

TRUST SUIT AIMS BLOW AT VITALS OF POPULAR LAW

OPTIMISTS MAY SUFFER A SETBACK

Far Reaching Legal Contention Most Important That Has Occurred in State for Many Years—Local Option is Threatened.

Telephone Company Balks at Payment of Two Per Cent on Gross Earnings—Outlines Reasons for Action It Has Taken.

No more important and more far reaching legal contention has been advanced in this state for many years than that presented yesterday by the Pacific States Telephone & Telegraph company, in its assault upon the validity of the initiative and referendum amendment to Oregon's state constitution.

If the contention of the telephone company is upheld by the courts, the effect will be to overthrow not only the laws enacted through the initiative in June, 1906, but also to nullify the direct primary law and the local option law, which were adopted by popular vote in June, 1904.

The questions raised go apparently to the root of the question whether the initiative and referendum can be incorporated into the American system of government. Voters of Oregon have proceeded upon the theory that this can be done and they have exercised the powers both of initiative and referendum on a number of important measures. It is now asserted by the telephone company that the amendment to the state constitution, giving the people these extraordinary powers, is in itself unconstitutional.

Corporations Would Profit. If these attorneys succeed in maintaining their view, it will be a signal victory, not only for the telephone company but for all corporations, which are subject to the 2 per cent tax imposed by the people in 1906. More than that, such an interpretation of the federal constitution would render the local option and the direct primary laws of no effect.

The question as to the constitutionality of the initiative and referendum amendment is raised by pleadings filed yesterday in the circuit court of this county. In seeking to avoid paying the tax of 2 per cent on their gross earnings, levied by the initiative law passed by the people in 1906, the Pacific States Telephone & Telegraph company alleges that the initiative and referendum clause of the state constitution is in direct violation of the constitution of the United States in nine instances.

Suit was brought by the state some time ago against the telephone company to enforce the payment of the 2 per cent tax. The amount sued for is \$9,500. The answer, which was filed in the circuit court yesterday, was prepared in San Francisco, in the office of E. S. Pillsbury, chief counsel for the Pacific States company.

The initiative and referendum, and all laws initiated under it, which include the direct primary and the local option law, are alleged by the telephone company to be unconstitutional, violating the federal constitution in the following instances:

That the initiative is unrepugnant and in violation of the guarantee of a republican form of government contained in article 4, section 4, of the constitution.

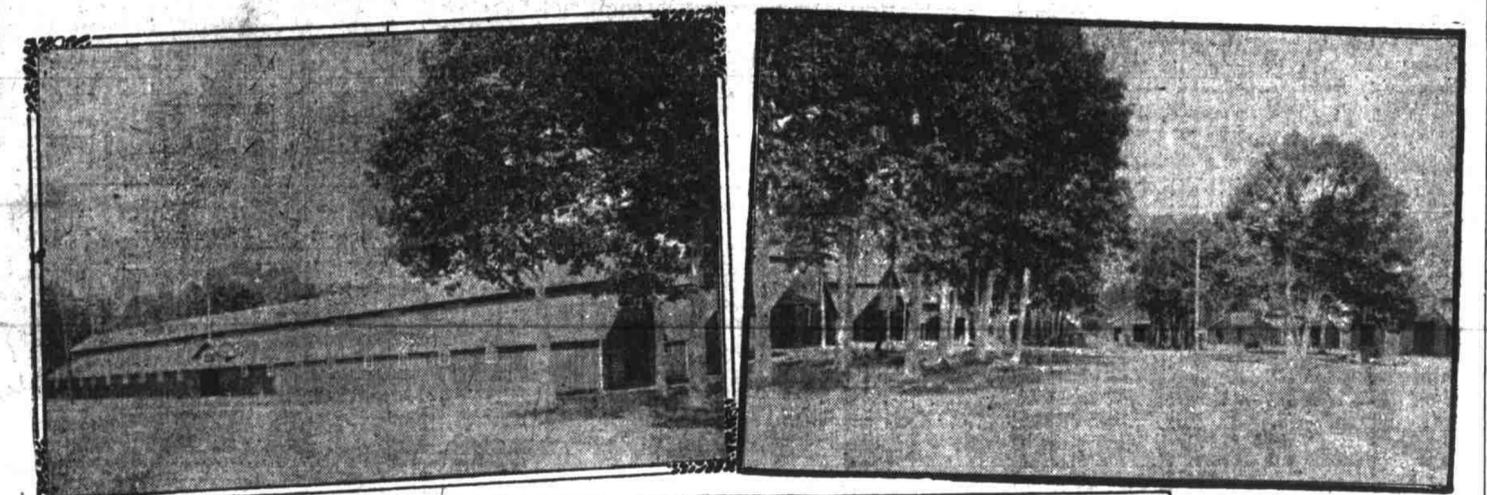
That it deprives the legislature of the power to consent to the purchase by congress of places in Oregon for federal forts as prescribed by article 1, section 2.

