

BURLINGTON'S HEAD MEN HEARD IN MERGER CASE

PRESIDENT HARRIS AND DARIUS MILLER EXAMINED BY ATTORNEYS FOR THE STATE.

The Letter Says Hill Kicked About Operating Expenses, but Didn't Dictate the Burlington's Action in Making Rates or in Routing Freight—Relations Between Merger Roads.

This morning's hearing in the merger case was one of the occasions where Hamilton is played without the star part. The state summoned George B. Harris, president of the Burlington system and Darius Miller, its traffic manager, chiefly for the purpose of getting into the records a letter written by James J. Hill to President Harris, telling what he wanted done with the Burlington and using the word "instructions."

The letter will have to be numbered among those that never came. President Harris produced a letter from President Hill, dated in July, and discussing the operation of the Burlington and the other two roads. It was not the letter that the state wanted. Its language was very general, and it was of no value toward proving the state's case, so it was not introduced at all.

Mr. Miller is guarded. The day's session, which adjourned at 1:30, was spent in examining the two Burlington officials. Mr. Miller was on the stand a greater part of the time, while Mr. Munn endeavored to prove that as traffic manager of the Burlington he is now carrying out instructions from Mr. Hill as to rates and division of the traffic.

Mr. Miller met this line of questioning very skillfully and appeared to be amused by it. He talked glibly but guardedly with an occasional jest, and was not tripped into any damaging admissions. He told how while acting as traffic manager, of the Great Northern, Mr. Hill told him that the Burlington wanted him to fill a similar position in its new capacity.

Mr. Hill, but got no instructions from him and never consulted him about rates or division of the traffic. The traffic was apportioned to the Burlington and the other two roads with the per cent received from them. He said there had been no reductions in joint rates over the three systems in the past year except to Seattle and other coast points, whereas he admitted the competition of other systems was felt. In conferring over these changes he had represented the Great Northern and Northern Pacific, as well as the Burlington.

Definition of "Community." President Harris occupied the stand about an hour. He spent nearly all that time trying to get Mr. Harris to define the phrase "community of interest" as meaning common ownership. In testimony to the fact that the Burlington had been stipulated into the state's case, Mr. Harris used this term.

He skillfully parried the questions, and related on matters of the Burlington. By community of interest he meant a unity of feeling between the roads, leading to more stable relations and to greater traffic. Like Mr. Hill, his main idea was development of the country.

He finally admitted, however, that common ownership of stock was a large factor in his mind in creating this community of interest. He said that the Burlington, Northern Pacific and Great Northern consolidation and insisted that all he knew about these roads was as common owners of the Burlington. He had never owned stock in the Northern roads, "for very long at a time."

"Union of Interests" Defined. Mr. Harris testified that the stock of his company was substantially all held by the Great Northern and Northern Pacific companies. Mr. Hill, on the other hand, from the Burlington went to points reached only by the other two lines.

Mr. Munn then questioned Mr. Harris as to what had been said by the government case. Mr. Harris replied: "The officers and agents of these companies would understand that they should promote general trade, interchange of traffic between the systems."

"There is in effect a union of interests of the roads, is there not?" asked Mr. Munn. "There has been a purchase but the management is distinct."

"The control comes from the board of directors and from the stockholders, does it not?" "As far as I am concerned my only control comes from the board of directors."

Mr. Harris then read the list of directors of the Burlington companies, both the "railroad" and "railway" companies. The latter, he said, now operated the system under a lease.

Mr. Harris was again asked to define "union of interests" and used the phrase "community of interest." He was asked what he meant by that. "I really don't know how to define it," he replied. "It means a sort of community of feeling which would promote mutual interest."

"You mean that the merchants and manufacturers along the lines of these roads would feel a security because the three roads were practically one system."

STILL CRYING FOR HARD COAL

Chicago Has Been Expecting Large Shipments That Do Not Seem to Arrive.

Some 16,000 Tons Arrive at South Chicago and Leave for the Northwest.

Coal Men in New York Threatened if They Raise Prices—Trouble in Washington.

New York Sun Special Service. Chicago, Dec. 16.—Yesterday was the time set for the arrival of immense quantities of anthracite, but dealers said last night the coal failed to get here.

