It tells the story of Marie Dow

Being a Unified Operation of Great Northern, Northern between Seattle and Vancouver, B. ance of roadway it is apparent First National's "Subway Sadie," Pacific, and Spokane, Portland & Seattle Railways, Fromberg, through Billings, 50 centage of saving would make a With Unified Control of Burlington

(By Ralph Budd, President Great Northern Railway Co.)

PUBLIC INTEREST IN RAIL-

WAY ECONOMIES

The public interest in transpor-

Return Inadequate in Northwest

The result of this lesser increase

Must Reduce Expenses or

Raise Rates

lic interest if a way could be

found to improve the earnings of

the northwest railways without in-

creasing rates and without impair-

ing the service rendered. The ul-

timate basis for railway charges is

the cost of producing transporta-

tion, including in such cost, how-

may be maintained is through ef-

vitally interested in all economies

The railways of the northwest

increase their efficiency and im-

than ever before. As I have al-

ready stated, it is being provided

at charges relatively much lower

parts of the United States and

carriers. If railway operating ex-

penses cannot be further reduced

there does not seem to be any al-

SAVINGS FROM PROPOSED

Now, there is a distinct limita-

There are many points of con-

Some Duplication Now Avoided

ernative but to increase rates.

without adequate return to the

than railway charges in other

that the railways can make.

Twenty-five years ago James J. | ship of the Burlington and Spo-Burlington railways. The courts themselves, more than 60 per cent Act of 1890 was construed to who own stock in both companies. mean that there could be no consolidation of railroads when there was substantial competition. That law, according to the interpretation then adopted, left no room for important, the American public deany inquiry whether the consolidation might be in the public interest when viewed from all standpoints. The law at that time pro- when desired; and, second, that it eded on the mistaken theory that shall be furnished at reasonable unbridled competition was of paramount importance in giving the to say that the adequacy and expublic good, ample, and cheap cellence of railway transportation railroad service.

PRESENT LAW FAVORS CONSOLIDATION

Additional Legislation Desirable Changes in public opinion and most wholly on rail transportation, in congressional policy, and the and where, by reason of the great development of very effective rail- distance from markets and the relway regulation, together with the ative disadvantage to which the building of other railways in the Panama Canal has placed the terterritory, have entirely altered the ritory compared with the regions situation. The Transportation nearer the seaboard, the matter of Act, 1920, provides that the In- railway rates has received much terstate Commerce Commission public attention. "shall as soon as practicable prepare and adopt a plan for the consolidation of the railway proper- creased less in the Northwest reties of the continental United gion than the average increase in tates into a limited number of the United States, and very much systems." To serve as a basis for less than the increases which the discussion, the commission made railways must pay for the things a tentative plan which put the that enter into the cost of produc-Great Northern and Northern Pa- ing transportation, is sometimes cific in different systems, group- lost sight of. The truth is that ing Great Northern with Chicago, compared with 1913, which, being substantial economies. Milwaukee & St. Paul, and North- he last year before the World war, ern Pacific with Burlington. The is commonly used as a base year, Great Northern, Northern Pacific, the average revenue per ton mile and Burlington all joined in urg- in the northwest region is only 40 ing the commission to put them in per cent more, while for the Unia single system. The commission ted States as a whole it is 53 per the strict sense has not yet be-CARRIER

On the other hand, the Trans- the United States and is far below and locomotives. Commerce Commission has sance trol. tioned extensive unifications, by stock control and lease. This is what is now proposed by the two Northern Companies, and such unification can only be lawful and effective if the commission finds it to be in the public interest.

