

La Grande Evening Observer

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MINNESOTA'S OCCUPATION TAX UPHELD

Supreme Court of United States Finds Law Constitutional Today.

KEEN INTEREST SHOWN IN CASE

Thirty-Seven Companies Controlling Substantially the Entire Output of Iron of State Brought Appeals.

WASHINGTON, May 7.—Minnesota's occupation tax on the production of iron ore mined or produced in that state, was declared constitutional today by the court.

Seven appeals brought by thirty-seven companies controlling substantially the entire iron ore output of Minnesota, challenging the validity of the six per cent tax imposed by the state upon the value of iron ore mined, after deducting production and certain other costs, have presented to the Supreme Court for decision an issue considered of vital importance by the great steel industry of the country.

Keen interest has been shown in the cases generally throughout commercial and industrial circles, due to the belief that upon the outcome would depend in large measure the attitude of other states in the matter of imposing similar taxes.

While the mining companies emphasized the importance of the issues presented to the basic industrial interests of the country, advocates of the tax contended that the cases presented merely questions of fact, and did not directly affect the right of state to raise revenue by taxes upon products of industry. In support of this view they pointed out that the companies depended largely for success upon the contention that under the peculiar conditions surrounding the mining of iron ore in Minnesota, the tax was a burden on commerce and a restraint of interstate commerce. A decision, based on that premise of the cases, would not, it was insisted, be a controlling precedent elsewhere.

SUPREME COURT HEARING

WASHINGTON, May 7.—The United States can compel masters of arriving vessels to submit manifests showing all articles aboard, including those whose importation is prohibited, the supreme court heard today in a case brought by the government from Washington State against Wesley L. Sisco.

RUSSIAN PRIEST NOW INSTALLED

MOSCOW, May 7.—Clad in a glittering robe and mitre of white, red and gold, the revolutionary Priest Vedenky was installed by the all-Russian church convocation Saturday as archbishop of Moscow.

Three bearded metropolitans in purple and gold and five bishops wearing striking robes participated in the ceremony which followed the ritual used by the church for centuries, including the use of holy wafers, the play of the crosses and all symbols of the old orthodox. The new archbishop is the man who conducted the prosecution which brought about the unfrocking of Patriarch Tikhon and who some months ago was stoned by women in front of his Petrograd church for his efforts to overthrow the old religion and accept the Communist revolution as a step toward a new Christianity.

Vedenky, with his eyes closed and his hands folded, made a dramatic speech to the convocation in which he declared that "the church must break with its old traditions and associate with the new social instruction." He told the assembly that, when young, he had studied anti-religious philosophy and had tried hard to become an atheist but that his faith was too strong.

Weather Forecast

Portland, May 7.—Generally fair tonight and Tuesday.

Greenwood and Riveria Grade School Children Will Present Operetta

"Rumpelstiltskin" an operetta, featuring 180 grade school children from the Greenwood and Riveria schools, will be presented to the La Grande play loving public May 11 and 12 in the high school auditorium. The operetta is the only one of its kind to be given in La Grande for many years. Rehearsals are being conducted regularly under Mrs. Dallas Green's charge. Tickets are on sale at the Glass Drugs.

LA GRANDE IS AGAIN WINNER

Blue and White Team Wins Past County Track Meet At Union Saturday; Priced Better 440 Yard Record.

The Eastern Oregon track and field meet hasn't got a thing on the Union county track meet held at Union Saturday. Better time was made in several events than in last year's classic and the meet Saturday will go down on the records as being the fastest county meet held in this district. The final score left La Grande winner, with 96 points, Union second with 40, Wallowa third with 9 and Imbler in the cellar with two markers.

Under a warm sun about 100 high school athletes gathered in the Stock Shew city and from the first event, the hundred yard dash, until the final relay, the meet was conducted with a snap and vim that left little to be wished for. Another feather in the cap of Superintendent Roy Conklin, of Union, who was in charge of the meet.

Larson Wins Century

Exactly at the stroke of two, the starters of La Grande and the century track, which was in excellent shape, towards the finish. Larson, of La Grande, breasted the tape with a safe lead, running it in 10 2-5 seconds. Three timers snapped him each time coinciding. Price and Steinbeck, of Wallowa, placed second and third, and Olson, of Wallowa, placed fourth.

Bates a Winner

The second surprise of the day came in the next track event—the mile run. Bates of Union a darkhorse that proved to be a phenom, took an early lead and was never headed. Running like clockwork, he cut off the mile in the fast time of four minutes 50 2-5 seconds, just four minutes and 2-5 seconds slower than the Eastern Oregon record.

