UNION PACIFIC AND THE WEST.

Government Director Spalding Thinks Their Relations are Cordial.

LONG REPORT TO SECRETARY NOBLE.

The Company's Branch System Defended-Some Interesting Statistics - The Marvelous Growth of the West.

Mr. Jesse Spalding, government director of the Union Pacific railway, has addressed the following report to 'the secretary of the in-

Hon. John W. Noble, Secretary of the Interior -Sir: I take pleasure in presenting this statement of my personal observations, and the opinions formed thereon, as the result of a trip over the Union Pacific system of railways made last fall in the capacity of a government director.

I do not think it going too far to say at the very outset that the people of this country as a whole have but a very narrow conception of the magnitude, the progress or the possibilities of that section of the republic known in a vague and indefinite way as the far west. It is difficult even for those whose business connections and interests have compelled them to watch with more care than others the growth of this great empire to realize that such a marvelous change could have taken place within a quarter of a century. Twenty-five years ago, or at the close of the rebellion a man might walk from Omaha, St. Joseph or Kansas City into the pathless wilderness in half a day. Now a flying express train will not carry him beyond the bounds of civilization in thirty-six hours.

When ground was broken for the Union Pacific railroad the population of Nebraska was less than 100,000. The census of 1890 will show that there are nearly 1,500,000 inhabitants in this state. It has gained in wealth proportionately. Year after year its fringe of pioneer settlements has crept steadily toward the west until it touches at some points the frontier of Wyoming. Its soil has proved to be productive in the highest degree. Its agricultural resources are practi-cally unlimited. It is a country in which everything that a reasonnote man needs on earth may be raised with ease and with profit to the cultivator. But it is safe to say that two-thirds of the great state now thickly populated would still be a desert waste had not the locomotive taken the place of a mule or ox team and the pony express.

Because I am a western member of the government state board of directors I paid special attention to all I saw and heard in Nebraska. I heard that there was a hostile feeling in that state against the Union Pacific company and I wanted to know if this were true and if true the cause of it.

The prevalent idea throughout the country, and I do not except that part of it where I reside, is that the Union Pacific railroad begins at Omaha and ends at San Francisco. Some people of more than ordinary information understand that its eastern terminus is at Council Bluffs, and believe that its western terminus is at Ogden. Among all classes there is a very erroneous impression regarding the length of the line, its branches, the territory it covers and the business it does, and nine out of every ten persons you come in contact with will perhaps be surprised to learn that the so-called subsidized or bond-assisted portion of the road—the present stem which stretches from Council Bluffs to Ogden, is but a part of the Union Pacific sys-

The main line from Council Bluffs, Ia., or rather Omaha, Neb., to Ogden, Utah, and a pertion of the Kansas division from Kansas City, Mo., to the 394th mile post, were aided by the United States with bonds and lands and are subject to the requirements of the law with respect to paying annually a per-centage of the net earnings to the government. The Union Pacific railway company, successor to the Union Pacific railroad company, the Kausas Pacific railway company and the Central branch, or Denver division, of the Union Pacific railroad company was formed January 24, 1880, and by consolidation embraced 1,821.23 miles of road. It also controls and operates nineteen branch lines 3,131,50 miles in length, making an aggregate of 4,952,92 miles in the system.

The subsidy bonds issued to aid in the con-

struction of the original Pacific roads, amount struction of the original Pacific roads, amount to \$31,539,512, the Union Pacific having re-ceived \$27,236,512 and the Kansas division \$3,303,000. The United States up to the close of the last fiscal year had paid in interest thereon \$43,161,407.82. There had been repaid by the company in transportation services and cash payments, as shown by the books of the treasury department, the sum of \$25,431,-127,36, which made its liabilities to the gov-ernment June 30, 1889, amount to \$51,269,-792,45. The interest paid by the government in excess of all credits amounted to \$17,730,-

During the last fiscal year 6.741 tons of steel rails were laid at a cost of \$213,328.76, and (728,559 cross ties at an cost of \$416,668.61. There were consumed 650,542 tons of coal at an average cost of \$1.78 per ton, and 994,875 cords of wood at an average cost of

The rolling stock consists of 487 locomotives and a total of 415 cars in the passenger department, all of which are equipped with Westinghouse brakes and Miller platforms. There are 19,654 cars in the freight depart-

On June 30, 1889, the company had disposed of 13,130,414,65 acres of land, the total cash receipts from all sales amounting to \$31,325, 294.30. There remained outstanding on account of time sales the sum of \$11,661,676.14. The average price per acre from all sales was \$2.54 for the Union division, \$3.78 for the Kausas division and \$4.26 for the Denver di-

From the last report of the commissioner of railroads I learn among other things that the system and its appurtenances were carefully inspected by the engineer in August of last year and found to have been "maintained in their usual excellent condition." The rev-enues of the company for the fiscal year ending June 30, 1889, amounted to \$22,070,819.25, the expenditures \$22,187,848.59, showing a deficit of \$67,029.34. This deficit, however, is supparent, not real, new construction costing sparent, not real, new construction costing \$146,033.97 and new equipment \$2,300,947.45. The operating expenses and taxes alone amounted to \$11,350,705.34, the balance of the revenue being consumed in the payment of interest on mortgage bonds and other debts, sinking fund reconveness. United States sinking fund requirements, United States requirements, premiums on bombs redeemed,

NUBBASKA AND PREIGHT HATES. From these statistics may be formed an intelligent understanding of the magnitude of the capital, the interests and the responsi-bilities involved in the operation and man-agement of the Union Pacific system of rail-

found people in Nebraska who are possess ed with the idea that the Union Pacific was constructed and should be operated mainly in deference to the wishes of that section and who actually believed that their state should be consulted by the managers before any imbe consulted by the managers before any improvements were made, innovations prosecuted, or extensions pushed forward. In the minds of such people the question whether the road had done more for the state than the state had done more for the road never seemed to arise. But those who take an unreasoning, and, to my mind, a most unjust view of the conduct of the Union Pacific are exceptions to the rule. Among the most advanced thinkers of Nebraska a different feeling exists and different epinions prevail. They point out with just and partionable pride the wonderful strides which the young state has made since the Union Pacific railway was constructed, and particularly during the past five years, or since the present wise and

growth of all of which is directly due to the facilities for the receipt, distribution and shipment of commodities and manufactures afforded by the Union Pacific system.