Lessee to be Operating Railway The proposal is that in addition to controlling them through stock ownership the new company will lease from the Northern Companies their entire properties and operate them as a single carrier, which, it is contemplated, will also directly operate the Spokane, Portland & Seattle Railway, a property already jointly controlled through the ownership of all of

The operation of the Burlington, which is also controlled by the Northern Companies through equal ownership of over 97 per cent of the stock, will remain separate as at present. But the vesting in a single control of the entire 97 per cent of the Burlington stock, now owned separately and in equal shares by the Northern direction of the Burlington and will be favorable to the more decisive handling of its development. policies than has been practicable when each Northern Company voted separately and independently its half of the Burlington stock.
PROPOSED PLAN ALREADY

PARTLY ACCOMPLISHED Northern Lines Now Tied Together

By Common Undertakings The unification which is now proposed is not to be viewed as an original and independent move which has never been started, and which, therefore, need not be un- tion to further economies through dertaken at all. The fact is that increased efficiency and improveover twenty-five years ago the two ments to the properties as at pres Northern Companies took an ex- ent operated, but it is believed tremely important step in this di- that the economies which will re- made. The effect of the single oprection by acquiring control of sult from the unified operation of eration of the Great Northern, the Burlington through purchase the Great Northern, Northern Pa- Northern Pacific, and Spokane of a large majority of the Burling-cific, and Spokane, Portland & Portland & Seattle and the unified ton stock. Ever since that time Seattle, and an even closer asso- control of the Burlington would the two Northern Companies have clation with the Burlington than be to increase the percentage of been committed to an important has hitherto existed, are certain to home cars on line, and in that way hundreds of millions of dollars. provement to service also will re- in the cost of car repairs. Cars They are already tied together by sult. this community of interest, and it is one which in a practical sense tact between these roads, and making it possible to do repair cannot now be successfully untied, while occupying different territor- work promptly when needed and because the Burlington would suf- ies there are alternate lines befer heavily if it were dissociated tween several points; also the repairing foreign cars, and at pres rom either one of the Northern wide geographical spread of terri- ent the cars of any one of these Lines, since for over a quarter of tory conduces to better average lines are foreign cars on the a century it has been built up with use of equipment. These facts other lines. As the annual cost of reference to association with both lend themselves to a plan for sav- repairs to freight cars on these of them. A similar community in-terest has existed for a great many the same time performing more paratively small percentage of years on account of the equal ownership by the Northern Com- facilities. panies of the Spokane, Portland Seattle, which represents a total investment of more than \$100,- ern Pacific have avoided the the wise policy which congress has of lines and terminals. To that on each of the roads at present now adopted as to further railroad extent, savings by joint use and by must be built and maintained to

tion; another example is the joint on the two Northern Lines and construction of the Spokane. Port- the requirements are, therefore, land & Seattle and subsidiaries at practically the same. This would a cost of more than \$100,000,000, apply to ties, rails and fastenings. Examples of joint use of track bridges, buildings, signals, and which have avoided construction other wayside structures. Here are between Seattle and Portland, again, dealing with an item of 182 miles; three stretches of track \$50,000,000 per year for maintenmiles; between St. Cloud and St. very large sum annually. Paul, 72 miles. Terminal Deliveries Would Be Expedited

tation is two-fold: First, and most mands that adequate transportation of the highest quality shall be provided at all times promptly rates. It is gratifying to be able now is generally admitted, so that avoided would be by routing the subject need not be discussed. In freight into a terminal via the line the Middle West and Northwest on whose track the industry to where the population depends altion, which would be accomplish-

economy and improved service. terminal work would directly reduce the cost of conducting trans-That railway rates have been inportation, that is, the cost of handling cars on the road and in the terminals. This item on the Great Northern, Northern Pacific, and Spokane, Portland & Seattle sys- public service. tems is more than \$70,000,000 annually. Avoidance of even a small proportion of the work which this cost represents would mean very

