PLEADS CAUSE OF COUNTRY BANKS

Rayner Criticises Aldrich Bill and Takes Shot at Roosevelt.

MONEY TOO CONCENTRATED

Gathered in Big Cities, Not in Small Towns Where Needed—Condemns Roosevelt's Remedies for the Trust Evil.

WASHINGTON, Feb. 12.—Rayner of Maryland spoke at length in the Senate today on the currency bill, condemning the present system of banking in the United States and incidentally declaring that the President, by his methods of fighting the encroachments of predatory wealth, had done much to intensify the panic through which the country had recently passed.

Turning to Aldrich, Rayner asked how it happened that the committee had stricken from the bill the provision requiring the banks located out of reserve or central reserve cities to keep a reserve equal to 15 per cent of their deposit liabilities and held at all times at least two-thirds of such in lawful money.

The chairman of the finance committee replied that it was omitted in order to avoid unnecessary opposition to the bill in its main features.

Sarcastic Fling at Aldrich.

"There was," he added, "great opposition to this from country banks, especially in the South and West, and the committee let it go to avoid discussion." He believed that was a subject that should be taken up in a separate bill.

"Will the chairman tell us when he will take up such a bill?" interrupted Tillman.

"I will answer that quick," said Rayner. "He will do it when a tariff bill is taken up."

After outlining what he considered to be faults in the currency system of the Government, Rayner said:

Money Not Fairly Distributed.

The truth about the situation is that the money in this country is not equitably and fairly distributed and that it is so concentrated at points that dominate the banking interests of the land that the people who need the money and the agricultural sections of the country and the country banks and the country towns and mercantile and farming interests and honest business enterprises are all unable to procure it when the necessity arises for its use, and all are sacrificed to gratify and appease the demands that are concentrated around the financial centers of the country. We will never have permanent relief until we strike at the root of the evil and reform our entire banking system from its foundations in the interest of the American people against the special interests.

While opposing the Aldrich bill, Rayner went on record also against a credit currency, an asset currency and a central bank of issue. The great trouble with the pending bill is with the reserves, he said, and he declared the law regulating them is simply a disguised and stupendous deception and fraud. He said the reserves scheme as now operated works dishonestly and disastrously upon the rights of the American people, and the deposit of money in the country banks with the juggling that finally carries it to the reserve cities contributes to make the worst system in the civilized world.

Rayner asserted that the absence of a provision correcting the evils pointed in the reserve system amount to a distigiuration of the Aldrich bill and that the measure in its present form will "work more effectively in the interest of large dividends to the stockholders of National banks than it does in the interests of the American people." Rayner continued:

Roosevelt's War on Trusts.

And now I say with great deference and respect both for the office and for its occupant, that the President of the United States has also with the best intentions unconsciously contributed to the misfortunes that have overtaken us. I unite with him in the warfare that he is waging against the violators of the law and the oppressors of the people. He cannot be too severe for me in his arraignments of their iniquitous practices. When it comes to the Standard Oil Company and other kindred alliances, no man in this chamber would go to a greater length than I am willing to go in driving them, if possible, from the face of the earth. I know that their path has been a path of desolation. I know that they have swept down upon competition like a cormorant upon its prey, and have built their thrones upon the wants of penury and the toil of unrequited labor. Monopoly is the curse of this country and I take up my line of march as I have always done with the attacking party that will level it to the earth and remove from its deadly grasp the honest business enterprises of the land and the prostrate right of the American people. I differ, however, with the President in his method of assault.

Put Malefactors in Prison.

Malefactors should receive penal punishment and a whole generation of innocent people ought not to suffer for the sins of their oppressors. One day of imprisonment would do the work better than all the heaviest fines that can be levied upon the institutions they represent. I differ with the President in his remedies because he has suggested one after another utterly impossible of accomplishment by the Federal Government. The diagnosis of the President is perfectly correct but in most of the instances he cites remedies that are either unlawful or impracticable. From the violent fervor of his utterances there is an idea running through the public mind that he has come to the conclusion that every man engaged in a large business enterprise is a malefactor and that every good citizen of the land ought to spend at least one term in the penitentiary.

