

PRESIDENT GOES TO CONGRESS TODAY

Programme of Legislation Is Outlined and Story of Negotiations Told.

8-HOUR DAY MADE BASIS

Mr. Wilson Says He Based Counsel on Indisputable Fact That No Means of Obtaining Arbitration Is Supplied.

WASHINGTON, Aug. 29.—The text of President Wilson's message to Congress on the railroad strike situation is: "Gentlemen of the Congress—I have come to you to seek your assistance in dealing with a very grave situation which has arisen out of the demand of the employees of the railroads engaged in freight train service that they be granted an eight-hour working day safeguarded by payment for an hour and a half of service for every hour of work beyond the eight."

Eight-Hour Day Proposed.

"It seemed to me, in considering the subject matter of the controversy, that the whole spirit of the time and the preponderant evidence of recent economic experience spoke for the eight-hour day. The whole presumption of modern experience would, it seemed to me, be in its favor, whether there was arbitration or not."

Supreme Court Decision Cited.

"These proposals were exactly in line, it is interesting to note, with the position taken by the Supreme Court of the United States in the case of the Brotherhoods in Formal Statement."

Men Accept, Railroads Reject.

"The representatives of the brotherhoods accepted the plan, but the representatives of the railroads declined to accept it. In the face of what I cannot but regard as the practical certainty that they will be ultimately obliged to accept the eight-hour day by the concerted action of organized labor, backed by the favorable judgment of the public, I felt justified in assuring them, were disposed to nothing but just and reasonable demands, willing to serve those who served their country."

Stand for Arbitration Futile.

"The railway managers based their decision to reject my counsel in this matter upon their contention that they must at any cost to themselves or to the country stand firm for the principle of arbitration which the men had rejected. I based my counsel upon the indisputable fact that there was no means of obtaining arbitration. The law supplied none, and earnest efforts at mediation had failed to influence the men in the least. To stand firm for the principle of arbitration and yet not get arbitration seemed to me futile and something more than futile, because it involved incalculable distress to the country and consequences in some respects worse than those of war, and that in the midst of peace."

POINTS IN PRESIDENT'S STRIKE SITUATION ADDRESS.

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"I unhesitatingly offered the friendly services of the Administration to the railway managers to see to it that justice was done the railroads in the outcome. I felt warranted in assuring them, no obstacle of law would be suffered to stand in the way of their increasing their revenues to meet the expenses resulting from the change."

"They (the railroads) fear the hostile influence of shippers who would be opposed to an increase of freight rates (for which, however, of course, the public itself would pay); they apparently feel no confidence that the Interstate Commerce Commission could withstand the objections that would be made. They do not care to rely upon the friendly assurances of the Congress or the President. They have thought it best that they should be forced to yield, if they must yield, not by counsel, but by the suffering of the country."

"I yield to no man in firm adherence, alike of conviction and of purpose, to the principle of arbitration in industrial disputes; but matters have come to a sudden crisis in this particular dispute and the country has been caught unprovided with any practicable means of enforcing that conviction in practice, by whose fault we will not now stop to inquire."

"I was seeking to compose the present in order to safeguard the future, for I wished an atmosphere of peace and friendly co-operation in which to take counsel with the representatives of the Nation with regard to the best means for providing... against the recurrence of such unhappy situations in the future."

The President's legislative proposals are in substance as follows: 1. Immediate enlargement and administrative reorganization of the Interstate Commerce Commission in order that the Commission may be able to deal with the many great and various duties now devolving upon it with a promptness and thoroughness which are within its present means of action practically impossible.

2. Eight-hour day as legal basis of work and wages of trainmen engaged in interstate transportation. 3. Appointment by the President of a small body of men to observe the actual results in experience of the adoption of the eight-hour day in railway transportation with the provision that the investigators shall report their conclusions to the Congress at the earliest possible date but without recommendation, that the public may learn from an unprejudiced source what actual developments have ensued.

4. Power to be granted to Interstate Commerce Commission to consider wage expenditures in fixing freight rates. 5. Provision that full public investigation of the merits of every such dispute shall be instituted and completed before a strike or lockout may lawfully be attempted.

6. Power to be given President to operate roads and draft train crews in event of military necessity. In conclusion, the President says that arbitral awards should be made by a court of law in order that enforcement may lie with an "imperative and authoritative tribunal."

