

URGES FEDERAL WAR INSURANCE

Conference Will Present Bill to Congress for Action.

Financiers Join in Advising Solution of Food Exports and Foreign Exchange.

Washington, D. C.—Government insurance against war risks of American register ships and their cargoes was the solution offered Saturday by 62 representative business men of the country for the stoppage of American overseas commerce because of the European war.

The proposal was made in definite form after an all-day conference presided over by Secretary McAdoo, of the Treasury department, who called the meeting. Practically all of the largest banking and shipping interests in the United States were represented.

The conference appointed a committee of 12, headed by Seth Low, president of the National Civic Federation, to remain in Washington and advise with the governmental departments and committees of congress during the framing of legislation believed necessary to relieve conditions produced by the war abroad.

The committee began drafting a bill to be presented to congress at once and pressed for passage, with a view to having a government insurance bureau in operation as soon as possible after the pending measure modifying restrictions on American registration of foreign-built ships goes into effect.

To insure freedom of discussion, the conference was held behind closed doors, but the resolutions adopted and some of the proceedings of the conference were made public in a statement issued by Secretary McAdoo.

The statement declared it to have been the consensus of opinion at the conference that with enlarged registry of American ships and action by the government supplementing what private companies might do in connection with the insurance, the question of exports of grain and cotton and of foreign exchange would readily solve themselves.

Many speakers, including J. P. Morgan, James J. Hill and other financiers, pointed out the fact that England, France and Belgium already had provided for government war insurance for their merchant shipping. Against this action, they said, the United States would be helpless, as no ships would pass under the American flag with the passage of the proposed registry law unless their owners were assured of insurance under the Stars and Stripes.

The result would be a foreign monopoly of sea transportation, they predicted, and the fixing abroad of the price at which cotton and wheat should be sold.

JAPAN TO FULFILL ITS ENGLISH TREATY PLEDGE

London.—The Daily Telegraph learns from a diplomatic correspondent that the Japanese government intends to carry out to the full its obligations under the Anglo-Japan treaty.

The correspondent says that the Japanese navy has put to sea and will cooperate with the British fleet in taking effective action against the enemy's ships in the Pacific.

Food Price Inquiry Begun by State and Federal Forces

Washington, D. C.—Legal forces, state and Federal, all over the country, got into action Saturday, carrying out President Wilson's suggestion for an investigation of whether food prices are being artificially increased on the pretext of the European war and for criminal prosecutions, if that is found to be the case.

The national capital led off the campaign with a grand jury investigation, to which commission merchants, wholesalers, retailers, buyers for hotels and restaurants were subpoenaed and citizens having evidence were invited.

Reports of other investigations beginning in many localities by United States attorneys and state and county authorities began pouring into the attorney general's office.

Special agents of the department of Justice began their search for evidence of manipulations or other methods of price fixing.

Prisoners of War Arrive.

Paris.—German prisoners have arrived at Nantes, which gives color to the reports that France intends to keep them in one of the numerous islands off the south Breton coast. The Petit Journal says that Belgium, owing to the smallness of her territory, is asking France to take charge of 2000 German prisoners.

Russians Repulse Austrian Foes Along Frontier

London.—Apparently reliable and authentic information comes from St. Petersburg that Russian arms have been successful both along the border within Russian territory and in East Prussia, at a point occupied at the very beginning of hostilities by a force of the Czar's troops.

The Austrians have suffered a check on the Dniester River. Four regiments of Austrian infantry and eight regiments of Uhlans were routed.

The approaching big battle probably will be a decisive one. An attempt by the Germans to occupy Eydtkuhnen, East Prussia, one of the points to which Russian troops were dispatched early in the war, has failed. The Germans, consisting of a detachment of infantry, with artillery, were repulsed with loss.

It is announced officially at St. Petersburg that German aeroplanes have been carrying out extensive maneuvers along the Russian frontier, but have done no damage.

A Berlin dispatch to the Daily Telegraph says the German staff admits heavy losses on the Russian frontier. The German troops near Mulhausen captured 10 French officers, 500 men, four guns, 10 wagons and many rifles. According to the report, German territory has been cleared of French.

It is said that at Lagarde the German troops took more than 1000 prisoners, about one-sixth of the two defeated French regiments.

The Austrian troops on the Russian frontier have been placed under the command of a German general.

The news is confirmed that certain divisions of Austrian forces comprising Tyrolean Czechs regiments have been transported to French territory.

England Severs All Diplomatic Ties With Austria

London.—Great Britain has severed diplomatic relations with Austria, as did her ally, France, without a declaration of war. It has been expected that a declaration of war would be proclaimed, but there was none.

Count A. Menzendorff-Pouilly-Dietrichstein received his passports and has left. He is an intimate personal friend of the British royal family and feels his dismissal keenly. He has been in London for 18 years—first as first secretary to the embassy and then as ambassador.