Benefits from the single concome practicable as contemplated in rates in the northwest has been Northern Lines and the Burling-in the Transportation Act; that the average return earned by ton would be able to take advan-SINGLE OPERATION BY NEW the carriers in the dorthwest re- tage of their close relationship and efit likewise. gion is less than the average for effectuate a single control of cars

portation Act has provided for act the statutory return of 5% per It seems self-evident that the ship and lease without complete having averaged only 3 per cent with a reservoir of 170,000 cars consolidation, and the Interstate for the six years since federal con- available under one authority ly to the points of greatest need three groups of 50,000 to 70,000 Northern Pacific in equal parts of The bearing which these facts cars under separate organizations. over 97 per cent of the stock of have upon the present question is that it would be greatly in the pubthe peak demand of the unified system would be about 10 per cent vice on the three separate roads. This would mean that several milnually, and at the same time a ed to the fact that by routing busiever, a return on the value of the property used for transportation of locomotives are similar to those purposes. It therefore follows that derived from such control of cars, the only way in which low rates namely, the availability of a reservoir of 4,500 locomotives to ficient and economical operation delays or congestions of of the railways, and the public is freight; and the smaller investpeaks of business on the three units are not simultaneous and come from the association, so have in every way endeavored to would be protected by the aggregate supply of motive power on ther improvement in service will prove their service; to these ends the enlarged system. The inter- result from closer association of they have made very large capital est, depreciation and maintenance expenditures for more and better charges thus avoided each year arating them would cause a loss facilities and have enlisted the cowould, as in the case of cars, Companies, will better unify the operation of their employes and amount to more than a million accomplished the public, with the result that the service now rendered is better

Larger Percentage of Cars Would Be on Home Line The cost of car repairs has a definite downward trend as the ercentage of home cars on line increases. In the case of a foreign car, the company on whose line that car may be located, in

to keep the car moving by making numerous emergency repairs, perhaps repeated at several terminals, while if the car were on its own line it would be properly repaired in the first instance and pairs which otherwise would be on undertaking, involving be large and that important im- bring about a material reduction would be at home at all repair points on the combined system, to better advantage than when

service with the present railroad saving would be a substantial

Standardization Feasible The Great Northern and North-000,000. These are great facts building of some duplicate lines dardize equipment on the propos-which cannot be ignored. Under and terminals by making joint use ed system. For example, box cars consolidation, the next logical step avoiding unnecessary construction meet the requirements of bulk should be taken, and that is to of separate lines have already been unify the control, and the operamade. Also each of the Northern quirements which other railroads tion of the two Northern Compan- lines uses jointly with the Buries whose interests are already so lington and with the Spokane, tied together that they cannot be Portland & Seattle, certain facilities, and each does some switching for the United Car that is suitable for them in their territory is not the type of box car that is suitable for them in their territory is not the type that would be used in the northwest.

The community of interest land & Seattle. The purchase of which exists through their owner-the Barlington by the two North-

ern Lines is the greatest example cause the climatic and traffic conof avoidance of duplicate construc- ditions encountered are much alike C., 72 miles; between Huntley and that a comparatively small per- which shows at the Elsinore thea-

> Advantages in Combined Purchases and Stores

While many articles are pur-There is now practically no du- chased in quantities sufficiently ancy ever since. In "Subway had been to him an incident, but plication of terminals as between large to obtain the best price, so Sadie" she plays the title role. Her to the girl, the first taste of love. the Burlington and the Northern far as price is affected by quanti- role is that of a smart New York He creates a scandal that finds its Hill proposed to consolidate the kane, Portland & Seattle is inten- Lines at their points of contact, ty, there are some things like rollstock ownership of the Great sified by an extensive common namely. Twin Cities, Sioux City ed steel wheels, signal wire, elec-Northern. Northern Pacific and ownership of the Northern Lines and Billings; but in many instanctrical supplies, incandescent lamps, es the two Northern Lines are op- stationery, steel castings, creothen held that such control was of the 4,969,350 shares of stock erating duplicate terminals and sote and zinc chloride for tie prohibited because the Anti-Trust outstanding being held by those duplicate train service, and in treatment, that could be advanthose instances further economies tageously purchased in larger can be made. A saving could also quantities than is possible by each be brought about by avoiding the of the three roads separately. necessity of performing some term- There would be an advantage in inal work; for example, a car com- buying in larger quantities such ing into a terminal from the Great materials as bolts, nuts, washers, Northern line and destined to an nails, screws, and other items, industry on the Northern Pacific could be loaded out again, after having been made empty, without any necessity for being returned larged system would make avail- Fanchon and Marco vaudeville will anew by Marie, the actor comes to to the Great Northern as at pres- able to the entire mileage the Likewise, the expense of sources of fuel oil, coal, timber They have been furnishing some respond to his love making. It is adopted." he added, "a force of joint inspection would be saved. and some other supplies which are Another way that work could be local to one or the other of the It is obvious that there could

