

SHORT-LINE RAILWAY WORKERS LOSE CASE

Four Thousand Employees on 67 Roads Affected.

RULING BY LABOR BOARD

Demand for Wages and Working Conditions Like Those Upon Trunk Arteries Dismissed.

CHICAGO, March 28.—The petition of 4,000 employees on 67 "short-line" railroads for wages and working conditions identical with those on the trunk lines was dismissed by the railroad labor board today. The case was heard last fall on the request of 15 unions.

Because of the diversified duties of the short-line employees, the board ruled it was "impracticable to determine what reasonable rules shall be on the short lines," and without a uniform classification of work the board held it could not undertake to determine reasonable wages.

Negotiations Not Barred.
Originally 103 carriers, employing from 25 to 400 men each, were parties to the dispute. Ten electric lines were dismissed and 25 others applied the wage scales of the trunk lines. Under the decision employees and carriers may still negotiate their own agreements on wages or working conditions, but the decision stipulated that it should not be considered as affecting "any wage increase now in effect nor any agreement regarding wages between any carrier and its employees."

Representatives of 15 employees' organizations are among the 4,000 men affected. In a few cases employees belonging to all 15 unions are involved on the same road, but on the larger part of the roads only a few classes of employees come under the decision for the reason that the board's ruling affects only those in whose behalf a dispute was brought to the board.

Electric Lines Ruled Out.
Disputes were originally certified to the board on the part of employees belonging to one or more of the 15 unions on 103 railroads. Ten of these roads, however, were electric lines, and the board ruled these lines out. Twenty-six other lines adopted the wage schedules protected by the trunk lines, laid down in what is known as decision No. 2, the award by the United States railroad labor board of July 20, 1920.

The trunk lines in decision No. 2 were those represented by the Association of Railway Executives. Following the application of decision No. 2, employees on roads not affected began to file disputes with the board and the whole matter was taken up in a hearing, known as the short line hearing, on October 13, 1920. The hearing lasted 14 days over a period of more than a month.

Short Lines Not Parties.
The short lines are not parties to the present rules and working conditions hearing. Others, however, may not accept the board's decision on rules, a separate hearing on rules for short lines also will be necessary. Various short lines have been in effect on the 67 roads. Some carriers paid the standard scale established by the United States railroad labor board. Others paid a scale somewhat lower than that paid on the trunk lines in the same territory.

The labor organizations include virtually all those from operators to common labor.

The railroads concerned are mostly in the east. The western roads include: Butte, Anaconda & Pacific railway, Pacific Coast railroad, Spokane International railroad and Wood River Branch railroad.

3 U. S. VICTORIES WON

(Continued From First Page.)

poration, which were valued at \$561,000 March 1, 1913, but which were sold in 1917 for \$1,280,000.

Collection of the tax on the difference in value between March, 1913, and the date of sale, as income, was upheld by the court's decision.

The word "income" was defined by the court in a case under the corporation excise tax act of 1909, Justice Clark said, as "a gain derived from capital, from labor or from both."

Contention Is Dismissed.
"It is obvious that unless this definition be modified it rules the case at bar," the opinion said, "and notwithstanding the arguments heard continue entirely satisfied with that definition. Since the fund so taxed was the amount realized from the sale of stock in 1917, less the capital investment as of March 1, 1913, it is palpable that it was a 'gain or profit' produced by or derived from that investment and thereby becomes the 'realized gain' which has been repeatedly declared to be taxable income."

The opinion quickly dismissed a contention that the word "income" as used in the 16th constitutional amendment did not include gain realized by a single transaction, but only profits realized by one engaged in buying and selling as a business.

Distinction Is Denied.
"It is sufficient to say of this contention," the court ruled, "that no such distinction was recognized in the civil war income tax acts or in the income tax act of 1894. The argument which is pressed upon us is only a contrivance to escape the tax which was adopted which would in a large measure defeat the purpose of the government."

"Plainly the gain we are considering was derived from a sale of personal property and very certainly the comprehensive last clause (in section 2), 'gains or profits and income from any source whatever,' must also include it, if a trustee is one engaged in buying and selling as a business."

The reasoning used in the case of the Ryerson estate was held to cover the present case. The estate of the late Mr. Goodrich of New York, involving taxation of profits on investment capital, except that in one transaction Mr. Goodrich showed a loss from the price he had paid for the securities.

