



MEDIATION MAY AVERT BIG STRIKE

Knapp and Neill Will Try To Adjust Rail- road Dispute.

LABOR LEADERS STAND FIRM

Will Reject Arbitration and In- sist on Greater Concessions From the Managers.

NO ATTEMPT TO RUN TRAINS

Strike Means Cessation of Traffic in West.

NO NEW MEN AVAILABLE

Railroad Managers Rely on Erd- mann Law to Keep Wheels Mov- ing—Rejection of Mediation Will Force Arbitration.

CHICAGO, March 28.—(Special.)—Government intervention will be tried in an effort to avert the great railroad strike, which threatens to paralyze the business of the West. In response to the appeal of the railroad managers, Chairman Knapp of the Interstate Commerce Commission and Commissioner of Labor Neill will arrive in Chicago Saturday morning and offer mediation in the controversy. Failing to adjust the matter in a conciliatory manner, they will endeavor to bring about arbitration under the provisions of the Erdmann law.

The labor chiefs will await the arrival of the government officials before ordering a strike. If the good offices of Mr. Knapp and Mr. Neill result in bringing greater concessions to the employees than have yet been offered, the strike may be averted. The employees, however, say they will not accept arbitration and today again declared their position that nothing short of greater concessions from the railroads will prevent them from walking out.

Roosevelt Watches Closely.

President Roosevelt has been following closely the developments in the situation here and Messrs. Knapp and Neill will undertake the delicate work imposed on them by law with full consciousness that the President is extremely solicitous that all differences be settled by arbitration. It is argued by the men that, if they do not desire the offices of the Interstate Commerce Commission and the Department of Commerce and Labor in arranging their disputes, they cannot be made to agree to it. The help of the United States Labor Department would follow the application of the Erdmann act, which is the basis of Federal aid now sought by the managers.

Managers Scout Strike Talk.

Railroad officials scout the idea of a general strike. While all agree that the situation is serious and may result in a contest between capital and labor that would form one of the most stupendous industrial battles in the history of the United States, it is the unanimous opinion of those who have followed the long-drawn-out negotiations that no radical steps should be taken by either side in the controversy. It has been declared that the railroad officials will positively refuse to ask for further conferences with their men and that the men have been informed of this decision.

No Attempt to Run Trains.

The general managers said that no attempt would be made to operate trains if the employees struck. Transportation would be completely tied up.

"I don't see how the railroads could operate in the event of a strike," said C. A. Goodnow, general manager of the Chicago & Alton. "We could not continue running without experienced men. The public would suffer greatly, as it would seriously cripple all business."

"The railroads have gone as far as they can with the offer of a 104-per cent increase," said W. J. Underwood, general manager of the Chicago, Milwaukee & St. Paul Railroad. "The men certainly could not expect the sympathy of the public, if they should strike under such conditions. I do not think they will go as far as that."

Government will do. We do not expect to hear directly in answer to our request that the whole difficulty should be arbitrated along the lines suggested by the Erdmann act, but we believe that when the labor leaders involved receive word from Washington that the Government has been asked to take a hand in the matter they will look at the matter in a different light, and will be willing to submit the question to arbitration. We are not looking for trouble, but we have made all the concessions we can afford under the present conditions and the sooner the men become reconciled to this the better it will be for every one concerned."

When informed tonight that Chairman Knapp of the Interstate Commerce Commission and Charles P. Neill, Commissioner of Labor, were coming to Chicago to endeavor to effect a settlement of the trouble, P. H. Morrissey, grand master of the Brotherhood of Railway Trainmen, said:

"The committee representing the men will hear and consider suggestions from governmental sources, still action will not be delayed unreasonably awaiting the necessary intervention. We are not unmindful of the public's right in the matter and we are not going to do anything hastily. One thing is certain, however, and that is the men will not accept the last proposition of the general managers. If the government officials can prevail upon the railroad officials to grant our demands, everything will be amicably adjusted, but unless this is done I don't see what can prevent a strike."

terms with the men. This is the ultimatum issued by the representatives of the two unions involved in the difficulty, after a meeting tonight to consider the action of the railroads in asking the Federal Government to try to bring about a settlement by mediation along the lines provided by the Erdmann act. The arbitration movement of the managers was countered at some length by the union representatives, but the proposition was finally rejected and a resolution passed refusing to arbitrate the wage scale question.

The general managers tonight for the first time admitted that the situation was grave. The crisis was intensified by the fact that no compromise had been effected with the representatives of the 15,000 locomotive firemen, who are here negotiating for higher wages and an eight-hour day. Another conference was held today between the General Managers' Association and a committee representing the firemen, but nothing in the way of a settlement was accomplished.