Would Amend Reserve Law.

Upon the conclusion of Rayner's speech, Aldrich recalled that he had stated that he was in favor of a revision of the banking reserve laws, but explained that he did not mean to say the present law or the practice under it was responsible in any sense for the crisis through which the country has recently passed.

Taliaferro of Florida, taking offense at what he regarded as a reflection upon him by Rayner, declared that his purpose in opposing the reserve provision of the Aldrich bill was in the interest of the people of his state and not because of any favoritism toward the National banks.

Referring to his statement that the Florida Senator had moved to strike out that provision, Aldrich apologized for having referred to anything that took place at a committee meeting, which, he said, he was prompted to do in a thoughtless moment by the authority of the Maryland Senator.

State Bank the Remedy.

MILAN, Feb. 12.—The Corriere de la Zira publishes an article today from the pen of Professor Luigi Luzzati, formerly Italian Minister of Finance, regarding the financial situation in America. The writer says the United States has demonstrated its incapacity to establish a strong circulating medium but that the recent message of President Roosevelt to Congress is full of dignity in the stand the chief executive takes against the "immoral speculation that is staining the greatest democracy in the world."

If President Roosevelt succeeds in founding in the United States a state bank similar to those of Europe," Signor Luzzati avers, "this will do more than anything else to purify the financial atmosphere."

SPEAKS FOR GOSHEN SYSTEM

Englishman Urges Its Adoption in United States.

WASHINGTON, Feb. 12.—Morton Frewen, of England, member of Parliament, spoke before the House committee on banking and currency today, in explanation of the old Goshen system, which provides for a reserve of silver bullion to be held as security against trade silver paper, issued in denominations of $2.50 up to $10, not redeemable in gold, but in silver.

Mr. Frewen said that all hope of international bimetalism had disappeared, and that the Goshen plan could be allied in this country without disrupting the present currency system. He declared that it would be more applicable here and in England now than it would have been years ago. His idea was to have the United States adopt it first and then let England take it up.

NEW RIFLES FOR MILITIA

MODERN WEAPONS READY FOR STATE SOLDIERS.

Old Arms Will Be Returned to Department and Replaced With High-Power Guns.

WASHINGTON, Feb. 12.—Acting Secretary Oliver today made the important announcement that the War Department is at last in a position to completely arm the organized militia of the country, 100,000 strong, with the new high-power Army rifle or musket. The weapon is officially known as the model of 1903 rechambered for the ammunition of 1906, the distinguishing feature of which is the new sharply pointed light steel-clad bullet with its enormous range and flat trajectory.

Governors of states may have the new rifle for the militia upon requisition and turning in the Krag-Jorgensen guns of the type used in the Spanish-American war—the first magazine shoulder arm regularly issued to the American Army.

The completion of this stock of arms will not close the great manufacturing armories, but they will be fully employed for a long time in making a stock of the new rifles to be held in reserve for the purpose of arming any volunteer army that may be called into the field in the future.

MEYER TAKES A FIRM STAND

Insists He Can Retain Appointees, Although Senate Rejects.

WASHINGTON, Feb. 12.—Postmaster-General Meyer today informed the Senate that he believes he has the right to continue a postmaster in office even if the man formally has been rejected by the Senate. This position raises an issue between an executive department and the Senate over the constitutional provision relating to appointments and confirmations of Federal officeholders.

The communication from the Postoffice Department relates to the case of William Northrup, postmaster at Pensacola, Fla. Senator Taliaferro discovered recently that Northrup is still drawing the salary as postmaster, in spite of the fact that his nomination was rejected nearly a year ago. At his suggestion, the Senate called upon the Postmaster-General for an explanation. The response was brief. Mr. Meyer declares that under the regulations governing appointments he has the authority to continue Northrup in office until his successor has been appointed. His position undoubtedly will create discussion in executive session.

MONEY FOR LAND-FRAUD CASE

Federal Appropriation for Benson-Hyde Trial.

