

SAYS THE MERGER HAS BEEN PROVEN

Commerce Commission Ends Inquiry.

COMPETITION CEASED IN 1901

Government Brings Out Facts About Harriman Combine.

MANY WITNESSES TESTIFY

Attorney for Commission Declares All That Was Sought to Be Established Has Been Proved From System's Employees.

CONTENTIONS OF BOTH SIDES.

What the commission's attorney charges—that the merger of the Harriman lines in 1901 destroyed competition, injured the service and wrought much damage to the shipper. It is charged that cars are withheld by the railroads at their pleasure and when furnished are routed as they wish to give the most revenue to the Harriman roads and to the consequent injury to competing roads. A large part of Oregon has been neglected by reason of one system owning the railways of the state.

What the railroads contend—That competition still exists because all lines are open to the shipper and that the pooling of cars consequent upon the merger has been a benefit to shippers. They contend that more lines are being built in this state since the Harriman regime than ever before.

What the witnesses testify—That since 1901, competition has been done away with and while all routes are open, service generally has been inferior.

After showing conclusively that competition was destroyed by the merger of the Harriman lines in this state, C. A. Severance announced at the close of the Interstate Commerce Commission investigation, yesterday afternoon, that he would call no more witnesses here, as the facts he came to know were admitted by the testimony of railroad officials.

Commissioner Franklin K. Lane then adjourned the session to meet in San Francisco next Tuesday, when C. A. Severance, general manager of the Pacific Mail Steamship Company and other Harriman officials will be placed on the stand.

By the statement of Mr. Severance to Commissioner Lane, the sessions in Portland have been eminently satisfactory to the commission's attorney. He referred directly to the testimony of R. H. Miller, general freight agent for the allied Harriman lines in this state, who in his dual capacity, directs what traffic shall be parceled out to the Southern Pacific and to the O. R. & N. That the absence of competition and the distribution of earnings on all traffic from this territory between the two roads constitutes an illegal combination to the disadvantage of business men is the contention of Attorney Severance.

Mr. Miller contended, competition still exists and said there are still other roads entering this territory.

"We are thankful for that," said Attorney Severance.

Competition Ended in 1901.

Witnesses examined yesterday testified that the year 1901 was an unfortunate one for Oregon. Then it was that the O. R. & N. and Southern Pacific were merged under one management and the service offered on both roads was impaired. Officials at the head of the system had an eye single to big earnings and a minimum of expenditure. The service suffered on all the routes for shippers were denied, and the roads in possession of the territory were amenable to none for business.

Shippers said both rail and water lines have depreciated since the merger, there has not been a disposition to extend into new territory and the entire Central Oregon region has been effectually bottled up.

Railroad officials who serve as the head of allied roads and who there maintain there is competition between them, when, as a matter of fact they work together as two partners in one business, were grilled yesterday by Attorney Severance.

Passenger Service Criticized.

Witnesses maintained that rates showing rank discrimination have been put into effect on ties to California whose object is to hamper the Gould service. Others said the passenger service between Portland to Omaha is abominable, and is due to the monopoly of the Harriman companies in that territory.

While Attorney Cotton was at his best in stemming the tide of adverse testimony and never showed his addressness to better advantage, the facts brought out were strongly in favor of the Interstate Commission. This was tacitly admitted when Judge Lovett, acting for the merger, objected to the questioning of Mr. Severance, showing the examination was going against the railroad interests.

Commissioner Lane and Attorney Severance left on last night's Overland for

San Francisco. J. C. Stubbs, R. F. Schwerin, Judge Lovett, with their wives and secretaries, left on a special train at 9 o'clock last night for California.

Mr. Stubbs declined to discuss the sessions here. "I hope to come back for a time after I am through with these investigations," he said. "I will probably be here in February or March."

These Witnesses Not Needed.

