

CANNOT MOVE TO RECOVER DEPOSIT

Treasurer Does Not Have to Account for School Funds.

State Has \$395,000 in the Defunct Title Guarantee & Trust Company Bank of Portland and No Way to Recover From Bondsman Until Successor to Steel is Elected.

Salem, Or., Nov. 21.—No steps have yet been taken to recover the \$395,000 deposited by the state treasurer in the Title Guarantee & Trust company bank, or to find out whether the state has any recourse against the surety company which was surety upon the bond of the state treasurer and the trust company. Demand was made for repayment of the money, but there the matter rests, and seems likely to rest, for some time to come. The surety company has acknowledged liability for \$100,000 of the amount, but no more. So far as known, no arrangements have been made for the payment of even this amount.

Governor Chamberlain has been earnestly seeking some means of enforcing payment of the money into the treasury but has been unable to find any way of bringing to a legal test the question of the liability of Steel and his bondsmen. Though it is publicly known, and admitted, that the money is gone, not only from the treasury, but also from the control of the treasurer, there is no way of bringing a suit until the treasurer has been called upon to turn the money over to some one else and he fails or refuses to do so. It was this situation that first brought the suggestion that the state treasurer should resign, thus making it necessary that he turn over the funds to his successor, in default of which a suit would lie against his bondsmen. But the treasurer has said that he will not resign, and there the matter rests. His term will expire in a little over three years, and then a suit can be brought unless the money has been paid into the treasury sooner.

INVESTIGATE BANKING LAWS.

California Legislature Takes Steps to Protect Depositors.

Sacramento, Cal., Nov. 21.—Resolutions were introduced yesterday in both houses of the legislature, convened in extraordinary session, for the appointment by the governor of a special executive committee to investigate the banking laws of California and the banks of the state. Amendments are to be drafted and the committee will draw up more stringent measures for the better protection of depositors and will report its findings and recommendation to the next regular session of the legislature.

The senate unanimously adopted the concurrent resolution approving four of the 20 amendments to the San Francisco charter, adopted at the recent election.

Must Call Session Again.

Sacramento, Nov. 21.—After an extra session for two days it has developed that the proper financial relief legislation and the rehabilitation of the courts on special holidays cannot be enacted by the legislature under the present call of Governor Gillette, and that a supplementary proclamation must be issued. Such was the conclusion arrived at late last night by a subcommittee of the senate judiciary committee.

State of Lincoln Resurrected.

Muskogee, Okla., Nov. 21.—Delegates from the Northwest to the Trans-Mississippi congress are today working on a proposition of a new state to be called Lincoln, composed of parts of Washington, Oregon, Idaho and Montana, with Spokane as the capital. The proposition is favored by N. W. Durham, of Spokane. Resolutions were introduced for the establishment by the government of a bureau of mining and agricultural colleges, experimental stations and postal savings banks in every congressional district.

Cannot Rescue Canadians.

Winnipeg, Man., Nov. 21.—Despite the Ottawa reports that the Dominion government would at once distribute \$10,000,000 in currency to help the movement of grain of Western Canada, it was announced today that the government has no cash to loan and has failed so far in getting a supply from the bank to help the farmers. In the meantime the frozen grain must be moved. The congestion at the head of the lakes is becoming serious.

New Death Test.

Paris, Nov. 21.—A new death test which absolutely precludes the possibility of burial alive has been discovered at the Lariboisiere hospital in this city. Experiments have shown that radiographs of bodies taken even a few minutes after death reveal clearly the outlines of all the organs, whereas if the radiographs are taken during life the organs are not revealed.

Improve Rivers in Montana.

Helena, Mont., Nov. 21.—A call was today issued by the Helena Commercial club for a meeting of citizens of this state, to be held here November 26, for the purpose of forming a state association to bring about the securing from congress of a just share of the river and harbor appropriations for the betterment of the Missouri and Yellowstone rivers.

LUMBER CASES CONSOLIDATED

Oregon and Washington Complaints Will Be Heard Together.

Washington, Nov. 22.—The Interstate Commerce Commission will hold but one hearing to dispose of the complaints of Oregon and Washington lumber manufacturers against the new rates on lumber shipped to Missouri river points and the Middle West and from points in Oregon to points in California. The Oregon and Washington Lumber Manufacturers' Association and the Pacific Coast Lumber Manufacturers' Association have filed separate complaints with the Interstate Commerce Commission but in effect their complaints are identical, as the rates complained of are the same from Oregon as from Washington, the defendant railroads are the same in each case.

