

# THE WESTERN RAILROAD DEAL.

## No Lease of the St. Paul, but a Strong Traffic Arrangement—To Acquire Other Roads.

CHICAGO, Jan. 9.—The Tribune says that the facts that formed the basis for the recent advance in the price of Chicago, Milwaukee and St. Paul stock have been learned from an authoritative source. There will be no lease of the road to the Great Northern, but close relations, practically amounting to consolidation, will be established between the Great Northern and Northern Pacific Railroads, and these roads will make a strong traffic arrangement with the St. Paul similar to the one now in existence between the Chicago and Northwestern and the Union Pacific.

The financial combine which is bringing about an amalgamation of all the great railway systems in the country concluded that the Northwestern with its iron-clad contract with the Union Pacific had too great an advantage over the Milwaukee and St. Paul on north Pacific Coast business, as the Union Pacific is competing in that field through the Oregon Short Line and Oregon Railway and Navigation Company. It was therefore judicious in order to prevent undue competition to even things up by bringing about an arrangement or legal contract for the interchange of through traffic.

The Canadian Pacific is understood to be interested in this deal, having been guaranteed a fair share of the business from both the Milwaukee and St. Paul and Chicago and Northwestern Roads in order to stop the rate-cutting which has heretofore been practiced by the Canadian road.

The intention of the financial combine, it is said, is gradually to get control of the Chicago Great Western and Wisconsin Central Railroad, the latter being now controlled by the Rockefellers, and divide the properties up between the Chicago, Milwaukee and St. Paul and the Chicago and Northwestern. These two systems, one controlled by J. Pierpont Morgan and the other by the Vanderbilts, will then control the railroad situation between Chicago and St. Paul, and the rate wars which have so seriously affected the revenues of the lines between Chicago and St. Paul will become a thing of the past. It is this prospect that has caused the rise in Milwaukee and St. Paul stock.

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