be a large reduction in the aggrewhich it is destined is located. gate stock of material carried, by Elimination of delay to cars incl- the simple process of eliminating dent to switching and joint inspec- duplicate stocks. The possibilities of savings in this connection may ed by single operation, is import- be appreciated from the fact that ant both from the standpoint of the average value of such stock of material and supplies totals Elimination of duplicate lines \$25,000,000 on the Great Northand terminals and reduction of ern. Northern Pacific and Spokane, Portland & Seattle lines. SERVICE WOULD BE

IMPROVED I wish to emphasize particularly that the proposed unified operation would distinctly promote the

eliminating terminal delays at mittee. Under the present law bill making the commission aptransfer points and by getting a the emergency board has author- pointive is a good one and should better distribution of cars through- ity to upset legislation carrying receive favorable consideration. out the year, thus making available a larger number of cars for any or all recommendations of the the seasonal movement of crops which mature at widely separated emergency board is not necessary dates in the enlarged territory; by and should be abolished." rol of cars and locomotives would consolidated offices and tariffs; come to the public directly in bet- by avoiding switching and the reached no decision on this, since cent more, and for some regions it concluded that the plan for gen- 80 per cent more, notwithstand- the savings the carrier would common to any of the lines; and eral consolidation of the railroads ing the facts that wages have in-throughout the country could not creased 115 per cent, taxes have in equipment and by reducing the dustry now on the Great North be immediately prepared and that increased 185 per cent, and the cost of equipment maintenance ern, Northern Pacific or Spokane gencies. additional legislation was desira- average cost of all commodities 60 and operation. In the matter of Portland & Seattle an industry on Twenty-nine of the 30 members den, subject to confirmation, by ble. As a result, consolidation in per cent during the same period, equipment, although operated as the combined system. To a large two separate companies, the extent, industries common to the

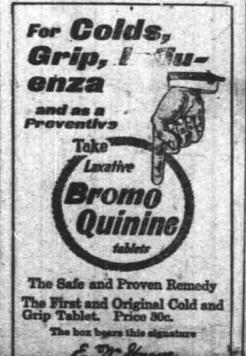
Northern Lines and the Burling- Burlington and either one or both members of the public service of the Northern Lines would ben commission appointive rather tendent at the prison was neces-Benefits From Present Associaof the present commission will tion Would Be Extended The association of these two continue to serve under their elecquisition of control of one carrier cent fixed by the Interstate Com- public can be given greater as- lines with the Burlington for the tive commission until the expiralast twenty-five years has resulted tion of their terms. The bill to Senator Butler. Members of the commission would be appointed

character described. than under present conditions with ship by the Great Northern and The number of cars required for the Burlington has resulted in the less than the aggregate number prompt and efficient interchange required to give equally good ser- and has resulted in close working traffic and operating arrangements to the end that shippers lions of dollars could be saved an- and consignees have been educatsuperior service given to shippers. ness via the Great Northern or The advantages of a single control the Northern Pacific, in connection with the Spokane, Portland & Seattle and the Burlington, they receive superior service. The divorcing of one of the Northern Lines from the Burlington, as has been tentatively suggested would ment in locomotives because the mean loss to the public of many of the advantages which have that, on the one hand, while furthese lines, on the other hand senof a part of what already has been

