



SAN FRANCISCO MILLIONAIRES INDICTED FOR BRIBERY

RICH BOODLERS CAUGHT IN NET

What San Francisco Grafters Got

For the United Railroads trolley franchise, \$450,000. To Schmitz, \$175,000; to Ruef, \$175,000; to Gallagher, \$15,000; to Coleman, \$10,000; to Boxton, \$10,000; to the supervisors, each, \$4,000.

For the Home telephone franchise, to the supervisors, each, \$6,000.

From the gas company, to the supervisors, each, \$750.

From the fight trust, \$20,000. To the supervisors, each, \$500.

After being sworn in the grand jury room last night Supervisor Thomas F. Lonergan broke down completely and gave the following testimony regarding his connection with the graft cases:

"I received \$500 for my vote granting fight permits to the fight trust. This money was paid to me by Supervisor James L. Gallagher.

"I received \$750 for my vote in fixing gas rates more than a year ago. This money was paid to me by Supervisor James L. Gallagher.

"I received \$5,000 for my vote when the deal with the Pacific States Telephone & Telegraph company was made. This money was paid to me by T. V. Halsey of that concern.

"I received \$3,000 for my vote on the Home Telephone company's franchise. This money was paid to me by Supervisor James L. Gallagher.

"I received \$4,000 for my vote in the overhead trolley deal of the United Railroads. This money was paid to me by Supervisor James L. Gallagher."

CONFESSIONS INVOLVE CAPAINS OF INDUSTRY WHO BOUGHT OFFICIALS

Great Batch of Indictments Filed This Afternoon Following Sensational Confessions of at Least Fifteen Supervisors Before Grand Jury—Ruef and Schmitz Again Accused—Various Officials Pacific States and Home Telephone Companies, as Well as United Railroads Chiefs Included.

(Journal Special Service.) San Francisco, March 19.—The grand jury decided this morning to hold a session this morning, the foreman ordering a postponement until 2 o'clock, when a great batch of indictments will be filed. The fact that the indictments will be returned this afternoon was officially announced. The indictments against Ruef will charge him with agreeing to accept a bribe.

An absolute confirmation of the reports sent out this morning was secured during the forenoon. It is asserted positively that 15 supervisors have confessed and that among the indictments to be returned this afternoon will be several against various officials of the Home Telephone company. While Langdon would not affirm or deny the statements that the supervisors had confessed, he admitted that there was an undercurrent of truth in the reports.

Another who it is said will fall under the ban of the grand jury is T. V. Halsey of the Pacific States company, from whom Supervisor Lonergan is alleged to have confessed that he received \$5,000 for his vote.

Ruef Passed Sleepless Night. Ruef spent a night of horrors in sumptuous quarters at the St. Francis. Cut off from his friends he paced the small room in an agony of doubt and terror. For the first time since his indictment and arrest he realized the seriousness of his predicament.

Time and again he threw himself on the bed in an effort to sleep, but after a few moments' repose would jump from the bed again and begin his ceaseless tramp. Ellisor Biggy remained in the room with him all night, fearing the prisoner might attempt to do himself bodily harm.

It was stated that Halsey will be indicted on at least 12 counts. Rumors came thick and fast as the day grew older and indictments against practically every person mentioned as having been concerned in yesterday's proceedings were either prophesied or announced as being absolutely certain.

Stenographer Implicated. One indictment, it is said, will be against Nellie Smith, confidential stenographer for Gerstel, Thomas & Frick, attorneys for the Home Telephone company. The grand jury was not satisfied with the evidence she gave yesterday. Burns and his assistants claim to have positive evidence that she is the person who took stenographic notes and confidential communications between the attorneys and officials of the Home company and the supervisors. It is also claimed that she, Knicker who took the bribe money, how much it was and where and by whom passed.

It is understood at the district attorney's office that Gerstel, Thomas & Frick will be indicted on a bill which will also be returned against a high official of the United Railroads. It was significantly stated by a member of the company that the high officials of the Pacific States Telephone company and United Railroads, who were called before the jury to give testimony are the ones in the greatest danger.

One of the many reports in circulation this morning is to the effect that the names of Schmitz, Patrick and Calhoun, president of the United Railroads company, were thrown into the indictment hopper and that an indictment against Schmitz will be immediately presented to the superior court for a hearing in court proceedings.

It is said that all of the supervisors have agreed to resign.

NEARLY MILLION SPENT IN BUYING CITY FRANCHISES

Details of Exposures Made by Boodlers Show That Ruef and Schmitz Got Lion's Share of Pelf—Astounding Story of Municipal Corruption.