That it deprives the legislature of the power to prescribe the time, place and manner of holding elections for senators and representatives as required by article 1, section 4.

That it deprives the legislature of the power to direct the manner in which the state shall appoint electors for president and vice-president, violating article 2, section 1.

Legislative Power. That it deprives the legislature of the power to consent to the junction of Oregon with another state.

STATE FAIR WHICH OPENS TOMORROW IS SAID TO EXCEL ALL EXHIBITIONS OF FORMER YEARS



VIEW OF GROUNDS FROM MAIN PAVILLION SHOWING DAIRY, LIVE STOCK BARN AND POULTRY BUILDING

TO RUN LANDIS FOR PRESIDENT

Grover Cleveland Will Make Amends for Past by Starting Boom.

(United Press Leased Wire.) Washington, Sept. 14.—Judge K. M. Landis of Chicago will be presented to the next Democratic national convention for the presidential nomination. A movement is on foot to secure his permission to use his name. This information comes from a source of unquestioned reliability.

From information at hand it appears the plan has the support of strong influences in eastern and middle states. It is not known to what extent, if any, the judge has entered into the conference. Ex-President Grover Cleveland is accredited with being one of the prime movers. It is significant in this connection that Judge Landis made an unexpected call at Princeton within the past two weeks. It was a time when the public mind was filled with the Chicago & Alton immunity case. The call caused some comment, but was explained by the judge as having been made while he was going fishing and had consulted an excellent authority.

The talk at the meeting may have something to do with the Landis presidential boom. The understanding here is that Judge Landis will make a second call on the circuit court of this county. At that time Landis was a conservative as a destroyer of trusts and a supporter of the initiative and referendum. The understanding here is that Judge Landis will make a second call on the circuit court of this county. At that time Landis was a conservative as a destroyer of trusts and a supporter of the initiative and referendum.

Those back of the Landis boom believe that the Chicago judge would prove a winner in the next convention, and that he could defeat any Republican candidate except Roosevelt on a conservative platform. They figure his achievements of the past will give him a good record even with the radicals.

Swiss administration has been entering suits against trusts they point out he has been dissolving them. The scheme works out, this is the record that will present some things he has done:

Fined the Standard Oil company over \$20,000 for excessive rebates.

Fined the Alton \$40,000 for giving rebates to a big packing house.

Fined the prominent officials of the Alton \$10,000 apiece for the same offense.

Fined the furniture trust \$43,000 and secured its dissolution.

President Cleveland wanted Landis dismissed when the latter was Secretary of State Gresham's private secretary. He was responsible for the premature publication of the heading down of the flag at Hawaii and several other important secrets of state.

GIRL REFUSES TO FIGHT UNION

Daughter of Western Union Chief Quits Company and Regains Friend.

(Hearst News by Longest Leased Wire.) Los Angeles, Sept. 14.—Friendship broken by the vicissitudes of the telegraphers' strike was reconstituted today when Miss Estella Jones, daughter of Horace Jones, chief operator for the Western Union at the Ferry building in San Francisco, left her key in Pasadena, hurried to Los Angeles, cast her fortunes with the strikers and joined the union.

Two weeks ago Miss Etta Naylor, formerly operator for the Western Union at Pasadena, who walked out with the other operators, was astonished when her bosom friend of several years, Miss Estella Jones, appeared at her home and announced that she had been sent by the company to take the key deserted by her chum. She asked to be directed to a proper place to live. This courtesy was freely given, but there was a sudden rupture of a friendship of years.

For two weeks Miss Jones kept at her work faithfully. This morning, without any notification, she appeared at the headquarters of the union on Mercantile place, paid her dues and joined the union.

In Main Pavilion. Entering the main pavilion, the visitor passes between the space allotted to the fair. The flowers have been in the right and the offices of the fair officials on the left to the county exhibit.

Facing the aisle crossing the building from the entrance of the auditorium one finds himself among the best that Marion, Columbus, Benton and Clatsop counties have produced in the last year.

The first is the gardening department, which many will consider the best part of the fair. The exhibit of Multnomah place for several days and are just now reaching their best. Nearly every flower that adds beauty to the homes and parks of Oregon is there in its maximum of bloom and so skillfully transplanted that it is difficult to believe that it is not the work of months.

