

DAILY CAPITAL JOURNAL.

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No. 1

IF YOU WANT

Reliable Shoes

AT LOWEST PRICES CALL ON

THE NEW YORK RACKET.

We sell shoes that fit and wear well. Bought for cash and sold for cash. That's why we save you money.

E.T. BARNES.

No Trouble to Show You Through and Give Prices.

Hardware, Tinware, Barbed Wire
Blacksmith Supplies, Stoves and Machinery

GRAY BROS.

Examine our large and complete stock. Always prompt and courteous treatment.

F. S. Dearborn,

Bookseller.

COLLEGE OF MUSIC
of the Willamette University.

UNDER NEW MANAGEMENT.

Modern methods. Up to date. Same as in the eastern and European Conservatories. None but the best is good enough for beginners as well as for more advanced pupils.
W. C. HAWLEY, President
R. A. HERITAGE, Vocal Director
EMIL L. WINKLER, Instrumental Director.

WE HAVE
REMOVED

Now that we are located in our new quarters we announce ourselves ready for business, and by the way we would have you understand we mean business when we say that

This Stock Is to Be Closed Out.

and that right soon. So come while our assortment is complete. You will find us in No. 115 State street, next to Gray Bros.

G. W. JOHNSON & SON,

W. R. ALLIN,

Agent Mortgagee.

O. P. R. R. CLAIMS.

Report of Referee Woodcock on Their Priority.

TAXES MUST BE PAID.

Labor, Material, and Other Debts On an Equality.

A. C. Woodcock, referee to report on validity and priority of claims against the \$100,000 purchase money for which the Oregon Pacific railroad was sold to Bonner & Hammond last spring, has filed his report.

It will be before Judge Fullerton for approval at Corvallis, February 5, at 2 p. m. Mr. Woodcock, assisted by Stenographer Wilkins, has at great labor and pains sifted the millions of dollars of claims presented and his findings are given below.

It will be seen that Marion county recovers taxes to the amount of \$9343.15, the claim pressed by Attorney Geo. G. Bingham being allowed in full. Mr. Bingham first got a decision in the supreme court as a basis of his claim, the court reversing the decision of the lower court that exempted the railroad from taxes for twenty years. This decision secured by Mr. Bingham formed the basis of all the tax claims. It is a great victory for Marion county and Mr. Bingham personally as his theory of the corporation's liability was resisted by the ablest counsel in the state.

THE REFEREE'S OPINION.

A. C. Woodcock, referee, submits an elaborate opinion, and still more elaborate findings of fact and conclusions of law. The mortgage owners presented no claim. The only question to settle was the priority of claims and the order of payment.

Trustee (Turner, McClure & Ralston) and counsel (J. R. Bryson, of Corvallis) are not allowed anything out of the \$100,000 fund. The Farmers' Loan & Trust Co. as plaintiff was not allowed its expense bill. Referee Woodcock then very ably reviews the entire law of assessment and taxation in this state, and holds: "If the property had not been in the hands of the receiver the sheriff could have levied on any of its real or personal for the purpose of collecting the taxes, and if the assessments were valid the purchasers at the sales would have obtained whatever interest the defendant companies had in the property, subject of course to redemption free from all other incumbrances against the property." He holds that a railroad in the hands of a receiver is liable for taxes in precisely the same manner as if there were no receivership, and the lien of the state and counties must take priority.

The question of the priority of claims of counties for taxes is argued with great ability and at length by the referee. The referee continues: "It is claimed by some of counsel for receivers that their compensation should be allowed preference over all other claims except compensation of receivers. * * * An examination of the various claims for attorney's fees in this proceeding shows that the receivers were very lax in the employment of counsel. The total amount of these claims is enormous compared to the value of the property. Fewer attorneys could certainly have done all the work necessary to have been done but instead of that counsel were employed in every locality where any difficulty was encountered by the receivers."

"I do not think any court could allow conscientiously in this proceeding attorney's fees preference over other claims. The most that can be said in favor of the claims for counsel fees is that such services were necessary to preserve and protect the property of the defendant companies, and the same can undoubtedly be said for the other claimants."

Receiver's certificates he holds as not to be given priority over other claims. "It would certainly be inequitable to hold that receiver's certificates should be prior in rank to claims of laborers and those furnishing material. It is the duty of the court to see that repairs are made. If the court exercises this power it is certainly its duty not to allow one class of claims to be preferred, by

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reason of such authority exercised by the court, over another class."

APPORTIONMENT OF CLAIMS.

Allowed.

