PRESIDENT'S MESSAGE

Following is a summary of the main points of President Taft's message to the Sixty-first congress, which convened Tuesday, Dec. 7, 1909.

To the Senate and the House of Representatives—The relations of the United States with all foreign governments have continued upon the normal basis of amity and good understanding and are very generally satisfactory.

Pursuant to the provisions of the general treaty of arbitration concluded between the United States and Great Britain, April 4, 1908, a special agreement was entered into between the two countries on January 27, 1909, for the submission of questions relating to the fisheries on the North Atlantic Coast to a tribunal to be formed from members of the permanent court of arbitration at The Hague.

In accordance with the provisions of the special agreement, the printed case of each government was on October 4 last submitted to the other and to the arbitral tribunal at The Hague, and the counter case of the United States is now in course of preparation.

Negotiations for an international conference to consider and reach an arrangement providing for the preservation and protection of the fur seals in the North Pacific are in progress with the governments of Great Britain, Japan and Russia. The attitude of the governments interested leads me to hope for a satisfactory settlement of this question as the ultimate outcome of the negotiations.

The question arising out of the Belgian annexation of the independent state of the Congo, which has so long and earnestly preoccupied the attention of this Government and enlisted the sympathy of our best citizens, is still open, but in a more hopeful stage. This Government was among the foremost in the great work of uplifting the uncivilized regions of Africa and urging the extension of the benefits of civilization, education and fruitful, open commerce to that vast domain, and is a party to treaty engagements of all the interested powers, designed to carry out that great duty to humanity.

A convention between the United States and Germany, under which the nonworking provisions of the German patent law are made inapplicable to the patents of American citizens, was concluded on February 23, 1909, and is now in force. Negotiations for similar conventions looking to the placing of American inventors on the same footing as nationals have recently been initiated with other European governments whose laws require the local working of foreign patents.

Under an appropriation made at the last session of Congress, a commission was sent on American cruisers to Monrovia to investigate the interests of the United States and its citizens in Liberia. Upon its arrival at Monrovia, the commission was enthusiastically received, and during its stay in Liberia was everywhere met with the heartiest expression of good will for American Government and people, and the hope was repeatedly expressed on all sides that this Government might see its way clear to do something to relieve the critical position of the republic, arising in a measure from external as well as internal and financial embarrassments.

The Liberian government afforded every facility to the commission for ascertaining the true state of affairs. The commission also had conferences with representative citizens, interested foreigners and the representatives of foreign governments in Monrovia. Visits were made to various parts of the republic and to the neighboring British colony Sierra Leone where the commission was received and conferred with the Governor.

It will be remembered that the interest of the United States in the Republic of Liberia springs from the historical fact of the foundation of the republic by the colonization of American citizens of the African race. In an early treaty with Liberia, there is a provision under which the United States may be called upon for advice or assistance. Pursuant to this provision and in the spirit of the moral relationship of the United States to Liberia, that republic last year asked this Government to lend assistance in the solution of certain of their national problems, and hence the commission was sent.

The Norwegian government, by a note addressed on January 26, 1909, to the Department of State, conveyed an invitation to the Government of the United States to take part in a conference which, it is understood, will be held in February or March, 1910, for the purpose of devising means to remedy existing conditions in the Spitzbergen Islands.

This invitation was conveyed under the reservation that the question of altering the status of the islands as countries belonging to no particular state, and as equally open to the citizens and subjects of all states, should not be raised.

His Majesty Mehmed V, Sultan of Turkey, recently sent to this country a special embassy to announce his accession. The quick transition of the government of the Ottoman empire from one of retrograde tendencies to a constitutional government, with a parliament and with progressive policies of reform and public improvement, is one of the important phenomena of our times. Constitutional government seems also to have made further advance in Persia.

These events have turned the eyes of the world upon the near East. In that quarter the prestige of the United States has spread widely through the peaceful influence of American schools, universities and missionaries. There is every reason why we should obtain a greater share of the commerce of the near East, since the conditions are more favorable now than ever before.

Today more than ever before American capital is seeking investment in foreign countries and American products are more and more generally seeking foreign markets. As a consequence there are American citizens and American interests to be protected on occasion by their government. These movements of men, of capital and of commodities bring peoples and governments closer together and so form bonds of peace and mutual dependency, as they must also naturally sometimes make passing points of friction.

