

# WATER RAILWAY NOW

Jury Investigating Mammoth Bribe in Bay City.

Months of Delay Arrangements Are Completed for Trial of Boss Reef.

San Francisco, April 2.—A new link has been added to the chain of evidence which connects the United Railroads with the local bribery deals. It is the important link and comes from a grand jury indictment returned within the company. The grand jury will soon return indictments in connection with this mammoth bribe, which the sum of \$450,000 was paid among Mayor Schmitz, Abe and the supervisors.

While no definite statement has been made as to the men slated for indictment, this much is certain—the grand jury will direct its fire to three branches of the corporation. These branches are the control, represented by Patrick Calhoun, the president of the company; the active management, represented by Thornwell Mullally, and the legal department, at the head of which is T. L. Ford. The next step will determine where the blame will be placed. It may be distributed among all three branches.

The grand jury today set up George Perkins and more recently on the political staff of the Southern Pacific for the special mark. It was brought up that Hutton had been attorney for the Home Telephone company before it brought its way into San Francisco. It is also alleged that Congressman Julius Kahn was also attorney for the company during the early stages of its fight against the San Francisco office.

When the trial of Abe Reef on a charge of extortion is called today in Judge Danne's court, prosecution and defense will alike answer "ready." The trial of the many post-ponements and adjournments which have caused the preliminaries to drag out over several months, are at an end.

## DISSOLVE UNION OF ROADS.

Final Stage is Reached in Matter of Harriman Lines.

Chicago, April 2.—A dispatch to the Tribune from Washington says: The final stage in the investigation of the Harriman situation will begin on Monday next, when the Interstate Commerce commission will hear its own counsel and that of involved railroads. Explanation of points brought out in the testimony taken.

Following arguments the commission will refer all testimony to the attorney general, with a view to the institution of legal proceedings for a dissolution of the combination existing among the Union Pacific, Oregon Short Line, Northern Pacific and allied lines which have been found to be competing, and will prepare a report for the information of the president wherein will be set forth steps which the investigation will improve the transportation facilities generally and legislation necessary to insure more satisfactory Federal regulation.

## Hermann Has Inning.

Washington, April 2.—Numerous witnesses for the defense were placed on the stand today to impeach the testimony brought out by the prosecution during the past seven weeks of the Hermann trial. Their statements, while contradicting considerable testimony offered by government witnesses, had no direct bearing on the principal points at issue, though their denials had the effect of weakening the prosecution.

Henry Medrum, during his examination, testified that he called to see Hermann at the request of H. P. Gattney, son-in-law and associate counsel of the defendant.

## Hill Has Plan.

Minneapolis, April 2.—President J. H. Hill, of the Great Northern railroad, is here arranging a compromise rate measure, which will be submitted to the legislature tomorrow, according to an announcement made by a railroad official today. Mr. Hill, it is said, has been conferring with heads of other roads, trying to make a mutually satisfactory arrangement. It is learned on good authority that the measure will be submitted to the legislative committee in an effort to substitute it for legislation now pending.

## Chance to Earn Monument.

Ottawa, Ont., April 2.—James Bryce, British ambassador to the United States, was the guest of honor at the Canadian club banquet tonight. Sir Wilfrid Laurier said that Mr. Bryce was the first British ambassador at Washington to visit Canada. "If Mr. Bryce," continued the premier, "is able to turn a new leaf in regard to Canada's relations with the United States, I will propose for him a monument on Parliament hill."

## CHILE WAS AIMING HIGH.

South American Republic Wanted Ambassador at Washington.

Washington, April 2.—Chile's failure to send a minister to Washington to replace Mr. Walker Martinez, who did not return here after the Pan-American conference at Rio Janeiro last summer, has caused much comment. The neglect of the Chilean congress to appropriate sufficient money to maintain the legation has been given as a reason for leaving the American mission in charge of Alberto Yocham, secretary of the legation.

But it has just become known that the real cause was hidden deep in Latin-American politics. Chile decided it would be a good idea to have an ambassador in Washington, and steps were taken to discover what the United States thought of the proposed elevation of the Chilean representative to Washington.

The suggestion that the Chilean envoy might be raised to the ambassadorial rank sent all Latin America on edge and a general movement was instituted by the Southern republics to head off such a movement. Argentina being unfriendly to Chile was especially opposed to the plan, as Brazil and Chile are always rated as allies and Argentina did not want her two strongest rivals to outstrip her in American representation.