There was apparently no need to exhaust the long list of witnesses the Commission had ready. Many were not called. Special Agent McKenle had subpoenaed out for a number who are said to have damaging testimony to give, should it be needed. It apparently was not necessary to call these men, who are:

H. G. Gile, pruna dealer, Salem; C. E. Overbaugh, assistant superintendent of the Harriman river lines; W. D. Wheelright, president of the Pacific Export



W. J. Oliver, who will probably be given contract to dig Panama Canal.

Lumber Company; F. Baumgartner, agent for the California & Oregon Coast Steamship Company; Charles Boutin, manager of the Coos Bay Lumber & Coal Company; A. C. Churchill, fruitgrower, Salem; William Leonard, clerk in charge of manifests of Portland & Asiatic Steamship Company; Captain A. B. Graham, president of the Oregon City Transportation Company; A. C. Sheldon, general agent for the Burlington; T. E. Wallace, contracting freight agent for the Rock Island; W. N. Hollinger, of Waterhouse & Lester; Harvey Toberson, of Albany, agent for the Corvallis & Eastern Railroad; J. D. Ottwell, fruitgrower, of Medford; J. H. Deussen, agent for the Pacific Steamship Lines; William Harder, general agent for the Great Northern; Harry Mitchell, of Mitchell, Lewis & Sawyer Company; I. N. Pleischner, of Fleischer, Mayer & Co.; J. P. O'Brien, general manager of the Harriman Northwestern lines, and A. B. Conwell, formerly agent for the Southern Pacific at Grants Pass.

Effect of Pooling on Car Supply.

J. F. Meyer, car service agent, was called to the stand when the afternoon session opened. He said he has charge of the distribution of cars in a general way on both Harriman lines in this territory, a position he has held since July 1, 1904. He said the endeavor is made by the Northwestern Lines to fill orders for the East with foreign cars, as cars belonging to the lines in this territory cannot be spared.

"What has been the effect of pooling the cars on your lines?" asked Commissioner Lane.

"I think it has had a good effect," said the witness. "It has resulted in a better supply of cars for shippers."

"When you need cars this side of Ashland, do you ask for cars from other systems?"

"I call on our connections, that is, the Oregon Short Line and the Southern Pacific."

"Suppose the Oregon Short Line has no cars available, would the officials of that road pass the word along to the Union Pacific that more cars are wanted?"

"I suppose so."

"To whom do you report the number of cars on your line?"

"I generally confer with General Manager O'Brien or General Superintendent Buckley."

"There is no general interchange of cars between the Great Northern, Northern Pacific and your own lines, is there?"

"We let our cars go Northern Pacific when we have a sufficient number so we can spare them."

Cars "Owing" by Northern Pacific.

"How many cars does the Northern Pacific owe you today?" asked Mr. Cotton.

"I cannot say today but the last report showed that line owed us between 800 and 1000 cars."

"Do you furnish your own equipment?"

THAW'S WIFE AND SISTER QUARREL

Evelyn Thaw's Actress Friend the Cause.

SCORNEO BY PROUD COUNTESS

Interest Diverted From Trial by the Women.

TWO MORE JURORS CHOSEN

Talesmen, Reluctant to Endure Long Confinement, Find Many Excuses. Many Knew White—One Objects to Electrocutation.

DISSENSION IN THAW FAMILY.

NEW YORK, Jan. 25.—Interest in the examination of jurors for the trial of Harry K. Thaw pale beside the anxiety of those who gained admission to the courtroom to confirm rumors of dissension among the women members of the Thaw family. It was noticed that the mother of the prisoner ignored the young wife when she appeared in the courtroom.

Thaw's sister, the Countess of Yarmouth, was not in court. Mrs. Mackenzie, Evelyn Nesbit Thaw's actress friend, is said to be the cause of the rupture. It is reported that the Countess, who gained her title only after her brother is alleged to have threatened to kick the Earl of Yarmouth down stairs because he demanded \$1,000,000 before he would sue through the marriage ceremony, could not abide the proximity of a woman who earns her living by appearing behind the footlights.

The rift between the two women has widened to such an extent, it is said, that the Countess has refused to live on the same floor of the Hotel Lorraine with the younger Mrs. Thaw, and has now taken apartments on a lower floor.

The friendship that exists between Evelyn Thaw and Mrs. Mackenzie is of long standing. They have been inseparable since the night of the shooting, when Evelyn Thaw took refuge in the actress's dressing room, and were fast friends before Evelyn Nesbit became Mrs. Thaw.

