

## LABOR MAN SAYS RATES WILL NOT HIT CONSUMERS

Brotherhoods' Economist Attempts Defense of Big Wage Increases.

WASHINGTON, Aug. 3.—Any appreciable increase in the cost of living following the rise in railroad rates will not be due to deliberate profiteering and not a legitimate consequence of the rate boost, W. Jewett Lauck, economist representing railroad labor organizations, declared here.

Lauck asserted that the public need not fear food and clothing will go up in price unless the freight rate increases are multiplied by four or five when passed on to the consumer.

"The great industries of this country," said Lauck, "could well afford to deduct from the price of their products this freight rate increase."

"Including all of the transportation costs entering into wholesale meat prices, the maximum effect of the advance would be 10 cents a pound."

"On flour the increased cost at Philadelphia would be about 33 cents a barrel.

"On a suit of clothes made in the east and sold on the Pacific coast the added freight would be 10 cents."

Present indications, according to A. P. Thomas, counsel for the railroad executives, are that the new passenger and Pullman rates will become effective about Aug. 20, while freight excess baggage and milk rates will take effect Aug. 10.

Lauck asserted that the day of reckoning has come for the railroads to raise the revenue to be raised under the new rates at approximately \$1,682,000,000, of which \$1,300,000,000 would come from freight charges and \$283,000,000 from passenger fares.

**OFFICIAL SPEAKS FOR OLD-TIME COMPETITION.**

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"It now remains for private management to resume the practice of competitive efficiency and self-reliant initiative to justify the preference of the American people for that form of administration by making possible not only the success of individual companies and the prosperity of their local employers, but a prosperous and progressive run of rates, accompanied by an enlargement of service to the public such as may be traced through the old-fashioned railroad statistics."

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**INCREASES MAY MEAN 'REVENGE OF PRICES.'**

CHICAGO, Aug. 3.—The freight rate increase granted the railroads by the Interstate commerce commission, may "precipitate a revenge of high prices and high wages," according to Clifford Thorne, attorney and transportation authority.

In an interview today Thorne commanded the action of the commission in wiping out all "feebilities capitalization" and tentatively fixing the value of the railroads, but declared that in the matter of rate adjustments the "commission has not been as considerate of the rights and interests of shippers as was the railroad administration."

"One very far reaching result of the decision may be economic," Thorne said.

**AMUSEMENT CO. TO SPEND MORE**

All Improvements at Own Risk, Says City.

Despite the announcement by the board of park commissioners that it intended to condemn and take over for public park purposes the tract of land now occupied by the Riverside Exhibition Company, just north of the east present section of Riverside park, officials of the company said today they planned to make extensive improvements.

"It will, however, not apply to grain and live stock, as they are so thoroughly dependent upon world conditions."

"Improved railway service, as a result of the decision is earnestly to be desired," said Samuel E. Raub, member of the board of park commissioners for twenty-five years last April.

"It is now up to the railroads to make good."

Thorne explained how the commission had gone about determining the value of the railroads.

"The commission has reduced the claims of the railroads by more than \$100,000,000 annually," he said.

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"It has reduced this sum by more than one-half the amount of the railroads as representative of their value."

"It has reduced thus sum, by more than \$100,000,000."

"A reduction of \$100,000,000 may seem small, but it is twice as great as the total amount involved in the advance rate case of 1910, twice as great as that involved in the celebrated 3 per cent case of 1910, and sixteen times as great as that in the 'western' advance rate case of 1915."

"On the other hand, the commission has been very liberal to the carriers, granting 90 per cent of their claims."

"If one were to buy all the railroad property in the United States at the present market prices of their securities and convert all the property into cash, the sum fixed by the commission, he would make more than five billion dollars."

"At the time when railway securities are not worth more than 75 cents on the dollar the commission has deliberately wiped out all 'feebilities' capitalization and adopted the policy that the railroads are to be paid an equivalent or equal to the par value plus one million billion dollars."

"In determining the value of the railroads the commission did not outline its reasons or facts in detail, but wisely left that for more extended investigation, making the present appraisal only tentative."

The next great case is going to be the actual determining of the valuation of the railroads, by company.

"Test cases will be decided in the very near future."

In discussing the rate adjustment Thorne said:

"The commission, which is of keen interest to manufacturers and jobbers relates to the rate adjustments between competitive points."

"A percentage advance makes wholesale disturbance in rate relationship."

"A 40 per cent increase on a dollar rate is four times as much as a 40 per cent increase on a 25-cent rate."

"With the present rate structure, will compel the long haul shipper to absorb a very substantial portion of the advance to meet the prices of his competitor."

"At present commodity prices have been adjusted to equalize this freight rate, so that the parity or parity can be maintained if the advanced in rates is substantially the same for all companies; otherwise it forces a readjustment of values and a disturbance in business conditions of the most serious character."

"In this respect the commission has been as considerate of the rights and interest of the shippers as was the railroad administration."

"That body made flat increase in rents of hundred pounds, thereby preserving existing rate relationship on a large number of basic commodities."

## Mrs. Cox Operating Own Motion Picture Camera

Gift From Mrs. John R. McLean Will Be Used in Taking Views at Home.

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It was a regular, honest to goodness movie camera, of the type used in many studios throughout the United States.

Mrs. John R. McLean, wife of the publisher of the Cincinnati Enquirer, gave it to Mrs. Cox not long ago when she and the governor were visiting in Cincinnati.

Mrs. Cox plans to make a number of pictures showing scenes at Trall's End, the Cox country place near Dayton, and Anne, her 8-months-old daughter, is to be the "leading lady" in most of them.

Gov. Cox will pass the greater part of the day at Trall's End, clearing up his

many social engagements.

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**IF YOU HAVE A GARDEN, YOU NEED**

the security-page book which is being given to Times readers through the Washington Information Bureau of this newspaper. This is the most elaborate Illustrated bulletin ever issued by the United States Department of Agriculture.

It tells all about your garden—how to care for it.

No matter how well you understand your garden, you can improve it with the information this book gives. It tells how to combat the tomato late-spot, the cabbage worm, potato blight, the common potato bug and other diseases and pests that are giving trouble in Indiana this year. And you will want to save it for your garden next year.

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