Material and supplies, claimed \$50,167.84 and interest, \$58,032.90

Laborers for rec., claimed \$118,976.44 and interest, \$138,013.43

Hiedlebeck assigned, lbr., claimed \$40,000 and interest, \$48,132.88

Insurance certificates, cld. \$13,867.79 and interest, \$16,674.19

Benton county taxes, claimed \$19,466.83 and interest, \$19,468.63

City Corvallis taxes, claimed, \$250.70, \$250.70

School district No. 9, taxes, claimed, \$250.70, \$250.70

Lincoln county taxes, cld. \$20,619.23, \$20,619.23

Linn county taxes, \$10,041.56

Marion county taxes, \$9,343.15

John P. Fay, attorney fees, claimed \$7,503.05

Bronaugh McCa & F., attorney fees, \$8,901.00

L. Flinn, attorney fees, cld. \$3,155.00

John Burnet, attorney fees, \$1,250.00

Page & Kelley, attorney fees, \$4,000.00

E. C. M. Rand, expert fees, claimed \$12,154.43

F. L. & T. Co. and attorneys, Turner, McClure & Bryson, claimed \$38,276.50

W. L. Law, recs. certificates, claimed \$41,000, \$41,000

D. B. Monticelli, recs. certificates, claimed \$7,000 and interest, \$8,880.00

W. L. Vance, recs. certificates, claimed \$10,000 and interest, \$12,400.00

L. Flinn, recs. certificates, claimed \$7,000 and interest, \$8,880.00

John A. Crawford, recs. certificates, claimed \$5,000 and interest, \$6,240.00

J. W. Whalley, former referee, claimed \$500, \$500

M. O. Wilkins, sten. fees, \$59.25

Roseburg Review, advertising, \$55.00

Geo. S. Coe, trustee rents, claimed \$3,021.75

Wm. M. Hogg, recs. certificates, claimed \$15,041.78

T. E. Hogg, recs. certificates, claimed \$5,594.66

Chas. Clark, receiver, no claim; accounts approved, \$463.35

E. W. Hadley, receiver, cld. \$10,000; account approved, \$3,000.00

T. E. Hogg, recs. certificates, accounts not approved, short \$30,084.27

Levi & Ferguson, ct. costs, \$463.35

Amount of fund on hand, \$94,312.17

Expenses of proceeding, \$1,300.60

Balance for distribution, \$92,942.00

The report shows that the Hogg receivership is over \$30,000 short, and that no legal reports were made to the court for over eight months prior to his removal.

OTHER FUNDS

not yet in the hands of the court are as follows:

\$25,000, less officers' fees of about \$5,000 deposited in Hamilton & Job bank, which will pay a percentage. Also about \$27,000 proceeds of sale of steamship Willamette.

Salem attorneys who are conversant with the facts say the report made by Mr. Woodcock is very creditable to the gentleman.

The labor and material men will get about 10 cents on the dollar and if anything is realized on other funds the labor and material men will get it all. There is not much probability of an appeal to the supreme court.

Whistling With the Band.

The Chicago Record says:

At the Columbia theatre on Christmas night the house was absolutely jammed. It was a big, good-natured holiday crowd, that cheered every patriotic speech in "Shenandoah."

The gallery was so densely filled that there seemed to be no room for another head.

After the second act, by which time the house had warmed up under the influence of warplay, the leader raised his baton and the orchestra began the lively Washington Post March. The crowd recognized it at once and applauded. Then a boy in the gallery began to whistle an accompaniment. Another boy, who could whistle through his teeth, joined in the accompaniment and in a few minutes the whole gallery was at it. The whistling grew louder and more penetrating, but the boys kept good time and on the long notes simply tried to see now much noise they could make.

The members of the orchestra were badly "broken up" and laughing, but the leader pulled them together and while the thunderous noise continued they began playing the march once more. The 500 boys whistled an accompaniment and at the conclusion there was another outbreak of enthusiasm.

Another Excursion.

Republican delegates and visitors, attention. The Steamer Altona will leave for Portland Monday at 9 a. m. Round trip \$1. Can return any day.

M. P. BALDWIN, Agt.

Children Cry for

Pitcher's Castoria.

A SILVER SUBSTITUTE

For the House Coin Bond Bill By 43 to 34 Votes.

MITCHELL AND M'BRIDE

One for and One Against—It Was Not a Party Measure.

FIRST SILVER VOTES.