The prediction was made several weeks ago that train loads of the fuel would arrive about Dec. 15. It was expected enough would arrive to supply the demands and it was claimed the famine would cease and that there would be another reason for joyfulness at Christmas time.

In his dealings with the Great Northern and Northern Pacific he had in mind their relation to the Burlington as co-stockholders and the mutual ownership by the Northern Securities company.

Mr. Munn asked him whether since the merger there had not been increase of rates on the Burlington and the other two roads, either by increasing the rate or raising the classification. Mr. Harris said he knew nothing of such increase. He was then excused, and the hearing was adjourned for the day. It will be resumed to-morrow at 10 a. m.

Mr. Hill was not called to-day. He may be to-morrow, but there is nothing certain about it. The state is practically through with its evidence.

Darius Miller on Joint Rates. Darius Miller, vice president and general traffic manager of the Burlington, was first sworn and examined by M. D. Munn. He said he was second vice president of the Great Northern from 1888 to 1902, and in charge of the traffic. As traffic manager he had the fixing of rates, but in those matters consulted with Mr. Hill frequently.

"While in that position," inquired Mr. Munn, "did you have occasion to take up the question of joint rates between the Great Northern and the Burlington?" "I did."

"How would you divide the rate?" "Sometimes on a mileage basis, sometimes on an arbitrary division, and sometimes on a local basis. They were always arranged by agreement."

"Were there not some points reached by both you and the Northern Pacific, which would get freight from points on the Burlington?" "There were."

"Did you not sometimes make a lower rate to get this business?" "Tariff rates were always the same."

"Were not concessions sometimes made?" "There may have been occasions when rates were not maintained."

"Since January, 1902, what position have you held with the Burlington?" "Second vice president and traffic manager."

"From whom did you first receive the suggestion that you make the change?" "He did tell me what would be your duties."

"Did he expect I would have to go with the Burlington as traffic manager?" "What did he say about your fixing rates?" "Nothing, except in a general way."

"Did he say he would have to get some one to take the place?" "No, he said the Burlington would have to get some one to take the place."

"When was the suggestion made?" "In November."

"Did he ask you prior to that time to resign some one for the place?" "He did."

"Did you have any talk as to your duties in that position, as to how it would affect the Burlington, Northern Pacific and Great Northern?" "No, sir."

"Did he say anything about salary?" "Not at that time, but later he said he thought it was better to let it go, and it would be made satisfactory."

"Was anything said about your severing your connection with the Great Northern?" "Yes, he said he was very sorry to part with me. It was very kind of him to jolly me up a little," at which remark Mr. Miller smiled.

"Relations Between Merger Roads. "Has anything been said since by Mr. Hill about your making rates on the Burlington?" "No, sir."

"No letters on that subject?" "No, sir; none whatever."

"Did he have any change in the routing of freight?" "No, sir."

"What is the system?" "Well, where the shipper does not dictate the route, we route the freight to junction points on the Great Northern and Northern Pacific, according to the amount of freight we receive from them."

"You determine that?" "Yes."

"Is there any effort made to get business for either of those roads?" "Yes, they have their agents looking after that. They complain that the other fellow is getting the best of it."

WILD AT PORT AU PRINCE

Much Shooting in the City—Nord's Opponent Flees to the U. S.

Legation.

Port Au Prince, Hayti, Dec. 16.—General Saint Felix Collin, minister of the interior and opponent of General Nord in the contest for the presidency, has sought refuge in the United States legation.

There has been much firing in the city and a state of great excitement prevails.

TO COLONIZE ONTARIO

An English Syndicate After a Big Slice of the Canadian Land.

New York, Dec. 16.—According to the London correspondent of the Tribune, negotiations are in progress by an English syndicate for acquiring from the Ontario government of a concession for a large tract of land on terms similar to those offered an American syndicate for a tract of 2,000,000 acres. It is asserted that the English syndicate has ample financial resources and is displaying zeal and interest in working out an immigration scheme of exceptional magnitude.

WORKING ON THE CANAL

Dr. Herran and Secretary Hay Are Getting Together on the Price.

Washington, Dec. 16.—Dr. Herran the Colombian chargé, who has been clothed with full powers by the Bogota government to sign a canal treaty was an early caller at the state department to-day and spent half an hour with Secretary Hay in a further effort to reach an agreement as to the price this country shall pay for the concession.