(Journal Special Service.) San Francisco, March 19.—A story of graft on a scale that is almost beyond belief is revealed by the confessions of guilty supervisors as the result of months of persistent work by Francis J. Heney and his wonderful assistant William J. Burns. It is shown that over \$1,000,000 has been paid in bribes to Mayor Schmitz and Ruef and hungry supervisors in a little over a year.

Men who were poor mechanics and tradesmen have grown wealthy by fraud. Greedy capitalists, while the great city was a mass of smoking ruins and a quarter of a million of its people homeless, bought from conscientious supervisors privileges worth untold sums. But justice is yet to be done and the ring leaders in the gigantic frauds will wear stripes for their crimes.

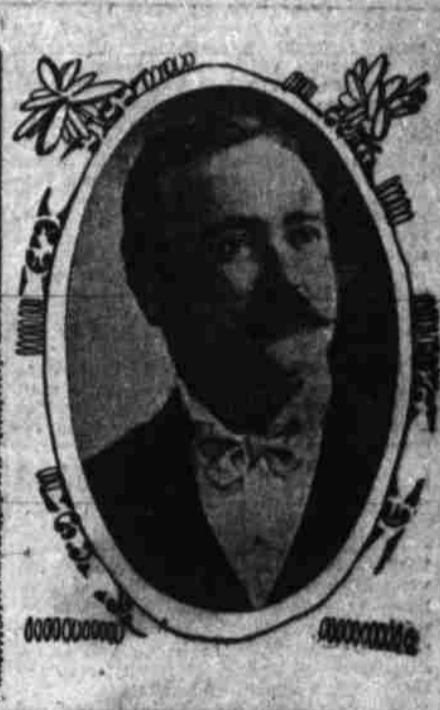
The grand jury, which began a special session yesterday morning at the request of Heney, who had secured a delay of Ruef's trial for the purpose, did not meet until 1 o'clock this morning, and at that hour session 15 supervisors who had already signed affidavits of



From Left to Right—Adolph B. Spreckles, Who Furnished Funds for the Inquiry; Detective W. J. Burns, Who Secured the Evidence; Mayor Schmitz, and James Gallagher, President of the Board of Supervisors, Who Acted as Disbursing Agent for Ruef.



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SCHMITZ PLEADS NOT GUILTY WITH SORROWFUL MIEN

Indicted Mayor With Bowed Head Says He Is Not Guilty of Extortion Charge—Detective Burns Discovers but One Honest Official.

(Journal Special Service.) San Francisco, March 19.—Mayor Schmitz was plainly agitated when he appeared in Judge Dunne's court this morning to plead to one of the extortion indictments. He was pale and nervous, and wore an expression of apprehension. He refused to make a statement, saying that when he had a statement to make he would do it in court through his attorneys.

Schmitz entered a plea of not guilty. When he was asked to plead the mayor arose, and, with downcast eyes and arms hanging loosely at his side, he answered in low, distinct voice: "Not guilty."

After pleading he asked permission to add to or change his plea at any time. This was granted, and the case was continued to April 5.

Detective Burns stated this morning that evidence of crookedness has been discovered in every department of the city, and that the only honest official against whom there is not a particle of evidence and who is being pointed out as the one honest official of the city is the president of the board of public works, George Duffey, who is a member of the board of supervisors until a few months ago and who was given his present position, it is said, in order to get him out of the way.

OREGON'S NEW RAILROADS WILL COST \$24,000,000

O. R. & N. and Southern Pacific Will Complete All Contemplated Construction, Including Route Through Central Oregon, Riparian-Lewiston Line, Elgin-Joseph Extension, Drain to Coos Bay, Pendleton to Pilot Rock and Road From Portland to Sound—Harriman System to Try to Check Gould.

Construction of railroads to cost \$24,000,000 in Oregon, as announced a year ago, will be carried forward to completion. There has been no ground for statements to the contrary. The O. R. & N. Co. will complete the Riparian-Lewiston line, the Elgin-Joseph extension and the branch from Pendleton to Pilot Rock. The Southern Pacific will build the road from Drain to Coos bay and the extension from Portland to the sound.

In addition to these great projects, the Southern Pacific and the Oregon Short Line will build the Harriman line through central Oregon, and the road now under construction from Weed to Klamath Falls and thence to Natron. Sensational statements printed to the effect that the Harriman railroad undertakings, announced with official sanction months ago, and some of them now under actual construction, would be thrown to the ground because of hostile legislation, appear to have had no foundation in official utterances from anyone authorized to make such startling statements.

