HAINES AND DAVEY ON FIRST BALLO

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

mittee Appointments, It Is Assured, and Belief Is Majority Will Work With Governor.

P********************** SALEM, Or., Jan. 14.—(Special)as the vote has been announced, the then read his message.

F. W. Mulkey for the short term and place immediately, for the reason that that even in filling a vacancy the

te, and of Frank Davey, of Marion, for

nd Coshaw for Smith, of Umatilia.

of Republican Senate members in Hajnes' camp, numbering 14, and expected to hold alliances. Hodson's ninth supporter, Coke, of Coos, did not arrive to partici-

In the House, Davey received 59 votes and Rothschild, the lone Democrat of that perfunctory, all knowing what the result Haines was elected at 2:30 o'clock and

Davey a few minutes later. How the Vote Stood.

The vote in the Senate and in the House

Senate For Haines Smith, of Mar-Miller, of Linn-Marion; Kay, Bing! Laycock, Wright, Bowerman, Cole, Hart, Malarkey, Nottingham, McDonald, Schol-Umatilla-17.

For Hodson-Booth, Loughary, Johnson, Sichel, Beach, Balley, Whealde For Coshaw-Miller, of Linn. For Smith, of Umatilla-Coshaw.

For Batley-Hodson.

For Howerman-Haines. House-For Davey-Settlemier, Rodgers, Simmons, of Marion: Holt. Brown and Upmeyer, of Linn; Eaton, Washburne and Edwards, of Lane; Jackson, of Douglas Jewell, of Josephine; Carter, of Benton McCallon and Jones, of Polk; Bones and Crawford, of Yambill; Beals, of Tilla-mook; Purdy, Barrett and Newell, of Washington; Huntley and Dye, of Clackamas; Adams, Bayer, Burns, Coffey and oriscoll, of Multnomah; McCue, of Clat-op; Connell, of Columbia; Belknap, of Crook; Merryman, of Klamath; Slusher, Sicel and Barrett, of Umatilla; Dobbin, of Vallowa: Moore, of Baker; Kink, of Mal-leur; Pike, of Sherman; Donnelly, of Wheeler: Knowles, of Wasco; Chase, of Coos: Brix, of Clatsop: Campbell, of Multnemah-Clatsop, and Davey himself-

For Vawter-Gray, of Douglas: Perkins and Kubil, of Jackson; Jones, of Clacks mas; Beutgen, Beveridge, Freeman Northrup, Wilson, Farrell and Chapin, of Multnomah; Rackliff, of Curry; Hen-

Caucus After Organization.

At noon there was every indication that the Hodson threat of deadlock on the Presidency would be realized, through Haines' supporters asserted they had resurance of two Democratic votes, if needed, which, added to Haines' 14, would make a majority of the Senate.

After effecting temporary organization without a contest, the Haines people announced a Republican caucus, but only

the 14 pledged Haines supporters attended. The Haines men had expected Balley and nossibly 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, Laughsty, Sichel, and Whealdon, total 8: Coke, of

vite 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 torons would join the Plaines caucus and select a President.

This plan contemplated practically a urrender of the Halmes people, and was compily rejected. This ended the negotiations and when, at 2 o'clock the Senate was called to order and the flatnes men disclosed their intention to proceed, it was evident that they felt certain of their strength. The Hodson



Charles A. Prouty, Interstate Com-

bring in Senator Pierca Mays, who came em this morning and was rinto the Senate it wanted.

Overtures to Democrats.

two of the members had agreed to support Haines if necessary, to prevent Hod-

Speaker of the House, the Oregon Legie is with speak by Miles, a vote was lature made itself ready today for law- taken. The Hodson people supported making. Committees will be announced their candidate, the Democrats were ap-Multnoman, by a vote of 17 to 7, four man. But before the result was an-Democrais, Caldwell. Yamhlii: Smith. nounced. Mulit of Jackson, Smith of Umatilla: Hedges of Clackamas and Cald-Jackson, joined the 13 supporters of well of Yamhlii, all Democrats, rose in Halnes, and Haines voted for Bowerman, quick succession and changed to Haines. address, acknowledging the honor and This combination took the Hodson fol- urging co-operation in beneficial legisla-

That Democrats in the Senate will fare well on the committees is assured, and friendly toward the Governor's office. might go to pieces and be made into new While it is asserted that no definite agreement was made, it is admitted by the Halnes men that the Democrats are to get a fair share of the committee

places. It is denied that they have agreed t of that to sustain the Governor's vetoes, but the received Haines leaders remark that as in the las one, each voting for the other. In the session they were friendly toward the Republican nominating caucus, Davey Governor, they may be expected to be will not be influenced in legislation by There was no contest and the voting was the fact that the Governor is a Democrat. the acid test, or has paid good, hard-The Haines forces picked all the officers in caucus. Frank S. Grant of Portland won over S. L. Moothead for Chief Clerk, John Hunt of Marion and Frank Motter of Multnomah were chosen Assistant Clerk and Reading Clerk respectively without opposition. F. K. Loveli won out over Frank Middleton, F. A. Turner and mer Robins for Calendar Clerk W. S. yers was given the position of Bergsant-Arms without opposition, and G. G. Gans was made Doorkeeper in the same Portland, the former winning out.