These people understand perfectly well that the Union Pacific as originally con-structed could not have existed as an independent line in the face of the tremendous competition, which would be brought to bear upon it, unless it had pursued the policy of upon it, unless it had pursued the policy of extension so wisely carried out by its present management. They know that the tracks of the line between Omaha and Ogden would have rusted from disuse if none but through traffic was handled by the company. To in-sure the very existence of the road it was necessary that branches be constructed to tap the rich fields lying to the south, north and northwest of the main stem.

and northwest of the main stem.

I found in Nebraska, as elsewhere, that while there was more or less complaint on the part of shippers regarding freight charges, they were in no wise different from the com-plaints we hear in other parts of the country especting the rates charged by other railroad

That rates are higher in Nebraska than they are in Iowa or Illinois is not to be wondered at in view of the fact that the freight business done in Illinois and Iowa is so much greater as to make it possible for the companies to carry it cheaper. But I heard no complaint of unjust discrimination, of partiality or of unfairness, and the Nebraska shippers and merchants, as a rule, so far as I could learn, freely confess that the Union Pacific is at present conducted wisely and for the best interests of all concerned.

It is not my purpose to enter into a dis-cussion of the freight rate question. That subject has been, and is now seemingly receiving all the attention that can be bestowed

I only know from what I have seen that the management of the Union Pacific is do-ing everything in its power at present to build up, encourage, conciliate and accommo-date local traffic. It cannot undertake to haul freight at a loss, however, without im-pairing the efficiency of the road and endan-gering the life and property committed to its care. There is not wanting evidence on all sides going to show that its policy, though criticised by a few, meets with the general approval of its patrons. BRANCH LINES AND EXTENSIONS.

As to the much discussed question branch lines and extensions perhaps I might rs well say here that among the people of Nebraska there is more cause for congratulation than complaint on that score. Had the company contented itself with the main line and the branches and feeders originally constructed—those to Lincoln, Denver and Salt Lake City—the towns and cities of Nebraska that are now growing and prospering would in all probability have a different story to tell. The increase in these extensions and branches have brought about has made it possible for the company to improve the main line and the company to improve the main line and the older branches year after year until the road-beds, the ties and the rails, as well as the rolling stock for freight and passenger service, will compare favorably today with the equipment of any railroad in the country. And while the facilities of the people of New Interestics and abbraics alike have braska, travelers and shippers alike, have been increased and improved, it has been made possible also for the company to cheapen them until now, though perhaps not so low as in many of the older and more thickly settled states, where the volume of business is much greater, passenger and freight rates in Nebraska will compare favorably with the tariff which prevails generally through-out the west. In this connection I most heartily concur with the conclusions reached by a majority of the senate committee which has recently reported the results of its inquiry into the condition of the Pacific rail-roads. I believe with them that the policy of roads. I believe with them that the policy of building or acquiring branch lines was wise and that "the main line has acquired an immense advantage from the branches." I also concur in the statement that "the improvements have been for several years past greater on the main line than on the branches, some of them very important and extensive, like the splendid shops now in progress of erection at Cheyenne, the fine station there just completed and the station and hotel at

It is not generally understood, but it is nevertheless a fact that the mileage of the branches exceeds the mileage of the main road and the almost unanimous voice of all witnesses examined by the United States Pacific railway commission declares that the branch roads "add largely to the carning power of the Union Pacific railway. Many of them go so far as to assert that without these feed-ers the Union Pacific would be bankrupted in a few years." Were not this subject already thoroughly ventilated, and were not the allegations that the main line has suffered, or has been neglected because of the construction of the branches proved to be without foundation in fact there would be some exuse for going into a more detailed discussion

f the question.
I can only add, here the words contained in the annual report of the board of government directors in 1886, with reference to this question, and with my endorsement, that, all other great railroads of the west the Union Pacific must in future look almost entirely to the development of its local business for its principal revenue. It must oc-cupy and develop promptly the territory naturally tributary to its trunk line or see this taken possession of by rival lines and be left without business enough to support its main

LAID CIVILIZATION'S FOUNDATION. While the credit of building up the great west belongs as much to the fearless perse-verance of the early settlers, to the indomitable pluck of American citizens who sought to better their condition in a new country and to the restless energy of our capitalists, who were quick to see and take hold of the enter-prises which became necessary in every set-tlement, as it does to the railroads, and while all the great lines of the west should be granted an equal share of praise, it is a pal-pable fact that for years before any of the great competing lines that have since forged their way mile by mile into the states and territories beyond the Missouri had entered upon the work of western extension, the Union Pacific was laying the foundation of civilization along its lines. It was the Union Pacific that led the way. On the cast, Council Bluffs, with its 38,000 in-habitants, Sioux City with its 40,000, St. Joseph with its 95,000, Leavenworth with its 35,000, Kansas City with its 185,000 and Topeka with its 50,000, all owe their early sus-tenance and growth to the impetus which was felt by the entire west when the Union Pacific railroad was completed. And Denver with its 125,000, Salt Lake City with its 50,000, Cheyenne with its 10,000, Leadville with its 15,000 and the innumerable towns with its 15,000 and the influence towns and cities which dot the eastern slope of the Roricles, with populations ranging from 1,000 to 8,000, would either now a have been heard of or have languished, or died in their influence which this great commercial artery wielded in forming the communities and holding them together. It is no exaggeration, but rather a mild statement of fact to say, that the develop-ment of the west, to which the Union Pacific railway largely contributed, made the terri-tory beyond the Missouri in the eyes of all the other great western lines now competing for its trade a hand worth fighting for:

