

THE ROADS DO WELL

MAKE MORE MONEY UNDER TWO-CENT FARE LAW.

COMMISSION SHOWS FIGURES

Missouri Pacific the Only Line That Does Not Show Increase of Earnings.

The Minneapolis & Omaha, whose net earnings per mile for the year ending in June, 1907, just after the lower rates went into effect, was \$1,854.91, and for the year ending in June, 1909, when all freights and passengers were moved at the lower rates, \$1,899.56. The gross earnings in Nebraska amounted to \$1,725,298.46 for the 1907 period, and \$1,817,728.42 for 1909. The passenger earnings for the 1907 period amounted to \$422,543.83, and for 1909, \$488,284.53. The total cost of operation amounted to \$1,199,581.95 in 1907 and for 1909, \$1,231,933.21. The business done by the railroads in Nebraska for the years ending June 30, 1907 and June 30, 1909, a year when the lower freight rates and passenger rates were not in force and a year when they were in force, shows that the net earnings of all the railroads have increased except the Missouri Pacific. The Union Pacific has not yet reported. The Northwestern increased its earnings per mile from \$2,199.74 to \$2,334.72; the Burlington from \$2,710.55 to \$3,102.49; the Rock Island decreased from \$1,087.47 to \$1,138.62, but its increase in operating expenses was greater than this. The Missouri Pacific decreased its earnings from \$455.78 to \$451.35. The following is a table of comparison.

Northwestern.		1909	
Passengers carried one mile	60,037,505	52,701,032	
Passenger revenue	\$1,330,414.97	\$1,791,416.82	
Passenger earnings per mile	\$1,498.25	\$1,358.92	
Earnings per passenger train mile	1.41	1.34	
No. of coaches per train	6.7	4.9	
Trunk operating expenses	\$4,151,071.16	\$4,115,230.25	
Operating expenses per train mile	\$1,234	\$1,209	
Net income per mile of road	\$2,199.74	\$2,334.72	
Passengers per train mile	52	67	
Burlington.			
Passengers carried one mile	244,097,623	249,685,344	
Passenger revenue	\$4,934,779.93	\$5,467,459.42	
Passenger earnings per mile	\$1,802.59	\$2,291.19	
Earnings per passenger train mile	\$1,477	\$1,663	
Average number coaches	5.63	6.22	
Trunk operating expenses	\$13,957,732.34	\$12,993,784.23	
Operating expenses per train mile	\$1,911	\$1,663	
Net income per mile	\$2,710.55	\$3,102.49	
Passengers per train mile	69.7	73.9	
Rock Island.			
Passengers carried one mile	1,791,854	2,216,744	
Passenger revenue	\$387,964.46	\$510,768.64	
Passenger earnings per mile	\$3,278.95	\$2,417.32	
Earnings per passenger train mile	\$1,047	\$1,483	
Average number coaches	5.1	6.46	
Trunk operating expenses	\$1,218,768.63	\$1,178,252.63	
Operating expenses per train mile	\$1,149	\$1,313	
Net income per mile	\$1,087.47	\$1,038.62	
Passengers per train mile	40	57	
Missouri Pacific.			
Passengers carried one mile	13,903,613	14,203,333	
Passenger revenue	\$301,322.78	\$270,245.25	
Passenger earnings per train mile	\$54.35	\$891.85	
Earnings per passenger train mile	\$6,734	\$9,714	
Trunk operating expenses	\$1,482,618.17	\$1,456,472.69	
Operating expenses per train mile	\$1,346	\$1,472	
Net income per mile	\$455.78	\$451.35	
Passengers per train mile	29	35.6	

Legislators' Statutes.
Copies of the statutes will not be sent to members of the late legislature unless they are ordered. This change in the usual program by the secretary of state is due to the fact that he has not a sufficient number of copies to supply the state officers, libraries of other states and members of the legislature. Members who do not want the statutes are requested by the secretary not to ask for them.

Treasurer Buys Bonds.
Since the change in the state constitution permitting the investment of permanent school funds in city, village and school district bonds, State Treasurer Brian has bought for the state \$448,500 of municipal bonds and \$124,926 of school district bonds, making a total of \$573,426. These bonds net the state 4 1/2 per cent.