The ruling of the tax assessors that the value of March 1, 1913, which was

TYPICAL TROOPS OF LATE UNPLEASANTNESS ON ISTHMUS.



SOLDIERS OF COSTA RICAN ARMY EQUIPPED FOR DUTY.

below the cost price in 1912, and the subsequent sale price in 1918, only would be considered was reversed by the supreme court.

"The act under which the tax was assessed provides that the net income of the individual shall include 'gains and profits,' the opinion said. 'Thus it is plain that this statute imposes the income tax on proceeds of personal property to the extent only that gains are derived therefrom, and since no gain was derived on this transaction no tax could be assessed against the vendor.'"

In the third case—Wahle, collector, versus Brewster—the same points were considered. Decision of Connecticut courts that the government could not collect a tax on an increase in the value of securities purchased and held for investment was reversed, the supreme court making the point that the tax could only be collected where the proceeds showed a profit over the purchase price.

Error Is Confessed.
Elimination of the March 1, 1913, "upset line" through today's opinions was in conformity with the voluntary action taken by the government of the courts during the arguments. Solicitor-General Fricson "confessed error" so far as tax assessments had been made on apparent profits figured from March 1, 1913, in a comparison with the purchase price showed the investor to have suffered a loss.

For purposes of computing the proportion of profits to be assessed, however, that date, as set forth in the 1914 statute, stands under the court's ruling.

ROAD CONTRACTS ARE LET

Work Amounting to \$685,412 Will Be Done in Washington.

OLYMPIA, Wash., March 28.—(Special.)—The state highway board today let contracts totaling \$685,412 for the paving of approximately 19 miles of road in western Washington. The bids as accepted follow:

Olympic highway 2.17 miles of paving from Thurston county line to Kamlich, let to Wood Brothers & Pomeroy, Port Angeles, \$114,522; Pacific highway 6.5 miles paving, from Blanchard to Allen, in Skagit county, to the Skagit County Construction company, \$192,482; National Park highway, 4.5 miles paving, Muk creek to Ohop, in Pierce county, to J. W. Hoover company, Everett, \$153,457; Pacific highway, Thurston and Pierce counties, one-half mile paving, to close the Nisqually gap, to Anderson & Lelybeck, Tacoma, \$28,959; Pacific highway, Clarke county, 4.7 miles paving, from Pioneer to La Center, to T. M. Morgan, Everett, \$195,471.

UNEMPLOYED FORM ARMY

Social Justice Demanded; Capitalist Control of Charity Scored.

SAN FRANCISCO, March 28.—The United States army of the unemployed was organized here at a meeting today of approximately 500 men and women out of work.

A resolution was adopted, addressed to government officials and demanding "social justice" and condemning "charity controlled by capitalists." James J. Morgan of the Seattle Central labor council, William Costley, F. K. Lobeck of the San Francisco machinists' union, and Charles W. Pilgrim of the local cooks' union, spoke.

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Tourists Look at Feverish War Preparations.

BAREFOOT ARMY GATHERS

Travelers From Panama and Costa Rica Say Squabble Would Have Delighted O. Henry.

NEW YORK, March 28.—(Special.)—The embroilment between Panama and Costa Rica, which was squelched, at least, in its opening stages, seems to be akin to the rules laid down by the late O. Henry, according to the combined opinion of passengers on the United Fruit liner Ulu, arriving in New York from the scene of hostilities.

The Ulu, from Cristobal and Panama City, Panama, and Port Limon and San Jose, Costa Rica, carried 104 tourists, who said they would not trade their experiences within the mobilization areas for a whole lifetime of the ordinary vacation events that get into the photograph album at home.

The passengers were in Panama City on the night of February 25 and witnessed the mobilization of the first contingent of the Panamanian army. They arrived in Limon before the first Costa Rican troopship had sailed and witnessed the mobilization and training of the first Costa Rican recruits February 27.

Americans in Bad Odor.
Whether they were in or out of favor, the tourists found it rather embarrassing to be Americans at such a trying time. Rumor concerning American intentions seemed to be fleet and variable, and it was never known just what sort of a reception was in store. Feeling against Americans was strong during the first half day the tourists were in Costa Rica. This was due to a report coming from Panama that the United States was going to take up arms against Costa Rica in behalf of Panama.

