

CONGRESSMAN AND SENATOR INDICTED

United States Attorney Hall is Dismissed From Office. George Sorenson Indicted Charged With Offering Hall Bribe

PORTLAND, Dec. 31.—The federal grand jury which has been engaged for several weeks investigating various phases of the land frauds uncovered in this state by Colonel A. R. Greene, special agent of the Department of the Interior, and sent here, it is said, at the instance of President Roosevelt, this afternoon returned indictments against United States Senator John H. Mitchell and Congressman Binger Hermann, who are charged in the indictment with conspiring to defraud the United States government of public lands.

Tried to Bribe Hall
George Sorenson, formerly a deputy sheriff in this county, and a man who has mixed in petty politics, was also indicted, being charged with having attempted to bribe United States District Attorney Hall in the sum of \$5000, to influence his favorable consideration in the cases of Horace G. McKinley, S. A. D. Puter and Marie Ware.

McKinley and Puter were recently convicted of conspiracy to defraud the government of public lands. Miss Ware was acquitted. Sixteen additional indictments are still pending against the trio.

Hermann Goes to Washington.
Congressman Binger Hermann, who will leave for Washington tomorrow morning, issued the following written statement tonight: "The indictment returned against me is the result of one of the basest conspiracies and of malicious persecution. I came here upon the advice and urgent suggestion of my friends two weeks ago, as I had been informed by them efforts were being made to implicate Senator Mitchell and I in the Oregon land frauds and trial and which I scolded as a rumor. I knowingly aided and advanced during my service as commissioner of the General Land Office. I knew I was free from any imputation of wrongdoing, and no honest witness could involve me in that charge."

Congressman Denies Interest in Fraud
Several inspections were made as to these land entries. They had passed the approval of the local land office. They had been under the careful scrutiny of assistant commissioner, whose testimony in the late trials in this city was to the effect that he found the evidence satisfactory. I believe the law had been complied with. I had no acquaintance with the lands, no intimacy or association with any of those to be benefited, no interest in the transactions direct or indirect, and no promise, no consideration, no inducement, and I could not stand by my sworn duty in this or in any other trust imposed upon me.

"I have been a resident of Oregon since my boyhood and have been entrusted with many transactions affecting the public interests, and with my fellow citizens, and in my single endeavor has been to discharge my duty and preserve my honor. Mistakes may sometimes have been made, and I may have been imposed upon, but I am not conscious of having violated my obligation as an officer, or as a private citizen."

Is Amazed at Jury's Action.
If frauds were practiced upon the office the imposition was as grossly perpetrated upon me as commissioner, as

LAW IS VOID

JUDGE H. H. TURNER IN JUSTICE COURT OF SALEM SO HOLDS IN ELECTION CASE.

Grants Lively Damages Against the Judges of the Election Who Complied With the City Charter—Holds It Is Unconstitutional.

"No person is qualified to vote at any city election who has not been a resident of the city and of the ward or precinct in which he offers to vote for thirty days next preceding such election, and who does not possess the qualifications of a legal voter in the state, and who has not paid unless he is exempt therefrom, a road poll tax for each year in which he offers to vote, the receipt therefor, signed by the street commissioner of said city, or road supervisor of the road district in which said tax was paid, being sufficient evidence thereof for the judges and clerks at the polls where such citizen offers to vote."

The above is the first paragraph of section 15, page 351, of the special laws of the last election, being an act for the amendment of the city charter of this city, and which Lively attacked by bringing against the judges of election in the late city election an action for damages for their refusal to accept his vote, he not having paid his road poll tax as required thereunder.

This act, of this part of the act, H. H. Turner, justice of the peace for the city of Salem, has declared to be unconstitutional and therefore void and of no effect, in the decision in the above case, which he has had under advisement for several days.

The case was entitled *Onas Lively vs. Geo. F. Litchfield and G. Steiner*, and was for \$100 damages and costs, and the decision was handed down yesterday afternoon. It finds for the plaintiff.

This is the first case of its kind in the state of Oregon, and if upheld by the higher courts, will practically nullify all such provisions in the charters of every town and city in the state.

TO LOOK INTO ALL FRAUDS

SUPREME COURT OF COLORADO ORDERS INVESTIGATION.

WILL OPEN EVERY BALLOT BOX So Says Alva Adams, Democratic Candidate for Governor of that State.

Does Not Want Office Tainted With Fraud—Everything Connected With Election to Be Brought to the Light of Day—Situation Complicated.

DENVER, Dec. 30.—The Supreme Court today ordered an investigation of the election frauds in this city and the county of Denver so sweeping in its scope that every phase of the election will be scrutinized by judicial jury.