J. M. Trotter, proprietor of an ice cream and milk depot in Lincoln and a pioneer of Nebraska, died suddenly while seated in a chair at the Bronson farm about five miles outside of Lincoln.

Candidates Must Answer.
The Woman's Suffrage association has decided to sound out every candidate for the legislature on the proposition of permitting women to vote, and they will refuse to vote for any candidate who does not believe they should vote. Then the association elected the following officers: Dr. Inez Philbrick, Lincoln, president; Mrs. A. J. Marble, Table Rock, vice-president; Mrs. Jay, Lincoln, recording secretary; Miss Mary H. Williams, Kenesaw, corresponding secretary; Mrs. Damaree, Roca, treasurer.

LAW DECLARED VOID.

Supreme Court Passes Upon Late Enactment.
The supreme court has declared void the normal board law which State Oil Inspector Arthur Mullen had introduced in the last legislature. As the court declared the new board invalid it did not pass on the question of the eligibility of T. J. Majors of Peru who was a member of the legislature when he was appointed by Governor Shallenberger. The object of the law was to legislate out of office the old state normal board to give place to a new one that was to be appointed by the governor.

The court overrules the demurrer filed by the new board which alleged that the petition of Attorney General Thompson did not state facts sufficient to constitute a cause of action and that there was a misjoinder of parties. The writ in quo warrantum prayed for by the attorney general will be issued declaring the old normal board to be the legally constituted board.

In adhering to the constitutional provision that an act of the legislature must contain but one subject clearly expressed in the title and that it must name the sections to be amended and repealed, the court finds that the act did not refer in any way to an independent act creating the state normal school at Kearney which says the normal board now in control shall manage that institution. To hold the new act was amendatory of this separate act would be contrary to the constitution and to hold the new act constitutional would result in retaining the old board in control of the Kearney school and the new board in control of the Peru school and junior normals.

The opinion says: "The amendatory act contains an attempt to amend and repeal the governing statute of the Kearney normal school by amendment of an independent statute relating to the state normal school at Peru and for that reason contravenes the constitutional provision that no law shall be amended unless the new act contains the section or sections so amended and the section or sections so amended shall be repealed."

"It was suggested in consultation that the point last above mentioned was not pertinent on the argument or in the brief of the relator, and therefore should not be considered. The answer to the suggestion is that this is an action on behalf of the state brought by the attorney general to test and determine the question of the validity of the statute in order to further the educational interest of the state, and if for any reason we are convinced that the statute is unconstitutional we ought to so determine; for if the courts can, under such a pretext, nullify the constitution, we will soon find ourselves openly defying the provisions of the fundamental law which we have solemnly sworn to uphold."

Fine Drove of Hogs.
Thomas W. Smith, warden of the state penitentiary, has the finest drove of red hogs in Nebraska at the state institution. The state drove numbers something over 400 of which 195 have been born within the last three weeks and Mr. Smith says he does not intend to lose a pig. In addition to the hogs at the penitentiary Mr. Smith farmed some 500 acres and now has stowed away some 900 bushels of potatoes, his crop, he said, being almost a failure; 350 bushels of turnips, 200 bushels of carrots and 14,000 head of cabbage.

What Governor Says.
Prosecute the Omaha men accused of violating the excise rules. When convictions are had by the matter before the governor and attorney general. This was the answer Governor Shallenberger made to Elmer E. Thomas, W. R. Patrick and J. D. Holmes, who filed complaints against Mayor Dahlman and the fire and police commissioners of Omaha. The complaints charged infractions of the excise and gambling laws and that it was being carried on with the permission and knowledge of the officers of the law.

Requisition for Auto Thieves.
Governor Shallenberger honored a requisition from the governor of Iowa for the return of two unidentified men to Sioux City on the charge of stealing an automobile. The men ran away with an automobile owned by Dr. Sawyer of Sioux City, Ia., and were caught in the town of Jackson.

Government to Send Money.
The governor has received a communication from Washington to the effect that the treasury department will shortly send out a draft for \$2,827.34, due the state in the settlement of the Nebraska national forestry affairs.

