MACKAY CALLS OFF TELEGRAPH TRUST

Postal Companies Sell Stock in Company Which Controls Western Union.

POSTAL OUT FOR BUSINESS

Talked of "Billion Dollar" Merger Collapses When Announcement Is Made That Western Union Has Competition Most Keen.

NEW YORK, Feb. 15.—Just to please the public, as it were, the Mackay companies are going to sell their holdings in the American Telephone & Telegraph Company, which in turn controls the Western Union.

With this announcement disappears the talked-of "billion dollar" merger and the Postal Telegraph & Cable Company, if the promise is carried out, becomes a more keen competitor of the Western Union.

When several months ago the Amer-

When several months ago the Amer-ican Telephone & Telegraph Company bought George Gould's stock in the Western Union, carrying practical controi, it was pointed out that the Mack-ay companies held approximately \$2,000 shares of the telephone stock. This was interpreted by many as a tacit merger of the three great companies.

Mackay Denies Merger.

Clarence H. Mackay, head of the Mackay companies, was quick to deny that any merger had been consummated or was even under consideration but the rumor would not down. Now comes the announcement of the decision of the Mackay companies to sell their holdings in the American Telephone & Telegraph Company was accreed upon at the annual research. agreed upon at the annual meeting of the companies in Boston today. A statement explaining the action was issued in New York tonight by C. C. Adams, vice-president of the Postal Telegraph Cable Company. The state-

The Mackey companies will sell their holdings of stock in the American Tecphone & Telegraph Company, that step being in deference to public opinion which views with suspicion of a large holding of stock in a company which has recently purchased the control of the Western Union Telegraph Company.

Why Stock Was Acquired.

Moreover, that stock was acquired by the Mackay Company with a view to bringing about economies in the construction and maintenance of joint pole lines over long stretches of country, where the business was not sufficient to justify either company constructing an independent pole line by itself.

Many such arrangements were made, each company constructing one-half of the pole line, but having nothing to do with the business of the other company. Since, however, the American Telephone & Telegraph Company has acquired control of the Western Union Company, the time has come for the Mackay companies to self their holdings of stock in the American Telephone & Telegraph Company. That will be done.

The Postal Telegraph system will The Postal Telegraph system will continue to be free and independent, prepared to maintain the competition which it has furnished for 25 years.

SENATE PASSES MEASURE WITH-OUT VOICE OF DISSENT.

Amendment to Harbor Bill, Providing for Siuslaw Improvements, to Be Offered.

WASHINGTON, Feb. 15 .- Without a word spoken in opposition, the Senate today passed a bill designed to deal with the vexed question of hazing at West Point. The author of the meas-ure is Senator Dupont, of Delaware, Ir provides that the superintendent of the academy shall make appropriate reg-ulations for putting a stop to hazing. A cadet charged with offenses that would involve his dismissal from the academy is to have a general court-

V-sidipinosiAwicoo.cSJ1?dnthe - 1 1 H The rivers and harbors bill, carrying appropriations aggregating more than \$35,000,000, was passed by the House. No important amendment to the bill was made. An amendment to appropriate \$250,-

000 for improvements at the mouth of the Siuslaw River will be offered. The Port of Siuslaw Association has agreed to furnish an equal amount, so that improvements consisting of two jettles and dredging to obtain a depth of eight feet at the entrance of the river

may be made.

The rivers and harbors bill, carrying appropriations of more than \$35,000,000 with authorization of work that will cost more than \$7,000,000 additional, was passed by the House late to-

In the Senate Mr. Burkett, in a set speech, contended for the constitutionality of the Postal Savings Bank bill and Senator Crawford traced the high prices of commodity to the augmentation of the gold supply. The Senate passed several bills, among which were measures to arothly the measures to a postal the passed several bills, among which were measures to prohibit the misrepresent-ation regarding the Government guar-anty of foods and medicines. Should the administration ratiroad

bill pass Congress in its present form it would discriminate in favor of steam raliroads and absolutely crush out electrical lines, according to witnesses be-fore the House Committee on Inter-state and Foreign Commerce today. A paragraph in the bill would give the Interstate Commerce Commission pow-er to fix a joint and a through rate on steam lines. No mention is made

of steam lines. No mention is made of electric roads.

