WILSON REPORTED AGAINST FREE TOLI

Washington Busy Discussing Canal Issue in Light of New Developments.

THREE COURSES ARE OPEN

Congress Believed to Oppose Arbitration With Britain-Suspension of Exemption May Be Made by Resolution.

WASHINGTON, Jan. 27.—How to spose of the Panama Canal tells question was the subject uppermost in iscussion today at the Capitol when lined last night to the Senate foreign

relations committee, became public.

The President's position was asserted to be that the provision of the Panama Canal act granting toll exemption to American coastwise vessels is in violation of the Hay-Pauncefote treaty, which providing that the Canal shall

Congress, it was said tonight by Administration leaders, a public statement from the President will be awaited. President Wilson himself, after the night conference with the Senators, said he would proclaim his views "at a future time." views "at a future time."

Three Ways Are Open. Three courses are open to Congress

opposed the toil exemption for American ships, has offered to arbitrate the question as to its being a violation of the Navy, as superintendent in charge of the operation and navigation of the Hay-Pauncefote treaty. The majority in Congress is believed to be opposed to this, maintaining that the United States should settle the issue the construction shops at Balboa and elsewhere, succeeding Lieutenant-Colonel Tracey C. Dickson.

Another course is to carry into ef-fect the resolution submitted by Rep-resentative Adamson, chairman of the interstate and foreign commerce com-mittee, which would suspend for two years the operation of the provision exempting American ships from the payment of tolls. Should this be adopted, diplomatic negotiations could

ontinue in the meantime. The third proposal is that Congress repeal the free toil provision, recognizing that it is in violation of the Hay-Pauncefore treaty. Some Democratic Senators who voted for free tolls now are ready to vote for the repeal. Free Tolls Bill Certain.

Representative Adamson said today his committee undoubtedly would re-port the free tolls suspension bill to the House, but this action would be held up pending word from President Wilson. Mr. Adamson expressed con-fidence that the House would pass the

Democrats on the interoceanic canal committee who favored and voted for free tells to American coastwise ships talked briefly on the new situa-

Senator Chilton, of West Virginia who championed the exemption provi-sion, said he had come to the conclu-sion that the canal act did not violate ton, Mr. Benson said that he understoom the opinions of the President," Senator the state would reimburse the county the opinions of the President," Senator the state would reimburse the county as soon as funds were available.

"As soon as this is done," he said. to hear stronger arguments than have yet been advanced before I could change my mind on the question."

Senator's Mind Open. Senator Walsh, of Montana, also he had favored free tolls, but would be willing to listen to further arguments.

Mr. Benson also called attention Senator Page, of Vermont, a Republican member of the committee, said he always had been opposed to the exemption of American ships from the canal tolls, but expressed the belief that the majority of the canals committee would take a firm stand to uphold the law as it stands.

Mr. Benson also called attention to the Columbia County bond election.

"I think the issue will carry," he said.

"This will leave Hood River County the only weak sister. See if you can't stir up something up there."

mittee would take a firm stand to uphold the law as it stands.

Diplomatic correspondence over the tolls question, which had been in progress since Great Britain lodged formal protest in July, 1912, virtually was suspended after Ambassador Bryce delivered a note last February, just before the expiration of the Taft Administration, reasserting the British objection.

Then came the change of Administration came the change of Administration. Then came the change of Administration and before resigning his post as
British Ambassador to Washington
Mr. Bryce had a parting interview with
President Wilson, in which the subject
of canal tolls was discussed. It was currently reported then that the Am-bassador had procured from President Wilson some assurance that he would n use his best efforts to secure a re-moval of the discrimination in favor of American vessels.

GOETHALS TO RULE CANAL animals on 1

(Confinued From First Page.)

form of government. The order authorizes the designation of several such officers of the Army as well as a few naval officers for duty in the various departments of the permanent canal government, but the act of Congress provides that they shall serve at their regular Army and Navy salarius. It has been assumed that some of the officers now on the isthmus would be appointed to new positions created by the order.

