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SHOULD NOT ASK FOR PAR COLLECTION

FEDERAL RESERVE BANKS NO RIGHT TO INSIST THAT MEMBERS GIVE PAR

FORTY-THREE GEORGIA BANKS STARTED SUIT

Supreme Court Gives Ruling Today; Plaintiffs Insisted That Federal Reserve Institution Was Compelling Them to Join Reserve System

WASHINGTON, May 16.—The federal reserve banks have no right to insist on par collection of checks of members of banks the Supreme Court has ruled.

Authority of the federal reserve bank of Atlanta, Ga., to insist upon par collection of checks drawn upon non-member banks was at issue in the suit brought by more than 40 state banks of Georgia in conjunction with the American Bank and Trust Company of Atlanta. The plaintiffs insisted throughout the case, however, that behind this issue was an attempt of the Federal Reserve Institution to compel them to join the reserve system.

Injunction Was Sought
An injunction was sought to restrain the Atlanta reserve bank from collecting non-member checks in any manner "except through the usual and ordinary channels through correspondent banks and clearing houses." It was denied and the case brought on appeal to the Supreme Court.

Counsel charged that a carefully planned campaign had been decided upon by the Atlanta Federal Reserve bank and that the very existence of the state banks was threatened. Checks drawn against them were to be held until a large amount had accumulated. It was asserted, and then a demand made for the entire amount "over the counter," or such checks in large amounts were to be sent through the local postmaster for collection without notice, all for the one purpose of embarrassing the "hold-outs" from the reserve system.

Denied Illegal Act
The Atlanta Reserve Bank denied that it intended any illegal act. The Federal Reserve Act prohibited the payment of any collection charges, it averred, and left it with no alternative except to proceed in the manner complained of by the non-member banks. A further defense was offered in the fact that universal par collection of checks would result in the annual saving of more than \$70,000,000 to the public.

The case constituted the first concentrated attack upon the reserve act and was argued in April, 1921.

NEW CHAPEL IS DEDICATED

The fine new chapel at the Summerville cemetery was dedicated yesterday afternoon with fitting exercises. Work has been progressing on the chapel for the past several months, and the finished product which was opened to the public yesterday, was indeed a thing of beauty long dreamed of, completed.

For many years, an annual supper has been held on Decoration Day at the hall in Summerville for the purpose of raising money to improve the cemetery. For many years, the need of a chapel at the cemetery itself has been felt, and the crowning effort was reached yesterday when the key of the new building was presented to the officers of the Summerville cemetery association for safe keeping. The officers are Bill Glenn, president; Claude Hale, treasurer, and Alex McKenzie, secretary.

Rev. George R. Archer, of North Powder, formerly pastor of the church at Imbler, gave the dedication address, while Rev. James A. Smith, pastor of the Presbyterian church at La Grande, gave the presentation of the piano to the chapel. The piano was given to the chapel by Mrs. Lella Graham, having been her daughter, Kathleen's.

Rev. E. J. Huston, pastor of the First Methodist church of this city, acted as chairman of the day, while several other ministers officiated at the exercises. Musical selections interspersed the addresses.

A large attendance, not only from the lower end of the valley, but from La Grande and vicinity, attended the exercises.

PROHIBITION AMENDMENT IS NOT INVALIDATED

WASHINGTON, May 15.—The requirement that prohibition be ratified within seven years by three-fourths of the states doesn't invalidate the measure, the Supreme Court ruled today in upholding the lower court's refusal of the petition for a writ of habeas corpus, asked by J. J. Dillon of

San Francisco. Dillon was arrested while transporting a case of wine. His counsel asserted that section three of the amendment, originally proposed by Senator Harding, placed the limitation on the action of the legislature and, therefore, was unconstitutional.

Report Of Dam Break Denied By City Manager

Rumors that a break had occurred in the Beaver Creek Dam yesterday have no foundation, according to an announcement of City Manager George Garrett this morning. A washout under the pipeline below the intake dam was reported by the caretaker yesterday and following this report the rumors that the dam had broken were circulated.

