

THE DAILY Will be delivered at your residence or place of business by carrier at 15c A WEEK.

East Oregonian

Eastern Oregon Weather

Tonight and Wednesday, partly cloudy.

THE DOGS GO HOME

Goodhounds Which Were After Tracy and Merrill Are Taken to Walla Walla.

GUARD CARSON RETURNED WITH BLOOD HOUNDS

An interesting story of the chase after the escaped convicts, and says they would have gotten away long ago but for the dogs. E. Carson, in charge of the goodhounds from Walla Walla which have been used in the chase after Tracy and Merrill, passed through this city this morning on his way home, having been compelled to give up the chase on account of the dogs getting out.

Seen at the O. R. & N. train by a representative of the East Oregonian, Guard Carson talked interestingly of his trip and his long chase after the escapes, of the ultimate capture of whom he is perfectly confident. "I am certain that the men will be captured," said he, "and that very shortly as they are now getting into territory where it is possible to follow them with some hope of success. The posse which is in pursuit of them is also much larger than it has been before and can now hope to successfully surround the convicts."

Those newspaper reports of the number of men on the trail of the desperadoes were grossly exaggerated. There was at no time a posse out, the average being from six to eight who kept right at work. Of course there were times when a number of people would be out but these only lasted a few days and were not available for duty in guarding avenues of escape.

Why, during the time the men were being held at Lewis river there were on an average only six of us, and we kept them from crossing for five days. During this time we were sitting them around in a circle all the time. "If it had not been for the dogs we could not have kept track of them at all as there are in that section of the country a number of ex-convicts who in a quiet way did everything they could to prevent us keeping the trail more than three-fourths of the time. The dogs were really intended to throw us off the scent and to take us in a direction as far as possible away from where the convicts really were. Then again every time anyone saw a couple of hoboes around the country they were sure it was the escapes and hauled us over their heads to earth only to find we were after the wrong men."

The dogs would only follow the trail of the convicts and every time they changed their clothes the dogs would find the cast off clothing hidden in the brush, whereas a man would have gone past it a dozen times and not discovered it except by the merest accident.

The country there is fearfully rough and the timber is full of briar and thorn undergrowth, which scratched the dogs until they were almost crazed with the pain. Huge thorns two inches in length, called "devil's club," abound in that country and these were something terrible to the dogs.

"Many times in following the trail it was necessary to crawl through the undergrowth on our hands and knees and then the thorns scratched our faces and hands and tore our clothes almost off us. It was the hardest kind of a trip."

"Another thing which retarded the chase was that the people who saw the convicts hardly ever reported before 24 hours had elapsed and by that time the sun had shone on the dusty roads where the convicts had traveled and had taken the scent away so the dogs could hardly follow the trail. We had but one really good chance and that was just before I came away. Then the trail was found a few moments after the convicts had passed. The dogs were completely tired out, however, and discouraged because after their long hunt they had not found the men they were trailing, and as we tried to keep them quiet until we reached the trail it got them rattled and they refused to work. When I saw how

(Concluded on page two.)

REPEAL OF THE WAR TAXES

UNCLE SAM'S INCOME TO BE DECREASED BY IT

New Revenue Law Goes Into Effect July 1 and Many Kinds of Special Taxes are at an End.

Washington, D. C., July 1.—The amount of federal taxes paid by the people of the United States is lessened to the extent of about \$77,000,000 annually by virtue of the new revenue law which went into effect today. The new measure amounts to a virtual repeal of all the Spanish war revenue taxes except the tax on mixed flour. The duty on tea remains until January 1 next to enable those who have stocks on hand to dispose of them before the repeal takes effect.

With the going into effect of the new measure the war tax is repealed on the following: Bankers, brokers, dealers in grain, securities, etc., pawnbrokers, custom house brokers, proprietors of theaters, circuses and other public exhibitions, proprietors of bowling alleys and billiard rooms, dealers in leaf tobacco, dealers in tobacco, manufacturers of tobacco, manufacturers of cigars, instruments, papers or documents; deliv-ers of transfers of stock; sales or agreements to sell stocks, products of merchandise; wines, seats in parlor or palace cars and berths in sleeping cars, legacies and distributive shares of personal property, excise taxes on persons, firms, companies and corporations engaged in refining petroleum and sugar.