NEW YORK, Jan. 25.—Fifty-one talesmen were examined in rapid order in the effort to complete the jury which is to try Harry K. Thaw for the killing of Stanford White and at the end of the session two names had been added to the jury roll, making seven in all. One hundred and one talesmen have thus far been examined.

That there is increasing difficulty in finding men who are willing or competent to serve was evidenced by the fact that on the first day of the trial two jurors were sworn from among 15 talesmen, one of them being excused subsequently by the court. On the second day three jurors were secured from among 31 talesmen, while today it required the winnowing of more than one-fourth of the entire special panel of 300 men to secure two members of the necessary 12.

One of the new jurors is Harold R. Frair, a printer and publisher. The second new juror is Malcolm S. Fraser, a dealer in underwear. The panel as it grows impresses the followers of the case more and more favorably.

All Ready With Excuses.

Excuses framed by the talesmen to avoid jury duty in the case are growing more varied each day. Man after man declared that his opinion as to the guilt or innocence of the accused was so firmly fixed as to admit of no change by reason of any testimony that might be adduced.

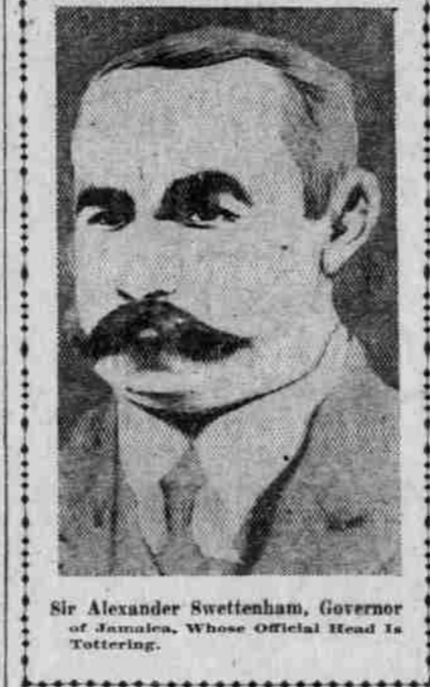
District Attorney Jerome tried to convince the talesmen that newspaper stories were not the same as sworn testimony before a court, but his efforts were generally unsuccessful and challenges for cause were sustained by the court.

Only three talesmen were peremptorily rejected. The state challenged a talesman named Nesbit, who stated that he was in no way related to Mrs. Evelyn Nesbit Thaw, wife of the defendant. The defense used two peremptory challenges, one to relieve from duty Harris M. Fletcher, who declared that white he would carry an opinion into the jury box,

he was sure he could lay it aside upon hearing the evidence and render a fair and impartial verdict. The defense challenged Fletcher, in its own right only after Justice Fitzgerald had overruled a challenge for cause. The second peremptory challenge by the defense was directed against Sol N. Levy, a tobacco dealer.

Thaw Tries to Read Paper.

Harry Thaw seemed much more accustomed to his surroundings today, and for the first time gazed interestedly at the crowd in the courtroom, which was filled, however, by talemen and newspaper writers. Thaw seemed especially interested in the reporters' tables and tried once to read the large-sized account of his trial in a paper one of the writers was scanning. He seemed to have a much better color today, although his wife was paler.



Sir Alexander Swetkenham, Governor of Jamaica, whose official head is tottering.

tentious proceedings by a talesman named Ketcham, who said he was connected with an electrical supply house, and supplemented this with the declaration that, while he was not opposed to capital punishment in first degree murder cases, he was opposed to the use of electricity in that connection.

Ketcham was asked whether he knew Stanford White, and replied: "I am acquainted with the architect as well as the artist."

Many Had Known White.

Another feature was the number of talesmen who had known Stanford White. At one time three men in succession asserted that they had been so well acquainted with the architect as to make them unsuitable as jurors.

