

CALIFORNIA BODY TRAFFIC UNEMERGING

Doubt of Good Faith of Union Pacific in Submitting New Plan Is Expressed.

NEW INFORMATION WANTED

Commission Not Satisfied With Showing Made Thus Far Regarding Use to Which Benicia Cut-off Will Be Put.

SAN FRANCISCO, March 14.—Lacking information on which to base a final opinion, the California Railroad Commission is skeptical of the good faith in which the Union Pacific submits its modified plan for dissolution of the Harriman merger of the Union Pacific and Southern Pacific properties, in obedience to the decree of the United States Supreme Court. In a telegram to Attorney-General McKeen, the Commission wrote today:

"The Supreme Court wants these lines to be unmerged, and we will prevent, if we can, combinations in such unmerging."

For want of fuller data the Commission withholds its approval.

Continuing the Commission wrote:

"We cannot understand why, in fairness to this Commission, the new traffic agreements were not disclosed to us when this matter was presented. We assume, of course, that these roads, acting in good faith, expect to comply fully with the provisions of the constitution and statutes of California, so far as applicable to their affairs, and it may be that our fear with reference to this matter is unfounded."

Plan Not Interfered With.

"If, as a matter of fact, the design of the proposed traffic agreements, the terms of which we do not know, is not to circumvent the previous decision of this Commission, then, of course, what we have to say here will not at all interfere with the unmerging plan, as amended."

"If, on the other hand, the design is to evade the effect of our former conditions, then we think we should prevent the new plan from being consummated if it is within our power to do so."

"We cannot understand why an absolutely open and frank dealing cannot be had with reference to these matters."

"We cannot conceive any reason why the Southern Pacific and the Union Pacific, in keeping with the mandate of the Supreme Court, cannot actually unmerge, and why there should be any attempt to reserve to the Union Pacific an advantage or preference which it would not be given if it were dealing, so to speak, at arm's length with the Southern Pacific."

Benicia Short Line Issue.

The subject on which the commission does not feel itself fully informed is still the use to be made of the Benicia Short Line owned by the Southern Pacific between Oakland, on San Francisco bay, and Sacramento, at which the Central Pacific system terminates. In this connection, the modified application telegraphed by Robert S. Lovett, chairman of the executive board of the Union Pacific, said:

"A lease is desired by the Central Pacific Company to the Union Pacific Company in the form proposed in the application filed with the commission on February 19 which covers all the property of the Central Pacific except the lines north of Tehama. The modified agreement will eliminate all provisions as to the joint use of the Benicia line, the joint use of terminals and the trackage and the running rights from Newark to Redwood and from Redwood to San Francisco. The lease of the Central Pacific to the Union Pacific does not supersede the sale of the Central Pacific stock, but is required in addition thereto, in order to secure the necessary consent of the French banks."

The original agreement mentioned was for trackage rights between the trackage rights and traffic agreements, however, the commission sees a difference which it maintains was not satisfactorily explained in its opinion of the commission says:

"We have absolutely no objection to a traffic arrangement whereby the Union Pacific traffic is turned over to the Southern Pacific and conveyed thence to San Francisco over the Benicia line and the same may be said for the Union Pacific traffic originating at Benicia. If such an agreement is desirable from the standpoint of the Southern Pacific, certainly it should be willing to perform a like service for the Western Pacific (a Gould line), or any other competing line, for a like payment, and the Union Pacific, desiring only that the service be performed for the standard compensation of course can have no interest in preventing the Southern Pacific from making more money by performing for another line a like traffic service for adequate consideration."

Combination to Be Fought.

"The Supreme Court wants these lines to be unmerged and we will prevent, if we can, combinations in such unmerging as a condition to any approval which we may grant any matter for which our approval is required by law, the substance of our conditions respecting the Benicia cut-off and the terminal facilities must be complied with. Therefore any traffic arrangement which will, in our opinion, serve to evade our conditions heretofore imposed and accomplish by indirection that which we have refused to approve when squarely presented will be considered by us sufficient grounds to warrant our withholding our approval of the lease."

The commission reiterates its previous criticism of purchase by Kuhn-Loeb syndicate of the Southern Pacific stock, and its fear that such an arrangement would result "in the practical control of the Southern Pacific by stock holders of the Union Pacific, so that there would be, in reality, but one agency in control of these two alleged or supposedly competing companies, thus entirely defeating the object sought to be brought about by the Supreme Court of the United States. In respect to this matter the commission recognizes, however, the paramountcy of the Federal Government, which has the sole power to prevent the consummation of these arrangements in these respects."