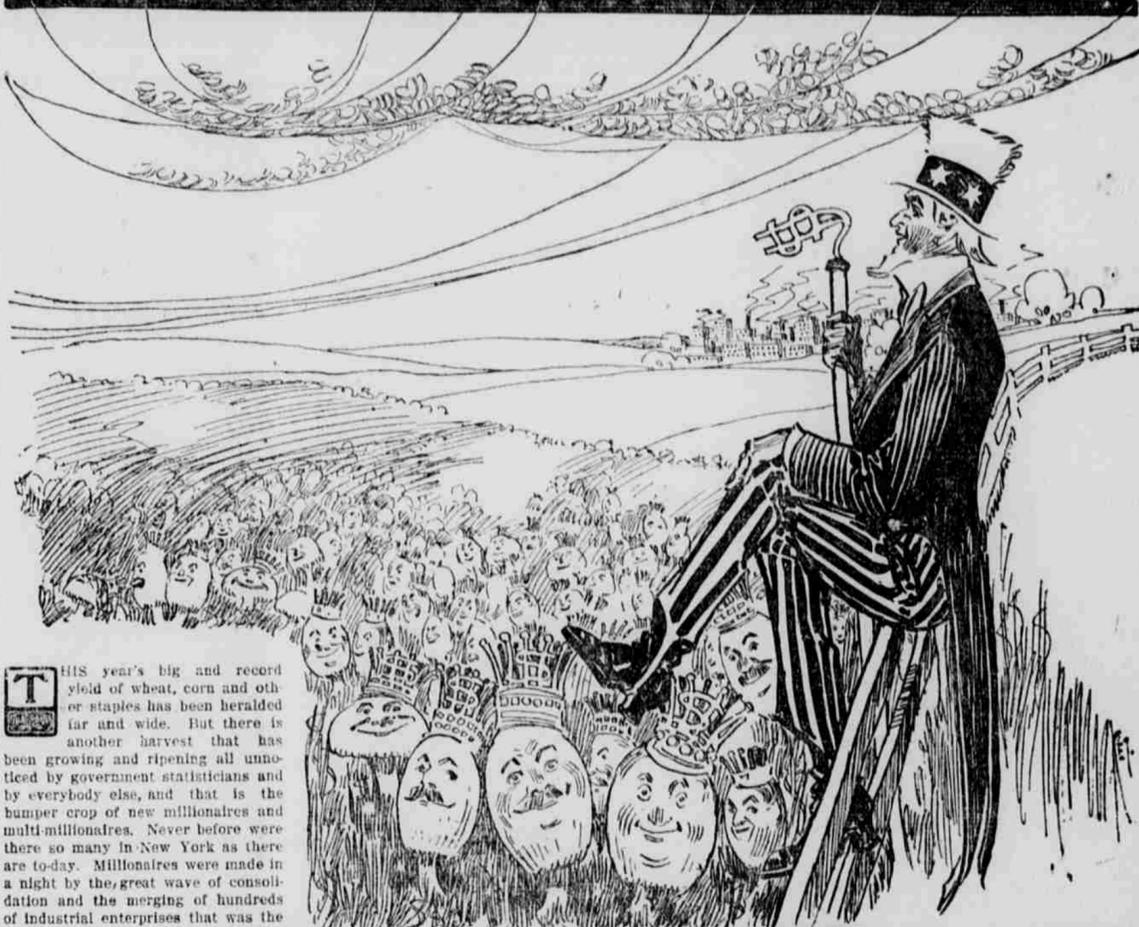
Last of Local School Bonds.
The state auditor registered Omaha school bonds to the amount of \$150,000. This is the last batch of an issue of \$600,000.

Missouri Pacific Bonds.
The Missouri Pacific secured permission from the Railway commission to issue bonds to the amount of \$29,000,000 for betterment of its road in Nebraska and other purposes.

Fees of Supreme Court Clerk.
The report of H. C. Lindsay, clerk of the supreme court, showing the collections of his office for a period of six months, filed with Governor Shallenberger, shows a total of \$77.55 was collected. This included court costs and copies of opinions.