Alva Adams, the Democratic candidate for Governor, who appears from the returns to be elected, but who declares he does not want an office state with fraud, asked the court to open every ballot box in Denver. The court has made an order so sweeping that everything bearing on the election will be brought to the light of day.

As there are 204 ballot boxes it is evident that several months will elapse before the examination is completed, a process which both parties admit will greatly complicate the political situation in Colorado.

SCHOOL FUNDS

CLERK OF THE STATE BOARD OF SCHOOL LAND COMMISSIONERS FILES REPORT.

Interesting Matter Regarding this Great Public Fund Amounting to "Three and a Half Million Dollars—State Fair Loan Is Mentioned."

Mr. G. G. Brown, clerk of the state board of school land commissioners, has filed his report with the state board and that body has made up a statement of the condition of the state school fund for the coming session of the Legislature. Much of the matter is of interest because this fund is closely related to the entire people of the state.

The State Board says in the course of the report: "The report sets forth the amount of money received and receipted for, as well as the funds to which they were credited, the amount of interest-bearing funds in this department, number of acres of land sold, total amount of money received, aggregate amount of loans approved and rejected, school district bonds purchased by the board, aggregate value of mortgages discharged and assigned, number of acres of land embraced in certificates of sale canceled, total amount of money repaid on school, indemnity school and swamp lands to which the title of the state has failed, and a list of the warrants drawn by order of the board, and for what purposes drawn."

"There is also included a list of the farms bought under foreclosure proceedings which have been sold during the past two years and a list of those remaining on hand. At the date of the last report of the board there were eighty of these farms on hand. Eight have since been acquired by mortgage foreclosure or cancellation of certificates, making a total of eighty-eight of these, forty-eight have been disposed of and parts of four others, leaving only forty on hand, comprising 1,157.30 acres, representing a cost to the state of \$52,978.25 principal and a total interest of \$74,557.65. The value of these places is estimated by the State Land Agent, who has personally inspected a greater part of them, at not over \$35,000, they being the poorest of all the lands acquired by the state."

"The sale of lands during the period covered by this report has amounted to 433,836.83 acres, while the amount received as principal on these sales and on tracts heretofore sold under certificates of sale, aggregates \$676,964.58.

"By referring to the State Treasurer's report it will be seen that on October 1, 1902, the outstanding loan from the Common School Fund amounted to \$2,423,014.37. Loans from the Common School Fund have been completed amounting to \$1,617,203 of which \$191,333.97 were renewals of old mortgages. The loans from this fund paid during the period covered by this report amount to \$797,437.97, of which \$191,333.97 were paid by renewals. Loans foreclosed from this fund amount to \$5,550. The outstanding loans from this fund at this date amount to \$3,234,229.90, so that the net increase amounts to \$811,215.03. The large surplus of Common School Fund principal on hand at the date of the last report of the State Treasurer has been materially reduced by the purchase of school district bonds and the large number of farm loans approved, the amount of this fund now in the hands of the State Treasurer being \$200,301.24.

"The State Treasurer's report shows that on October 1, 1902, the outstanding loans from the Agricultural College Fund principal amounted to \$109,082.25, since which time loans have been completed from this fund amounting to \$78,630, of which \$10,300 were renewals of old mortgages. The loans from this fund paid during the period covered by this report amount to \$45,144.60, of which \$10,300 were paid by renewals. The outstanding loans from this fund at this date amount to \$141,898.55, so that the net increase amounts to \$14,593.60. The amount of this fund now in the hands of the State Treasurer is \$15,282.45.

"The State Treasurer's report shows that on October 1, 1902, the outstanding loans from the University fund principal amounted to \$83,835.35, since which time loans have been completed from this fund amounting to \$33,060, of which \$5,205.17 were renewals.

STEAMER ASHORE.
Nothing is more in demand than a medicine which meets modern requirements for a blood and system cleanser, such as Dr. King's New Life Pills. They are just what you need to cure stomach and liver troubles. Try them at Dr. J. Fry's drug store, 2500 guaranteed.

LONDON, Dec. 31.—The steamer Alabama, from Tyne, December 9, for Baltimore, stranded yesterday at St. Lawrence, one of the outer Hebrides, and is lying on her side full of water and apparently unsalvageable.

of the mortgage. The amount from this fund paid during the period covered by this report amount to \$26,307.77, of which \$5,205.17 were paid by renewals. The outstanding loans from this fund at this date amount to \$90,487.23, so that the net increase amounts to \$6,632.35. The amount of this fund now in the hands of the State Treasurer is \$5,975.28.