"Why should our railroads be deprived of transacting a commercial railroad business?" asked the president of an lowa electric raod, "simply because it has an electris wire strung over its tracks."

Theft of Horse Is Charged.

BURNS, Or., Feb. 15,-(Special.)-Neil Culver, a young man who has been dealing in horses in this region, was ar-rested Saturday on complaint of Grant Thompson, a prominent stock man in the eastern part of the county, who accesses Culver with having in his possession and offering for sale horses belonging to Mr. Thompson. There has been considerable horse stealing going on in this county and Minihuer, and it is thought there is an or-ganized gang.

Broken Track Is Patched.

DAYTON, Wash. Feb. 15.—(Special.)— Traffic will be resumed on the O. R. & line between Walla Walla and Star-

buck this week, according to word re-ceived here. Over 40 miles of the main the between Portland and Spokane was put out of commission during the floods in January. Local trains between Dayton, Walla Walla and Wallula have been
running off schedule for a month. Passengers to Spokane have been carried
through Walla Walla and Wallula, makling the trip several hours longer. Mails
from Portland, Spokane and the East
have also been seriously interfered with. have also been seriously interfered with

BOODLE SACK LONG OPEN (Continued From First Page.)

by Moe after Frank's death. The stub, he said, was in Moe's handwriting. The presiding officer ruled that the identifi-cation would have to be proved by Moe, and the admission of the checkbook in The identity of the two 'unnamed legislators,' whom Conger and Moe say shared with Alids in the \$6000 corrup-

tion fund, came a step nearer disclosure when Attorney Osborne asked if either of these men was an office-holder under the state government. Conger replied,

In the cross-examination of Conger. Senator Newcomb quoted a remark of Attorney Osborne's admitting that in 1903 the bridge interests raised a corruption fund.

Conger Tells of Fund.

"I ask," said Mr. Newcomb, "if you have personal knowledge of the accumulation of a fund in 1903 to influence the trend of legislation in New York?"
"I have." said Conger.
Conger refused to tell for the present to whom the money collected by bridge

companies in 1903 was given for its sup-posed use as a bribery fund. Upon advice of his counsel, however, he changed his mind and replied:

"It was not for a party, it was a cor-poration, the Groton Bridge Company. There was a contribution to the state chairman of the Republican organization in 1902," said Conger.

FATHER'S DEED INVALID

(Continued From First Page.) them to Trenton, S. C., and transferred them to his parents.

Mrs. Tillman, after her recovery, instituted habeas corpus proceedings before the Supreme Court of South Carolina.

WASHINGTON, Feb. 15 .- Commenting ipon the decision of the court in the suit or custody of his grandchildren, Senator Tillman today said:

"The Supreme Justices have lifted great responsibility off me and shifted it to their own shoulders. My only motive in accepting the guardianship was the welfare of my little granddaughters. I knew all of the facts and circumstances many of which were not brought out it the hearing, and was actuated solely by The final result can a sense of duty. alone determine whether the court acted

"Fifteen years hence, when I am dead and gone, the character and type of wo-men that my granddaughters will have ecome will show whether it was best to have given them to their mother or not. I pray God's guldance to her in rearing them, and that he will shield them from contaminating influence and example."

TAX PROMPTED HIS FLIGHT

Nicaragua's ex-Secretary of Treas

ury Reaches New Orleans. NEW ORLHANS, Feb. 15.—A special from Port Limon, Costa Rica, says: Senor Don Ernesto Martinez, ex-Secretary of the Treasury of Nicaragua, has arrived a fugitive in this country. He assured reporters that all his acts as chief of the secretary were sanctioned by Congress. He fled because he was nformed that a very beavy tax had been

Eugene Sees New Road Assured.

EUGENE, Or., Feb. 15.—(Special.)— he proposed 5-mile extension of the street railway into the southwestern last night at a general meeting of the South Eugene Improvement Club, when the subscription fund was increased over \$5000. The street railway company some time ago offered to extend its line on condition that the property owners in the section traversed would put up a cash bonus of \$40,000 toward the building of this loop. In a short time the soliciting committee, representing the preperty owfers, succeeded in raising \$20,000 but met with some difficulty in getting the remainder of the amount necessary.

Streib Nonsuit Motion Denied.

