

# EFFECT OF RATES ON RETURNS, SAY RAILROAD MEN, COMPETITIVE STATUS QUO IS PRESERVED.

On Returns, Say Railroad Men, Competitive Status Quo Is Preserved.

## CARLOAD FIGURES FACTOR

Eastern Jobbers May Win Over Northwest Centers, When Details Are Given—Near-Confiscation, Says W. W. Cotton.

Just what will be the status of Portland commercial interests as a result of the decision of the Interstate Commerce Commission in the Spokane rate and Coast distributive rate cases is a matter that Portland traffic men and railroad representatives yesterday declared themselves unable to determine from the preliminary reports received concerning the decision.

Until the schedule of rates proposed by the Commission has been checked over, the traffic men, they declare, will be unable to ascertain whether Portland's territory or Spokane's territory can be invaded by the other, under the new rates, or whether both will suffer in consequence of closer competition with Eastern jobbers.

According to R. B. Miller, traffic manager of the Harriman lines in the Northwest, nothing can be determined as to the real effect of the decision until the full text is available.

### Question Still Open.

"If, as is indicated in the press reports of the decision," said Mr. Miller yesterday, "the rates from the East to Spokane are reduced 20 per cent and the distributive rates from Portland are reduced 20 per cent, the rate conditions affecting the two cities will remain in status quo, with this exception:

"The margin of the jobber's profit is found in the difference between the carload and the less than carload rates. If this margin is narrow it is to the advantage of the Eastern jobber, while if it is wide it is to the advantage of the Coast and interior jobber.

"For instance, if the carload rate from the East to Walla Walla on canned goods is \$1.25 and the less than carload rate is \$2 per 100 pounds the Walla Walla jobber can ship in canned goods in carload lots and distribute them to the customers in his territory and overcome the competition of the jobbers located in Chicago, St. Louis, St. Paul or other Eastern cities.

### Where Eastern Jobber Gains.

"But suppose the Interstate Commerce Commission reduces the carload rate to \$1 and the less than carload rate to \$1.25, then the Eastern jobber can undersell his Walla Walla competitor on goods in less than carload quantities. He has only a difference of 25 cents to overcome, as against 75 cents in the other instance, and does not need to make changes in unloading and carting, while the volume of his business is greater and he does not have so much money tied up in a single shipment of which he must realize an interest income.

"This general principle applies to Spokane, Portland, Seattle and Tacoma, and so I say that, until the charges are known, we cannot tell what the relative effects will be upon the communities interested.

"As a matter of fact, no merchant ever honestly complains of the volume of the rate, but only of the difference between the carload and the less than carload rates. And in fact, the shippers are the only ones interested, for we might increase the present rates 25, 50 or even 100 per cent and the price of commodities to the consumer would not be changed.

### Issue Never Settled.

"But whatever the decision, the rate question is not settled, and it never will be. No railroad freight rate, no matter to what it applies, can be reduced to one point without injuring some other point, provided competition is at all keen. Spokane wants low rates from the East to that city, but it wants high rates from the Coast to Spokane, that Portland may be shut out of Spokane territory. Portland wants low rates from the East, but high rates from San Francisco, so that San Francisco, which gets the same rate from the East as Portland, cannot invade Portland's distributive territory.

"The readjustment of rates can only mean trouble for the railroads, aside from its effect on revenues. Even now we are besieged to make changes in the lumber rates ordered by the Interstate Commerce Commission. I now have on my desk a letter from one manufacturer praying us to change the rates because he is being practically put out of business by the new rates and this will be one of the complaints in the case which resulted in the Commission's order. I am powerless to change the rates, but I am sure that the Commission, if I were inclined to do so, would do so.

### Trial Will Show Effect.

"As to what will be the consequences on the railroads of the proposed reduction, the Commission has indicated that it does not know and the carriers themselves could not tell. The plan of ascertaining the effect of the reductions on the earnings of the railroads by a trial for three months will give a fairly accurate idea as to the effect this year. Most of the fixed charges of a railroad, however, are not materially affected by the volume of traffic and rates that give what is determined to be a reasonable revenue this year may not give a reasonable return next year. And once rates are reduced we can never advance them again. That has been illustrated time and again."