The resultant situation inevitably imposes upon this Government vastly increased responsibilities. This Administration, through the Department of State and foreign service, is lending all proper support to legitimate and beneficial American enterprises in foreign countries, the degree of such support being measured by the National advantages to be expected. A citizen himself cannot by contract or otherwise divest himself of the right nor can this Government escape the obligations of his protection in his personal and property rights when these are unjustly infringed in a foreign country. To avoid ceaseless vexations it is proper that in considering whether American enterprise should be encouraged or supported in a particular country, the governments should give full weight, not only to the National, as opposed to the individual benefits to accrue; also to the fact whether or not the government of the country in question is in its administration and in its diplomacy faithful to the principle of moderation of equity and justice upon which alone depend international credit in diplomacy as well as in finance.

The Pan-American policy of this Government has long been fixed in its principles and remains unchanged. With the changed circumstances of the United States and of the republics to the south of us, most of which have great natural resources, stable government and progressive ideals, the apprehension of which gave rise to the Monroe Doctrine, may be said to have nearly disappeared and neither the doctrine as it exists nor any other doctrine of American policy should be permitted to operate for the perpetuation of irresponsible government, the escape of just obligations or the insidious allegation of dominating ambitions on the part of the United States. Besides the fundamental doctrines of our Pan-American policy there have grown up a realization of political interests, community of institutions and ideals and a flourishing commerce. All these bonds will be greatly strengthened as time goes on and increased facilities, such as the great bank soon to be established in Latin-America, supply the means for building up the colossal intercontinental commerce of the future.

My meeting with President Diaz and the greeting exchanged on both American and Mexican soil, I hope, to signalize the close and cordial relations which will bind together this Republic and the great republic immediately to the south, between which there is so vast network of material interest.

I am happy to say that all but one of the cases which for so long vexed our relations with Venezuela have been settled within the past few months and that under the enlightened regime now directing the government of Venezuela, provision has been made for arbitration of the remaining cases before The Hague tribunal.

On July 30, 1909, the government of Panama agreed after considerable negotiation to indemnify the relatives of the American officers and sailors who were brutally treated, one of them having been killed by the Panama police this year.

The sincere desire of the Panama government to do away with a situation where such an accident could occur is manifest in the recent request, in compliance with which this Government has lent the services of an officer of the Army to be employed by the government of Panama as instructor of police.

The sanitary improvements and public works undertaken in Cuba prior to the present administration of that government, in the success of which the United States is interested under the treaty, are reported to be making good progress and, since the Congress provided for the continuance of the reciprocal commercial arrangement between Cuba and the United States, assurance has been received that no negotiations injuriously affecting the situation will be undertaken without consultation.

Many years ago diplomatic intervention became necessary for the protection of the American claim of Alsop & Co. against the government of Chile. The government of Chile has frequently admitted obligation in the case and had promised this Government to settle it. There had been two abortive attempts to do so through arbitration, which failed through lack of jurisdiction. Now, happily, as the result of the recent diplomatic negotiations, the government of the United States and Chile, actuated by the sincere desire to free from any strain those cordial and friendly relations upon which both set such store, have agreed by a protocol to submit the controversy to definitive settlement by His Britannic Majesty Edward VII.

In the Far East this Government preserves unchanged its policy of supporting the principle of equality of opportunity and scrupulous respect for the integrity of the Chinese empire, to which policy are pledged the interested powers of both East and West. By the treaty of 1903 China has undertaken the abolition of the likin, with a moderate and proportionate raising of the customs tariff, along with currency reforms. These reforms being of manifest advantage to foreign commerce, as well as to the interests of China, this Government is endeavoring to facilitate these measures and the needful acquiescence of the treaty powers.

When it appeared that China's likin revenues were to be hypothecated to foreign bankers in connection with a great railway project, it was obvious that the governments whose bankers hold this loan would have a certain direct interest in the question of the carrying out by China of the reforms in question. Because this railroad loan represented a practical and real application of the open-door policy, through co-operation with China by interested powers, as well as because of its relations to the reforms referred to above, the Administration deemed American participation to be of great National interest. Happily, when it was as a matter of broad policy urged that this opportunity should not be lost, the indispensable instrumentality presented itself when a group of American bankers of international reputation and great resources agreed at once to share in the loan upon precisely such terms as this Government should approve. The chief of those terms was that American railway material should be upon an exact equality with that of the other nations joining in the loan in the placing of orders for the whole railway system.

After months of negotiation, the equal participation of America seems at last assured. It is gratifying that America will thus take its share in this extension of these great highways of trade and to believe that such activities will give a real impetus to our commerce, and will prove a practical corollary to our historic policy in the Far East.