WASHINGTON, Feb. 12.—A complete agreement of the conferees on the deficiency bill was reported in the House of Representatives by Tawney today. By the terms of the agreement the appropriation of $1872 to pay Senator J. H. Bankhead for his services on the Inland Waterways Commission, about which there was so much discussion yesterday was eliminated.

The House managers receded regarding the appropriation of $60,000 for conducting the trials of the Hyde, Dimond, Benson, Schneider land conspiracy in the District of Columbia, and therefore the Federal Government will bear the expense of the trials. It is expressly provided in the report, however, the Government, if necessary, shall pay the expenses of the witnesses for the defense in traveling to and from this city.

HOMESTEADS TO BE LARGER

Senate Committee Approves Unit of 320 Acres.

WASHINGTON, D. C., Feb. 12.—The public lands committee of the Senate reported favorably the Smoot bill to enlarge the homestead unit to 320 acres and amending it to make residence on and improvement of land necessary for patent. Senator Fulton accepted the bill for Oregon, reserving the right to withdraw on the floor if necessary. A proposition is being considered by Western Senators and Representatives to form a special committee to discuss and agree if possible on land legislation as was done on irrigation.

Alaska Wants Lands Opened.

WASHINGTON, Feb. 12.—President Roosevelt today considered the application of a delegation representing entrymen on coal lands in Alaska to have the lands opened for entry. The question was presented to the President by Senator Piles, of Washington; Delegate Cale, of Alaska, and Former Governor McGraw, of Washington, and D. A. McKenzie.

It is understood that coal lands in Alaska are being withheld from entry to permit of the enactment of legislation reserving a portion of the lands for the use of the Navy and the establishment of a Government leasing system for the balance.

Senate Confirms Appointments.

WASHINGTON, Feb. 12.—The appointment of George Wanamaker to be appraiser of merchandise at New York, was confirmed by the Senate today.

Frank A. Leach, of California, was confirmed as director of the mint.

For Europe generally the population increases yearly by 41 to every 10,000 inhabitants.

START GREAT RACE

Six Autos Leave New York on Way to Paris.

SENT OFF BY HUGE CROWD

Heavily Equipped for Travel Over Mountains and Arctic Wastes, Resemble Prairie Schooners. One American Competitor.

NEW YORK, Feb. 12.—The six automobiles contesting in the New York to Paris race, started from Times Square, Forty-second street and Broadway, at 11:15 today, cheered by a throng of several thousand people. Accompanied by more than 200 motors of all descriptions, the racing machines made their way up Broadway and Riverside Drive to the city limits, where they turned north on the road to Albany.

From that city the route to San Francisco, which is the objective point of the first stage of the trip, lies across New York State to Buffalo, thence through Cleveland and Toledo to Chicago, to Omaha, to Cheyenne, Ogden, Reno, Goldfield, San Luis Obispo and San Francisco. Mayor McClellan was to have given the word to start, but was delayed, and Colgate Hoyt, of the Automobile Club of America, took his place.

A pistol shot sent the contestants away amid the cheering of the people and the hoarse hooting of hundreds of automobile horns. The contesting cars are the queerest looking machines ever devised for motoring purposes. With their heavy equipment of stores and camp utensils, several of them were a modern representation of the old prairie schooner. One resembled a hook and ladder truck with long running boards on either side, equipped with axes, shovels, ropes and a dozen other articles. The clothing of the drivers varied from black bearskins to a pyre fur outfit and head dress worn by a French team.

Three French cars, one German, one Italian and one American started in the race. Three men constituted the crews of the foreign machines, but there were only two in the American car. The three French cars are steered by G. Bourcier St, Chaffray, M. Godard and M. Pons; the German car by Lieutenant Koeppen, of the Prussian army; the Italian car by Antonio Scarfoglio, and the American car by Montague Roberts.

Each machine carried the flag of its own nation and that of the United States. They were plentifully decorated with signs and placards so there could be no mistaking their identity wherever seen.

TAKE DISPUTES TO COURT

Germany May Supply Remedy for Labor Troubles.

