

MAGUIRE THROWS REDHOT SHOT.

Methods of the Southern Pacific Company Exposed.

OPPOSED TO REFUNDING.

Such a Proceeding Would Cause an Increase of Rates and Diversion of Traffic.

A PLOT BEHIND THE SCHEME.

In Ten Years Huntington Would Be Willing to Turn Over Two Rusty Streaks of Iron.

WASHINGTON, D. C., Jan. 31.—Representative Maguire spoke for three hours before the House Committee on Pacific Railroads to-day in opposition to the refunding bill. For the first time during the hearings the entire committee was present and great interest was manifested by all.

Maguire commenced by saying that a great storehouse of reliable information concerning the Pacific railroads would be the report of the Pacific Railroad Commission, which is now almost inaccessible even to members of the committee, and entirely so to most of the members of the House, who will be called upon to vote on the report.

Maguire said that he would immediately introduce a resolution to that effect and proceeded with his argument. He analyzed the offer of settlement by the Central Pacific Railroad Company, showing that each piece of so-called additional security for the Government debt is already mortgaged far beyond its value and really added nothing whatever to the security already held by the Government.

Maguire then asked if the committee would support a resolution offered in the House for printing the report. Chairman Powers said the committee would support such a resolution in the House and he was sure that every member of the committee would urge its adoption.

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Central Pacific Railroad where it can do nothing but demand excessive freight and passenger rates, even if the demand should drive away all the business it might otherwise obtain. Now, it so happens that this result would be to the highest possible advantage to the Southern Pacific Company, which is now, and will be for more than eighty years under its lease, in absolute control of the Central Pacific Railroad, in which neither it nor its stockholders have any substantial financial interest, but the Southern Pacific has a transcontinental railroad line privately and completely owned by its stockholders, and would be free under the refunding scheme to underbid the Central Pacific and to take and reap a rich harvest of the profit from traffic thus driven away from the Central Pacific road. The Central Pacific road would then in the way of directly promoting the interests of the people controlling it be allowed to fall into disuse and decay, until at the end of about ten years the refunding scheme would be abandoned and the Government would get what Mr. Huntington is said to have facetiously described as "two streaks of rust and a right of way from San Francisco to Ogden."

"I think it is with this purpose in view that the representatives of the Central Pacific Railroad Company innocently ask that for the first ten years it be required to pay to the Government only 1 per cent upon the funded debt. It will be well worth all the payments that they propose to make during the first ten years to keep the road under their control for the double purpose of wrecking the road by diverting traffic to their own line and yet, by controlling the Central Pacific Railroad, to prevent its being operated as a competing line. The refunding scheme will, therefore, work untold injury to California, and to the West generally, without any probability of securing the payment of the claim of the Federal Government."

Johnson—You say that the Southern Pacific people are now diverting traffic from the Central to the Southern road. What proof have you of that?

Maguire—Speaking of my personal knowledge I know that the Southern Pacific Company ships freight across the continent by the Southern Pacific Railroad cheaper than by the Central Pacific road.

Geary (by permission)—Mr. Maguire, what you state in that behalf, I believe is correct, but is not that due entirely to the fact that the Southern Pacific Company has a complete through line by the Southern Pacific route and ships its freight by water from New Orleans to New York, while by the Central route it is obliged to bill freight over roads of other companies at a greater expense?

Maguire—I do not know why cheaper freight rates are offered over the Southern Pacific than by the Central route, and I am not concerned about the reason for it. What I say is that the Southern Pacific Company is actually diverting freight to its own southern road by giving cheaper freight rates than it gives over the Central Pacific to the same points on the Atlantic Coast. I know, too, of my own knowledge, that the Southern Pacific Company has withdrawn its passenger tickets from the ticket office of the Union Pacific Railroad Company in San Francisco, and from the offices of all other roads in that city, thus making it impossible to purchase a ticket over any railroad running to and from San Francisco without going to the ticket office of the Southern Pacific Company to purchase it and at least giving a first-class opportunity to agents of that company to recommend the Southern Pacific Railroad to all passengers.

