Southern Pacific Tariff Blamed for Steadily Dwindling Trade.

MARKET WEAK FOUR YEARS

Railread Officials Say Extra Expense of Traffic Over Crooked Siskiyous Demands Increase. Water Shipments Harmful.

Why is the lumber business in the Willamette Valley in an unremuner-ative condition so far as the stockholders of the lumber corporations are con-

cerned?"
That question was asked A. C. Dixon, general manager of the Booth-Kelly Company by Attorney J. N. Teal yesterday afternoon, after Mr. Dixon had said the lumber business has been in an unsatisfactory condition since 1907.
Mr. Dixon was a witness before Example. iner Prouty, of the Internate Commerce Commission, in the hearing of the Wil-ismette Valley lumber rate case, in which the Southern Pacific Company is attempting to enforce a rate of \$5 a ton on shipments of lumber to San Francisco and other California points. Milling Expense Leaps.

"The continued operation of the mills," said Mr. Dixon, "has led to a decrease in the quantity of easily available stumpage. We have had to go farther back for our logs at increased expense. The cost to us of practically all supplies has increased. The cost of labor has increased and efficiency has decreased."

Asked to explain his meaning, Mr. Diton said:
"As labor becomes scarce men can mere easily secure positions and can earn more a day. They are more inde-pendent, quit more frequently because they can secure other employment easily, and do less work an hour.

"Our markets have been restricted by advances in rates and in nearly every district where we have been doing business have been threatened with still further advances. This has made the market more unstable and placed us more in jeopardy where we took large contracts. In a number of instances the rates were raised while we had large contracts on hand, and we lost a large amount of money.

Rates Cut Down Profits.

"All these things have made a decrease in the apparent profits—or an increase in losses. In our case it has been an increased loss. Since the Fall of 1967 the lumber business has never been back upon a firm foundation.

"From 1960 to 1967 we had a constantly increasing demand east of Chicago for double and triplescar lengths. Comparatively little was shipped south of Ashland. Then the increased rates came, and put a stop to the shipments."

"In the \$3.40 rate more than a reaconsbie one to San Francisco and way points?" asked Mr. Teal. "I think it is."

Then you think the advance from \$2.10 to \$3.40, allowed by the Commis-sion, was unreasonable?" "Yes, sir."

Shipments on Decrease.

Mr. Dixon, when asked if lumber shipments to San Francisco from Coos hay had affected the shipments of the Booth-Kelly Company, said that they had. He said 67,000,000 feet was the total shipment in 1909, and 61,000,000 feet the shipment in 1910. These shipments were larger than the shipment for 1908, he said.

R. A. Booth told of the building of a railroad line to the company's new Mr. Dixon, when asked if

R. A Booth told of the building of a raifroad line to the company's new mill several years ago, when the \$2.10 rate was established. He said the Southern Pacific refused to put in the road unless his company would agree to ship exclusively by its lines. The \$3.10 rate was tried for a year, and then established permanently, he said. On the strength of it his company built On the strength of it his company built three milis and placed them in oper-

Railroad Tide Told.

John Daley, an official of the Illinois Central Railroad, compared traffic con-ditions on that line with those on the Southern Pacific south from Portland. He spoke of an increase of from 29 per cent to 43 per cent in wages since 1901, and said supplies were higher, too. "Is that true?" queried Examiner Prouty. "As I remember the testimony at the Illinois Central hearing, supplies are lower now."

Mr. Daley said that steel rails are the same price they have been for years, that "locomotives may be cheapyears, that "locomotives may be cheap-er if you order them right now," that "lumber was down in 1908, up in 1908, and is now down." He said "the increase in wages has been more in the rail-road business than in other lines, be-cause we have been attacked more by labor uplons." The increase in wages did not show all concessions grated laber, he said, because concessions in overtime had been granted.

Siskiyou Line Worst.