> PUBLIC INTEREST IN FINAN-CIAL STRENGTH Good Credit Necessary For

Development The economies which I have suggested will directly tend to increase the financial strength and the credit of this group of railroads, and on that account will the absence of standard material put them in better position to for that particular car, will try meet the needs of the west for adequate railroad expansion. Moreover, the unified operation of the Spokane, Portland & Seattle and the unified control of the Burlington, both of which are already jointly owned, will remove the danger of divided councils so that this unification may well lead to more confident and decisive expansion of these properties in the public interest than would be possible with the two Northern Companies acting independently of each other.

One of the essentials for the success of private operation of railroads is that the railroads shall (Continued on page 4.)



NEWS OF THE STAGE AND SCREEN

lected by Alfred A. Santell and Al for a three day run, February 15-Rockett for the principal roles in 16-17. ney (Patsy Ruth Miller) who tre today, February 15. meets Clifford Dudley (Clive

Dorothy Mackaill, Jack Mulhall Brook), matinee idol of a company and Charles Murray are the fea- playing in Marie's town. Marie tured players. Miss Mackaill made falls in love with him and follows fessional men buy off Mosher. (*) her mark in "Mighty Lak a Rose." him to New York, where the stage Her star has been in the ascend- star turns her down, after what working girl who falls in love with way all along Broadway and back a subway guard. into her own home town. Marie

has long been a great screen favorite. Perhaps the most outstanding of his pictures in the past year has been "Classified." His broad, Irish comedy back on its feet and grad- bate will continue under limitasmile fits admirably in his part of uates from the hard school of the tion as the measure is read. the subway guard in this picture. Charlie Murray is known as one friend in Sally Short, to Broad-

of the screen's funniest men. In "Subway Sadie" he has a role ideally suited for his style. plays the part of a tough taxi In addition to the picture the spurned her. However, attracted least difficult."

be a part of the entertainment, call but her hurt heart refuses to three mediums of collection is excellent features for the audi- not until she has publicly humili- investigating agents must be orences and are being well received, ated him at a large reception in ganized for the purpose of ascerlines, but are not common to all. This will be their final appearance her home that she repents and taining whether the designated in Salem until Sunday.

> "Why Girls Go Back Home," a try girl goes back home to show Warner Bros, picture co-starring off her handsome husband.

(Continued from page 1.)

appropriations and brush aside

SENATORS VOTE FOR

is now constituted."

the work of the public service commissioners was technical and ENDING BOARD of the same class as that of the state engineer and highway de-

way's darling.

"If we had authorized an ap-Senator Upton declared that he pointive public service commisbelieved the emergency board was sion several years ago," said Senunnecessary. "If we are to re- ator Strayer, "this legislature tain the emergency board," said would not have been called upon Senator Upton, "we might as well to spend so much of its time in Service would be improved by abolish the ways and means com- conducting investigations. The

> The senate also approved Senator Dunne's bill increasing the ways and means committee. The salary of the judge of the court of domestic relations in Portland from \$4000 to \$5000 a year. The bill doing away with the

> A bill introduced by Senator emergency board carries an ap- Moser authorizing the appointpropriation of \$100,000 to be ad- ment of a superintendent of the ministered by the state board of state penitentiary also was apcontrol. This money shall be proved. Under this bill the suused only in cases of real emer- perintendent of the prison would of the senate voted to make the the state board of control.

> It was argued that a superinthan elective as provided under sary because of the rapid expanthe existing laws. The members sion of the state industries. The

> > Casey's Guaranteed RHEUMATISM REMEDY Money refunded if it does not cure your case **NELSON & HUNT** Druggists Cor. Court and Liberty Tel. 7

THE OREGON Today, Wednesday, Thursday

by the governor.