W. W. Cotton, general counsel for the O. R. & N. Company, and who appeared in the case before the Interstate Commerce Commission, expressed an opinion similar to that by Mr. Miller as to the possibility of determining the actual consequences of the Commission's order in the absence of detailed figures.

### Rate Is "Near Confiscation."

Concerning the postponement of a final order to permit the railroads to ascertain the results that the proposed reductions would bring forth, Mr. Cotton said: "The principle of fixing rates at what will constitute a reasonable return to the railroads is what I call 'near confiscation.' If rates that give less than a fair return to the railroads are 'confiscation' then rates that give just a bare reasonable return are near-confiscation. It is a matter of simple mathematics to determine whether the proposed rates during the next three months will give more than what the Commission decides is a fair revenue to the railroads, but if the rates are pared down, what is near confiscation this year may be real confiscation next year."

"A good illustration may be found in the story a physician told me of how they used to cure the 'dope' fiends

in the Walla Walla penitentiary. The doctors would deprive these addicted to the habit of morphine or cocaine and sometimes it was necessary to strap them down. The physician would attend to a patient and when he decided that the man's physical condition absolutely demanded the drug he would give him a 'shot.'

### Doctor Is Far Off.

"I see two objections to the application of the method to railroad rate-making. The physician is a mighty long way from his patients and he has a lot of them. If an evil day comes and there is a sudden slump, his patients are likely to die and the doctor, the Commission, can't about business with a railroad."

"I do not predict that the proposed reductions in rates will break the railroads, for I don't know, but I do believe that the final outcome will be that the investors in railroad securities will demand that the Government guarantee a fair return upon a fair valuation of the property of railroads in times of business depression before the Government's Constitution is permitted to enforce rate reductions; or else the men who own the railroads will say that they do not want them longer."

In the opinion of H. M. Adams, general freight and passenger agent of the Spokane, Portland & Seattle, not sufficient details have been given yesterday afternoon to warrant the expression of an opinion on the results. "As between Portland and Spokane, neither seems to have gained or lost," said Mr. Adams. "If the reduction from the East to Spokane is 20 per cent and the reduction of distributive rates from Portland is 20 per cent. The Commission has simply taken 20 per cent of the rate revenues from the railroads and given it to the shippers."

### Spokane Might Be Benefited.

W. E. Coonan, who will succeed Mr. Adams on July 1, suggested that a 20 per cent reduction in each instance might not prove a standoff, as the higher rates from the East to Spokane are more general than the rates from Portland eastward. The reduction in the Spokane city benefit would be greater and that city benefit accordingly in competition with Portland jobbers.

J. B. Kerr, attorney for the North Bank road, expressed an opinion on the case, on the ground that he had participated other than to make a mere formal appearance on behalf of the railroad.

J. N. Teal, who represented the transportation bureau of the Portland Chamber of Commerce in the Coast distributive rate hearing, is now in Europe.

## \$280 BUYS MAN A WIFE

BRIDE-TO-BE ON ARRIVAL HERE CHOOSES ANOTHER.

Austrian Brings Sweetheart Over From "Old Country" Only to Lose Her to "Hated Rival."

Having sold his claim on pretty 19-year-old Yvonnina Banich, whom he had imported from Austria to become his wife, her \$280 to Joe Radlovich, a man living in the same house with himself, Cotic in the same house with himself, Cotic showed perturbation yesterday when his request that the county refund him the money he had paid for a marriage license was refused.

The scene at the marriage license office was the finale of the young man's matrimonial undertaking, which resulted in his general disgust with womankind.

It was a case of a long-distance courtship between two young people who had heard of each other through mutual acquaintances. Cotic is only 26 years old, and the pleasing letters he had received from Miss Banich in far-away Austria had fired his heart with a desire to make her his wife. At last he sent a proposal to her, which was accepted, and the necessary amount of money for her journey to Oregon was soon on its way to her.