On the following articles the tax is reduced: Fermented liquors, to \$1 per barrel; snuff and tobacco, to 6 cents per pound; cigarettes weighing not more than three pounds per 1000 reduced to \$2.00 a thousand. The tax on mixed flour and oleomargarine, not being a war revenue tax, is not effected by the new law.

COX IS IN TOWN

MAN INJURED AT CAMAS CREEK HAS REACHED CITY

Operation Performed This Afternoon With Some Hope of Saving the Life of the Unfortunate Victim.

Dr. Cole, R. T. Cox and N. Berkley arrived this morning from Ukiah with John Cox, who is suffering with a fractured back bone, the story of which was fully given yesterday. Mr. Cox, while not suffering a great deal of pain owing to the pressure of the bone on the spinal cord, is in a serious condition and his death seems to be only a question of a few days.

He stood the trip from Ukiah better than was expected and is now in the Sisters' hospital where an operation was performed this afternoon with the hopes of raising the fractured bone from the cord and, while the surgeons, Dr. Cole, of this city, and Dr. Brooks, of Portland, have little hopes of the operation doing the injured man any good, they say there is a possibility of saving his life.

C. L. Cox, brother of the injured man, arrived last night from Alamo and is with his brother, R. T. Cox. They are having everything possible done to relieve Mr. Cox and save his life.

Interchangeable Mileage.

Omaha, Neb., July 1.—The system of interchangeable mileage recently agreed upon by general passenger agents of prominent western railroads was put into operation today. The territory covered by the agreement extends from the Mississippi and Missouri rivers west to the Rocky mountains and from the Canadian line south to the Gulf of Mexico.

Illinois Prohibitionists.

Peoria, Ill., July 1.—The prohibition state convention was called to order here shortly after 1 o'clock this afternoon by Hale Johnson, chairman of the state central committee. The convention will place in nomination candidates for the state officers to be voted for at the fall election, and also candidates for congress and for the legislature in all the districts of the state.

Increased Salaries for Postmasters.

Washington, July 1.—In the readjustment of salaries of postmasters at presidential offices, effective today, 2030 postmasters receive increased salaries aggregating \$252,200. The number of increases this year is 259 in excess of last year and is the largest in the history of the postal service.

ENGLAND'S KING IS ALMOST OUT OF DANGER

For the First Time Since His Illness the Bulletins Have Been Unqualifiedly Favorable—Coronation in September.

London, July 1.—For the first time since the operation was performed on the King, just a week ago today, his physicians this morning issued a bulletin regarding his majesty's condition, which was unqualifiedly satisfactory. The bulletin says:

"The King passed an excellent night of natural sleep. He has gained strength and made substantial improvement in all respects."

It is announced upon apparently excellent authority this morning that an invitation has been extended by Queen Alexandra to the Danish Hussars to return to London at the end of September for the coronation of the King.

London, July 1.—Added to the thoroughly hopeful tone of the official bulletin, the appearance of the queen at the review of the colonial troops today showed conclusively that the brightest hopes of the king's recovery are now entertained in all official quarters. When the queen's carriage emerged from the palace grounds to take its place at the review station the great crowds gathered around the palace cheered frantically and only the discipline of the army restrained the troops from making a similar demonstration.

The queen looked in her usual good health, and smiled and bowed in an animated fashion to the cheering crowd. Experts not Satisfied. Medical authorities are, by no means unanimously satisfied with the king's condition. They say his majesty's physicians, who first thought he would die are affected by their joyful reaction.

They may depend too much upon the king's marvelous vitality. The best semi-official information is that while the bulletins accurately reflect the state of the king's wound, his majesty's general health still causes much uneasiness.