One of the first results of the practical state of war which the severance of diplomatic negotiations brings is likely to be seen in the Mediterranean. An Austrian fleet has been bombarding the Montenegrin coast and a larger fleet has been reported near the Straits of Otranto. It may be presumed that the British Mediterranean fleet, co-operating with the French fleet, will put a stop to the attack on Montenegro from the sea and that a bombardment of Austrian ports may follow.

The break in the diplomatic negotiations between the two countries came as a result of Austria's sending troops to the French border to assist her ally, Germany, against Great Britain's ally, France.

Belgians Whip Germans in Open Field Action

Brussels, via London.—The first battle in open country is reported in the following official communication: "After having passed the night (Tuesday) in the position they had reached after their retreat, the Germans advanced in force toward a point in our position, which they thought was not held.

"Our staff, however, was alert, and, informed by cavalry reconnaissances, was able to give the necessary orders, with the result that the enemy found its advance checked. A battle took place, in which our troops were victorious. Ten thousand men took part in the fight.

"This was the first action of our troops in open country and their conduct is a good augury for the future. Apart from this, the situation to all appearance has undergone no change. "As regards our allies, the plan arranged beforehand is being followed out exactly according to program."

Belgian and French troops have effected a junction south of Brussels. The German advance in the Belgian provinces of Limburg and Brabant has been checked. The Germans are bringing up heavy artillery against Liege.

Captured Germans Are Sulky.

Paris.—Several hundred German prisoners passed through the Champs-Élysées station, near Paris, on their way to Poitiers, where they will be interned. The soldiers seemed quite unconcerned as to their fate. The German officers in the party, however, were sulky.

The untrusting activity of General Joseph Joffre, commander-in-chief of the French army, has won the admiration of his troops. Since the first day of mobilization he has traveled thousands of miles in his motor car and appears to be everywhere at one time. His chauffeur is the famous racing motorist, George Boillet, who three times won the French grand prix.

Germans Hit Own Mine.

London.—It is understood that the German torpedo-boat destroyer reported to have been sunk by the explosion of one of her boilers off South Gedge on August 5, really was destroyed by a mine laid by a German warship. The Danish and Swedish lines, it is reported, ceased running as a result of information that the Germans had laid contact mines in the North Sea.

NORTHWEST MARKET REPORTS.

Portland.

Portland.—There was no material situation at the opening of the week. The exporters are still unwilling to enter the market, and domestic business is of small volume. Speculators would no doubt show more activity if the financial situation were favorable. Prices are more or less nominal, with 86 cents believed to be about the right price for club. Farmers are very strong in their views.

Wheat—Track prices: Club, 86c per bushel; red Russian, 84c; bluestem, 89c; forty-fold, 87c.

Millfeed—Bran, \$23@23.50 per ton; shorts, \$27; middlings, \$31.

Oats—No. 1 white, \$22 per ton; feed, \$22.

Barley—No. 1 feed, \$20 per ton; brewing, \$20.50; rolled, \$22.50.

Hay—Old timothy, \$16@17 per ton; new crop, timothy, \$13 @ 15; grain hay, \$8@10; alfalfa, \$11@12.

Corn—Whole, \$35 per ton; cracked, \$36.

Hop dealers are steadily reducing their estimates of the coming Oregon crop. Some of them now figure the yield as low as 110,000 or 115,000 bales. It is likely that the Pacific Coast will be 50,000 bales short of last year's production.

The market has gained materially in strength, and a strong demand for contracts has developed. Growers are not ready sellers and business is being put through with difficulty. About 60,000 pounds are known to have been signed up in this state and in Washington at 14½ and 15 cents. Dealers were offering these prices in several sections and many orders are known to be unfilled at 14 cents.

Hops—1913 crop, nominal; 1914 contracts, 14@15c.

Pelts—Dry, 13c; dry short wool, 9c; dry shearings, 10c; green shearings, 15@30c; salted sheep, \$1.25@1.50; spring lambs, 25@35c; green pelts, short wool, 30@60c; lambs, August take-off, 60@70c.

Peaches were the firmest article in the fruit list. The supply was not large and there was a great demand. The best peaches readily brought 75c cents.

There was a good demand for good cantaloupes, standards and jumbos selling at \$1.25@1.40. Ponies brought anywhere from 50 cents up. Melons were in oversupply and weak.

Grapes were plentiful and sold well. A fancy car came in, Malagas going at \$1.35 and Rose of Peru at 75 cents.

Lemons were strong at the advance, fancy now selling at \$9.50.

The first straight car of new potatoes was received, and they sold well at 4 cents. Tomatoes were weak at 50@65 cents.

Potatoes—Oregon, 1@1½c per pound; sweet potatoes, 4c.

Eggs—Fresh Oregon ranch, case count, 23@24c; candled, 26@27c.

Poultry—Hens, 14@14½c per pound; springs, 15@16c; turkeys, 20c; dressed, choice, 22c; ducks, 10@11c; geese, 10c.

Butter—Creamery prints, extras, 32½c per pound; cubes, 28½c.

Pork—Block, 12c per pound.

Veal—Fancy, 14@14½c per pound.

