Full Leased Wire Dispatches

The Daily Capital Journal

Today's News Printed Today

THIRTY-EIGHTH YEAR

SALEM, OREGON, FRIDAY, JUNE 4, 1915

PRICE TWO CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

ENGLISH CITIZENS HASTEN TO LEAVE MEXICAN CAPITAL

Abandonment of "Watchful Waiting" Policy Is Cause Of Unrest

CARRANZA SAYS HE WILL RETAKE MEXICO CITY

U. S. Will Act If Relief Methods Are Interrupted By Mexicans

Washington, June 4.—Anticipating trouble as the result of the abandonment of President Wilson's watchful waiting policy, British authorities in Mexico City are adopting extraordinary measures to get English citizens out of the capital and to the sea coast.

Owing to the inadequate railroad facilities, Englishmen and women are being sent out on horseback and in automobiles. Attaches of the embassy are supervising the movement of these caravans to Pachuca where it is expected they may be able to obtain trains for Vera Cruz whence they will be taken to the United States.

The Brazilian minister in Mexico City, acting for the state department, is doing everything possible to arrange for trains on which Americans may leave the city. Anti-foreign rioting is admittedly feared.

Consul Carothers at Chihuahua, is reported to be endeavoring to reach General Villa with President Wilson's statement.

The defiant assertion of General Carranza that he proposed to retake Mexico City and crush his rivals caused concern among some official today. They believed this reflected the hope of the leaders of the rival factions to crush the others and then claim recognition and the aid the president promises a strong provisional government. These officials believe the president's statement may result in more desperate fighting than ever.

Warning Is Delivered.

President Wilson's warning to the factional leaders in Mexico has been delivered to General Carranza and Constitutional Provisional President Garzia. Consul Silliman notified the state department today.

Silliman did not say how the president's statement was received in reaching his delivery from Vera Cruz. Owing to interrupted communication with the interior of Mexico, it is not known yet whether General Villa has received the statement.

The new Mexican policy as regards Mexico is expected to reach its danger point with the institution of relief measures to be undertaken by the Red Cross. If the Mexican factions interfere with the relief work they will precipitate action by the United States, it was believed today. No word has yet been received from Generals Villa, Carranza or Zapata, but there is a growing belief that the revolutionary leaders will not get together as demanded by President Wilson in his statement.

Special Red Cross committees are now working in New York, Chicago, St. Louis, New Orleans and Galveston preparing for the relief of the starving Mexicans.

Garrison Increased.

Laredo, Tex., June 4.—General Carranza's garrison at Nuevo Laredo was strengthened today, raising the force to 1,500 men. The action was regarded as of great significance in view of President Wilson's warning to the Mexican leaders.

Heretofore only 700 men have been stationed at Neuvo Laredo. General Procopio Alexandro has arrived, however, with 800 additional men and will succeed General Alfredo Ricaut in command.

Charges of Espionage Against Swoboda Disproved

Paris, June 4.—Charges of espionage brought against Raymond Swoboda, arrested following a fire which broke out on the French liner La Touraine while at sea, have been disapproved, according to the Petit Journal today.

Swoboda has been absolved of the charge of having set fire to the Touraine and will probably be released when the authorities are finally convinced he was not friendly with Germans, the journal asserted.

At the time of his arrest Swoboda said he was an American and that his name was in San Francisco. He gave Fresno, California, as his birthplace. He had been in business in Paris for some time, and was declared to be suspected of having close relations with the Germans. This his friends stoutly denied. An extended secret investigation of Swoboda's connections was made in the voyage following which he was arrested. Swoboda was said to be carrying samples of war supplies from American firms which he expected to sell the French government.

MARION COUNTY AT HEAD OF LIST FOR SURPLUS OF FUNDS

Nearly Quarter Million Dollars In Treasury On May 31—Other Counties

The total surplus in all funds in the treasury of Marion county on March 31, 1915, according to the final report of the state accounting department which was made public today—the department having ceased to exist on May 22 under the repealing act of the last legislature—was $245,529, which is the highest surplus shown to the credit of any county in the state. Of this total the principal amount, or $197,829.39, is credited to the general fund. The total amount of warrants outstanding on that date was $5,006 an the agency funds' liability amounted to $26,831.

