

SWOLLEN PROFITS GIVE AS REASON

Commission Says Southern Pacific Has Gained 1740 Per Cent Since 1896.

LOWER RATES DEMANDED

Mileage in Same Period Has Remained Virtually Same, While Betterments Have Reduced Cost of Handling Freight.

GREAT INCREASE IN NET EARNINGS OF NORTHERN PACIFIC GIVEN AS REASON FOR RATE REDUCTION.

Table with 2 columns: Item, Per cent. Rows include Passenger revenue, Freight revenue, Total operating revenue, Operating expenses, Net income, etc.

Asserting that the Southern Pacific Company, on its lines in Oregon, had increased its net earnings, on the same mileage, from \$237,925.50 in 1896, to \$1,139,419.12 in 1910, an increase of 1740 per cent, the Railway Commission of Oregon filed yesterday in the United States Circuit Court its reply to an application for a restraining order to prevent the enforcement of a demand that the Southern Pacific Company reduce its rates in the Willamette and Rogue River valleys. The order was issued September 22, 1910.

The Railway Commission filed the affidavits of Thomas K. Campbell, a member of the Commission, J. P. Newell, an engineer, Frank J. Miller, a member of the Commission, M. R. Riley, Jr., an accountant, and W. C. Karle, an engineer. The facts involved in the issuance of the order of the Railway Commission demanding a readjustment which would turn a reduction of rates charged, are gone over.

Statistics Are Given.

The order issued by the United States Circuit Court was based upon the assumption that if the rates went into effect the order would curtail the revenues of the company in such a manner as to result in virtual confiscation. It is this charge that the State Railway Commission endeavors to controvert and the facts presented are largely of a statistical nature, going into the earnings of the company, its expenses, its mileage and its construction and operating divisions.

The efforts of the Commission with reference to the profits of the Southern Pacific is to show that the state line has been exceedingly profitable. The number of miles operated in 1896 was 454.42. In 1909 it had increased nearly 10 miles, to 464.07. In 1910 the mileage was 684.80, an increase of more than 18 miles. In other words, it is asserted that the Southern Pacific line in the state had increased only 28 miles. In the income account of the road, it is asserted, the passenger receipts increased since 1896 from \$44,884 to \$4,462,282 in 1910, an increase of 142 per cent. In freight revenues it was \$716,416 in 1896, and \$4,969,381.34 in 1910. The operating expenses were \$1,564,322 in 1910 and \$1,569,945 in 1896 and \$4,576,826 in 1910.

Rates Not Related.

The second point involved in the suit is that of "unjust discrimination in the charges made in the various classes" as compared with the rates which should exist between the classes in the rate sheet. This feature of the Railway Commission's answer emphasizes the statement that there has been a marked tendency on the part of the railways of the country to eliminate the commodity and special commodity rates, which are lower than the class rates and to throw the article already affected into class rates. There also has been a tendency to increase the class rates. In 1896 it was 20,000 pounds, and in 1910 it is 20,000 to 24,000 pounds and even higher on some commodities. Coupled with these have been the improvements in the roadbed and in equipment, all of which have tended to reduce the cost of operation.

It is pointed out that the form of classification used in the Western form which is used uniformly west of Chicago and provides for four classes in less than carload lots, first, second, third and fourth, and six others designated as carload classes, fifth, A, B, C, D and E. These are so arranged that the rates charged become lower as the classes are increased.

In the state of Washington these rates have the following correlation in percentages: Second class—33 per cent of first class. Third class—70 per cent of first. Fourth class—60 per cent of first. Fifth class—50 per cent of first. A class—80 per cent of first. B class—60 per cent of first. C class—50 per cent of first. D class—35 per cent of first. E class—20 per cent of first. Discrimination Is Charged.

between the classifications are not in accordance with the rules adopted, and where an apparent discrimination is manifest, inasmuch as this relation of rates was accepted by the O. R. & N. in its schedules. The general effect of the order of the commission, it is asserted, was merely to readjust the existing tariff of the Southern Pacific Company from Portland to other Oregon stations so as to conform to the general percentage relations between classes which is carried by all of the principal railroads of the Pacific Northwest. "The maintenance of widely differing relations," says the affidavit, "between the various classes at points unaffected by competition and comparatively close has resulted in an unjust discrimination both against the localities injuriously affected and also against the consumers at such points. Although numerous witnesses were called before the commission on behalf of said Southern Pacific Company none undertook to state or could state the principle which determines the relationship between the various classes or to explain the reasons which led to their being so widely divergent at different stations." Reproduction Cost Figured.