See Work Go Forward. J. F. O'Brien, general manager of the Harriman line in Oregon, was directly questioned today regarding matters that are of paramount importance to all Oregon. He said: "I have not stated that any new construction work would be abandoned. Construction work is now going forward and will be continued on the line from Riparian to Lewiston. The line from Elgin to Joseph is being built and will be completed. The branch

RAILROAD BONDS NOT GILT-EDGED, SAYS CORTELYOU

Important Change in Financial Policy About Decided Upon by Government—Will No Longer Accept Same Security as Formerly Accepted.

(Journal Special Service.) Washington, March 19.—Information from a high source says the administration is about to decide upon a striking change in the financial policy. The action, if taken, in one particular will reverse former Secretary of the Treasury Shaw's policy and may eliminate railroad securities from the position they now occupy as gilt-edged.

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ARCTIC EXPLORERS WRITE

Leffingwell and Melkelsen of Anglo-American Polar Expedition Send Messages to Portland Man—Expect to Reach Unknown Lands and Be Gone Two Years.

H. A. Andree of this city received two letters yesterday from Ernest Leffingwell and Einar Melkelsen, leaders of the Anglo-American polar expedition, and they convey the first news from the party since they left Alaska last summer for the Arctic. The letters were dated November 21 and 22, respectively, and have been carried on sledges over the snow and ice for hundreds of miles.

Mr. Andree is at present acting as an assistant in the local weather bureau under District Forecaster E. A. Soals, and knows Leffingwell and Melkelsen from the time he was with them as members of the Baldwin-Ziegler expedition in 1902, when they spent some cold months together on Franz Josef Land. Two letters received yesterday were written on the ice between the expedition quarters, about 300 miles off Point Barrow and the mainland, where they had been stopped for delivery by the Canadian mail police, whose stamps are on the envelopes.

The expedition left Nome last fall bound for Siberia to pick up a band of dogs, but the dogs failed to land there owing to severe weather. They were forced to return to the American side of the straits, where the dogs were secured after much trouble. That was the last news from the party until the arrival of the letters yesterday.

Explorer Leffingwell writes that their vessel, the *Duchesse de Bedford*, lies frozen in solid ice about 300 miles off Point Barrow and that preparations were almost completed to start out on a voyage to the great unknown region north of the American continent where it is believed large stretches of land will be discovered. Heretofore it has been supposed nothing existed there but water and ice.

The letters stated that the sledge trip will be started early in the spring and Mr. Andree believes that they have already set out with the dogs. Leffingwell writes that indications all point to the existence of a large island not far from the mainland. He states the tides indicate this and besides the natives have talked of lands on the other side of the water. To explore these regions is the purpose of the expedition and judging from the letters the party may not return for two or three years.

There are 15 men in the party and they were all well at the time the letter was written. Dr. Howe, physician of the expedition, had experimented with vegetable foods, but found them insufficient and so meat is again being served among the men. It was believed that by the use of vegetable foods only, the danger of disease would be greatly reduced.

Silence for Two Years. The weather was not very cold during the early winter, 10 degrees below zero being the coldest at night and at times the mercury rose to 15 above during the day. So much drift wood had been carried in last summer that there was a great amount to be had with little trouble.

Explorer Leffingwell explains that he spent three weeks in setting off for the purpose of the expedition in order to let the world know that they are all right, and to secure additional equipment for the sledge trip. He says it may be two years before they are heard from again unless he succeeds in sending out a couple of men next summer.

FORAKER IS DEFIED BY PRESIDENT ROOSEVELT

Appoints Federal Judge for Southern Ohio Without Consulting Senator.

(Journal Special Service.) Washington, D. C., March 19.—President Roosevelt defied Senator Foraker and the Foraker-Dick machine in Ohio last night by deciding to appoint John D. Satter of Columbus United States judge of the southern district of Ohio. This action is regarded as sure to intensify the feeling between the administration and Senator Foraker, and as a deliberate invitation for the president's friends in Ohio to align themselves behind Secretary of War Taft as Ohio's choice for the presidency.

The friends of Foraker say it is an open defiance of the patronage rights of the Ohio senator, of the state organization and of the representatives in congress. They say that Senators Foraker and Dick and 11 members of the house of representatives endorsed the candidacy of former Judge J. J. Adams of Zanesville, and in view of the fact that Senator Foraker passed the bill enabling the new district, Foraker and Indiana Judge Adams' candidacy should have been accepted by the president.

