THE GLAD HAND

Portlanders Guests of

Capital City.

GELEBRATE ROAD OPENING

Occasion for Felicitations.

FINDS LAND GRAN **BLIGHT ON OREGON**

Terms Violated From the Very First.

USED TO CHECK DEVELOPMENT

Sole Purpose to Exclude Railroad Competition.

TOWNSEND MAKES REPORT

History of Oregon & California Railroad Full of Deeds of Broken Faith - Abundant Ground for Bringing Suit.

OREGONIAN NEWS BUREAU, Washington. Feb. 18 .- The substance of the report of B. D. Townsend on his investiga tion of the Oregon & California Railroad land grant was made public today for the first time, and shows in a general way the facts on which the Government will base its suit to compel the railroad com pany either to comply with the law of forfeit its title to the grant. The report is so full and explicit as to require no explanation. The following extracts are

"The provision of the grant restricting the number of sales have never been respected. Lands have been sold to any person, whether settler or speculator, I the railroad company. has always ob grant occurred from the very beginning. was sold at prices largely in excess of per acre. In 1874 three instances are found of conveyances to a single purchase of quantities exceeding 1966 These violations continued

throughout the history of the grant. Sells to Timber Speculators.

"When the Southern Pacific system secured control of the land grants the first thing they did was to organize an effective land department. Land examiners. and timber cruisers were employed and existing transportation facilities. praise the value of each specific tract of land contained in the grant; this had checked.

never been done before. "About 1800 some of the old and experienced Umbermen of Michigan, Wisconsis and Minnesota were attracted by reports as to the timber lands of Oregon. There suddenly arose a tremendous demand for lands by wealthy timbermen and specula ters in the East. The railroad company was quick to see its opportunity to profit by disposing of lands contrary to the terms of the grant. It immediately began to make sales in quantities ranging from 1000 to many thousand acres.

Only Gives Quit-Claim Deeds.

"In 1891 it changed all lis forms of deeds and contracts and has ever since refused to execute anything but the quit-claim form of deed, except where it had by prior contract obligated itself to do otherwise This is a most unusual circumstance. The simply of a grant from the United States. It immediately determined to take advan tage of that opportunity, wholly ignoring the conditions of the grants and sought protection against responsibility for these quit-claim form of conveyance. This poltcy was pursued by the company withou restriction until 1902, during which period approximately 400,000 acres of land were sold to timbermen and speculators, in quantities exceeding 1000 acres to each

Stops Sales Entirely.

"Late in 1902 the railroad company adopted a new policy and permanently withdrew all of its lands from sale. There then remained in its hands approximately 800,000 acres, most of it in violation of the terms of the grant, it resolved upon the plan of asserting an absolute unqualified and permanent estate in the balance of grants in its own favor. Various excuses for this step have been given from time to time. In a public speech at Oakland during September, 1907, Mr. Harriman admitted that this policy was in-

tended to be permanent. "Of \$13,908 acres sold by the railroad company, only 127,418 acres were sold purchase price prescribed by the grant, and 515,928 acres were sold in quan tities exceeding 160 acres, of which \$65,991 acres were conveyed or sold to 38 purchasers in quantities exceeding 2000 neres to each purchaser since the

year 1897.

Used to Retard Development. "The grants placed in the hands of s single proprietor nearly one-half of the lands of Western Oregon, subject to conditions, however, intended to insure distribution of land in small quantities among the producing class. Notwithstanding these conditions, the greater portion of the land still remains in the hands of a single proprietor, which refuses to sell it, develop it or improve it, simply holding it to share the benefits which shall result from the labor of others. The greater part of the land sold went into the hands of proprietors of the same class, That the present railroad interests

for the purpose of retarding the development of Western Oregon cannot be isserted as a fact; but it is certain that its policy has this direct effect, and it is not difficult to understand that a selfish purpose may be subserved thereby. In this connection it s proper to consider that the Oregon & California Railroad Company is now part of a well-organized transportation system which controls the commerce of approximately one-third of the United States. So far as Western Oregon is concerned, this railroad system not only holds an absolute transportation, but, through manipulation of the land grant, practically controls production.

