

RAILROADS' SIDE OF LUMBER CASE

Contend Low Rates Will Prevent Building of New Roads.

BIG PROFITS ON LUMBER

Kerr Gives Figures on Mills—Cotton Rips Up Teal's Argument and Says Trust Alone Gains by Low Rates.

OREGONIAN NEWS BUREAU, Wash-

ington, March 5.—Argument of the Pacific Coast lumber case was resumed before the Interstate Commerce Commission this morning. J. D. Kerr, representing the Hill roads, frankly stated that the Northern Pacific and Great Northern have reached the limits for handling traffic. He said as the development of the Northwest continued, traffic would grow. Therefore existing roads must increase their capacity or new roads must be built, but he declared no new roads would be built to haul lumber unless they had a guarantee of a rate that would be remunerative. If the old non-compensatory lumber rate is continued in effect, money cannot be procured and railroad building will stop, he said.

Booth-Kelly's Profits Large.

Mr. Kerr denied that the lumber men would be injured by an increase in the rate. They can absorb the increase and still make a handsome profit, he declared. The Booth-Kelly Company in Oregon, which is not operated under favorable conditions, could, on the basis of an advanced rate, still earn 22 per cent annually on its investment. Some companies could make larger profits, others not so much. Relative to the arguments that lumber cannot be sold at a profit on territory under an advanced rate, Mr. Kerr showed that the St. Paul & Tacoma Lumber Company, of Tacoma, paid 55 cents into this district for years and made a profit. This is higher than the proposed new rate.

W. W. Cotton, representing the Harriman system, began his argument by all manner of inconsistencies and inaccuracies in the brief and argument of J. N. Teal which undermined Mr. Teal's contention that the railroads are making too large a profit under their old schedules.

Cotton Gives Teal Hard Knock.

Mr. Cotton said that if the Harriman system, as contended by Mr. Teal, is making more than a fair return on its investment, then the entire schedule of rates should be readjusted and not alone the rate on lumber. He denied that the Harriman lines are securing more than a fair compensation, as Mr. Teal contended. Mr. Cotton concluded his argument with a strong appeal in behalf of the increased rate. He declared that under the old rate only high-grade lumber and large timbers could be profitably sold in Missouri River and Eastern markets. He said that the commission could not with justice establish a rate which would enable Pacific Coast mills to put their low-grade lumber in these markets, over 200 miles from home, where it would compete with similar grades of Minnesota and Southern pine, not more than 80 miles distant.

Would Only Benefit Trust.

Moreover, he contended that the return to old rates would not benefit the lumber manufacturers, but would solely benefit Mr. Weyerhaeuser and other large owners of stumpage in the Northwest. They today are getting \$8 stumpage for the same grade of timber that can be bought in the South for \$2.25. This, he argued, is another salient reason why low-grade lumber from the Coast cannot compete in the Missouri and Mississippi Valley with a similar grade from the South. Sustain the new rate, he said, and the Timber Trust will be able to reduce the price of stumpage permanently, as it has temporarily done since the slump began.

The case was closed with a brief argument by A. E. Griffiths on behalf of the lumbermen.

Roads Must Protect Employees.

HELENA, Mont., March 5.—The State Board of Railroad Commissioners today passed a regulation requiring railroads operating mixed train service to put all cats, save coaches, diners and sleepers, ahead of mail and baggage cars. The purpose is to protect employees in the postal and baggage cars in case of wrecks.

Railroad Must Pay Loss.

HELENA, Mont., March 5.—The Supreme Court today affirmed the decision of the Yellowstone County District court in awarding heavy damages to E. C. Russell as against the Chicago, Burlington & Quincy Railway for loss sustained by reason of delay in forwarding a livestock shipment to Chicago last fall.

M'COURT TO BE ATTORNEY

(Continued From First Page.)

pressed at the prospect of his removal from the city. McCourt has nothing further to say concerning the prospects of his appointment than that if appointed and confirmed he will accept the office. The honor is particularly gratifying to him, since it came without any fight having been made on his part. He did not send a single recommendation to the delegation.

