

WIRZ MONUMENT COATED WITH GERMANY'S COLORS

MACON, Ga., May 16.—Investigation is being made at Southern field near Americus, Ga., of charges that a party of aviation cadets went to Andersonville, Ga., where 15,000 federal soldiers of the civil war are buried, and painted the monument of Major Henry E. Wirz, confederate officer, in the German colors, red, black and yellow.

Major Wirz, a native of Switzerland

was in charge of the Andersonville prison during the civil war and, after peace was declared, he was executed in Washington for cruelty to prisoners of the Union army. The monument to his memory was erected several years ago by the United Daughters of the Confederacy.

Have the label, which stands for fair working conditions, put on your job printing. The Observer is one of the two shops in town observing union principles. Phone Main 37.

Federal Home Loan Banks

FEDERAL HOME LOAN BANKS... Department of Labor recently sent out questionnaires to several thousand building and loan associations. These questionnaires covered inquiries concerning assets, the average amount of loans made each year, applications for 1919, the possibility of increasing demands for loans and opinions concerning the proposed system of federal home loan banks.

Returns disclosed that more than forty per cent of the Building Associations have not sufficient available funds to meet the desirable applications for loans that are coming in as a result of the shortage of houses and the general revival of construction activities. While the Building Associations of the country are reported on a sound financial basis their present difficulties are due to the fact that they have enormous investments and that the long time mortgages representing large amounts are not negotiable at commercial banks.

The impression exists in some minds that the banks when established would make direct loans of government funds to persons desiring to build houses. This is a mistake. The plan contemplates the organization of Federal Home Loan Banks as clearing houses for building and loan associations, which would then be able to realize on their long time mortgages, and thus to meet increased demands for loans. The associations clearing through these banks would be stockholders in the institutions.

According to the plan a group of Building and Loan Associations could combine for the organization of a Federal Home Loan Bank in which they would deposit a block of mortgages taken in the regular course of business. Against these mortgages the bank would issue bonds up to 80 per cent of the value represented. The bank would sell mortgages in the market, turning over the proceeds to the Association which had deposited them; the Association executing a note to the bank for the amount thus received.

The mortgages thus deposited as security, are not to be sold by the Association to the bank, but would remain the property of the Association, which would continue to collect the regular payments from the borrowing members whose mortgages have thus been deposited, but the same as before the deposit was made. If a borrower whose mortgage had thus been hypothecated pays off his loan in full, the Association would recall that mortgage from the bank, either by turning over the cash value of the mortgage to the bank to be applied on the debt of the Association, or by depositing another mortgage of equal value.

The bonds of the Federal Home Loan Banks would not draw more than 5 per cent interest per annum and it is believed that they can be sold at a lower drawing rate, possibly 4 or 4 1/2 per cent. The Association would pay to the banks interest on the amounts advanced at the same rate which the bonds bear, an additional one-half per cent per annum being allowed to cover the expense of maintaining the banks. Associations would make semi-annual payments on the money borrowed, thus amortizing their debts. It is suggested that the bonds should run twenty years, Associations being permitted to repay their loans at any time within that period.

In the Federal Home Loan Bank plan, the affiliation of an Association would be entirely optional and an Association which does not join in the banking plan would not be affected in any way by the new system. The business of the banks would be conducted by board of directors elected by member associations; it is the purpose to provide for the supervision of the entire system of banks of such federal authority as congress may approve. This federal supervision would be exercised at the expense of the government as is the case with the Federal Farm Loan system and the Federal Reserve Bank system.

The movement to establish a system of Federal Home Loan banks was started when the after-the-war revival of building in all parts of the country demonstrated the need of a method by which money could be realized on the long time mortgages held by the Building and Loan Associations.

Survey of Building and Loan Associations making a nationwide survey of building conditions, the U. S.

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The movement to establish Federal Home Loan banks is approved by a majority of the associations that returned answers to the questionnaires. Out of 1,200 thus far received less than 10 per cent of the associations represented are opposed to the plan. An answer that is typical of the attitude of Associations that are financially independent came from the west. "Our organization does not need a Federal Home Loan bank system at this time," writes the secretary, "but it will be helpful to those who do and the time may come when we shall be glad to take advantage of it."

According to recent estimates made by the Division of Public Works and Construction Development of a resigning widow, who is assistant of the Department's Information and Education Service, there are now in the United States 7,260 Building and Loan Associations with paid-in capital stock amounting to \$1,500,779,548, the investment in building association stock having increased last year \$145,000,000. Available statistics show that the normal requirement of the Building and Loan Associations before the war called for loanable funds amounting to approximately \$500,000,000 per annum, which could be supplied by the savings departments of these organizations. The solution of the problem of how to supplement the ordinary income of the Building and Loan Associations in places where the demand for small mortgage loans might be greatly in excess of the supply of money is now sought in the Federal Home Loan banks. In view of the shortage of houses estimated at something like 1,000,000, the demands on the Building and Loan Associations are likely to be heavier than ever before. Increases in building operations for April were so marked that the business of the associations in certain parts of the country was reported to be of unusual volume.