The Imperial Chinese government, in pursuance of its decision to devote funds from the portion of the indemnity remitted to them to sending students to this country, has already completed arrangements for carrying out this purpose, and a considerable body of students have arrived to take up their work in our schools and universities. No one can doubt the happy effect the associations formed by these representative young men will have when they return to take up their work in the progressive development of their country. The results of the opium conference held at Shanghai last Spring, at the invitation of the United States, have been laid before the Government.

The report shows that China is making remarkable progress and admirable efforts toward the eradication of the opium evil, and that the governments concerned have not allowed their commercial interests to interfere with a helpful co-operation in this reform. Collateral investigations of the opium question in this country lead me to recommend that the manufacture, sale and use of opium and its derivatives in the United States be, so far as possible, more vigorously controlled by legislation.

In one of the Chinese-Japanese conventions of this year there was a provision which caused considerable public apprehension, in that upon its face it was believed in some quarters to seek to establish a monopoly of mining privileges along the South Manchurian and Antung-Mukden railroads, and thus to exclude Americans from a wide field of enterprise, to take part in which they were entitled by the treaty with China. After a thorough examination of the conventions of the several contextual documents, the Secretary of State reached the conclusion that no such monopoly was intended or accomplished. However, in view of the widespread discussion of this question, to confirm the view it had reached, this Government made inquiry of the imperial Chinese and Japanese governments, and received from each of them assurance that the provision had no purpose inconsistent with the policy of equality of opportunity to which the signatories, in common with the United States, are pledged.

Under a provision of the act of August 5, 1909, I have appointed three officials to assist the officers of the Government in collecting information necessary to a wise administration of the tariff act of August 5, 1909. As to questions of customs administration, they are co-operating with the officials of the Treasury Department and as to matters of the needs and the exigencies of our manufacturers and exporters with the Department of Commerce and Labor in its relation to the domestic aspect of the subject of foreign commerce. In the study of foreign tariff treatment they will assist the Bureau of Trade Relations of the Department of State. It is thus hoped to co-ordinate and bring to bear upon this most important subject all the agencies of the Government which can contribute anything to its efficient handling.

As a consequence of section two of the tariff act of August 5, 1909, it becomes the duty of the Secretary of State to conduct diplomatic business necessary to him in a position to advise me whether any particular country unduly discriminates against the United States in the statute referred to. The great scope and complexity of this work, as well as the obligation to lend all proper aid to our expanding commerce, it may accomplish by the expansion of the Bureau of Trade Relations, as set forth in the estimates for the Department of State.

I regret to refer to the fact of the discovery of extensive frauds in the collection of the customs revenue at New York City, in which a number of subordinate employes in the weighing and other departments were directly concerned, and in which the beneficiaries were the American Sugar Refining Company and others. The fraud consisted in the payment of duty on underweights of sugar. The Government has recovered from the American Sugar Refining Company all that it is known to have been defrauded of. The sum was received in full of the amount due, which might have been recovered by civil suit against the beneficiaries of the fraud, but there was an express reservation in the contract of settlement by which the settlement should not interfere with or prevent the criminal prosecution of every one who was found to be subject to the same.

Criminal prosecutions are now proceeding against a number of the Government officers. The Treasury Department and the Department of Justice are exerting every effort to discover all the wrongdoers, including the officers and employes of the companies who may have been privy to the frauds. It would seem to me that an investigation of the frauds by Congress at present, pending the probing of the Treasury Department and the Department of Justice as proposed, might, by giving immunity and otherwise, prove an embarrassment in securing conviction of the guilty parties.

Perhaps the most important question presented to this Administration is that of economy of expenditures and sufficiency of revenue. The deficit of the last fiscal year and the certain deficit of the current year prompted Congress to throw a greater responsibility upon the Executive and the Secretary of the Treasury than had heretofore been declared by statute. This declaration imposes upon the Secretary of the Treasury the duty of assembling all the estimates of the executive departments, bureaus and offices, of the expenditures necessary in the ensuing fiscal year, and of making an estimate of the revenues of the Government for the same period; and if a probable deficit is thus shown, it is made the duty of the President to recommend the method by which such deficit can be met.

The report of the Secretary shows that the ordinary expenditures for the current fiscal year ending June 30, 1910, will exceed the estimated receipts by $34,075,620. If to this deficit is added the sum to be disbursed for the Panama Canal, amounting to $58,000,000, and $1,000,000 to be paid on the public debt, the deficit of ordinary receipts and expenditures will be increased to a total deficit of $73,075,620. This deficit the Secretary proposes to meet by the proceeds of bonds issued to pay the cost of constructing the Panama Canal. I approve this proposal.