WASHINGTON, Feb. 1.—The first vote in the senate today occurred upon the amendment of Butler, pop., of North Carolina to prevent further issue of bonds without authority of congress and pay the coin obligations of the government in silver when silver bullion was below the par value of gold. The amendment was defeated. Yeas, 15; nays, 40. Those voting in the affirmative were Allen, Brown, Butler, Cameron, Cannon, George, Hill, Kyle, Pepper, Pritchard, Roach, Stewart and Tillman. Allen's amendment forbidding bonds issues was defeated by a vote of over 2 to 1 against.

The vote was yeas, 21, nays, 54. Mitchell and McBride voted nays on the Allen amendment.

REFUSED TO TABLE.

Gorman moved to lay on table the free silver amendment of the finance committee to the bond bill. Lost 34 to 43. McBride voted yeas, Mitchell nays.

THE ROLL CALL.

WASHINGTON, Feb. 1.—The finance committee's free silver substitute for the bond bill was passed by the senate, yeas 43; nays 34. Yeas—Allen, Bacon, Bate, Berry, Blanchard, Brown, Butler, Call, Cameron, Cannon, Carter, Clinton, Clark, Cockrell, Daniel, George, Harris, Irby, Jones, of Arkansas, Jones, of Nevada, Kyle, Mantle, Mills, Mitchell, of Oregon, Pasco, Pepper, Perkins, Pettigrew, Pritchard, Pugh, Roach, Shoup, Squire, Stewart, Teller, Tillman, Turpie, Vest, Voorhees, Walthall, Warren, White, Wilson, 43. Nays—Allison, Baker, Burrows, Caffery, Chandler, Davis, Elkins, Faulkner, Frye, Gallinger, Gear, Gibson, Gorman, Gray, Hale, Hawley, Hill, Hoar, Lindsay, Lodge, McBride, McMillan, Martin, Mitchell, of Wisconsin, Morrow, Murphy, Nelson, Parmer, Platt, Proctor, Sherman, Thurston, Villas, Wetmore, 34.

THE MEN WHO PAIRED.

The following pairs were announced: Those against the motion being seven first: Culom with Blackburn; Aldrich with Hansborough; Sewell with Gordon; Brice with Wolcott; Gray with Morgan, Smith with Dubois.

Laws Unconstitutional.

INDIANAPOLIS, Feb. 1.—The supreme court has declared invalid the legislative apportionment of 1895 passed by the Republicans. The case involved also the apportionment act of 1893, passed by the Democrats. This also goes down as unconstitutional. By a former decision the apportionments of 1891, and 1889 were found invalid. Today's decision makes it necessary to go back to the act of 1895.

The decision suggests that a special session of the legislature might be called to remedy the situation, which has become chaotic by today's decision.

The Salem Statesman picked the only flaw it could find in Elder Barkley's speech at Woodburn—his endorsement of the referendum. It should have told some of the other good things he said—reduction of salaries of federal officials, pensions for old soldiers and a tariff system for the development and protection of all American industries. Tell it all, Mr. Statesman; tell it all.

Republicans, prepare to attend your primaries. If you let some politician down town put up a slate and elect it for you, you ought to pay the bill.

The Clackamas county central committee bases the apportionment of delegates to the county convention on Hermann's vote for congress in June, 1894.

SAND BARS IN THE WILLAMETTE RIVER.

EDITOR JOURNAL:—I notice by today's Statesman that Congressman Hermann had piled up another "sand bar" in the Willamette river, above Harrisburg, presenting such obstacle to navigation, that the steamer Hoag was prevented from reaching Eugene with freight destined for that place. Why Congressman Hermann should persist in "piling" up these "sand bars" in the Willamette, just at this time, when the "Cash-bazooka" editor of the Statesman is so anxious to navigate its placid waters, is beyond any comprehension. Right seems that it has got to be a kind of pastime or "second nature" with Mr. Hermann to "throw up" these "sand bars."

This peculiarity or "fad" of Hermann's was first observed about four years ago, when Bob' Hendricks was so desirous of reaching Portland "via" the Willamette river to assume the position of collector of customs for Oregon. Hermann, just prior to "Bob" embarking on this hazardous journey stirred the waters of the Willamette until they became exceedingly "rolled" and turbulent and there was great commotion therein, and when the waters had subsided, it was discovered that a great "sand bar" had formed across the river at or near Champeog in obstructing navigation to such an extent, that "Bob" in his desperate efforts to reach the goal of his ambition was shipwrecked. But while this was disastrous to "Bob" in one sense, it also proved very fortunate for him, as this disaster overtook him not far distant from the Chemawa Indian school, where reigned his very dear friend, Rev. Irwin, for whom he possessed such great admiration and respect, and in whose behalf he had said, so many "good and kind" words through the columns of the "Statesman." So in order to manifest his great appreciation for and gratitude to the great editor, who had "stayed" with him like a "brother," he came to his relief and offered all succor possible, and from that time forward "Bob's" affection for Rev. Irwin has increased at a 10-horse power rate, until now it knows no bounds. It is hoped that from the disastrous results that have followed this sand bar act of Hermann's in the Willamette, that he will stop such nonsense and give more attention towards securing an appropriation for a new post office building in Salem.