Miss Banich arrived Saturday, and was met at the depot by Cotic, who took her to his home, at 283 North Nineteenth street. There were other boarders at the place, one of whom was Radlovich, who refused to disguise his liking for the little immigrant.

The rivalry which sprang up between Cotic and Radlovich came to a crisis yesterday, when Cotic made such a disturbance in the house where all were staying that Policeman Helms was called to preserve order. Helms appointed himself arbitrator, and then he ruled that the girl should be asked which man she preferred. She at once claimed Radlovich, and thereupon Cotic presented a long itemized list of the money he had spent on the girl, and refused to abate by her choice until the money should be returned to him.

Policeman Helms urged Radlovich to pay the bill in case he was determined to take the girl, and after much discussion a document resembling a bill of sale was drawn up, and in the presence of witnesses was signed by both Cotic and Radlovich, the latter paying the \$280 represented by his bill of expenses, in which Cotic forgot to include the marriage license cost.

## FAIR ADJUSTMENT ASKED

Waverly-Richmond Property Owners Want Street Widened.

Practically all the property owners on East Twenty-sixth street, between Division and Powell streets, attended a special meeting of the Waverly-Richmond Improvement Association in Waverly Hall, Clinton and East Twenty-sixth streets, Tuesday night, to consider the widening of East Twenty-sixth street, and while objecting to the report of the viewers assessing damages and benefits, were unanimous in their desire to make the street uniformly 60 feet wide.

East Twenty-sixth street had been a county road but is now a street, with a width ranging from 39 to 60 feet. Owing to a singular situation, proceedings to make it uniformly 60 feet wide have been slow, having been started anew many times.

Objections to the report of the viewers given at the meeting were based on alleged inequality of the assessments. It was decided to ask that the report of the viewers be readjusted.

A special committee, with C. G. Sutherland as chairman, was appointed to take the subject up and bring about a fair adjustment of damages and benefits. Representatives from Kentworth said that district is so anxious to have the street widened that the people there will contribute \$200 to pay excess damages.

### Piano Is Basis of Suit.

Ellers Piano House and the Multnomah Amateur Athletic Club are fighting in Judge Cleland's department of the Circuit Court over possession of a \$1000 piano in possession of the club. Ellers demands \$400 damages. It is alleged that Mrs. Besse E. A. Coker wished to give a concert, and offered the club that if she might use its name in giving the concert she would give it a \$1000 piano. The concert was a failure, the piano was returned on the installment plan, and when the payments ceased the piano house brought suit against the club. The contract between Mrs. Coker and the club was made October 2, 1907.

Beer, \$1 doz. quarts, delivered to your home. Spring Valley Wine Co.

## BOYS ADMIT GUILT

Youthful Yeggmen Anxious to Quit Oregon.

## WHOLE STORY NOT TOLD

Robbery of White Salmon Postoffice Recited, but Similar Job in Mosier and Albina Are Not Admitted by Them.

Questioned by Postoffice Inspector O. C. Riches, the youthful yeggmen, Harry Reed and William Reis, yesterday confessed the bare facts connected with the robbery of the United States Postoffice at White Salmon, Wash., but refused to implicate themselves in the burglaries at Mosier and Albina. The prisoners are held to the Federal Court for the district of Eastern Washington under bond of \$2000 each.

The box containing the value full of burglars' tools, nitro-glycerine and loot was shipped from Mosier, addressed to Frank H. Traflet, believed to be one of the gang, but Reed and Reis contended that it is not their property. For some reason the boys, one asserting that he is less than 18 years old, are not only anxious to get into Washington, but want to be able to give the postal authorities of the gang. When a doubt was expressed by Assistant United States Attorney Evans as to the date of the White Salmon robbery, Reed informed him that it was done on the night of May 20 and a check of the records corroborated the statement, and proved the truth of other statements made by Reed.