Secretary Elison Thompson, of the General Managers' Association, said tonight: "We are waiting to see what the



Martin A. Knapp, Chairman of Interstate Commerce Commission, Whom Railroads Wish to Arbitrate Dispute With Trainmen.

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KNAPP AND NEILL COME WEST

Government Officials Will Try to
Keep Wheels Moving.

WASHINGTON, March 28.—Chairman M. A. Knapp of the Interstate Commerce Commission and Charles P. Neill, Commissioner of Labor, will leave here tomorrow noon for Chicago, where they will hold a conference with representatives of the conductors and trainmen and officials of the Western railroads entering Chicago in regard to the dispute over the question of wages which threatens to result in a disastrous strike unless a satisfactory adjustment is effected.

Mr. Knapp said tonight that the visit of himself and Mr. Neill will be in the direction of arbitration and conciliation. The request for these efforts at mediation and conciliation came from the railroads.

"It therefore becomes our duty under the law," said Mr. Knapp, "to put ourselves in communication with the parties and endeavor to bring about a settlement. If we fail in that effort, then it is our duty to endeavor to induce the parties to enter into an arbitration."

The determination of Messrs. Knapp and Neill to go to Chicago was reached after a lengthy conference, in which Commissioner Clark, who at one time was an official of the Order of Railway Conductors, participated, and followed the receipt of a commission from Ira G. Rawm, chairman of the railroad managers' committee. The letter set forth that the dispute between the various Western roads and the conductors and trainmen employed by them concerning wages, hours of labor and conditions of employment, seriously threatens to interrupt the business of said companies. The letter adds that in the present controversy the initiative was taken by the conductors and trainmen, who have acted jointly, and that in response to their request the carriers also have acted jointly, being represented by a committee of managers of railroads.

The Commission was requested, in accordance with the provisions of the Erdmann act, "to put yourselves in communication with the parties to said controversy in order that there may be an

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MOST DAMAGING OF ALL EVIDENCE

Rittenhouse Tells About Hermann.

ANXIOUS ABOUT LETTERBOOKS

Tried to Persuade Him Letters Were Personal.

FEAR THEY STILL EXISTED

Prosecution Closes With Strongest Evidence of All From Former Stenographer — Hermann's Characteristic Greeting.

OREGONIAN NEWS BUREAU, Washington, March 28.—During the seven weeks Binger Hermann has been on trial no more damaging testimony has been offered against him than was given today, just before the prosecution closed its case, by Irvin Rittenhouse, former stenographer in the General Land Office and subsequently assistant to Prosecutor Heney. Mr. Rittenhouse's testimony bore directly on the indictment, it tended to show the character of the letters copied in Hermann's so-called private letterbooks and what was equally damaging, showed Hermann's efforts to persuade his stenographer and messenger to admit that these letters were all "personal."

Soft Soap Does Not Take.

Rittenhouse was far and away the star witness of the entire case, so far as the prosecution is concerned. Through his association with Mr. Heney, he knew what was coming and prepared for it. He was in Portland assisting Mr. Heney when Hermann and Senator Mitchell went home to appear before the grand jury, and it was there that Hermann encountered Mr. Rittenhouse and Chris Muller, the messenger who destroyed the letterbooks, and undertook to "softsoap" them into admitting that his private letterbooks contained only personal correspondence. Mr. Rittenhouse took the precaution to make notes of all that transpired at that interview and in his uninterrupted recital today employed language and expressions so characteristic of Hermann that the latter's friends were visibly impressed by its accuracy, and the court and jury showed deeper interest than at any previous time during the trial.

Were Slated for Promotion.

In his careful way Mr. Rittenhouse told how Hermann approached, at first pretending not to recognize him, then, when he heard his name, how Hermann recalled most vividly that only a short time before he retired from the Land Office he had gone over the list of employees and singled out both Mr. Rittenhouse and Mr. Muller and had insisted upon their

promotion. He told how Hermann gradually veered around to the subject of his private letterbooks and how in his persuasive way he undertook to convince Mr. Rittenhouse against his personal knowledge and judgment that the letters which he (Hermann) had dictated to Mr. Rittenhouse had been entirely personal.

Mr. Rittenhouse declined to waive his firm opinion that letters dictated to him were strictly official. Mr. Muller apparently was more susceptible to Hermann's persuasion, for, as Hermann left, he invited Mr. Muller to visit him at Roseburg, but extended no such invitation to Mr. Rittenhouse.

Anxious About Letter-Books.