"The event has confirmed that judgment. I was seeking to compose the present in order to safeguard the future; for I wished an atmosphere of peace and friendly co-operation in which to take counsel with the representatives of the Nation with regard to the best means for providing so far as it might prove possible to provide against the recurrence of such unhappy situations in the future—the best and most practicable means of securing calm and fair arbitration of all industrial disputes in the country."

"This is assuredly the best way of vindicating a principle, namely, having failed to bring the parties to a conciliatory settlement, to clearly our duty as public servants to leave nothing undone that we can do to secure the peace and interest of the Nation. In the spirit of such a purpose, I earnestly recommend the following legislation: "Second—The establishment of an eight-hour day as the legal basis of work and of wages in the employment of all railway employees who are actually engaged in the work of freight trains in interstate transportation."

Third—The authorization of the appointment by the President of a small body of men to observe the actual results in experience of the adoption of the eight-hour day for the men and for the railroads; its effect in the matter of operating costs, in the application of the law, in the increase of freight rates to the new conditions and in all other practical aspects, with the provision that the investigators shall report their conclusions to the Congress at the earliest possible date, but without recommendation as to legislative action. In order that the public may learn from an unprejudiced source just what actual developments have ensued.

Fourth—Explicit approval by the Congress of the consideration by the Interstate Commerce Commission of an increase of freight rates to meet such additional expenditures on freight roads as may have been rendered necessary by the adoption of the eight-hour day, and which have not been offset by administrative readjustments and economies, should the facts disclosed justify the increase.

Public Investigation Suggested. "Fifth—An amendment to the existing Federal statute which provides for the mediation, conciliation and arbitration of such controversies as the President may deem it expedient to refer to the Interstate Commerce Commission, so that the Commission may be authorized to investigate the merits of every such dispute declared today against shipments of perishable goods and livestock, according to J. R. Koonz, general freight agent, through whom the order was issued.

Under the heading, "Perishable Goods," it was explained, are included fresh meats, butter, eggs, vegetables, fruits and ice. The company also refuses to be responsible for delay in other freight shipments.

The order became effective immediately. The order will eliminate the use of all refrigerator cars and will directly affect melon and fruit shippers, who are now in the midst of their shipping season, as well as stockraisers with fattened animals ready for market.

TOPEKA, Kan., Aug. 29.—At least one-third of the freight business of the Atchison, Topeka & Santa Fe Railway will be cut off as one of the results of the embargo declared today against shipments of perishable goods and livestock, according to J. R. Koonz, general freight agent, through whom the order was issued.

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ARBITRATION HEAD VITAL PRINCIPLE

Railroads Say They Are Unwilling to Surrender Point of Great Moment.

CALM INQUIRY IS URGED

Proposal Made That Entire Question Be Investigated, With Promise That Findings Will Be Accepted as Binding.

WASHINGTON, Aug. 29.—This statement of the commission provided for in paragraph C of this memorandum and payable in money as may be directed by said commission in its findings and decision.

"We are unable, after the most earnest consideration, to agree with the proposal of the President of the United States, which is that we accept, without arbitration, the substitution of an eight-hour day for the present 19-hour day in all of the existing practices and agreements."

"This is the main point in controversy, and we cannot surrender it without an opportunity to be heard in some form of fair arbitration. "We do not assent to the statement that 'the eight-hour day now undoubtedly has the sanction of the judgment of society in its favor.' We believe that society has not yet recorded its judgment upon this subject."

"We are not in this controversy, however, dealing with the conditions relating to the eight-hour day in the immediate world of the railroad, but between the eight-hour day in business and manufacturing interests and in the railway train service day has been fully explained in the report of the commission for computing pay and overtime, the length of daily service being controlled by variable conditions."

"The demands involved in this controversy have not been presented, in our judgment, for the purpose of fixing a definite standard of service, but for a reduction in the existing hours of labor or change in methods of operation, the manner of the principle, maintaining an increase of wages approximately \$100,000,000 per annum, or 25 per cent per cent of the total freight train and yard service of the railroad labor organizations in this matter."

"Many Other Interests Involved. "As trustees for the public served by our lines and for the great mass of the less fortunate people, we are interested in the railroad wage fund— a thing in the demands of the men which people that have invested their money and capital in the bonds and stocks of these properties, and who through the medium of the principal and insurance companies are vitally interested to the extent of millions of dollars in the integrity and solvency of the railroads and the public interest in a conscience surrender without a hearing the principle involved, nor undertake to certify to any principle that will result to the transportation of the commerce of the country."