MAN WHO ACCUSES THREE MEN AND WOMAN OF KIDNAPING HIM, AND DETECTIVE WHO ARRESTED TWO.



Joe Demarco.

and that \$232,369 was charged to the expense account, which was strictly chargeable to additions and betterments. It is asserted that it is the practice of the company to charge all new structures upon its lines directly to operating expenses, which, in the judgment of Mr. Willey, is entirely wrong.

BERT JONES TO BE DEPUTY

Auditor-elect Martin Names Assistant—Clerks Remember Him.

When Samuel B. Martin assumes the duties of County Auditor January 2, his chief deputy will be Bert C. Jones, now a deputy in the Tax Department. Hazel Page, present chief deputy under the Auditor, will hold the office for 30 days after Mr. Martin takes charge to acquaint the new official and clerks with his system of filing. At present Mr. Martin is chief deputy in the Tax Department under Sheriff Stevens. It is not yet officially announced who will succeed Mr. Martin in this position.

Hubbard "Too Slow," Wife Says.

Complaining that his wife's desertion has made him unfit to work, has robbed him of many hours of sleep and that his life is burdensome where once it was a joy. Will D. McCurry has sued Jessie McCurry for divorce. They were married June 3, 1908, at Pueblo, Colo. McCurry alleges that his wife often cursed and abused him, a frequent remark of hers being that he was "too slow for her." Despite this cruelty, he declares, he took her back after she had fled to Seattle and had remained away for several weeks. On November 9, 1910, he complains, she left him again to go to Salt Lake, Utah.

STRANGE TALE OF KIDNAPING IS TOLD

Joe Demarco Tells of Being Whisked Away in Auto, Then Robbed.

NIGHT SPENT IN REVELRY

Two Men Arrested; Third Sought. Accused Deny Guilt and Say Companion Threw Money Away "Like Drunken Sailor."

Kidnaped by three men and a woman, whisked in an automobile to a dismal spot, robbed at the point of daggers, kept from his family from midnight un-



Detective Maher.

til 6 o'clock in the morning and then turned adrift penniless, is the story behind the complaint of Joe Demarco, who accuses three of his countrymen of "larceny from the person." John Dolaceno and Frank Dineri, both well dressed, were seized yesterday by County Detective Maher as two of the trio accused of the crime. First put under \$10,000 bonds each, District Attorney Cameron later reduced the bail to \$5000 and the prisoners were released. Both were identified by their alleged victim. The third man, the chauffeur, is not yet in custody and the woman, said to be implicated, is not known by the complainant.

Request Strangely Heeded.

At the corner, he says, three men and a woman were seated in an automobile and at his question asking to be directed to Fifteenth street, the chauffeur bade him enter the machine to be taken to his destination. Then, he says, the automobile was sped through dark streets, over bridges and over highways unfamiliar to him until a saloon was reached. Here they alighted, took several drinks and resumed their trip in the automobile, the woman remaining behind.

BROWN AND WHITE UNITED

Reno Jap Finds Preacher Not Opposed to Mixed Marriages.

RENO, Nev., Dec. 24.—H. H. Teckawa, a San Francisco Japanese, and Miss L. A. Frederick, formerly of Seattle, were married last evening at 5:20, in this city by Rev. W. S. Kelley of the First Methodist Church. The marriage was witnessed by members of the pastor's family. Rev. Brewster Adams, of the Baptist Church, who was visiting Rev. Mr. Kelley at the time, refused to be a witness to the ceremony. Teckawa and his bride left for the Coast.

Drinks Taken En Route.

Several other drinks were taken and the journey by auto was again resumed. Upon reaching a dark spot, says Demarco, the machine was stopped, two of the men turned upon him with long knives and demanded his money. Offering resistance he was seized, he said, and robbed of \$64.50 he carried in his pocket.