Outside of my personal knowledge, but upon authority which I consider reliable upon the report of the Pacific Railway Commission; upon the supplemental report of Mr. Coombs, one of the Government directors of the Union Pacific Railroad; upon the constantly repeated newspaper statements, and upon the general reputation and rumor among the people of San Francisco, I feel safe in saying that the Southern Pacific Company is constantly and by all means in its power diverting freight and passenger traffic to the Southern Pacific from the Central road.

Maguire read from Director Coombs' report, in which the latter stated he had been informed by numerous business men and others that pressure was brought on shippers to ship by the Southern road in preference to the Central.

Johnson—Now, Mr. Maguire, with the greatest respect and deference to you personally, do you think it is fair or reasonable to quote a statement such as that of Mr. Coombs, when he shows by his own statement the source of his information is a mere rumor and by conversations with men whose knowledge comes from mere rumor? Why, sir, I could prove in that way that you are an anarchist (which I know you are not) because some people have said so and have made rumor of it.

Maguire—Yes, I remember Mr. Huntington said it to the CALL correspondent in Washington, and it was published in California. I presume that was the source of your information. He said, I believe, that in his opinion, if I was in Europe I would be an anarchist and would throw bombs.

Watson of Ohio asked if all railroad companies through their agents do not try to divert traffic to their own roads.

Maguire—Yes; certainly, and that universal experience should satisfy us that if the United States Government is to get anything out of the Central Pacific Railroad it must in some way take that road out of the hands of the company that is certain to make money by diverting traffic from it.

Maguire—Newspaper reports, Mr. Johnson, and the fact that the freights that were reduced while the Panama road was free from that control have been increased again.



A BAD BREAK!

know, as well as an outsider can know, that the contract or combination has been made with the Panama Railroad which subjects the people of the Pacific Coast to increased freight charges.

Maguire proceeded to show that by funding the Pacific Railroad debts this condition of the monopoly would be continued for at least a very long period; that the charges for transportation would be based, not upon the value of the services, as they should be, but upon the advantage of the shipper of having his goods transported. In other words, freight rates will be fixed at all the traffic will bear, instead of the value of the service. The railroad monopoly, therefore, will insist upon being let into partnership with all producers, just as in the case cited by Mr. Bowers the other day, in which it appeared that freight rates on borax had been raised because the borax business had become more profitable than formerly to those engaged in it.

Maguire went on to show that no refunding scheme could be made applicable to both the Union and Central Pacific roads, and urged that the objections to refunding the Central Pacific debt applied with almost, if not quite the same force, to the Union Pacific as to the Central Pacific system.

The sensation of the day was caused by Maguire's argument to show that the so-called first mortgage bonds were not in fact prior liens, and that the Government mortgage was, in fact, the first mortgage.

In support of this position he quoted at length from Pacific Railroad laws and from a written argument prepared by John T. Doyle of San Francisco on the question. He said that Doyle had been for many years one of the leading lawyers of the Pacific Coast, and was in fact one of the ablest lawyers in the country; that the argument prepared by him was clear and strong, and asked leave to have it printed as a whole in his remarks, which was granted.

Coming to the remedy, Maguire said that any other course that might be pursued in the Pacific Railroad matter would be better than refunding; that it was an extraordinary thing for Congress to even listen to an application for an extension of the credit on behalf of an insolvent company made by men who had rendered the company insolvent by robbing it for their own enrichment, and who had deprived the company of the power to pay its debts to the Government by diverting its assets to their own pockets.

Those who had thus violated the old contract could not well be trusted to be faithful to the new one. He discussed the liability of the directors of the Central and Union Pacific Railroad companies, and their successors in estate, to restore the assets amounting to more than \$150,000,000 which the Pacific Railway Commission found they had diverted to themselves from the two companies by means of fraudulent contracts made by them with themselves.

Chairman Powers claimed that the question of the right of the Government to sue the directors for fraudulently diverted assets had been finally decided by the United States Supreme Court in the case of the Union Pacific Railroad.

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WILL EXTEND THE RESEARCHES.

The Venezuelan Commission to Seek Information Abroad.

AFTER THE ARCHIVES.