The complaint of the Western Oregon Lumber Manufacturers' Association is somewhat different, as it applies only to rates from Oregon to California established by the Southern Pacific and the Oregon & California Railroad companies. At the hearing, which will begin December 11, the railroads will be represented by their attorneys and the lumbermen by Teal & Minor, of Portland; A. E. Griffiths, of Seattle; W. H. Abel, of Montesano, Wash.; and Wimbish, Watkins & Ellis, of Atlanta, Ga. In its complaint, recently filed with the Commission, the Oregon and Washington Lumber Manufacturers' Association, allege that the Hill and Harriman railroads, by concert of action absolutely fix and maintain rates on lumber from Oregon and Washington to points in the Mississippi Valley, Rocky Mountain and Plains states, said rate being formulated through the trans-continental freight bureau at Chicago, said bureau being dominated and controlled by these two systems.

After setting forth the difference between the old rates and those which were to have gone into effect November 1, the complainants allege that this raise in rates is the result of a conspiracy to destroy all competition among the railroads operating in the Northwest, and to exact an unreasonable compensation for the transportation of lumber, and that the railroads, by increasing their rates, propose to absorb all or nearly all of the profits of the lumbermen.

HEARST HELD FOR LIBEL.

Bound Over to Grand Jury—Political Game Charged.

New York, Nov. 22.—Justice Wyatt, in the Court of Special Sessions today, held William R. Hearst for the grand jury on the charge of criminal libel, preferred by William Astor Chanler. S. S. Carvalho appeared for Mr. Hearst. The amount of bond was fixed at \$500, the usual sum required in misdemeanor cases. Mr. Carvalho is the general manager of Mr. Hearst's New York newspaper. Both Mr. Hearst and his bondsmen were in court when Justice Wyatt handed down his decision. They repaired to the office of District Attorney Jerome while the bail bond was being prepared. It was later approved by Justice Wyatt and Mr. Hearst and his attorneys drove away in the big red automobile that had brought them to the criminal courts building.

The charge against Mr. Hearst grew out of a publication in the New York Evening Journal concerning the case of Raymond Hitchcock, the actor. Mr. Chanler's name was mentioned in connection with the article. Several hearings were had before Justice Wyatt, and Mr. Chanler positively denied that he had ever been at Hitchcock's house when little girls were there.

His counsel contended that the publication had been made for the purpose of injuring politically Lieutenant-Governor Lewis Stuyvesant Chanler, a brother of the complainant, against Mr. Hearst. This was denied by Mr. Hearst's attorneys, who made the counter assertion in court that Mr. Chanler's proceedings against Mr. Hearst were taken in the hope of hurting the chances of the Independence League ticket in the last country election.

Combined to Down Opposition.

Salt Lake, Nov. 22.—The Federal grand jury returned indictments against the Union Pacific Railroad company, the Oregon Short Line, the Union Pacific Coal company, J. M. Moore, general agent of the Union Pacific Coal company and Everett Buckingham, assistant general superintendent of the Oregon Short Line. The technical charge is a combination in restraint of trade by forcing a Salt Lake City coal dealer out of business because he had lowered the price of coal below that fixed by the combination.

They Assassinated Picture.

Odessa, Nov. 22.—The trial by a special military court of 25 men of the Eleventh Nicholas I. regiment, on charges of mutiny and insubordination, came to an end here today. Two sergeants and one private who had destroyed a picture of Emperor Nicholas were sentenced to death and at once shot. Nine other men were sent out to the mines for life, 12 were sent to the mines for 10 years and the others were acquitted.

St. Louis Bids for \$12,000,000.

St. Louis, Nov. 22.—At a meeting of all St. Louis bankers today, it was decided to take \$12,000,000 of the government's treasury certificates, providing the money paid for this circulating medium be re-deposited in the banks taking the scrip. This the Treasury department has already signified its intention of doing.

Deposits Rushing Back.

New York, Nov. 22.—The Terminal Bank, one of the Brooklyn institutions which closed their doors several weeks ago, reopened for business today. More than 100 depositors were in line and \$45,000 was deposited during the first hour.