Senator Strayer declared that

THE ELSINORE

Last Times Today

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"Specialty Idea" A Vaudeville Riot

Dorothy MacKaill

SUBWAY SADIE Matinee 10c - 35c

Evening: Children 10c; Balcony 50c; Floor 60c

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ONE DAY FEBRUARY 20 2:30 Matinee Night 8:10 "LAUGHyou grinning dogs!" And a hideous, quavering travesty of a laugh rang out. What mad, incredible business this, that crazy laughter among the dead, from men about to die?

Forced to laugh in the face of death - No wonder Herbert Bre

is called "the year's greatest melodrama.

The Year's Greatest Melodrama 20 Piece Touring Orchestra Matinee, 50c - 75c - \$1.10 Nights, 50c - 75c - \$1.10 - \$1.65 Seats On Sale Now salary of the superintendent would be fixed by the state board of control.

Have your prescriptions filled in each federal land bank district at the first drug store west of the New Bank building. Reliable and

D. H. Mosher, Merchant Tailor, is turning out the nobbiest and best fitting tailor made suits to St., where most people prefer to measure; 100% business and pro- get their auto parts for all makes

MELLON SHOWS FARM **BILL'S DIFFICULTIES** (Continued from page 1.)

strength of the measure, will be Jack Mulhall, the subway guard, is broken-hearted at the treachery, taken by farm leaders as showing As the "third girl from the in what way the wind blows. If right" she puts a failing musical the senate bill is substituted, de-

> In his letter to Representative chorus where she has met a real Chindblom, Secretary Mellon said that "collection of the equalization fee from any one of the three She cannot wholeheartedly enmediums provided has so many joy her fame and success because disadvantages that it is not posof her love for Dudley, who has sible to say which would be the

"Regardless of which of the writes begging forgiveness. Dud-collection medium has filed corley, genuinely in love, follows her rect returns and paid the full to the train, and so the little coun-amount of the fee. The investigating body might be compared with the present force of revenue agents employed under the supervision of the internal revenue bureau "The impossibility of collecting

every cent of the equalization fee is apparent. In addition to the fact that the equalization fee is a sum authorized by law which must be collected for the rehabilitation of the revolving fund, it can be seen that the collecting agency that does not make proper report is in effect withholding from the funds. "So much will depend upon the

honesty and alertness of the collection agency that it can be seen that many units of the proper commodity as it passes through commerce will fail to pay the equalization fee provided by law. An unscrupulous processor or purchaser or carrier will find that ability to evade the return of the equalization fee to the board will result in his profit. It must be realized that the ingenuity of the government representatives must be vigorously applied to adequately meet, insofar as possible, the requirements of the proposed legislation."

Unless existing collecting agencles are used. Mr. Mellon said, it would be necessary to set up an equalization fee collector's office

Mrs. H. P. Stith, millinery An unusually gifted cast was se- Brook, opens today at the Oregon trustworthy, nothing but the pur- Most beautiful hats in Salem; all est drugs. Crown Drug, 332 State. shapes and colors; full stock from which to make fine selections

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art grand piano

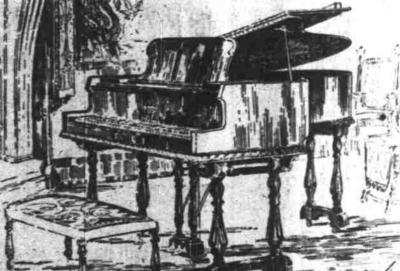
grand piano is but five feet long. It will fit charmingly the compact living-room of apartment or bungalow. Its extremely low introductory price, \$795, bench included, can be readily budgeted. (Price will shortly advance to \$845, when present shipment is sold.) Several exquisite models to choose from: Spanish, French

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the dignity and poise of the Italian motif. Finished in dull mahogany. You will be delighted by

or Italian. Here are illustrated

these models.



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