BERLIN, Feb. 12.—The Social Democrat party has introduced into the Reichstag a number of resolutions looking to an increase in social legislation. The government is requested to bring in a bill providing for the institution of arbitral courts on the lines of the already existing industrial and commercial courts for the settlement of labor disputes between clerks and their employers, agricultural workmen and their masters, and for domestic servants.

The Social Democrats submit another resolution praying the government to introduce legislation granting persons connected with newspapers the right to refuse their evidence in a court of law about matters which have been confided to them or which they may have learned in their capacity as journalists. This measure aims at relieving the abuses arising out of the frequent measures taken against the press generally and the Social Democratic press in particular, for refusing to divulge the source of their information in libel actions, etc.

Another resolution requests the application of equal immunity to the Reichstag and Diet Deputies and Town Councillors, and the prohibition of the seizure of notes or documents in their possession.

NORWAY TREATY PUBLIC

Powers Agree to Maintain Integrity of Country.

PARIS, Feb. 12.—The treaty signed recently between France, Great Britain, Germany, Russia and Norway, the object of which is to guarantee the independence and territorial integrity of Norway, was made public today. It provides that Norway shall cede to no power any part of her territory and the signatories agree to recognize and respect the integrity of Norway and to act in concert in her behalf in the event of her being menaced by any power.

The life of the treaty is ten years, but it will remain in force for a second decade if it is not nullified within eight years of its inauguration. The withdrawal of one of the signatory powers does not make it impossible for the others to renew the treaty.

MUST FACE MANY CHARGES

Mrs. Martin and Son to Answer Old Counts.

OAKLAND, Cal., Feb. 12.—District Attorney Hall, of Trinity County, having expressed his willingness to forego the prosecution of Mrs. Isabella J. Martin on a charge of arson and turn her over to the Alameda County authorities, it is probable that she and her son, "Baby John" Martin will be brought here shortly to face charges of dynamiting the residence of Superior Judge Ogden; planning to blow up the home and family of Police Judge George Samuels and firing the home of ex-City Prosecutor A. P. Leach.

District Attorney Brown is collecting the necessary data and evidence to be presented before the grand jury, which is to meet in a few days.

Student Claims Frankel Estate.

LOS ANGELES, Feb. 12.—Alexander S. Balla, a student of medicine at the University of California and a recent arrival from Vienna, has announced his claim to a portion of the fortune of General E. Frankel, who died recently in Breslau, Germany, leaving $8,000,000 to hospitals there. Balla claims that General Frankel was the cousin of his grandmother and has announced that he will legally oppose the bequests.

Censure School Superintendent.

SAN FRANCISCO, Feb. 12.—The San Francisco Board of Education, at a meeting today, censured Superintendent of Schools Roncoveri for his action in permitting rules of the scholars of the city schools to be copied by outsiders for use of the business management of business colleges and independent schools. The Superintendent sets up the contention that he is an official of the state and that he is permitted under the law to make such disposition of the rolls of scholars as he may see fit.

DEFENDS ISLAND POLICY

(Continued From First Page.)

tyred President through all the great trials of his Administration.

Secretary Taft's afternoon and evening in Grand Rapids were strenuous. He arrived from Kansas City at 2:15 and the day's activities included a public reception at the Morton House, a reception and speech at the convention of the State League of Republican Clubs, a reception and speech under the auspices of the Taft Club at the Majestic Theater, a social dinner at the home of Philo C. Fuller, an old college friend; the Lincoln Club banquet and address, and another banquet later in the evening.

An incident of the banquet tonight was the announcement that Senator William Smith would not be a candidate for delegate-at-large to the Republican National Convention, withdrawing in favor of John W. Blodgett, Michigan's member of the National Committee.

Governor Curtis Gould, Jr., of Massachusetts, spoke in favor of National laws against child labor and National control of railroads and corporations.

FORAKER DISCUSSES PRIMARY

Declares That His Friends Did Not Participate.