PACIFIC-NORTHWESTERN ALLIANCE. I found shippers along the main line and branches very much elated over the alliance recently entered into between the Union Pa-eific and the Chicago & Northwestern railway managements, whereby they are afforded the advantage of transporting their shipments on through trains much more expeditiously, conveniently and cheaply than

The consigner can now ship a car load direct to the Chicago market without being subjected to the delays and annoyances of side-tracking. This arrangement of itself has made numerous friends for the management of the Union Pacific among the people of the

The growth of the whole country from the Missouri river to the Rockles is surprising. One sees nothing but signs of life and evidences of progress on all sides. The smallest handets are imbued with the same spirit that characterizes the larger towns and cities, The people are everywhere enterprising, energetic and industrions. Improvements, innovations and inventions that the east has not yet had time to adopt, to make or to utilize, are to be found in full operation in these

new communities.
Small towns in the far west have a better

attention by reason of their sudden, rapid or mushroom growth during the past twenty years have disappointed those who cast their lots with them. They are nearly all well situated, and in my opinion are destined to con-tinue growing in population and wealth for many years to come. Manufactories of all kinds are everywhere welcomed and encouraged, morally and substantially. Mining in some sections is only yet in its infancy. In-dustries of all kinds find a constantly growdustries of all kinds find a constantly growing market. The agricultural districts are expanding month by month. There is nothing apparently to check the tide of prosperity. Every new farm house that goes up, every new village that appears upon the broad prairies, every new manufactory that is put into operation, every new industry that is inaugurated along the line of, or tributery to the Union Pacific system contributary to the Union Pacific system, contrib-utes towards swelling the volume of its business and increasing its annual revenues.

THE COMPANY'S OUTSIDE VENTURES. In addition to the railroads in which the Union Pacific railway company has a propri-etary interest it has investments in other companies and properties, which in one way or another form necessary parts of links of a system that has been compelled, by reason of the newness of the country in which its operthe newness of the country in which its operations are carried on, or because of the uncertainty of obtaining supplies or accommodations from the outside, to blaze its own way in all directions. Among these might be mentioned the Bozeman coal company, the Council Bluffs street railway com-pany, the Occidental and Oriental steamship pany, the Occidental and Oriental steamship company, the Pacific express company, the St. Joseph terminal railroad company, the St. Joseph Union depot company, the St. Louise and Mississippi transportation company, the soda deposits and soda works near Laramie, the Union coal company, the Union depot and railroad company of Denver, the Union depot and railroad company of Kansas City, the the Union elevator company of Council Bluffs, and the Union elevator company of Omeha. and the Union elevator company of Counter States, and the Union elevator company of Omaha. The company has been severely criticised for going into these "outside combines," but the fact is that in its own interest it has been compelled to do this and a great many other things which a railroad company operating in an eastern state would not find it either necessary or even advisable to do. Outside necessary or even advisable to do. Outside capital takes care of many auxiliaries, of street car accommodations, of steamship transportation, of coal mining, etc., in the east, but the Union Pacific railway company found that in order to create and encourage business along its lines and at its terminals and to afford its patrons necessary facilities for transfer it must provide the

conveniences itself. The company has gone into the business of The company has gone into the business of coal mining very extensively. It has been driven to do so in order to obtain fuel for its locomotives, and that it was enabled in 1889 to obtain a supply of coal at an average cost per ton of \$1.78 is due to this fact. Besides those in which it has an interest it owns and operates mines at Carbon, Rock Springs, Almy and Grass Creek. While crossing the great plains on the eastern ascent of the Rockies the question occurs to the traveler. Where does fuel enough come from to feed "Where does fuel enough come from to feed the locomotives!" In the very heart of the desert, almost, nature has furnished an answer to this question. The Rock Creek coal mines are situated at a point having the same name 625 miles west of Omaha and at an elevation of 6,704 feet. An idea of their value to the company may be obtained when it is learned that the output of these mines in 1889

WONDERFUL CITIES OF THE WEST. I would like to speak in a fitting manner of the great cities that have arisen on the Mis-souri river and between that stream and the Rocky mountains, but I fear that such a thing could not be done in the space or the time at my disposai. The majority of the people of my disposal. The majority of the people of the United States, even among those who re-side in the so-called west, have no adequate idea of the advancement which these places side in the so-called west, have no adequate idea of the advancement which these places have attained in wealth and population. It is difficult for one who has not seen the Missouri river cities and those further to the West-Sioux City, Omaha, Council Bluffs, St. Joseph, Atchison, Leavenworth, Kansas City, Topeka, Salt Lake City and Denver—to appreciate their importance, asit is for one who has visited them for the first time to disguise his astonishment or restrain his enthusiasm. They are cities that have attained such a growth that it would be impossible to go into statistics in relation to them in a report of this character.

Denver, as the youngest and furthest west, naturally excites the greatest interest and wonder. Here is a city which, unless I am greatly misled by appearances, or my judgment is at fault, is destined to a great future. Splendidly located, handsomely, even elegantly built, the natural distributing depot for an expanse of territory in area equal to that covered by the German empire and capable of supporting millions of people, practically without competition or rivals. Denver must, in my opinion, continue to grow until it reaches the dimensions of a great metropolis. Its people are of that true and unalstakable western type whose energy and courage never give out. Its trade is immense at present and growing at an inconceivable rate annually. No wonder that every one of the western trues

give out. Its trade is immense at present and growing at an inconceivable rate annually. No wonder that every one of the western trunchines have either reached out their branches or extensions to enpture a share of the traffle which benver and the surrounding towns have to offer or are aiming in that direction. Here the Union Pacific has magnificent terminal facilities, and enjoys a patronage that more than justifies all its expenditures in its efforts to meet the demands of this growing and prosperous population.