Martin T. Ford, a Life Insurance agent, was under examination for nearly half an hour. He felt the long confinement of jury duty would seriously interfere with his business, his income being dependent on commission. His lawyer, Mr. Fitzgerald, cunningly and tenaciously to him and pled him with many questions. Thaw's counsel finally interposed an objection to the examination of so many inquiries, and this practically ended the examination. Justice Fitzgerald ordered Ford excused for cause.

Helped to Convict Insane Man.

Counsel for Thaw were informed today that Henry C. Harney, the fifth juror, had voted as a juror in the case of which Edward Pekarz was convicted of murder in the first degree. Pekarz's plea was insanity, and several alienists testified that he was mentally unbalanced when he murdered a woman from whom he rented rooms. The verdict was guilty, and Pekarz was sentenced to death.

Daniel O'Reilly, of counsel for Thaw, was quoted as saying today concerning Harney:

"We went upon the assumption that a man who has voted to put a man to death on one occasion will never vote for the execution of a second man. We wanted him upon the jury. Mr. Harney's jury said the man was sane, but it was proved before Governor Higgins that he was insane, and the Governor saved him."

Thaw Family Out in Force.

Mrs. William Thaw, mother of the defendant, was present at the opening of the morning session, having fully recovered from the indisposition which kept her indoors yesterday. She was accompanied by her daughter, Mrs. George L. Carnegie, the two having preceded some minutes by Mrs. Evelyn Nesbit Thaw and Mrs. Mackenzie. The newspapers were still worn the plain dark blue suit that she had appeared in on every day of the trial. Today she had discarded her white veil for one of blue chiffon. The effect was to bring out more distinctly the features of her face, which appeared unusually pale. The elder Mrs. Thaw was in conventional black. The Countess of Yarmouth did not attend the trial today, owing to a slight cold. Edward and Josiah Thaw were early in their seats.

There will be no session tomorrow, the court adjourning late today until Monday morning. In the meantime the seven jurors will be in the custody of bailiffs.

SOCIALISTS LOSE GERMAN ELECTION

Victory for Von Buelow's New Policy.

GAINS AT LEAST 20 SEATS

Great Demonstration at Chancellor's Palace.

COLONIAL EXPANSION WINS

Loss of at Least Sixteen Seats by Socialists Follows Appeal to Non-Voters to Vote—Second Ballots Necessary.

BERLIN, Jan. 25.—The government has won a definite victory in the general election held today for a new Reichstag. The Liberal, Radical and Conservative parties, supporting Prince von Buelow's colonial policy, have won at least 20 seats. More important for the government than the success of its colonial plans, however, is the smashing defeat administered to the Socialists, who will lose 17 or 18 seats.

This is the first election since 1887 that the Socialists have not increased their representation in the Reichstag by from 5 to 20 seats. They have lost especially in several large cities, among the places being Breslau, Halle, Magdeburg, Leipzig and Koelnburg.

Clericals Hold Their Own.

The Clerical Center party holds almost all of its former 100 seats, having lost one or two of the Poles in Silesia. There is a possibility, however, that re-ballotings in the undecided districts may lose one or two more seats to the Center party. The Conservatives have won six seats, two from the Anti-Semites, two from the National Liberals and two from the Socialists.

Re-ballotings probably will be necessary in 17 constituencies, so that complete returns will not be in before February 5.

Certain districts in upper Bavaria are snowbound and have not yet been heard from, but they are considered safe for the Center party.

When it became evident at a late hour tonight that the government had won

immense crowds streamed from the neighborhood of the newspaper offices toward the palace in the Wilhelmstrasse of Chancellor von Buelow. The people massed in front of the building and sang "Heil dir im Siegerkranz" (hail to thee with the crown of victory). Prince von Buelow came out, and advancing to the railing of the palace garden, spoke as follows:

Von Buelow's Triumphal Speech.

I thank you for your homage and I am especially delighted that your national feeling brought you here. My predecessor in office, before whom we all must respect-fully bow, said 40 years ago: "Put the German people in the saddle and it will ride soon enough." The German people have shown today that they can ride. I believe and hope that everyone will do his duty as in balloting. Then will Germany stand respected and mighty before the world. Let us then unite in the cry: "Long live Germany and the German nation, Hurrah!"