Checks Railroad Competition.

"The following facts are significant: The present transportation facilities of Western Oregon are taxed to their full apacity in handling the products of the ountry. If the railroad company should abandon its present policy and dispose of



for the Government, Who Ex-Grant Laws by Harriman Roads.

as large quantities as possible and at the lits land grant to those who would dehighest price possible. In making sales | velop it and subject it to productive industry, it is certain that the increased served the law of supply and demand and production of the country would be so has never obeyed the law of Congress. greatly in excess of the present trans-Substantial violations of the terms of the portation facilities that competing trans-Among the first conveyances executed in state. It is equally certain that, with the Bouthern Pacific interests controlling substantially one-half the land, no other \$2.50 per acre, sometimes as high as \$10 transportation company, however forsaldable, is likely to venture into that territory to engage in competition with a system which virtually controls not

only transportation, but also production. "More than four-fifths of the land grant now held by the railroad company is situated in Southern Oregon. At the time the railroad company withdrew its lands from sale in 1902, Southern Oregon was developing rapidly. It was largely this development which taxed the capacity of The force set to work to ascertain and ap- sale of lands was stopped and the development of Southern Oregon was

Great Increase in Value.

"The total assessed valuation of the land grant for the year 1907 was approxi-mately \$18,000,000, whereas prior to the year 1902 the assessed valuation had never exceeded \$2,000,000. Of the total taxes paid by the railroad company on account of its land grant, from 1870 to the present time, more than one-half has been paid since 1902.

"If the conditions of the grant had been observed, under no circumstances could the railroad companies have en joyed a bounty exceeding approximately \$8,000,000 from the disposition of the lands (Concluded on Page 4.)

CONTENTS TODAY'S PAPER

The Weather.

TESTERDAY'S Maximum temperature, 43 degrees; minimum, 32 TODAY'S Rain; southeasterly winds.

National,

recovery. Page 1.
Stone speaks against Aldrich bill. Page 2.
Government shows Oregon's position as cattle state. Page 14.

Politics.

Illinois Republican committee declares for Cappain for President. Page 3. Boutell booms Cannon in speech in House. Page 3.

Page 3.
Mulkey in Washington maneuvering for Fulion's seat. Page 1.
Taft speaks at Concord. N. H. Page 4.
Bryan speaks at Columbus. Page 4.

Greatest anowstorm in 20 years rages in Middle West. Page 1.

Railroads start to reduce wages and clash with labor unions is likely. Page 1.

Pennypacker testifies in capitol graft trial. Page 3.

Son of Crapley, the heretic accused of fraud in Army. Page 3.

Tonopah grand Jury will indict officers of State Bank & Trust Company. Page 2.

Sport, American auto passes through Ohio, leading all facers. Page 3.
World's record broken in individual bowling match. Page 3.

Pacific Coast.

Ach acores Heney in argument on Ruef's immunity ples. Page 5.
Los Angeles woman sleeps for ten days.
Page 16.

Porting business men join Salem in celabration of opening of Oregon Electric.

Double tragedy in Seattle hotel. Page 6. Portland Japanese fined for attempting to evade Natal act at New Westminster.

Commercial and Marine. Shortage in American supply of canned salmon Page 15.

All grain markets are depressed. Page 15.

Recovery in stock market is spoity. Page 15.
Sallor on French bark Alloe Marie attacks
mats with a knife inflicting serious
wound. Page 14.

Portland and Vicinity.

Mayor Lane testifics in Waymire case.

Broken rall missing at hearing into West Side wrock. Page 10.

Dan J. Moore leases former Nortonia Hotel. Page 10

Rose reserve of 1000 bushes will be planted by Festival Association. Page 10.

District Grand Lodge B'nai B'rith closes annual convention. Page 10. George W. McMillen re-classed president of M. A. A. C. Pesco T.

Domestic.

ewnsend reports on Oregon & California land grant and Senate debates suit for

Move for Wage Reduc tions Resisted.

Great Western Receiver Gives Unions Notice.