President Wilson to designation and had a total value of \$2,291,638,000. Mules numbered 4,449,600, an increase of 63,000; were valued at \$123,85 a head, a decrease of 46 cents, and had a total value of \$551,017,090, an increase of 240,000; were valued at \$53,94 a head, an increase of \$8,92, and had a total value of \$118,487,000, an increase of \$4.77, and had a total value of \$118,487,000, and increase of \$4.77, and had a total value of \$1,116,33,000.

Sheep number 40,712,000, a decrease positions created by the order.

President Wilson set out his reasons for adopting the plan of government increase of 1753,000; were valued at \$4.04, an provided for by his order in the fol-value of \$209,803,000.

"In construing and carrying out the foregoing order, I direct that it be done with the following considerations in view:

"In construing and carrying out the foregoing order, I direct that it be done with the following considerations in view:

"In construing and carrying out the foregoing order, I direct that it be done with the following considerations in view:

"I have deemed it advisable for reasons of efficiency, economy and good administration to have all the activities connected with the Panama Canal under the supervision of one Cabinet

Secretary of War in Control.

"The troops which will be stationed on the canal zone for the protection of the Panama Canal are under the Secretary of War; the Panama Canal act provides that in time of war an officer of the Army shall upon the order of the President have exclusive authority over the operation of the Panama Canal and the government of the canal zone; the construction of the canal has been successfully carried on under the supervision of the Secretary of War; the logical conclusion is therefore that the supervision of the operations of the Panama Canal under the perma-nent organization should be under the

it is desirable to do so, the organization being expanded gradually as the ecessities of the work require."

MITCHEL'S HOPE UNDIMMED New York Mayor Still Counts on

Colonel Goethal's Services. NEW YORK, Jan. 27.—Mayor'Mitchel indicated today that his hope that Colonel Goethals would become New York's Police Commissioner had not been removed by the canal engineer's appointment as civil Governor of the

"It will be all the finer if Colonel

"It will be all the finer if Colonel Goethals serves as Governor of the Canal zone before he becomes Police Commissioner," the Mayor said. "It will give him more distinction."

The Mayor told today of Colonel Goethals' talk at Panama with George W. Ferkins, who, as the Mayor's emissary, sought to have the Army engineer accept the Police Commissionership.

"Mr. Perkins told Colonel Goethals, with my sanction," Mr. Mitchel said, "that I was prepared to get a material "that I was prepared to get a material increase in the salary of Police Com-missioner. Colonei Goethals seid to

"You tell the Mayor to do nothing about the salary. Tell him to leave it at \$7500. If I go to New York it will be to zolve the police problem and not for the salary."

COLONEL GOETHALS PLEASED Relief Felt When News Is Heard in

Canal Zone, PANAMA. Jan. 27 .- News of the signing today by President Wilson of an executive order establishing a per manent government for the canal zone, with Colonel Goethals as Gov-ernor, reached here late today and brought with it a general feeling of relief. Colonel Goethals expressed lation of the Hay-Paincerote treat, which proclaims that the Canal shall be free and open to the vessels of commerce and war of all nations, "on terms of entire equality," and that "charges of traffic should be just and equitable."

Before definite action is taken in It is believed in official circles here that the plan submitted by Colonel Goethals through the Secretary of War has been followed. This would give the Governor control of all features of the administration, the more important officials being either Navy or Army officers experienced in the work of the respective departments

of which they will have charge.

Colonel Goethals is understood to
have selected Captain Hugh Rodman,

CHECK IS SENT TO HOOD RIVER COURT FOR ROAD SURVEY.

Balance of \$10,000 Donated for Highway Improvement Around Shell Rock Received by County Judge.

HOOD RIVER, Or., Jan. 27. - (Spe cial.)—County Judge Stanton today re-ceived from A. S. Benson, acting for his father, S. Benson, of Portland, a check for \$521, the unexpended portion of the \$10,000 donated by Mr. Benson for improvement of the Columbia High-way around Shell Rock Mountain, in the west end of this county.

At the time the survey for the scenic highway was proposed the local court was in doubt as to whether the county would have funds to conduct the survey, and Mr. Benson offered the use of all money not used in the Shell Rock

In a communication to Judge Stan-ton, Mr. Benson said that he understood

"the money can be turned over by the county toward improvement on the Co jumbia Highway.' Judge Santon states, however, that no agreement exists between the state

such expenditures.