The counties showing deficits are: Benton $23,055; Clackamas $80,454, Clatsop $318,517, Columbia $281,312, Curry $11,515; Harney $82,533, Jackson $948,944, Morrow $2,991, Polk $14,329, Klamath $507,209. Those having surpluses are: Douglas $74,002, Grant $68,403, Josephine $21,017, Lane $65,223, Lincoln $53,752, Linn $93,892, Marion $245,529, Sherman $2,896, Union $32,392, Wallowa $29,203, Wasco $8,736, Washington $67,740, Yamhill $55,668.

The counties filing no reports were: Baker, Coos, Crook, Gilliam, Hood River, Lake, Malheur, Multnomah, Tillamook, Umatilla and Wheeler. Clerks for Clatsop, Josephine, Lane, Lincoln, Wasco and Yamhill failed to report the amount of outstanding warrants.

Under the administration of Insurance Commissioners Harvey Wells and J. W. Ferguson (retired) the department disbursed, during the two years of its existence a total fo $18,000 from its total appropriation of $27,500, and, in addition to the improvements of systems of accounting, etc., in the several counties it has recovered for the counties and the state the sum of $15,000.

Since the adjournment of the legislature the department has installed forms and improved accounting systems in the Oregon state hospital, Eastern Oregon state hospital, feeble minded institute, training school for boys and school for the girls, penitentiary, school for the blind, for the deaf, tuberculosis hospital and soldiers' home, and has taken inventories of the national guard, naval militia, state hospital and penitentiary.

An examination of the accounts and affairs was made of the following institutions and departments: State librarian, corporation department, penitentiary, national guard, naval militia, state board of health, immigration commission and insurance department.

THREE NEUTRAL SHIPS SUNK BY SUBMARINES

Protests of Neutrality Unheeded by Scandinavian Captain by Germans

London, June 4.—Three neutral ships, all vessels of Scandinavian countries, have been torpedoed and sunk by German submarines within the last 24 hours.

The Swedish steamer Lappland, carrying four women passengers was attacked without warning and sent to the bottom. The Danish three masted ship Salvador was overhauled by an under sea raider and despite the captain's protests of neutrality, was set ablaze and sunk by shell fire. The latest steamer to be reported as attacked today was the Norwegian steamer Cubano, which was torpedoed and sunk off the Pisagua islands.

The crew of the Salvador was warned the vessel was to be sunk and time was given by the submarine commander for them to take to the boats. In the case of the Lappland, however, the explosion of the submarine's torpedo brought the first warning of danger, according to the officers. The women passengers dressed quickly and were lifted into the boats. The steamer disappeared in the darkness as the boats rowed away. The Lappland carried a cargo of iron ore.

In addition to the neutral ships, the Welsh trawlers Hireold and Victoria were accounted for within the past day. Several men aboard the Victoria were killed by shells from the submarine.

JAPS RELEASE GERMANS.

Yokohama, June 4.—Released by the Japanese government today, 60 German civilians, captured when Japanese troops took Taing Tao, will sail for San Francisco tomorrow on the steamer Korea. Among the women is the wife of the German governor of Kiao Chau.

SOLDIERS LEAVE MUD SOAKED TRENCHES TO FIGHT IN SUNLIGHT

(By William G. Shepherd.)
(United Press Staff Correspondent.)
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Headquarters of the British Army, Northern France, April 28.—(By mail to New York.)—This is the story of a day at the front in the new war. The old war days of winter and trench life have passed. In these new war days, which began with the present gigantic battle along the British line, the men dash out of the trenches; the German great guns move along the roads in their territory to new spots and throw shells into places that were safe in the winter time.

Sir John French, the British field marshal, has moved his army outdoors, or at least, his soldiers have moved themselves there. The hours in the huts, hugging stoves, have ended. It is the fields and the sunshine now that the British soldiers seek, whether they are playing football or fighting. In these first days of early summer weather, the new war has begun. Autumn, winter and spring have seen the great conflict; now it is summer's turn.