Where Chairmanships Will Go. 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 the Haines people won, 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 is a lawyer of ability, could probably have the judiciary committee if he asked for it, he is more likely to take revision of laws nd leave judiciary to Senator Malarkey. is quite likely that Scholfield, residing at Astoria, will get fisheries and Hart of Baker the mining comm Laycock of Grant would naturally beir to the irrigation committee. Senator Smith of Umatilla has given considerable attention to educational mat-

Wright of Yamhill, who led the Haines may get banking or taxation, though the latter committee is generally believed to be scheduled for Kay or Mario

ONE BALLOT ELECTS DAVEY

Very Few Contests Over Selection o Officers of the House.

SALEM, Or., Jan. 14.—(Special.)—One sallot in the caucus of the Republicar members of the House this morning de-termined the Speakership contest, Representative Frank Davey of Marion, who for several days had been pickes as the winner, won by 44 to 14 from his opponent, Vawter of Douglas and Jackson. The caucus was organized immediately following the morning adjournment of

(Concluded on Page 4.)

Spokane's Weak Case for Terminal Rates.

HILL'S FORGOTTEN PROMISES

Merchants Admit Success in Competition.

RAILROAD MEN IN FORCE

Hill Got Terminals With Airy Promises-Cotton States the

Case for Coast Cities.

SPOKANE, Wash., Jan. 14.-(Special.)weak and badly handled. Later developeedings and the attorneys for the prose-

tion followed the discharge. Brooks Adams, of Boston, has charge of e case for Spokane and, in iten of a owiedge of local conditions which enter nto the making of rates, he fired a few particular. The drubbing which he gave ters. H. M. Stephens, 2 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 assertions and the witnesses with one or

Admissions Weaken Case.

If the few jobbers who testified knew exactly how far west and south of Spo-kane they could ship, they carefully avoided confessing it and, when cross-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 Rallroad Com-Northern terminal properties at Scattle were worth \$175,000,000. He repeated the statement in cross-examination, although Mr. Gliman, of Seattle, told him that the assessed valuation on a 60 per cent basis

Hill's Glowing Promises.

But the keynote of the day's proceedwhen 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 investors. The testimony of some of these witnesses was almost pathetic, as they 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

tified that Mr. Hill had promised him "better than terminal rates."

Commissioners Lane and Prouty were quite liberal in their rulings and gave both sides considerable latitude in the examination of witnesses. The hearing benorning, Messrs. Brooks Adams, J. M. Geraghty and H. M. Stephens appearing Cannon and S. Donnelly, of the Hill roads; W. W. Cotton, of the O. R. & N., Before the hearing began, a petition for intervention was filed by J. N. Teal, Seth Francisco and Seattle, all of whom have

an interest in the case. Mr. Adams, as before stated, drifted away from the specific case of alleged injust rates and made a vigorous attack on railroads in general. He gave quite an extended review of the railroad history in the West, and in his speech dwelt at length on Mr. Hill's alleged unfairness

Spokane Highly Favored.

Mr. Cotton, as in other similar cases, after making a brief reply to Mr. Adams statements regarding excessive profits of the railroads. Mr. Cotton took up the last year Spokane had shipped over his line into the Palouse country nearly four in that territory by Portland jobbers. In part Mr. Cotton said:

It was worth its while to build an extension to this city. Since that time Spokane has grown to be a city with an estimated popu-lation of 19,000.

is not a city west of Spokane that an undersell Spokane in any line of goods n the freight rate is taken into con-nation. The principal object of this as it appears to my mind, is to assist jobbers of Spokane to get into the Walla Walla Valley. They wish to com-pote with the Portland merchants and yet they are not willing to so to se much they are not willing to so to se much chants of Portland. Instead of taking advantage of Snokane by lower freight rates because of water competition, the railroad-have garbered this city and it now has a competition or its infer that has been set saids for it by the railroads. We are glad to have the commissioners here in the position that has been occupied by the past to seek to decide how much of this territory Spokane shall have all for spokane has better freight rates than Butte.

The last address of the morning was made by Seth Mann, of San Francisco, representing the Coast interests. Mr. Mann stated that the chief issue in the coast jobbers were a direct party in in-Coast jobbers towards Spokane, saying owing to the fact that the Coast jobbers case and stated that at least 90 days after the close of the present Mr. Prouty then announced that the

parties interested would probably Rate Expert's Testimony.

first witness produced by Spokane and the dence. Mr. McCuen, who left the empl of the railroad last November, had con questioned on a number of points

owing to discrimination of railroads He supplied a list of commodities on which Spokane now secures the same rate as butter, eggs, cheese, brandy, all grains a number of other staples.

