

Salt Lake Power, Light & Heating Company.....	2,587.00
Hospital Holy Cross.....	185.00
St. Mark's Hospital.....	53.10
Simpson Bill Drug Company.....	21.43
Mrs. M. Merrill.....	341.85
Total.....	\$ 8,722.15

Adjourned.

### THE D. & R. G.'S ANSWER.

Before the Inter-State Commerce Commission., The Salt Lake Chamber of Commerce, plaintiff, vs. the Union Pacific Railway et al.

Answer of the Denver & Rio Grande railroad company.

Comes now the Denver & Rio Grande railroad company, in the complaint designated as the Denver & Rio Grande railroad, and makes its separate answer to the complaint herein filed.

1.—This defendant denies that the rates specified in its schedules or tariffs and now enforced by the defendant for the transportation of freight between Missouri river common points on the one hand and Salt Lake City, Utah, on the other, are unreasonable or unjust; alleges that the line of this defendant is an intermediate link in routes between said Missouri river common points and said Salt Lake City; that this defendant has no knowledge in regard to the cost of movement of freight over the lines of the other defendants herein, and that this defendant does not participate in any traffic between San Francisco and Salt Lake City which originates or terminates in said Salt Lake City; and this defendant denies that the actual cost of movement of freight over its lines for traffic between Missouri common points and Salt Lake City does not exceed  $\frac{1}{2}$  of 1 per cent. per ton per mile.

2.—This defendant denies each and every allegation in the fourth paragraph of complainant's complaint contained.

3.—This defendant denies that the circumstances and conditions affecting rates between Missouri river common points and Salt Lake City are substantially similar to the circumstances and conditions affecting rates between Missouri River common points and the city of San Francisco; and denies that the rates between said Missouri common points and the said Salt Lake City, Utah, are in violation of the provisions of the "act to regulate commerce," and denies that the defendant charge excessive or unlawful rates for the transportation of various kinds of freight, or that its said charges constitute a violation of the "act to regulate commerce."

#### II

And for a further answer this defendant, the Denver & Rio Grande railway company, respectfully states, that it operates a line of railway between Denver, in the State of Colorado, and Grand Junction in said State, its railway line being constructed through a rugged and mountainous country, with sharp curvature and heavy grade, and at great expense as to construction and operation; that in connection with certain of the other defendants herein named, it engages in the transportation of freight between Missouri common points and points east thereof, on the one hand, and Salt Lake City and the city of San

Francisco on the other; but alleges that it does not engage in the transportation of any freight between San Francisco and Salt Lake City, the shipment whereof be ins or ends in said Salt Lake City.

That said Salt Lake City is an inland city, not situated or near any navigable stream and is too far removed from any river or coast point to have the advantage of water transportation; that all traffic between Missouri river common points and points east thereof and the said Salt Lake City is transported by rail alone, and that any competition affecting traffic beginning at or destined for Salt Lake City is rail competition alone and is confined to the competition between certain of the companies made parties defendant herein.

That as between points on the Missouri river and east thereof and points on the Pacific coast, including said city of San Francisco, traffic is transported not only by rail, but also and to a very large amount—by water; that the circumstances and conditions affecting traffic between points on the Missouri river and east thereof, and points such as San Francisco on the Pacific coast—herein designated as "through traffic"—are not at all similar to the circumstances and conditions affecting traffic to and from said Salt Lake City; that by means of transportation partly by water and partly by railroad through agencies not affected by or within the control of the "Act to Regulate Commerce," there exists competition controlling in character and amount as to such through traffic, which fixes and determines the rates at which this defendant and the companies associated with it in the carriage of such traffic shall transport the same, and that such competition compels this defendant and its associates to make rates as to such "through traffic much below what would be reasonable and just for this service rendered, if computed solely upon the cost of such service and with a reasonable profit on the capital invested in the railways and facilities by means of which said service is rendered; that the rates charged by this defendant and its associates on traffic to and from Salt Lake are reasonable and just, and are less than what might be justly charged, except for the rail competition existing at said Salt Lake City.

This document further alleges that the rates charged upon traffic between Missouri river common points and Pacific coast points are unreasonably low, and are so unreasonably low by reason of circumstances and conditions which do not exist in like traffic to and from Salt Lake City; that while the defendant and its associates are engaged in transporting to and from Salt Lake City and to and from other local points situated between the Missouri River on the one hand and the Pacific coast on the other at reasonable rates, this defendant and its said associates can also over the same tracks and largely with the same facilities transport through traffic passing over its line en route to and from the Pacific coast and can derive some revenue from such through traffic without a corresponding increase in outlay; that

by reason of transporting such through traffic, even at the low rates caused by the competition aforesaid, this defendant and its associates are enabled to transport traffic to and from said Salt Lake City at lower rates than if the revenue of this defendant and its associates were not increased by virtue of such through traffic, and that the plaintiff herein derives the benefit of the reduction of rates to and from Salt Lake City resulting from the additions to the business of the defendant and its associates by the carriage of such through traffic.

That if this defendant and its associates did not make their rates on such through traffic correspond with those made by water competition, as aforesaid, the said railway lines would be compelled to go out of such business and abandon participation in such through traffic, and such abandonment of such through traffic would necessitate an increase of existing rates to and from said Salt Lake City.

This defendant further alleges that under the rates, fares and charges now in force upon its line for all kinds of traffic which it handles, it is unable to earn in the aggregate a reasonable compensation for the service performed, and that no substantial reduction from existing tariffs can be made upon any part of said traffic without depriving it of its right to charge reasonable rates for the use of its property, thereby in substance depriving defendant of its property itself, without due process of law and in violation of the constitution of the United States, and depriving it of that equal protection of the laws to which it is entitled under the constitution.

And this defendant alleges that the rates and charges, as shown upon the tariffs of this defendant and its associates upon traffic transported between Missouri River common points and the said Salt Lake City, Utah, are not unjust or unreasonable in any particular, and that the said rates are not and do not constitute a discrimination against the said Salt Lake City, as compared with any other city whatsoever.

Wherefore, the defendant prays that the complaint in this proceeding be dismissed.

WOOLCOTT & VALE,  
Attorneys for said Defendant.

STATE OF COLORADO, } ss.  
County of Arapaho.

A. S. Hughes being first duly sworn upon his oath deposes and says that he is traffic manager of the said defendant, the Denver & Rio Grand Railroad Company, and as such has authority to make this verification; that he has read the above and foregoing answer, and that the same is true of his own knowledge except as to those matters and things which are therein stated upon information and belief, and as to those he believes it to be true.

(Signed) A. S. HUGHES.  
Subscribed and sworn before me this 9th day of April, A. D. 1892.

(Signed) COLM A. CHRISLM,  
Notary Public.

My commission expires July 10, 1895.

New York, April 17.—It was reported in Jersey City late tonight that there would be a strike on the Philadelphia & Reading road today.