

BATTLE ON ORE RATES

Hearing Begins Before Railway Commission.

ORE ROADS STAND PAT

Legal Representatives Argue Why They Shouldn't File Schedules

EASTERN MINN. INTERVENES

The Roads Lay Special Emphasis on Argument That Ore Carrying Is Interstate Business.

Attorneys for the three iron range railroads appeared this morning before the state railroad and warehouse commission at St. Paul to show cause why they refuse to file their ore tariffs as prescribed by law.

The Duluth, Missabe & Northern held the boards this morning. G. Welbywood Murray, of New York, and J. B. Cotton, its general attorney, occupied the center of the stage. The proceedings consisted of a dialogue between the two gentlemen. Mr. Murray figured in the shorthand report as "Question," and Mr. Cotton as "Answer."

The dialogue was devoted to showing that the ore traffic is interstate commerce, and to put it plainly, none of the business of the Minnesota commission. The attorneys for the three roads met yesterday and argued to adopt this as their main contention. They recognize that the other argument, that the ore business is private contract, is about played out.

Mr. Cotton had the data, mostly in neatly typewritten statements, and Mr. Murray brought it out of him by the time-honored court practice. Question and answer were sharp and business like and an ignorant spectator would have supposed they were on opposite sides of the case, so brusquely did the witness snap back his replies.

His statements showed that the ore handled by the Duluth, Missabe & Northern is all transferred at the docks, which are built expressly for the transfer of the ore to lake steamers. The docks are an inseparable link in the chain of through traffic. Every pound is carried to lake ports in other states by the Pittsburgh Steamship company. The ore is carried by a joint traffic agreement, the railroad getting 90 cents on the ton. All is billed through from mine to smelter.

Other Roads Represented Yeover was present representing the Eastern Minnesota, and P. B. Kellogg for the Duluth & Iron Range. About twenty witnesses were present and will be called to bear out Mr. Cotton's statements in detail as to the three roads.

Senator Clapp, special counsel for the commission, is in attendance. One of the smaller mining concerns on the range, the Penobscot Mining company, represented by J. C. Woodcock of Bay City is watching proceedings in behalf of other smaller companies. The company merely announced to-day that at the proper time it desired an opportunity to protest against the present iron ore rates, which it claimed were unfair to the small shippers.

SCRAP OVER STEEL

Belief That the Strike Will End This Week.

PITTSBURG CONFERENCE TO-DAY

Some Familiar Methods Followed in Such Negotiations to Be Abandoned.

Pittsburg, July 9.—A more hopeful atmosphere pervaded the headquarters of both the steel combine and the Amalgamated association to-day. As the result of the preliminary conference between President Shaffer of the Amalgamated association and Warner Arms, representing the combines' interests, last evening, the Wellsville trouble, which yesterday threatened to undo all that had been done toward effecting a peaceable settlement of the strike, was not referred to to-day, and everything pointed to an amicable adjustment of all differences at the general conference arranged for next Thursday in this city. President Shaffer said he considered the questions to be discussed at the conference to be most grave, and for that reason he thought it best to call on the general executive board, composed of the highest officers of the association, instead of consulting with the conferees who usually meet to consider such questions. Said President Shaffer:

Our board will meet the committee representing the combine in conference at the Hotel Lincoln in this city Thursday morning. I am now pretty well satisfied that the trouble will be settled at this meeting. There seems to be a spirit of fairness prevailing among those who I have talked officially on the subject. The meeting will be for the signing of the scale for the mills as a whole. It is said the conference will, in this case, be governed for the United States Steel corporation by general officers and not by any of the operating officials of the underlying companies. Should this be the case, it will mark a decided departure in the method of dealing with labor questions with the Amalgamated association.

President Shaffer said the conference on Thursday must be final, as the association will not waste any more time. He declared that there shall be no compromise, and nothing short of a complete surrender will be accepted. As to the claims of other mining com-

panies, the answer declares there are no owners or shippers of ore on or along the lines who are shipping or who desire to ship ore to points within the state.

Another point made is that the attempt to exercise control of interstate rates of iron ore is contrary to article 1, section 8, of the constitution of the United States. The companies advised that in so far as they have been advised all of the owners and shippers are satisfied with the present manner of doing business and that no complaint has been filed with the commission. In conclusion, the three companies asked that the order to show cause be vacated and that the proceedings instituted Nov. 9, 1900, be dismissed.