H. P. Gillette, a civil engineer employ of the Washington Railroad Commission, testified as to the cost of the Great Northern owned \$175,000,000 worth of terminal at Seattle.

Those Unfulfilled Promises

N. W. Durham, editor of the Spokestimony was introduced to show that Mr. Hill had agreed to give Spokane termin by wishing it understood that Mr. Hill's of all the property in Seattle was but talk was not binding on the Harriman talk was quite pronounced many years ago. He is quoted as saying that it was be the regular selling price of coal when his road was built into Spokane. He nails one-half. The railroads objected to this testimony, but it was accepted, though on cross-examination it developed that Mr. Hill had refused to sign any agreement in line with his alleged prom-

relating Mr. Hill's promises. He said the Great Northern magnate had promised

Get Preference Over Portland.

A. W. Dolan, a wholesale druggist, also Hill story. Mr. Hill promised him better than terminal rates. On cross-examina-Portland jobbers as far as Pendleton, Wenatchee and Connell and throughou the Palouse country and Walls Walls country. The day's proceedings closed with the testimony of Mr. Dolan.

The meeting has brought together mealirond men than ever before assemble at a meeting in the Pacific Northwest There are fully a dozen railroad attorneys here, and an even greater number of traf-Northern Pacific; R. B. Miller, general freight agent of the O. R. & N.; Harry Adams, western traffic manager of the Great Northern; Henry Blakely, western freight agent of the Northern Pacific. Benjamin Campbell, in charge of Great sion of the hearing.

Mr. Lane goes from here to Seattle and Portland to take further testimony from the jobbers. E. W. WRIGHT.

TEAR DOWN THE FENCES Federal Court Issues Edict Against Great Margrave Ranch.

OMAHA, Jan. 14.-Judge Munger, of the nited States District Court, today issued n order to the United States Marshal to estroy the fences on the Margraye ranch in Sheridan County, Neb., unless they are taken down within five days. A perpetual fence the public domain.

The Margrave ranch is said to enclor about 40,000 acres of public land. Muc of this is alleged to have been illegal speak largely for myself, as others may diled upon. The entries are all cancelled.

More Tracks and Terminals, Says Hill.

DEEP WATERWAY TO THE GULF

Business Grows Faster Than Capacity to Carry It.

MUST EXPEND BILLIONS

Five Years to Catch Up_Cars Doing Several Times as Much Work as Formerly.

ST. PAUL, Jan. 14 .- Governor John-Railway Company, in which the mag-Mr. Hill sets out at length what, in roads have been unable to keep pact with it. Mr. Hill says, and he believe the building of additional trackage the best solution of the problem.

mays it will require a peri five years to provide the railroads of

Figures Show Vast Increase.

extraordinary rapidity, while the necessary ormous proportions, depecially at all termiwe exceptions could not be pumed down and careal proparations, frait furniture past point. How to remedy this is a problem chould be lost in applying such meenedy as may be possible.

The following figures, compiled from the ofcelai reports of the Interstate Commission and covering the growth of dad business for the last 10 year the significant facts:

nereuse, 35 per cent. Passenger cars in 1895, 33,112; in 1995, 40,-Passenger mileage in 1895, 12,188,446,271; in

. 23.800,149,436; Increase, 95 per cent. eight ten intlesse in 1895, 85,227,515,891; 905, 180,465,109,510; increase, 118 per cent. Limit of Capacity Reached.

is being increased as rapidly as capital and

The disparity between the growth of traffic and the additions to railroad mileage and the extension of terminals, shown by now mileage of less than 1½ per cent a year cluce 1904 to take care of a traffic increase averaging 11 per cent a year for 10 years past, tion of not less than 5 per cent per annum to the railroad trackage of the co-

Investigations show that the rallroads cent more cars in service in 1905 than in 1895, but each engine and car did much more work. Trains run faster, cars are larger, lo-comolives are more powerful and methoda or Increase the general efficiency.

More Tracks and Terminals, No additions to equipment and no increased and terminal facilities.

No practical man would accept a contract for furnishing the facilities required, includ-ing additional equipment and terminal facili-ties, for less than \$75,000 a mile. The question of terminals alone is almost prohibitive Terminals on the Great Northern were ac-quired when property was cheap and can be callarged only by heavy outlay. In many cities it is not even a question of cost, since the area necessary to handle railroad husiness properly is not to be had at any price. The new work would amount to \$5.500,000,000 in round numbers, or a yearly average of \$1,100, 000,000. That is the sum which should be States after the close of the Civil War. It s more than twice the entire currency in eir-relation in the country and only a little less than twice the deposits in all the savings anks in the United States put together.