It has not been the policy of the State department to send ambassadors to any country which can not be ranked as a world power, and when the hostility of the rest of South America to such a change became known the United States decided that the question had better not be agitated further at this time.

## ONLY SPECIAL RATES GO UP.

President of Western Union Explains Recent Advance in Toll.

New York, April 2.—Concerning the recently announced advance in the rates charged by the company, Colonel R. C. Clowry, president of the Western Union Telegraph company, tonight said:

"There has been no large increase in rates by the telegraph companies. A number of special and unprofitable rates have been increased to the standard of schedule rates. These special rates were discriminative against a large number of places and were originally established by competing companies, which by reason thereof went into bankruptcy.

"Most of the rates increased were 25 cents for 10 words rates. It costs at least 30 cents each to handle such messages for short distances at the present time. The increases in the cost of telegraph material have been from 25 to 100 per cent within the last few years.

"In addition to the recent increases of 10 per cent in the salaries of all managers and operators, there has been for years past a large and steady increase in wages of all classes of individual employes from month to month.

"There is no increase in the extra word rate, consequently the newspaper rates remain the same."

## ALMOST GOT PRESIDENCY.

Grow, Former Pennsylvania Congressman Dies of Old Age.

Binghamton, N. Y., April 2.—Ex-Congressman Galusha A. Grow died at his home in Glenwood, Pa., Saturday as a result of a general breakdown, attributed to old age. Mr. Grow was elected to congress from the Wilmet district of Pennsylvania as the youngest member of that body in 1851, and after retirement from public life for nearly 40 years he re-entered the house of representatives as congressman at large from Pennsylvania.

When he retired four years ago his public service in the house extended over the longest period, although not continuous service, of any man who ever sat in that body. During the anti-bellum days he was one of the best known men in the United States, and in 1864 he came within one vote of being nominated for vice president in place of Andrew Johnson.

## Disorders Have Ceased.

Bucharest, April 2.—It is semi-officially stated that in many districts the peasants are repairing the damage done to property and restoring stolen goods to their owners. Disturbances are reported from Putna in Moldavia, and many cases of plunder, incendiary and armed conflict in Walachia. A number of peasants have been killed or wounded by troops at Langa and Patulele. At Galicea, in the center of the disturbed area, all the ringleaders have been captured. The communes of Hurezani and Pengeni are in revolt.

## If Less Pay, Will Strike.

Wheeling, W. Va., April 2.—Telegraph operators in West Virginia threaten to strike if their wages are reduced when the new eight-hour law, enacted by the recent legislature, goes into effect. The railroad companies have given notice that there will be a proportionate reduction in wages as soon as the act takes effect, May 9. At a meeting today operators representing every division in West Virginia adopted resolutions to accept no reduction.

## Suppress News in Russia.

St. Petersburg, April 2.—Premier Stolypin has sent a circular to the governors of provinces ordering them to prohibit the printing of news of the agrarian disorders in Roumania, in the fear that they might spread to Russia.

# NEWS FROM THE NATIONAL CAPITAL

## BROWN STOPS HOSTILITIES.

American Diplomat Prevents Bombardment of Amapala.

Washington, April 5.—Mr. Cores, the Nicaraguan minister, called at the State department today and inquired what authority Phillip Brown, secretary of the American legation to Guatemala and Honduras, had for his interference with the bombardment of Amapala, Honduras, by the Nicaraguan forces.

Mr. Cores' advice from his home government show that Mr. Brown went to Amapala, persuaded the Nicaraguans to cease firing for 24 hours and then went to Ia Union, Salvador, whence he issued a protest, saying that Salvador would regard re-escalation of the bombardment as a declaration of war against Salvador. State department officials refuse to disclose what Mr. Brown's instructions have been.

President Bonilla is still surrounded at Amapala, so far as the State department knows, but the bombardment of the town by Nicaraguan gunboats has ceased.

## ADVISE ON RAILROAD LAWS.

Stickney, Speyer and Whitridge, Offer President Suggestions.

Washington, April 5.—The president has received communications from A. B. Stickney, of the Chicago Great Western; James Speyer, of the banking firm of Speyer & Co., of New York, and Frederick Whitridge, a New York lawyer, all of them bearing on the railroad situation. Mr. Stickney made a number of suggestions which he thought might be of value to the president in any legislation he might desire to recommend to congress.