THEY REFUSE CONCESSION

Other Roads Move to Cut Wages and Strike on Buffalo & Susquehanna Is Likely-Engineers Prepare to. Fight.

CHICAGO, Feb. 18 .- (Special.)-A general clash between the railroads and their employes all over the country is said to be threatened, if certain attempts at rerenchment by the railroad managements in various sections, are persisted in. The retrenchments involve reductions in sal

aries of employes of all classes. The first move has been the notice served by the receivers of the Chicago Great Western to the organized employes that a change must be made in existing wage schedules. Engineers, trainmen and conductors have determined to stand together and resist any wage reductions, and as the roads are under the jurisdiction of the United States Court, serious complications are likely to

Employes Intend to Fight.

A conference between officials of the road and representatives of the employes mission, has been set for March 9 in the general offices in St. Paul. The employes are determined to fight the issue, as they be-

At the same time the employes are strengthening their forces on the roads in the Southeast, and they expect to strike on the Buffalo & Busquehanna Railroad in the beginning of March. Some time ago officials of that road advised their employes to accept a 10 per cent reduction of wages for the months of February and March. The proposition was rejected, and the road served notice that the existing schedule would be ter-

Blow Aimed at Engineers.

The Southern Railway has called a conference of the general committees of all the railroad brotherhoods, to be held in Washington February 21, for the purpose of making a general reduction in wages. The movement is simed es- ated. The rumor probably was an brotherhoods declared tonight that a fight | ings.

and that it probably would involve a number before it finally was adjusted.

UL/TIMATUM FROM ENGINEERS

less Owners Withdraw Demand.

SAN FRANCISCO, Feb. 18.—The executive committee of the Marine Engineers' Association decided tonight to notify the Steam Schooner-owners' Association, of San Francisco, that 45 hours from midnight tonight they will refuse to allow any member of the association to work on any steam schooner owned by a member of the Owners' Association unless the

ber of the Owners' Association unless the ultimatum sent them today by the owners ls rescinded. Is rescinded.

The steam schooner-owners, in their communication sent by Secretary A. B. Hammond to Secretary J. J. Seary, of the engineers, say in effect that from this time on they will formulate their own rules and that, while they do not propose to lower the wages, they will not be forced to abide by rules which compel them to carry more men than they were them to carry mere men than they were obliged to carry when the lumber busi-ness was good and prices for cargoes

were much higher than they now are. The engineers demand that three en gineers be carried on vessels of more than 500 horsepower plying further south than San Diego and further north than Portland. This was a partial concession from a former rule laid down by the as-

There seems to be no doubt in the minds of shipping men tonight that a strike will take place, which may be long-drawn-out and far-reaching.

May Tie Monument Works.

NEW YORK, Feb. 18.—Wholesale m ment dealers in this city predict a general strike of the cutters and allied unions against the quarrymen, beginning March t, which will extend throughout the New England marble and granite district and affect the trade all over the country.

REPORTED TO HAVE YEARNING FOR FULTON'S SEAT.

Circulates in Capital and Is Accused of "Knocking" Fulton and Seeking Bourne's Aid.

OREGONIAN NEWS BUREAU, Washngton, Feb. 18 -- Ex-Senator Fred Mulkey, of Portland, is here on a mysterious mission, at least he acts mysteriously about it. It is understood that he is of fering criticisms of Senator Fulton and endeavoring to spread the opinion at the lieve only by a fight can they preserve Capitol and among Government officials that Mr. Fulton is attempting to prevent the bringing of suit against the Southern Pacine to adjust the Oregon & California land grant.

Senator Tillman, whose resolution Mr. Fulton today tried to pass, has received similar complaints from Oregon and is today answering that Mr. Fulton in today answering that Mr. Fulton in reality is the only man in the Senate who s earnestly endeavoring to have suit be-

gun.
Mr. Mulkey had a conference Mr. Mulkey had a conference with Senator Bourne today and it is believed that he is feeling out the junior Senator to ascertain whether or not he will give Mulkey support should be (Mulkey) re- had narrow escapes from death. consider and become a candidate against

Alfonso Not Blown Up.