OREGON CITY, Or., Feb. 15 .- (Special.)—Circuit Judge Campbell today de-nied a motion for a non-suit in the \$30,-000 damage suit of Mrs. Vennie U. Streib against her husband's parents, Mayor and Mrs. Philip Streib, of Milwaukie. The plaintiff's case was rested at 2 o'clock this morning, and Attorney George C. Brownell, who appeared for the Mayor, immediately filed motion for non-sult, on the ground that Mrs. Streib had not established her case, having failed to show the alienation of her husband's af-fections. The case may go to the jury tomorrow night.

Ellensburg New Engineer Reports

ELLENSBURG, Wash., Feb. 15.—(Special.)—G. N. Miller, of Seattle, who was appointed City Engineer by Mayor Craig last week, arrived here today. He will begin work immediately in the paving district that bids may be asked from district that bids may be asked from contractors at the earliest possible date. Mr. Miller is a graduate of a Swedish technical school. He built the Helena, Mont., \$300,000 sewer system. For a time he was Assistant City Engineer of St. Paul. He designed the Cedar River water system in Seattle. When paving is completed Mr. Miller will design a gravity water system for Ellensburg.

Paving Committee to Travel.

ELLENSBURG, Wash., Feb. 15 .- (Spe)-A special committee appointed by or Craig at the last regular meeting of the Council to investigate paving in other cities of the state left today at noon on a trip which will include the impor-tant cities of Washington and Oregon. On its return a detailed report of the committee's findings will be made to the City Council. The committee will visit Spokane. Portland and Scattle. The members of the committee are J. C. Hub-bell, Sam Pearson and Councilmen Far-

Friend Shoots on Impulse.

SAN FRANCISCO, Feb. 15.-Harry Gottung and Archie Reimers were sawing wood in the backyard of Reimers' home here yesterday afternoon. Gottung made a mistake in shaping a piece of lumber. "I ought to be shot for that," he laughed. Overcome by an impulse which he is unable to explain, Reimers obtained a revolver from the louse and shot his friend in the neck. Gottung may die.

Man Accused by Waitress Held.

EUGENE, Or., Feb. 15.-(Special.)-Frank Beeth, the young man arrested at Roseburg yesterday on a charge of having stolen \$23 from Myrtle Clark, a waitress in the Vincent restaurant, in this city, was held for trial in the Cir-cuit Court. In default of ball, Beeth is in the County Jall

CONTROLIS SHOWN

Union Pacific and S. P. Merger Bosses Traffic to Portland and San Francisco.

IS QUESTIONED

Resumption of Hearing Brings Out Fact That 1901 Combine Minimized Rail Competition West of Missouri River.

NEW YORK, Feb. 15,-Evidence of ninimized competition and practical control of the Asiatic freight traffic moved west from the Missouri River to Portland and to San Francisco by the Union Pacific and Southern Pacific Rallway systems since the merger of the two roads in 1901 was shown today in the resumption of the hearing in the suit of the Federal Government to dissolve the

merger.

John C. Stubbs, general traffic manager

John C. Stubbs, general traffic manager

of the Harriman lines, occupied today's
session as a witness before S. C. Williams, special examiner, conducting the

Mr. Stubbs admitted, on cross-examination by C. A. Severance, of counsel for the Government, that the Union Pacific had stock ownership of the Oregon Short Line, which gave the former road a di-rect line from the Missouri River to Port-

"So that all the Asiatic business moved

from the Missouri River to Portland would be handled by the Union Pacific alone?" asked Mr. Severance.
"Yes, that is so," the witness replied.
On request, Mr. Stubbs produced figures showing the decrease in New York freight over the Sunset Line from 79 pe cent of the tota, in 1891 to 39 per cent in 1991, the year of the merger. The Government contends that is only a small loss. A part of this loss was due to legitimate competition.

Rate Against Interests.

Mr. Stubbs was taken by counsel for the defense over the early history of Western railroad systems. Incidentally he described the Southern Pacific as a intermediary carrier, which depended largely upon its connections with the Central Pacific.

Coming down to more definite mat-ters, Mr. Stubbs said that for the Union Pacific to make a rate to San Francisco by way of Portland was impracticable and against the interests of the company. This was because the distance to Portland from Omaha was greater than that from Omaha to San Francisco, and for this reason water transportation from Portland to San transportation from Portland to San Francisco would not serve to cheapen the haul and certainly would lengthen the time in transit.