HAPPENINGS GATHERED IN AND AROUND WASHINGTON, D. C.

NAVY RANKS SECOND.

America Rises From Fourth Place in Two Years

Washington, Nov. 20.—In the last two years the United States has risen from the fourth to the second place among the naval powers of the world. Two years ago the American navy was outclassed by the navies of England, France and Germany. Today Great Britain is the only nation that has a larger naval tonnage than the United States. It is true that France has more warships, but the aggregate tonnage of the French navy is below that of the United States. These facts are brought out in a statement of the Naval Intelligence bureau of the Navy department.

England has 52 first-class battleships, 32 armored cruisers, 90 unarmored cruisers, 142 torpedo boat destroyers, 47 torpedo boats and 39 submarines. The ships now being built are 7 first-class battleships, 6 armored cruisers, 1 unarmored cruiser, 13 torpedo boat destroyers, 14 torpedo boats and 21 submarines.

France has 19 first-class battleships, 19 armored cruisers, 28 unarmored cruisers, 35 torpedo boat destroyers, 257 torpedo boats, 41 submarines and 12 coast defense vessels. The vessels now under construction are 8 first-class battleships, 4 armored cruisers, 40 torpedo boat destroyers, 14 torpedo boats and 63 submarines.

The United States now has 22 first-class battleships, 10 armored cruisers, 41 unarmored cruisers, 16 torpedo boat destroyers, 32 torpedo boats, 12 submarines and 11 coast defense vessels. This country is now building 7 first-class battleships, 2 armored cruisers, 3 unarmored cruisers, 5 torpedo boat destroyers and 7 submarines.

Modify Guard Laws.

Washington, Nov. 20.—The national administration desires existing laws modified so that the national guard of the United States can be made effective as the second line of defense of the country. With this end in view, Acting Secretary of War Oliver has invited the Interstate National Guard association to appoint a committee to meet him and the general staff on December 12, and unite upon resolutions. Repealing the provision limiting the length of active service of the militia to nine months; permitting service abroad; waiving the requirement of regular army regiment where states have not a full regiment of militia are among the changes wanted.

Taft Will Hasten Home.

Washington, Nov. 21.—Secretary Taft, who arrived at Vladivostok yesterday, cabled Major McIntyre, the acting chief of the insular bureau, to engage accommodations for him and his party on the steamship President Grant, which will leave Hamburg, Germany, on December 7 for New York city. The secretary said nothing about his program for the stay in Asia or Europe. Mr. Taft telegraphed that all the party were well. It is understood Mrs. Taft will not come to the United States with the secretary.

Congress to Give Relief.

Washington, Nov. 20.—There are so few members of either house of congress who deal directly with financial legislation in the capital that it is impossible to make any definite prediction as to what course financial legislation will take at the approaching session. All who are here, however, agree that the conditions are such that something must be done, and the preponderance of opinion favors the view that relief legislation will be prompt.

New Northwest Postmasters.

Washington, Nov. 23.—Postmasters appointed: Miles, Ore., Edgar A. Johnson, vice R. E. Cunningham, resigned; Rutledge, Ore., William Dinger, vice C. E. Young, resigned; Star, Ore., Mary J. Harlow, vice Miles Pitcher, resigned; Greenacres, Wash., William T. Donahue, vice H. M. Adams, resigned; Thornton, Wash., Harry H. Goss, vice L. L. Holt, resigned.

Protection Against Disease.

Washington, Nov. 21.—The bubonic plague at San Francisco and other diseases of the South American coast are causing the consideration of propositions for the safeguarding of United States ports to be presented by the American delegation to the coming international sanitary conference of American republics to be held at Mexico City.

Williamson Case Set.

Washington, Nov. 21.—The case of ex-Congressman Williamson, by joint request of the prosecution and the defense, has been set by the Supreme court for December 2. As several other cases are set for the same day ahead of this case, the hearing will probably be held about December 4.

Gompers After Cannon.

Washington, Nov. 19.—President Samuel Gompers, of the American Federation of Labor, forgetting his experience in politics a year ago, is going to undertake to prevent the re-election of Speaker Cannon—not his re-election to congress, but his re-election as speaker of the house.

