

THE PULLMAN COMPANY'S CHARGES.

AN ACCOUNTING WANTED BY THE MILWAUKEE, AND ST. PAUL.

CHICAGO, Aug. 3.—There was filed in the United States Circuit Court this afternoon a suit that may in various ways affect every railroad of importance in the country. The suit is a bill in equity, filed by the Chicago, Milwaukee and St. Paul Railway Company against the Pullman Palace Car Company, for an accounting under a contract made in 1882, by which the Chicago, Milwaukee and St. Paul Road secured from thirty to forty-five palace dining and sleeping cars. The road charges that the Pullman Company, under the contract for maintaining the cars, made charges that were grossly excessive and fraudulent. An accounting is sought and an injunction asked restraining the Pullman Company from prosecuting an action at law against the road for \$1,000,000 now pending in court.

The railroad company agreed to pay such a proportion of the general expenses of the car company as the number of cars upon the line bore to the whole number of cars run by the Pullman Company on all lines operated by it, but the bill shows that the charges according to this agreement were \$26.21 on each car for one month, and if this was a pro rata charge the amount retained by the Pullman Company from all the companies it had contracts with must have been \$1,218,888 per annum. Regarding the enormous amounts paid to porters and conductors the bill says that there was never any detailed statement of the wages paid these employes. The cost of manufacturing the cars is also gone into, and the bills for the cost of these cars, it is claimed, are greatly in excess of the actual cost.

Roswell Miller, President of the St. Paul Road, signed the bill certifying that all the charges are true to the best of his knowledge and belief. Edwin Walker, counsel for the road, said: "This suit will never be settled out of court, and we intend to see if we cannot bring this company to a proper recognition of the rights of our company. It has never acted fairly and squarely in the matter of expenses, and we intend that it shall be compelled to account for everything. The idea of putting in accounts for hundreds of thousands of dollars without particularizing is preposterous.

"The State Legislature has sent committee after committee to investigate the Pullman Company, but each time the same old report of everything being absolutely perfect and right was made. It is about time the people and the railroads of the country knew how affairs in the Pullman Company are being managed, and we propose to find out.

The New York Times

Published: August 4, 1891

Copyright © The New York Times