There are 20 Republicans from Ohio and no statement was made as to why the other nine members failed to follow Foraker and Indiana Judge Adams' candidacy. The understanding is that most of these nine members have decided to cast their lot in the coming struggle over the Ohio delegation with the president and Secretary Taft.

FAKE MINING CONCERN IS CALLED TO ACCOUNT

(Journal Special Service.) Denver, Col., March 19.—The case against the Lost Bullion Spanish Mines company was called in court today for trial. The defendants are charged with unlawful use of the mails to advertise and sell worthless stock.

HARRIMAN'S ST. PAUL HAS BOUGHT TACOMA EASTERN

Purchase of New Feeder From Coast Capitalists Will Mean That Proposed Transcontinental Will Have Heavy Traffic

A sale of the Tacoma Eastern railroad to the Chicago, Milwaukee & St. Paul is practically closed. Officials of the two companies are reticent and decline to confirm the report. But it is said on good authority that the deal has been closed, and that the news will be officially announced within a few days. The price paid cannot be ascertained at this time.

For months it has been known that the Tacoma Eastern was under option to the St. Paul. The road is owned by the Ladd & Tilton bank of Portland and the St. Paul & Tacoma Lumber company of Tacoma. The larger share is held by the Portland concern, and the president of the Tacoma Eastern railroad company is Edward Cookingham, cashier of the Ladd & Tilton bank. The road is about 60 miles long and extends from Tacoma to Tilton, the southern terminus, with a spur to Ashford, the gateway to Rainier national park, with which it is connected by a government wagon road.

Timber Land Sought. The reasons for the St. Paul's purchase of this property have been obvious to every one familiar with the road's plans to develop timber and coal resources of western Washington. Thousands of acres of timber lands tributary to the Nisqually river, between Yalis and Lake Kapowain, have been purchased by the St. Paul people. The Tacoma Eastern skirts the west shore of Lake Kapowain, and spurs into the timber could be readily built that would furnish the St. Paul road with immense lumber tonnage.

St. Paul interests have also made large purchases of coal lands on the upper reaches of the Cowlitz river, to which an extension can be easily built from the southern terminus of the Tacoma Eastern. Possession of this road by the St. Paul was almost a paramount necessity in the development of its great scheme of creating enough tonnage from the very beginning of its operation to pay expenses of the road's Pacific coast extension.

Sharp Move of Harriman. Construction of the Chicago, Milwaukee & St. Paul railroad from Everts, South Dakota, to the Pacific coast has been shown beyond question to be a direct result of the fight between Hill and Harriman companies on the north bank of the Columbia and the success achieved there by the Hill party. The Harriman party is projecting the St. Paul westward practically paralleling the Northern Pacific in revenge as well as to meet the requirements of a rapidly developing country.

It is now practically certain that the St. Paul road will run its trains into Portland over the tracks of the Southern Pacific's Puget sound extension. The St. Paul touches first at Tacoma. From that point the train service will be operated north to Portland and north to Seattle. It will use the Vancouver bridge of the Hill roads over the Co-

lumbia river and come through the peninsula tunnel of the Harriman line to the steel bridge, which will be in common with the Harriman line.

Feud Cannot Halt It. This bridge will be reconstructed and double-tracked to produce the immensely increased facilities that will be demanded by the added traffic of the Southern Pacific's extension to Puget sound and the St. Paul's entrance into Portland. The Harriman tunnel through the peninsula will be commenced at once. All preparations have been made for its construction and work will have to be rushed in order to get it finished by the time the road is built. The engineers are measuring their work to fit into the progress made by the builders of the Columbia river bridge at Vancouver.

Whether or not the Rockefeller interests, which control the St. Paul road, carry out their reported threat to throw Harriman down financially, that road's Pacific coast extension will be carried forward with all possible haste, it is believed, for should the present dictators of Union Pacific lose control of that property or of the Southern Pacific, the St. Paul's Pacific coast extension would immediately become of supreme importance to the Rockefeller railroad clique, known as the Harriman party.

Assault on Hill Territory. "Anybody who reckons that this St. Paul extension is anything else than a Harriman proposition and a conception of Harriman genius makes a mistake," says the Wall Street Journal. "The coast extension of the St. Paul is a result of Harriman's failure to secure possession of the Northern Pacific. Had that attempt following the Southern Securities merger failed, the result would be the St. Paul would not have been built."