Freight to Pacific Increases.

Washington, Nov. 22.—The census bureau reports that the commercial valuation of freight transported by water to the Pacific coast was \$74,000,000 last year, and \$21,000,000 in 1889. The wages have increased from \$5,000,000 to \$12,000,000.

FLEET TO BE REVIEWED.

President Will Inspect Atlantic Squadron Before It Sails.

Washington, Nov. 23.—Secretary Metcalf today signed an order prescribing the outlines of the program for the review of the battleship fleet by President Roosevelt at Hampton Roads, December 16, when it starts on its journey to the Pacific. The arrangement of the details will be left to Admiral Evans. The Mayflower, with the President and party on board, is to arrive in Hampton Roads from Washington, shortly after 8 o'clock in the morning, and will anchor near the center of the fleet.

Immediately on anchoring, the flag officer, followed by the commanding officers of the vessels of the fleet, will repair on board the Mayflower to pay their respects to the President. Returning to their ships, the fleet will get under way to stand out to sea, preceded by the Mayflower. The latter vessel will anchor, the fleet passing in review and out to sea.

RAILROAD CONSPIRACY.

Lumbermen File Protest With Interstate Commissioner.

Washington, Nov. 19.—A conspiracy between the Hill and Harriman lines to shut out competition, boost rates for transportation of lumber from Oregon and other North Pacific states to the East, is charged in a complaint by practically all of the big lumber manufacturers of those states, which was filed today with the Interstate Commerce commission. All the Hill and Harriman roads in Oregon are now putting into effect increased rates at from five to ten cents per hundred.

"This will greatly injure and to some extent destroy the lumber industry of Oregon, an industry yielding products worth \$30,000,000 at the mills and which is paying the roads \$12,000,000 in freight yearly," says the complaint. "It is unjust and unreasonable to impose on this industry the additional burden to pay dividends on grossly excessive capital stock and principal and interest on excessive bonds."

The manufacturers ask that a reasonable rate be fixed by the commission.

Fourth Complaint Filed.

Washington, Nov. 21.—The fourth of a series of complaints recently filed with the Interstate Commerce commission by the Lumber Manufacturers' association of the North Pacific coast, was presented to the commission today. Its title is the Southwest Washington Lumber Manufacturers' Association against the Northern Pacific Railway company and several other Western and Northwest railroads. It is practically identical in its allegations with petitions previously filed by the other associations.

Rebate Case Set for Argument.

Washington, Nov. 21.—The rebate case against the Great Northern Railway company, in which the company is under sentence to pay a fine of \$15,000, has been set for hearing in the Supreme court of the United States on January 6. This is the case in which the company resists the Elkins law, under which the fine was imposed, on the ground that it was repealed by the railroad rate law at the last session of congress.

Irrigated Potatoes From Idaho.

Washington, Nov. 21.—A box of "Golden Russet" potatoes, which were grown near Heyburn, Idaho, has been received by the reclamation service Washington office. The results of this first season of irrigation under the Minidoka project are most pleasing to the officials of the reclamation service. The yield of potatoes was something over five tons to the acre, and potatoes in neighboring states are bringing \$40 per ton.

Report on Land Sales.

Washington, Nov. 21.—The general land office has adjusted its account with Washington state, showing 5 per cent of the net proceeds of sales of public lands within the state for the fiscal year ending June 30. Receipts from sales of such lands were \$683,988; from fees and commissions, \$104,421, making the total receipts from all sources \$881,404.

Utes Leave for Work.

Washington, Nov. 22.—Telegrams from Special Agent Downs, of the Ute Indians, and Supervisor of Indian Employment Saglett, received at the Indian office here, state that 57 abled-bodied Indians, with their families, consisting of a total of about 135, left the Ute camp for Rapid City, S. D., to work. The total number of Indians at the camp is about 370.

Will Be Oversubscribed.

Washington, Nov. 23.—Developments of further assurances of the success of the new financial plan of the administration. The treasury department has received many bids for the canal bonds and certificates and it is believed that the hundred million of certificates will be largely oversubscribed. The local banks say that individual deposits have greatly increased since yesterday.

New Washington Postmasters.