Eastern Minnesota Intervenes. Mr. Grover for the Eastern railway of Minnesota asked permission to intervene as his road was interested. He made the same points the other roads had urged.

Docks a Mere Incident. Joseph B. Cotton of the Missabe road, went exhaustively into the method of mining the ore, telling every step from the moment the ore was dropped into the car by steamshovels, until it had been loaded into steamships. Frequently ships were waiting for the trains.

Copies of the car labels, bills of lading and other blank forms were filed. Mr. Cotton testified that all the present year, every pound of ore would go to lower lake ports in the ships of the Pittsburgh Steamship company, for use by the Carnegies and other consumers.

One of the most important bits of evidence in support of the claims made was contained in copies of joint traffic agreements made between the Missabe road and the Bessemer Steamship Company, the Pittsburgh Steamship company and other concerns for the shipment of the ore from the docks. These contracts were introduced for the purpose of proving that the ore was exclusively interstate commerce and freight.

Little Ore Smelted in Minnesota. Mr. Murray asked Mr. Cotton what percentage of all the ore mined on the iron ranges was consumed by Minnesota furnaces. Mr. Cotton's answer was surprising. He said it was less than one-twelfth of one per cent. The total shipments of iron ore over all the roads up to this year was 31,000,000 tons and it will go down the lakes excepting 25,000 tons. In 1892 about 4,000 tons of sample ore was delivered to consumers in this state.

The only ore which has not been shipped out of the state since then was 488 tons shipped to the old stone furnace in Duluth in 1898 and 14,000 tons to the same institution since then. The furnace is not now running and not a pound of ore is smelted in Minnesota. There is no local market whatever, there is no local traffic in this commodity. This afternoon Mr. Cotton continued his testimony. He said that the railroad companies' share of the carriage of ore included unloading the cars into the dock pockets, and loading of the ore into vessels. Ore which does not go outside the state does not go to the docks. It was transferred to the St. Paul & Duluth for delivery to the Duluth blast furnace, and the railroad paid the switching charges. When the docks are full, the traffic of the railroad is blocked. When the company has 150,000 tons in the three docks hauling ceases. As high as 600,000 tons per month go through the docks and up to 40,000 tons per day.

Cotton Cross-examined. Senator Clapp took Mr. Cotton for cross-examination. Attorney General Douglas sat at his elbow. He established the fact that the docks are in the state. Mr. Cotton said the railroad's proportion of the carrying charges had always been the same, though lake rates fluctuated during the "wild season," near the end of navigation.

"You don't claim the right to ship all ore delivered from your road over the line of the Pittsburgh Steamship company, regardless of the wishes of the owner of the ore?" "No. All shipped this season goes by that route, however. It is designated by the owners of the ore."

HE CAN FIX IT FOR YOU.

If There Is Anything That Doesn't Go Right Just Call on Pierp. Morgan.

SPRING WHEAT SATISFACTORY

Weekly Summary of Conditions by the Government

HOW OUR STATE FARES

Favorable Report Despite Northern Wetting.

INJURY FROM THE HOT SPELL

None Reported to Have Resulted in Minnesota or Neighboring States.

Washington, July 9.—The weather bureau's weekly summary of crop conditions is as follows: The northern and central districts east

reduced the crop in the central Mississippi and lower Missouri valleys, but its condition in the Dakotas is excellent. Fine haying weather has prevailed on the north Pacific coast, with satisfactory yields, except in eastern Oregon. In the states of the Missouri and central Mississippi valleys apples and other fruits have been seriously injured by heat, and the reports from the districts to eastward respecting apples are not encouraging.

POSTAL FUNDS

The Minneapolis Receipts for June Record a Large Increase.

Special to The Journal.

Washington, July 9.—A statement given out at the postoffice department to-day shows that postal receipts at Minneapolis aggregated \$57,925 in June, as against \$52,837 in the corresponding period last year, an increase of \$5,088, or 9 per cent. The receipts of St. Paul for the two months respectively, were \$41,666 and \$37,841, an increase of \$3,825, or 10.1 per cent. Postmasters appointed to-day: Iowa—Meltonville, Worth county, C. G. Gundersen; Nason, Chickaway county, Mark Nelson; Wisconsin—Brigsaville, Marquette

AMBASSADOR WHITE RETIRES

He Will Resign His Post at Berlin.