L. R. Fields, of the Oregon Division of the Southern Pacific, and J. M. Davis, of the California Division, testified yesterday morning. Mr. Davis said he considered the Siskiyou line the worst mountain railscad he knew of. From Ashland to Red Bluff, 207 miles. he said there are LST railes of curves and about 100 miles of tangent. In some places there are 14-degree curves he said. There are 16 tunnels, aggre-gating in length 11,646 feet. Loads higher than 12 feet from the track will not pass the tunnels, so he has to keep a force of men at Ashland all the time, a force of men at Ashland all the time, he said, reducing the loads that the cars may go through the tunnels. Last year 11,170 brakeshoes were removed at Ashland, he said. Four locomotives are necessary to haul the 25 and 40-car trains. Formerly the trains were of 25 and 20 cars, but heavier locomotives, and more of them, permit longer trains, he said.

A statement of the amount of low

A statement of the amount of lumber shipped south through Ashland was fied with Examiner Prouty yesterday afternoon by Attorney W. W. Cotton, who represents the Southern Pacific at the hearing.

LITIGANT MUST BE RESIDENT

Plaintiff or Defendant Required to Live in Federal District.

The Federal law requires that either the plaintiff or defendant in a suit well, brought in the United States Court shall be a resident of the Federal district in which the suit is brought. If the resident is a beginned on of the defendants is not a resident, the suit cannot be brought in that distilled

DENOUNCE RATES

trict, provided the non-resident defendant is a material party. This was the decision of Judge Bean yesterday merming in the suit of Duncan and Rederick McAuley against Z. F. Moody. M. A. Moody and John McAuley.

The plaintiffs are residents of the Isle of Skye. Great Britain; the Moodys are residents of The Dalles, Oregon, and John McAuley is a resident of Montaina. The suit was brought to recover \$5000 on a note given to the McAuleys by the Moodys. John McAuley, refusing to John Mis brothers in the suit for recovery of the note, was made a defendant.

ault for recovery of the note, was made a defendant.

Judge Bean also overruled a demurter to the complaint in the case of F. C. Bolin against the United Lumber Company and R. N. Smith, and on rehearing changed his former ruling in the case of William E. Pearson against A. C. Hough, saying that in making up his provious decision he overlooked

RESIDENT OF PORTLAND FOR MORE THAN HALF CEN-TURY IS DEAD.



With the passing away of George Hartness Saturday, another of Portland's plopeers is gone. Mr. Hartness had lived in Portland since 1854. His father, Thomas Hartness, came to Port-land from Ohlo in 1859. George Hartness was born in 1844. After coming to Portland

1844. After coming to Portland he entered the brick manufactur-ing business with his father. Later he became identified with the Northwestern Transfer Com-pany, holding the position of sec-retary until he retired from busi-

retary until he retired from business because of advancing age.
Mr. Hartness had been III for
three and a half years. The
funeral services will be conducted jointly by the Scottish
Rite Masons and Hassalo Lodge
of Oddfellows. Mr. Hartness was
a thirty-second degree Mason,
and joined the Oddfellows in 1872.
The funeral will be held Tues-The funeral will be held Tues-day afternoon. Interment will be made in Riverview Cometery.

an affidavit which was in fact evidence.

COURT HOLDS INITIATIVE ACTS IN VOGUE WHEN PASSED.

Judge Bean Decides That Intent of

Voters Makes Measure Effective After Count.

The employers' liability law went into effect at 7 o'clock November 8, the moment the polls closed, according to a decision rendered by Feberal Judge Bean yesterday. Under his ruling all initiative laws which do not set forth when they shall become effective began to operate the minute they are passed.

The question arose in the suit of Wallace N. Bradley against the Union Bridge & Construction Company to re-cover \$25,000 damages for the death of Roy E. Bradley, his 29-year-old son. November 2, the day after the passage of the new law, young Bradley stepped off a barge used in laying the piers for the new O.-W. R. & N. bridge and was drowned. He was at the time working for the construction company. The suit was brought on the ground that the barges were not lighted properly, it being alleged that the company thereby violated the provisions of the employers' liability law.