MADRID, Feb. 18.-There is no truth in the report current in Paris last night that King Alphonso had been assassinspecially at the locomotive engineers, and growth of the bomb explosion at Barce-Grand Chief W. B. Stone has called a lona yesterday, which now appears to Grand Chief W. B. Stone has called a hurried meeting of his advisory board to brepare for a general fight.

CHICAGO TRAFFIC Will Strike on Steam Schooner Un-

Worst Windy City Has Seen for Years.

Snowfall Is Heavy and Gale Blows at 50-Mile Gait.

WOMEN KEPT OFF STREETS

Force of Gale Such That They Are Swept: Off Their Feet-Snowplows Are Inadequate to Keep the Tracks Clear.

WORST STORM IN 20 YEARS.

- Extent. General throughout the Middle West, where snowfall is very heavy. In the East rains have caused danger from floods.

Snowfall During Buy In Chicago Saven inches.

- In Omaha-Fourteen inches. In Kansas—Pive inches. In Des Moines—Eight inches.
- In Peorla-Eight inches, Results.
- Trains stalled and traffic on streets of many cities completely
- Several deaths occur in Chicago. Fishing-bout wrecked; two lives *****************

creasing drifts. CHICAGO, Feb. 18.-Several deaths nany injuries and much suffering fol MUCH SNOW, BUT NO COLD owed teday in the wake of one of the worst blizzards experienced in this sec Wheatgrowers in Kansas Rejoice tion in several years. Traffic on surface and suburban lines is practically tied up tonight and downtown hotels are filled KANSAS CITY, Feb. 18.-The snow

The storm, which broke early in the day, raged with increasing fury until nightfall, subsiding somewhat toward midnight. One of the most tragic occurrences in connection with the storm wa the wrecking in the barbor at Waukegan

with residents of outlying districts, who

found themselves unable to reach their

WORST IN SCORE OF YEARS FOURTEEN INCHES OF SNOW Storm Paralyzes Traffic in Chicago Heaviest Fall Known in Omaha in

and Causes Suffering. By 4 o'clock in the afternoon sever nches of snow had fallen and it was still coming down heavily. The wind at frequent intervals blew with a velocity of 50 miles an hour and it hurled the snow through the streets in such blinding clouds that it was impossible to see for

A great number of accidents of a mine haracter were caused by collisions b ween wagons and streetcars. At 5 o'clock, when the home-going

ig so heavily and the snow was falling n such blinding sheets that it was postlvely dangerous to attempt to cross Michigan avenue and its intersection with either Jackson Boulevard or Van Buret street. These crossings are used by housands of people every night to reach their homes in the southern part of the elly and in the suburbs, by means of the illinois Central Railroad. It was found necessary to station a large number of city and park police at these corners to assist women, and often it was more than one officer could do to pilot a woman

he question for a woman to cross the The streetcar lines and elevated roads fared well throughout the day, but the

Over the Storm.

storm that prevalled all day in Kansas

reporting the thermometer above 20 de-

20 Years.

continuous fall of snow lasting 24 hours,

accompanied by a wind which heaped it

into drifts, and almost tied up all kinds

of street traffic, the mercury began a

downward course this evening. All rail-

stances morning overland trains did not

Nearly 14 inches of snow fell, the

heaviest in 20 years. There was a heavy

run of livestock at the yards today and

much suffering from the storm was the

GORGE THREATENS DES MOINES

Ice Jam Above City Dynamited With

telephone communications. Eight inches

miles long has formed just above the city. City officials are using dynamite to blow

FLOOD NEARING CINCINNATI

Not Believed Conditions Will Grow

Much More Serious.

CINCINNATI. Feb. 18.—Tomorrow and Thursday the crest of the flood is expected here, having passed Parkersburg today. Inundation of lowlands has been reported all along the river, and thousands have been driven from their homes, but it is now believed that conditions will not grow much more serious.

SLEET ADDS TO SUFFERING

Rivers Rapidly Rising Drive Out

HAZLETON, Ind., Feb. 18.-White River

today has risen nine inches in 12 hours.