This propaganda cost the United Fruit company most of the windows in its commissary building at Port Limon. Angry Costa Ricans let themselves be diverted from the main business of bleeding Panama white and gathering stones and other missiles, smashed in every Yankee window that was within throwing distance. The demonstration amounted to a street riot, and probably would have been renewed in the cooler portion of the day, only for the fact that about siesta time a report arrived that the news from Panama was false.

By the time the tourists had arrived in San Jose, the capital city of Costa Rica, on the railroad between the seacoast and the interior, Dame Rumor was footing it around with the information that the visitors were a delegation from the United States, come to settle the war. The capital turned out and gave the visitors a demonstration of welcome which more than made amends for the dubious feeling engendered at Port Limon.

Police First Line of Defense.
Dr. A. O. Davis of Charleston, Pa., who has been on a vacation trip for the last six weeks, happened to be in Panama City the day the Ulu's passengers arrived there, and witnessed the preliminary activities of the Panamanians in mobilizing troops and getting the first contingent off to war. In Panama City, he says, the police are subject to the first summons to war. One hundred policemen headed the opening parade and dutifully transferred themselves to the military—a matter of no small advantage in view of pay and food.

But, no matter how suddenly war deprives Panama City of its police, there is never an opening left for lawbreakers. The first men of the law are required to substitute as policemen. On February 26, the day the police were called from their beats to help maintain Panama's neutrality in the equatorial sun, the city firemen, uniformed in red shirts, gray trousers and flaring patent leather helmets, took over the policeman's beats.

February 25 witnessed more in Panama City than this dramatic shift of the police and fire forces. Regular stations were set up to take care of the volunteers who began to pour in. Young Cincinnati, who had deserted their hammocks at the first summons, came in without shoes and coats. These were equipped as soon as the Panama quartermaster's department could supply them. Most of them did not get complete uniforms, and a nondescript effect was obtained, but all had good shoes and new leather leggings.

Rifles Rusty But Useful.
Most of the guns which had been brought in by gun runners at the time of the latest revolution—an unusually long time ago, as such things run in the tropic belts—were undeniably rusty. Emery cloth was assigned to the soldiers, and they went through their first drills. The recruits were kept busy polishing. Tourists believe there is a big trade opportunity for Yankee dealers in polishing materials.

The final review of the army was held in the evening, and just before the soldiers marched away to war they were led through the streets of Panama city by the Salvation Army band—the only musical organization which could be mustered into marching order.

According to Dr. Davis, government leaders in Panama were making much on the possibility of borrowing money from the United States.

Astoria Burglars Busy.
ASTORIA, Ore., March 28.—(Special.)—The worst end of Astoria is suffering from an epidemic of burglaries. During the past two nights

several rooming houses in that section of the city have been robbed, the thieves securing money and jewelry, valued at fully \$1000.

Theaters Bar Clara Hamon Film.

WICHITA, Kan., March 28.—A resolution barring films in which Clara Smith Hamon appears from theaters controlled by the Kansas Exhibitors' association was adopted by the association today.

Union Assurance Society, Ltd.

of London, England, on the 31st day of October, 1920, made to the insurance commissioner of the state of Oregon, pursuant to law:

Income.
Net premiums received during the year.....\$1,000,267.48
Interest, dividends and rent received during the year.....89,750.19
Income from other sources during the year.....62,197.58
Total income.....\$1,152,215.25

Disbursements.
Net losses paid during the year, including adjustment expenses.....756,959.52
Commissions and salaries paid.....519,044.14
Premiums in course of collection, written since September 1, 1920.....406,258.36
Taxes, licenses and fees paid during the year.....78,821.28
All other expenditures.....278,309.37
Total expenditures.....\$1,669,392.23

Assets.
Value of stocks and bonds owned (market value).....\$1,834,700.00
Cash in banks and on hand.....634,390.66
Premiums in course of collection, written since September 1, 1920.....406,258.36
Int. and rents due and accrued.....18,976.00
Re-insurance recovered on paid losses.....39,783.68
Total admitted assets.....\$2,939,136.70

Liabilities.
Gross claims for losses unpaid.....275,582.00
Amount of unearned premium.....20,207.45
All other liabilities.....97,580.00
Total liabilities, exclusive of capital stock, approved and filed.....\$383,369.45
Business in Oregon for the Year (March 9, 1921)

Net premiums received during the year.....\$6,337.55
Losses paid during the year.....20,207.45
Losses incurred during year.....24,794.98

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rowing a troopship from the United States. Failing in this, the belief was general that the war would be of short duration because of the inability of either side to transport troops quickly to the scene of hostilities.