Mr. Rittenhouse also testified vividly of Hermann's intense anxiety when told by Mr. Muller that the destroyed books had been dumped in with other waste paper of the office, and had probably been allowed to lie around several weeks before being removed for destruction.

All in all, this recital did more to establish the official character of at least part of the letters copied in the "personal" books than all other testimony yet produced and the exploitation of Hermann's uneasiness for fear the books themselves had been recovered, even prior to his indictment, made a visible impression on the hearers. Equally impressive was the testimony showing Hermann's efforts to convince his regular stenographers of what he termed the "personal" character of all the letters he dictated to them.

Defense Begins Monday.

On Monday the defense will begin the examination of its witnesses and in all probability Hermann will take the stand. There will be comparatively few witnesses to combat the overwhelming mass of testimony produced by the Government and it is the opinion of those who have followed the case closely that it will take a preponderance of evidence to offset the particularly damaging testimony offered by the prosecution in the last three weeks. A month ago there was grave doubt as to the outcome of the trial; today the opinion is almost universal that the verdict will be against the defendant. However, his side is yet to be heard. His leading counsel is the best at the Washington bar and there may be surprises in store. But unless those sur-

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SUCCESS OR FAILURE OF Y. M. C. A.—Y. W. C. A. BUILD- ING FUND CAMPAIGN TO BE DECIDED TODAY.

Today will decide the success or failure of the Y. M. C. A.—Y. W. C. A. building fund campaign. Yesterday was the banner day of "Everybody Gives" week, \$16,692 being pledged. This brings the total up to nine-tenths of the \$350,000 required, leaving \$34,375 yet to be raised. Mayor Lane will address the workers at the noon luncheon today, and is expected to add to the already apparent enthusiasm. Working girls of Portland yesterday pledged from their earnings over \$500 for the fund. There was one subscription of \$1000. An account of yesterday's canvass will be found on page 11.

EVERY CITY MAY HAVE UPHEAVAL

Graft Already Traced Into Oakland.

RIVAL TELEPHONE COMPANIES

Halsey and Detwiler Feasted Aldermen Freely.

WHERE RUEF PUT BOODLE

Had Almost \$1,000,000 Distributed Among Twenty Banks When Fire Came—Money Carried in Auto- mobiles From Los Angeles.

SAN FRANCISCO, March 28.—(Special.)—Upheavals in municipal politics from San Diego to the northern borders of the state have followed the exposure of bribery in San Francisco in connection with the telephone franchises. Investigations are to be begun wherever the war has been waged between the two companies, the Home and the Pacific States.

The most important development of the day was the announcement of District Attorney E. J. Brown of Alameda County, that evidence had been furnished him by Francis J. Heney and Detective Burns which made it his duty to begin a vigorous investigation of conditions in the city across the bay. It develops that testimony given before the grand jury here indicated very strongly that money had been paid to some of the Aldermen of Oakland. Brown will begin an inquiry at the end of the week.

French Dinners and Excursions.

Theodore V. Halsey, of the Pacific States Telephone Company, under indictment for bribing Supervisors, and Abram K. Detwiler, of the Home Company, also under indictment, also operated in Oakland. They not only gave French dinners to the Council, but took them on a special excursion to Los Angeles for them to study conditions in that city. Mr. Brown announced tonight that the evidence in his possession was such that it was imperative that a full inquiry be had without delay.

The grand jury here will complete the telephone cases on Saturday and will then pass to the consideration of the Sigt, trust and trolley boodle cases.

Ruef's Many Bank Accounts.

Bankers will be called before the grand jury on Saturday and will tell how Ruef split up his boodle fortune and deposited portions of it in as many as 20 banks. His object was to avoid the suspicion which extraordinary deposits in any one institution would have caused. In the various banks of the city Ruef had almost \$1,000,000 on deposit at the time of the fire. Since then he has invested heavily in real estate.

William Murdock, Jr., of the Western

COACHES SMASHED TO PIECES

At Least Twenty-Six Persons Killed In Trainwreck.

MANY MORE WILL SURELY DIE

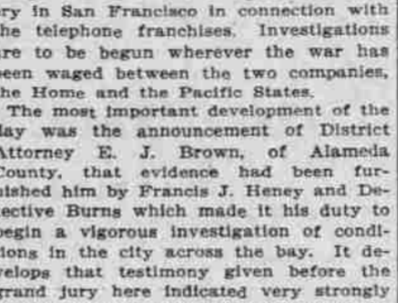
Engine Dashes at Full Speed Through Open Switch in California.

ITALIANS ARE TORN AND CUT

Some Dismembered and Im- paled on Wreckage.

ACTORS BARELY ESCAPE

Southern Pacific Sunset Express Dashed to Pieces Through Switch Crew's Carelessness—Florence Roberts Comes Out Unhurt.