One of London's most eminent physicians was my guide; so he has given up his practice and has come over here to do his share of Britain's job; and his share is to run around and take care of sick and injured folks, whether they are commanders or privates. The other members of our party was a man whose death that day would have jarred the American stock market. He isn't here for fun, either; men don't get into messes like this for fun.

It was the new war that caused our trip; the new and horrible war, possible only when the spring wind blows in the right direction to carry the killing German gases into the enemy's trenches. The doctor had been sent to the front to investigate the gas which the Germans had used only the day before for the first time.

We were off bright and early in the morning. Everybody in the British army, from Sir John French, commander-in-chief, down, is through with breakfast by 8:30.

We whizzed along and then swung into a road that led us into Belgium and shortly afterwards we rolled into a fair-sized Belgian town. In a street lay a dead horse; fresh blood was all around; the pavement was torn up; the street was covered with powdered glass; Belgian men, women and children stood about, talking nervously. Some of them carried packages of household goods which seemed to have been hurriedly wrapped.

We passed through the streets to an army hospital where Canadians, who had felt the effects of the German gas, were gasping in their beds in short breaths, dying of a form of pneumonia.

"Please wait in the car while I am gone," said the doctor. "I won't be long."

He jumped out and slammed the door. Our soldier chauffeur got out to stretch his legs. He talked for a minute with some soldiers on the sidewalk. Then he opened the door of the car and said:

"The Germans are shelling this place. We got here just in time. They have put 29 shells into it this morning."

I turned to the man whom Wall Street would not like to have killed, suddenly, and he smiled.

"Do you get the feeling?" he asked me.

"Which feeling do you mean?" I asked. "I've got lots of them just now."

He has been under shell fire many times; he has been in more places than one where a shell might have fallen, but didn't.

There we sat in the automobile, waiting just as we might wait at a curbstone in New York or San Francisco.

All about were stores, and churches, and people; we were in civilization, but a block behind us with a church with its spire freshly nicked by a shell, and ahead in the street, perhaps two blocks away, were khakiol soldiers of General French's army gathered around a shell hole in the pavement.

This village was getting its first touch of German shells; its first knowledge of the experience which had befallen so many hundreds of Belgian and French villages since the war began. The villagers took it all just as any American resident would have taken it if, some forenoon, 29 shells had been dropped in or near its town. It seemed to me that the villagers had not realized that the war was on, until they saw the shell holes in their familiar streets and saw the new scars which, within an instant's time, had been put on the grey spire, which had loomed above the village, unchanged in color or shape for so many human lifetimes. Belgian men, women and children went about with their pathetic little bundles; neighbors talked.

"One more shell and I am going to take my family away," said an old man on the sidewalk. To "take his family away" meant to pack only a few things that could be carried in a long weary walk; it meant to leave home and home things behind, maybe forever. I saw grey, wrinkled old women, who had made their plans for spending their last days at the home fireside, out on the streets, wearing

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Labor Troubles Add to England's War Problems

(By J. W. T. Mason Former European Manager of the United Press.)

New York, June 4.—Ten months after the outbreak of war, the British government is still pleading with the workingmen to increase the output of war munitions. It is imploring for the allies that sentiment rather than organization must be used.

Lloyd-George's Manchester speech was the first public utterance in regard to munitions since the formation of the new ministry. Instead of announcing what is to be done by the most important departments, he contented himself by repeating the old cry, "wake up, England." For three months the members of the government who have been pleading with workingmen to show patriotism are still pleading.

The conclusion is inevitable that the government is afraid to bring pressure to bear on the workingmen to compel work in the factories, to assume wartime discipline. It is published in England that Minister of Munitions Lloyd-George was hissed on a recent visit to Portsmouth with the king, because he criticized the workingmen for thinking more for drink than of duty of England. It also leaked out that labor leaders when asked what would happen if martial law was proclaimed in munitions factories, expressed their belief that a grave domestic crisis would result.

Great Britain is now facing the bitter fact that long years of low standard of living have made workingmen indifferent except to their own immediate welfare.