Money Kings Made in a Night

BUMPER CROP OF NEW MILLIONAIRES



THIS year's big and record yield of wheat, corn and other staples has been heralded far and wide. But there is another harvest that has been growing and ripening all unnoticed by government statisticians and by everybody else, and that is the bumper crop of new millionaires and multi-millionaires. Never before were there so many in New York as there are to-day. Millionaires were made in a night by the great wave of consolidation and the merging of hundreds of industrial enterprises that was the feature of the opening years of the twentieth century, just after the close of the Spanish-American war. There were steel kings, steamship kings, pump kings, kings of car springs and of air brakes and of all sorts of things. They blossomed forth between the sunset of one day and the dawn of the next. The select circle of plutocracy widened so swiftly that it broke all barriers and created a new aristocracy of wealth in America. New York was invaded by a horde of westerners whose manners in some cases shocked even the imperturbable servants at the expensive hotels where they monopolized the royal suites. Pittsburg, from being simply a great mill town, a city of grimy workmen, jumped into world-wide prominence because it was discovered suddenly that it had more millionaires to the square inch than any other spot on earth. In New York all sorts of people achieved fortunes, paper or actual, almost before they were aware; jockeys, waiters, bartenders and other humble folk glanced with amaze at the balances with their brokers and began making plans for yachts and country houses. The history of this period was one of the wonders of America.

Then, two years ago, the panic came and put a damper on the financial hopes and aspirations of those who had survived the various ills that followed in the wake of industrial over-expansion. But since the panic clouds have cleared away there has come another and even more wonderful appreciation in values, the most remarkable advance in the prices of all commodities and securities that this country has ever known. Probably more millionaires have been made in the last 12 months by the steadily rising tide of tremendous prosperity than history ever has recorded in a similar period of time. The number of those who have grown rich quickly is greater, probably than it was in the time of merger and consolidation, nearly a decade ago. Before the panic of 1907 there were, perhaps, 3,000 millionaires in New York. Now there are anywhere between 5,000 and 10,000.

The advances in the value of securities in the last two years have been almost incredible. There probably are more than 100,000 persons who are stockholders of United States Steel. In October, 1907, Steel Common was 21 1/4; in February, 1909, it was 41 1/4; this October it has been well above 90. The shares of the Pennsylvania railroad are more widely distributed than any other transportation line, more than 60,000 people being listed on its books of shareholders. Two years ago it was 103; lately it has been above 150. Union Pacific is next to Pennsylvania in the length of its stockholders' list. It is not only one of the most popular investment securities, but also one that is speculated in most largely. Union Pacific common was 100 in 1907; this year it has been above 219, an increase of more than 100 per cent. New York Central, Southern Pacific, Baltimore & Ohio, Atlantic Coast Line, Illinois Central, Great Northern, Standard Oil—practically all the stocks in the long list of railways and industrials have advanced from 50 to 100 or more per cent. in value since October, 1907.

Thousands of people who are not speculators and who are intolerant of speculation have profited enormously by this wonderful rise in prices. They are the ones who bought for investment when the prices were low and who are now reaping the harvest. During the panic enormous blocks of gilt-edged shares were thrown on the markets when great speculators like Heinze and Morse, and some others who were not so spectacular or daring, had to sacrifice anything and everything for ready money. Their holdings now are scattered throughout the country and have been tucked away in tens of thousands of safes and strong boxes.

While some of the new millionaires come from the ranks of those who were bargain hunters in the days of panic, most of the new plutocrats are from the army of speculators.



ONE-TENTH OF THE TOTAL BUSINESS DONE ON THE EXCHANGE COMES FROM SMALL BUYERS.

virtually with any degree of accuracy. Comparatively few of the old band of millionaires have failed to add materially to their fortunes since the panic. There are some, it is true, who were more or less disabled in those days, and the period that preceded them who have not succeeded in winning back their lost money and prestige; some who were in the ill-fated trust companies, others of the insurance crowd, and so on. But those who held on and were able to weather the storms have been lifted up and now are richer than ever. Not only that, but a large number of new groups of great financial strength have been developed. There is the Hawley group, for instance, which has made millions and millions in the rise in values of railway shares. Edwin Hawley, the head of this coterie, was not a big Wall Street figure until within the last year or so, but of late he has added immeasurably to his wealth and to his power as a transportation king.

Among those of his friends who have climbed into the chariot of the plutocrats is Frank A. Vanderlip, the president of the National City bank. He is reputed to have made more than a million out of Chesapeake & Ohio and Union Pacific. When he was assistant secretary of the treasury a few years ago Vanderlip was a man of very moderate means and lived in a modest little flat in Washington. After he came to New York his wealth increased somewhat, but only since the first of this year has he entered the millionaire class.