No shipper, he declared, would use this route unless he got compensation in reduced rates, which the competitors of the Union Pacific would not permit. He had never known the Portland-San Francisco water route to be operated as a through route be be operated as a through route, he said, except, possibly, spasmodically, Mr. Stubbs declared the Central Pacific officers certainly would resent an effort of the Union Pacific to establish the Portland-San Francisco water route and would retailate on it.

S. P. California Baby.

"The Central Pacific could make it hot for them, and in a legal way, so that the Union Pacific would be sorry it had a line of boats out of Portland, was the witness' declaration. "The Union Pacific officers know that, and it would not take any clairvoyant to read their minds on the subject."

Mr. Stubbs said he did not think there was enough business to justify the Great Northern, the Northern Pacific and the Canadian Pacific In organizing separate lines of steamships to get to San Francisco by water. They would have to do this, he said, because of their competitive interests and their inability to reach San Fran-cisco by other means. The success of the water-rall line of the Sunset route, he said, was largely because it had the immense business of New York City to draw upon.

There was a sentimental reason, de-clared Mr. Stubbs, why these water routes were impracticable, and that was because of the regard in which the people of California held the Southern Pacific. "The Southern Pacific," said Mr. Stubbs, "is California's baby. It pets that baby more than any one else and

it spanks it, too, sometimes."

REDMOND AND O'CONNOR CALL ON LLOYD-GEORGE.

Nationalists, 'Tis Believed, Will Remain Neutral on Budget, if Premier Can't Satisfy.

LONDON, Feb. 15.—John E. Redmond, accompanied by John Dilion and T. P. O'Connor, visited Chancellor Lioyd-George after the Cabinet council today and discussed the attitude of the Nationalists toward the budget,

It is understood that Mr. Redmond gave the Chancellor assurances that the gen-eral body of Irish members would make no deliberate attempt to embarrass the government, whatever might be the min-ister's decision as to the order of dealing with the budget and the veto questions.
This probably means that, even if
Premier Asquith finds himself unable to satisfy Mr. Redmond completely regard-ing the Lords' veto, the Nationalists will remain neutral and abstain from voting

on the budget, which would then be carried by a small majority.

It is believed, however, that the Premier will satisfy the Irish leader on this point, and that a promise will be made to give some concessious to Ireland in the next budget which will justify the nationalists in supporting the govern-

It is reported that the King's speech to Parliament will be one of the short-est on record, and that it will deal with little except the veto question.

Suffragettes have sent an open letter to Premier Asquith promising to abstain from militant tactics, until the govern-ment has had a fair opportunity of stat-ing its intentions, but demanding an ex-plicit declaration that the government will undertake woman suffrage legisla-

Lord Roseberry, addressing a political banquet tonight, declared highself in fa-vor of settling the fiscal controversy on which the country appears to be equally divided by reference to a royal co

EXCLUSIVE OUTFITTERS FOR WOMEN AND CHILDREN



LARGEST AND LEADING FUR MANUFAC-TURERS IN THE WEST

A MID-WEEK SPECIAL OF INTEREST



\$25 Raincoats \$13.48

The best bargain in high-grade Raincoats, we are offering today. The lot include RUBBER LINED AND CRAVENETTES, ALSO THE GUARANTEED KENYON COAT. Styles are both tight and semi-fitted; colors are tan, oxford, blue, black and gray.

Shrewd Women Watch Our CORSET SALE Carefully

It pays when such economies as these are told. We are closing out a line of Odette Corsets, medium and short models; regular \$4.00 values-

\$1.98

Also La Ruby lace front model regular \$5.00 values



Gloves, 2 and 3-clasp, black, white and colors, perfect fit and quality, \$1.50 to \$1.75 values,

Women's imported Kid

Children's 'All-Wool Sweaters in white and colors, sizes from 1 to 6 years, regular \$2.00 values, to

fully covers the loss

25c and 30c values,

New lot of Veilings, including

a wide variety of weaves and

meshes, plain and dotted nets,

30c to 40c values......**29c**

Commssioner - General Would Adopt Army Inspection.