John McCourt was born in Canada, February 28. His parents moving to California the same year. He went to Salem, Or., in 1890 and attended the Willamette University, of that city. In 1896 he was graduated from the law department of that institution, began the practice of his profession, being associated with Jay Bowerman, now State Senator from Gilliam County. He remained in Salem until 1900, when he came to Pendleton, where he has since resided. He formed a partnership with John J. Balfour, which was terminated by the death of the latter in 1905. In the same year he became associated with District Attorney G. W. Phelps, his present partner.

He was a member of the special session of the Legislature of 1898 and of the regular session of 1905, being a Representative from Marion County. At the special session he voted for Joe Simon for United States Senator.

He was married to Miss Vera Boothby, of Salem, in 1898, and they have a family of two children.

New Washington National Banks.

OREGONIAN NEWS BUREAU, Washington, March 5.—The following Washington banks were today authorized to begin business: The First National Bank of Odessa, with \$25,000 capital; C. H. Clodius, president; Mr. Schaffer, vice-president; William P. Christensen, cashier.

BONAPARTE ASKS FOR ACTION

Says Congress Should Authorize Suit to Recover Land Grants.

OREGONIAN NEWS BUREAU, Washington, March 5.—At the earnest solicitation of Representative Hawley, Attorney-General Bonaparte appeared before the House subcommittee on public lands today in behalf of the Fulton resolution authorizing the Department of Justice to bring suit against the Oregon & California Railroad Company to adjust its land grant. Mr. Bonaparte informed the committee that he strongly favored the adoption of the resolution without amendment, as its adoption will enable the department to make its case complete and do thorough justice to all parties interested. However, the resolution in its present form will be heard. It is expected that this will be the final hearing and that it will be followed by a prompt favorable report on the resolution. Representative Michigan, also addressed the Commission. He advocated an amendment to the resolution to provide that innocent purchasers of the lands should not be made to suffer through institution of such suits. The hearing will be resumed March 12.

Reappoint Four Postmasters.

OREGONIAN NEWS BUREAU, Washington, March 5.—After the settlement of the District Attorneyship, the Oregon delegation in Congress today recommended the reappointment of the following Presidential postmasters: Alfred P. Linegar, Coquille; Robert H. Walker, Clatsop; A. M. Woodford, Medford; John F. Miller, Jacksonville.

ANOTHER GOULD LINE FAILS

RECEIVER NAMED FOR WESTERN MARYLAND ROAD.

Intended Eastern Tidewater Terminal of Great System Cannot Pay Interest on Bonds.

BALTIMORE, March 5.—After the close of court today a bill was filed in the United States Circuit Court at Baltimore by the Bowling Green Trust Company, of New York, asking the appointment of receivers for the Western Maryland Railroad. Judge Morris appointed President Benjamin F. Bush, the railroad having filed an answer admitting the allegations in the bill of complaint and assenting to the receivership.

The allegation of the Bowling Green Trust Company is that the Western Maryland will be unable to meet fixed charges due April 1, amounting to \$100,000. Mr. Bush may bond as receiver in \$100,000. He succeeded Winslow S. Pierce as president of the road about a year ago.

The proceedings came as a surprise. Not the slightest indication that they would be taken had reached financial or legal circles during the day.

The Western Maryland was purchased in 1902 for \$5,000,000 by what was known as the Fuller syndicate for the Gould interests. At that time the road was indebted to Baltimore City on account of the mortgages and accrued interest to the extent of \$12,000,000. At the time of its purchase the road ran from Baltimore to Cherry Run, about 60 miles from Cumberland. At Cherry Run connected with the Baltimore & Ohio Railroad. Since that time the Western Maryland had been extended to Cumberland, to connect at that point with the West Virginia Central Railroad, previously acquired by the Gould interests, thus tapping very rich coal territory.