"The Board have adopted the recommendation of the late M. L. Chamberlain, and after giving the parties in interest due notice, asked for the records of the office all certificates of which payments are more than three years delinquent. It is the intention of the Board to continue to notify all parties as soon as payments are three years delinquent, and if they fail to respond, to cancel all certificates without further notice. By this means, it is hoped that the records of the Department will at all times show only certificates that are in good standing."

Payment Demanded.
"Numerous complaints have been made to the Board that a number of parties were owing to the State small amounts on certificates of sale, and by paying interest thereon were thereby escaping taxation, the Board instructed the Clerk to notify all parties who were holding certificates on which \$50 or less was due, that immediate payment must be made, certificate surrendered and deed taken for the land. All certificates which were issued prior to April 1, 1899 (certificates for which notes were given on deferred payments) have been called in and deep issued and delivered for the land. The Board has also instructed the Clerk not to accept final payment of certificates unless the certificates are surrendered and deeds taken for the land."

"While there is some question as to the validity of the act passed by the last Legislature fixing the price of school lands, the Board have in no case sold any land for less than the price fixed by the act, and the State and Land Agent have otherwise conformed to its provisions relative to the selection and sale of indemnity lands."

State Board of Agriculture Loan.
"This was a loan of \$11,000, made by the State Land Board on December 9, 1894, to the old State Board of Agriculture and secured by mortgage on the State Fair Grounds property of 160 acres near Salem. It bears interest at 8 per cent, and no interest has been paid, and has not been paid on December 29, 1904, which fact was called to the attention of the last two Legislatures in the reports of the State Treasurer, and he also verbally explained the condition to the Ways and Means Committee of the last Legislature, as well as the President of the State Fair Board, but no action was taken."

In order to protect the school fund from being lost on account of the mortgage outlaying, the Board placed it in the hands of the Attorney General for foreclosure, and a decree of foreclosure was obtained at the October term of circuit court for Marion county. The Board have deferred getting out an execution and having the property sold until the matter could again be brought to the attention of the Legislature, if it is desired to cancel this property to the State Fair purposes it will be necessary for you to appropriate sufficient from the general fund to pay off the claim of the school fund, which now amounts to about \$19,000, which we recommend, otherwise the Board will have to direct that the property be sold to satisfy the decree of foreclosure."

OIL CAKE IN FRANCE.
Notwithstanding the large output of the French oil mills, the French importations of oil cake and oil meal of all kinds in 1903 amounted to 127,000 metric tons, against 108,200 tons and 115,700 tons in 1902 and 1901. The exports were somewhat less, being 141,500 tons, against 147,800 tons in 1902 and 149,000 tons in 1901 and 1900.

The imports of oil cake and meal in 1903 were valued at \$3,186,400, divided as follows: Russia, \$1,438,000; Belgium, \$743,400; United States, \$546,000; Great Britain, \$279,200; Spain, \$250,000; other countries, \$127,800; in other words, the United States furnished only 17 per cent in 1903. The imports from the United States were 21,794 tons, 24,252 tons and 21,700 tons in 1903, 1902, and 1901. During the first eight months of 1904 they were 17,747 tons, against 14,220 tons and 16,870 tons in the corresponding months of 1903 and 1902. The greater portion of the American oil cake imported into France is entered at Havre, the amount received at that port in 1903 being 18,250 tons.

French statistics do not furnish separate figures for the different kinds, but the receipts from the United States consist of lard, cottonseed, and corn cake.

If the manufacturers of cottonseed cake in the United States are prepared to guarantee the delivery of a certain quantity of cake in good condition the local importers inform me that their orders for this product during the coming season will largely increase.

The sale of American corn cake in France could be largely increased provided our manufacturers send the quality wanted by the French consumer, and prepare the product for shipment abroad so as to insure its arriving in good condition. Only the light colored cake is in demand, as the prejudice of the French farmer against the dark colored cake is so great that it can only be sold at a ruinous price.

Owing to the abundant supplies of hay, oats, and forage generally from the last season's crop, the importations of oil cake into France have fallen off somewhat since the first of the year, but the prospects are bright for increased demands during the coming winter. (A. M. Thacker, Consul, Havre, France, November 10, 1904.)

Rearing gold fish for the market is the way in which one woman makes a comfortable living. She specializes in a suburban district on property of her own which includes some ponds. These ponds have been transformed into small lakes and stocked with gold fish, the care and feeding of which the owner has made a special study for some years.

Legal Blanks, Statesman Job Office.

WILL REMAIN IN THE SENATE

"NEVER RETIRE WHEN OTHERS TRY TO FORCE ME"

THUS SAID SENATOR PLATT Would Have Resigned Had Black Been Elected to the Senate—Will Remain.

