

FEDERAL RAILROAD JURISDICTION IN P. & E. CONTESTED

Public Service Commission of Oregon Demands That Line Continue Until People Heard. INTERESTS ARE AFFECTED

Receiver's Order Ceasing Operations Brings Sharp Reply; Interstate Rights Cited.

Salem, Jan. 23.—Demanding that the Pacific & Eastern Railway continue operation until the people of the territory served by the utility have been given a hearing on the matter, the public service commission of Oregon is contesting the jurisdiction of the federal railroad administration over this interstate line.

An order promulgated by W. F. Turner, receiver of the Pacific & Eastern, a copy of which was sent to the public service commission, pointedly sets forth that "operation of the Pacific & Eastern will cease at 6 p. m., January 20, 1919."

In a telegram addressed to Mr. Turner the commission informs the receiver that a protest has been filed against the suspension order and intimates that the commission will expect the order to take the usual course, which includes a public hearing.

Commission Opposes Plan

This telegram is supplemented by a letter which reads as follows:

"We do not accord with your order or the attempt at its enforcement, for the law certainly contemplates that the patrons of the Pacific & Eastern railway, as well as the citizens of Jackson county and any other person or persons interested, shall be heard, let alone such a drastic order as proposed. Under your order you would preclude the commission from exercising its jurisdiction, and as we view it, that would result in circumventing both this tribunal and the people of the districts served by this railroad."

Claim Industries Menaced

The protest which was filed by Senator C. M. Thomas of Medford, in behalf of the patrons of the Pacific & Eastern Railway, states that if the operation of the road ceases it will mean the absolute destruction of a number of important industries located along the road and the complete isolation of the towns of Butte Falls and Eagle Point.

The road was primarily constructed, so the protest says, for the purpose of providing an outlet for an immense amount of timber tributary to the city of Medford, and with the ultimate view of extending to Bend, thus providing an outlet for that vast territory east of the railroad.

Casualties by connecting with an eastern and western line. Many Families Interested. On the strength of these announced plans extensive contributions were made toward the construction of the road. Hundreds of families have located in this territory since this line was put into operation and many industries have been established, all of which are dependent for existence upon the maintenance of operation by the road.

Members of the public service commission, who contest the jurisdiction of the federal railroad administration in this case, state that at least they should be heard in an advisory capacity, inasmuch as the line is a strictly interstate utility with both terminals in Oregon. They also contend that as a public utility it cannot cease to serve the public until its right to do so has been established at a hearing in which the people have had a chance to present their side of the case.

Wage Jurisdiction Denied. Salem, Jan. 23.—The public service commission, although claiming regulatory power over rates and service of public utilities within the state of Oregon, denies any jurisdiction over wage disputes between capital and labor.

The appeal from the employed of the Sumpter Valley employes' committee, in reply to an appeal for assistance in settling the wage dispute which is trying up operations of the road, commission states: "The commission does not have jurisdiction over labor wage differences. Jurisdiction over rates and service, since government aid has been promised, see no reason for commission to investigate. Upon complaint as to rates or service hearing would be promptly held."

The appeal from the employed of the line sets forth that the deadlock between the employers and employes still exists in spite of the promised government aid in financing the operations of the road.

Water District Created

Salem, Jan. 23.—Notice has been received by the state water superintendent's office of the creation of the Upper Langell Valley Irrigation district in eastern Klamath county. The project, which is located on Lost river, will receive its water supply from Clear lake, just across the line in California.

Pierce to Present Bill to Put Tax On Oleomargarine

Salem, Jan. 23.—Senator Pierce stated today that his dairy resolution was leading up to a bill which he will introduce soon providing for a tax of 10 cents a pound on oleomargarine. The tax will be collected by the state dairy and food commissioner and the surplus, after defraying the administration expenses of the office, is to go into the road building fund of the state.

Steamer Tahoma Labeled

The Peoples Market & Grocery company today filed a libel suit against the steamer Tahoma in the United States district court. The complaint alleges that a grocery bill amounting to \$37.45 is due to Peoples Market & Grocery company.

Colds Cause Grip and Influenza

LAXATIVE BROMO GUININE Tablets remove the cause. That is why only one Bromo Guinine. E. W. GROVE'S signature on box, 80c—Ad.

MINIMUM PAY BILL PROPOSED IN TEACHERS' BEHALF

Measure Would Place the Minimum at \$75 a Month; Mrs. Thompson Launches Bill.

