is a new game with us. When it comes to speculation, we are the easiest lot of "markies" that ever drew the breath of life. During the last 12 months the get-rich-quick element in the United States has invested enough money in wildcat mining schemes to pay off the Government debt.

#### Luxuries of Tourists.

The Atlantic liners have suites of rooms which cost \$2000 per voyage in the summer, and these sumptuous apartments never lack occupants. Americans are exceptionally extravagant in their travels. When I was in Cairo, Egypt, the manager of the largest hotel there told me that 70 per cent of his guests were Americans. Fully 50,000 of our people go to Paris every year. The keepers of the great shops and resorts of the French metropolis would think dull times had struck them when many excursions are, in most parts of the world the natives ask them just as much again as they do travelers from other countries. Bead-sellers and curio-vendors in the West Indies know that a Yankee will readily pay a half dollar for an article that a Britisher will hesitate to purchase for a shilling.

#### And Americans squander untold millions on travel in their own country.

Los Angeles has over 60,000 rooms for rent, and they fill up every season. It is estimated that the tourists spend \$20,000,000 in Southern California every winter. The number of people who visit Niagara Falls during an ordinary year is between 700,000 and 800,000, and during the season when the water is running from distances the number of visitors to the scene of this great natural wonder runs over 1,000,000. The amount of money spent here by the tourists is incalculable. They spend all the way from \$2 to \$200 apiece. The last estimate may seem high, but when people come with their families, and when they take a whole party or several suites of rooms in the big hotels, and make large purchases of bric-a-brac, furs and curios at the bazaars, \$2000 does not last long.

#### Seeing Wonders of the West.

The Yellowstone National Park, with its natural wonders and beauties of nature, attracts upwards of 20,000 visitors a year, the majority of whom come from east of the Alleghenies. Railroad fare to and from this park to such sight-seers means almost as much expense as a trip to Europe. The Yosemite Valley, inaccessible as it is, is visited by 5000 sight-seers yearly, nearly all of whom come from great distances. The volume of travel to Colorado has increased so rapidly during the last few years that, although carpenters have been kept busy through the entire winter, hundreds of new hotels, each summing up in capacity of the state is taxed to its utmost. During last year some 60 conventions were held in Denver. The sands of travelers go down the St. Lawrence every summer, and thousands more flock to Florida in the winter. Although Asheville, North Carolina, is not looked upon as one of the great National show places, it is now attracting 10,000 visitors every year.

#### Millions Spent at Expositions.

Our people are great enthusiasts for expositions, celebrations and conventions. At the St. Louis Exposition one morning \$1,000,000 was spent in one day. The people of Chicago spent \$100,000 every week in going to their theaters, and they spend more than that on their last Fall on the series of championship ball games. New York City reports the sale of \$200,000 worth of hats for one woman's house, a Philadelphia jeweler sold a \$100,000 ruby to complete one woman's collection of jewels, and now comes a New Yorker who spends \$200,000 for a site for a private residence. The annual expenditure in this country for little things like hats, shoes, coats, etc., is \$2,000,000,000, and if it is a new game with us. When it comes to speculation, we are the easiest lot of "markies" that ever drew the breath of life. During the last 12 months the get-rich-quick element in the United States has invested enough money in wildcat mining schemes to pay off the Government debt.

#### Coal Trust Really to Blame

L. W. Hill Tells His Father Result of Investigation.

## MINNEAPOLIS, Jan. 14.—Blame for

the fuel famine in the Northwest is placed upon the coal-trust, says the report of L. W. Hill, vice-president of the Great Northern Railway. In a telegram to J. J. Hill, giving the result of an investigation he is making here, L. W. Hill says: "The coal-trust is really to blame for the present conditions. I find that in every

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