Mr. Benson also called attention to

WASHINGTON, Jan. 27 .- Farm aninals in the United States January 1 were valued at \$5.591,229,000, the Department of Agriculture announced today. This was an increase of \$339,445,-000, or 7.1 per cent over the value of animals on farms and ranges January

Horses number 20,962,000, an increase been receiving under the commission at \$109.32 a head, a decrease of \$1.45 and had a total value of \$2,291,638,000.

LABOR LEADERS DEPORTED

South African Government Puts Ten on Outward Bound Steamer.

CAPE TOWN, Union of South Afica, Jan. 27.—The government has decided to deport ten of the principal labor including President Watson

and General Secretary Bain of the Trades Federation. Under a strong escort the men were taken today from Transvaal to Natal and late tonight were put aboard a steamer which will sail before dawn, stopping at no port until it reaches Engiand. This action was taken by virtue of martial law, which is still in force in Natal, from which province the deportation can legally take place. Measures will be taken to prevent the men's return to South Africa.

Plea Made for Scholarship.

men's return to South Africa.

Secretary of War.

"The organization is to be in general in accordance with the chart accompanying this memorandum, except that all of the various divisions and sub-divisions need not be established NEW HAVEN, Conn., Jan. 27.—A strong plea for higher scholership requirement in college is made by the Yale Daily News, a student publication, today. It advocates the prompt expulsion from college of every student who has falled in his studies.

ONLY SUBTERFUGE

Industrial Plants Owning Own Railways Cannot Take Unfair Advantage.

PRACTICE IS DENOUNCED

Commerce Commission Cites Case of Small Line Paying Great Dividends-Tax on Transportation Is Enormous.

WASHINGTON, Jan. 27 .- Great manifacturing corporations having socalled industrial railroads connecting their plants with trunk lines may no longer receive demurrage or per dlem charges and various "allowances." according to a decision of the Interstate

Commerce Commission today. It was held that such practices are nothing less than, unlawful rebates, which accrue to the benefit of the industries themselves and give them "undue, unreasonable and unlawful" advantages over competitors. The Commission found that "in many

The Commission found that "in many cases the cash revenues received by these plant railways out of the rates of the line carriers are sufficient to lift from the industries the entire cost of their operation." It says that in many instances the plant railway also is able to "declare large dividends on its stock held by the industry." Huge Dividends Paid.

Huge Dividends Paid.

The Baltimore & Sparrows' Point Railroad Company, the plant railroad of the Maryland Steel Company, paid annual dividends on such stock during the last 11 years that "aggregated more than 423 per cent and have ranged from 20*to 55 per cent a year."

The Commission says it regards \$15,000,000 as a conservative estimate of the amount railroads lose annually in

the amount railroads lose annually in The decision further points out that allowances paid to and free services performed for large industrial plants relieve them of a heavy expense they would otherwise have to bear as part of their manufacturing costs, and adds that on the Ponnsylvania lines east of Pittsburg alone there are 233 such plants, where the railroad performs services free. decision further points out that services free.

Tax on Transportation Heavy. "Such allowances," the decision says, "are an example of the special con-cessions and rebates in service that shippers with a large traffic are able to wring from the carriers in con-sideration of being permitted to handle the traffic or share with other lines in its carriage.

may, on any ground, be justified and found to be lawful," says the decision, "they will be claimed and must in the near future be extended to all industries similarly situated. We are, therefore, at the parting of the ways with respect to this heavy tax on transportation.

The allowances and tree services performed for a single steel industry—the Republic Iron & Steel Company at Youngstown, O.—free spotting service at a cost to the railroads of \$104,320."

WOMAN ASKS JURY TRIAL

"Allowances paid for the operation of plant railways," the decision declares, "are most important to the general mass of shippers, who neither receive the allowances or free services. nor are in a position to claim them, but who, in the open market, must

Suite 1006-1009

Dear Mary:



obvious and sometimes acute." The Commission further sets forth that "the subject is of far-reaching consequence to the public, for upon the general public rests the burden of contributing sufficient revenues to the carriers to enable them to meet their expenditures and earn an adequate re-

turn upon the property devoted to the service of the public."