NEW MEASURE PROPOSED

Immigration Bureau Head Reports Japanese Admission Decreasing, Chinese Increasing-White Slave Traffic a Reality.

WASHINGTON, Feb. 15 .- Not further restriction, but merely to make pos-sible such restriction as the existing law intends, but has not accomplished, is the object of a proposed new immi-gration law recommended by Daniel . Keefe, the Commissioner-General of Immigration, in his annual report for accomplish this by codifying, arranging in logical sequence and strength-ening at their weak points all existing laws on the general subject of immi-gration and Chinese exclusion. Some of the principal suggestions

So defining the term "allen" as to leave no doubt that it includes all persons not citizens; extending the contract labor provisions to forbid and penalize the inducement of immigration by false as well well as genuine promises of employment; penalizing an attempt to import foreign laborers, and permitting the importation of allen skilled laborers if labor of like kind unemployed cannot be found here when the consent of the Secretary of Com-merce and Labor is obtained in ad-vance; increasing the fine against steamship companies for taking on coard dangerously diseased aliens from

\$190 to \$200. Mr. Keefe believes the time is ripe for the adoption of even stricter measures and suggests that a proposal worthy of careful thought is that all male aliens between 16 and 50 be required to pass a physical examination equal to that observed for army re-

Touching the "white slave" traffic, the report sets out that a "special in-vestigation conducted throughout the country and the general experience of the year make it apparent that an enormous business is done in importing and distributing foreign women

for immoral purposes."

There has been a material reduction in both the number of Japanese admitted and deported. In 1908, 9544
Japanese were admitted to Continental United States and 8694 to Hawaii, while for 1909 the corresponding figures are 2422 and 1493. The number admitted to the mainland and Hawaii was only about 25 per cent and 17 per cent, re-spectively, of the numbers for 1908. Contrary to the general impression, Chinese admitted to the United States have increased during the past four years and Mr. Keefe is pessimistic regarding the operation of the law.

Reference is made to the fact that a very large propostion of immigration is coming from Southern and Eastern Europe those countries furnishing

Europe, those countries furnishing about 67 per cent of the immigrants. The continuance of this preponderance is declared to be a question concerning every patriotic citizen, for it is de-clared there can be little homogenity between people of that section and the real American.

There were issued during the year 27,337 certificates of naturalization, an excess of 11,820 over the preceding year. The states in which the principal work of naturalization was transacted were New York, Pennsylvania, Illinois and Massachusetts. Illinois and Massachusetts

Hocking Valley Line Loses. COLUMBUS, Ohio, Feb. 16.-The Supreme Court today granted the motion for a stay of execution in the judgment of the Franklin County Circuit Court in the case of the Hocking Valley Railroad Company against John M. Sheets, Attorney-General. This means that the Hock-ing Valley Railroad Company will be unable to continue to own stock in other corporations and to do other things of which the state complained pending the review of the judgment of the Circuit Court by the Supreme Court.

Port of Astoria Elects ASTORIA. Feb. 15 - (Special.) - Chvis Schmidt, John Fox, Alex Gilbert and

met today and elected Chris Schmidt and C. F. Lester as temporary president and secretary, respectively. Permanent offi-cers will be elected.

C. F. Lester, the newly-appointed mem-bers of the Port of Astoria Commission,

No General Mass Meeting to Be Held

at Armory Tonight. Archbishop Christie denied last night hat a general mass meeting of the Cath-lics of this city has been called to be

reld at the Armory tonight. The report that such a meeting was to be held, the archbishop said, must have originated with irresponsible parties.

Suffragists to Poll Seattle. SEATTLE, Wash., Feb. 15.—Workers of the Washington Equal Suffrage Association will interview every voter in Seattle in regard to his opinion on the proposed constitutional amendment to come before the Legislature next fall, giving the right to the women of the state to vote. More than 40,000 names will be copied from the city poiling list by young women. The city will be divided into precincts and the suffragists will then proceed with their vigorous campaign.

Socialist Is Habitual Criminal, SEATTLE, Wash., Feb. 15.-Peter Miller, he Socialist lecturer, who has twice been convicted of burglary, was found guilty on a habitual criminal charge by a jury in the Superior Court yesterday. The finding of the jury will be made in entry in the burglary case in which Miller was recently convicted by a Jury in Tacoma, on a change of venue from Seattle. Under this verdict the sentence imposed by the Tacoma Judge cannot be ess than 10 years.