The company sought to quash the complaint by a demurrer, contending that the law did not go into effect until the official count of the vote was completed and the Governor signed the proclamation. Judge Bean held that the law became effective as soon as the vote was complete and the polls closed. The official count and proclamation are merely confirmatory, he said.

The initialive right is a constitu-

tional right, invested in them by the fundamental law of the state," said Judge Bean, "and is to be exercised independently of the Legislative Assembly. When the people exercised such right and enacted a law at the state of the transfer of the suppressed will of polis, it became the expressed will of the law-making power, and it cannot be postponed or delayed by the Legis-lature."

NEW SCHEDULE TO

Seattle, Tacoma and Intermediate

Effective Sunday, February 5th, "O.-W. Owl" on O.-W. R. & N. "Puget Sound Route," will leave Portland at 11 F. M. instead of 11:45 P. M. for Seattle. Tacoma, Centralia, Chehalis and all Puget Sound points. Sleeping cars open for passengers at Union cars open for passengers at Union Depot at 8:30 P. M. as usual and passengers may remain in these sleepers after arrival at Seattle and Tacoma until 8:30 A. M.

Repentant Youth Paroled.

Ray van de Bogard, a youth of 22 years, who participated some time ago in riots at St. Johns against a gang of Hindus, was admitted to probation by Circuit Judge Gantenbein yesterday after pleading guilty to his offense and asserting his repentance. It was shown that the young man had never previously been in trouble and that he supports his parents, who are unable to work because of sickness.

But never follows the use of Foley's Honey and Tar, which checks the cold. M. Stockwell, Hannibal, Mc. says, "It beats all the remedies I ever used. I contracted a bed cold and cough and was threatened with pneumonia. One bottle of Foley's Honey and Tar completely eured me." No opiates, just a reliable household medicina. Sold by all drus-gists.

In carrying the prisoner away. In the territory.

In carrying the prisoner away. Centenary edition of The Oregonian. Under the District Attorney is of the opinion that he was warranted in doing sever the cough and the District Attorney is of the opinion that he was warranted in doing sever the cough and the District Attorney is of the opinion that he was warranted in doing sever the cough and cough and cough and was threatened with pneumonia. One bottle of Foley's Honey and Tar, which checks the prisoner away. In the territory.

In carrying the prisoner away. Centenary edition of The Oregonian. The Union flag ever that the flag made by Mrs. Bills in 1861 was the first Union flag ever the cough that the flag made by Mrs. E. Waite, of 555 East Oak street, daughter of Mr. and Mrs. Oak street, daughter of Mr. and Mrs. Hector Campbell, ploneers, who came Harry Richey, Mgr. Portland Agts. PNEUMONIA FOLLOWS A COLD

Cooking School Today at 10 A. M.

Menu-By Request, Tomato Soup with Stock, Croutons, Zante Muffins, Chilli Con Carne and Coffee We Are Agents Libbey Cut Glass-Haviland, Lamoge, Royal Doulton China-Rogers Bros. Silverware Standard Sewing Machines Sold on the Club Plan at \$1.00 a Week-Take Lunch in Our Tea Room 4th Floor