The water in the reservoir near the city was not let out yesterday as was at first planned when a slight leak developed last week. Even if the pipe-

line should break at the washout there will be ample water in the reservoir to supply the city until the break is fixed.

Today the pumping plant at the river is being put into first class condition so that it can be used in case an emergency should arise necessitating using river water. Mr. Garrett states that this is purely a precautionary measure and that there is no cause for alarm because of the slight mishaps to the system.

SWIFT SAYS KEEP COOL, BE HAPPY

FARMERS UNION MAN RETURNS FROM WASHINGTON

Has Been Back Urging a General Decrease in Freight Rates of the Nation

Arthur Swift, vice-president of the National Farmers Union, remarked today in La Grande as his train stopped to clean up at the largest division point on the O-W. "You people had better keep cool and be happy, for you are not hit half as hard in Eastern Oregon as in many parts of the United States."

Mr. Swift was returning from Washington, D. C., where he appeared before the Interstate Commerce Commission on freight rate reduction for the entire country, and incidentally he thinks the rates are going to be slashed. He says the president and all cabinet members realize things cannot continue the way they are. After making an extended tour through the south and east and returning through the middle states, Mr. Swift is positive that the east and north are much worse off than the western country.

"I tell you the cotton producing section of this nation is a problem right now," he said. "Of course we are having our troubles on this coast, but throughout the nation the farming element is broke financially and it looks to me like it is going to take some mighty fine handling of things to steer past a big crack in events. I am no alarmist, as all my friends know, but the general conditions are mighty gloomy."

Mr. Swift lives in Baker county. He has been connected with national work for the benefit of the farmers for many years.

ELGIN TAKES SUNDAY'S GAME

In a game of baseball between the Elgin and La Grande teams yesterday afternoon Elgin, in her second game of the season, defeated the local team by a score of 10 to 1. Elgin has the best team that has played here in several years, according to fans, and the game was considered a good game although the long end of the score went to the visitors.

Price, who pitched his first game for La Grande, pitched his first game yesterday and for five innings he held his own very well and considering his youth, this being his first game, he made a very creditable showing. Roberts was put to as pitcher in the ninth to replace Price, but was unable to keep the Elgin team from winning.

The line-up of La Grande was as follows: Johnson, c; Price, Rb; Ertz, p; McGinnis, 1b; Workman, 2b; O'Brien, 3b; Hickey, 2b; Rosenbaum, cf; Roberts, Carroll, cf; Childers, lf. The Elgin battery was composed of Chandler, c, and Duffy, p.

GETS DIVORCE FROM HER DUKE HUSBAND

LONDON, May 16.—The Duchess of Marlborough, formerly Countess Vanderbilt, of New York, has obtained her final divorce decree. She charged the duke with desertion and infidelity.

Union Man Here
George O'Connor, of Union, was here yesterday.

U. S. COURT DECIDES ON MANY CASES

ALIEN RESIDENTS HAVE NO RIGHT TO DEMAND ADMITTANCE OF RELATIVES.

CASE OF LEE WON IS SETTLED BY COURT

Estate Tax Provided For in the Revenue Act of 1916 Was Held Valid By the Supreme Court in Passing Upon Special Appeal of Executors of Estate of Late J. H. Purdy.

WASHINGTON, May 16.—Alien residents in the United States have no legal right to demand admittance of their relatives, the Supreme Court ruled in upholding the California decision against Yee Won's effort to bring his wife and two minor children with him on his return to this country from a visit to China. The immigration authorities refused to admit them.

Estate Tax Valid.
The estate tax provided in the revenue act of 1916 was held valid by the Supreme Court in passing upon an appeal of the executors of the estate of the late J. H. Purdy, of New York. The court held that the estate taxes paid under the state laws cannot be deducted from the "net estate" upon which the tax is affixed under the revenue act.

Increased Capital Considered.
The government won in the Supreme Court its contention that increased capital assets must be considered in corporation profits when the taxes are compiled.