Washington, Nov. 22.—Washington postmasters appointed: Lakehead, Wash., W. Kernode, vice H. P. Chamberlain, removed; Yelm, D. R. Hughes, vice J. L. Mosman, resigned. Rural free delivery route No. 2 has been ordered established February 1 at Tumwater, Thurston county, serving 400 people and 100 families.

TURN LIGHT ON THE BANKS.

Gillett Recommends Inquiry and Tells Cause of Stringency.

Sacramento, Cal., Nov. 20.—The special session of the legislature called by Governor Gillette convened yesterday. The governor's message, which was read in both houses, says the session has been convened to enact legislation believed to be imperative because of unusual financial stringency brought about by conditions existing in the East. The country is prosperous and legitimate business was never in better condition. The present state of affairs is attributable to extravagant living, wild speculation, the frenzied finance of the stock and bond manipulators of Wall street. The message adds in substance:

The banking laws need to be amended so as to afford better protection to depositors. Trust companies and corporations doing an interstate business should be placed under Federal laws, and if necessary the constitution should be so amended.

A committee should be appointed to investigate the methods of doing banking business in California.

Owing to conditions in the East, California banks are unable to secure the balances due them. This, with the withdrawal of money from the banks and the hoarding of it, has depleted the cash reserve. A bill will be presented extending the time for the payment of taxes; also provisions for permitting courts to proceed on legal holidays, to ratify recent amendments to the charter of San Francisco.

ALABAMA FOR PROHIBITION.

After 1908 No Liquor Will Be Sold in State.

Montgomery, Ala., Nov. 20.—Unprecedented scenes were enacted in the senate chamber of the historical capitol of Alabama yesterday when the statutory prohibition bill was passed by a vote of 32 to 2. Women and children thronged the corridors and galleries and even invaded the sanctity of the floor itself, pushing the senators from their seats and giving vent to their enthusiasm by shouts and cheers that echoed and re-echoed through the building. Senators who opposed the bill were hissed down when they arose to speak against the measure.

When two carloads of Mobile men came to lobby against the bill they found that delegates who favored that measure had filled the senate galleries until not a seat was left. It was the plan to crowd them out and it succeeded. Little children stood in the lobbies and pinned ribbons on everyone. Children were kept out of school yesterday to work against liquor.

The statutory prohibition bill, which was passed, was in the nature of a compromise between the anti and prohibitionists. The anti, seeing the handwriting on the wall, agreed to give up the fight, provided the time was extended until January 1, 1909, when the sale of whisky will be forbidden in the state of Alabama. This amendment will be sent to the house and will be concurred in without a fight.

CLOSED 60 DAYS.

Bank Examiner Does Not Expect Bank to Open Sooner.

Portland, Nov. 20.—Bank Examiner Claude Gatch has only fairly begun actual examination into the conditions of the suspended Merchants National bank. It is said a period of 60 days will probably elapse before the public can be apprised as to what course the bank will pursue.

So many interruptions have occurred that the bank examiner has not been able to get down to steady work. The public has in a limited way access to the banking rooms, and many wish to see the bank examiner on business affecting the bank's affairs. These interruptions are said to be nearly always a preliminary to the work of investigating a suspended bank.

Most of the urgent callers have now been disposed of, and the examiner expects to push the examination with all possible speed. After his report has been made up it will not be given out here, but will be forwarded to the comptroller of currency at Washington.

Japan Satisfied at Present.

Victoria, B. C., Nov. 20.—Owing to the favorable conditions under which Japanese sealers may now operate in Bering sea, the proposed treaty between Great Britain, the United States, Japan and Russia for the settlement of the sealing question and the indemnification of the pelagic sealers is being held up by the refusal of Japan to enter the agreement. Japanese sealers are still in position to hunt seals at will, regarding only the international law, by which they are prevented from going within three miles of the rookeries.

Boycott Against Tobacco.

Norfolk, Va., Nov. 20.—The American Federation of Labor, after a long discussion, yesterday rejected an amendment to its laws proposing that no arbitration or dispute between members be considered unless all parties in interest agree to be bound by the decision. The Federation adopted caustic resolutions against the American-Continental Tobacco company and calling for the boycott of drugstores all over the country having certain kinds of cigarstands.

Stop Canal Emigration.