In order to avoid a deficit for the ensuing fiscal year, I directed the heads of departments in the preparation of their estimates to make them as low as possible consistent with imperative governmental necessity. The result has been, as I am advised by the Secretary of the Treasury, that the estimates of the expenses of the Government for the fiscal year ending June 30, 1911—that is, for the next fiscal year—are less by $55,663,000 than the total appropriations for the current fiscal year, and less by $94,000,000 than the estimates for that year.

So far as the Secretary of the Treasury is able to form a judgment as to future income, and compare it with the expenditure for the next fiscal year, ending June 30, 1911, including the payments on account of the Panama Canal and the public debt, there will be no deficit in the year ending June 30, 1911, but a small surplus of $712,000.

In the present estimates the needs of the departments and of the Government have been cut to the quick, so to speak, and any assumption on the part of Congress, so often made in times past, that the estimates have been prepared with the expectation that they may be reduced, will result in seriously hampering proper administration.

Most of the great industrial corporations and many of the well-conducted railways of this country are coming to the conclusion that a system of pensions for old employes, and the substitution therefor of younger and more energetic servants, promotes both economy and efficiency of administration.

I am aware that there is a strong feeling in both houses of Congress, and also in the country, against the establishment of civil pensions, and that this has naturally grown out of the heavy burden of military pensions, which it has always been the policy of our Government to assume; but I am strongly convinced that no other practical solution of the difficulties presented by the superannuation of civil servants can be found than that of a system of civil pensions.

The business and expenditures of the Government have expanded enormously since the Spanish War, but as the revenues have increased in nearly the same proportion as the expenditures until recently, the attention of the public and of those responsible for the Government has not been fastened upon the question of reducing the cost of administration. We cannot, in view of the advancing prices of living, hope to save money by a reduction in the standard of salaries paid. Indeed, if any change is made in that regard, an increase rather than a decrease will be necessary; and the only means of economy will be in reducing the number of employes and in obtaining a greater average of efficiency from those retained in the service.

Two features of the new tariff act call for special reference. By virtue of the clause known as the "maximum and minimum" clause, it is the duty of the Executive to consider the laws and practices of other countries with reference to the importation into those countries of the products and merchandise of the United States, and if the Executive finds such laws and practices not to be unduly discriminatory against the United States, the minimum duties provided in the bill are to go into force. Unless the President makes such a finding, then the maximum duties provided in the bill—that is, an increase of 25 per cent ad valorem over the minimum duties—are to be in force.

Fear has been expressed that this power conferred and duty imposed on the Executive is likely to lead to a tariff war. I beg to express the hope and belief that no such result need be anticipated. The discretion granted to the Executive by the terms "unduly discriminatory" is wide. In order that the maximum duty shall be charged against the imports from a country, it is necessary that he shall find on the part of the country not only discriminations in its laws or the practice under them against the trade of the United States, but that the discriminations found shall be undue; that is, without good and fair reason.

The generosity of Congress has provided in the present naval observatory the most magnificent and expensive astronomical establishment in the world. It is being used for certain naval purposes which might easily and adequately be subserved by a small division connected with the Navy Department at only a fraction of the cost of the present naval observatory. The official board of visitors established by Congress and appointed in 1901 expressed its conclusion that the official head of the observatory should be an eminent astronomer appointed by the President by and with the advice and consent of the Senate, holding his place by a tenure as long as permanent as that of the Superintendent of the Coast Survey or the head of the Geological Survey, and not merely by a detail or two or three years' duration. I fully concur in this judgment

The platform of the successful party in the last election contained the following:

"The Republican party will uphold at all times the authority and integrity of the courts, state and Federal, and will ever insist that their powers to enforce their process and to protect life, liberty and property shall be preserved inviolate. We believe, however, that the rules of procedure in the Federal courts with respect to the issuance of the writ of injunction should be more accurately defined by statute and that no injunction or temporary restraining order should be issued without notice, except where irreparable injury would result from delay, in which case a speedy hearing thereafter should be granted."

I recommend that in compliance with the promise thus made appropriate legislation should be adopted.

The second subject worthy of mention in the Postoffice Department is the real necessity and entire practicability of establishing postal savings banks. The successful party at the last election declared in favor of postal savings banks, and, although the proposition finds opponents in many parts of the country, I am convinced that the people desire such banks and am sure that when the banks are furnished they will be productive of the utmost good. The postal savings banks are not constituted for the purpose of creating competition with other banks. The rate of interest upon deposits to which they would be limited would be so small as to prevent their drawing deposits away from other banks.