"The eight-hour day without punitive overcharges would involve an annual revenue approximately in the aggregate \$60,000,000 and an increase of more than 20 per cent of the total freight train and yard service of the railroad labor organizations in this matter."

"The effect upon the efficiency of the power of the country, now already ready under severe test under the tide of business now moving and at a time when more instead of less effort is required to meet the needs of the country, would be harmful beyond calculation."

"Effect of Surrender Widespread. "The widespread effect upon the industries of the country as a whole is beyond calculation. At this time, and we agree with the insistent and widespread public concern over the gravity of the situation and the consequences of a surrender by the railroads in this emergency."

"In like manner we are deeply impressed with the public interest in the ability to maintain and keep open the arteries of transportation which carry the life blood of the commerce of the country, and the consequences of a surrender by the railroads in this emergency."

"The questions involved are in our opinion eminently suitable for the calm investigation and decision by the public through the agency of fair arbitration and cannot be disposed of in any other manner, in any other manner. The decision of a commission or board of arbitration having of to the public confidence will be accepted by the public and the social and financial rearrangements made necessary thereby will be undertaken by the public but in no less deliberate nor orderly manner."

"Bankruptcy Is Threatened. "The railroads of the country cannot under present conditions assume this enormous increase in their operating expenses. If imposed upon them it would involve many in early financial embarrassment and bankruptcy and imperil the power of all to maintain their credit and integrity of their securities. The immediate increase in cost, followed by other increases that would be inevitable, would substantially appropriate the present purchasing power of the railroads and disable them from extending and improving their facilities and equipment to keep abreast of the demands of the country for efficient transportation service."

"For these reasons we are with deep regret unable to accept the suggestion of the President of the United States. "We propose, however, as a basis of settlement, the following: "A. The railroads will, effective September 1, 1916, keep the time of all men represented in this movement upon an eight-hour basis and by separate account, monthly, with each man, maintaining a record of the difference between the money actually earned by him on the present basis and the amount that would have been earned upon an eight-hour basis—overtime on each basis to be computed pro rata. The amounts so shown will be subject to the decision of the commission provided for in paragraph C of this memorandum and payable in money as may be directed by said commission in its findings and decision."

"Decision Will Be Accepted. "E.—The Interstate Commerce Commission to supervise the keeping of these accounts and report the increased cost of the eight-hour basis after such period of actual experience as their judgment approves or the President may fix, not, however, less than three months. "C.—In view of the far-reaching consequences of the decision made by the President accepting the eight-hour day not only upon the railroads and the classes of labor involved directly in this controversy, but to the public and upon all industry, it seems plain that before the existing conditions are changed, the whole subject, insofar as it affects the railroads and their employees, should be investigated and determined by a commission to be appointed by the President, of such standing as to compel attention and respect to its findings. The judgment of such a commission would be a helpful basis for adjustments with labor under legislation as intelligent public opinion, so informed, might demand."

"The railroads will accept the findings of such a commission upon the issue of an eight-hour basis of pay as compared with the present basis, as well as upon any other matters now in controversy that may be submitted to it by either party. "The commission should consist of not fewer than five members and should also be authorized to hear and determine all questions that may arise from the application of the findings of said commission or in the working out of such plan as it may propose. "The railroads of the railroads are prepared to continue negotiations on the subject with genuine anxiety, within the limits of their conviction above expressed, to find a solution of the situation."

TOPEKA, Kan., Aug. 29.—At least one-third of the freight business of the Atchison, Topeka & Santa Fe Railway will be cut off as one of the results of the embargo declared today against shipments of perishable goods and livestock, according to J. R. Koonz, general freight agent, through whom the order was issued.

Our Store Will Close at 1 P. M. on Thursdays During July and August, Thus Allowing Our Employees to Enjoy a Weekly Half-Holiday Each Week During This Hot Period. Will You Co-operate by Arranging to Do Your Shopping in the Forenoon Thursdays? STORE OPENS DAILY AT 8:30 A. M. STORE CLOSING DAILY AT 5:30 P. M. ON SATURDAYS 9:00 A. M. ON SATURDAYS 6:00 P. M. HOME PHONE A 2112