Not only did Bates spring through the mile for a new Union county record, but he also took the half with a margin from Jacobson of La Grande, in the fast time of 22 minutes 7 3-5 seconds. It looks as if Bates is a sure thing in the Eastern Oregon meet May 12, in both events.

Larson High Point Man

Larson, of La Grande, was high point man of the meet. In addition to winning the century, he easily took both hurdle races, the clock catching him at 17-7-10 seconds in the 120 yard high hurdles, and at 27 3-5 seconds in the low hurdles. Larson likewise heaved the shot for five points, sending it 40 feet 6 inches. He placed third in the discus and was a member of La Grande's relay team, making his total points 221.

220 Dash Fast

Steinbeck, of La Grande, was another darkhorse that materialized. He took the 220 yard dash, after getting a poor start, in the fast time of 23 3-5 seconds the best time made this year in that event. Steinbeck is a junior and he comes first in the 220 only did he place first in the 220 dash but he was third in the century and second in the 440 yard dash.

Beats 440 Record

Captain Price made the best showing of the day when he won the 440 yard dash in 53 1-5 seconds. The 140 yard Eastern Oregon record, set by Landreth, of Union, in 1915, is 53 3-5 seconds, which Price bettered by fractions. Price's mark cannot be accepted as an Eastern Oregon record but stands as a Union county mark. With a good day, he should shatter Landreth's time, at Baker Saturday.

Zundel Wins High Jump

Another surprise came in the high jump. Zundel, of La Grande, who entered high school from the eighth grade at the beginning of the second semester, leaped 5 feet 3 inches and took first.

The Blues were weak in the javelin Saturday, Blacker, of Union, winning first and Crossland of Union winning second. Place, of Wallowa, placed third. La Grande only getting one point in this event, Hummel doing the deed. Blacker's throw measured 130 feet 5 inches.

Stager Wins Discus

Stager, of La Grande, won the discus with a husky heave of 102 feet 11 inches. Smith, Funk, Kerr and Lynch, all of La Grande, tied for the pole vault at 9 feet one inch. They did not jump off the tie, leaving the event unfinished. This was the only event that La Grande made a clean sweep of. Jacobson, of La Grande, won the broad jump easily.

Blues Win Relay

As a final culmination of a perfect day, the Blue and White relay team, consisting of Steinbeck, Smith, Larson and Price, won the last race with

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OFFICIALS SEEKING FORGERS

Checks, Aggregating Over \$1,000,000 Passed Over The Week-End.

CHECK ARTISTS HOODOO EXCHANGE

Worthless Checks, Entered In Stock Exchange, Sent Prices Tumbling Upon Exposure.

NEW YORK, May 7.—Postoffice inspectors today sought check forgers who sent over the week-end nearly 100 checks on Pennsylvania banks, aggregating over \$1,000,000, accompanied by letters to stock brokers in New York, Philadelphia, Boston, Chicago, ordering large purchases of stock.

Prices in the New York stock exchange went tumbling by the report from heavy buying started in the flood of orders backed by worthless checks.

MILLS RUNNING DESPITE STRIKE

While I. W. W. Strike Has Crippled Logging Industry, Mills Are Running.

The I. W. W. strike thus far has not dealt one hundred per cent handicap to the lumber industry of Eastern Oregon as was contemplated. Today the Bowman-Hicks mill is running, the Nibley-Minnough mill at Wallowa is running, the Grande Ronde Lumber company at Perry is receiving logs and will be ready to go in fairly good shape in a day or two.

Forecasts of what is going to happen are many but the fact remains that the woods are not entirely depleted of men and there is hope that a change for the better will occur before matters get any worse.

K. K. K. DECREE SIGNED

(By Associated Press)
ATLANTA, Ga., May 7.—The Imperial Klionidium of the Knights of Ku Klux Klan, is vested with full executive authority over affairs of the organization in a decree signed today by Judge Thomas. The effect of the order is to relieve the imperial wizard of independent administration and executive authority. Under the decree Imperial Wizard Evans is declared to be the chief executive but all his acts are made subject to a two third vote of the Klionidium.

Senior Class of L. H. S. Taking Annual Picnic Up Catherine Creek Today

The Senior class of the La Grande high school, accompanied by several members of the faculty, left this morning by auto for Catherine Creek where they are spending the day enjoying their annual picnic. Ideal weather and a large number of picnickers assure the success of the picnic.

It is customary for each class in the high school to take a day off each year, just before the close of school, and spend it either in the mountains or on the banks of some stream.

Catherine Creek, with its fishing facilities, beautiful scenery and wonderful sites for camping, is an ideal destination for such a trip.

NEW STORE HAS OPEN "HOUSE"

Carr Furniture Company Entertaining the Public At Its Opening.