The true interpretation of Lloyd-George's speech is that the government does not feel competent to do more than plead for voluntary reform among the workingmen. The time when industrial conscription can safely be adopted has not yet arrived. The most momentous question for England is whether Lloyd-George dares substitute stern action for coaxing. Terms of peace may largely hang on the answer.

Ford Company Increases Capital to $100,000,000

Detroit, Mich, June 4.—Announcement was made today of an increase in the capital stock of the Ford Automobile Company from $2,000,000 to $100,000,000. A stock dividend of $48,000,000 was authorized for July 1.

The outstanding stock issues, with today's dividend, will be $50,000,000. The balance will be retained in the treasury. No cash dividend was declared, but it was intimated there will be one soon.

"The purpose of the increase is to have the capital stock more nearly represent the company's value," it was stated.

The great "melon" cut by the Ford company is divided between just eight men. The stock dividend announced is distributed as follows:

Henry Ford, $27,845,000; James Couzens, $5,000,000; David Gray, $4,400,000; John F. Dodge, $2,400,000; Horace E. Dodge, $2,400,000; Horace Rackham, $2,400,000; John W. Anderson, $2,400,000, and R. V. Couzens $770,000.

It was also announced that $15,000,000 in rebates will be distributed August 1 to this year's purchasers of Ford cars.

Charter Issued To New Bank at Yoncalla, In Douglas Co.

State Bank Superintendent Sargent this morning issued a charter to the Farmers' security bank, of Yoncalla, Douglas county. The authorized capital stock is $15,000; surplus $750 and the officers are: A. F. Stearns, president; J. H. Hardes and B. B. Brundage, vice-presidents, and L. A. Bass, cashier.

When a family is much visited the husband doesn't hesitate to say that he is tired of feeding her kinfolks, and she snaps back that she is tired of cooking for his.

The Weather

Oregon: Fair tonight; Saturday, fair; warmer interior southwest portion; northwest winds.

GERMANS CAPTURE SUGAR MILL AFTER SEVEN DAYS FIGHT

One Position Changes Hands Many Times During Bitter Struggle

FIGHT OVER GROUND OF LAST WINTER'S CAMPAIGN

Russian Report Entire Regiments of Austrians Killed at Przemysl

Berlin via wireless to London, June 4. The Germans have stormed and captured the village and chateau of Hooge, east of Ypres, the war office announced today.

The battle in this region has been in progress for several days. British forces were strongly entrenched in the village, but yesterday it was announced that the engagement was taking a favorable turn for the Germans.

New advantages have also been gained by the kaiser's forces in the bitter fighting north of Arras. The sugar mill at Souchez is now entirely in the hands of the Germans, the official statement announced. This position has changed hands several times in the fighting which has extended over a period of more than a week.

The capture of Hooge is regarded as a victory of the greatest importance. Hooge was the scene of the historic battle in Flanders last October when Sir Douglas Haig with a comparatively small British force scored a decisive victory over the Germans and blocked their dash upon Calais. Since then the village and fortified chateau has been in the hands of the British.

With Hooge held by the Germans, the British positions about Ypres, already imperiled, may become untenable. If the British evacuate Ypres, they are certain to be forced to retire five miles upon Poperinghe and will have to reform their entire front.

Zeppelins Kill Six.

London, June 4.—Six deaths have resulted from the recent Zeppelin raid upon London, it was revealed today. The information was brought out during an inquest over the body of an aged woman who died from shock when a bomb hit a house adjoining her home.

Whole Regiments Slaughtered.

Petrograd, June 4.—Three Austrian regiments were slaughtered and 4000 prisoners taken in a Dernr combat 50 miles northwest of Przemysl, it was officially announced today.

The fall of Przemysl is admitted by the war office, but the statement reporting the heavy losses inflicted upon the enemy north of the fortress partly offset the effect of the defeat, and it was also declared that the capture of Przemysl must not be construed as a severe reversal.

Telling of the slaughter of the Austrian regiments northwest of Przemysl the war office statement said:

"While the enemy was wasting ammunition and men before Przemysl our forces on the left bank of the San made an important advance. They captured a strong fortified position west of Radsik taking 1000 prisoners and many guns. In the same region they annihilated the second, third and fourth Austrian Tyrolese regiments."