There has been built a line about 60 miles long from the Northwestern suburbs of this city to Port Covington on the Patuxent River, thus bringing the Western Maryland to tide-water. It was announced that the Western Maryland was to be the Eastern end of a great transcontinental system, of which the Wabash Railroad and other Gould lines were to form parts.

ROAD UNABLE TO MEET LOANS

Western Maryland Directors Apply for Receiver.

NEW YORK, March 5.—The application for a receiver for the Western Maryland Railroad followed a meeting of the board of directors held here yesterday. At which a communication from President B. F. Bush was read, reciting the financial needs of the company, indicating that it was unable to meet loans due on April 1 next, and calling attention to the commodity clause of the rate bill, effective May 1, which makes it unlawful for any railroad company to transport as interstate traffic any commodity or product in which it may have any interest.

Mr. Bush, in his statement regarding the law, says:

The general lien and convertible mortgage of the company is in greater degree than the stock vitally interested in the preservation of the coal revenues of the company from the adverse conditions of the commodity clause of the rate bill. The coal properties of this company are a material part of the security for the company's mortgages, and the revenues from its coal business cannot be sacrificed without seriously diminishing without materially affecting its income applicable to its junior securities. The law cannot be generally observed, in the extreme contention to which it is susceptible, without either the wholesale marketing of coal lands, impracticable except at appalling loss in proprietary and mortgage interests, or a restriction of production to the fuel requirements of the roads, entailing vast losses of revenue to them and inevitable exactions from the public.

I think it must be clear that the law cannot be ignored until it has been declared invalid by the courts; that it cannot safely be treated as inapplicable except with the sanction of the court; and that, if valid, the realization of the company on the coal interests cannot be safely and conclusively resumed except with the approval of the courts.

I recommend that the trustee of the general lien and convertible mortgage be appointed of the situation and the considerations here stated. The general lien and convertible mortgage, by its terms, contemplates surrender of possession to the trustee in any contingency making this section just or desirable in the judgment of the court.

For the reasons stated, it appears that such a contingency as here contemplated, exists.

The directors approved the recommendations and the proceedings for a receiver by the Bowling Green Trust Company. The trustees of the general lien and convertible mortgage, followed today.

Sails for Magdalena Bay.

SAN FRANCISCO, March 5.—The United States cruiser South Dakota sailed last night for Magdalena Bay, where the crew will engage in its first target practice. The South Dakota is carrying supplies for the Atlantic fleet.

GIVE LOOSE BURIAL

Body of Anarchist in Potters' Field.

POLICE SEARCH FOR PLOT

Arrest of Harry Goldstein With Trunk of Anarchistic Literature Only Development in Campaign Against "Reds."

CHICAGO, March 5.—The body of Lazarus Averbuch, the young Russian Jew who tried to take the life of Chicago's Chief of Police on Monday, was buried in the potters' field. The assassin's sister, Olga Averbuch, her resources exhausted, gave reluctant consent to the interment yesterday, and in the darkness tonight, with a dreary rain pouring down, unaccompanied by friend or relative, the corpse of the unfortunate youth was taken to Dunning, the site of the county poorfarm, and there, by the light of lanterns placed in the grave that had been prepared, to be henceforth designated by number and body.

Picture Taken With Body.

Following her release from custody of the police at noon, Averbuch's body made attempts to have her brother's body given burial according to Jewish rites. A number of undertakers were communicated with in her behalf, but all declined to take charge of the body. Appeal was made to several rabbis, with like result. Coroner Hoffman then arranged for the disposition of the body. Before it was taken from the morgue, Miss Averbuch asked and was permitted to have a photograph taken of herself, with her arms about the neck of her brother's body. This was taken away, sobbing, and later, when she recovered her composure, was taken to her home.

Search for Conspiracy.

Efforts of the police during the day to uncover a possible conspiracy in connection with the attempted assassination met with little success. In the seizure of a trunk full of literature belonging to Harry Goldstein, the authorities believe they have important evidence of Goldstein's affiliation with anarchistic societies, but there was nothing bearing upon the attempted crime.