Back in the commercial circles of La Grande after having lost its store and complete stock of goods by fire last December, the Carr Furniture company today is holding an "open house" for the general public in celebration of the new store opening.

This afternoon many people attended the opening and enjoyed the hospitality of Mr. and Mrs. Carr and this evening the store will be open to renew the old social ties slightly severed by the fire being forced to cease business in La Grande during the purchase and installation of the new furniture stock. The public is invited to visit the store during the evening. Mrs. J. C. Henry, owner of the building occupied by the furniture company, is the guest of honor and she is thoroughly enjoying meeting her old friends.

Charles Rome, formerly head of the furniture department of Olds, Wortman & King of Portland, has associated himself with the Carr Furniture company and in the future will be permanently located here. He is rated as one of the first-class furniture men on the Pacific coast.

FRED JANSEN IS CALLED BY REAPER

Fred Jansen, aged 72 years, passed on in La Grande Sunday morning at 12:30 o'clock at the close of a long illness. His death came as a sad shock to his many friends and to his wife, who are overcome with grief at his demise.

Mr. Jansen has made his home in La Grande for the past 12 years. Funeral services will be held tomorrow afternoon at two o'clock at the L. S. Rohenkamp under the direction of W. H. Rohenkamp company.

THE MARKET

PORTLAND, May 7.—Cattle strong to 50 cents higher, choice steers \$8.75 to \$9.25; hogs one quarter lower, prime light \$8.50 to \$8.85. Sheep strong, eggs unsettled, bids two cents lower; butter steady at an advance of two cents late Saturday.

Chinese Bandits Seize Train, Take Prisoners; One Killed, American Woman Is Released

LADY SERIOUSLY HURT IN WRECK

Mrs. M. J. Donahue Sustains Fractured Skull in Crash On Highway Yesterday; Condition Serious.

Mrs. M. J. Donahue is seriously injured and her husband is slightly injured as the result of an auto wreck that occurred on the highway about midway between Union and Hot Lake last evening at six o'clock.

According to reports Mr. and Mrs. Donahue were driving along the highway and attempted to pass a car, giving proper warning of their intentions by honking the horn. Just as they were about to successfully pass the other vehicle, the car swerved out of the road, Donahue's car striking it in the rear and throwing the latter car out into the loose gravel where the car skidded and turned over.

The occupants of the other car were not injured. Donahue's car was slightly damaged.

Prompt aid was secured and Mr. and Mrs. Donahue were taken to Union and placed under the care of Dr. T. M. Gilmore. About an hour later the Hohenkamp ambulances brought them to La Grande.

REHEARING FOR THE COVE ROAD

Motion Granted for Review of the Case—The Work Awaits Final Disposal.

The celebrated Cove road controversy wherein the county court and the citizens of Cove have taken their differences before the circuit court for decision will continue to be a live matter as the circuit court has granted a petition for re-hearing the case.

In the trial, briefs for the Cove citizens failed to be filed and when a motion for re-hearing was requested it was promptly granted by Judge Knowles.

WHEAT QUOTATIONS

(By Associated Press)
PORTLAND, May 7.—Hard White \$1.31; Western Red \$1.16.

LARGE DAIRY INSTALLED

THE PARK, May 7.—Starting with 40 good cows, it is reported that a dairy of an extensive capacity will be maintained on the Hall ranch, 10 miles east of Union.

Pendleton Debaters Down Union Team; Losers May Enter Contest Is Report

PENDELTON, May 7.—The Pendleton high school debate team, composed of Rex Kramer and Donald Heath, won the Eastern Oregon championship and the right to represent this section of the state contest to be held in Eugene, by defeating the Union team here last evening. Union debaters were Miss Audrey DeLap and Miss Vera Shaw.

Pendleton won by a two-to-one decision. Union had the affirmative on "Resolved, that the United States government should adopt a policy of ship subsidy."

Pendleton debaters opposed this stand. Reports, unconfirmed, from Union, are to the effect that the decision in the Pendleton-Union dual debate will be contested, Union claiming the Pendleton judges were not selected according to high school rulings on the matter.

TRADE OUTLOOK FINDS DIVISION

Some Confident Increased Wages Will Enlarge the Purchasing Power Regardless of Prices; Others Oppose View.

NEW YORK, May 7.—With production still holding at high levels, interest in financial and business circles centered during the past week in the rather pronounced weakness shown by the chief speculative markets.

The average of industrial shares listed on the New York stock exchange declined four points, cotton lost nearly 2 cents, and wheat receded approximately 1 cent.

Among other commodities which show a tendency to decline were copper, lead, rubber and sugar.

In some quarters it was held that the reactions were a natural accompaniment of the slackening of the buying movements which have been so strongly maintained during the early spring.