Reports from St. Francisville, Ill., say the

Wabash is rising there. Hundreds of families are llying in hastly improvised beats in the flood district. A cold north wind blowing, rain and sleet, are increas-

HENDERSON, Ky., Feb. 18.—The big towboat B. B. Williams, of Pittsburg, and four barges heavily loaded with coal, were sunk here today. The river is already above the danger-line here, and spreading over the Indi-

Crest of Flood Passes.

(Concluded on Page 4.)

GALLIOPOLIS, O., Feb. 18.-The crest

lowlands. Refugees are crowding

ing the suffering of the flood refugees.

Many Families.

of snow has fallen and drifted hadly.

road trains were late and in some in

reach Omaha until this evening

wheatgrowers and fruitmen

across without assistance. It was out of

neavy increase of snaw that came late n the afternoon made desperate work for Completion of Oregon Electric

BOOSTERS TELL TRIUMPHS How and Why Oregon Has Made Rapid Strides in the Past Five Years_Still Greater Increase



Hundred Portland Guests.

and Western Missouri continues tenight, but without low temperature, most points The Salem Board of Trade planned and carried into successful execution this enjoyable event. Over a hundred of the grees. In Kansas City the snow fall up to 9 o'clock tonight was about one and leading business men of Portland came to one-half inches deep, but in Southern and Salem on the Oregon Electric cars this. evening as special guests of the Board Central Kansas, four or five inches have of Trade, Another hundred came from fallen. Trains are not seriously delayed, and the storm is highly satisfactory to towns in Marion County and from cities south and on the west side of the Wilat dinner at the Willamette Hotel and later they joined the business men of Salem in a smoker at the Elika' Hall and Hithee Clubrooms, where the formal exerclaes were held. OMAHA, Neb., Feb. 18.-Following a

No effort was spared that could add to the pleasure of the occasion, and that the officers and members of the Board of Trade were highly successful was evident from the many expressions of appreciation heard among the guests.

: Alight on Paved Streets.

The people of Salem were proud of their paved street this evening when the Oregon electric cars rolled in and more than a hundred residents of Portland alighted at the corner of Court and High streets with a drizzling rain falling. Instead of the muddy streets and crosswalks of a year ago, there lay before the risitors a pavement as smooth and clean as any in Portland. The crowd made a short cut down the street to the Illihee Clubrooms where an hour was spent in conversation, and personal introductions. At 6 o'clock DES MOINES, in., Feb. 18.—A bilzzard dinner was served and which started last night and still rages was spent at the club. dinner was served and then another hour

today has delayed trains on all roads from one to four hours, stopped street-cars and interfered with telegraph and At 8 o'clock, the beautiful hall of the Lodge of Elks was crowded to its full capacity by the assembled "boosters." President F. G. Deckebach, of the Salem On Raccoon River an ice gorge six Board of Trade, called the assemblage to order and presided over the meeting. After a few appropriate expressions of up the gorge, but with poor success. People are moving out of houses on the lowlands. For the first time in the hisgratification over the large attendance and the enthusiasm manifested, he introduced Mayor George F. Rodgers, who, in tory of the city a big ice gorge threatens one of the exceedingly witty addresses for which he is famous, welcomed that visitors to the city. He brought down the house by his solemn regrets over the absence of Mayor Lane, of Portland, who had been detained "by pressing legal engagements."

Pledge Support to University.

Turning to serious discussion of the occasion, which had brought together this crowd of representatives of nearly every industry in the state, he declared that Salem is a progressive city, that its people have learned that it is worth while to get together and put down the almighty dollars necessary to advertise the city to the world and promote the development. Speaking particularly to the visitors from Eugene, he declared that "the people of Salem are your friends and also friends of that magnificant educational institution locuted in your midst, of which friend-ship we shall give evidence at the election in June." Mayor Rodgers' approval of the University appropriation bill was heartily applauded.

President C. W. Hodson, of the Portland Commercial Club, spoke upon the need of organization, saying that "success cannot be achieved if a few men bear the expense of spasmodic development work. There must be organized effort by which a large number of citizene contribute to a fund large enough to employ a competent premetion manager, with a staff of assistants who carry on systematic work for the pur-

(Concluded on Page 6.)