Wound Heals Slowly. A medical expert says the king's wound is healing slower than was expected and tells the public to watch the bulletins carefully for the next day or two. Statements that the king is troubled with cancer are denied.

The seven o'clock bulletin read: "The advancement in the king's condition is maintained. His appetite is improving and the dressing of the wound is less painful. His Majesty is still easily fatigued by the least exertion."

CRISIS IN CHICAGO IS "GET AWAY" DAY

Troubles of Freight Handlers Will Come to a Head There This Afternoon.

GENERAL CONFERENCE TO BE HELD TODAY

Strike Which Would Have Tied Chicago Traffic Up Tight and Affected Transportation All Over the United States Was Expected This Morning.

Chicago, July 1.—A crisis in the freight handlers' trouble will be reached today. It was expected a strike order which would paralyze freight traffic in Chicago and affect traffic throughout the United States would be issued this morning but the railroads receded at the last moment and asked for a conference. It is expected this will be held this afternoon. The men want an increase of wages.

If the strike is ordered it is expected that the longshoremen and teamsters will refuse to handle any goods moved by non-union men.

Boilermakers are Out. Chicago, July 1.—The boilermakers on the entire Chicago & Northwestern system struck last night. They demand \$5 cents an hour. They are receiving 30.

SERIOUS LABOR COMPLICATIONS ARE FEARED AT PORTLAND

Portland, July 1.—It is believed that the three strikes now on here will result in more serious complications soon. The labor unions view with alarm the resumption of work at the plan-

ing mills and fear that the strike will be a failure. It is hinted today that the international federation of labor may be called on for authority to order out all unions in sympathy.

CLEANUPS ARE ENORMOUS

YIELD OF PRECIOUS METALS FROM SOUTHERN OREGON More than \$50,000 in Placer Gold Has Been Brought Into Grant's Pass During the Past Week. Grant's Pass, July 1.—More than \$50,000 in placer gold has been brought here during the past week. The cleanup of the Southern Oregon mines is something enormous.

UNITED STATES STEEL CORPORATION ISSUES STATEMENT

Shows Net Earnings for First Quarter of \$40,000,000 as Compared with \$26,000,000 for Same Quarter Last Year. New York, July 1.—The statement of the earnings for the first quarter will be issued by the United States Steel corporation this afternoon. It will show net earnings of \$40,000,000 as compared with \$26,000,000 for the same quarter last year.

PORTLAND'S NEW MAYOR.

George H. Williams Took Office There Today. Portland, July 1.—George H. Williams assumed the office of mayor today. He will announce his appointments tomorrow.

Mr. Dawe's Chicago Bank.

Chicago, July 1.—The Central Trust Company, recently organized by former Comptroller of the Currency Charles G. Dawe with leading financiers of New York and Chicago as his associates, began business today. The concern has a capital of \$4,000,000 and a surplus of \$1,000,000.

CHICAGO MARKET

SENSATIONAL DEALINGS IN WHEAT STILL CONTINUE

The Cereal Jumped in Price 3/4 Cents Within the Past 24 Hours Corn Forced up to 78.

Chicago, July 1.—Renewed activity was displayed in July wheat on the board of trade today.

It jumped from 74 1/2 to 75 1/2 early; an advance of 3/4 in 24 hours. Continued rains are responsible for the rise.

Manipulation by the Gates-Phillips combine sent July corn up to 78.

NEW YORK MARKET.

Reported by I. L. Ray & Co., Pendleton, Chicago Board of Trade and New York Stock Exchange Brokers.

New York, July 1.—The wheat market opened this morning at 79 1/2, 1/2 cent higher. Throughout the day it was very wild and marked with sharp jumps, going to 80 1/2 and then falling to 79 1/2. Close was 79 1/2, being 1/2 cent higher than Monday. Liverpool was up, closing 1/2 cent higher, at 6 1/2. Corn was strong, and closed same as Monday, 6 1/2.