Salt Lake City, Utah, is another ofsthe phenomena of the west, and the recent municipal election at that point gives the strongest evidence that could be desired of the decided drift of immigration in that direction. The chief town of Utah can no longer with truth or justice be called a Mornon city. A civil power has practically been wrested from the hands of the followers of Brigham Young. Polygamy, if practiced at all, must hereafter be practiced in secret. The result of the overthrow of the Mormon element will be the rapid growth in population and wealth, not only of Salt Lake City—but of the entire territory of Utah—a territory as rich in mineral and agricultural resources as any that has yet altracted the people of the older states. From its magnificent and eligible location, the fertility of the valley of which it is the distributing point, and its aimost midway position in my mind but that Sait Lake City is bound to thrive and become a very important center. between the two occasis, there is no question in my mind but that Sait Lake City is bound to thrive and become a very important center. Utah in the course of a few years will be admitted into the union. She already claims by reason of her growth, the attention of congress with that end in view. The Union Pacific railway company will derive uncalculable benefit from the growth of this new state and the construction of branches which will penetrate her rich valleys and give access to her mines will doubtless become an importative necessity in the near future.

Wonderful as are the changes in the country east of the Rocky mountains they are still less marvelous than those which have taken place in the Pacific northwest. I say the Pacific northwest, for by such a geographical distinction must that far off section of country which has resently given the new state of Washington to the union be distinguished hereafter from the northwest so familiar to our people at the present day.

BEYOND THE BACKBONE OF EARTH.

Nobody who has traveled over the extensions of the Union Pacific into Oregon and Washington can fall to see that the management of the company has acted wisely and for the best interests of all parties, the United States government included, concerned in the welfare of the road. Those responsible for its conduct could not have permitted the great advantages to be derived from connection with this vast and prolific territory to escape it or to be captured by competitive lines before their very eyes. The Pacific northwest has been offering and now offers all the inducements to railroad lines with eastern connections that the older northwest has held out for so many years, and we are on the eve of a BEYOND THE BACKBONE OF EARTH. for so many years, and we are on the eve of a great struggle with them for precedence, for it is not difficult to see that the Northern Pa-cific and the Union Pacific will not be permit-ted to monopolize the Puget Sound business

ted to monopolize the Puget Sound business very long.

Those Chicago roads that have stretched their feeders to Mexico, southern California, to Deaver, to Salt Lake City, to Fargo, to Huron, to Helena, and beyond will mot be contented until they have pierced the mountain range of the northwest and established terminal stations on the Pacific coast. There will be a scramble for the business which is bound to be the outgrowth of the rapid development of Oregon and Washington. While as yet unconnected by its own lines with the Puget Sound country, the Union Pacific has made rapid strides in that direction, and its arrangements with the Northern Pacific, though ubsatisfactory, enables it to carry passengers and freight to Tacoma and Scattle.

The western terminus of the Union Facific is

carry passengers and freight to Tacoma and seattle.

The western terminus of the Union Facific is at present at Porthand, Ore., while the company has no line from Portland west to the Pacific coast or north to the sound, it has, in addition to its arragements with the Northern Pacific, a line of occan vessels which ply between Portland and Tacoma. Seattle, Fort Townsend, Victoria and other British Columbian points. This line of steamers, however, does no passenger business, and its capacity for carrying freight is, of course, limited to the ordinary facilities which ship transportation furnishes as compared with rail transportation.

Small towns in the far west have a better system of street railways and strest lilaminator. The beautiful city of Portland. Ore, is situated on the Union Pacific railway was constructed, and particularly during the past five years, or since the present wise and efficient management has had control of the following and wealthy city of Omaha with its 18,000, to Bremont with its 18,000, to Grand Island with its 18,000, and to a hundred thriving towns and cities along the lines of the main stem and its branches, the lines of the main stem and its branches, the lines of the main stem and its branches, the lines of the main stem and its branches, the lines of the main stem and its branches, the lines of the main stem and its branches, the lines of the main stem and its branches, the lines of the main stem and its branches, the lines of the main stem and its branches, the lines of the cutting of Portland, Ore, is situation than the great cities of the east. It is stated as the confusion that has not got its. It is a slow town indeed that has not got its. It is a slow town indeed that has not got its. It is a slow town indeed that has not got its. It is a slow town indeed that has not got its and its location is at a point where its confusion that the east of may read that has not got its and its location is at a point where has been an unhealthy inflation in the price of real estate in many of the entire Pacific northwest coaverege and discharge. It is stated as a fact that every stream which flows into the east.

While there has been an unhealthy inflation in the price of real estate in many of the entire Pacific northwest coaverege and its location is at a point where the columbia. It is at the head of naviration for cean vessels an both streams, and its location is at a point where the coaverege is and its location is at a point where the coaverege is an both streams and its location is at a point where the coaverege is an little on the William that the east with the Columbia. It is at the lead of naviration for ev

bia, with an elevation of about four thousand feet, and about seventy five miles to the eastward of this is the orientrate Casende range, with an elevation of about eight thousand feet. Between these ranges is a valley in extent about double the size of Massachusetts, every foot of which almost is susceptible to tillage and fertile as any soil in the country.

The Union, the Southern and the Northern Pacific lines have terminals here. The Union Pacific lines have terminals here. The Union Pacific enters Portland over the Oregon Rallway and Navigation line, making a through connection with the cest. In addition to its present railroad feedlites it is the center of the interior water line communication, and it is estimated that the steamboat tonnage independent of ocean craft which daily passes any given point below and near Portland, is in the neighborhood of 70,000 tons. The steamboat traffic embraces routes on the Columbia, Williamette, Lewis, Cowlitz, Clatskalme and Yambill rivers, making a system of river transportation, reaching both eastern and western Oregon and Washington.