The Meier & Frank Store Wishes You a Merry, Joyous Christmas. TO THE thousands of loyal friends and patrons of this great store, to the twenty-two hundred and fifty earnest workers who helped us bring to a successful close the largest holiday business in our history, we bear wishes for a Merry, Joyous Christmas and compliments of the season. The Store Will Remain Closed All Day Monday. For the five days, commencing Tuesday, we have planned a series of bargain events which will command the attention of everyone and which no one should miss. Read bulletins. See the Monday Morning, Monday Evening and Tuesday Morning Papers for Extraordinary Sale News From Every Part of Store. The Meier & Frank Store

OTHER HALF HAPPY

Deserving Poor Remembered by Santa Claus.

HOMELESS ARE CHEERED

Salvation Army, Volunteers of America and Other Organizations Aid In Work—Individuals Also Do Their Share.

One-half of Portland's little world knew how the other half fared last night. It was Christmas Eve, and every little boy and girl, rich, poor or orphan, must have been remembered, even in some slight degree, by faithful Old Santa. The hundreds of people who devoted the week to the work of charity felt satisfied that every deserving family was provided with bountiful supplies of clothing and food and that the contributions made for the benefit of the inmates of the various homes and charitable institutions were ample for distribution.

LOOKS OUT FOR SANTA CLAUS' SAFETY.

Here is a letter sent to Santa Claus by a tiny Portland girl, who took the precaution of putting out the fire so that Santa wouldn't get burned: Dear Santa Claus: I want an iron to iron my doll clothes. And if you have any doll pianos left please send me one, and a little doll with brown oiled hair and plenty of stuff to eat, and anything else you choose. Look on the top and you will see a little sign which I will provide before I go to sleep. The fire will be put out so you won't get burnt. A merry Xmas.

Tribute Paid to T. J. Maupin.

"The late T. J. Maupin was the most faithful man I had known in many years," said Frank T. Dodge, superintendent of the water department, yesterday. "His position was one of great responsibility. The people of Portland depended upon him for their water supply, and when he was looking after the pipeline I knew absolutely that it was safe. When he resigned three years ago we hardly knew where to find a man to fill his place, and finally appointed his son, who was well acquainted with his father's methods."

Philomath Has More Measles Cases.

PHILOMATH, Or., Dec. 24.—(Special.)—There are many new cases of measles here, a total of over 100 to date. A physician was called today to wait upon Mr. O. C. Eakin, who seems to be having a serious attack of la grippe, with other complications.

SANTARIUM MEN FREED

CHARGES AGAINST MANAGERS CRYSTAL SPRINGS QUASHED.

Judge Cleland Holds Civil Suit Should Have Been Brought Instead of Cruelty Case.

Holding that indictment against Dr. R. L. Gillespie, Alfred Bye and J. C. Arnold should have called for a civil case for damages instead of being drafted under the common-nuisance act, Presiding Circuit Judge Cleland yesterday quashed the charge accusing the three men of extreme cruelty in their management of the Crystal Springs Sanitarium. Specifically they were accused of cruelty toward Laurel A. Skemler, by not giving proper food and by assaulting, beating and bruising the patient. Judge Cleland wiped the case from the docket by sustaining a demurrer submitted by the counsel for Dr. Gillespie and co-defendants. Seventeen witnesses were called by the state in its investigation of the charge against the three men.

Woolen Mill Employees Entertained.

Three hundred employes of the Portland Woolen Mills Company at St. Johns were given a Christmas entertainment yesterday afternoon. Special music was furnished by the York Military Band, Miss Parinne and the Oregon Male Quartet. The employes presented gifts to Rudolph Korner, superintendent; Fred R. Newell, manager; Frank Test, assistant superintendent; and Chief Engineer Croch. A short address was given by Rev. John W. McDougal, of the Mount Taber Methodist Episcopal Church. The company presented each of the male employes with a necktie and the female employes with a handkerchief.



CHRISTMAS BASKETS WHICH WERE SENT OUT TO WORTHY FAMILIES BY THE VOLUNTEERS OF AMERICA.

CHIROPRACTIC. The results afforded by Chiropractic adjustments have been so spontaneous and phenomenal that hundreds of people have been cured of diseases pronounced hopelessly chronic by the medical profession. It has made the blind to see, the lame to walk, the deaf to hear and the dumb to speak. I have named on file in my office at 704 Dekum Bldg. patients who have been cured of Bright's Disease, Appendicitis, Rheumatism, Insanity, all kinds of fevers and other affections too numerous to mention. Dr. A. P. De Keyser 704 Dekum Bldg., Third and Wash. Sts.