Wheat: Closed Monday, 78 1/2. Opened today, 79 1/2. Range, 79 to 80 1/2. Close, 79 1/2 bid. Stocks quiet: St. Paul, 175; U. P., 194 1/2; U. S. S., 37 1/2.

Wheat in Portland.

Portland, July 1.—Wheat, Walla Walla, 66, bluestem, 70, valley 67. Tacoma, 65 1/2 @ 66 1/2.

Wheat in San Francisco.

San Francisco, July 1.—Wheat, 116 1/2 per cental. Wheat in Chicago. Chicago, July 1.—Wheat 74 1/2 @ 75 1/2.

MAY TIE UP TRAFFIC.

Strike of all Engineers and Deck Hands on River Threatened. Portland, July 1.—All river traffic may be tied up unless the companies grant a ten per cent increase in wages. All engineers and deckhands were to strike today but after a conference with the employers decided to wait till they can further consider their demands.

Names for Warships.

Washington, July 1.—The secretary of the navy announces that the four new battleships authorized by congress shall be named Washington, Tennessee, Louisiana, Connecticut, respectively.

SCRAP IN SENATE

Bailey of Texas Assaulted Beveridge of Indiana Yesterday Afternoon.

BEVERIDGE REFUSED TO RETRACT REMARKS

And Bailey Seized Him by the Throat but Friends Interfered Before Any Injury was Done—Both Men on Hand Today.

Washington, July 1.—Senator Bailey of Texas assaulted Senator Beveridge of Indiana yesterday just after the senate adjourned for executive session. The affair was the result of the bitter controversy which the two senators had during the afternoon. Senator Bailey demanded that Mr. Beveridge retract the language uttered at that time, and when the latter declined, it is alleged Mr. Bailey seized him by the throat and threw his weight upon him at the same time. The two men were separated, however, before much damage was done.

Senator Bailey was the cynosure of all eyes when the senate was called to order this morning. He appeared on the floor after the opening prayer and was sought out by Spooner, who later consulted with Fairbanks, the colleague of Beveridge, with whom Bailey had his sensational encounter. Beveridge was not in his seat but came in at noon and was cordially greeted by a number of party friends. Beveridge has been receiving all sorts of congratulations for the manner in which he conducted himself during the encounter. He says Bailey did not choke him.

No Word of Moody Bill.

Up to the time of going to press no word has been received from the Moody bill for the sale of the unsold lands of the Umatilla reservation, which was to have been passed before the closing of the session.

Jubilee Pilgrimage to Rome.

New York, July 1.—There was a great waving of hats and handkerchiefs from the crowd assembled on the Hoboken docks this morning to witness the departure of the steamer North America carrying the first section of the Roman Catholic jubilee pilgrimage to Rome. The party numbers more than one hundred clergy and laymen and is under the spiritual direction of the Very Rev. E. H. Porcille of Brooklyn. The second sections will form a junction at some European point and proceed to Rome together.

En Route to Last Resting Place.

Annapolis, Md., July 1.—Simple ceremonies accompanied the transfer of the remains of Lord Pauncefote, which arrived by special train from Washington today, to the cruiser Brooklyn which is to bear them to England. A detachment of cadets and marines escorted the coffin aboard the ship and as the latter sailed down Chesapeake Bay a salute of guns was fired from the batteries on shore.

New Assistant Superintendent.

Springfield, Ill., July 1.—Captain Joseph H. Freeman, who for six years has occupied the position of assistant state superintendent of public instruction, retired from the office today to assume his new duties as superintendent of the institution for the blind at Jacksonville. Captain Freeman's successor in the office of assistant state superintendent is Joseph E. Bangs of Pontiac.

Canadian Immigration.

Ottawa, Ont., July 1.—Figures given out by the board of immigration show that the arrival of immigrants for the year ending today were 65,000, an increase of more than 15,000 over last year. The increase is principally from Great Britain and the United States.

Stop the Fight.

St. Louis, July 1.—An order has been issued to the chief of police by the circuit court to prevent the Corbett-Sullivan fight for the featherweight championship, scheduled for next Thursday night.