Dr. Herran predicts that the treaty will be ready for submission to congress before Christmas. It is understood both at the state department and at the Colombian legation that the question of price is now the only barrier now to the conclusion of a satisfactory convention.

SMALL BANK DROPS OUT

The Failure Was Due to "Large Loans Made to Its Officers and Directors."

Washington, Dec. 16.—Controller of the Currency Ridgeley has closed the National Bank of South Pennsylvania at Hyndman, Pa., and has appointed Walter R. Mason bank examiner, as receiver.

The last report of the condition of the bank showed that its deposits were \$40,483. Its capital stock is \$60,000 and it had a surplus and undivided profits of \$5,016. The failure of the bank was due to losses sustained through large loans made to officers and directors; a controversy has existed between the stockholders of the bank for several weeks and an attempt was made to arrange the affairs of the bank and prevent a receivership. Owing to the impossibility of any agreement being reached the controller to-day appointed a receiver at the request of the larger stockholders.

Freight-Train Backs Into Passenger Train at Owatonna.

Owatonna, Minn., Dec. 16.—When passenger train No. 503 on the North-Western line entered the station this afternoon it was backed down upon by a freight train. The engineer of the passenger train was almost instantly killed, his legs being mangled, abdomen crushed and head cut open. The fireman was only slightly injured. A farmer riding in the caboose, which struck the engine, was hurt in the back.

AMERICAN LEGATION AT CARACAS

Headquarters of Minister Bowen, the center of diplomatic negotiations in the Venezuelan capital.

LITTLE GIRLS WHO WORK NIGHTS

Chairman Gray Asks the Pennsylvania Legislature to Prohibit It.

The Fathers of the Girls Get From \$900 to \$1,000 for a Year's Work.

An Operator on the Stand Says the Coal Men Are Getting \$11 to \$12 a Ton.

[Details of yesterday's sitting and the testimony of the little girls who worked all night in the silk mills will be found on Page 3 of this paper.]

Seranton, Pa., Dec. 16.—When the coal strike commission met to-day Chairman Gray opened the proceedings by saying that the commissioners were impressed with the spectacle of the little girls who were before the commission yesterday and testified that they worked all night. He said the people of the community and

IMPORTANT DISCLAIMER MADE BY ENGLAND

LORD LANSDOWNE IN PARLIAMENT SAYS IT IS NOT INTENDED TO LAND A BRITISH FORCE OR TO SEIZE VENEZUELAN TERRITORY.

If the Seizure of Ships Does Not Produce the Desired Effect, the Next Coercive Measure Will Be a Blockade of the Ports—The Matter of Arbitration Still Hangs Fire But the Powers Do Not Favor It—German Officials Say That the United States Has Been Consulted On Every Step Taken—An Intimation That the Monroe Doctrine Is Strengthened Rather Than Weakened—Italy's Claims for Damages Are Heavy.

London, Dec. 16.—Replying to a question in the house of commons to-day Under Foreign Secretary Cranborne said no attempt had been made by Great Britain to refer the dispute with Venezuela to arbitration.

Replying to a question in the house of lords, Lord Lansdowne, the foreign secretary, said that if the seizure of the Venezuelan gunboats did not produce the desired effect further coercive measures would be employed.

The matter had been considered with Germany and it had been decided to resort to a blockade of the ports. It was not intended to land a British force and still less to occupy Venezuelan territory.

Berlin, Dec. 16.—A note from Secretary Hay excepting American ships from certain restrictions of the Venezuelan blockade is favorably received by the German government. The foreign office treats the matter as not raising any essential difficulty and as being within precedent, since Germany made a similar restriction in the Cretain blockade. The precise status of American vessels under the blockade will be defined in an official notification.

GERMANY PLEASED AT THE ATTITUDE OF THE U. S.

No Step Has Been Taken Without Taking Into Consideration the Position of America.

Berlin, Dec. 16.—The German government has not yet replied to President Castro's offer of arbitration, being still in correspondence with the British government on the subject. It is intimated that Germany's reply is not likely to be ready for some days.

The opinion in the cabinet appears to be that President Castro's proposals are merely a movement in a game designed to see what Germany and Great Britain are now willing to do, and as a test also of American public feeling.