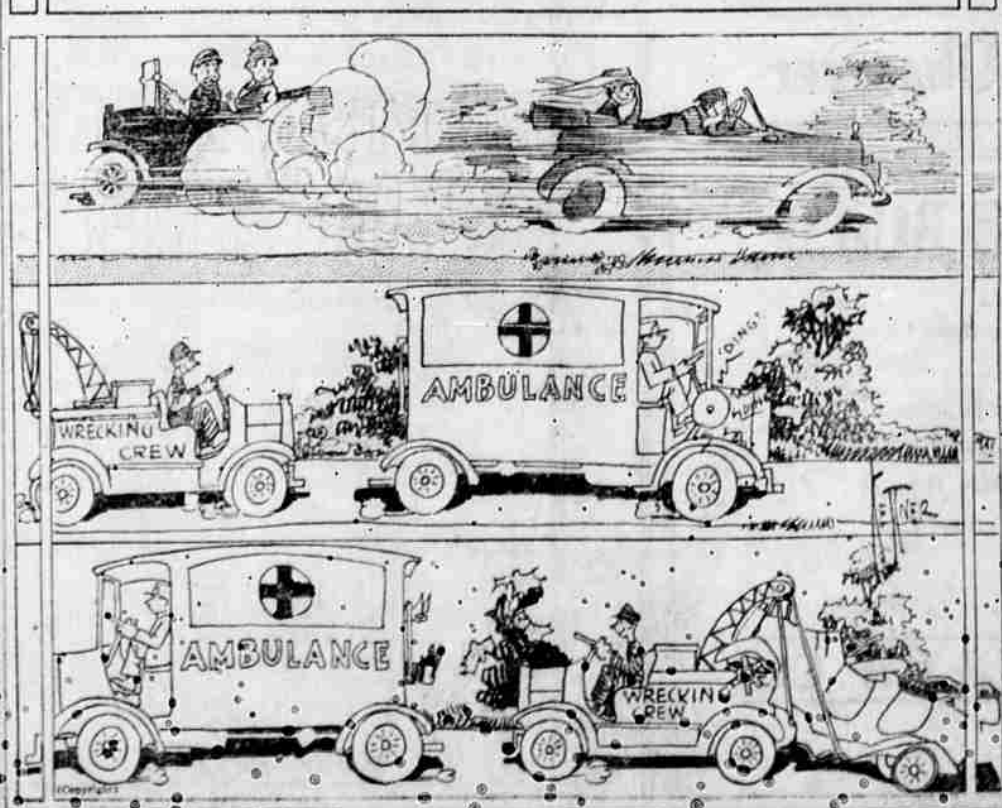
COUNTY AGENTS START ON TRIP

A party of ten Eastern Oregon county agricultural agents left here this noon for Union, where the experimental station will be visited this afternoon. Extensive feeding tests and other tests being made there will be explained to the visiting agents at the station by Robert Withycombe, director of the station.

This evening the party expects to leave for Hermiston and from there will go to More, where the stations there will be visited and experiments being carried on at these stations studied. The purpose of the trip is to acquaint the county agents with the work being done in the interests of better farming at these places so that they can aid the farmers in their counties in applying the results.

Besides the county agents, including Harry G. Avery, county agent for Union county, Professors Potter and Hyslop, of Oregon Agricultural college; L. A. Lindgren, of the extension division of the agricultural college, and F. L. Ballard, county agent leader, were in attendance.

To and Fro



FLOOD THREATENS EAST SIDE OF THE VALLEY

Heavy Rains of Last Evening May Help to Swell the High Waters; Grain Fields, Gardens and Lawns Greatly Benefited by the Showers.

Over where the sentiment was strong a few years ago for a drainage district, so strong in fact, that a drainage district was formed but a later decision stopped its progress, the water from Catherine creek is breaking through the levee and land owners are worried for fear there will be a repetition of some of the old time floods in that part of the valley which devastated districts and ruined crops.

Catherine Creek has been steadily raising for several days and some alarm has been expressed by the older citizens lest a flood should occur. Seemingly, the high water has but started as the snows high up in the mountains have just fairly begun to melt and that is the source of the water supply.

Yesterday was spent by a number of ranchers strengthening levees around land on the east side and this morning it was reported that despite the effort to overcome the flood waters many places showed signs of breaking through.