Opinion Is Divided

As to what will happen next, there is further difference of opinion. Some maintain that consumers will not pay the higher prices. Such persons naturally take a bearish view of the stock market. Others emphasize the point that the more increases will enlarge the purchasing power and demands felt regardless of the higher prices.

As to the stock market itself, it has been apparent that the recent reactions were precipitated and forced by active short selling by an aggressive bear party. It is generally admitted, however, that extensive liquidation was induced. Stop loss orders were caught, work loans were induced to let go. As the week closed a steadier tone was, however, apparent.

Cotton in Slump

Other speculative markets related in sympathy with stock prices. Cotton quotations were at their lowest levels of the year and five cents a pound below the year's peak, raw and refined sugar prices slumped fairly in response to the growing preparation of buyers' strikes and the wheat market was somewhat unsettled because of the conflicting estimates of the "carry-over."

French rejection of the German reparations offer was expected by the financial community and its only apparent effects were a slight reaction to the prices of French bonds and foreign exchange rates. German marks got down to 2000 or 4000 to the American dollar, but rallied later to 90250. British and French exchanges eased slightly.

I. C. C. HEARING NOW ON

(By Associated Press)
PORTLAND, May 7.—Two railroads testified today at the Interstate Commerce commission will make hearing that wool shipments by rail. They contended that rail lines should have an equal amount of traffic.

LILLY PUTS UP ELECTRIC SIGN

"And the Lord said there should be light," remarked Frank Lilly today as he directed the installation of a new electric sign over his hardware store. "I believe in plenty of light," said Mr. Lilly, "it is the thing these days and I would like to see Adams avenue doubly lighted making it a great white way. La Grande is going forward every minute and the more light we can all add to the streets the better the old home town will look."

150 Captives Are Taken

U. S. State Department Is Officially Made Aware Of Affair.

CHINESE-AMERICAN FRIENDSHIP MENACED

Good Relations Between Peking Government and United States Are Apparently Strained.

(By Associated Press)
WASHINGTON, May 7.—The situation is apparently regarded as seriously menacing to the good relations between the United States and the Peking government in China desired by American Minister Schurman, is the first official report to reach the state department regarding the capture of American citizens by bandits near the Shantung border.

War Department Willing

WASHINGTON, May 7.—Assistant Secretary of War Davis announced after a conference with Secretary Hughes, that the war department was ready to back up any decision of the state department and the council of foreign ambassadors at Peking for action against Chinese bandits.

PEKING, May 7.—Reports from the Shantung border where 1,000 bandits yesterday seized a train and took captive 150 passengers indicated one foreigner, a British subject named Rothman, killed, and a number of Americans, probably all men, were in peril, as the brigands would kill their captives unless pursuing troops were withdrawn. Robert Scripps, American newspaper publisher, Major Pinger, and two American officers, named Roland and Allen, all in the Philippine service, are among the captured.

The outlaws, after derailing the train, fired the coaches, robbed passengers and dragged them brutally away. Major Pinger's two sons were also captured and Mrs. Pinger was released by the bandits because she could not keep up with them as they fled.

MAY USE YANK TROOPS

WASHINGTON, May 7.—The sending of American troops to secure the release of Americans held captives was suggested today. More than 700 Americans stationed at Tientsin and a marine detachment at Peking could be ordered by the President to pursue the bandits, officials believe.

PEKING, May 7.—One foreigner was killed and 150 passengers were carried off when bandits held up the Shantung-Peking express train on the Tientsin-Pukow railway near the Shantung border this morning, according to reports received here late Sunday. Miss Aldrich of New York, daughter of the late United States Senator S. W. Aldrich of Rhode Island, and sister-in-law of John D. Rockefeller, Jr., was among the passengers. Her fate is unknown.

The foreigner killed is believed to be a Russian. The minister of communication late Sunday telegraphed General Tso-Kun and the civil and military governors of Shantung asking that troops be sent to surround the bandits. The express train was northbound from Sochow when it was captured.

AD CLUB MEETS TUESDAY NOON

Howard Stoddard, who has just returned from Germany and Switzerland, will be the main speaker tomorrow at the weekly Ad Club luncheon to be held in the R. O. hall with the South Methodist ladies, entering. J. G. Snodgrass will serve as chairman. Jones's orchestra will also present several numbers, as follows: Violin solo, "Avantasia" by Raff; E. J. Lind-say; piano solo, "Jazzmania" by Green; by Abbie Green; overture, "Merry Wives of Windsor" by Richard Strauss; orchestra, "Arabian Nights" by Dvorak; by F. L. Robinson and Andrew Lamb.

THE GREAT AMERICAN HANDICAP RACE