The prevailing idea here at present is that it is too late to arbitrate and that the acceptance of the offer to do so would place Germany in the position of having put her hand to the plow and as looking backward.

The government's concern at the present moment is to guide the application of force so as to avoid what could be taken internationally as a declaration of war, resulting in the recognition of Venezuela as a belligerent.

The conduct of the United States is regarded in diplomatic opinion here as being strong and dignified and the state department's handling of the affair is looked upon as establishing Europe's recognition of the Monroe doctrine, because every step taken Germany and Great Britain was made after taking into account what the United States thought of it.

At the same time it is claimed that events in Venezuela are saving the United States many future complications by letting the Latin republics understand that the United States will not protect them from the effects of financial delinquency and internal disorder.

Caracas, Dec. 16.—The governor of Margarita island reports that British and German warships are off that island. Minister Bowen yesterday politely refused to have a monster patriotic parade pass before the United States legation. Every one here hopes that the arbitration proposed by Venezuela through Mr. Bowen and Washington will be granted.

When the combined fleets seized the Venezuelan ships at La Guaira the German commander delivered to the Venezuelan captain the following document:

"Not a Measure of War." By order of my sovereign and at the command of the commodore of the German squadron in West Indian waters, I, the commander of the Panther, request you to lower your ship's flag immediately and leave your ship with your crew within ten minutes. This is not a measure of war on the part of Germany, but only with the object of making a provisional seizure of your ship in order to oblige the Venezuelan government to recognize our just demands. In case you disobey and wish to defend your ship I shall be obliged to prevent you from so doing by the discharge of arms. —Eckerman, Commander.

Who Sunk the Ships. Further details of the sinking of the Venezuelan ships have been obtained from an entry made in the book of the signal men of the fortress of La Guaira. It is as follows:

Tuesday, Dec. 9, 1:30 night.—The adjutant called me to see if I knew that the steamer Retribution, of the English navy, was towing the steamers Crespo and Totumo, of the national navy, three or four miles north. I had heard four cannon shots and the two steamers had disappeared and understood they had been sunk by the Vineta and Retribution. At the end of the hour the Retribution returned to the harbor alone. —Signal Commander of the Forts.

The fact that the Retribution returned to La Guaira alone two hours after leaving with the captured vessels was confirmed by the English residents of La Guaira. Consequently, she did not have time to conduct the Venezuelan ships to Curacao or Trinidad.

The Italian Demands. The Italian minister, Rivas, only handed to the Venezuelan government certain demands which were not in the form of an ultimatum and which did not specify any limit of time for an answer. His note simply asked for payment of sums due to Italy, and in case of payment being made to other countries it asked for the same treatment.

The government answered the Italian minister's note in the negative, saying that tribunals existed in Venezuela to judge any claims arising from the revolutions.

The Associated Press correspondent is informed that the Italian minister has called to Rome for further instructions. The correspondent called to-day at the Italian legation and saw Minister Rivas and his wife and two daughters with regard to the report that they had embarked on the Giovanni Battista. They laughed and said: "We did not leave the city of Caracas, and much less embarked on the Italian cruiser at La Guaira."

"There is no excitement among the people here against Italians because as yet no Italian naval demonstration has taken place. It is now said that the object of the German cruiser Panther is sailing for Maracaibo to capture the Venezuelan steamer Miranda, formerly the Spanish torpedo boat Diego Vialquez, and the remaining vessels of the Venezuelan fleet."

A "SCARE" AT LA GUIRA. Suspicious Action of the British Ships. Frightens the Commander of the Fort.

La Guaira, Venezuela, Dec. 16.—The arrival of the British cruiser Charybdis and the torpedo boat destroyer Quail yesterday caused a bad scare among the population of this place. The commander of the fortress, who visited the American, French, Spanish and Dutch consuls and asked them, in case the British landed marines, to intervene to prevent firing on the fort and to delay any movement among the fort, as he had received orders from the government to evacuate the place.

The commander added that if the consuls refused to intervene and the fort was attacked, he would defend his post and could not answer for the consequences to the town, which is without any defense now with the exception of a few armed policemen. At 5 o'clock, however, the Charybdis and the Quail left La Guaira, and the fears of the population subsided.