Although thunder was heard several times yesterday afternoon, and several light showers fell in various parts of the valley, little rain really fell. But later last evening a heavy shower came, which completely soaked the top layers of ground, and a few hours later another heavy shower fell.

People with gardens and lawns were especially pleased this morning, for the soil is wet for several inches. Farmers are also smiling, for moisture means better grain, some of the spring grain being just at the right point where a good rain was needed.

BODIES OF WAR HEROES COMING

Tomorrow morning the body of Josiah L. Brill, son of Mr. and Mrs. H. H. Brill, is expected to arrive to the city. Mr. Brill died overseas, having been a member of Company A, 398th Infantry. Funeral arrangements have not been completed but it is probable that the funeral will be held on Thursday.

The remains of Brill passed through the city last night in a carload containing sixteen bodies, all overseas veterans. At Portland the bodies are being shipped to their final destinations. Among the other bodies in the car passing through here last night was that of Charles W. Cross, of Company K, 398th Infantry, of Union.

PORTLAND MARKETS

PORTLAND, May 16.—All of the local markets remained steady today.

WEATHER FORECAST

Tonight and Tuesday, showers.

SPEND SUNDAY HERE

Adolph Lewin of Union and Al Melford of Hot Lake were here yesterday.

ANNUAL PIONEER DAY IS CHOSEN

EVENT WILL COME JUNE 20 THIS YEAR.

Sons and Daughters of Pioneers Will Meet Wednesday To Plan for Annual Program.

The date of the annual Pioneer Day has been set for June 20 this year. The Sons and Daughters of the Pioneers will make arrangements for the day, and plan to have an excellent program at that time.

For this reason, a meeting of the Sons and Daughters of the Pioneers has been called for Wednesday afternoon at 2:30 o'clock at the Y. M. C. A. Mrs. Grace Powers, head of this organization, requests that every member of the Sons and Daughters organization be present at this time, as arrangements will be completed for the Pioneer Day program.

SAYS BUILDING COSTS ARE OFF

Building costs have gone down considerably, according to C. B. Miller, architect. "It is hard to make an estimate covering everything that enters into the building of a home or business block, but the approximate percentages of the various materials entering into the construction should give the prospective home-builder a fair idea of the saving in building now over that of last year, Mr. Miller declared.

"Plumbing is approximately twenty per cent lower, excavation work is being done at the same prices paid in 1916, this being the low level since then, brick in small quantities is down from \$26 per thousand to \$18 per thousand and the labor in this branch of building has been reduced from \$11 to \$9 per day. Heating is off over twenty-five per cent and I think that a general reduction of ten per cent for residences would be a conservative estimate."

LA GRANDE MAY PARTICIPATE

PENDLETON CLUB IS PLANNING GOLF TOURNAMENT.

Saturday and Sunday, May 28-29 Has Been Chosen As Date For Tournament at Pendleton.

PENDLETON, May 16.—Decision to hold a golf tournament here Saturday and Sunday, May 28 and 29, was made at a meeting of the Pendleton golfists held at the Commercial Association rooms following discussion of the desirability of staging the event.

According to the arrangement made, six clubs will be invited to participate in the tourney. Team scores will count in the winning of the honors, each club being invited to enter an eight-man team. The clubs that are expected to participate are Yakima, Walla Walla, Lewiston, Baker, La Grande and the Pendleton club. A beautiful loving cup will be provided for the winning aggregation.

RULES TEST OF O-W ARE BEING FINISHED

Railroad men having to do with the handling of trains who are now laid off are urged to take the tests on the traffic rule book being given by the O-W, if possible, according to H. L. Buchanan, chief examiner. These tests are required of all men in service and those who are not actually in service now but expect to be in service again should also take these tests, he said.

This is the first test of the kind given since 1914 and the work here will probably take another week. W. A. Barrett is assistant to Mr. Buchanan and L. S. Hanford, a local conductor, is also assisting in the work. The car in which the tests are given is equipped with comfortable bunks for the examiners when they stay at small places where hotel accommodations are lacking. Leather upholstered chairs help make the work easy for the men taking the tests. The tests take nearly all day.