Secretary Malet-Prevost to Go to Madrid and an Expert to The Hague.

LIGHT FROM OTHER SOURCES.

Historical Data Bearing on the Boundary Dispute to Be Also Sought in France.

WASHINGTON, D. C., Jan. 31.—The Venezuelan Commission held its first regular weekly meeting to-day in its permanent quarters, and took up the enormous mass of official documents bearing on the boundary question, which had accumulated in years past, and which had been transmitted by Secretary Olney, in accordance with the commission's formal request adopted at its last meeting.

These papers, together with the voluntary contributions of old maps, books and other data which has been received from various sources, have enabled the commission to make a general estimate of the state of the case and take up the consideration of specific researches which must be pursued to secure corroborative or contradictory evidence.

It has been already practically determined that Secretary Malet-Prevost will shortly proceed to Madrid to ransack the Spanish archives for records that his experience leads him to believe are in existence, but have not until this time been connected with the case. Satisfactory assurances have been given that every facility will be afforded him for his researches.

One of the commissioners or an expert selected by them will in all probability be sent to the Hague to study the Dutch archives at the same time.

Spanish investigation having been undertaken, and as historical data of the highest importance is known to be in the possession of the French National Library, it is not beyond the possibilities that a sufficient number of the commissioners or their agents will go to Europe in the next two or three months to hold a meeting in some convenient Continental rendezvous.

All the members were in attendance at the session which lasted practically all day, with a brief intermission for luncheon.

Secretary Malet-Prevost announced that the chief morning business had been the discussion of some State Department papers as well as well as the tenders of assistance which had poured in from every direction, showing a commendable desire on the part of the people everywhere to offer evidence.

Nothing had yet been presented by either the Governments of Great Britain or Venezuela, nor had any communication of any kind been received from these countries notifying the commission whether or not they would accede to the request to have representation through counsel.

The commission at 4 o'clock adjourned until next Friday, the members in the meantime to pursue their individual study of the evidence at hand as well as the search for useful information.

SALISBURY REPLIES TO MORLEY.

The Prime Minister Explains His Views on the Monroe Doctrine.

LONDON, Eng., Jan. 31.—Prime Minister Salisbury delivered a speech here to-night, in the course of which he rebutted the statements made Thursday night by John Morley to the electors at Arbroath concerning the Monroe doctrine. Mr. Morley said Lord Salisbury had blundered in seeming to question the Monroe doctrine and that if ever there was a question that should be arbitrated it was the Venezuelan boundary question.

Lord Salisbury said to-night that although the doctrine formed no part of international law, his dispatch to Secretary Olney supported it as a rule of policy as strongly and distinctly as possible, but in the form in which President Monroe himself understood it.

The Prime Minister expressed sympathy with the Armenians, but denied that Great Britain was under an obligation to declare war against the Sultan of Turkey in order to compel him to govern justly and cited the treaties in proof of his contention. He ascribed the atrocities to the passions of race and creed. He believed that the Sultan's government was wretched and impotent, but there was no ground for imagining that the Sultan had instigated the massacres.

It might be asked why Europe did not interfere. He could only answer for England. She had lacked the power to do the only thing necessary to end the troubles—namely, to militarily occupy Turkish provinces. None of the powers wished so to occupy them.

Lord Salisbury said he concurred in the policy that the only authority, albeit it was an evil one, in that country was the prestige of the Sultan's name. Patience must be exercised and his Majesty must be given time to enforce the reform he had promised. He remarked upon the gradual return of order in Anatolia during the last few weeks, although he admitted that these signs should not be trusted too much.

He concluded by declaring that if Great Britain did not co-operate with the other powers she must act against them, which would lead to calamities far more awful than the Armenian massacres.

CANADIANS NOT COWARDS. Sir Oliver Mowat Says They Would Fight if Necessary.

BUFFALO, N. Y., Jan. 31.—Sir Oliver Mowat, Premier of the Province of Ontario for the past twenty-two years, visited Buffalo yesterday on private business. In an interview on international topics Sir Oliver was asked what effect the recent war talk had in Canada. He replied:

"Canada is strengthening her forces and defenses now. The present crisis has certainly caused this and there has been absolutely no difference of opinion on the matter. Nor has this come from any hint received from the Colonial Office in Great Britain."

