

# AFFAIRS OF THE RAILROADS

MAY 27 1895

## Hill's Negotiations with Prominent Bondholders of the Northern Pacific.

In regard to the report from the West that President Hill, of the Great Northern, had got control of the Northern Pacific Railroad and would take charge practically at once, an associate of that gentleman said that the idea was absurd.

The most that can be said at the present time is that Mr. Hill has been invited by some of the leading bondholders who are associated with the Reorganization Committee of the Northern Pacific to take a hand in the reconstruction of the property, with a view to operating the Great Northern and Northern Pacific railroads in harmony.

Whether Mr. Hill would become president of the Northern Pacific is apparently not yet known in New York. He will arrive from the other side in a day or two with the propositions that were made to him by the foreign interests. It is understood that the chief purpose of his visit abroad was to discuss Northern Pacific affairs. He met the Deutsche Bank people, whom Mr. E. D. Adams is said to particularly represent in the proposed reorganization of the Northern Pacific Railroad.

It is calculated that the joint operation of the properties Great Northern and Northern Pacific, or their operation with an agreement to advance rates, and not to encroach upon each other's territory, together with many possible retrenchments, would result in a great saving to both companies. At the present time the keen competition has reduced rates to a non-paying basis.

## WESTERN LINES MUST FIGHT IT OUT ALONE WITH THE GREAT NORTHERN.

The Commissioners appointed by the lake and rail lines last week to try to adjust the differential rates between Duluth and Chicago were unable to accomplish anything.

Mr. Hill's Northern Steamship Company claims that it is entitled to a rate five cents a hundred lower between St. Paul and the seaboard, via Duluth, than prevails by way of Chicago. The Chicago lines think that the differential ought either to be reduced or to be abolished altogether.

The Trunk Line Executive Committee yesterday received the report of the Commissioners and concluded that there was small prospect of bringing all of the lines between the seaboard and the Northwest into an agreement; so the committee decided to quote nothing but local rates between Duluth and Chicago and the seaboard and leave it to the Western railroads to have their fight out with President Hill, of the Great Northern.

Mr. Hill claims to have a decided advantage over the Granger railroads, for taking St. Paul as the basis the distance to Duluth is only about 150 miles, while the distance to Chicago is more than four hundred miles. The difference between the distances from Duluth to Buffalo and from Chicago to Buffalo by lake is not material.