The Greater Olds, Wortman & King Store International Pure Food Fair

Afternoon Concert at 2:30 P. M. by Ruzzi's Orchestra

February Rummage

and Sale of Kitchen Goods and Household Necessities of Every Description



Miscellaneous

Household Needs

35c Potato Ricer for only 27¢

75c Wood Carriers, special at 60¢

7c Cake Turners for sale at only 5c

8c Flesh Forks, special, each 6¢

15c Kitchen Knives for only 11¢

10c Can Openers, special only Se

35e Butcher Knives at only 27¢

5c Asbestos Mats priced now at 3¢

10c Dish Mops reduced to, each 7¢

5c Toothpicks now on sale at 3c

2c Sink Brushes, special, each 1¢

10c Gas Tapers, special price Sc

15c Rug Beaters reduced to 11¢

45c Wash Boards now for 35¢

75c Mirrors reduced to only 60¢

35c Baskets priced at, each 27¢

15c Polish on special sale at 11c

25c Enamel now priced at only 19¢

\$1.00 Food Chopper for only 79¢

\$1.25 Food Chopper for only 98¢

8c Vegetable Brush at only 5c

15c Scrub Brush now for only 10¢

30c Dust Brush, special price 24¢

50c Floor Broom reduced to 39¢

35c Floor Broom reduced to 19¢

25c Stove Brush on sale for 19¢

15c Towel Roller on sale for 11c

Come and supply your wants at this great sale-Everything from a feather duster or step ladder to a cut glass dish or Haviland China dinner set is on sale in the departments for household needs-On the Third Floor

Unusual Savings on Dinner Sets

tern, small vine and full gold line, Fancy shapes; choice designs of white and gold. Very pleasing patterns and exceptional values, offered special at these prices: 50 - pc. set, \$ 7.85 val., \$ 6.25 60 - pc. set, \$10.50 val., \$ 7.95

der patterns of green vine and small rosebud; full gold line on both sides of border; gold-traced handles and knobs. Very dainty designs; special at these prices: 50 - pc. set, \$ 7.85 val., \$ 6.25 60 - pc. set, \$10.50 val., \$ 7.95 100-pc. set, \$15.50 val., \$11.35 | 100-pc. set, \$15.50 val., \$11.35 | 100-pc. set, \$17.10 val., \$14.25 | 100-pc. set, \$15.50 val., \$11.80

Dinner Sets with gold border pat- | Dinner Sets in fancy shapes, bor- | Dinner Sets with green border, | Dinner Sets, Grindley's English gold design over border and full gold line, making a rich design and very effective decoration. During this sale we offer them at the following very low prices: 50 - pc. set, \$ 8.70 val., \$ 6.85 60 - pc. set, \$11.25 val., \$ 8.75

semi-porcelain, with plain border patterns of conventional design and neat lines. Great values, offered special during this sale at the following very low prices: 60 - pc. set, \$10.00 val., \$ 7.60

500,000 Pieces of Tinware Every Article at Reduced Prices

Wash Basins, 101/2-inch, regular 12c values, special at 9¢ Colanders, 10-inch size, regular 15c values now only 11¢ Lipped Kettles, 3-quart size, regular 18c values, now 12¢ Lipped Kettles, 4-quart size, regular 20c values, now 15¢ Lipped Kettles, 5-quart size, regular 23c values, now 17c Ladles - Pierced - size 41/2, 10c values, special now at 8¢ Moulds-Cake or Jelly, regular 60c values, now only 48¢ Deep Loaf Cake Pans, 20c values, on special sale at 15¢ Milk Pans, heavy, 2-quart size, 8c values special only 6¢ Milk Pans, heavy, 4-quart size, 12c values, special each 10¢ Milk Pans, heavy, 6-quart size, 17c values, special only 12c Deep Dish Pans, 10-quart size, regular 35c values for 27¢ Deep Dish Pans, 14-quart size, regular 40c values for 32c Muffin Pans, 6-hole, 20c values, on special sale for, each 15c Muffin Pans, 9-hole, 25c values, on special sale for, each 19c Deep Pudding Pans, 3-quart size, regular 13c values at 10c Deep Pudding Pans, 4-quart size, regular 15c values at 11¢ Lipped Sauce Pans, 2-quart size, regular 14c values for 10c Lipped Sauce Pans, 4-quart size, regular 20c values for 15c Lipped Sauce Pans, 6-quart size, regular 25c values for 19¢ Bread Raisers-covered-regular 95c values now for 75¢ Scoops for tea or spice, regular 8c values, special for 6c Flat Skimmers, 41/2 size, regular 8c values now, each 6c Water Pails, 10-quart size, regular 25c values now at 19¢ Deep Bread Pans, regularly sell for 10c, special now for Se Jelly and Cake Pans, our regular 10c values now only Se Crisp Roll Pans, regular 15c values on sale now for 11c Coffee Pots, 2-quart size, regular 18c values, special at 12c Coffee Pots, 4-quart size, regular 25c values, special at 19¢ Steamers, No. 8, our regular 35c values, special for, each 27¢ Soup Strainers, 7-inch size, regular 15c values at only 11c