Following the course of my distinguished predecessor, I earnestly recommend to Congress the consideration and passage of a ship subsidy bill, looking to the establishment of lines between our Atlantic seaboard and the eastern coast of South America, and as well of lines from the west coast of the United States to South America, China, Japan and the Philippines.

The year 1913 will mark the 50th anniversary of the issuance of emancipation proclamation granting freedom to the negroes. It seems fitting that this event should be properly celebrated. Already a movement has been started by prominent negroes, encouraged by prominent white people and the press. The South especially is manifesting its interest in this movement.

I have thus, in a message compressed as much as the subjects will permit, referred to many of the legislative needs of the country, with the exceptions already noted. Speaking generally, the country is in a high state of prosperity. There is every reason to believe that we are on the eve of a substantial business expansion and we have just garnered a harvest unexampled in the market value of our agricultural products.

The high prices which such products bring mean great prosperity for the farming community, but on the other hand they mean a very considerable increased burden upon those classes in the community whose yearly compensation does not expand with the improvement in business and the general prosperity. Various reasons are given for the high prices. The proportionate increase in the output of gold, which today is the chief medium of exchange, and is in some respects a measure of value, furnishes a substantial explanation of at least part of the increase in prices. The increase in population and the more expensive mode of living of the people, which have not been accompanied by a proportionate increase in acreage production, may furnish a further reason.

It is well to note that the increase in the cost of living is not confined to this country, but prevails the world over, and that those who would charge increases in prices to the existing protective tariff must meet the fact that the rise in prices has taken place almost wholly in those products of the factory and farm in respect to which there has been either no increase in the tariff or in many instances a very considerable reduction.

WILLIAM H. TAFT.

The White House, December 7, 1909.

Aero Falls to Ground.

Berlin, Dec. 13.—A Wright aeroplane which Captain Englehardt was piloting over Johannisthal fiield today, lost its balance and plunged to the earth. Captain Englehardt was unconscious when picked up and removed to a hospital. The extent of his injuries was not determined. Englehardt, who was a pupil of Orville Wright, made a flight of 44 minutes and 30 seconds near Potsdam on October 29, establishing a distance record for German aviators.

Spirits' Advice Obeyed.

London, Dec. 14.—A sensation has been caused in society by the mysterious disappearance of Viscountess Churchill, sister of the Earl of Lonsdale. Lady Churchill arrived at St. Pancras station with her son and two daughters November 28. She has not been seen since, although advertisements have been published to trace her. According to rumors, Lady Churchill recently consulted with a spirit medium, who assured her it was her duty to leave her husband, Viscount Churchill.

Strikebreakers Blown Up.

Struthers, O., Dec. 9.—A large house, occupied by tin workers brought here to break the strike at the plant of the American Sheet & Tinplate company, was dynamited early today. The house was occupied by the families of Harry Birney and Louis Smith, who were recently imported. William Birney, father of Harry Birney, was almost suffocted by being buried under debris, and six other members of the families sustained slight injuries. The house was practically demolished.

NEWS NOTES GATHERED FROM VARIOUS PARTS OF OREGON

TO BUILD TO GOOSE LAKE.

Ten-Million-Dollar Corporation Files Articles at Salem.

Salem—A $10,000,000 corporation has been organized in Arizona to build the Portland, Lakeview & Eastern railway, from Portland through Multnomah, Clackamas, Marion, Linn, Crook, Klamath and Lake counties to Lakeview, or some point on Goose lake.

Also it is proposed to build a branch from the lower bridge on the Deschutes river, in Crook county, through Crook, Wheeler and Grant counties, along the John Day river to a point near Canyon City, and another branch from near Prineville through Crook and Harney counties to a point near Harney lake.

The total mileage in Oregon is expected to be about 500. The incorporators named in the articles filed in the office of the secretary of state are William S. Dexter, Charles S. Elgutler, Edward S. Robinson, James Burns and Sidney R. Rheinstrom, all of Omaha.

Roseburg Citizen Sues S. P.

Roseburg—T. J. Williams, of Roseburg, has filed a suit in the circuit court against the Southern Pacific company for $5006.90, for being forcibly ejected from a passenger train at Oregon City while en route from Portland to Wilbur, December 14, 1908. In the complaint Williams says that for a valuable consideration he was supplied with a pass by the railroad company from Portland to Wilbur, where he then lived, but that the conductor of the train refused to honor the pass or accept cash fare, and violently abused and maliciously insulted him, and finally forcibly ejected him from the train.