The commission thus withholds its approval. "We cannot pass formally or specifically," it says, "on the matter for the reason that the representation which has been made to the commission has been wholly inadequate to acquaint the commission with the agreements which have been entered into or are to be entered into."

In this connection Mr. Lovett telegraphed under date of March 13:

"If the approval of the commission and of the court (the United States District Court of St. Louis) is obtained by Saturday the underwriting syndicate is lost and the entire plan is defeated."

SNAPSHOT OF WILSON'S CABINET MINISTERS, TAKEN SINCE THEY ASSUMED OFFICE.



—Photos Copyrighted by Bain News Service.

Top Row, Left to Right, Josephus Daniels, Secretary of the Navy; William J. Bryan, Secretary of State; Albert B. Burleson, Postmaster-General, and Franklin K. Lane, Secretary of the Interior. Second Row, William B. Houston, Secretary of Agriculture; William C. Redfield, Secretary of Commerce; Lindley M. Garrison, Secretary of War. At Bottom, William G. McAdoo, Secretary of the Treasury; James McKeen, Attorney-General.

WAR OFFICE POST TENDERED DAVIES

Secretary of Democratic National Committee May Be Garrison's Assistant.

PLACE OFFERED PEABODY

Collectorship of Port of New York Proffered by Wilson—Malone Is Wanted as Assistant to Attorney-General.

WASHINGTON, March 14.—Four prominent Democrats were under consideration today by President Wilson for important offices.

Joseph E. Davies, of Wisconsin, secretary of the Democratic National Committee, had been offered the Assistant Secretaryship of War, and if he declines it may get a foreign post. George Foster Peabody, of New York, executive of the Democratic National Committee, is desired for the collectorship of the Port of New York. With Secretary McAdoo, of the Treasury Department, Mr. Peabody saw the President today, and it was said that the collectorship had been offered him.

Dudley Field Malone, of New York, who for the last two years, has campaigned in several states for Mr. Wilson, has been offered the position of assistant to the Attorney-General in charge of cases before the Customs Court in New York. Mr. Malone is being urged for an Assistant Secretaryship.

Ex-Governor Burke, of North Dakota, was regarded tonight as the choice of the Administration for United States Treasurer and it is understood he has the offer under consideration.

State Senator F. D. Roosevelt, of New York, who has been nominated for Assistant Secretary of the Navy, paid his respects to the President.

Representative Jones, of Virginia, recommended the appointment of T. F. Morgan, of Warsaw, Va., to be Public Printer. Senator Hoke Smith presented the name of W. J. Harris, Democratic State Chairman of Georgia, to be Commissioner of Census, and P. A. Stewart, of Savannah, to be Minister to Switzerland.

After these conferences, the President was closeted with Secretary Bryan.

TWO CLAIM GOVERNORSHIP

Functions Exercised by Rivals in Arkansas and Case Is in Court.

LITTLE ROCK, Ark., March 14.—Two State Senators are laying claim to the office of Governor of Arkansas, and each has established an office at the Capitol.

After the resignation of Governor Robinson last Saturday, Senator Oldham, then President of the Senate, succeeded him. The Senate elected Senator Futrell, president pro tem, to act as Lieutenant-Governor. Futrell demanded today that Oldham retire. Oldham refused and Futrell filed proceedings in court asking that body to mandamus the Secretary of State to recognize him over Oldham.

The proceedings were brought in the Circuit Court of Pulaski County. Senator Futrell also brought another ouster proceeding in the same court. The suits will go immediately to the State Supreme Court.

Polk Schools on Honor Roll.

SALEM, Or., March 14.—(Special.)—With many schools placed on the roll of honor for high percentages in at-

BOY'S STORY TOLD

Senate Page Thinks Doorkeeper Retained Paper.

EXAMINATION IS SEVERE

Loeffler, Now Accused by Gore, Said to Have Intercepted Youth and Taken Evidence Used in Lorimer Case.

MAYOR IS CITY ATTORNEY

SEASIDE, Or., March 14.—(Special.)—Mayor D. E. Gray, of Astoria, made legal representative of Seaside.

—Mayor D. E. Gray, of Astoria, was named attorney of Seaside at a meeting tonight of the Council. Mr. Gray will succeed City Attorney Norblad, who resigned yesterday.

Dr. J. Y. Lewis was named City Health Officer. Relative to the railroad bond question, a most important matter in Seaside's municipal history now, the Council moved to refer the matter to the newly appointed attorney for opinion.

No Councilman for the Second Ward was named to fill the vacancy, although H. M. Wheatley and Dan J. Moore are candidates. The matter rested till the next meeting.