WASHINGTON, Feb. 12.—Senator J. B. Foraker today gave out a statement as to the result of the primary elections in Ohio on Tuesday, when the Taft forces made practically a clean sweep in the selection of delegates to the coming Republican state convention. In his statement Senator Foraker says:

Nobody should be either surprised or misled by the result of the primaries held in Ohio yesterday. It has been common knowledge for weeks that the call for these primaries was of such character that my friends throughout the state refused to participate, consequently there was no opposition to the selection of Taft delegates. Under such circumstances he would, of course, carry everything.

That the result of the primaries does not indicate anything conclusive should be manifest from the fact that the total vote polled will not represent more than 10 per cent of the Republicans of Ohio. There were only two districts in which there was any approach to a contest and these contests were due to the fact that there were opposing candidates in each district for the nomination to Congress.

In the Sixth District the Taft candidate was defeated by 1025, while in the Fifteenth District, Mr. Dawes, the Taft leader and candidate for renomination, is possibly beaten, according to the latest advices I have received. If there has been a primary in which we could have participated similar results would have been possible, if not probable all over the state. Recurring to the state convention, it should be borne in mind that it will be composed of representatives of only one faction of the party, not because the people have so decided but because the course of the Taft managers was such as to bar everybody else out from participation.

DIRECT PRIMARY LAW IN OHIO

Senate Adopts Measure Which Goes to the House.

COLUMBUS, O., Feb. 12.—The Senate today, by unanimous vote, passed the Huffman primary election bill, which provides for compulsory direct primaries for the nomination of candidates for county and municipal offices. Candidates for all district and state offices may be nominated by direct primary or by delegate conventions, as the controlling party committees may determine.

Primaries for the selection of candidates and delegates must be held by all parties simultaneously, on the first Tuesday after the first Monday in September of each year, except in Presidential years, when they may be held in May. The bill goes to the House.

Honor Memory of Lincoln.

WASHINGTON, Feb. 12.—The ninety-ninth anniversary of the birth of Abraham Lincoln was fittingly celebrated here tonight at the Church of Our Father under the joint auspices of the Grand Army of the Republic and the United States Historical Society, assisted by the Woman's Relief Corps. Among the noted men who delivered addresses were Vice-President Fairbanks, Speaker Cannon, of the House of Representatives, and Representative Dawson, of Iowa.

Instruct Delegates for Taft.

JOPLIN, Mo., Feb. 12.—The Republicans of the Fiftieth Missouri Congressional District, in convention here today, elected delegates to the National convention at Chicago, instructed to vote for Secretary Taft for President. Attorney-General Herbet S. Hadley was indorsed for Governor of Missouri.

Negroes Indorse Foraker.

BOSTON, Feb. 12.—Resolutions supporting the candidacy of Senator Foraker for the Presidential nomination and opposing the candidacy of William H. Taft were adopted tonight at a mass meeting of negroes called to observe the birthday of Lincoln.

Colorado Indorses Taft.

DENVER, Feb. 12.—Resolutions endorsing the course of the National Administration ad favoring the nomination of Secretary of War William H. Taft for the Presidency, were unanimously adopted today by the Republican State Central Committee of Colorado.

One County for Gray.

SCRANTON, Pa., Feb. 12.—The Democratic county committee unanimously passed a resolution tonight favoring the nomination of Judge George Gray for President before the Democratic National convention.

No Election in Kentucky.

FRANKFORT, Ky., Feb. 12.—The ballot for United States Senator taken in joint session of the Legislature, was without result.

STORM LOSS IN GEORGIA

Damage of $250,000 in the Central Part of the State.

ATLANTA, Ga., Feb. 12.—A loss approaching $250,000 was caused in this vicinity by the storm which swept across Central Georgia Monday. The loss centers within 50 miles of this city and is suffered chiefly by telegraph and telephone companies.

PERSONAL MENTION.

Frank Johnson, formerly postmaster of Omaha, Neb., and who occupied that position for ten years, and Euclid Martin, a prominent business man of that city, are spending a few days in Portland. Both are 33d degree baseball fans and yesterday looked up Matthew "Buck" Keith, who formerly managed the champion Omaha team for two seasons. They expressed considerable admiration for the advantages of Portland, and may return here for the Rose Festival in June.