Cheese Wins Gold Medal.

Forest Grove—Mr. and Mrs. O. Brown, of this city, have received word from their son, Frank Brown, a cheesemaker of Fulda, Wash., that he had been notified by the authorities of the A.-Y.-P. exposition at Seattle that he had won the gold medal for the best cheese exhibited at the fair, both as to quality and preparation. Frank was raised here, and his friends are much pleased over his recognition by the officials of the fair. Mr. Brown, senior, is a cheesemaker by profession, and taught his son the business.

New Irrigation District.

Ontario—A large delegation from Ontario, Nyssa and the Owyhee went to Vale this morning to meet with the county court, which will consider the boundaries of the South Side Malheur irrigation district which is to be established at once if a proper showing can be made to the court. All the lands embraced in the proposed district have practically been signed, except the lands owned by the road companies, and it is believed they will come in as soon as the matter can be put properly before the companies by their agents.

Valley Men Buy Fruit Trees.

Richland—In the last 60 days C. E. Logsden, representing the Washington nursery at Toppenish, Wash., has sold enough apple trees in Eagle and Pine valleys to plant 600 acres. The varieties mostly selected are Spitzenbergs, Newtown Pippins and Winter Bananas. The largest order was said to be a concern financed by W. M. Ladd of Portland. This company will set 60 acres to Spitzenbergs on its large fruit ranch three miles north of Newbridge.

Increase of School Children.

Freewater — The Milton-Freewater school district No. 31 shows 208 families in the district with children between the ages of 4 and 20 years. The total number of families in the district is 533 with 722 children of school age in a total population of 2,000. The sexes of the children are 350 male and 370 female. The census report shows a big increase on the preceding year.

Property Valuations in Linn.

Albany—The valuation of the property in the different towns of Linn county has just been completed, and sums up as follows: Albany, $2,982,900; Lebanon, $582,325; Brownville, $347,390; Halsey, $221,493; Scio, $117,070; Sodaville, $36,510; Sweet Home, $37,970; Harrisburg, $278,348.

Will Improve Dallas Depot.

Salem—The railroad companies carrying out of Dallas, the Southern Pacific and the Salem, Falls City & Western, have promised the railroad commission that depot facilities at Dallas will be improved during the coming season. Much complaint as to the inadequacy of the Dallas depot has been received.

Girls Form Debating Team.

University of Oregon, Eugene—A debating team composed of University of Oregon girls will meet a similar team from the University of Washington in the spring. Women of the University are taking much interest in literary society work and hope to win this debate.

Most Rain for 13 Years.

Albany—The rainfall for November was 11.24 inches, the largest amount of rain falling during the month of November for the past 13 years. In November, 1903, it was 11.02. Since 1896 it has been exceeded only once, in February, 1904.

Motor Line for Union County.

Union—The Central railroad will soon receive a gasoline motor car, capable of running 40 miles per hour, for use in making connection with the Union line trains. The motor will operate up the line as far as Cove.

Rufus Has Rail Complaint.

Salem—Residents of Rufus complain to the state railroad commission of inadequate depot facilities there. Carelessness in handling freight and general inadequacy of train equipment is alleged.

DEVELOP CENTRAL OREGON.

Hood River Railway Company Plans 75-Mile Extension.

Hood River—To bring the Hood River valley into direct communication with central Oregon and to connection with the Oregon Trunk line's Deschutes road at a point near Dufur, owners of the Hood River Railway company are now planning a 75-mile extension of the line, tapping the vast agricultural and timber regions south of Hood River valley.

W. H. Eccles, of Hood River, president of the Hood River Railway company, which operates trains between Hood River and Parkdale, Or., a distance of 22 miles, is authority for the statement.

"Just at present," said Mr. Eccles, "we have reached no final decision as to when work on the extension will be begun. But our plans are far enough along to warrant our saying work will begin very soon.

"Running from Parkdale, Or., we intend extending the Hood River line into central Oregon, probably connecting with the Oregon Trunk line west of Dufur, and running thence in a westerly direction.

"Present plans intend the building of between 60 and 75 miles of track into central Oregon, where a great agricultural region and fine timber belt will be tapped."

To Have Union High School.

Richland—Preliminary steps are being taken toward establishing a union high school in Richland by combining the six public school districts of Eagle valley into one high school district and issuing bonds as provided for by the law passed by the last session of the legislature. The matter cannot be voted upon until the regular school election in June, but as there is practically no opposition the district will undoubtedly be established.