ENTERPRISE MAN IN CITY
F. A. Wagner was over from Enterprise yesterday.

LOCAL TEAM GETS THIRD AT UNION MEET

KINGWELL OF LA GRANDE ONLY MAN MAKING EXCEPTIONAL TIME IN MEET.

PENDLETON TAKES LEAD BY LARGE MAJORITY OF POINTS

Relay Race is Won by Narrow Margin By Pendleton Boys—Unofficial time in Mile is Five Seconds Better Than Official—Superior Material Said To Have favored Pendleton lads.

Although La Grande won third place in the Eastern Oregon track meet at Union Saturday, a local athlete claims the distinction of having made the only exceptional time in any event. Kingwell made the mile in 4:58 2-5, according to the official watches in athletics. Unofficially his time was taken by a number of watches as 4:53 2-5, but this was not recognized.

The relay race proved to be one of much interest and the winners, Pendleton, nosed out the La Grande team by about a yard.

Coach Earl Reynolds, in discussing Saturday's defeat stated that the material at Pendleton was much superior to that of the other schools competing.

The results of the meet follow:
100-yard dash: J. Saunders, Pendleton, first; Dallin, Union, second; Houghan, La Grande, third; B. Warner, Pendleton, fourth; time 10 4-5.

Pole vault: Tulley, Wallawa, first; Savage, Baker, second; Althard, Union, third; Saunders and LaHue, Pendleton, tied for fourth; height, 9 ft. 11 inches.

Mile run: Kingwell, La Grande, first; Wrann, Enterprise, second; Johnston, Union, third; McGrath, Union, fourth; time 4:58 2-5.

Broad jump: Snider, Pendleton, and Ryder, Baker, tied for first; Payton, Baker, third; Horain, Joseph, fourth; distance, 18 ft. 2 in.

High hurdles: Horain, Joseph, first; Jordan, Pilot Rock, second; B. Warner, Pendleton, third; Horstman, La Grande, fourth; time, 13 1-5.

440-yard dash: L. Warner, Pendleton, first; R. Lawrence, Pendleton, second; Christian, La Grande, third; Smutz, La Grande, fourth; time, 54 2-5.

High jump: LaHue, Pendleton, and J. Saunders, Pendleton, tied for first; Horain, Joseph, third; Blakely, Baker, fourth; height 5 ft. 4 inches.

220-yard dash: J. Saunders, Pendleton, first; Cook, Union, second; Dalbin, Union, third; Taggart, Baker fourth; time, 24 2-5.

Shot-put: Blakely, Baker, first; Bean, La Grande, second; Kramer, Pendleton, third; L. Warner, Baker, fourth; distance, 40 ft. 5 1/2 inches.

550-yard dash: Earnhart, Pendleton, first; Theison, La Grande, second; Lawrence, Pendleton, third; Busick, Union fourth; time 2:10.

Discus throw: Ferguson, Pendleton, first; Blakely, Baker, second; L. Warner, Pendleton, third; Horstman, La Grande, fourth; distance, 162 ft. 8 inches.

220 low hurdles: B. Warner, Pendleton, first; Jordan, Pilot Rock, second; Lynch, La Grande, third; Mars, Joseph, fourth; time 28 2-5.

Javelin throw: L. Warner, Pendleton, first; Blakely, Baker, second; Tulley, Wallawa, third; Fong, Baker, fourth; distance, 125 ft. 5 in.

Relay race: Pendleton, first; time 2:40.

Sum: La Grande, 61 1/2 points; Baker 23; La Grande, 20; Union 14; Joseph, 8; Wallawa, 7; Pilot Rock, 5 1/2; Enterprise, 4; Haines and Huntington, no points.

TONY SMITH HAS A FINE LOCATION

After doing business on a side street for a number of years, Tony Smith has moved to one of the most important corner buildings in Union and is stocking a mighty fine store.

Saturday he served coffee and pan-cakes free to all his friends as an opener. The crowd from the track meet proved friendly and Tony was the busiest man in Union.

DRUGGIST SUGGESTED HERE

George Ferguson, who compounds the drugs for Blakely, spent Sunday in La Grande.