CHICAGO, Feb. 12.—(Special.)—Mr. and Mrs. R. C. Washburn are registered here at the Auditorium Annex and Mrs. M. L. Hunt at the Stratford, all from Portland.

HENEY FACES RUEF

Immunity Contract Will Be Threshed Out.

JUDGE ASKS FOR RECORD

Prosecutor Declares There Is Not a Single Allegation of Fact in the Affidavit of the California Defendant.

SAN FRANCISCO, Feb. 12.—That there was not a single allegation of fact in the affidavit of Abraham Ruef with reference to his understanding with the prosecution for immunity was the declaration of Assistant District Attorney Francis J. Heney today, after Henry Ach, counsel for Ruef, had occupied the entire morning with argument and the citation of authorities in support of his motion for the vacation of Ruef's arraignment on the United Railroads' trolley franchise indictments.

Ruef's counsel last Monday set forth that the defendant was improperly arraigned, on the ground that he was not represented by counsel, had not been asked by the court if he desired counsel, had not been informed that he was entitled to counsel and not given an opportunity to secure the same; that the indictment was not read to him and that a true copy of the indictment was not delivered to him.

Formal motions for the vacation of the arraignment and requesting a re-arraignment were made today by counsel for Ruef in addition to those made last Monday. If sustained, it would enable Ruef to withdraw his plea and attack the indictments with demurrers and motions to set aside.

It was apparent from the remarks of Judge Lawlor that the entire matter of the immunity contract between the prosecution and Ruef will have to be threshed out in this hearing preliminary to the actual trial of Ruef in order to enable the court to determine whether the defendant has any relief in law because of his allegation that the prosecution and not he broke the agreement. Judge Lawlor continued the matter until Friday morning and requested that at that time the court be fully advised by both sides as to the law relative to the granting of immunity to persons charged with crime.

Counsel for Ruef gave notice that he would file affidavits practically containing the terms of the immunity agreement between the prosecution and Ruef, as he could not introduce the original contract, "because it is in the hands of a man named Burns."

Assistant District Attorney John O'Gara asked that Ruef be more specific in his affidavit with reference to the immunity contract, stating the time, place and substance of conversations between himself and the representatives and agents of the prosecution; else the court could not consider the affidavit.

"We don't have to disclose our defense in this hearing," replied Ach. "Why don't you answer the affidavit?"

"There is nothing to answer," declared Heney. "There is not a single allegation of fact in the affidavit."

FALLS DEAD ON PLATFORM

WHIPPLE'S END COMES WHILE READING MRS. EDDY'S BOOK.

Tragic Event at Berkeley Blind Institute Almost Causes Panic in the Audience.

OAKLAND, Cal., Feb. 12.—Frank Nathan Whipple, a veteran instructor at the Institute of the Deaf, Dumb & Blind of Berkeley, dropped dead on the platform of the Christian Science Church here tonight, while reading from Mary Baker Eddy's "Science and Health."

For a moment there was consternation in the crowded auditorium, as the body of Mr. Whipple pitched forward into the arms of two of the men on the platform. Then the Rev. Elmer McBurney stepped forward, quieted the throng and led in silent prayer. The meeting then proceeded. Mr. Whipple was a teacher of lip language at the Blind Institute.

MRS. EDDY'S SON CRIPPLED

Horse's Kick Opens Wound Glover Received in War.

LEAD, S. D., Feb. 12.—From the kick of a horse received over a week ago, George W. Glover, son of Mary Baker G. Eddy, the Christian Science leader, is suffering with paralysis of one leg that threatens to become permanent. The horse kicked him on the right leg and reopened an old gunshot wound received in the Civil War.

WANT NO RANGE LAW NOW

Umatilla Woolgrowers in Session Pass Resolutions.