Deep Jelly Cake Pans, regular value 6c, special now for 4¢ Deep Jelly Cake Pans, regular value 8c, special now for 6¢ Deep Pie Plates, regular 5c values, on special sale now 4c Perforated Pie Plates, regular 10c values reduced now to Se Wash Boilers, copper bottom, regular \$2.75 values \$2.20 Wash Boilers, copper bottom, regular \$1.95 value \$1.55 Oblong Covered Dinner Pails, regular 35c values now 27c Covered Tin Pails, 3-quart size, regular 15c values at 11¢ Tin Oil Cans, 1-gallon size, regular 25c values, special 19c Galvanized Oil Cans, 1-gallon size, regular 25c values at 19c Apple Corers, our regular 5c values, on special sale at 3c Tin Cups, 1-pint size, our regular 4c values, special only 2¢ Biscuit Cutters, our regular 4c values, specially priced at 2¢ Fancy Cake Cutters, regular 4c values, now priced at 2c Tin Dippers, our best regular 10c values, special only Sc Enameled Sink strainers, our regular 25c values, only 19c Tin Funnels, 1-pint size, regular 5c values, special only 3c Tin Graters, our regular 8c values now reduced to each 6c Combination Graters, regular 10c values on sale at, each Sc Milk Cans, our regular 45c values, reduced now to only 32c Tin Graduated Measures, regular 10c values, special at Sc Brown Bread Moulds, covered, regular 45c values at 32¢ Pudding Moulds, covered, regular 55c values, now only 43¢ Infants' Baths, regular \$1.50 values, reduced to only \$1.20 Foot Baths, regular 40c values, on special sale now at 32¢ Bread or Cake Boxes, regular 55c values, special each 43c Cash or Bond Boxes, regular 70c values reduced to 56c Flour Boxes, 50-pound size, regular \$1.25 values for \$1.00 Sugar Boxes, our regular 85c values reduced now to 67c Tea and Coffee Canisters, regular 20c values for only 15c Dust Pans, regular 8c values, on special sale now for only 6c

SECOND WRIT IS INVALID

ON THIS DEFENSE DEPUTY BEATTY WILL REST CASE.

Contention Upheld by Tentative Decision of District Attorney Who Thinks Kidnaping Legal.

That two writs of habeas corpus can-

and action against the officer is held up for the present.

Lasher, after having been tried for local offenses and paroled by Judge McGinn, was held here to be returned to Arisona, where he is wanted for a faleny. His attorney secured a writ of habeas corpus while his client was being held as a fugitive and while the matter was pending, the Arisona officers secured a warrant for extradition from Governor Wost.

A new writ of habeas corpus was then issued to cover the Governor's warrant, while the first writ was still at issue. Lasher was diacharged from custody on the first writ and was immediately whisked away by Beatty in an automobile, to be met at Salem by the Arisona Sheriff, who, by this time has the prisoner in the territory.

In carrying the prisoner away, Beatty directarded the second writ, and the District Attorney is of the opinion that he was warranted in doing so, for the reason that when it was issued the prisoner was in the custody of the court from which the writ is-

HOLLISTER HOME RAIDED Thieves Take Advantage While Doctor Is Away at Sea.

Balked by a heavy caken door, which

barred their progress, burglars in the house of Dr. C. C. Hollister, 768 Kearney street, cut through a panel in the door with a butcher knife, secured from the kitchen, as a preliminary to thoroughly ransacking the house. From the crudeness of the work, which was done Sunday night, the officers believe that the criminals were juvaniles. accusation of having kidnaped F. H.
Lasher, an Arizona prisoner, whom he apirited away from the courtroom at the conclusion of a hearing Saturday afternoon. He is sustained by a tentative decision of the District Attorney and action against the officer is held up for the present.