Portland is the second seaport on the Pacific coast. It is claimed to be the third richest city in the world in proportion to its population. The tide of inmigration did not begin to flow toward the city until 1886, but it has increased rapidly since them, and the present population is estimated at 70,000. The annual jobbing and wholesale trade of the city has grown from \$50,000,000 in 1886 to about \$85,000,000 in 1889, and the capital employed in the trade is estimated at \$0,000,000. The foundation of population is estimated at 70,000. The annual jobbing and wholesale trade of the city has grown from \$50,000,000 in 1880 to about \$85,000,000 in 1880, and the capital employed in the trade is estimated at \$0,000,000. The foundation of logs being about 150,000,000 square miles. Shipments of lumber are now made to the customers of this remarkable city. Since 1886, the value of the manufactures has steadily increased from \$5,447,560 to abo

CITIES ON PUGET SOUND.

The principal cities of the Puget Sound country are at present Scattle, Tacoma, and Port Townsend. The present population of Tacoma is about 25,000. It is a city which has grown up rapidly, and has been much favored by the Interest taken in its welfare by the Northern Pacific company. During the last two years its growth has been almost unprecedented. Its manufacturing and commercial interests have kept pace with the Interests have kept pace with the Interests of population. During 1889 the real estate transactions alone amounted to \$14,500,000. During the same year 1,300 buildings were erected at a total cost of about \$6,000,000. Among these buildings are a large number of substantial business blocks. Lumber is one of the foremost of the city's industries. The combined capacity of all the milis at Tacoma is estimated at about 1,000,000 feet per day, and the total cut of the milis for the year amounted to about \$1,000,000 was shipped last year. The rapid pace at which building is being carried on is evidenced by the fact that there are sixteen brick yards in the city, which are said to have manufactured during 1880, 32,000,000 brick. There is now in course of construction thirteen miles of electric street rallway. There is a score of prosperous manufactories in the way of foundries, machine shops, planing mills, etc. The city is well supplied with large and excellently constructed hotels.

The Union Pacific company operates lines of freight and passenger steamers, some of which are equal to any in the country, be-

The Union Pacific company operates lines of freight and passenger steamers, some of which are equal to any in the country, between Tacoma and Seattle, Tacoma and Victoria. Tacoma and Port Townsend, and Tacoma and Olympia. The water from at Tacoma is entirely in the hands of the Northern Pacific company and the Union Pacific company is compelled to use their wharf.

of the Northern Pacific company and the Union Pacific company is compelled to use their wharf.

Senttle is the largest city in the state of Washington. Its growth and population and its business development have been extraordinary. From a population of 3.500 in 1889 it had grown to a city of 20,000 in 1885, and its population at the present time is not less than 40,000. The disastrous five that swept over and destroyed the greater portion of the young city on June 1, 1889, will be remembered. The burnt district, however, has been rebuilt, and the buildings destroyed have been replaced in many instances by structures a great deal more substantial and costly.

There are thirteen banks in Scattle with an aggregate capital of \$14,000,000. Here there are three cable and three electric street railways, and six other lines are under construction.

The real estate transpitions of Seattle linst year amounted to \$15,000,000. The general commercial trade of that city is a very extensive one, and I am informed that the freight receipts over the Northern Pacific railrond alone last year averaged forty car loads a day. The amount of business done can be lmagined when it is stated that 25 new firms were established last year The trade of Seattle during the year 1889, not including coal mining, lumbering, railroad and shipping, amounted to about \$10,000,000. This is one of the largest coal shipping points on the Pacific coast. It is the local headquarters of the Oregon improvement company, which owns and operates the Seattle and Franklin coal mines, from which the annual output of coal is very heavy. The Oregon improvement company operates a line of isteamships be-tween Seattle and Portland and Scattle and

company operates a line of steamships between Seattle and Portland and Seattle and San Francisco, which are engaged exclusively in the coal carrying trade. The annual cut of lumber in and around Seattle is also very large, amounting to about 250,000,000 feet.

At Scattle, as in Tacoma, the Union Pacific company is without a water front, which necessitates it depending upon outside parties for wharf facilities. The company is at present leasing one of the wharfs owned by the Oregon improvement company, over which all its business is done. Until very recently the Northern Pacific has had no track entrance into Seattle, but a short time since acquired by purchase the Puget Sound Shere rall-road, and it now has a track entrance of its own over that line, which places it in a position to afford the shipping community the best facilities for the carrying and handling of through freight and nassengers. The terminal facilities which it has acquired by this purchase are very line, being located in the heart of the town. The present attitude of the people of Seattle toward the Union Pacific company is very favorable and should it enter upon the construction of a line from Portland to Seattle and Tacoma, which it certainly ought to do without delay, and which it undoubtedly will do if the management is not hampered by unfriendly or unfavorable legislation at Washington, it is safe to say that a very large share of the present and all future business of the Puget Sound cities would be turned over to it.

wery large share of the present and all future business of the Puget Sound cities would be turned over to it.

Port Townsend is located on the western side of Puget Sound and is the port of entry for the entire Puget Sound district. The population is about 7,000. During the past year the real estate market has been particularly active and the sales of property for the last four months of the year averaged \$50,000 per day, while the total sales for 1889 amounted to \$5,500,000. During the year more than \$200,000 was expended in street improvements and a large number of buildings for residence and commercial purposes were erected at a cost of not less than \$1,000,000. A custom house and postoffice building is being erected for which \$5,00,000 has been appropriated by congress. Port Townsend has a number of nanufactories, such as foundries, iron works, machine shops, saw mills and lee works. The Puget Sound iron works, located at irondale, near the head of Port Townsend bay, is, I think, the only concern for the manufacture of pigiron in the state of Washington. Several hundred men are employed in these works and about \$550,000 worth of iron, it is claimed, was manufactured during 1880. Port Townsend is in many respects one of the best located towns I have visited. The bay is the finest on the sound and is capable of accommodating thousands of scaegoing vessels. This thriving town, strange to easy, is as yet without railroad connections, but the people are eager for the Union Pacific to come in, and have offered 100 acres of fine terminal facilities and a subsidity of \$100,000 in cash for the construction of a line there which would give them connection with the east.