HOUSE PASSES THIRD BILL

Bill Providing That Teachers Give 90 Days' Notice of Intention of Resigning Submitted.

Salem, Or., Jan. 23.—A minimum wage for school teachers of not less than \$75 a month is provided for in a bill introduced by Mrs. Thompson in the house this morning.

The bill, in brief, provides that it shall be unlawful for the board of directors of any school district in the state to pay a teacher less than \$75 per month. It is made the duty of the county school superintendent of the state to examine all contracts entered into between district boards and the teachers employed by them.

Should it be found that any district board has written a contract not in compliance with the law he is required to notify the board to correct the contract to meet the demands of the law.

May Withhold Fund

Should the district fail to correct the contract, the county superintendent is directed to withhold from it the proportion of the county school fund apportioned to it for the year.

It is also provided that the members of a board of directors who sign a contract not in compliance with the law shall be liable for the amount specified in the contract. In other words, if they pay less than \$75 the teacher's salary is to be paid by them personally and not by the district.

The bill has been introduced by Mrs. Thompson in recognition of the demand of the teachers that they be given better wages and in order that the schools of the state may have the benefit of more efficient and better trained teachers.

House Passes Third Bill

The house got down to business this morning and passed its third bill of the session, the Schuebel bill providing that the general road fund of a city shall consist of the road money set apart for such city and road district or otherwise, out of the road tax levied by the county together with any money set aside in the road fund by the orders of the county board of directors.

The bill also provided that the city can enter into agreement with the county authorities for the construction or repair of the city streets by the county.

The bill also passed the Burdick bill increasing the salaries of Crook county officials, and also a bill by the same author fixing the terms of the county court of Deschutes county, and increasing the salaries of the officers of the county.

Wasco County Wins Bill

The salaries of the Wasco county officials provided for in the bill introduced by the Wasco county delegations was also passed.

A bill raising the salary of the superintendent of public instruction from \$8000 to \$4500 a year was introduced in the house by Smith of Baker this morning.

Dodd introduced a bill providing that any teacher who has entered into a contract to teach, and who resigns without giving 90 days' notice, instead of 30 days as the law now provides, shall have her certificate to teach cancelled and shall be disqualified from teaching for the remainder of the school year.

UTILITIES MARSHAL DEFENSE FORCES

(Continued From Page One) bill was a subject of no little concern in their ranks. "I had always assumed that the public utility commission had the right to raise or lower rates of public utilities," stated Senator Huston in defending his amendment. "The conditions were such that a 5-cent fare was too high, I had assumed that the public service commission could reduce them. However, after careful attention to the bill situation, I find that I have been mistaken in the assumption. I find that a contract entered into between a municipality and a corporation, protected by the constitution of the United States and the rates specified therein cannot be lowered. Under existing conditions these rates cannot be raised, but not lowered."

Griffith Shows Fight. "This condition is indefensible. It is not justified. It puts a club into the hands of every Bolshevik in the country. I know public sentiment in this matter and I know that unless some action is taken to protect the interests of the public the people will take the matter into their own hands and wipe out the public service commission by this bill. I admit the power to regulate utilities, but not to confiscate."

Franklin T. Griffith, president of the P. R. L. & P. company, emphatically disagreed with Senator Huston on the point that the public service commission did not possess the power to reduce rates as well as raise them when conditions justified such actions.

"There is no case in existence to show that the public service commission cannot raise rates," declared Mr. Griffith. "We have never contended that the state of Oregon does not possess the power to regulate rates charged by utilities within the state. No attribute of sovereignty can ever leave the state. It can delegate the power to make contracts, but the power of the state is not involved."

Higher Fares Indicated. "Fight it!" interrogated Mr. Griffith. "I would enjoin its enforcement on the grounds of confiscation. You are only inviting a condition of chaos, wretched service and litigation by this bill. I admit the power to regulate utilities, but not to confiscate."

Prospects of another raise in fares on the Portland street railway lines were held out by Mr. Griffith when he declared that the existing rates were not adequate.

R. A. Lester, attorney for the P. R. L. & P. Co., supported the contention

of Mr. Griffith that under existing laws the public service commission has power to lower rates as well as to increase them. This power, however, according to Mr. Lester, hinges upon the grant of power to the municipality and upon the language contained in the contract between the municipality and the corporation.