Miners to Probe Cherry Accident. PEORIA, Ill., Feb. 15 .- About 200

delegates of the United Mineworkers of America assembled here today and heard reports of several officers and committees. The special report of State President McDonald, on the mine disas-ter at Cherry, Ill., shows that an ef-fort will be made to probe the conditions surrounding the accident and charges of violation as to the state laws in regulation of the colliery.

Marine Relief Is Landed.

ST. JOHN, N. B., Feb. 15 .- One hundred and forty-eight officers and men of the British navy landed here today from the Allan line steamer Tunislan on their way to the British naval sta-tion at Esquimalt, B. C., where they will relieve officers and men of the British warship Algerine

Peter Francis Curran Dead. LONDON, Feb. 15.—Peter Francis Curran, unsuccessful labor candidate for the Jarrow division of Durham at

the last election, died today. Curran early me was born in Glasgow in 1860 and for the Alas 10 years was president of the General Holly an Federation of Trades Unions.

Hunt Accused of Embezzlement.

THE DALLES, Or., Feb. 15 .- (Special.)-RCHBISHOP DENIES MEET

A Deputy Sheriff of Wasco County went to Portland last evening and arrested C. A. Hunt, on charges of embezzlement preferred by the Inland Encampment of the local Oddfellows. He was brought to The Dalles this noon and lodged in the Roosevelt when he returns to New York about the middle of June. The President County Jail, where he awaits trial.

School Bonds Are Carried.

THE DALLES, Or., Feb. 15.—(Special.)

—At a special bond election held today
by the board of directors of The Dalles
school district, it was voted to bond the
district for \$20,000 to erect an addition to he Court-street school building

Alaska Building Has \$30,000 Fire BELLINGHAM, Wash., Feb. 45.-Ar



perfect sight with the discomfort and unsightliness left out.



TEN YEARS IN PORTLAND, and the largest practice in the Pacific Northwest.

SECOND FLOOR CORBETT BLDG.

Member American Association of Optometrists.

Gives Nerves Remarkable Vigor

early morning fire on the first floor of the Alaska building, at the corner of Holly and Elk streets, damaged stocks of goods to the extent of \$30,000. The loss

on the building was \$10,000. Insurance

Locb Manages Roosevelt Reception.

WASHINGTON. Feb. 15.-At the re-

quest of President Taft. Collector Loeb.

of New York, has taken upon himself the

arrangement for the reception of Colonel

desires that all inquiries concerning this function be addressed to Mr. Loob, who

will keep him advised of the progress

Astonishing Results of Lobinson "Turkish" Bath At Home.

Many startling results have been pro-Many startling results have been produced by the use of the Robinson Thermal Bath. Prominent physicians are abandoning drugs in many cases for this new treatment.

Open up the pores and the chango seems almost miraculous; nerves are strengthened at once, kidneys get well, eczema, pimples and skin diseases vanjish; bad colds, immbage rheumatism.

ish: bad colds, himbago, rheumatism, dyspepsia, throat and lung trouble, in-



Every man or woman Robinson Thermal Bath at home, a cost of but a few cents. inson Thermal Bath Cabinet which is a model of ingenuity. No matter what the size of your purse you can have one of these cabinets. The Robinson Thermal Bath Cabinets are now being exhibited, and are on sale in Portland at Woodard, Clarke &

Ask the dealer also for that great book "The Philosophy of Health and Beauty." The regular price is \$2.00, but now free for a limited time. If you cannot go and see these cab-Inets, just send your name and address today to the ROBINSON MFG. CO., Snowfiake Bldg., Toledo Ohio, for full illustrated information

At prices never offered to the public. A written guarantee with every watch sold. Waltham, Elgin or

Dueber-Hampden Watches in

WALTHAM OR ELGIN MOVEMENTS IN A

BOSS OR CRESCENT CASE \$2.00 EXTRA Compare these prices with other jewelers' and you will find we save you 25 per cent on any purchase made at our store.

17-jewel Waltham or Elgin Movement, in silveroid case......\$8.50 STANDARD JEWELRY ST

1411/2 THIRD STREET, NEAR ALDER