In the art department the pictures had been put in place before the opening of the fair. The display is superior to anything of the kind ever exhibited.

(Continued on Page Two.)

AWAKES IN ARMS OF DEAD FRIEND

Frank Jones Finds Himself Clapsed in Embrace of Corpse.

(Hearst News by Longest Leased Wire.) Redding, Cal., Sept. 14.—When Frank Jones awakened in bed in a lodging house at Kennett this morning the arms of a dead man were around him. The name of the dead is not known to Jones or anyone else.

Jones and the stranger worked together a few days on the Cone and Kimball ranch near Red Bluff, quitting yesterday and arriving in Kennett yesterday afternoon. They went to bed early in the evening, both being very tired. They slept in the same bed.

When Jones attempted to get up this morning he tried to awaken his partner and make him take his arms from around his neck. Recalling no other cutter Carlin recently won the German emperor's cup, was much surprised upon his arrival here today in the Cunarder Lucania to learn that Sir Thomas Lipton had selected William Fife, the Scotch yacht architect, to design the Shamrock IV.

Mr. Fife told me also that aside from the question of designing the boat, Sir Thomas made it a rule to hire one skipper to sail his boat and then another to watch the first. Nobody can win the America's cup under those conditions.

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(Continued on Page Two.)

CHALLENGER TO CHANGE RULES

Sir Thomas Lipton Will Demand That Yacht Be But Seventy Feet.

(United Press Leased Wire.) New York, Sept. 14.—It will be a 70-footer that Sir Thomas Lipton will try for the America's cup next August. The day of the 90-footer freak with her enormous overhang and spread of sail is ended if the Irish knight's challenge is accepted by the New York Yacht club.

Private advices from the other side indicated this fact very clearly today. While Sir Thomas has often criticized the old measurements rule, declaring there was no chance to build a craft on the other side and bring her across in shape to lift the cup, still it was hardly expected he would insist on the new rule as one of the conditions of his latest challenge. He does, however, according to advices here, and it is the chief of his demand. If it is not granted there will be no race.

This matter will be fought out at the next meeting, October 3, and predictions are freely made that serious contentions will arise, no matter what the decision.

At the clubhouse it is stated that a tentative syndicate has already been formed to build four, and possibly five, yachts to compete for the honor of defending the cup. The chief of these is to be headed by Commodore Cornelius Vanderbilt, who will try to have Hertschhoff designs.

It is anticipated that the yachts will be ready about June 1, 1908, and the inauguration will be held the latter part of the month and early in July.

Sir Thomas will challenge with two yachts, asking that he be not required to name the actual contender until a fortnight before the race. As a result there will be racing in and about New York all summer. The races will be sailed about August 15, 1908.

Club sharpshooters Arthur E. Payne and William Fife will design the two Lipton yachts.

(Continued on Page Two.)

DOUBTING THOMAS.

Sir Lipton Refuses to Trust Sailing Master or His Designer.

(Hearst News by Longest Leased Wire.) New York, Sept. 14.—Arthur L. Pearce, the English yacht architect and sailing master, who has been selected to design the Shamrock IV, is in route to Alaska and Korea, said that in his opinion Sir Thomas will never lift the American cup because he would not trust his designer and sailing master. Mr. Pearce added: "The reason I am surprised that Mr. Fife has been retained to design the new Shamrock is because Mr. Fife told me shortly before I left the other side that he would never again design a boat for Sir Thomas because, as a result of the Lucania, he would not trust his designer and sailing master."

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(Continued on Page Two.)

ABE RUEF MUST DO TIME BEHIND BARS

(Pacific Coast Press Leased Wire.) San Francisco, Sept. 14.—Abe Ruef must go to prison. Late this afternoon Judge Dunne ordered Elmer Biggy to close up the Fillmore street "prison" in which Ruef has been kept since his capture at Trocadero last March. Ruef will be confined in a cell in the city prison.

KEEP FLEET ON ATLANTIC, SAYS LILLEY

Connecticut Congressman Boosts Bremerton, Knocks Mare Island and Has No Word for Portland—Member of Naval Committee.

Thinks He Notes Effort of Secretary Metcalf to Fetch Battleships to His Home at San Francisco—Million Dollars Wasted.

(United Press Leased Wire.) Waterbury, Conn., Sept. 14.—"Any man who sits as a member of the committee on naval affairs and uses his efforts to obtain an appropriation for some tumble down navy yard in his district to the end that he may provide a well paying job for his constituents is gratifying. Not a single dollar may touch his hands, but just the same he is gratifying from the United States government which he is paid to serve and sworn to serve."—Congressman George L. Lilley of Connecticut, member of naval affairs committee.