Target Suffers Little.
When the Ulu arrived at Port Limon artillery target practice was under way. The one artillery piece in the port was mounted on the end of a pier. The cannon was a muzzle-loader, and the artillerists were firing at a floating target, which was still without evidences of damage at the end of the first day's practice, according to the Ulu's passengers and crew.

In the opinion of the tourists, if oratory is to win the war Costa Rica will be victor by a wide margin. There were more orators on the Port Limon street corners than in Panama City, and all were telling their audiences in Spanish that every citizen of Costa Rica should join the army and march against Panama.

In the capital of Costa Rica the tourists found speechmaking on every corner and bands and orchestras playing. Dr. Davis said that in conversation with prominent Costa Rican citizens he was told that the strip of land over which war was being waged has been coveted for many years to belong to Costa Rica.

The tourists' first glimpse of naval affairs came with the sailing of two 10-foot, two-masted schooners, leaving Port Limon with the first soldiers for the scene of hostilities. There were about 50 soldiers on each of these improvised transports. There would not have been so many fighting men aboard had not some genius solved the question of neutralizing the sailors' displacement by making the sailors climb the masts and hang to the rigging. All the great minds that were brought to bear on questions of transport in the recent war failed to make room in such unique fashion.

Long Knives Are Weapons.
The transports sailed for the Sotola river, where the soldiers were to disembark and march to the state of Bocas del Toro. The Bird, a small coasting steamer put in service as a transport, sailed late at night February 27, carrying the San Jose contingent of the Costa Rican army.

The Costa Rican soldiers were equipped about like the Panamanians. They wore gray-blue uniforms and many of them carried knives three feet long in place of rifles. About a third of the soldiers were barefooted and their trousers were tattered, though there were enough uniform coats and hats to supply everybody, thus giving the effect of a well-uniformed command. The officers of the Costa Rican army were well uniformed, according to the Ulu's passengers, and the great loads of gold braid they carried would indicate that the war is going to tide the braidmakers in the United States over slack times.

The tourists said that, although they had witnessed the mobilizing of two armies, they had seen no personal danger at any time except during the outbreak at Port Limon, when missiles were hurled.

GIFT ENDS BEAUTY'S FIGHT
BANKER SAVES ACTRESS FROM COURT LITIGATION.

Valuable Necklace of Pearls, Lost Recently in Paris, in Row Between Stage Celebrities.

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PARIS, March 28.—(Special cable.)—A good angel of a well-known Parisian actress has generously ended the case of assault and battery brought against her by another equally well-known stage beauty, by presenting the aggrieved woman with a string of pearls worth \$150,000 francs (nominally \$25,000), and which is identical with the necklace lost by the complainant in the struggle with her rival in the lobby of the Hotel Claridge.

The actress who is to get the pearls is Mile. Jacqueline Campbell, her assistant is Mile. Jeanne Renard, and the good angel is M. Vitoux, a wealthy Paris banker. Several weeks ago Mile. Renard met the other actress in the hotel lobby and proceeded to try the sharpness of her nails upon the other's visage, at the same time breaking the string of the pearl necklace Mile. Campbell was wearing. The greater part of the necklace disappeared during the struggle, and Mile. Campbell instituted legal proceedings.

When the case came up for trial recently the complainant's attorneys announced their client would like to withdraw her suit, as M. Vitoux, the other actress' friend, had given Mile. Campbell the duplicate of the necklace she had lost.

M. Vitoux is talking about M. Vitoux' generosity.

BIGHAM SENTENCED TO DIE
Man Charged With Killing Mother and Four Others to Appeal Case.

FLORENCE, S. C., March 28.—Edmund Bigham was convicted of murder by a jury today for killing his mother, brother, sister and the latter's two adopted children two months ago, and was sentenced to die in the electric chair on April 8. The defense announced that they would appeal.

The victim's bodies were found on Bigham's farm. They had been shot to death. The crime was said to have been occasioned by financial troubles.

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