SUICIDE OF HIS SON

Mr. White Aware of the Death, but Not of the Manner.

HIS DECISION IS IRREVOCABLE

The Ambassador Now on the Island of Rugen, in the Baltic Sea.

Berlin, July 9.—Although the United States ambassador, Andrew D. White, quite recently denied to the correspondent of the Associated press that he intends to

DID LUMBERMEN TRAP MR. FARR?

Charges Against the Logging Superintendent That Conducted the Rescale at White Earth.

Accused of Immoral Conduct, Which Is Why the United States Government Called Him Off.

z Washington, July 9.—Things are in a nice mix-up here over the rescale of timber on the White Earth reservation. There has been a lot of talk about Logging Superintendent Farr and government reasons for sending a new man into Minnesota to complete the work which he so successfully inaugurated and carried forward for several months, but nobody seems to have got at the real bottom of the case. The Indian office officials here decline to talk, notwithstanding they have been pressed repeatedly. To-day I had a long interview with Commissioner Jones, but without including him to say anything of importance. But through other sources I have been able to round up a true story regarding Farr and his work and the part that prominent Minnesota lumbermen, who became Farr's enemies on account of the unusual activity which he displayed during the rescale, have taken in bringing about present complications.

To begin with, highly sensational charges of a personal character have been filed with the Indian bureau against Farr. It is said here, but possibly on insufficient evidence, that the Minnesota lumbermen who were directly interested in White Earth pine last winter, had a trap set for him into which it is said he seems to have walked deliberately with both feet.

At any rate, according to charges which are contained in a letter written from Minneapolis June 8 by Samuel Hunter, Farr behaved in quite a shocking manner last winter while conducting the re-scale, paying entirely too much attention to a certain young woman, who is said later on to have revealed to certain interested persons who were instrumental in inducing Mr. Hunter to prefer the charges of immoral conduct. These charges explain why Farr was not chosen to con-

WE COULD STARVE EUROPE IN WAR

Russian Military Expert Pays the Highest Possible Tribute to the Navy of the United States.

London, July 9.—Jean De Bloch, the distinguished Russian military expert, says the United States could speedily starve Europe, in the event of a great transoceanic war. He added:

America's future, like that of Germany, lies on the water. Whenever it clashes with a European power the contest will resolve itself immediately into a war of commerce. In my opinion, America will require only a great fleet of fast cruisers in order to terminate hostilities speedily in its favor. The United States can never be dislodged from its position as the great provider of Europe's necessities of life. The mere defeat of a European squadron would bring to the United States little advantage, since it has nothing to fear from such an assailant. When American cruisers began systematically to patrol the shores of Europe it would be a matter of weeks or months only when Europe would find it vitally necessary to sue for peace.

Europe, therefore, has legitimate cause for concern at the expansion of the American navy. If you Americans continue to build first-class cruisers, rather than battleships, the time will come when Columbia will literally rule the waves.

Prime Condition of the Banks

New York, July 9.—Controller of the Currency Dawes is quoted by the Washington correspondent of the Press as saying, relative to the condition of the national banks of the country:

The latest detailed reports received from the national banks of the United States indicate an unusually high degree of prosperity. The condition of the national banking system can be taken as a practical barometer of the industrial and commercial condition of the country generally and, therefore, the remarkable showing now being made by these institutions indicates clearly that every branch of American trade and industry is flourishing to a correspondingly high degree. The resources of the banks are greater than ever before in the history of the national system, and the condition of the banks generally is satisfactory.

The present condition of the banks stands out in strong contrast against the dark background of the condition that prevailed some seven or eight years ago. In 1893, for instance, the record for bank failures was reached, when thirty-eight of the national banks went permanently into the hands of receivers. During the first six months of the present year only seven banks have failed, while during the entire year of 1900 only five went under.

Will Evans Be Controller?

New York, July 9.—According to a dispatch to the World there is a general feeling in official circles in Washington that the resignation of Controller Dawes has presented a solution of the controversy regarding the continuance of Commissioner Evans at the head of the pension bureau. An impression prevails, the dispatch says, that the president has already determined to appoint Mr. Evans to be controller of the currency. This would be in the nature of a promotion, for the salary is more and the term of office longer.