Members of the public service commission, as well as by the district court of Oregon in support of his conditions.

Tacoma Case Cited. Mr. Lester contended that notwithstanding the home rule laws of the state of Oregon the municipality continues a subordinate power and that a clear, expressed specific way to regulate rates was lacking in the Portland city charter.

John A. Laing of the Pacific Power & Light company also appeared in behalf of the public utility, citing the case of the Tacoma streetcar situation as an example of what might be expected when a utility is denied utility at a rate sufficient to meet existing conditions.

"This bill will emasculate the Oregon public service commission," declared Judge Charles E. Portland, who states that he appeared in behalf of no corporation or client, but in behalf of the people of the state of Oregon.

"It will really curtail the usefulness of that commission. If we are to concede that the commission is of no use, why not abolish it entirely?"

Public Utilities Lose Money. "One hundred and fifty-six million dollars are invested in public utilities in Oregon," according to Judge Carey, who asserted that the public utility rates are not able to pay a reasonable interest on their investments.

To the contrary he declared they are facing desperate financial reverses and some tribunal is needed to give them the assistance which will permit them to survive.

Ben Day, chief counsel for the Southern Pacific, entered a protest in behalf of his company, pointing out the fate that had befallen the financial system of Albany and intimating that a similar fate might be in store for the systems of Salem and Eugene in the event an increase of fare should ever be found necessary and no provision existed whereby this relief could be obtained.

Even now, he declared, these eyes are not of their maintenance under present conditions being possible only because of the other revenues of the Southern Pacific.

Small Companies Protest

Charles E. Wells of Hillsboro, president of the Oregon Telephone association, entered a protest against the bill in behalf of the small, independent telephone companies operating within the state, and E. G. Roloff of Hillsboro, president of the Molalla Electric company at Canby, appeared in behalf of the owners of the smaller utilities.

Senator Dodd agreed to take the amendment up in committee again in an attempt to arrive at some solution to the problem, which would satisfy the public utilities as well as protect the rights of the people of the state.

HOOPER'S WORK DEFENDED BY SENATOR HITCHCOCK

(Continued From Page One) stabbed in the back by his enemies on this floor. Replying to Senator Borah's charges that packers were enabled to make inordinate profits because of the system Hoover built up, Senator Hitchcock declared the profits would have been much greater had Hoover not been in charge.

"Does the senator deny the profits were inordinate?" asked Borah. "I repeat," said Hitchcock angrily, "that they would have been much higher but for Hoover."

"I deny it," said Borah. "It's true," countered Hitchcock, declaring Hoover will come out "vindicated and vindictive." "Any member of the senate who would run against Hoover for president would run a much smaller vote," said Hitchcock.

"I don't deny any senator would be able to raise a much smaller campaign fund," said Borah. Borah declared he had never attacked Hoover's personal integrity, but the system he built up.

"I am not willing to vote \$100,000,000 to the man who built such a system," said Borah.

Hoover Replies to Critics. Paris, Jan. 23.—(I. N. S.)—Herbert Hoover, American representative on the inter-allied food committee, replying to criticism by members of the American senate, issued the following statement today:

"I apparently emerge in a new light as a friend of the Chicago packers. At the same time my small business is protected by the Swift & Co. are blaming the food administration for reducing their profits \$10,000,000 during the past year. I don't imagine Mr. Hitchcock is in any appreciable wide circle of such friends."

"I notice, also, that I committed a crime in holding the October joint conference of farmers, big packers and representatives of 40 small packers and delegates from allied governments for the purpose of fixing a price for exports of pork that would give the American farmer a square deal, insure equality of distribution and also protect the small packers."

"We have even tried to secure the continuance of these war arrangements through the armistice period and the opening of the markets beyond the American farmer did his duty and produced the goods."

"If the American farmer and the small dealer now feel that these arrangements are wrong it would be a heavy burden on our shoulders. The British government is particularly anxious to be released from these arrangements."

Swift Predicts Cost Rise. Washington, Jan. 23.—(I. N. S.)—The cost of foodstuffs would increase and the packing business would be crippled if congress enacted such legislation as contemplated in the Sims bill, declared Louis F. Swift, president of Swift & Co., one of the "Big Five" packers today. He took the stand before the house committee on interstate and foreign commerce, which is conducting hearings based on a federal trade commission report, and following two days of testimony by J. Ogden Armour, president of Armour & Co.

