

CUTTING BOTH WAYS.

FREIGHT RATES FROM CHICAGO REDUCED WEST AND EAST.

CHICAGO, Feb. 3.—The war in Western freight rates raged fiercely to-day. It opened with the official tariff issued by the Chicago, Milwaukee and St. Paul Company, slashing all rates between Chicago and Council Bluffs almost in twain. The rates, as quoted by the St. Paul, were: First class, 40 cents; second, 35; third, 26; fourth, 21; fifth, 16; A, 17½; B, 16. These reductions range from 35 cents to 9 cents. The Chicago, Burlington and Quincy followed later by issuing a tariff making similar reductions to Council Bluffs, and also putting in the same rates to Kansas City and Southwestern Missouri River points. Chairman Midgely of the Southwestern Association thereupon authorized all Southwestern lines to meet the rates. President Hughtitt of the Chicago and Northwestern made a strenuous attempt to persuade the Rock Island and Burlington to ignore the St. Paul's rates to Council Bluffs, but without success, and all lines met the cuts.

Later in the day the St. Paul Company made a big reduction in rates to Minneapolis and St. Paul, cutting down first-class from 40 to 30 cents, and other classes in proportion. Before the offices closed this evening the St. Paul was quoting to Council Bluffs, Kansas City, and other Missouri River points rates on all classes 2 cents a hundred below the morning cut. These rates not only affect the through business to the Missouri River and St. Paul, but to all intermediate points west of the Mississippi River, where the tariffs quote rates higher than those given by the cuts.

General Manager Miller of the St. Paul declares that in view of the radical action of the Burlington as to Northwestern rates the St. Paul's rates to Council Bluffs will continue to be adjusted on the basis of the prevailing rates to St. Paul.

East-bound freights also are becoming demoralized. Four of the lines have been taking provisions for export to New-York for 22½ cents a hundred, which is a cut of 10½ cents below established rates. The Pennsylvania roads have cut loose from the trunk lines and issued through tariffs from New-York to St. Paul via Chicago at the same rates made by the Chicago and Grand Trunk and the Burlington and Northern.

The New York Times

Published: February 4, 1888

Copyright © The New York Times