Denmark-Chicago Steamship Line

Copenhagen, July 9.—American and Danish capitalists propose to start a direct steamship line from Copenhagen and Christiania to Chicago. American capital will be largely interested.



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of the Rocky mountains have experienced two consecutive weeks of intense heat, and while the average daily temperature excess for the week ending July 8 was not quite so marked as in the previous week in the central valleys, it was more so in the middle Atlantic coast districts. No seriously injurious effects to crops from this period of intense heat are reported from the middle Atlantic states, but from Texas northward to Nebraska, including Missouri, Arkansas and portions of Illinois, Kentucky and Tennessee, crops have suffered to a greater or less extent.

The weather conditions on the Pacific coast and in the plateau regions have been favorable, although frosts caused some injury in Utah and Wyoming on the 5th. In Kansas, Missouri, Oklahoma, Texas and Arkansas corn has been seriously damaged by intense heat and dry winds, although late corn in Kansas is in fair condition.

The bulk of the crop in Nebraska and Iowa has so far escaped injury except in a few southwestern counties in Nebraska, where corn has been slightly injured, while in southeastern Iowa it is threatened. In the states of the Ohio valley corn has suffered no injury from heat, and has generally made good growth, but continues in need of cultivation in portions of Ohio and West Virginia. Winter wheat harvest is finished in Kansas, Missouri and in the lower Ohio valley, and is in progress in the more northerly sections. Rains have interfered with harvest in portions of Ohio and West Virginia and reports of injury by fly continue from the first-named state, as well as from portions of Pennsylvania and New York. On the Pacific coast harvest has begun in Oregon, and wheat is ripening in Washington.

SOLDIER LOSES AN ARM

Corporal Churchill of Co. G, Run Over by a Freight.

Special to The Journal. Camp Lakeview, Lake City, Minn., July 9.—Corporal George Churchill of Company G, Austin, attempted to board a freight train which was passing through the camp at 2:30 this afternoon. He fell under the wheels and his right arm was cut off at the shoulder. Mayor Ames, of Minneapolis, the surgeon general of the state, was in camp at the time, and performed the operation at the regimental hospital. Churchill stood his shock well and will recover. He is the son of well-to-do and prominent farmers living near Austin, and is popular with his comrades.

POWER TO PRACTICE

Applicants for Physicians' Certificates Examined at Madison.

EAT TOADSTOOLS

Three Chicago Men May Die in Consequence.

Chicago, July 9.—Mistaking toadstools for mushrooms, three men employed as carpenters by the Austin Driving association were to-day probably fatally poisoned. They are Patrick Donahue, Peter Bee and John Ryan.

Ex-Governor Morrill of Kansas owns what is said to be the largest apple orchard in the world.

county, M. D. Peters; Ellsville, Kewanee county, Winfield Virgo. Two rural free delivery routes have been ordered established at Monticello, Wright county, Minn., Sept. 2, with W. B. Sawyer and J. E. Erickson as carriers.

WE'VE LOTS OF DIAMONDS

More Precious Stones in This Country Than Ever Before.

Washington, July 9.—A report received at the treasury department from George W. Mindil, the government expert at the New York custom house on precious stones, shows that during the fiscal year ended June 30 last the aggregate value of precious stones and pearls passed through his office was \$21,919,053. This amount largely exceeds the total of any other year in the history of the country and exceeds by over \$2,000,000 the entire importations of the four years ended March, 1896. Mr. Mindil states that the placing of precious stones in their rough or native state upon the free list has established a new mechanical industry in America and now nearly one-half of the precious stones sold in this country are cut and polished here.

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Marquette's Crucifix Found

New York Sun Special Service. Frankfort, Mich., July 9.—Workmen on the new Arbor lot here unearthed a golden star crucifix eleven inches in length, with arms five inches long, set in a base two inches square, supposed to have been the property of Pere Marquette, the Jesuit priest, who was buried here 225 years ago.

Some time ago a skull was found on the same spot, which created excitement and which is now on exhibition here. History states that Marquette was buried on this spot. The crucifix is of French design and bears the letters "I. N. R. L."

It Will Be a Day of Delightful Hours, Superb Scenery and Solid Comfort--The Journal's Excursion To Camp Lakeview, on Friday. See Ad, Page 12.