VALUABLE FOOT IS LOCATED IN ROOM OF DEAD BURGLAR

Captain Circle and Two Detectives Spend Day Checking Over Property; Trunk Not Touched.

VALUE ESTIMATED AT \$5000

List Already Totals 386 Pieces; Portland People Seek Chance to Look Over Stolen Goods.

Captain Circle and two detectives spent nearly all day Wednesday checking over the property found in the room at 117 Lombard street of E. C. Lancaster, the burglar, killed at Second and Alder streets Tuesday, but were unable to finish the task. So far they have checked on 386 pieces of property, but still have one large trunk to go through. Captain Circle said this morning that he believed \$5000 would be a very conservative estimate of the value of the loot.

Sealskin coats, furs, muffs, silk bedding, silk clothes, silk in the bolt, expensive jewelry of every description, high grade linen, first class wearing apparel, electric irons, oriental rugs, suitcases and silverware are among the things catalogued in the long list prepared by the police. So far none of the property has been identified as having been stolen locally. Many of the clothes found in the room bear Minneapolis dealers' marks, which leads the police to believe that the stuff was stolen in the East. Other cities mentioned besides Minneapolis are St. Paul, Kansas City, St. Louis and Chicago.

Type-written lists of the stolen property are to be sent to these cities by the police.

Ermine Coat Is In Loot

So far no further identification of the dead burglar has been made. The police are still calling him E. C. Lancaster. Following are a few of the things recovered by the police as taken from the list of Captain Circle: White ermine fur coat, no tailor's mark, worth probably \$2000; pair of patent leather shoes, marked Minneapolis; salad spoon engraved F. J. E. olive fork engraved H. napkin ring engraved Frank, had brush engraved C. dolly case marked E. C. H., tuxedo suit marked J. T. Geese & Co., Minneapolis; black overcoat, Minneapolis make, name worn; auto robe, green and black checked plaid on black background; mandolin, Irish linen table cloth; napkins marked F. C. H. 13 napkins marked E. C. J. 18 handkerchiefs, four pillow cases and two dollies marked F. H. C.

Many Seek to See Property. A large amount of the jewelry recovered is engraved, but the police have not had the time yet to decipher these initials. They are almost certain that none of Lancaster's stuff came from local homes, as none of it has tallied so far with the descriptions given of local missing property. About 100 people called at police headquarters Wednesday and this morning, asking to see the property, but the police denied them.

As soon as the police have the property checked, the public will be notified and those whose homes have been searched will be given the opportunity to present their claims in writing. Those who have lost anything like the property found in Lancaster's room will be allowed to look at articles that compare with theirs. Owing to the value of the recovered property, the police say they intend to ask the general public to enter their store rooms.

Believed Brother of Bandit. That E. C. Lancaster was a brother of "Kansas City Blackie," a notorious bank robber, and a member of his brother's gang of outlaws and criminals, is the opinion of the Portland police.

"Kansas City Blackie," whose right name was Roscoe Lancaster, had several brothers, all of whom had been in trouble with the police of various Eastern cities, and newspaper clippings concerning the burial of the noted desperado were found in the pockets of the man shot by the local detective. From clothing and papers found in the possession of Lancaster the police learned that he recently came to this city from Minneapolis and St. Louis.

CHANGES MADE IN SYNDICALISM BILL

(Continued From Page One) fecting labor that had come before the legislature. The Bolsheviks were feeding on such legislation. The greatest cause of discontent among the ranks of the unions was the charge that labor could gain no recognition before the legislatures of this and other states and this was continually being flouted by the contentions of the agitators that a man who took office on the Republican platform was a traitor to the cause of labor.

Chairman Bean of the committee asked the two men what they could suggest as a remedy. Smith answered: "If the legislature," he said, "will pass a bill against criminal syndicalism that

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"UNDER FOUR FLAGS"

The greatest and most magnificent war picture ever seen. They are history now, and to miss seeing them is to miss knowing how the world's greatest war was won. Taken by official photographers in the heart of Foch's great, invincible drive.

At least Mark Twain says so, and when it comes to human nature, I allow that MARK TWAIN'S STOCK CARRIED THE BIGGEST AND CLEANEST stock in the country.

Yours for \$5,400,000.00

The Chief Nut

P. S. Imagine a stock of NUTS that was just as far ahead of other nuts as MARK TWAIN'S STOCK of human nature is ahead of the others.