Another of the Hawley group who is one of the new crop of multi-millionaires is a banker named Scott, who piled up a small fortune, dollar by dollar, in Richmond, Va., and who has increased it many fold of late in Wall Street. Still another of the same group is Robert Fleming. He was not a poor man when the rise in stocks began, but he is said to be a very rich one now. Then there is a new crop of Union Pacific millionaires, Southern Pacific millionaires, Wabash, Rock Island and many other groups of new millionaires who have become wealthy by the tremendous upturn of the shares they were interested in. Some of these men were millionaires before the beginning of this year; there have now moved up to the multi-millionaire class.

There are quite as many who have won fortunes in the field of industrial stocks, especially in United States Steel common. One of these—more than a millionaire when he began buying Steel—is Frank A. Munsey, the publisher. He is said to have started his Steel purchases two years ago, when the stock was around 22, and to have accumulated a total of 100,000 shares at very low prices. His winnings are estimated at more than \$5,000,000.

These instances, taken at random, give an indication of the thousands of fortunes that have sprung up lately through the upward sweep of prices in Wall Street. Great corporations, like the fire and the life insurance companies, have also profited stupendously. These tremendous reservoirs of money own huge blocks of shares in scores of railway and industrial companies—lots of from 10,000 shares to almost a controlling interest. The most of these are sober, gilt-edged, dividend-paying stocks that have not been spectacular in their advance in price as compared with some of those that have gone up like skyrockets. Yet even these high-priced shares have been enhanced in value from 20 to 50 per cent. in the last 12 months. They were bought at panic prices, so the published records of these companies show, and these institutions now are said to be selling them off, cautiously and carefully at the fancy figures that have been prevailing of late. Unlike the individual investor, they believe in cashing in their winnings and salting them down until there is another chance to buy cheap.

In the commodities there are new groups of millionaires and multi-millionaires also. Some of these have won their wealth in wheat, others in corn, but most of them in cotton. There are more new cotton kings and princes to-day than ever before. Practically all of these are southerners, who have had an expert knowledge of this staple. Most of them have been cotton planters themselves on a large scale, and all their lives they have been studying cotton, its growth and its ever-widening markets.

Almost every day there have been rumors flying about as to what Patten was doing in cotton. But curiously enough there has been never a word said about the real bull leader in the cotton market, the man who has been the biggest speculator in this staple, and who recently has jumped into the multi-millionaire class, Eugene G. Scales of Dallas, Tex. Scales is the most towering bull, probably, that the cotton market ever has known. Patten is a pliker beside him. Even the celebrated Mr. Sully in his palmist days never operated on such a huge basis as Scales has been in the last eight months.

This new and mighty multi-millionaire in the cotton market has steadfastly kept himself in the background. He is no amateur speculator, however, for five years ago he was in one of the Sully campaigns and retired from the fight with several large deus in his financial armor. But now he has won back all his losses and a lot more.

Some among the many others who "know cotton" and have won big fortunes through its rise in price are Fergus Reid of Norfolk, Va.; Morris H. Rothschild of Woodville, Miss.; William P. Brown of New Orleans and Louis S. Herg of Mississippi. Herg had charge of the Chalmette terminals at New Orleans not long ago and was a hard-working railroad man. A little later he pieced together a lot of small Mississippi railroads and combined them into an effective and profitable system. Then, with a modest fortune, he came to New York, and since then has been making money out of cotton. And so the list runs on. Hardly a name among the thousands of new millionaires is familiar to New Yorkers. They are practically unknown outside of the small communities they came from in the west and south. They live in the costliest suites in the most expensive New York hotels. Next summer, if they have no setback they will begin leasing or buying palaces at Newport, Bar Harbor or other places where the socially elect are supposed to live. Then they will begin trying to break through the imaginary inclosure with which "society" surrounds itself. There are so many of these new millionaires that perhaps like the incursion of a new race they will overwhelm and conquer the relatively small group of people who have been priding themselves on having their wealth for a decade or more. At any rate, the names of most of these new millionaires probably will be read for the first time in print in the next year's books of social registry, which form the nearest approach to the directory of the peerage that the plutocracy of America knows.