Florence Roberts, the Actress, Who Had Narrow Escape From Death in Cotton Train Wreck.

COLTON, Cal., March 28.—One of the most disastrous wrecks in the history of the Southern Pacific Railroad occurred one and one-half miles east of this town shortly after 4 o'clock this afternoon, when westbound train No. 9 from New Orleans for San Francisco ran into an open switch, while going at the rate of 40 miles an hour, and ten of the 14 coaches were derailed with frightful results. Twenty-six people are known to have been killed and the final list will total much higher than this number. The injured number about 100, many of whom are seriously injured and will die.

The wrecked coaches were hurled in every direction. Four of them were

awarded, after, as alleged by the prosecution, approximately \$75,000 in bribes had been paid to the Supervisors by the rival company to insure their voting against the award; J. N. Martin of the Adams-Phillips Company of Los Angeles, who with J. S. Torrance brought to San Francisco in an automobile the \$100,000 which was also paid by the Home Telephone Company for its franchise, \$25,000 to the city and \$75,000 to the relief fund; George Beanson of the bookkeeping department of the Pacific States Telephone Company, who was further questioned as to his familiarity with the accounts of that corporation insofar as they were affected by the bribes alleged to have been paid; John A. Mallon, statistician of the Pacific States Telephone Company; J. S. Torrance of Los Angeles, one of those who handled the bonds and securities of the Home Company of that city, and Percy C. Morgan of the California Wine-producers Association, who was a member of the executive board of the Pacific

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UNCLE SAM IS HAVING TROUBLES OF HIS OWN, BUT HE'S EQUAL TO THEM



National Bank, and Assistant Cashier Pabst, of the United States National Bank, will testify as to the business Ruef did with them. Ruef kept his largest accounts in the institutions and is heavily interested in the United States National. Ruef at one time had a large balance in the First National Bank, of which Rudolph Spreckels is president. Since the opening of the campaign which Spreckels is financing, it is understood that Ruef has closed his account.

ALL ABOUT TELEPHONE GRAFT

Directors of Rival Companies Testify—Detwiler's Location Known.

SAN FRANCISCO, March 28.—No indictments were returned today for graft or bribery by the grand jury and only six witnesses were examined: A. B. Case, president of the Home Telephone Company of Los Angeles, who was subjected to further inquiries as to the accounts of that corporation and the fund of \$300,000 said to have been sent to San Francisco by certain of its officers for use in bringing the Supervisors to grant the Home Company the competitive telephone franchise in this city, which was finally



Florence Roberts, the Actress, Who Had Narrow Escape From Death in Cotton Train Wreck.

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smashed into splinters. Most of the dead were Italians from New York and New Orleans, going to San Francisco. They occupied the smoker and day coach.

The dead were terribly maimed and mangled. Eighteen of them were taken to an undertaking establishment at Colton by 8 o'clock and eight additional bodies could be seen underneath one of the overturned and demolished cars. This car could not be raised until a derrick was brought from Los Angeles, 60 miles away. The injured were carried to this city in vehicles of all sorts and the Colton Hospital was quickly filled to its capacity. Many were then taken to the Presbyterian Church and to private residences in the vicinity.

Only Two Americans Killed.

But two Americans are known to have been killed, although several of those among the injured will undoubtedly die within the next few hours.

George L. Sharpe, of Munice, Ind., was instantly killed. The baggage man, whose name had not been ascertained, was also killed. Clarence E. Worthington, the engineer, and Victor Crebb, the fireman, both jumped, but failed to get clear and were caught in the wreckage. They were both terribly burned and scalded. John Golden, the train conductor, was in the Pullman section of the train and escaped injury.

Out of about 80 Pullman passengers, two sustained serious injury. The three Pullman coaches and the diner, which were on the rear of the train, did not leave the track. The occupants of these cars were practically unharmed.

The Florence Roberts theatrical company occupied one coach, which was hurled from the track and both ends of it crushed in by the impact against the others. But two members of Miss Roberts' company out of a total of 22 people were injured. Miss Roberts herself escaped entirely unscathed. The escape from death of those on the car was remarkable, considering the manner in which the coach was splintered and torn to pieces. The men and women were hurled from one end of the car to the other.

There were three tracks where the accident occurred, which is in the open country. The people of Colton were first to be notified of the catastrophe. Hundreds of people hurried to the scene of the wreck. Physicians and nurses were taken from San Bernardino and Colton and ministered to the injured.

Switch Was Left Open.

The derailment of the train was caused by the crew of a switch engine leaving a switch open at this point. It is said that

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