CHECKS DEATH RATE 40 MINUTES

WHAT COUNTY'S QUOTA OF \$2000 WILL DO TOWARD RELIEF IN ASIA MINOR

W. F. Stator, of Union, who is treasurer of the Union County 25th Victory War Fund, sends to the Observer a letter of appreciation which he received in acknowledgment of the payment of Union county's quota for Armenian and Syrian Relief. The letter which is signed by Ben Gilling, of Portland, state treasurer of the relief fund is as follows:

"Please express to the people of Union county our sincere thanks for their remittance of \$2000. Union county's quota for Armenian and Syrian relief. This happens to be

Farmers Union Picnic May 24th.

ALL DAY, AT

Imbler, Oregon

A. V. SWIFF, Vice-President National Union, J. J. BROWN, President Oregon Farmers Union, W. W. JARAIL, of Tri-State Board, WALTER M. PIERCE, of Union County, —Speakers.

All Farmers' Union Members are requested to be present

A good time for all. Have questions of importance to Farmers Discussed.

Less Than 4,000 Yanks Lost Arms or Legs

Washington, D. C.—Nearly 4,000 officers and enlisted men in the American expeditionary forces lost arms or legs in the war with Germany, according to statistics furnished by the bureau of war risk insurance, which is now interested in bringing about changes in the law fixing compensation for maimed soldiers, sailors, and marines.

Word comes today from the Caucasus that to the horror of typhus, typhoid and starvation, epidemics is now being added, while the weakened condition of the people and the lack of sanitation among the huddled groups of refugees will make them an easy target for cholera during the summer. No wonder that my fellow-countryman, Ambassador Morgenthau, says this is the greatest horror in history.

The other side of the picture is that Ambassador Morgenthau also says that we have kept the American race from extermination and that the hope of the future of Turkey lies in this "resourceful, energetic people. The work has been done at great cost. Twenty-six Americans have cheerfully laid down their lives for the privilege of distributing American bounty, and the 300 who remain, I know they are taking their lives in their hands."

TIPS PUZZLE FOR RICH GIRLS

Canteen Workers Don't Know What to Do When Officers Slip Them Quarters.

New York.—Young women of rich families who serve the officers' canteen at the Pershing club of the war camp community service, Forty-fourth street and Madison avenue, are perplexed as to what to do with the tips sometimes left by officers.

How to act when an ensign or lieutenant hands one a quarter is a puzzle that has put wrinkles on the brows of several of the Junior League members who wait on the tables. They do not wish to humiliate an officer by refusing his well meant gift, but of course it is impossible to accept it. Many of the young women have fathers who could buy at least one battleship apiece.

The trouble reached its climax recently. An embarrassed ensign left the canteen after presenting two thin dimes to the daughter of a steel king. Puzzled at her manner, he sought information from the woman in charge. "I hoped that swell looking waitress 20 cents and she seemed but out," said he. "She got all flushed. Wasn't it enough?"

"Not enough to buy her poor dog a bone," was the answer. "She drives her own car and has an income about equal to the president's pay. She's a volunteer worker."

Light dawned on the boyish naval man and he stroked for the door, muttering something about never tipping another waitress.

WANT SOLDIERS TO PAY BACK

War Risk Bureau Not Relieved From Pressing Claims on Over-payments.

Washington.—The war risk insurance bureau is not relieved from seeking reimbursement in cases of overpayment of allotments to soldiers, sailors and their dependents, the bureau announced. In a statement the bureau says that under a recent interpretation of the act of congress approved last February 25 and known as the Treadway act, it must continue to demand reimbursement in cases of overpayment by duplicate checks, payments continued beyond the date of a man's discharge from service, death, desertion or overpayments due to change of status of the allottee. All such cases, it is stated, do not come within the provisions of the Treadway act.

The Observer furnishes and prints Butter Wrappers.

Advertisement for Silverthorn's Family Drug Store, La Grande, Oregon. Features fresh canned goods, experienced carpenters, and fine enlargements.

Advertisement for Western Electric Power & Light, featuring an illustration of a power plant and text about farm electricity.

Advertisement for Nash Electric Company, featuring text about farm electricity and contact information (Phone Black 451).



Advertisement for La Grande Milling Co. featuring 'Blue Stem Flour' and 'Where Quality Is Paramount you will find'.

Advertisement for La Grande Investment Company, featuring 'An appeal' and details about a property at No. 1208 Monroe Avenue.

Advertisement for Dutli's Bakery, featuring 'Let us BAKE for you' and listing products like pies, cakes, doughnuts, and cookies.

Advertisement for 'The Modern Laundry' featuring 'Service---' and 'Our undivided attention given to Laundry Work---'.

Advertisement for 'Indorsements' listing various organizations like The State Federation of Labor, The Central Labor Council of Portland, etc.

Advertisement for Roosevelt Military Coast Highway, featuring 'Vote 310 X Yes' and 'Oregon's Road to Prosperity'.