"But Mr. Chamberlain will not be slow to note the significance of the fact?"

"No, for with all our differences, racial and sectarian, we were a unit when we appeared to be in danger. French Canadians joined heartily with the Protestants of Ontario and demonstrated how little real sentiment there is for annexation today. Never in my whole public career have I seen so much loyalty to Great Britain."

"You don't think there is any possibility of war?"

"I hope not. I pray God such a dire calamity may be honorably averted. You know that the United States has many good reasons apart from one common language to be friendly toward Great Britain. We are really brothers, and such a war would be cruel, wicked and fratricidal. Still, it is a wonder how quickly all responded to the call of danger, and how all races and creeds joined in a determination to show their solid strength and patriotism on behalf of the motherland."

"Of course, we do not believe there will be war. We have no reason to be other than friendly and neighborly, but Canadians are not cowards. We have had friction with the United States before on many issues, but never without cause, and I do not see why all disputes should not be amicably settled. We claim only the right to live neighborly and do our business honorably with the United States, but we also claim the right to know what is best for ourselves and to be allowed to manage our own affairs as we deem best. The Canadians will always do. We are not cowards, you know, nor are we alarmed even now."

"And do you think Great Britain will fight?"

"I said that I did not think there would be war between England and the United States. Just now, envied by all countries, England's 'splendid isolation' is the admiration of the world. There is no mistaking her temper or her power. She seems doubly proud and heroic as she stands out alone against the powers as if she almost glories in her friendlessness. She stands a splendid spectacle. And if she were to be called upon to fight, I venture to think she will not fight alone, or that she will not be equal to the occasion."

BUDGET OF ONTARIO.

Rumors of War Caused an Expenditure on the Militia.

OTTAWA, ONTARIO, Jan. 31.—Finance Minister Foster delivered his budget speech in the House of Commons to-day. He said the falling off of revenue during the year, as compared with the previous year, amounted to \$2,396,563.

The expenditure was \$33,968,125 and the actual revenues \$31,571,562, leaving a deficit for 1894-95 of \$4,153,875. There were a number of increases in this year's estimates, more particularly in that regarding the militia.

He pointed to the rumors of trouble which existed a few months ago between Great Britain and the United States and gave this as a good excuse for the expenditure on the militia.

The Government proposed this expenditure out of no hostility to any country under the sun. What was desired by the Government was to place in the hands of the people of Canada the necessary means of resistance should the emergency arise.

WILLIAMSON ACQUITTED.

The Wichita Jury Evidently Could Not Be Convinced of His Guilt.

Considerable Testimony, However, Connected Him With the Murder of Leonard.

WICHITA, KANS., Jan. 31.—Marion Williamson, who has been on trial here for the past three days, charged with the murder of Henry H. Leonard on the night of November 17, was acquitted to-day. The jury went out all night.

The trial created unusual interest from the fact that a great deal of testimony of a contradictory character was introduced. Mrs. Leonard accused Williamson, her husband, of the crime and described in detail the attendant horrors in a statement made at the time of the arrest, but she did not testify against Williamson at his trial. Michael Jordan, from the Soldiers' Home at Leavenworth, testified that the defendant told him that Mrs. Leonard would give any man \$500 who would murder Leonard, and urged him to undertake the job. Jordan stated that Williamson described the Leonard premises and suggested that the old man be killed in the space back of his second-hand store.

George H. States, a gas-fitter, testified that he saw Mrs. Leonard and Williamson in a buggy by the roadside the day before the murder looking over Leonard's insurance policy, and on the stand Williamson admitted that such was the fact.

Professor Willston of the State University testified that an analysis of stains found on Williamson's coat showed them to be blood. In view of all this evidence the verdict of not guilty comes as a surprise to most people. Mrs. Leonard's second trial day has not been set.

GREAT NUMBERS WERE DROWNED.

Queensland Swept by Most Destructive Tornadoes and Floods.

SHIPS DRIVEN ASHORE.