Substantial Price Savings Especially Underpriced Offerings—An Event That Economical Women Should Not Miss. Roberts Bros. THIRD & MORRISON The Most in Value—The Best in Quality. Summer Clearance Reductions. INFANTS' GOODS AND CHILDREN'S MUSLIN WEAR. Thrifty mothers, who realize the importance of this sale, will find splendid savings in these underpriced offerings. Exceptional chances for advantageous buying! Check your needs from this list: Children's Muslin Drawers, sizes 4 to 12 years; 25c grade at... 15c Children's Muslin Drawers, sizes 4 to 12 years; values to 65c at... 39c Children's Waists and Gimpes, sizes 5 to 14 years; values to 65c at... 19c Children's Muslin Skirts, sizes 3 to 6 years; values to 35c at... 15c Children's Muslin Skirts, sizes 3 to 6 years; values to \$1 at... 37c Infants' Outing Flannel Skirts in values to 50c, priced at... 43c Infants' Outing Flannel Skirts in values to \$1, priced at... 59c Boys' Wash Suits, in sizes 2 to 8 years; values to \$2 at... 69c Infants' Waterproof Pants, "Omo" 50c grade, reduced to... 35c Infants' Waterproof Pants, "Omo" 35c grade, reduced to... 27c Infants' Waterproof Pants, "Omo" 25c grade, reduced to... 19c Infants' Knit Gowns up to 2 years; values to 75c at... 39c Embroidered Pillow Slips, in values to 35c each; to close at... 15c Infants' Lace and Embroidered Bibs; values to \$1, at... 29c Carter's Knit Bibs in regular 15c grade; to close out at... 7c Boys' Wash Suits in sizes 2 to 6 years; values to \$1.75, at... 59c

CHICAGO ROADS BUSY Efforts Made to Haul Perishable Goods Before Embargo. FREIGHT HANDLERS STRIKE Officials Preparing to Use Nonunion Trainmen After September 2. Manufacturers Gather to Prevent Walkout. CHICAGO, Aug. 29.—Chicago, the greatest railway center in the world, fought in the face of local difficulties today to transfer thousands of cars of freight in time for the cars to reach their destinations before September 2, the date declared by many Western railroads tonight when an embargo on perishable freight will be effective. A strike of freight handlers in the local yards of several railroads, which threatened to become general within 24 hours, hit Chicago just at the time railway officials were swamped with transfer traffic, and it was feared that the threatened trainmen's strike. The railway lines entering Chicago have been preparing, however, to handle an enormous amount of freight east and west within the next week. The embargo on perishable freight, railway officials said, will principally affect livestock. Exceptionally heavy receipts of hogs, cattle and sheep at the Chicago, Kansas City, East St. Louis and other markets are anticipated before the embargo becomes effective. While railroads were striving to prepare for the strike, manufacturers of the Middle West gathered in Chicago in an eleven-hour attempt to find some means of averting it. A conference, called by the Illinois Manufacturers' Association and attended by representatives of similar associations from many states, resolutions were introduced urging that President Wilson insist on the principle of arbitration. Railway officials are making plans to operate trains with non-union men or non-strikers within the railway brotherhood's membership in event of a strike. Some of the officials said they would operate 25 per cent of the regular traffic out of Chicago from the minute a strike was declared and could maintain this service practically normal within 30 days. Police Chief Healey today issued orders canceling all furloughs of members of his force and recalling all members who are on furlough. Strike Fear Causes Tie-Up. SALEM, Or., Aug. 29.—(Special.)—The Salem Fruit Union has been notified by the Earl Fruit Company, of Sacramento, that Wednesday night the company will suspend all fruit shipments ordered from here in view of the impending railroad strike. The Earl Fruit Union is unable to deliver about 60 cars of green prunes for which a market had been secured in the East for the first time since 1907. Ice-cooling apparatus, already installed and help hired to take care of the prunes which now cannot be shipped.

Go East VIA California. One way fares via California to Eastern points, practically the same as via direct lines. See Grand Canyon of Arizona Yosemite Valley--Petrified Forest on your way--Liberal Stopovers. Santa Fe. H. H. FRANCISCO General Agent. E. W. ZAMZOW Trav. Passenger Agent. 122 THIRD ST., PORTLAND, ORE. Phone Main 1274. First National Bank Capital and Surplus, \$3,500,000.00. Fifth and Morrison Streets, Portland. Refer to Us A service the First National Bank is always glad to perform for its regular depositors is to answer inquiries concerning their standing and credit. If you are maintaining a satisfactory account here and are conducting your affairs along approved lines do not hesitate to give this bank's name as a reference.

(Continued on Page 4, Column 1.)