The amount of the loss to the railroads resulting from allowances is not shown by the Commission, but the de-cision says "the evidence establishes the fact that the depletion of the rev-enues of the carriers is very great," and virtual immunity from demurrage charges enjoyed by the plants owning railways represents a "very substantial

"During the year ended June 30, 1911," said the decision, "the railroads performed for a single steel industry-

When the assault case against Mrs. Gertrude Gerlinger, charged with nevertheless meet the competition of horsewhipping Attorney Fay L. Brown industries so favored and are but at a in his office in the Platt building, was

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I thought of you today, when I saw

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There were lots of other pieces in Ster-

ling silver hollow-ware, at one-fourth

reduction. Marx & Bloch are dissolv-

ing partnership, you know, and their

beautiful silverware, cut glass, jewelry.

watches and many other lines are sell-

ing at one-fourth to one-third off

standard prices. I told Mr. Bloch you

Fannie.

would probably drop in today.

home as we are to have you do so.



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SCOTLAND FOREVER Real Comedy.

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A Sensational Indictment

Against the Corrupting and Degrading Results Which Fall on the Accursed Victims.

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The object lesson in this great film, despite its horror, proved too great to be denied suffering humanity.

\$160 Is a Lot of Money to Save on the Purchase of This Splendid Bennett Piano



Come in-as critical as you please see this artistic new Bennett Style H -in finest mahogany-clean-cut case design-its full, sweet tones-its new improved, easy repeating action-it will go to satisfy you that this is the best brand-new, first-class piano proposition ever offered in this city. You really will want to buy now. If you have one we will take your old piano or organ as first payment.

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Start With \$1 Make your selection now and pay \$1 down, if you do not want to pay of \$9, or whatever agreement you make for the first payment, and the balance \$6 monthly, etc., until the piano is paid for in full.

Out-of-Town Buyers-It is safe and satisfactory to buy one of these pianos by mail. Write us and we will send you full description, or, if you like, ship the piano subject to your approval. We pay the freight to any point in Oregon, Washington or Idaho. Buy now and have it shipped when

Every piano or player piano purchased carries with it the Graves Music Co. guarantee of satisfaction, as also the usual guarantee for each manufacturer of these new musical instruments; besides, we take it in exchange within one year, allowing the full amount paid, if desired.

Graves Music Co., Inventory-Removal Sale

Mrs. Gerlinger does not deny that "For \$75 we can make you look the used the lash on Brown, who testified at the hearing of her breach-of-to inject oil undeer her skin, then to promise suit against Lloyd Frank that take a tuck in her scaip. he (Brown) had slippers at Mrs. Gerlinger's apartments and often had taken breakfast with her in her rooms. The testimony was false, she said.

BEAUTY DOCTORS ARE SUED

Corporation of Face Specialties to Be Tried for Practicing Medicine.

NEW YORK, Jan. 27 .- A corporation of face specialists, through its manager, Payton R. McCargo, was sumnoned to Police Court today to answer a charge of practicing medicine without a license. A woman investi-

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ADVENTURES OF KATHLYN

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In a 4-Part Pictorial Version of

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ABSINTHE is barred by law from further importation into this country.

called yesterday in District Judge Jones' court, Attorney Arthur L Moulton, counsel for Mrs. Gerlinger, demanded a Jury trial and Judge Jones though only 21 years old, she looked postponed the trial until Saturday aft-

Rate Increase Request Withdrawn. TOPEKA, Kan., Jan. 27,-An applicaon for permission to increase freight reserve system. rates from 10 to 20 per cent on prod-

Banks Ask for Membership. OREGONIAN NEWS BUREAU. Wash

lington, Jan. 27.—The National City Bank of Scattle, the First National Bank of Kent, Wash, and the Western National of Caldwell, Idaho, have availed for membership to the Farman



ce and creamery products, which had six months of last year.

"I'm no clam. CLAM CHOWDER But I'm for this Clam Chowder!'

"I'm for it strong. And I'm all the stronger for it. "The delicious chowder makes me think

I'm down at the shore again in July with the sea breeze blowing over the beach. "And the tender clams that are cut up in the broth, the bits of salt pork and the cubed

It makes me hungry just to think of it. Campbell's is a real clam chowder!" You'll say so, too. Try it for dinner today. Better order a dozen while you're about it.

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