Debating League Issues Bulletin.

University of Oregon, Eugene—The demand by literary societies throughout the state for the Oregon High School Debating League Bulletin has been large, but there is still a small supply to be had for the asking from the University of Oregon registrar. The bulletin contains a full discussion of effective debating, in addition to complete bibliographies on a number of important subjects.

Forty Acres Bring $14,000.

Richland—Dr. C. E. Luttner, of Walla Walla, closed a deal this week with the Eagle Valley Development company for 40 acres of land two miles northeast of Richland. The price was $14,000, which includes a perpetual water right. A force of men is clearing the land of sagebrush, and as soon as spring opens the entire tract will be set out in Yellow Newtowns and Spitzenbergs.

Director of Oregon High Schools.

University of Oregon, Eugene—The University of Oregon expects to issue, as a supplement to the February number of the University Bulletin, a complete directory of all Oregon high schools. It will contain the names of the teachers, the subjects taught by each, their preparation, the number of years in the high school course, etc., and is to be sent out free of charge.

High Price for Desert Claims.

Vale—Edward Doherty, the well known sheep man who resides here, has sold his desert claim, and also one owned by his wife, comprising 640 acres, to the Little Willow Land and Irrigation company. The land is 12 miles from Vale and brought $16,800.

PORTLAND MARKETS.

Wheat—Bluestem, $1.15; club, $1.05; red Russian, $1.01½; Valley, $1.02; Turkey red, $1.04; 40-fold, $1.04.

Barley—Feed and brewing, $28.50@29 per ton.

Corn—Whole, $33.50; cracked, $34.50 per ton.

Oats—No. 1 white, $31.50@32.50 per ton.

Hay—Timothy, Willamette Valley, $15@19 per ton; eastern Oregon, $18@21; alfalfa, $16@16.50; clover, $15@16; cheat, $15@16; grain hay, $15@16.

Butter—City creamery extras, 39c; fancy outside creamery, 33@37c per lb.; store, 22½@24c. (Butter fat prices average 1½c per pound under regular butter prices.)

Eggs—Fresh Oregon extras, 45c per dozen; eastern, 31@37½c per dozen.

Poultry—Hens, 16c; springs, 16c; roosters, 9@10c; ducks, 15@16c; geese, 11@12c; turkeys, live, 20c; dressed, 25c.

Pork—Fancy, 10½@11c per pound.

Veal—Extras, 11@11½c per pound.

Fresh fruits—Apples, $1@3 box; pears, $1@1.50 per box; cranberries, $9@9.50 per barrel.

Potatoes—Oregon, 50@70c per sack; sweet potatoes, 1¾c per pound.

Vegetables — Artichokes, 75c per dozen; cabbage, 1¼c per pound; hothouse lettuce, $1.50 per box; horseradish, $1.50 per box; pumpkins, 1¼@1½c; sprouts, 8c per lb.; squash, 1@1¼c; tomatoes, 75c@$1; turnips, $1 per sack; carrots, $1; beets, $1.50; parsnips, $1.50; onions, Oregon, $1.50 per sack.

Hops—1909 crop, 18@22½c; 1908 crop, nominal; 1907 crop, 12c; 1906 crop, 8c.

Wool—Eastern Oregon, 16@23c lb.; Mohair, choice, 25c pound.

Cascara bark—4½c per pound.

Hides—Dry hides, 18@19c per pound; dry kip, 17@18c pound; dry calfskin, 19@21c pound; salted hides, 10½@11c; salted calfskin, 15@16c pound; green, 1c less.

Cattle—Best steers, $4.50@4.75; fair to good, $4@4.25; medium and feeders, $3.50@3.75; best cows, $3.50@3.75; medium, $3@3.75; common to medium, $2.50@3.75; bulls, $2@2.50; stags, $2.50@3.50; calves, light, $5.25@5.50; heavy, $4@4.75.

Hogs—Best, $8@8.25; medium, $7.50@7.85; stockers, $4@4.75.

Sheep — Best wethers, $4.50@4.75; fair to good, $4@4.25; best ewes, $2.75@4; fair to good, $3.50@3.75; lambs, $5@5.35.

REIGN OF TERROR.

Zelaya Said to Have 500 Political Prisoners in Chains.

Bluefields, Nicaragua, Dec. 14.—It it learned from an authoritative source that a reign of terror is being maintained in Managua, and that not less than 500 persons identified with politics are in chains in the prisons. A Catholic society has been ordered to cease sending supplies to the prisoners, who may starve to death, as they are allowed only 2 cents a day for food. Corporal punishment is meted out daily to various alleged offenders.