One of the first effects of the united action of various branches of authority to suppress anarchy was the cancellation of all engagements for Emma Goldman to speak here. Owners of halls where she was to appear were notified that such meetings would not be permitted, and acted accordingly.

All day the police searched for Miss Goldman, who was reported to be in the city, but up to a late hour tonight she had not been located. Assistant Chief Schuetzler said that he had no intention of arresting her, however, unless she violated the law, which it is believed she now will not attempt to do.

TAKE CENSUS OF FOREIGNERS

Aliens in Prisons and Asylums May Be Deported.

NEW YORK, March 5.—For the second time since the passage of the new immigration law in 1903, details of immigration inspectors have started out to take a census of the prisoners, insane asylums, reformatories and charitable institutions of the country to collect statistics relating to the number of aliens in these institutions and those who have become public charges. The order directing the details came from Frank P. Sargent, Commissioner-General of Immigration. In official circles it is admitted that future immigration legislation of a radical character may result from the reports brought by these investigators.

The sending of the investigators, it is said, is the first step in the war the Department of Commerce and Labor will wage against anarchists and members of pernicious secret societies. Under the law an alien can be deported if he becomes a public charge within three years after landing. It is believed that a large percentage of the aliens now depending on charity have not been in the country three years, and therefore wholesale deportations will likely result.

TAFT LOSES IN NEVADA

Proxies Will Be Used to Indorse Hughes.

RENO, Nev., March 5.—(Special.)—It looks as though Taft had been eulched out of the Republican indorsement in Nevada. L. M. Blakeslee returned today from a tour of the state with enough proxies in the state central committee to control the primaries. Blakeslee is a Southern Pacific agent and an anti-Taft man. He made the tour of the state for the special purpose of getting enough delegates to beat Taft.

The Taft element, headed by George Springmeyer, will make a bitter fight, but the advantage is all with Blakeslee. It is stated that Hughes will get the benefit of the Blakeslee proxies.

JOHNSON DELEGATES CONTROL

Minnesota Committee to Launch Governor's Presidential Boom.

ST. PAUL, March 5.—The Dispatch today says:

One of the biggest political meetings in the history of Democratic politics in Minnesota is expected tomorrow, when the members of the Democratic state central committee gather in St. Paul to fix dates for the coming state conventions and arrange plans for the campaign. The committee is composed of 80 members and it is expected that each will be represented, either in person or by proxy. In fact, proxies have been eagerly sought by the followers of Governor Johnson, the one idea being to prevent their falling into the hands of the Bryanites.

Members of what is known as the Governor's "kitchen cabinet" credit the committee with nine out-and-out Bryanites. The members, it is said, will make strenuous objections to any Johnson indorsement, but they are so far in the minority that their protest, beyond making trouble, will avail them nothing.

It was rumored today that the committee meeting would be the opening gun in Governor Johnson's campaign for the Democratic Presidential nomination. If it is, he is not taking any hand in the preliminaries, it being indirectly the work of his admirers.

HUGHES VICTORY IN NEVADA

State Committee Refuses to Indorse Roosevelt and Taft.

RENO, Nev., March 5.—The Republican state central committee met today and after a lively session failed to pass resolutions indorsing the Roosevelt administration or mentioning one word for the candidacy of



We are pushing "The Beaver Hat." It is the best \$3 Hat sold in Portland.

Worthy tiles to crown the finest craniums. Soft Hats and Hard Hats in all the latest blocks. "The Beaver" is the best.

LION CLOTHING CO. Gus Kuhn Prop. 166-168 Third St.

Secretary Taft. It was the first victory for the adherents of Governor Hughes and will go far toward guiding the convention's work when it meets at Winnemucca April 2.

Maryland Delegates Chosen.

BALTIMORE, March 5.—The Republican convention of the Third and Fourth Congressional Districts tonight named delegates to the National Convention.