Was Interested in Return of Dewey—Payne Expresses Pleasure at the Result—Has Been Friend of Platt for Forty Years.

NEW YORK, Dec. 30.—"I never retire when other people try to force me to retire," said Senator Platt today, when informed that there was a rumor that ex-Governor Black is to succeed him in the Senate. "I probably shall remain in the Senate as long as I can. I had entertained a thought of resigning if Black had been elected in Senator Dewey's place. I was as much interested in the return of Dewey as if I myself had been the candidate."

Harmony Prevails.
New York, Dec. 30.—Senator Dewey and Louis Payne called at the office of Senator Platt today and there had a private conference, it is supposed over the result of the Senatorial contest.

Mr. Payne has been represented to be a staunch supporter of ex-Governor Black's candidacy.

Payne, after the conference said: "I am glad to see Senator Dewey win out and I have congratulated him and told Senator Platt that it is all right. Senator Platt and I have been friends forty years. I have been advising Governor Black for six months that it would be bad policy for him to enter the race and neglect his business. I never believed he would make the race. Everybody is satisfied and harmony prevails in the party."

CHANCE TO SEE COUNTRY.

Low Railroad Rates to Pacific Northwest to Prevail During Lewis and Clark Centennial.

PORTLAND, Jan. 2.—The people of the East and Middle West will have an unparalleled opportunity next summer to see what a great country lies west of the Rocky Mountains. On account of the Lewis and Clark Exposition which will be held at Portland, Oregon, opening June 1 and closing October 15, the railroads will make unprecedented low rates to the Pacific coast.

At a meeting of the Transcontinental Passenger Traffic Association held in Chicago recently the rates to prevail during the Exposition period were decided upon. The rate of \$45 from Missouri river points and return is the lowest special rate ever granted in the history of the transcontinental lines. This rate includes such cities as Omaha, St. Paul, Minneapolis and Kansas City and the trip can be made via the so-called direct lines, which include the roads through Denver and Ogden, such as the Union Pacific, Denver and Rio Grande and its connections, thence via Huntington, the Northern Pacific direct from Omaha, the Northern Pacific, Great Northern through Spokane, Billings Route and the Canadian Pacific.

All these roads pass through some of the most superb scenery in the world, thus giving the people of the East and Middle West the chance of a lifetime to see the West and Northwest and the great Centennial of 1905 at an exceedingly small cost.

The rate from Chicago via the same route has been fixed at \$50.50 and from St. Louis, \$52.50. Tickets from points in the far East will be sold for one fare for return tickets, thus giving the Easterners the long-looked-for chance of seeing the great Western country.

The Exposition visitor will not have to get his idea of the country through which he passes from the car window. The tickets sold at these greatly reduced rates will be good for ninety days and will be liberal in terms of privileges. Interesting towns and cities along the route and the wonderful places abounding in scenic wonders, such as Yellowstone Park, the Gorge of the Columbia, Grand Canon and the Coeur d'Alene Lake, may be visited on attractive side trips.

The Lewis and Clark Exposition, which will be well worth the trip, excluding the sights seen through the scenic route, will be a gem of an exposition placed in the most unique setting imaginable. Compactness and natural environment will be its features. It can be studied and comprehended within the means and time the average person has at his disposal.

The site comprises 80 acres of land and 220 acres of water, adjoining one of the principal residential sections of Portland. The grounds nestle at the base of the foothills of the Cascade Range on the gentle slopes and terraces overlooking Guild's Lake and the Willamette River. The view from the grounds with the snow-capped peaks of Mt. Hood and Mt. St. Helens bounding the horizon has never been surpassed in exposition history.

The scenic beauty of the surrounding country will of itself compensate any visitor for a trip across the continent to this Western World's Fair.

It takes 3c postage to mail a copy of the New Year Edition of the Statesman.

A Grim Tragedy.
Is daily enacted in thousands of homes as death comes, in each one, another victim of consumption or pneumonia. But when coughs and colds are properly treated the tragedy is averted. G. H. Huntley, of Oakland, Ind., writes: "My wife had the consumption and three doctors gave her up. Finally she took Dr. King's New Discovery for Consumption, Coughs and Colds, which cured her, and today she is well and strong. It kills the germs of all diseases. One dose relieves. Guaranteed for \$50 and \$100 by Dr. J. F. Fry, drug store. Trial bottles free."

ECONOMIC SCIENCE

MEETING OF ASSOCIATION CONTINUES IN CHICAGO.

CORPORATIONS ARE DISCUSSED

Comparison of Reciprocal Tariffs and Free Trade Is Made by the Speakers.