LANE DISCUSSES ALASKA

Candidate for Governor and Road Supervisor Talk of Needs.

WASHINGTON, March 14.—Alaskan matters, the Hawaiian governorship problem and the question of who shall be commissioner of Indian affairs were considered today by Secretary Lane, of the Interior Department. He talked with Moses Friedman, superintendent of the Carlisle Indian school, who is a candidate for head of the Indian bureau.

Thomas Rigg, Jr., of this city, who is being considered for Governor of Alaska, was a caller, and Colonel Richardson, in charge of roads and trails in Alaska, discussed with the Secretary some of the needs of the territory.

France finds its people yearly write 36 letters per capita.

work of removing the mass of earth has already begun.

Springfield "Movies" Attacked.

Chehalis Bank Sued for \$20,000.

Bell and Wing

POS-LAM WORKS WONDERS ON AFFECTED SKIN

Get a Shoe Like This for

\$2.50 Worth \$4.00

BOSTON SAMPLE SHOE STORE

131 Fourth, Next 5-10c Store.

131 Fourth, Next 5-10c Store.

OREGON WANTS FARMERS

WEST BOUND COLONIST FARES TO ALL PORTS IN OREGON, DAILY MARCH 15 TO APRIL 15, 1913

SOUTHERN PACIFIC		FARE	REMARKS
NEW YORK	...	\$50.00	
CHICAGO	...	\$35.00	
NEW ORLEANS	...	\$45.00	
SEATTLE	...	\$25.00	
ST. LOUIS	...	\$30.00	
SAN FRANCISCO	...	\$20.00	

Colonist fares are WEST-BOUND only, but can be prepaid from any point. If you have friends or relatives in the East who desire to "Settle in Oregon," you can deposit fare with your local agent and a ticket will be telegraphed to any address desired. (Call on nearest agent or write to the undersigned for illustrated Oregon literature to send East.)

John B. Scott, General Passenger Agent, Portland, Oregon

completion of a loan, Carl Motter and T. A. Stephens, of this city, have brought suit against the Chehalis National Bank for \$20,000 damages. Mot-

ter & Stephens had planned to expend the funds they expected to receive in renovating the old Tynan building on Main street.

Important New Novel

BY **MARY ROBERTS RINEHART**

THE CASE OF JENNIE BRICE

By the Author of *When a Man Marries* Where There's a Will, etc.

An engrossing and fascinating tale and as dexterous a plot as has been wrought in years. —*Boston Globe*

The reader is kept ingeniously in doubt. —*New York Sun*

The narrative has the semblance of reality which Mrs. Rinehart knows so well how to impart. —*Detroit Free Press*

The best story yet written by that versatile novelist. A mystery as puzzling as any ever conceived by the brain of Conan Doyle. —*Pittsburgh Dispatch*

Flashes that humor for which Mrs. Rinehart is famous. —*Pittsburgh Post*

Pictures by Brucker At all Bookstores \$1.00 net

INDIANAPOLIS: THE BOBBS-MERRILL COMPANY: NEW YORK

A Box of Delicious Candy With Every Pair of Children's Shoes

Children's Day at Rosenthal's

WE WELCOME every girl and boy today to the new Juvenile "Foot-Form" Shoe Department, which occupies the entire second floor of our new store.

Here Portland mothers will find the most satisfying assortment of high and low shoes, for children of every age. Expert shoemakers in charge.

Girls' New Shoes—"Foot-form" last in dull and patent leather, with welted soles. Every pair warranted. Sizes 5 to 13. \$2.50; 13½ to 2. \$2.75; 2½ to 3½. \$3.00.

Boys' Sturdy Shoes—Box and gunmetal calf, "Foot-form" last, with Goodyear welt solid oak soles. Sizes 5 to 13. \$2.50; 13½ to 2. \$2.75; 2½ to 3½. \$3.00.

Rosenthal's
PORTLAND'S BEST SHOE STORE

129 Tenth Street, Bet. Washington and Alder

You Bright Boys—

how would you like to own a useful, keenly interesting novelty? One that would straighten out the kinks in your brains and put the sparkle of excitement in your eye? Then you had better

Install a Wireless Station

Hundreds of instruments have been set up in Portland and vicinity. Nothing could be more entertaining than to exchange words with your friends, or to catch message after message from the ships miles out at sea.

Complete Sending and Receiving Outfit Upwards From \$10.00

Look at the instruments in our window. Code charts and catalogues free. If by mail, inclose 4c for postage.

Stubb's Electric Co.
—SIXTH ST. at PINE