What caused most of the alarm was the fact that when the British ships arrived here they took up a commanding position, their guns covering the fort, and remained stationary for a few moments as if about to open fire.

The foreign consuls subsequently called on the prefect, who assured them there was no danger at present. He added that the commander of the fort had been need-



WHERE ARE RUSSIA AND FRANCE?

The total receipts of coal in Chicago last week were 222,000 tons a decrease of 12,574 tons, compared with the previous week. Coal dealers say that at least 16,000 tons of anthracite went to South Chicago, where it was reshipped and sent to the Northwest. Coal dealers say that in the years when there were no strikes at least 150,000 and sometimes 175,000 tons of anthracite arrived every week in November and December.

"COAL BARON" THREATENED

People in New York Say They Will Burn Mr. Reimer's House. Special to The Journal. New York, Dec. 16.—The passive suffering of people without coal was yesterday changed to open threats on the part of someone in the Brownsville section of Brooklyn, who sent a warning postal card to a coal merchant of East New York. The card was mailed to Rudolph Reimer of Reimer & Son. The address was in English, but the message was in Yiddish, it is as follows:

Mr. Reimer, Coal Baron: If you raise the price of coal, if you attempt to raise the price, we will burn down your house at once. Don't think this is a joke. It is not intended so. We mean business and just so sure as you raise the price of coal your house will be burned down. —Red Hands.

Mr. Reimer and his son treated the card as a joke. Mr. Reimer, however, insisted on sending the card to the police. Acting Captain Early posted five patrolmen at the coal yards and two at the Reimer residence. Reimer & Son have the reputation of being charitable to the poor.

BADLY NEEDED IN WASHINGTON

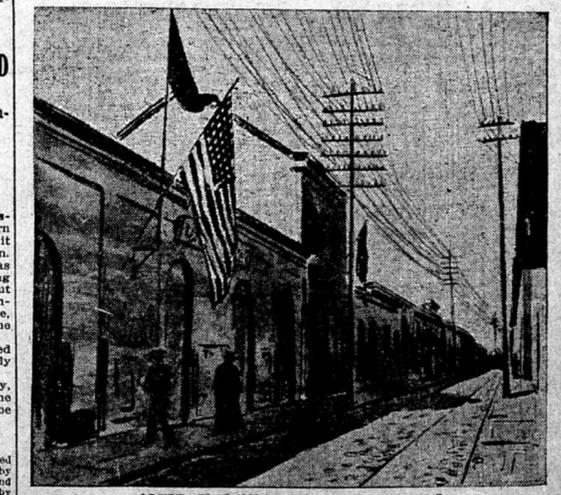
Some of the Government Buildings on the Point of Closing. New York Sun Special Service. Washington, Dec. 16.—The coal famine has reached a crisis in Washington and threatens not only to be a cause of suffering to the poor, but may cause a temporary shutting down of some of the government departments. The facilities for handling any large shipments of coal to Washington, should any be made, are so poor that the commissioners of the District have granted authority to the Pennsylvania railroad to lay temporary tracks on private streets in the vicinity of the railroad yards and freight depots, and gangs of men will be immediately put to work.

The interior department was without coal for several hours yesterday and the postoffice department was inconvenienced and the clerks sent home, thirteen tons of soft coal were obtained.

Two hundred tons of coal consigned to the postoffice department was consigned last week by the Pennsylvania Railroad company for the use of its engines on the southern division, and as a consequence that department is very short of fuel and has obtained its daily supply only by the most strenuous efforts. An order was issued to-day prohibiting the burning of incandescent electric lights except on the first floor—the city postoffice—where they are absolutely necessary, and shutting

down the postmaster general's private elevator and the free elevator until a normal supply of coal is on hand. The hospitals are also very short of fuel, as are a number of other public buildings, and thousands of private families are depending entirely upon oil burners for both cooking and heating purposes.

Denver, Dec. 16.—The ten days' stay of senators granted by Judge Mullins to Messrs. Wright and eleven aldermen whom he sentenced to four months' imprisonment for obstructing an injunction issued by the circuit court, but they were kept out of jail by a further stay for ten days granted by the circuit court, which the case was taken on at 11 o'clock.



AMERICAN LEGATION AT CARACAS. Headquarters of Minister Bowen, the center of diplomatic negotiations in the Venezuelan capital.