Guayaquil, Nov. 19.—The Chilean transport Casima, until recently the Ecuadorian school ship Maranon, which was sold early in the month to Chile, and which was to have engaged in the emigrant traffic between Panama and Chile, has been ordered to sail for Valparaiso instead of Panama owing to the opposition of the isthmian authorities to allow canal laborers to emigrate to Chile.

BIG BOND ISSUE FOR WATERWAYS

Congressman Bartholdt Wants Five Hundred Millions for Projects.

Would Make Waterways Commission Permanent and Relieve House Committee—Work Now in Sight to Cost \$400,000,000—Roosevelt Favors Plan.

Washington, Nov. 19.—Representative Bartholdt, of Missouri, after a talk with President Roosevelt today, announced his intention of introducing a bill as soon as congress meets to give legal status to the Inland Waterways commission, which was created by executive act, and another bill providing for a \$500,000,000 bond issue to establish a fund for permanent great waterway improvements, leaving the smaller projects to be taken care of in the regular river and harbor bills.

It is proposed to have the Waterway commission a permanent body, which shall employ experts and keep congress officially advised as to the merits of waterway projects. Mr. Bartholdt says the president regards the plan with favor.

Of his bond plan Mr. Bartholdt said: "I believe that the future generations of the country who will be benefited by improving navigable streams should, as in the case of the Panama canal, bear the burden of the expense. Chairman Burton, of the committee on rivers and harbors, has told me that there are meritorious schemes pending before his committee that call for an expenditure of at least \$400,000,000. Hardly one-tenth of this can be provided during a session of congress, and the consequence is that work which would be of immense importance to the United States is deferred from year to year because the money to carry it on is not available. All this can be remedied by a bond issue of sufficient size. I do not know of anything more important than much needed improvement to the great navigable streams of the country."

PANIC STRIKES PEOPLE.

Severe Earthquakes Terrify Southern Italian Towns.

Reggio de Calabria, Italy, Nov. 19.—The province of Reggio di Calabria, Italy, was visited by another severe earthquake at 2:20 yesterday afternoon. It was especially severe at Branchaleone, Feruzzano and Bianco, and a number of houses were shattered or damaged.

The people, who had summoned up courage to return to their homes after the earthquake of October 27, again became panic stricken and fled a second time to the country. Some of them camped last night in the open air, while others took refuge in subterranean grottos. Men and women, rich and poor, priests and soldiers, are thrown together, and the devout are raising prayers to the Madonna and the saints to succor them in their misery.

CHICAGO PLEASED AT ISSUE.

Bankers Predict Normal Condition of Affairs in Short Time.

Chicago, Nov. 19.—The decision of the national government to issue \$150,000,000 in bonds and certificates met with general approval throughout the West. The benefits expected to result from the move were anticipated in the higher grain markets, both here and in other grain centers of the West. Bulls were more disposed to buy than for some time, and shorts took cover hastily as soon as the plan was announced.

In this city some of the leading bankers announced that preparations were under way for the resumption of business on a normal cash basis and it was believed, it is said, that inside of 10 days at the outside, the clearing house checks would be withdrawn from circulation.

Good Effect Felt in London.

London, Nov. 19.—The official announcement from Washington that treasury certificates to the amount of \$100,000,000, bearing interest at 3 per cent, and Panama bonds amounting to \$50,000,000, would be issued immediately in order to relieve the financial stringency in the United States, had an immediate effect on the market here. Prices promptly moved upward, the firms and members of the stock exchange believing the action was bound in a great measure to remove the strain in the money market.

Fight Begun in New Douma.

St. Petersburg, Nov. 19.—The ticket of the Octoberist-Conservative coalition was successful in the subordinate elections for officers of the lower house of parliament yesterday. Prince Vladimir Volkensky being chosen first vice president and Professor Baron von Meyendorff second vice president, receiving 283 of the 402 votes cast. The Constitutional Democratic candidate, Mr. Mavkoff, received 133 votes. The Social Democrats refrained from voting.

Stop Canal Emigration.

Guayaquil, Nov. 19.—The Chilean transport Casima, until recently the Ecuadorian school ship Maranon, which was sold early in the month to Chile, and which was to have engaged in the emigrant traffic between Panama and Chile, has been ordered to sail for Valparaiso instead of Panama owing to the opposition of the isthmian authorities to allow canal laborers to emigrate to Chile.