Lasher, after having been trickless that the configuration of the District Attorney and action against the officer is held up for the present. basement, to the kitchen above and then to the dining-room through the hole in the door. They had pried into every part of the house, but had passed by valuable silverware on the buffet. The extent of the theft cannot be determined until the family returns, but

> FIRST FLAG MADE IN 1850 Steamer Lot Whitcomb Said to Have

> > Flown Ensign.

it is not believed to be large.

Who made the first Union flag in Oregon is just now a question. The statement which appeared in the Semi-

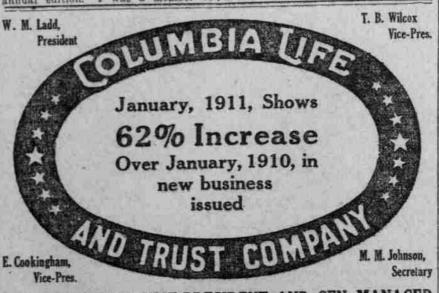
waite recalls the fact that her mother made a flag for the steamer Lot Whitcomb, at Milwaukie, the first boat built in the territory. The craft was launched on Christmas day 1850.

"My parents," said Mrs. Waite, "were ploneers of 1849 and lived in Milwaukie, boat and recalls the trip. The boat was sold to a San Francisco firm later and

pioneers of 1849 and lived in Milwaukie, where they took a claim. They were living there when the Lot Whitcomb was launched. Mr. Lot Whitcomb, the owner of the boat, wished to have a fine flag made and my mother consented to undertake the task. My brother, H. B. Campbell, now residing in this city, assisted in planning it and helped to cut it out. I do not remember its dimensions. It was first tung to the breeze on the occasion of flung to the breeze on the occasion of the pleasure party to the Cascades, which is referred to in the Oregonian's annual edition. I was a member of mous washed Gale Creek Steam Coal.

the party and remember every incident boat and recalls the trip. The boat was sold to a San Francisco firm later and plied across the bay for years.

"I had been troubled with constipa-tion for two years and tried all of the best physicians in Bristel, Tenn., and they could do nothing for me," writes Thes. E. Williams, Middleboro, Ky. "Two packages of Chamberlain's Stom-ach and Liver Tablets cured me." For sale by all dealers.



S. P. LOCKWOOD, VICE-PRESIDENT AND GEN. MANAGER Home Office, 9th Floor Spalding Bldg.

Railroad Man Writes Remarkable Letter

sufferer for about five months with kidney and bladder trouble. I could not eleep nights and was obliged to get up ten or fifteen times to urinate. passed mucus and blood continually. One doctor said I was going into consumption and gave me up to die. Had tion and gave me up to die. Had two other doctors but received no help from either of them and am sure I would have been in my grave had I no seen your advertisement in the "Dally Bagle Star." After taking several bottles of Dr. Kilmer's Swamp-Root I

In the last two years I have been a railroad fireman and have passed two examinations for my kidneys successfully so that I know that my kidneys are in excellent condition now as a re-

sult of your great preparation.
Yours very truly,
GEORGE KENSLER. 1422 Mary St. Marinette, Wis. Personally appeared before me this 25th of September, 1909, George Kensler, who subscribed the above statement and made oath that the same is true in substance and in fact.

HENRY GRAAS,

Nature Bublic.

Notary Public. Door County, Wis.

Letter to Dr. Kilmer & Co., Blaghamton, N. Y.

Prove What Swamp-Root Will Do For You Send to Dr. Kilmer & Co., Binghamton, N. Y., for a sample bottle. It will convince anyone. You will also resive a booklet of valuable informa-ion, telling all about the kidneys and ladder. When writing, be sure and mention The Portland Daily Oregonian.
For sale at all drug stores, Price fifty-cents and one-dollar.