### Prisoners Still Mysterious.

It is believed by officers of the Government that the boys have not yet given their true names or told where their parents reside. Reed says he has lived for two years near Garden Home and owns 2.19 acres of land there. He says he will probably be able to give information about his life. Reis will not talk, except to say that he came here from Los Angeles.

The prisoners say that they went from Portland to White Salmon by boat, and for three days prior to the robbery of the Postoffice, where they obtained \$400, they picked berries for a farmer named Peck. On the night of May 20 Reed entered the building and secured the money, while Reis watched on the outside.

Detectives Snow and Coleman will be entitled to a reward of \$200 each for the conviction of the men. The Postmaster-General recently issued a circular, pledging that department to pay such sum for the arrest and conviction of each burglar, making \$400 to be divided between the officers.

### "Locator" Leaves Town.

Mike Larkin, a one-legged man, who is said to be the "locator" for the gang of yeggmen, made a plea in Police Court that he be allowed to leave town, which was granted, there being nothing to connect him with the criminal operations of the gang.

A Short pleaded not guilty, and was sentenced to 30 days on the rock-ple. He is believed not to be an active member of the band of yeggmen, but he is believed to be a British subject and demanded an opportunity to appeal to Consul Laidlaw.

Frank Traflet, to whom the grip full of nitro-glycerine and burglar tools was consigned from White Salmon, pleaded guilty, but sentence was not passed upon him. He was allowed to leave town.

### Waters May Escape.

George Waters, 50 years old, and said to be the schoolmaster of the gang, told the court that he peddled notions in the outlying towns and earned an honest living. He pleaded not guilty. It is he, the officers say, who is the expert with nitro-glycerine, and instructs the younger and more daring members in the art of blowing safes.

Waters was taken ill at the police station yesterday and will be sent to the hospital. He is not implicated in the confessions of Reis and Reed, and probably will not be held.

## GIRL RETURNS TO HOME

Lass Who Eloped in Boy's Clothing Back in Salem.

Returning gladly with her father to the home in Salem from which she ran away on Tuesday, Nellie Van Allen, 15 years old, was released from custody here yesterday morning without appearing in police court. A youth, who was her companion in the elopement, has not been located, and the girl steadfastly refused to say anything about him. The girl's escapade is described as flighting following an attack of typhoid fever.

Sheriff Minto, of Marion County, seeing the girl depart from Salem in company with a young man, and knowing her parents, telegraphed to the police here and also sent word to the father.

## SCOWS ARE BURNED OUT

HARRIMAN LINE ORDERS THAT HOUSEBOATS BE DESTROYED.

Burning of Shacks, for Which Long Fight Has Been Made, Eliminates Undesirables on River.

Probably the first conflagration on Portland's waterfront that did not bring forth a request for the services of the fireboat George H. Williams or other apparatus took place yesterday on property owned by the Southern Pacific, on the west side of the harbor, between Alameda and Albers docks, when eight houseboats were destroyed by order of the Harriman executives.

Primarily the dwellings were burned as the only means of clearing the front of an undesirable settlement, but the move was also in the interest of future betterments, for it is proposed to utilize the sites usurped by the scowdwellers for modern dockage facilities when the new railroad bridge is finished.

"The original owners of the scows are gone, either having ceased their residence by reason of legal consequences that gave them free accommodation in the Penitentiary, or they found it advisable to leave the city," said Harbormaster Speler yesterday when informed that the move, for which he had so long labored had been executed. "The scows in that particular neighborhood were not only a menace to waterfront property, because the inmates were careless regarding fire precautions, but before pressure was brought to bear there, where watchmen are employed to guard docks are permits given for floating residences."

### Hofer Debates at the Dalles.

THE DALLES, Or., June 29.—(Special.) A large audience greeted Colonel E. Hofer, of Salem, and Rev. Clarence True Wilson, of Portland, at the Oregon Electric road, but when they debated the merits of the proposed prohibition amendment to the state constitution. The debate lasted two hours, and the audience represented the friends of both sides of the question.