Entire Villages Reduced.

Paris, June 4.—Entire villages north of Arras have been reduced by shell fire in the fierce fighting which marks the French advance toward Lens.

Souchez, about which a desperate engagement has raged for days, is entirely leveled except for a few stone buildings. The fighting about the sugar mill, repeatedly taken by both sides, only to later be lost, is steadily increasing in fury. The official statement today announced the capture of German fortifications there by the French. A number of prisoners were taken.

Further progress is reported in the "Labyrinth" southeast of Neuville, where the French have stormed several German positions.

Still Pursuing Russians.

Berlin, June 4.—Along a vast front of 100 miles, the great Austro-German army of Galicia is rolling forward against Lemberg.

With Przemysl again garrisoned by the Austrian forces, the combined armies of Generals Von Markensen and Von Linsensen are pressing their pursuit of the retreating Russians, while the Slavs are making desperate efforts to re-form their shattered lines for a final stand.

THAW'S SANITY UP AGAIN.

Albany, N. Y., June 4.—Arguments by the state were made today in the court of appeals on the state's motion to refuse Harry K. Thaw a jury trial in regard to his sanity, which, under the ruling of the lower court, is scheduled for Monday.

ACCIDENT INSURANCE FUND IS IN HEALTHY STATE UP TO JUNE 1

Workmen Pay $71,000 In 11 Months and Receive $374,000 In Benefits

According to a financial statement issued by the industrial accident commission this morning the total amount of funds available for the payment of accident claims, etc., exclusive of expenditures and inclusive of $138,619.26 set aside as a pension fund, at the close of 11 months business, May 31, was $337,561.12. The total cost of administration for 19 months for the department was $60,653.06, only 10½ per cent of the total amount collected during the 11 months of business.

The total amount paid into the department from all sources during the 11-months' period was $572,071.33, of which $71,696.84 was paid in by workmen, which at the rate of 1 cent per day for actual time employed represents the total cost of protection to the employe under the operation of the workmen's compensation act. The benefits received by the workmen amount to $374,229.47. The employers paid in a total of $410,929.27, representing 1c per cent of the amount of the payroll in one class of hazards and 3 per cent in another. Of the total amount collected $90,355.22, or one-seventh of the amount contributed by the employers, is taxed to the state. This takes into account the fact that no credits have been received from the state's appropriation since December 31, last year.

The total amount of surplus cash available on June 1 was $198,741.86, after all losses, cost of administration and pension fund deductions have been made, which account is drawing interest from banks placed upon deposit by the state treasurer. During the month of May the net gain in the accident fund was $19,666.93, besides $4,137.40 set aside for pensions. The total number of accidents handled by the commission to date is 4054, of which 59 were fatal. For the month of May, there were 391 accident claims received by the commission, of which but 4 were fatalities. Of the total of 4054 cases handled 12 were classed as permanent partial injuries, in which the injured person receives a pension for partial disability monthly, and permanent total disability monthly, and ¼ sBs— ability. There are 23 widows and children's pensions provided for.

FRUIT COMMISSIONERS TO BE APPOINTED BY STATE BOARD SHORTLY

New Law Does Not Disturb Old Commission With Exception of One Member

Having received a verbal opinion from the office of the attorney general to the effect that the act of the last legislature, providing for the appointment of a state board of horticulture, did not repeal the old law but simply amended it to the extent of eliminating the commissioner for the state at large the state board of control will early next week probably re-appoint C. A. Parks, of Salem, representing the second district, and H. H. Weatherspoon, of Union, representing the 5th district, whose terms expired on April 30, to succeed themselves upon the board.

The other three members of the board, for the 1st, 3rd and 4th districts, respectively, will continue to serve until their terms expire. M. Williamson, of Portland, the only salaried officer on the commission, will probably retain the secretaryship at $100 per month. The only compensation allowed the five commissioners is at the rate of $4 per day for the actual time put in attending board meetings. While it is understood that Mr. Parks is to be retained upon the board for this district there are two candidates in the field for the position—Jerome S. Jones and E. C. Armstrong, of this city, but while Mr. Jones is an active candidate it is understood that Mr. Armstrong is an inactive but receptive candidate.