GEPKA.

DIED.

SHELTON.—At the home of his father, on Front street, Friday, January 31, 1896, Lyle Rodney, youngest son of Dr. J. C. Shelton, aged 13 years.

His illness was of very short duration. Rodney was a pupil of Prof. Long in the North Salem school and was in his classes Wednesday as usual. Upon his return from school he complained of a little cold which, getting worse, settled into pronounced pneumonia, so terribly oppressive that the little fellow passed away at 4:30 yesterday afternoon.

Deceased was born in the house in which he died and was the youngest of three children, his sister and brother surviving. His mother died a few years ago, and his father has been an invalid for many years. There are few boys so young who are so many as was Rodney.

The funeral will take place at 2 o'clock Sunday, from the house, Rev. W. C. Kantner officiating. Interment in Rural cemetery.

The hopes of advancing prices are not based on the increasing output of gold. If gold gets cheap enough all other products will go up.

Think of all the little children at school and in all the homes of Oregon talking over that Albany hanging.

If such horrible things as executions are necessary it were better if they were in private and by electricity.

The Statesman has a big job, killing off Hermann and Geer both in one year.

Why do so many more run for assessor than for sheriff?

Home trade is best. It keeps the money and the goods at home.

Mr. Geer's congressional boom was started at Woodburn today. Mr. Statesman.

Is not the Salem Post "a little hard" on Jo. Wright of Union county?

Home trade is best. It keeps the money and the goods at home.

Surplus capital wants a sure thing. It don't want to take any chances. If it can get into a government bond it takes no chances. The devil takes no chances, and neither does the bondholder. He wants the whole government at his back to guarantee his investment. Unless more bonds can be issued, what is surplus capital going to do? How can it escape taxation? Give us more bonds! RATS!

Five hundred millions of idle capital in New York demands more bonds. Two thousand millions of idle capital in England demands more bonds. This idle capital wants interest-bearing gold bonds.

This capital does not want to go into banking, railroad, manufacturing, mining, shipping or agriculture. Those investments all involve risks. They are open to competition. They are effected by the laws of supply and demand, and subject to taxes to support the government.

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BAYARD IS CENSURED

For Offensive Speeches He Made in England.

SPECULATOR SENTENCED

Mint Report and Formosa Opened to the World.

WASHINGTON, Feb. 1.—The house committee on foreign affairs this afternoon adopted, by a party vote, a resolution censuring Ambassador Bayard for two speeches at Edinburgh and Boston, England. The resolution declares that it is improper for representatives abroad to condemn any political party or policy in America, and that such actions tend to destroy their influence and impair the confidence they should always command at home and abroad.

SPECULATOR SENTENCED.

WASHINGTON, Feb. 1.—Judge Col. of the district supreme court, today sentenced Elvert Chapman, a New York stockbroker, convicted of contempt for refusing to testify before the senate sugar trust investigating committee, concerning alleged speculations by senators, to pay a fine of \$100 and be imprisoned thirty days. Chapman noted an appeal, and was released on bail.

MINT REPORT.

The monthly report of the director of the mint shows that the total coinage during January has been \$13,933,560, classified as follows: Gold, \$12,914,600; silver, \$35,000; minor coins \$53,960. Beginning today the mints at Philadelphia, San Francisco and New Orleans will begin the coinage of silver dollars at the rate of \$1,300,000 a month. It is expected the work will continue until \$18,000,000 to \$20,000,000 have been coined.

FORMOSA OPENED.

The Japanese legation today received an important cablegram from the foreign office at Japan with directions to make it public by the terms by which the rich island of Formosa, which Japan acquired from China, will be opened up to trade and commerce.

COPPINGER CONFIRMED.

WASHINGTON, Feb. 1.—The senate confirmed Coppinger's nomination as brigadier-general.

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Highest of all in Leavening Power.—Latest U. S. Gov't Report

Royal Baking Powder

ABSOLUTELY PURE