Preferential Trade and Tendencies of the Laws in Railway Taxation—Canadian Trade With England and the United States.

CHICAGO, Dec. 30.—Several very interesting papers were read before the American Political Science and Economics Association today touching upon various questions affecting corporations and railroad pools.

Prof. Henry C. Adams of the University of Michigan, spoke of "Tendencies in the Law of Taxation of Railways." He said in part: "My general purpose is to analyze the system of taxing the railways in the United States and to trace its development in such a manner as to show that there exists a peculiar element of value in railroad property, and that the analysis of this value will lead to the enunciation of certain principles, which, carried to their logical conclusion, will ultimately separate the fiscal treatment of railroad property from other property."

"The problem presents itself to the legislator and the tax assessor to arrive at a true measure of the surplus value, meaning by surplus value, a value of the business as a going concern in the possession of other traffic which by virtue of connections and established contract and agreement is superior to competition; the peculiar advantage enjoyed by railways traceable to the economies rendered possible on account of the increased density of traffic."

"The general conclusion of this analysis is that the surplus value of railroad property rests upon the possession of a differential gain—differential when compared with properties other than railway properties (which balance sheets are subject to competitive influence) or differential when a railroad with dense traffic is compared with a railroad with sparse traffic. This surplus value is monopolistic in its character in the sense that all unusual advantages which cannot be dissipated by competition are monopolistic."

"The surplus value is peculiar to railways and other similar industries. It cannot permanently exist for manufacturing industries."

"The trend in the law of railroad taxation rests upon the necessity of applying a different principle of taxation to the surplus value of railways from that which is applied to the value of physical elements which underlie it, or to the value of property in general which is exposed to competition. Then arises which involve the analysis of this surplus value, come to the consideration of the courts, the courts will be obliged, in applying established principles of justice and equity to these

HARD WAY TO SMOKE.

"I have a customer who thinks he smokes twenty cigars a day," said a Joplin, Mo., dealer to a News reporter recently. "As a matter of fact, he gives away many of them and throws away some that are only partly consumed. However, he is firm in the belief that he smokes more actual tobacco than any man in town, and a boast on the subject in my store recently led to serious bet. He declared, to begin with, that he could smoke three ordinary cigars in half an hour. A bystander remarked that no man alive could smoke even one cigar continuously until it was consumed without taking it from his lips."

"Boss!" said the man. "I do that right along and think nothing of it."

"I'll bet you a box of perfectors you can't do it right now," said the other, and in half a minute the wager was made. By its terms the cigar was to be consumed in steady, consecutive puffs until it was within half an inch of the tip. Then he jumped up suddenly, threw the cigar away and walked out of the shop."

"I paid the bet and charged it to his account and he told me last evening that the very idea of tobacco made him sick. I doubt whether it would be possible for anybody to smoke even a moderately strong cigar through in the manner I have described."

People Believe in It.
It has been cynically said that anything can be sold by advertising nowadays. This is not so. Many ailments have been advertised but only one—Perry Davis' Painkiller—has stood the test of sixty years' use. Today its popularity is greater than ever and is based not upon what anybody says but upon what the remedy does. There is but one Painkiller, Perry Davis'.

CHICAGO STORE
PEOPLES BARGAIN HOUSE

Wednesday and Thursday's GREAT SPECIALS

Big specials in every department for these two days. MONEY SAVERS and no mistake—see how we sell them—we want to make our first sale of 1905 a hummer—see the prices.

We Quote, You Be on Time

500 yds. Blush standard calicoes, light and dark colors, price yd. 38c
500 yds. fancy outing flannel, 7c quality, yd. 40c
50 doz. 5c white towels, 40c
25 doz. 15c Turkish towels, 80c
75c extra large bed sheets, price 11c
15c pillow cases, price 11c
45c wool serge dress goods, 40-in. wide, all colors, yd. 25c
38c India wash silk, all colors, price yd. 28c

McEVoy Bros Cor. Commercial and Court Sts.

and accumulated something under half an inch of ash and then began to smoke. He shifted the cigar from side to side, pulled slow and fast, and seemed to have difficulty getting his breath between the draws. At any rate he kept turning his head to avoid the smoke and finally got to laughing. I could see it was in torture, but he stuck to it until he was within half an inch of the tip. Then he jumped up suddenly, threw the cigar away and walked out of the shop."

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38c India wash silk, all colors, price yd. 28c

McEVoy Bros Cor. Commercial and Court Sts.

HALF PRICE
Sailed blankets, half price
Best sewing silk, spool, 10c
Full Count pins, paper, 10c
Best 200 yd spool thread, 10c

Ask for the Goods Advertised