Zelaya, to create an impression that the sentiment of the people of Managua is hostile towards America and Americans, recently ordered Amelio Estrada, a prominent liberal and a brother of the revolutionist chief, to organize a demonstration against the United States. This he refused to do.

It is understood that Dr. Julian Irias, minister-general, has been making attempts to start an uprising in his favor as Zelaya's successor, but whether with Zelaya's consent is not known. It is reported also that Irias' home has been surrounded by soldiers. Further authoritative dispatches state that 500 of Zelaya's forces have been entrenched to prevent American marines from passing over the bridges into Corinto.

Since last Thursday, when General Estrada became certain that General Vasquez, in command of a portion of Zelaya's troops, was attempting to make a detour of Rama to seize an unguarded river point and descend upon Bluefields, forces of the provisional government have been acting with great energy. Rama has been occupied, and less important river landings have been strongly guarded. All available boats have been held in reserve to rush reinforcements to any point that may be threatened.

General Chamorro and 250 men arrived today to assist in guarding the entire 60 miles of the Escondido river, from Rama to Bluefields. General Chamorro left 300 men guarding the land passage between Bluefields and Greytown.

FOUR DROWN IN COLUMBIA.

Three Rescued After All-Night Struggle With Death.

Rainier, Or., Dec. 13.—Four young people, residents of Maygers, Or., met terrible deaths by drowning in the Columbia river early Sunday morning, when a launch in which they were riding turned turtle at Burton's landing, spilling the party of seven into the icy cold water. Three of the party were rescued after hanging to grim death for seven hours, which to them seemed like centuries.

The dead are: Miss Selma Hendrickson, aged 17; Anna Hendrickson, aged 19; Grace Waud, aged 16, and Lee Barber, aged 20.

The rescued are: Pearl Proctor, aged 20; Frank Kasper, aged 20, and Amos Card, aged 19.

A party of 10 or 12 young people from Maygers, 10 miles west of Rainier, came here Saturday to spend the evening at the skating rink. After the closing of the rink at 10 P. M., a party of seven left Rainier in the gasoline launch Hendrickson for Maygers.

The seven clung desperately to the overturned boat.

Lee Barber, who hung on for nearly an hour and a half, was first to let go. "I'm getting sleepy," he said. "I'm going to sleep," and he slipped back into the water and did not rise. The next to drop off was Miss Selma Hendrickson, who held on perhaps a half-hour longer. Soon after Anna Hendrickson, her sister, went to a watery grave.

The survivors clung to the boat until 6 A. M., making just seven hours in all, when the tugboat Barton came along and answering their cries rescued them.

Troops Arrive at Panama.

Colon, Dec. 14.—The United States transport Dixie with 700 marines aboard, which sailed from Philadelphia December 6, arrived at 6 o'clock this morning.

The Dixie proceeded to dock 11, Cristobal, where cars were in waiting to transport the men, provisions and ammunition immediately to Panama.

Washington, Dec. 14.—A hurry call for marines to proceed with the cruiser Prairie on her interrupted trip from Philadelphia to Colon was made upon the three New England navy-yards today.

Surfman Hears Aeroplane.

New York, Dec. 14.—William Leach, a surfman of the Fire island life-saving station, believes he heard an aeroplane when he was doing patrol duty tonight. First he heard a buzzing high up in the air, and whatever made it, he says, passed directly over his head. The noise resembled the rattle and hum of a high-speed motor. All efforts to convince Leach that he may have mistaken a flock of geese for an aeroplane only made him laugh. He says he has heard too many geese to confuse the sound of their flight with the exhaust of a gasoline motor.

Suicide Tries Three Methods.

New York, Dec. 8.—Charles Schaffer, a salesman out of employment, tried three methods of suicide today before he succeeded in killing himself. First, he lay on his cot at his home and attempted to garrote himself with a towel. Unsuccessful, he slit his throat and wrists with a razor. Still death did not come, and Schaffer staggered to the bathroom and turned on the water in the tub. When the tub was half filled he climbed in and lay face downward until he drowned.

Mine Burns, Six Entombed.

Weatherport, Ky., Dec. 15.—A rescue party entered the Baker mine of the West Kentucky Coal company today in search of six negro miners imprisoned in the second level by an explosion yesterday. Fire in the mine has been burning steadily, and it is hardly possible that the rescuers will penetrate far.