The president today replied to Mr. Stickney's letter and requested that he elaborate to some extent the points he had already brought out. Mr. Whitridge has been invited to come here to confer with the president and is expected here within the next few days.

## Step Hitchcock Methods.

Washington, April 2.—Secretary Garfield is slowly but systematically eliminating Hitchcock method from the administration of the Interior department. The most important reform now in contemplation is the elimination of the practice of besmirching the characters of honest men. Hereafter inspecting officials will be held strictly accountable for their reports and whenever they attack the character or record of any man, they must make good or get out of the service. There has been altogether too much recklessness in late years, and it has got to stop. Garfield is as anxious as Hitchcock to punish grafters and land thieves but he will not tolerate recklessness.

## Postal Agreement With Canada.

Washington, April 3.—At a conference between Postmaster General Lemieux, of Canada, and Postmaster General Meyer, of the United States, in this city today, an agreement was reached to amend the postal convention existing between the two countries insofar as it affects the transmission of newspapers and periodicals known as second class matter between the two countries. Canada accepts the tentative proposal of this country that second class matter mailed in one country and addressed to the other might be subject to a rate of 1 cent for each four ounces or fraction thereof on each bulk package, prepaid by stamps affixed.

## Prosecute Poison Sellers.

Washington, April 4.—The department of Agriculture is making preparations to begin prosecutions under the pure food law and Dr. Wiley has given instructions to his inspectors to secure as soon as possible the samples on which the accusations will be based. The offending establishments have generally been located, and nothing remains except to obtain specimens of the articles. When these are procured charges will be formulated and supplied to the United States district attorneys in whose districts the offenders may reside.

## Circulation on Increase.

Washington, April 3.—The monthly circulation statement shows that at the close of business March 30, 1907, the total circulation of National bank notes was \$597,212,063, and an increase for the month of \$869,041. The circulation based on United States bonds amounted to \$547,633,063, an increase for the year of \$35,411,512 and a decrease for the month of \$2,104,60. The circulation secured by lawful money aggregated \$49,579,000.

## Believes Negroes Guiltless.

Washington, April 4.—Captain P. Lyon, of Company D, Twenty-fifth Infantry, was the only witness examined today in the Brownsville investigation before the senate committee. His personal view that negro soldiers did not do the shooting attracted much attention, as he said at first he was convinced of their guilt, but his opinion was changed by the report of experts who examined the shells picked up in the streets of Brownsville.

## General Humphrey Reappointed.

Washington, April 4.—The president has reappointed Brigadier General Charles F. Humphrey as quartermaster general to succeed himself on the expiration of his present term.

## New Lighthouses Engineer.

Washington, April 6.—M. J. Burke, of Oregon, was today appointed assistant engineer in the U. S. lighthouse service.

## PLAN TO EXACT TRIBUTE.

Forestry Service Would Tax Pipelines of Right of Way.

Washington, April 2.—The Forestry service has submitted to the attorney general the question of the legality of the practice of so charging commercial companies for the right of conducting water through the reserves for the development of power and other purposes as to cause them to contribute to the expense of maintaining the reserves. The service has heretofore exacted payment for pipelines taking water from the streams in the reserves, but the right to do so has been questioned, and it is now the purpose to secure the attorney general's view of the point. The Forestry administration takes the position that the companies should pay something for the service they receive through the conservation of the waters of the streams on which they rely, and they find their only opportunity in the charge of the right of way.

Practically all the water used by them is conveyed through pipelines for the production of electricity and the demand is constantly increasing.

## Express Company as Merchants.

Washington, April 3.—At the recent session of congress the senate adopted a resolution directing the Interstate Commerce commission to inquire into statements that the American, Adams, United States, Pacific and Wells Fargo Express companies, or either of them, are engaged through any agents in the business of buying, selling or handling on consignment fruits, vegetables andysters entering into interstate commerce and to report the results of its investigation to the senate. Today the commission issued an order requiring the express companies named to file with the commission statements showing in detail to what extent, if any, they are engaged in the business indicated.

## Accepts a New Post.

Washington, April 4.—George F. Pollock, the ex-assistant commissioner of the general land office, has accepted a position in the forest service. It is no secret among the members of the forest service that Mr. Pinchot has wished for some time to secure for his own bureau the advantage of Mr. Pollock's intimate familiarity with public land questions. A new position has now been created which will put him in charge of all matters relating to public lands in forest reserves, claims, privileges, eliminations, etc.