VALEE OF A TRANSCONTINENTAL LINE.

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**The few facts which the content to income capital which is operating in this section, between the content to income capital which is operating in this section, between the content to income capital which is operating in this section, between the content to income capital which is operating in this section, between the content to income capital which is operating to income capital which is operating the content to income capital which is operating the capital which is

position, to speak in detail of some thriving towns and young cities of the Pacific northwest which deserve special mention, such as Dailas with its population of 5,000. Pendleten with its 5,000, La Grande with its 5,000, Walla Walla with its 5,000, and numerous small but equally prosperous communities of Oregon and Washington. If on the lines of the Union Pacific railroad. But there is one city that cannot be slighted or overlooked, for it is making such headway as must command attention from all quarters within the next few years. I allude, of course, to Spokane Falls.

SPOKANE PALLS:

I visited this town and was most favorably impressed with it. Its population at present is about 29,000. At the close of 1889 it had six national banks and two savings banks, with a total capital of about \$1,000,000. August 4, 1880, this place was visited by a most destructive conflagration which wiped out almost the entire business district. Since this fire upwards of 500 new buildings have been erected, at an aggregate cost of about \$5,000,000. The real estate transactions during the last year average about \$1,000,000 per month. During the year 1889 are average of about twenty-five cars of freight per day was received at Spokane Falis, and during the same year about 50,000 people were landed there as passengers by the Northern Pacific railroad. A cable railway about three miles, and other roads which will cover about twelve miles have been either constructed or are underway.

Spokane Falls, not without justice, claims to be the metropolis of the territory embracing portions of Washington, Idaho, Montam and British Columbia. A number of railroads to the north, south, east and west are projected or under way whose termini will be at this point. Among these are the Spokane Falls & Northern, the Spokane & Palouse and the Seattle. Lake Shore & Eastern. It is the north-western terminus of the Pacific division of the Union Pacific system. This makes it the terminus of the branch which extends from Portland to Spokane Falls, through Walla Walla and the Walla Walla valley—a beautiful and fertile country which will within a few years yield an immense business to the system. It is the principal city on the Northern Pacific between Minneapolis and Huget Sound. It is premised an extension of the Maultohn, or Great Northern railroad, in the near future. It will make connection through the Spokane Falls and Northern railway with the Canadian Pacific next summer. Its water power is equal to any in the country. This force is now used to operate the electric plant of the city, the waterworks the electric plant of the city, the waterworks the electric railway system, the cable railway system and all the flouring and saw mills of the place. At this point 1 found Aralns of cars loaded with flour from Spokane's great mills, ready to be started direct for Chicago. Spokane Falls, making all due allowance for the exaggerated claims that are heard in its behalf, is certain to become one of the foremest cities of the northwest. Spokane Falls, not without justice, claims to of the foremost cities of the northwest.

The development of Washington promises to be widespread and rapid. The last governor of the territory, referring to a table presented in its report for 1880, says: "The study of this table is instructive as affording an illustration

DEVELOPMENT OF WASHINGTON.

of the slow growth in population prior to the completion of the Transcontinental line and the rapid increase thereafter. This tells the story in a nutshell. Two years after the com-pletion of the Northern Pacific to Puget Sound

the rapid increase thereafter." This tells the story in a nutshell. Two years after the completion of the Northern Pacific to Puget Sound there was an increase in the population of the territory of over 100,000, or more than was added during the preceding fourteen years. The population of Washington today is not far from \$50,000, and immigrants continue to pour in The new state, however, is but sparsely populated; containing as it does an area of 60,944 square miles, it has scarcely more than four souls to the square mile at the present time. But it will soon fill up. The advantages offered all classes of people are so numerous that finnigration is bound to go unchecked for many years to come. The exportations and shipments of lumber, coal, salmon, wheat, barley, and hops from this state are constantly growing. There is scarcely a state or territory west of the Missouri that offers greater encouragement to the settler or investor than the new state of Washington.

The sturdy men who are building up a new empire on the Pacific coast are cailing loudly for communication, ample and cheap, with the east. Every town of considerable size in Washington is appealing for railroad connection with the great world beyond. The Union Pacific has done well for the towns and eitles of Oregon and they are grateful for the efforts it has made in their behalf. To say that a mile of road has been constructed in that country which the good of the company did not demand would be to make a statement contrary to fact. More than this, my observation teaches me that every mile of new road constructed by the Union Pacific management in the far northwest has been clamored for by the people until their appeals could not be ignored. Either the Culon Pacific had to give them them the connections they were in need of and which they demanded, or in the very instance been operated with profit to themselves and extensions have in almost every instance been operated with profit to themselves and extensions have in almost every instance been opera

revenue of the parent line.

In my humble estimation it is imperatively demanded of the management of the Union Pacific that it shall push its northwestern extensions until it has afforded the Puget Sound cities all the facilities which they require. Seattle, Tacoma and Port Townsend will welcome the Union Pacific, and extend to it privileges and franchises which are now valuable but which a few years hence will be simply priceless. Having made these connections it will be the greatest railway system in the world, and will be able to offer the government anguestionable security for all it may owe now or in the future.