Townsville, a Seaport on Cleveland Bay, Suffered the Heaviest Damage.

THE TONGA ISLANDS VISITED.

During the Hurricane That Passed Vessels Were Wrecked and Plantations Torn Up.

BRISBANE, QUEENSLAND, Jan. 31.—Great loss of life and very large destruction of property have been caused in the northern part of this colony by a tornado and floods.

It is impossible as yet to tell how many persons lost their lives, but it is known that great numbers were drowned. The damage to property is estimated at \$2,500,000.

Several coasting vessels are missing, and it is believed that they have either foundered or been driven ashore and that all aboard of them were lost.

Townsville, a seaport on Cleveland Bay, suffered more than any other place in the districts affected. There is scarcely a building in the town that escaped damage.

Advices from the Tonga Islands show that a hurricane lately passed over them. Two ships at Tongataboo Island were wrecked and thousands of coconut trees on the plantations were torn up by the roots, causing heavy losses to their owners.

SEEKING A BIG BUILDING.

Democrats Making Arrangements for the Chicago Convention.

Advantages of the Coliseum and Tattersalls Explained to the Committee.

CHICAGO, ILL., Jan. 31.—The members of the sub-committee of the Democratic National Committee appointed to look over the local halls and make arrangements for the National convention in July met at the Palmer House at noon to-day. Those present were: Chairman William F. Harry of Philadelphia; Colonel John Prather, St. Louis; Thomas H. Sherley, Kentucky; Ben Cable, Illinois; Secretary S. P. Sherin, Indiana, and L. W. Nieman, Milwaukee, proxy for E. C. Wall, Wisconsin.

The afternoon was spent in looking over the plans of the Coliseum, now in course of erection, and the interior of Tattersalls. At the evening session John T. Dickinson, formerly secretary of the World's Columbian Commission, explained the advantages of the Coliseum now in course of erection near the World's Fair grounds. By an adjustable amphitheater, he said, it could be made to seat from 5000 to 20,000 people, with spacious aisles, ample entrances and exits for the delegates and special entrances for the press. The transportation facilities of the steam, elevated and surface roads were equal to the convenience of 15,000 people inside of one hour from the central portion of the city.

John Edmondson spoke briefly for Tattersalls, the interior of which he claimed could be so arranged as to seat 16,000 people on the main floor and in the galleries.

The committee, after hearing the addresses on halls, went into executive session until midnight. It was decided to postpone the selection of hotel headquarters and the appointment of sergeant-at-arms until to-morrow. The local committee offered to build a wigwag at any location the sub-committee might designate in case neither of the halls offered proved acceptable.

WAS A MCKINLEY CLUB.

Banquet Given by the Hamilton Club at Chicago.

CHICAGO, ILL., Jan. 31.—The name of William McKinley was the one which charmed the members of the Hamilton Club and their guests to-night in the banquet hall of the Auditorium Hotel, where the sixth annual feast and speech-making of that prominent Republican social organization took place. Governor Bushnell, who came last but one on the toast list, was the most distinguished speaker who enlivened the civic and political virtues of his predecessor. It was distinctly a McKinley affair, with speeches of a general Republican character, and a plea from Professor Booker T. Robinson of Alabama for the negro as the new citizen.

Senator-elect Foraker was expected to respond to the toast, "The Republican Party," but business engagements kept him at home.

LOUISIANA REPUBLICANS.

They Elect Delegates and Indorse the Populist and Planter Ticket.

NEW ORLEANS, LA., Jan. 21.—The Republican State Committee completed its labor at 3 o'clock this morning and adjourned sine die, after indorsing the ticket already nominated by the Populists and indorsed by the sugar Republicans, with J. N. Phares (sugar planter) at its head for Governor, and re-electing Cage (colored) chairman of the State Central Committee and electing the following delegates at large to the National Republican Convention: W. Fitz Kelllogg, A. H. Leonard, H. Demas (colored), Madison Vance (colored), Kelllogg and Leonard are out and out Red men, while Demas and Vance are pronounced McKinleyites.

THE VENEZUELAN COMMISSION IN SESSION.

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