Admission 25c. Loges, now being reserved, 50c.

we can defend; if it will pass a bill against criminal commercialism, if it will give the labor commissioner ample power to enforce the labor laws of the state; if it will take the evils out of the compensation law and do what it can to promote a mutual feeling of confidence between the employer and the employe; if it will adopt plans that will give to struggling industries a chance to organize, grow and expand so that when a company or a man comes to Portland he will not be held up by those who wish to take the highest toll for sites for his country today is the mad American, and the majority of these fellows are Americans and they are mad.

Following the hearings the committees went into the amendments suggested by Smith and Horne.

These in brief were that the bill should be amended to prohibit the "advocacy, teaching or affirmative suggestion" of criminal syndicalism and sabotage. The amendment was in the addition of the word "and" before the word "or" prohibition of the advocacy, teaching or suggestion of crime or physical violence as a means of industrial or political reform. The amendment here was in the addition of the word "physical."

Another amendment added the words "or for profit" to the clauses prohibiting the advocacy of violence or other action for purpose of bringing about political or industrial reform.

As the law read it said it should be amended to prohibit the act of any employer or the commission of any unlawful act as a means to accomplish industrial or political reform, and the amendment adds the words "or for profit," it being the contention of Smith and Horne that this brings within the scope of the act any employer who might foment industrial unrest and bring about the destruction of property, owned by him, to advance his cause by the creation of public sentiment in his favor and advance his contentions.

These amendments were adopted by the committee and the bill came before the house for final action with them written into the measure.

Proposal Made to Merge Positions of Commissioners

Salem, Jan. 23.—George T. Cochran, water commissioner, and Percy Cupper, state engineer, appeared before the consolidation committee Wednesday afternoon, to ask that the position of water commissioner of the first district be merged with the second district and the official be known as the water superintendent, to be appointed by the governor at the expiration of Cochran's present elective term.

The committee explained that one official could handle the work now under way, and that it was contemplated that the state engineer should take over the duties of the office as soon as the remaining adjudications of water rights were finished.

They represented that the consolidation would mean a saving in money of about \$4000 a year. The committee took the suggestion into its keeping, for considerable in connection with the general consolidation program which it now has incubating.

In Police Circles. Vancouver, Wash., Jan. 23.—E. J. Egan, alias O'Connell, from Fall bridge, was arrested last night for alleged drunkenness. He was found asleep in his automobile, which was parked about 10 feet from the curb on Seventh street.

W. H. Truman of Thirty-third and Grand avenue reports that his bicycle was taken from the steel shipyards yesterday afternoon.

AT THE WHITEHOUSE

Out They Go Tomorrow and Saturday

The Biggest Bargains of the Season

211 Suits Values to \$67.50 \$17.00 \$21.00 \$25.00 Now reduced to...

168 Coats Values to \$40.00 \$14.95 \$19.95 \$24.95 Now reduced to...

250 Dresses Values to \$47.50 \$11.95 \$14.95 \$16.95 \$19.95 \$24.95 \$29.75 Now reduced to...

A beautiful selection of Satins, Silks, Georgette, Crepe de Chine, Taffeta, Serge, Velvets and Jerseys, all new models and shades. All sizes 14 to 46.

FURS 300 BLOUSES Values to \$9.00 in Crepe de Chine, Georgette and Satin, all new shades—

40% Off \$3.95 \$4.45 \$4.95

See Our Window Display WHITEHOUSE 342-344-346 ALDER STREET Opposite Pantages Theatre COME EARLY Before They Are Picked Over

—if you can't read

for any length of time without your eyes hurting, you probably need glasses. —We fit glasses to your eyes and manufacture them in our own shop. —We make no charge for consultation.

MAJESTIC Admission 25c Loges, now being reserved, 50c

STAPLES—The Jeweler-Optician 266 Morrison, Between Third and Fourth

COLUMBIA

TODAY AND FRIDAY ONLY THEN GONE FOREVER



CHARLES "RUBE" RAY in STRING BEANS

Toby Watkins was following a plow when an inspiration struck him. He was to be a poet—no, a collector—no, a coffee grinder salesman; yes—and?

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FATTY ARBUCKLE in "CAMPING OUT" and MRS. CHARLIE CHAPLIN in "BORROWED CLOTHES" SUNDAY, D. W. GRIFFITH'S LATEST

THE GREAT EYE REMEDY