The multitude burst into enthusiastic cheering and soon after set off for the imperial palace. But when it reached the castle bridge over the Spree, a strong body of police opposed the crowd and forced it back with some violence. The people then formed in line again and marched down Unter den Linden to the palace of Crown Prince Frederick William, where they sang and cheered. The Crown Prince appeared on a balcony of the palace and bowed repeatedly to the people. The crowd then quietly broke up and dispersed.

Never before has Berlin known such an election enthusiasm and noisy demonstrations by singing and cheering crowds. The Emperor's picture, however, was raised when it was flashed upon a transparency in front of the office of the Lokal Anzeiger, but these biases were lost in the volume of cheers. The newspapers gave away hundreds of thousands of copies of extras during the day. Not a single incident of a disorderly character had been reported from any of the polls.

Emperor William received the election returns at the palace from the Wolf Bureau, the principal news agency in

Germany. The first bulletin came in at 8:50 this evening. It was dated Bonn, and said: "Frohe, Socialist, elected by a great majority." This was taken to indicate Socialist gains.

This inference, however, was quickly reversed by a rapid succession of dispatches announcing Socialist losses. The Socialists lost in Leipzig and Easting to the National Liberals; in Koelnburg and Breslau West to the Liberals, and in Breslau East to the Conservatives. Some of the urban districts show surprising Socialist losses since 1903. In that year Leipzig elected a Socialist Deputy on the second ballot and now it has returned a National Liberal member with a large majority. Herr Haase, one of the most able of the Socialist leaders, has lost Koelnburg, where he was elected on a rebalot in 1903 by nearly 3000 majority. Prince Hatzfeldt, formerly mayor, has carried Breslau East by 6587 votes, reversing the former Socialist majority of 2800, and Herr Bernstein, one of the leading So-



Chancellor von Buelow, who has won victory in elections.

cialist thinkers of the so-called "revisionist wing" in the Reichstag, has lost Breslau West by 1500 votes. Herr Bernstein was elected in Bonn on the first ballot by a majority of 2583.

The Radicals increased their vote in the

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MILLIONS SPENT ON INTOXICANTS

Nation Drinks \$1,400,000,000 a Year.

BUT SOBRIETY IS INCREASING

Railroad Men Forced to It by Strict Rules.

LAW MAKES RESTRICTION

Largest Consumption Among Foreign-Born—South Leads in Prohibition and Local Option Laws.

BY PHILIP J. HASKIN.
WASHINGTON, Jan. 25.—(Special Correspondence.)—There is hardly any other sentence that is repeated so often in the United States as "Have a drink with me," unless it is the remark of the other fellow to the bartender, "Fill 'em up again." The fact that New York spends \$1,000,000 a day for drinks shows how expensive is the age in which we are living. In the time of Charles II the keepers of ale houses in England used to advertise to "make a man drunk for a penny and find him straw on which to lie until he recovers his faculties." When a man was drunk on the street, his rights figuring on the totals of the liquor traffic, he told me that the annual consumption of drinks in the United States amounts to \$1,400,000,000. I asked him if he could not dilute this statement so as to make it more understandable, and the next day I got a note from him saying: "If all the beer drunk in the United States since 1875 was brought together, it would fill a canal stretching from New York to Denver—a canal 30 feet wide, 10 feet deep and 183 miles long." If I could get some one else to figure out how many "schonners" might be floated on this canal, the comparison would be complete.

Immense Size of Drink Bill.

The Nation's drink bill figures out another third more than the public debt, twice as much as the capital stock in the banks; a little less than the total value of our railroads and industrial combinations; one-half the value of our domestic animals; more than one-half the value of our exports; more than one-half the value of our total imported merchandise and one-twelfth more than our total exports.

If each individual in this country, regardless of age or sex, had drunk his pro rata of liquor in 1878, he would have consumed about eight gallons; but now the proportion is a little more than 20 gallons. The great increase is attributed to the influx of foreign immigrants, who drink much beer. It is estimated that three-fourths of our population are total abstainers, which would make every fourth person who does drink consume on an average \$70 worth of liquor each year. If that portion of our population who has the drink habit should abstain for a year and provide a fund from the savings, it would start every illiterate child in the United States on the way to a college education, and if the drinkers of the world were to deny their thirst for 18 months, their savings would buy every ounce of gold in existence.