### Patrolmen Humphries and Montgomery

were sent to watch the trains on the Oregon Electric road, but were misled, and the girl escaped their notice. She was found later at the home of friends at 215 Vancouver avenue. She fought the officers like a tigress both at the house and at the station. Her hair was

# Tull & Gibbs, Inc. Morrison at Seventh Tull & Gibbs, Inc.

GOODS PURCHASED ON CREDIT TODAY WILL BE CHARGED ON JULY ACCOUNT. PORTLAND AGENTS FOR the MODART CORSETS, LILY OF FRANCE CORSETS, MADELEINE CORSETS

## Savings as Noteworthy as Ever in the June Rose Sale

Made possible by the replenishment of the sale stock throughout the store—in all lines of merchandise.

### THIS FINAL-WEEK OFFERING OF Women's and Misses' Tailored Suits

Is a Fitting Climax to the June Rose Sale

\$50 to \$55 Suits at \$13.85 \$35 to \$45 Suits at \$4.95

Many women answered yesterday's announcement of this remarkable offering of Tailored Suits and shared in savings such as never fail to satisfy. And today it should attract as many, if not more, for those who took advantage yesterday will no doubt tell the good news. Suits of pongee, tussah, rajah silk and of French serge—of course all desirable styles and materials. Some in white serges and in light colored materials. Plain and trimmed models, and with linings the very best.

\$25, \$27.50, \$29.50 Suits at \$4.95 \$32.50 and \$35.00 Suits at \$4.95

Another interestingly priced lot of Tailored Suits that attracted particular attention yesterday. A collection made up of tailored suits of white serge with narrow black stripes and a few in the medium light shades. Most of them are plain-tailored styles—the kind that suit many a woman's fancy.

## In the Drapery Store SIXTH FLOOR

A Few Savings That Will Prove Helpful

\$5.75 each for utility boxes covered with plain white Japanese matting and trimmed with bamboo. Fitted with hardwood rollers. Rolls under bed. Regular \$8.00 values. 45¢ each for Laundry Bags of cretonne, in floral patterns and colors. Draw-cord with tassel. Reg. 75¢ values. 25¢ each for Window Shades of water-color opaque cloth, in light and dark green; 6 ft. 6 in. long and 3 ft. wide. Regular 35¢ values.

\$3.75 Porch Shades at \$2.05 \$5.50 Porch Shades at \$3.15 \$7.50 Porch Shades at \$4.95

Three sizes in imported German Shades, fast color, oil finish, 4 ft. by 8 ft., 6 ft. by 8 ft. and 8x8 ft. 16¢ yard for figured Curtain Serim 36 ins. wide, in colors red blue brown and green. Regularly 25¢ and 30¢ yard.



## Extraordinary—Our Introductory Offer

on "Supreme" Sewing Machines

\$1.00 Down and 50c Weekly Places One in Your Home—You Can Choose Any Model

It's good fortune to be able to buy a sewing machine on such terms as these and doubly so when you can choose from such a modern and dependable line as the "Supreme." It's an offer that has, during its first three days, solved the sewing machine problem for many. Six models in the "Supreme" line—priced at \$16.00, \$23.75, \$26.75, \$29.50, \$35.00, \$38.00. Demonstration every day this week—first floor.

Free instruction given at home to purchasers of a "Supreme" machine.

cropped and she was wearing a boy's suit of clothes under her dress. The father, who is a hotelkeeper at Salem, arrived soon after the girl's capture. He said that she had had an attack of typhoid fever and had been acting strangely ever since. She expressed willingness to return with him to her home.

## FATIMA TURKISH BLEND CIGARETTES

There is a certain flavor to the exquisite blending of the mellow Turkish tobacco that fits in well with all occasions and creates a spirit of contentment. An inexpensive package makes possible ten additional Cigarettes.

Pictures of popular actresses now packed with Fatima Cigarettes.

20 for 15 cents

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