OBLIGATIONS TO THE GOVERNMENT

OBLIGATIONS TO THE GOVERNMENT. I have yet to hear from any person in au-thority connected with the present manage-ment of the Union Pacific the slighest intima-tion that the company harbored the hope of being relieved from its obligations to the govtion that the company harbored the hope of being relieved from its obligations to the government. On the contrary it seems to be the desire of President Adams and his associates that such an arrangement may be made which will give the government additional security for the indebtedness of the company in a businesslike way, without impairing the property or jeopardizing the vast interests involved in conducting it properly. It would neither be the part of common justice nor of sound business policy to force the payment of its claims against the Union Pacific at maturity. In the first place the United States government is in no special need of ready money, the constantly accumulating surplus in the treasury offering a problem to our statesmen which seems to be difficult of solution. In the next place, the government, by the terms of senate bill No. 2,589, recommended by Mr. Frye's committee, offers with the entire approvalof the company, in fleu of the statutory lien now held upon the road, a mortgage which shall cover the entire property of the Union Pacific railway company to give the Union Pacific railwa Substitized roads \$ 60,000,000 ferminals, Kansas City, Omaha and

15,000,000 30,000,000 23,000,000 Denver Lands Bonds of branch lines Total.... \$143,000,000 Making an increase of security to the United States (over that held at present) under this proposed adjustment of \$4,500,000. While the company's obligations to the government do not matric until 1887, it is now desirable that a readjustment shall be provided for by congress, to the end that the Union Pacific man-

agement shall know exactly where they stand. WHAT THE COMPANY ASKS.

The company asks an extension of time of payment and a lower rate of interest. In view of the additional security offered ample time ought to be granted, and in consideration of the work aiready accomplished by the company and the work which it is yet necessary to accomplish before the system of all railreads shall be complete, and also in view of the fact that the national treasury is in no special need of an increase of income and if it were the bonds offered by the company would be readily convertible into cash, the interest ought to be lowered. The Union Pacific company, as an entirgly solvent debtor, whose business is constantly increasing and whose assets are more than sufficient to meet any obligation it has facurred, comes to the any obligation it has incurred, comes to United States government and asks a business-like way that its obligations b United States government and asks in a business-like way that its obligations be sadjusted as to give it an opportunity of wiping them out without at the same time obstructing its business or impairing its usefulness or its credit and without compelling it to so divert its revenue as to endanger or cripple it as a money making and a public-serving corporation. In the transaction of private commercial business between a prosperous merchant, for instance, and a banking institution, the presentation of a case analogous to this, would require very little backing. It would be enough for the bank to know that the security offered was sufficient: that the business of the merchant was constantly increasing; that the necessity of trade demanded an enhargement of his facilities, and that it was for the best interests of the community as a whole that he should not be compelled to sacrifice the work of a life time in order to meet his natural obligations. Who can say that any wisely or prindently conducted bank would refuse such a merchant the extension or accommodation he asked for, or that the good of his business required?

can say that any wisely or prudently conducted bank would retuse such a morehant the extension or accommodation he asked for, or that the good of his business required?

While there may on a gramor raised in some quarters against further extension of time to the Union Paelife railway, and while here and there some unreasoning people may talk of a forfeiture of its charter, the forcelosure of the government mortgage, a seizure of its property, etc. it must and it undoubtedly does, strike all calm-ninded and unprejudiced people that the Union Paelife system at present officiently, economically, and houestly managed; that it is daily becoming a more valuable property; that its management recognizes and is auxious to meet its obligations to the United States government; that the whole country is benefitted by the existence of the system; that the west and Pacific northwest are particularly interested in preventing. If possible, any legislation of an unfair, unfavorable, or unfriendly character at this time, when the efficiency of the system is as closely allied with the continuance of their prosperity, and that a move just now on the part of congress to conagel the Union Pacific railway company to pay to the government under penalty of surrender of its charter, or forcelosure of mortgage, would be likely to result in a condition of things at once disastrous to the great interest involved in the enterprise, rulnous to the private shareholders and calamitous to the pointry at large. For the business of the Union Pacific is of such an extent and involves so many millions of capital and so many thousands of people that it cannot be trilled with safely. I place my opposition to the extreme views of those who appear to be bent upon embarrassing the present management of the Union Pacific railway company to remain solvent and which may shock the financial world in 1897. It is not alone the shareholders, the private creditors, the government, or the managers of the cumpany who are ilkely to be seriously injured by an attem

SUMMING UP THE MATTER.

There are various reasons why I have not entered into the early history of the Union Pacific railway. It is familiar to every intelligent person who has paid any attention to the subject. I have to deal only with the management of the road as I found it. If the management of the Union Pacific road were management of the Union Pacific road were attempting in any way to repudiate its indebtedness, or if there were any disposition manifested to avoid or shirk its responsibilities, or even if it were disinclined to ofter its entire assets, available or in sight, as security. I should be in favor of speedy settlement on the government's terms even though it involved a seizure of the road. But the contrary is the fact.

This question ought to be settled by congress at once and for all time. The company should be placed in the position of a debtor solely und be permitted to manage its own affairs without let or hindrance from the government, \(\) National interference in its management has resulted only in embarrassing situations here tafore; it is bound to result so hereafter. Th debt can be adjusted and provisions made its liquidation on precisely the same princip

tefore; it is bound to result so hereafter. The debt can be adjusted and provisions made for its liquidation on precisely the same priaciples which govern private or commercial transactions. Having placed itself in the position of a debter and having put up its assets as security it should be allowed to conduct its business as its managers thought best, with the view of freeing liself speedily of all obligations. It is plain that the principal creditor should not embarrass the debtor when the latter is endeavoring to meet his obligations.

To sum up: The Union Pacific railway system is at this time not only wisely and prudently but profitably managed. The branches and extensions which have been constructed and the improvements made during the last five years have been of direct and incalculable benefit to hundreds of thousands of people in the west and Pacific northwest, as well as to the business of the nation in general. As a property it is certainly far more valuable today than it was in 1885. It cannot pay the \$2,00,000 or so which it owes the government, however, at this time, but it is able to offer security equal to \$3,00,000 more than the government holds now for its indebtedness. It takes an extension of time and a lower rate of interest, both of which the government can afford to grant rather than see the property imperited, for to imperil it would threaten the financial ruin of thousands of people who have invested their money in the enterprise, and more than that, paramount to every other consideration, and of vastly more importance to the nation, the probable impoverishment of the hundreds of thousands who have settled upon its lines during recent years, and whose interests are so closely woren with the property of the road that they cannot be separated. The question resolves itself down to this: What is the best, not so much for the Union Pacific as a business man would with a creditor who was willing and ability pay his debts if he were only permitted to attend to his business without interferenc r embarrassment. JESSE SPALDING

For Bronchial, Asthmatic and Pulmonary Complaints, "Brown's Bronehial Troches" have remarkable curative proper-ties. Sold only in boxes.