## To Remodel Fair Grounds.

Salem—Twenty prisoners from the state penitentiary have been detailed under Guards Elmer White and Frank Benson to commence work on the fair grounds. All the old buildings that are worthless will be torn down and replaced by modern structures. Such lumber as can be utilized will be saved, but a general plan of reconstruction will be carried out, and it is the purpose of the board to get the buildings and grounds in the best condition they have ever been.

## Swift Loses Promotion.

Washington, April 4.—Captain William Swift, who was in command of the battleship Connecticut when it grounded near Culebra on January 13, was found guilty of inattention and neglect of duty by the courtmartial which tried him at Norfolk. The Navy department reviewed the sentence, and today it was announced that Captain Swift will be suspended from duty for nine months and will lose three numbers.

## Invitation Reaches Rosen.

Washington, April 5.—Baron Rosen, the Russian ambassador, called upon Secretary Root at the State department today and informed him he had received from St. Petersburg the invitation to the United States, to attend the second Hague conference. The invitation was in French and it was necessary to make a translation before it could be handed to Mr. Root officially.

## Consulship Given Manning.

Washington, April 6.—Isaac A. Manning, of Portland, was today appointed consul to Cartagena, Colombia. Mr. Manning recently took the consular examination for which he was designated by the president at the request of Senator Fulton in John Barrett. Since his examination he has been strongly endorsed by Senator Bourne for early appointment.

## Dayton Communes Asiatic Fleet.

Washington, April 3.—Rear Admiral James A. Dayton, heretofore in command of the Philippine squadron, today assumed command of the Asiatic fleet as the relief of Rear Admiral Brownson, who has been ordered to this city to relieve Rear Admiral Converse, retired, as chief of the bureau of navigation.

## Contract for Life-Saving Tug.

Washington, April 6.—The contract for constructing Neah Bay (Washington) lifesaving tug will be awarded to Pusey & Jones, of Wilmington, Del., their bid being \$189,057. No Pacific coast firms submitted bids.

## New Washington Postmasters.

## MUST IMPROVE WATERWAYS

Only Practicable Way To Solve Freight Problem, Says Hill.

New York, April 1.—James J. Hill, president of the Great Northern, taking as a text the recent action of President Roosevelt in appointing a waterway commission, said today that through the waterways of the country, properly improved, must come the much desired improvement in the freight-handling conditions. The country, he said, must look to its waterways for immediate relief of the freight pressure.

"If the government would improve its waterways and extract from them one-fifth of their latent possibilities," said Mr. Hill, "the freight-handling problem soon would be nearer solution than the railroads themselves can ever hope to bring it."

"There has been in the past a feeling among some railroad men that waterways development would be inimical to railroad interests. I do not think it would, and if this idea has not already wholly disappeared it is in a fair way of doing so soon. We realized that we have created in the prosperity of the country a condition that calls loudly for relief, and any means to that end would be welcome."

"Take, for instance, a 15-foot channel in the Mississippi from St. Louis to New Orleans. There is no more important work for the general government than this improvement. It might cost \$100,000,000, but when it was finished a single powerful tow boat could pull from 30 to 40 trainloads. Heavy freights, requiring only moderate speed in transportation, would go to the seaboard by way of the Gulf, and there would no longer be freight congestion between the East and West."

## ADVANCE RATES ON GRAIN

Railroads Take Revenge For Two-Cent Fare Laws.

Washington, April 1.—In accordance with their intention expressed some time ago, the railroads constituting the Western trunk lines, the Central Traffic association and the Eastern trunk lines have filed with the Interstate Commerce commission tariffs increasing their rates on eastbound grain and grain products, to become effective about April 1.

## Chooses New President.

Honduran Rebels Will Make General Guterrez Their Chief.

Washington, April 1.—General Dioniso Guterrez, one of the most prominent leaders of the revolution in Honduras against President Bonilla, probably will be president of the provisional government established by the Honduran revolutionists with the aid of President Zelaya, of Nicaragua. A dispatch received today from Commander Wiltenthaler, of the American gunboat Paducah, now at Port Limon, Coeta Rica, states that it is reported there that General Guterrez is the favorite candidate for the head of the new government in Honduras.

It is also reported in Port Limon, according to Commander Wiltenthaler's dispatch, that President Bonilla is completely surrounded. The dispatch does not state exactly where Senor Bonilla is, but it is believed that he is somewhere near Amapala on the south coast of Honduras.

Dispatches received by the State department from several different points in Central America announce the bombardment of Amapala.