Congressman Lilley undoubtedly aims his arrows at the California delegation, which has been advocating the dredging of the channel to the Mare Island navy yard. Lilley tells some truths and also shows that he does not know much of Mare Island or the drydock facilities of San Francisco bay. Lilley, it is said, also opposes the fleet coming into the Columbia river. In an interview given out in New York the congressman said: "Abandonment of the Mare Island yard was recommended by Admiral Endicott, recently chief of the bureau of yards and docks, but after the report had been printed and distributed it was recalled and suppressed. Sundry efforts are being made to dredge a channel through the shoals to this yard, but the cost will undoubtedly be assembled on the Pacific coast and on the east and west coasts of South America. Aside from this it resolves itself into an endurance test, and while no one doubts that the ships will hold together, if they do not run around nor into each other, still it seems to me that we could spend a million dollars to much better advantage.

There may be something to be gained in the great effect on the republics of South America who, having seen our great fighting strength, will think more than once before pulling any feathers out of the great American eagle.

"From a strategic point of view there is nothing to be gained. To make a show of force to Japan is entirely unnecessary. She is not intending to take on any expense of war while she is having difficulty to borrow money to pay her current expenses.

The whole thing reminds me of the king of France who, with ten thousand men, marched up the hill and then marched down again. If the purpose is to parade around on a visit to Secretary Metcalf's home at San Francisco and then return, and my information is that they are to return, I see no objection, except the waste of \$1,900,000."

(Continued on Page Two.)

HETTY GREEN BY NO MEANS AN OPTIMIST

(United Press Leased Wire.) Boston, Mass., Sept. 14.—"It is going to the devil," declared Mrs. Hetty Green today when some one asked her for her opinion of the financial situation.

"You young men will know what it is," continued Mrs. Green. "You will all be fighting soon. It will not be a foreign foe, but it will be among yourselves and it will be right here."

"What do you think has produced this condition?"

"I don't know, but the innocent are being squeezed. I don't mean the poor people, I mean the middle class. They have got a lot of this watered stock and the water is being squeezed out. It's ridiculous."

(Continued on Page Two.)

PROMINENT MEN INJURED IN AN AUTO ACCIDENT

(Pacific Coast Press Leased Wire.) Seattle, Sept. 14.—While en route to the race track at the Meadows this afternoon in an automobile, State Senator A. T. Vandever, a prominent member of the King County Racing association, Dr. T. Ferguson, former state senator of Tacoma, and Lincoln Davis, former state senator, and James Wilson were all seriously injured. Dr. Ferguson and Vandever were perhaps fatally injured.

(Continued on Page Two.)

SENATOR TILLMAN TO SPEAK IN CALIFORNIA

(Hearst News by Longest Leased Wire.) Santa Rosa, Cal., Sept. 14.—Senator Benjamin Tillman of South Carolina will arrive in the state this week and is to be one of the speakers in a lecture course in Healdsburg, in this county, and elsewhere. His topic at Healdsburg will be "The South in the South." At Healdsburg he is to appear in the Adventist College church, a building that will accommodate 1,000 persons.

(Continued on Page Two.)

ASSOCIATION DEMANDS UNIFORM PRISON LAWS

(United Press Leased Wire.) Chicago, Sept. 14.—Uniform laws in all states and territories covering imprisonment, sentences, paroles, juvenile courts, the probation of adult offenders and the supervision of paroled and discharged prisoners are to be sought through a concerted effort on the part of members of the National Prison Association of the United States which opened its thirty-sixth annual session in Chicago tonight.

More than 500 delegates attended. They have been appointed by the governor and the department of justice. Attorney-General Bonaparte is expected to be in attendance and is on the program for an address on "Punishment and Pardons."

(Continued on Page Two.)

BIG TIM SULLIVAN IS OUT FOR CHANLER

(United Press Leased Wire.) New York, Sept. 14.—Without in any way reflecting on W. R. Hearst, W. J. Bryan, Judge Ladd or any other speaker of Democratic presidential timber, former Congressman "Big Tim" Sullivan of the lower east side, is saving up all his chests for Lieutenant-Governor Lewis Stuyvesant Chanler.

One thing "Big Tim" likes about Chanler is his pedigree. The deeds of the Chanler and the Astor families are entwined in the history of this country, he argues, and the public will have faith in the promises made by a Democrat of such antecedents.

(Continued on Page Two.)

INNER CIRCLE OF NEW LIVE STOCK BARN

(Continued on Page Two.)