PENDLETON, Or., Feb. 12.—(Special.)—At the regular annual meeting of the Umatilla County Woolgrowers' Association, held in this city yesterday and last night, the Burkett bill was condemned and a resolution adopted calling upon Oregon's delegation in Congress to make an effort to have action deferred on any range-leasing measure that may come up at this session. The resolution asks for a more thorough investigation of the conditions in the range states, so that when the law is finally made, which they admit is needed, it will be adapted to the needs of the Western States.

The resolution also asks that an effort be made to have a law drafted which will take the forest administration out of the hands of the Secretary of the Interior. Officers for the ensuing years were elected as follows: President, K. G. Warner; secretary and treasurer, Dan P. Smythe; executive committee, K. G. Warner, A. A. Cole, R. N. Stanfield, Herbert Boylen and Dan P. Smythe.

Douglass Belts and Herbert Boylen were appointed as Umatilla County's members of the State Advisory Board for the eastern division of the Blue Mountain forest, while G. W. Rugg, B. D. Smith, William Slusher, J. N. Burgess and A. Rust were appointed as members of the Advisory Board for the Wenaha reserve.

It was decided to have sales dates at Pilot Rock, the same as at Pendleton, thus dividing in two the amount of wool to be sold in this city. There will be about 1,000,000 pounds at each place. The dates for these two places were arranged as follows: May 26, Pendleton; May 27, Pilot Rock; June 12, Pendleton, and June 13, Pilot Rock.

The following wage scale was also adopted by the association: Old herders, $40 per month; new herders, $35; corral boss, $40; night watch, $40; bunch herder, $30; cook (man), $30, (woman), $25.

MAY BUY NEVADA MINE

Southern Pacific Negotiating for Branch Road.

SAN FRANCISCO, Feb. 12.—Negotiations are pending between the Tonopah & Goldfield Railroad Company and the Southern Pacific Company for the purchase or lease of the former by the latter company. The proposition, it is understood, has been submitted on behalf of the Nevada company by Clyde Heller, secretary and treasurer of the corporation, who has been in this city for conference with the executive officials of the Southern Pacific.

At the offices of the Southern Pacific Company nothing could be learned about the prospective acquiring of the Nevada railway, but the admission was made that its secretary has been here seeking a favorable settlement of its debt to the Southern Pacific, which it is unable to pay.

HARRIMAN SCOFFS AT RUMOR

No Cut Is Probable in Union Pacific Dividends.

NEW YORK, Feb. 12.—That such reports were silly, was the only comment that E. H. Harriman would make yesterday when asked about the rumor which has been current in Wall Street, that the dividend on Union Pacific stock would be cut at the coming meeting.

"I cannot be expected to forecast the action of the directors regarding dividends. These rumors, however, are silly. Times are dull and people have nothing better to do than make up rumors."

In other quarters the report was discredited that there would be any change in the dividend rate of the Union Pacific. Those who took the stand that no change was likely, pointed to the fact that the net earnings of the road, although somewhat reduced recently, are still much in excess of the amount required to maintain the 10 per cent dividend.

Discussing general conditions, Mr. Harriman said yesterday:

"The country has a great deal more ahead of it than it has behind it. All that is needed is confidence. There are the resources and the ground and on the ground there are the people to develop these resources and the disposition to do so. The restoration of complete confidence is all that is needed."

Rebating Case Postponed.

SAN FRANCISCO, Feb. 12.—The hearing of the charges of rebating against the Southern Pacific Company was postponed by the Railroad Commission today until March 5, because of the absence of the general freight agent of the road.

BEGINS REIGN WITH MERCY

Manuel Orders Pardon of Sailors Who Mutinied.

LISBON, Feb. 12.—The Council of State has decided to pardon all the sailors imprisoned for the fleet mutiny in April, 1906. King Manuel, who presided, inserted the following at the beginning of the decree:

"It is my dearest wish to begin my reign by availing myself of the prerogative of pardon which the constitution gives me."

At the close of the proceedings the king bade farewell to his comrades of the Naval Academy, where he was pursuing his studies when called to the throne under such tragic circumstances.

One of the first measures the new ministry will submit to the Cortes will be the bill for the reorganization of the police.