## Girl's Beauty Worth \$1,200.

Paris, April 1.—Twelve hundred dollars is the value placed upon beauty by the Swiss Federal tribunal. It had been spoilt by a dog's bite, and the girl claimed damages from the owner of the dog. The local court at Davos awarded her \$800. The dog's owner, a butcher, appealed and, when the case came before the higher court, the judges confirmed the award and raised the damages to \$1,200, because the girl, who was 17 and had been very pretty, had suffered the "diminution of her beauty" because of the bite.

## Lottery Scheme Exposed.

Jackson, Miss., April 1.—Sensational disclosures regarding a lottery scheme upon the Coast were placed before the Federal authorities today. Judge Niles has called a special term of the Federal court to meet April 22 to indict the persons involved, some of whom are alleged to be among the most prominent citizens of that section. The authorities decline to reveal the details, but it is learned that a regular drawing of prizes has taken place aboard gulf vessels.

## Oliver, the New Governor.

London, April 1.—King Edward has approved the appointment of Sydney Oliver to be governor of Jamaica in succession to Sir Alexander Swettenham, who recently resigned the office, giving as the reason advanced years.

# NEWS OF THE WEEK

In a Condensed Form for Our Busy Readers.

## HAPPENINGS OF TWO CONTINENTS

### A Resume of the Less Important but Not Less Interesting Events of the Past Week.

Carnegie has given an endowment of \$6,000,000 to Carnegie institute.

All railway employees east of the Mississippi will demand more wages.

Cubans are eager for a decision as to when the end of intervention will come.

President Joseph Smith says the Mormon church has abandoned polygamy.

President Bonilla, of Honduras, is gathering forces to continue the Central American war.

The amount of coffee being imported into the United States is decreasing, but the importation of cocoa is increasing.

Roosevelt is counting on compelling congress at its next session to pass a reform land law by enforcing present statutes.

Eight more indictments are coming for San Francisco telephone men. Heney has sent a warning to Detweiler that he had better give up.

England is becoming aware of the fact that 75 per cent of the canned goods used in that country come from the United States unlabeled and that English labels are put on by the importers.

A part of the outer wall of the vatican has collapsed.

A denunciation of the czar may cause dissolution of the douma.

Roosevelt says corporations have conspired to defeat his policy in 1908.

Thaw has been declared sane, but Jerome will appeal for a right to see the evidence.

John A. Lewis has reached Chicago from Mexico and will at once start the fight to secure control of Zion City.

Governor Swettenham, of Jamaica, resigned because he was ordered to apologize by his home government.

The army quartermaster's department at Manila is under fire because the payroll has been found to be padded.

Heney has found that the telephone companies contributed to both sides in the campaign of Schmitz for mayor of San Francisco.

Harriman's lawyers are defending before the Interstate Commerce committee the right of railroads to water stock. They also claim rival roads have a right to combine.

Oklahoma elections gave Republicans control.

Six men were overcome by gas in a mine at Lead, S. D.

The Hermann defense has attacked Hitchcock's methods of conducting the land office.

Doctors in the Thaw case have disagreed, some saying him sane and others insane.

J. J. Hill has formally retired as president of the Great Northern and his son Louis has assumed control.

As a result of the city election in St. Louis the Democrats are in complete control of every branch of the city government.

All cities and towns of Colorado except Denver have just held municipal elections. The liquor question was the chief one and in a large number of places the temperance people carried the day.

A letter from Harriman to a friend published in Eastern papers, says Roosevelt asked him to raise \$200,000 for the 1904 campaign fund, which he did. The president says the statement is false.

On the liner Siberia, due in San Francisco May 3, are coming a number of Chinese military officers being sent by their government to the Jamestown exposition to study the warships of all nations.

Nicaraguans have captured another Honduran port.

Reef has appealed to the Supreme court for release on bail.

A new movement has been started in the South to end the race problem.

The government is to prosecute Hill for violation of the 28-hour law for stock.

Railroad employes are willing to yield on the question of wages but are firm for nine hours.

A storm at Havana drove waves into the city, causing much damage. Many lives were endangered.

The Nebraska legislature is working on a law to make railway mileage books good in the hands of bearer.

Roosevelt declares he is not in favor of government ownership of railroads if it can be avoided, but he does want congress to pass a law that will allow him to squeeze the water out of stock.

Oakland and San Francisco laundry workers have struck for an increase of wages and only three laundries are running.