Speed of Freight Trains.

The average speed of a freight train om 12 to 15 miles an hour. The averdistance traveled by each freight car is about 25 miles a day. That is, the entire freight equipment of the country is employed to the fair limit of its capacity, except two homes out of the 24. On single track lines freights must wait on sidings, while passenger trains have the right of way; cars stand for days or weeks in yards on at transfer points awaiting their surn.

The pressure of traffic increases in a conber of passenger miles traveled in this coun-

try for each mile of railroad in it has in-transed 30 per cent in the past five years, and the number of ton-miles for each mile of track has grown 18 per cent. The highest

Iteaontan.

140 tons to the mile, it would require 2,000,000 tons of steel rails every year to turnish the 1800 settles of the product of all the rotting mile in the United States, it would call for the labor of 200,000 men in grading, besides be had in sufficient quantities on any terms altroads of the country with means to handle foot capai or channel from St. Louis to New



Frunklin K. Lane, Interstate Commerce Commissioner, Who Is Hear-

fusion of business, permitting transfers to justed. The heavy transfers must be mad from the larger cities.

Fault of Hostile Legislation.

It is not by accident that railroad-building has declined to its lowest within a genera-tion at the very time when all other forms of activity have been growing most rapidly. The investor declines to put his money into enterprises under ban of unpopularity and over threatened by inc vicinite and political parties with conference or temesfor to the state. This resing must be removed and greater confidence be mutually established if any considerable portion of the vast sum nec-There must be a valiable for the work.

There must be a realization by the country of the embargo on business and of the fact

facturer and merchant to arrest the progress of the paralysis that is laying its g orgence and to restore the whole not be life and growth in either individual or the commonwealth.

COAL TRUST REALLY TO BLAME

of Investigation. fuel famine in the Northwest outs W. Hill, vice-president of the Great Northern Railway. In a telegram o J. J. Hill, giving the result of an in-

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son faces charge of murder. Page 10.

Americans Are Greatest Spenders.

SI,000,000 A DAY IN BETTING

European Hotel Men Grow Fat on Lavish Tourists.

SWARM TO SEE THE SIGHTS

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

BY PREDERIC I HASKIN he Americans are the most extraor, ary race of spenders that ever lived

Having more money than the people of There is no question but that we spend more money in the evening for fun than innumerable forms. During the racing eason we bet \$1,000,000 every day-and se most of it. Our women spend about ,000,000 a year for feathers to wear or their hats, and our small boys get an

Fall on the series of championship ball games. A New York firm reports the sale of \$250,000 worth of rugs for one man's house, a Philadelphia jeweler sold a \$100,000 ruby to complete one woman' site for a private residence. The annual expenditure in this country for Hittle When it comes to speculation, we are the easiest lot of "marks" that ever drew the breath of life. During the last 12 months the get-rich-quick element in the that the cause is insufficient railroad track- United States has invested enough money

Luxuries of Tourists.

The Atlanic liners have suites of rooms which cost \$2000 per voyage in the Summer, and these sumptuous apartments never lack occupants. Americans are exwhen I was in Calro, Bayot, the man ager of the largest hotel there told me L. W. Hill Tells His Father Result | that 70 per cent of his guests were Ameri-Paris every year. The keepers of MINNEAPOLIS, Jan. 14.-Blame for great shops and resorts of the French ankee spenders should stop falling on their counters. Uncle Sam's tourists are so generous in their expenditures that in most parts of the world the natives "The coal-dealers at the head of the ask them just as much again as they do lakes are very largely responsible for travelers from other countries. Bead-present conditions. I flud that in every sellers and curlo-venders 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

> 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 \$25 .-660,666 in Southern California every Win-ter. The number of people who visit Niagara Falls during an ordinary year is between 700,000 and 800,000, and during 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 \$2000 apiece. The last estimate may seem high, but when people come with their retinue of servants and take whole suites or several suites of rooms in the big hotels, and make large purchases of brica-brac, furs and curios at the bazaars, \$1000 does, not last long.

Seeing Wonders of the West.

The Vellowstone National Park, with ture, 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 Surope. The Yosemite Valley, in-accessible as it is, is visited by 5000 sight-seers yearly, nearly all of whom

come from great distances. The volume of travel to Colorado ha-increased so rapidly during the last few years that, although carpenters have been kept busy through the entire Winter building new hotels, each Summer the capacity of the state is taxed to its utmost. During last year some 60 conentions were field in Denver. Thourence every Summer, and thousands more flock to Florida in the Winter. Although Antivitie, North Carolina, is not looked upon as one of the great National show places, it is now attracting 10,000 visi-

Millions Spent at Expositions.

Our people are great enthusiasts for expositions, celebrations and conventions. At the St. Louis Exposition one morning

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