RETAINS DICTATOR'S DECREES

Cabinet Astonishes People by Not Undoing All Franco's Work.

LISBON, Feb. 12.—The Cabinet Council has resolved not to rescind the dictatorial decrees promulgated during the last days of King Carlos' reign, except those considered offensive to the public dignity. This unexpected action has caused the utmost astonishment.

Manuel Begins His Work.

LISBON, Feb. 12.—King Manuel formally took up court life today when he received deputations from several Lisbon associations and correspondents, who assured him of their sympathy and support.

COAL OUTPUT INCREASES

Anthracite Not Affected by Panic. Bituminous Shows Effect.

WASHINGTON, Feb. 12.—A production of between 450,000,000 and 460,000,000 short tons of coal in the United States in 1907 is indicated by the returns received thus far by the United States Geological Survey, or an increase of about 10 per cent over the record-breaking output of 1906.

The production of Pacific anthracite increased 20 per cent to about 85,840,000, the panic having no effect. The production of bituminous coal increased 7 to 10 per cent. In the Eastern states the panic caused such a decrease in production as to wipe out the increase of the first nine months. The total output was about 375,000,000 tons of bituminous. The states will probably rank: Pennsylvania, first; Illinois, second; West Virginia, third.

U'Ren Charges Lowell.

OREGON CITY, Or., Feb. 12.—(Special.)—W. S. U'Ren, probably the most strenuous advocate of Statement No. 1 in the whole state of Oregon, has asked Judge Stephen A. Lowell, of Pendleton, to join in a public discussion of the merits of the Statement.

"Made for you"

Day by Day, Grows the Fame of Columbia Tailoring

The superior character of the Columbia's line of fabrics—greater variety, exclusiveness of patterns, dependable quality, splendid manner in which Columbia garments are made—nobbiness, beauty of fit, and last (and not least important to most men) the popular prices—are all factors which explain the steady growth of Columbia patronage. No matter how critical your taste, how exacting your demands, you'll find that

Columbia Tailoring satisfies and saves you money. Can you—can any man—ask or secure more?

Extra Special Now
During Mid-Season Clearance
AN EXTRA PAIR OF TROUSERS FREE WITH EVERY SUIT OR OVERCOAT ORDER

$25 to $28 Fabrics Reduced now to $22.50 Including the Extra Free Trousers

Columbia Woolen Mill Co. TAILORS
GRANT PHEGLEY, Manager
ELKS BUILDING SEVENTH & STARK

Vapo-Cresolene
(Established 1879.)
"Cures While You Sleep."
Whooping-Cough, Croup, Bronchitis, Coughs, Diphtheria, Catarrh.
Confidence can be placed in a remedy, which for a quarter of a century has earned unqualified praise. Restful nights are assured at once.
Cresolene Is a Boon to Asthmatics
All Druggists
Send postal for descriptive booklet.
Cresolene Antiseptic Throat Tablets for the irritated throat, of your druggist or from us. 10c. in stamps.
The Vapo-Cresolene Co., 180 Fulton St., N. Y.

First-Class European Home Cooking.
AUSTRO-HUNGARIAN RESTAURANT
Meals a La Carte.
247 TAYLOR STREET,
Bet. Second and Third, Portland, Or.

With an Electric Toaster
On the Breakfast Table
You Can Make Your Toast Just as You Like It

THE ELECTRIC TOASTER
Is 12 inches long, 6 inches wide and stands 6 inches high. Elegantly finished in black, with nickel trimmings; equipped with cord and plug, ready for immediate use. It will toast three slices of bread at one time; costs 2½ cents an hour to operate, and may be connected to any electric lamp socket. Price of Electric Toaster, with all equipment..... $4.00
Cost of Current Will Not Exceed ONE CENT AN HOUR
ON SALE AT COMPANY'S SUPPLY DEPT., 147-149 7TH STREET
CALL TELEPHONES MAIN 6688, A 6517 FOR INFORMATION
PORTLAND RAILWAY, LIGHT & POWER CO.