Government Director

THE RAILROAD BUREAU

Filled With Valuable Items Concern-

ing Nebraska Lines. Vice President Holcomb, General Manager Dickinson, General Manager McNeal of the St. Joe & Grand Island, Superintendents Barr and Brinkerhoff of the Nebruska and Kansas divisions, and L. S. Anderson, assistant to President Adams, held a conference in Vice President Holcomb's office at which they discussed several important matters and some improvements to be made this year.

some improvements to be made this year.

One question under consideration was the probable outlay necessary for new steel raiss to take the place of old iron ones on branch lines in the Missouri river district. Under this proposition comes the work of changing the Kansas Central from a narrow to a broad annex road. This is to be some at once we gauge road. This is to be done at once, cor-

gauge road. This is to be done at once, consequently new and heavy rails for 290 miles of track will be required.

Mr. Helcomb returned from the west Saturday night well informed as to new work under way, proposed extensions and other improvements over which he will have general street interests. eral supervision.
In addition to the Kansas Central, the

In addition to the Kansas Central, the Montana Central, which is also being broad-gauged, the Union Pacific has re-cently purchased another line of twenty-eight miles in Utah known as the San Pete Valley road ranning between Naphi and Monti.

That also is to be brought up to standard.
All this requires great quantity of steel independent of that used in straightening and relaying some eighty miles or more of the Oregon Short Line, the building of 165 miles of road from Portland to Puget Sound and pushing the Salt Lake-South restern towards sonthern California.

Broke Out Afresh.

The general passenger agents of transcontinental lines were excited again yesterday morning, caused by the cut rate having been extended beyond all expectations.

John Frances of the B. & M. gave notice that his company would commence selling second class tickets from Omaha and Kansas second class treacts from Omana and Kansas City to San Francisco at \$33. This is a reduction of \$2. "We are forced into making such a rate," said he, "through positive knowledge that some of our contemporaries are now and have been secretly manipulating not only by direct reductions but by the pay

ment of exorbitant commissions."

After promulgating this order, Mr. Frances went to the Union Pacific headquarters and consulted General Passenger Agent Lomax. Both were closeted for some time. Whether the Union Pacific will meet the B. & M.'s reduction remains to be seen. However, there seems to be no other course left for it to pur-

The Only Change Contemplated.

All the way from Pueblo, Colo., comes in-formation to the effect that the Burlington will discontinue running its fast through train by way of Omaha. If any such change is contemplated the managing officials of the B. & M., who are most directly interested know nothing about it. This story seems to be based on a Pubelo supposition that the fine from Plattsmouth to Lincoln by way of Louisville and Cedar Creek is so much shorter and easier that better time can be made and sev-eral hours saved in the Chicago-Denver trip

than under the present arrangement.

"The people of Omaha, however, need not be alarmed," said one gentleman of whom inquiries were made concerning the report.

"We are spending too much money here in a union depot and get too much business from Omaha to think about abandoning our most important train service. The only thing contemplated at all is a change of time in the arrival and departure of the east-bound flyer. A new schedule is being prepared now which will fix the hour of departure at 4:30 instead

Warrack's Probable Successor. Some speculation is being indulged in as to who will succeed P. A. Warrack as first assistant general freight agent of the Union Pa-

City, and Second Assistant General Freight Agent Wood seem to be the only men in direct line of promotion. Mr. Whitney out-rarks Wood, but is already at the head of a division and is probably as well, if not more satisfactorily, fixed than he would be should he come here. However, nothing will be done for several days.

Snow and Rain Storm. General Manager Dickenson received a dis-

patch vesterday informing him that a heavy snowstorm was then raging along the Union Pacific from Cheyenne to Sidney; that the snow at Hillsdale, half way between these points, was ten inches and at Sidney three inches deep; also that from Lodge Pole to Grand Island all trains passed through a drenching rain. As the storm seemed to be going south it will probably pass around Omaha and strike the Missouri valley at Kan-

Closing Up the Deal.

W. P. Waggener, attorney for the Missouri Pacific, is in town completing arrangements and closing up contracts for constructing the newline from Plattsmouth to South Omaha. He had a meeting with Cass county citizens relative to their part of an agreement as to bonds, right-of-way, etc., found everything satisfactory and will put matters in such shape that work can be commenced at once.

Eureka.

The motto of California means, I have found it. Only in that land of sunshine, where the orange, lemon, olive, fig and grape bloom and ripen, and attain their highest where the orange, iemon, onve, ing and grape bloom and ripen, and attain their highest perfection in mid-winter, are the heros and gum found that are used in that pleasing remedy for all throat and lung troubles. Santa Abie, the ruler of coughs, asthma and consumption, the Goodman Drug Co, has been appointed agent for this valuable Cali-

fornia remedy, and sells it under a guarantoe at \$1 a bottle. Three for \$2.50. Try California Cat-r.cure, the only guarantee cure for catarrh. \$1, by mail, \$1.10.

The inquest over the remains over the remains of John Finn the elevator boy killen at the Mucray Saturday night, re-sulted in a verdict that the death had resulted from the lad's own carelessness.

Headnche, neuralgia, dizziness, nervous ness, spasms, sleepiessness, cured by Dr. Miles Nervine. Samples free at Kuhn & Co.'s, 15th and Dougias.

POOR MATERIAL

IS UNKNOWN IN MISFITS.