Under another act passed by the last legislature it will devolve upon the county courts of the several counties to appoint a county fruit inspector which appointment is subject to the recommendation and approval of the commissioner for the district in which the county is located. The appointment is made upon the petition of not less than 25 resident fruit growers of the county.

STOCK MARKET FIRM.

New York June 4.—The market closed firm today.

WILSON TO PERMIT NO FURTHER DELAY ON GERMANY'S PART

Experts On International Law To Have No Loophole For Quibbling

PERSONAL EMISSARY IS SENT BACK TO BERLIN

Dr. Dernberg Regarded As a Menace to Peace and Is Sent Back Home

(By John Edwin Nevin.)
(United Press Staff Correspondent.)

Washington, June 4.—The gravity of the situation between the United States and Germany was emphasized today when Counsellor Lansing of the state department, was summoned to attend the cabinet meeting at which President Wilson presented his rejoinder to Berlin's latest note regarding the submarine warfare.

The president desired that Lansing, as expert on international law, make his answer to Germany's unsatisfactory reply to the American demands correct to the last detail. He wishes to avoid any slip or excuse for further delay in dealing with points as to rights of Americans to travel at sea in safety, and affecting the honor of the United States.

It was expected that the president's rejoinder would declare all irrelevant issues must be discarded until the United States is assured that her rights under international law will be recognized. The cabinet agreed there should be no weakening on this point.

The principals was first enunciated in answer to Germany's announcement that she contemplated submarine warfare. It was reiterated in the note forwarded to Berlin following the sinking of the Lusitania and will be emphasized in the new note gone over today.

The cabinet went to the bottom of Germany's contentions as to the Lusitania being armed and carrying explosives and also the affidavits making similar allegations, but these charges resulted in no change in the American position.

When it was definitely learned that Meyer Gerhard had left for Germany as an emissary of Ambassador Von Bernstorff, it was taken for granted that, under instructions from the ambassador, he would counsel that Germany's next note be of such nature as to insure an amicable settlement of existing differences. It is known that the ambassador feels Germany has not duly regarded, or has failed to understand the American position. Through Gerhard, he hopes matters may be made much clearer. Officials believe Gerhard's report of the conference between Von Bernstorff and the president will carry great weight in Berlin.

Emissary Sent to Berlin.

Meyer Gerhard, Red Cross commissioner from Germany, will act as Ambassador Von Bernstorff's personal emissary in Berlin and will express the ambassador's views in connection with the kaiser's reply to the rejoinder of President Wilson which will be forwarded soon.

The German embassy did not admit that Gerhard had been named by Von Bernstorff to represent him in Berlin, but that so will act for the ambassador may be stated positively.

Gerhard sailed yesterday on the steamship United States, of the Scandinavian-American line. He is one of the three Red Cross commissioners from Germany who came to America with Ambassador Von Bernstorff last August. The other commissioners were Dr. Bernhard Dernberg and Count Sierstropff. Gerhard is 40 years old. He is reported to be influential in Germany. He has been in the German colonial office and held other official connections.

Ambassador Von Bernstorff desired that he have a personal emissary go to Berlin in order that the position of the United States might be clearly and forcefully outlined to the kaiser and his ministers.

Owing to the cable censorship the German envoy has had difficulty furnishing his government with full information.

Gerhard will inform the kaiser and the foreign office the exact position of the United States and the state of public opinion as outlined to the ambassador by the president during their conference on Wednesday.

It is understood that before Gerhard sailed the state department, at the request of Ambassador Von Bernstorff, obtained from the foreign government's assurances of his safe conduct to Germany.

Dr. Dernberg Sent Home.

Dr. Bernhard Dernberg, unofficial spokesman for the kaiser, will sail for Germany, via Norway, June 12, it was definitely learned today.

Following the sinking of the Lusitania, the administration let it be known that it regarded the utterances and writings of Dr. Dernberg as a menace to amicable relations between Germany and the United States, and it was

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