Half of the 200,000,000 people who drink in this country constitute the dangerous element of our population and are confined largely to the slums of the larger cities. Those who study the source of crime and poverty say that 75 per cent of all such cases is caused by drinking. The use of wine and spirits is one of the decrease in the United States, while beer is becoming more popular. We have fewer retail druggists now than there were a year ago, while the number of places where beer is sold is increasing rapidly.

Railroad Men Become Sober.

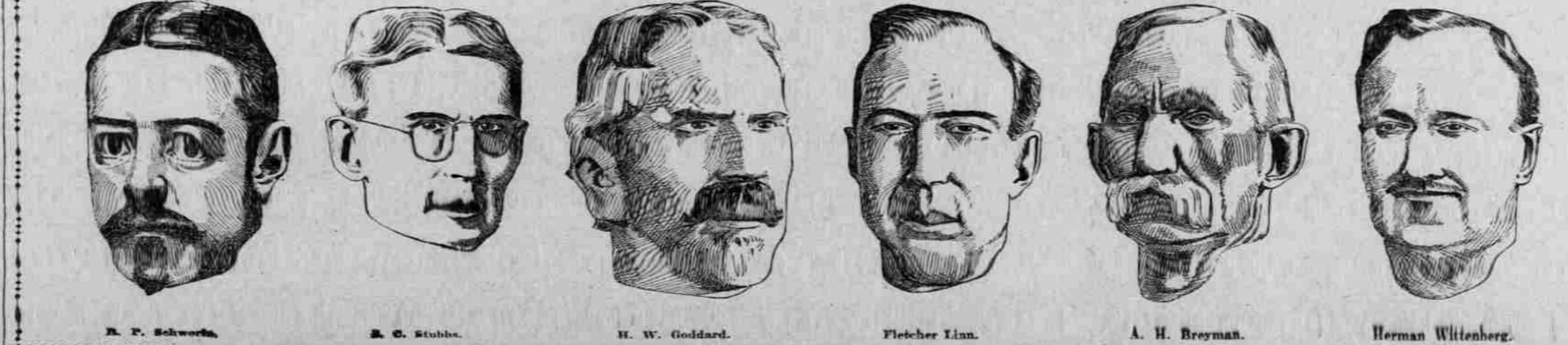
As many railroad accidents were in times past accounted for by employees being drunk, 800,000 of the 1,200,000 railroad men now on duty in the United States are under orders to neither drink nor to enter a place where liquor is sold. The penalty is dismissal from service. In Canada if a locomotive engineer or a train conductor is found drunk while on duty, he is liable to 18 months' imprisonment. A significant comment on the abstinence of railroad men is that when the Locomotive Engineers held their annual convention in Memphis last year, the papers reported that in all the gatherings held in that convention city there had never been a more orderly body of men.

Attractions of Saloons.

Just to see in what way the saloons were superior to the other attractions of life might offer a working man, or a homeless one, a prominent minister turned hole for awhile in order to study the question of first-hand toward be told of the universal kindness of the saloonkeeper and of the various plans he had for encouraging patrons. He told of the drinking fountain at the bar for the use of the "teamsters' horses"; of the setting forth of a free lunch equal to a table d'hôte dinner. The minister told his church people of the drink store for the use of "teamsters' horses"; of the setting forth of a free lunch equal to a table d'hôte dinner. The minister told his church people of the drink store for the use of "teamsters' horses"; of the setting forth of a free lunch equal to a table d'hôte dinner. The minister told his church people of the drink store for the use of "teamsters' horses"; of the setting forth of a free lunch equal to a table d'hôte dinner.

Young Men's Christian Association (Continued on Page 2.)

INTERESTED SPECTATORS AND WITNESSES AT THE INTERSTATE COMMERCE COMMISSION HEARING.



R. F. Schwerin, J. C. Stubbs, H. W. Goddard, Fletcher Linn, A. H. Bryman, Herman Wiltenberg.