Both conventions passed resolutions favoring the candidacy of Secretary Taft for the Presidency.

Vote for Taft to End.

PERRY, Okla., March 5.—The Frat District Congressional convention held today elected Charles Seeler, of Guthrie, and Vernon Whiting, of Enid, as delegates to the National Republican convention and instructed them to vote for Secretary Taft, "first, last and all the time."

SETTLE LABOR TROUBLE

Tie-Up of Steam Schooners Will Soon Be Ended.

SAN FRANCISCO, March 5.—A conference will be held next Saturday morning between a committee of the Marine Engineers' Association and a committee of the steam-schooner owners of San Francisco, at which it is expected the present plans of the engineers will be effected. A special meeting of the engineers will be held tomorrow afternoon at which the terms of the settlement will be discussed and generally passed on and the agreement will be made Saturday.

Advertisement for TULL & GIBBS. SPECIAL RANGE OFFER THIS WEEK "The MALLEABLE" INSTALLED IN YOUR HOME ON THE LIBERAL PAYMENT TERMS \$1 IN THIRTY DAYS \$1 PER WEEK THEREAFTER. The range of the 20th century—combining the sterling malleable construction with artistic finish and the best of modern improvements. "The Malleable" is the product of experienced range-builders, and it is through their skillful workmanship that this splendid cooking apparatus has been brought to such a high state of efficiency. Every joint throughout its construction is riveted to airtightness, like a boiler—a very important feature from a standpoint of economy. Every one of "The Malleable" Ranges is submitted to three rigid inspections before leaving the factory. To the intending range-buyer who has in mind the selection of an indestructible, economical and satisfactory range, this advantageous offer should prove most convincing. We give most reasonable allowance where old stoves or ranges are accepted in exchange. GAS STOVES AND RANGES IN THE BASEMENT. COMPLETE HOUSE-FURNISHERS. NEW GO-CARTS AND CARRIAGES NOW SHOWING.

Friday affecting all vessels now tied up in this port. Freight rates have increased during the two weeks in which the steamers have been tied up and many sailing vessels have gone into the lumber-carrying trade, at the expense of the steam-schooner owners. Only two schooners with nonunion engineers have left since the tie-up. Freight leases agreed to pay the Tonopah scale, which is 50 cents per day less than the former Goldfield scale, but 50 cents more than the scale recently adopted by the Mine Operators' Association. The Mine Operators' Association will not grant the advance. The association companies include all the big mines of the camp, and against these latter the strike is still in effect. The miners today elected an ultra-conservative president by a vote of 4 to 1 against the radicals. Read Sharkey's Sunday ad.

LIGHT ON NAVAL SCANDAL

Committee Will Investigate Purchase of Torpedo-Boat.

WASHINGTON, March 5.—The House committee on rules today decided to report favorably the resolution of Lilley, providing for the appointment of a committee of five members of the House to investigate charges of corrupt influence in connection with the authorization for torpedo-boats.

Easier to Get Certificates.

WASHINGTON, March 5.—The Senate committee on commerce today ordered reported favorably a bill legalizing the custom of permitting local inspectors of steam vessels to issue certificates as to the competence of officers and crew, instead of requiring them to be secured from the general board of inspectors.

Large advertisement for Schlitz beer. The All Important. Purity — there is nothing else half so important in beer. And nothing else is nearly so expensive. Purity means absolute cleanliness. It means freedom from germs. Even the air in our cooling rooms is filtered. And every bottle of Schlitz beer is sterilized after it is sealed. It means an aged beer—aged for months, until it cannot cause biliousness. Without those precautions, no beer can be healthful. And who would knowingly drink beer that was not? Ask for the Brewery Bottling. Common beer is sometimes substituted for Schlitz. To avoid being imposed upon, see that the cork or crown is branded. Schlitz The Beer That Made Milwaukee Famous. Sherwood & Sherwood, 8 Front Street, Portland.