Cattle—Prime steers, \$7.25@7.50; choice, \$7@7.25; medium, \$6.75@7.50; choice cows, \$6@6.25; medium, \$5.50@5.75; heifers, \$6.25@6.65; calves, \$6@8.25; bulls, \$3@4.75; stags, \$4.50@6.

Hogs—Light, \$8@9.25; heavy, 7@8.25.

Sheep—Wethers, \$4@4.75.

Seattle.

Seattle—Wheat—Bluestem, 92c per bushel; forty-fold, 87c; club, 86c; Fife, 84½c; red Russian, 83½c.

With a small amount of cream coming to the local creameries, the price of the city-churned product has been forced up to 30c and dealers prophesy a slight upward rise above this price within the next week unless the situation changes. Most of the houses are carrying large storage stocks, which will more than carry them over until the cream supply becomes stronger.

Eggs remain at 33c, with little prospect of immediate change. Fresh local ranch eggs are still rather scarce. Cheese is firm.

Dealers are on the lookout for any consignments of large poultry, as the market remains filled to the brim with small hens. There is a decided demand for 4 and 5-pound chickens.

Eggs—Select ranch, 32@33c per dozen; Chinese, 18c; Eastern Aprils, 26@28c; local Aprils, 28@29c.

Butter—Washington creamery firsts, cubes, 28c per pound; do. bricks, 30c; city creamery, bricks, 30c; Oregon, 28c; jobbing, basis, 25½@26½c.

Poultry—Hens, 16@17c per pound; squabs, \$2.50@3 per dozen; 1914 broilers, live, 18@19c per pound; ducklings, 14@15c; old ducks, live, 13@14c; geese, live, 15@16c.

Tacoma.

Tacoma—Wheat—Red Russian, 80c per bushel; milling, bluestem, 89c; club, 85c; forty-fold, 86c; red Fife, 82c.

Butter—Washington creamery, 29@30c; Oregon, 27@28c.

Chinese Republic Appeals to Powers, But in Vain

Washington, D. C.—China has appealed in vain to the powers of the world to enter into an agreement to respect her neutrality.

Apprehensive that she may become involved in the war and that her territory will be seized by Japan and other powers, President Yuan Shi Kai and his cabinet are seriously considering the advisability of mobilizing and making other preparations to defend the neutrality of their country.

It has been borne in on the Chinese officials that they can expect no military support from the American government. Diplomatically we are willing to aid them. But so far as sending ships or troops to oppose a nation which may take action is something the Wilson administration will not do. As a matter of fact, plans have been adopted for withdrawing all our big ships from Chinese waters and assembling them at a strategic point in the Philippines for the protection of that archipelago.

The refusal of the belligerent powers to enter into an agreement "at this time" to respect Chinese neutrality grows largely out of their preoccupation in the existing theater of war and their ignorance of developments that may take place.

If Germany should be victorious, unquestionably she would take the British dependencies of Hongkong and Wei Hai Wei and would lay claim to the British sphere of influence in the region watered by the Yangtze Kiang. In addition, she would seize French Tonquin China and Cambodia and seek to control the French sphere of influence extending over the three southern-most provinces of China. In addition, she would acquire the Portuguese city of Macao. Of course, to do all this, she would have to destroy the Japanese navy, a superhuman task, in view of the fact that first she must vanquish the British fleet.

United States Is Forced to Levy New War Tax

Washington, D. C.—Administration leaders have concluded that additional revenue legislation eventually will be needed to fill the gap in the government coffers caused by the loss of revenue on imports cut off by the European war.

Majority Leader Underwood, of the house, said that he would confer with Secretary of the Treasury McAdoo when the latter returns to Washington, concerning plans and the amounts to be raised.

The ways and means committee, which has charge of all revenue legislation, already has called on the treasury department for a detailed statement of the condition of the treasury and the situation as to reduced import taxes. It was estimated that legislation would be framed which would contemplate a "war tax" of approximately \$100,000,000.

While no definite plans have been determined, it is expected that the tax will take the shape of a stamp impost on malt and spirituous liquors, although an increased duty on leather and coffee may be considered.

In order that revenue legislation might have the right of way whenever it becomes necessary, the house wrote into a special rule giving conservation legislation precedence a clause exempting revenue legislation.

The Republicans in the house have notified Mr. Underwood that while they reserve the right to criticize any revenue legislation offered, they will not resort to obstructive tactics to prevent its passage in an emergency.

GERMAN ARMY CROSSES INTO FRENCH TERRITORY

London.—The Daily Chronicle military expert attaches the highest importance to the British press bureau's announcement that German troops are reported to be entrenching along the line of the River Aisne. He comments as follows:

"This means that the Germans in force have penetrated for a considerable distance into French territory from the Belgian frontier. This invasion is of far greater importance from a military point of view than the French incursion into Alsace.

"The Germans must have penetrated in the rear of the French lines along the upper reaches of the River Aisne. The mere fact of entrenching suggests the presence of a strong body of infantry."

"Airship" Tickets Sold.

Bridgeport, Conn.—Orders were issued by the police officials here for the arrest of a gang of swindlers, alleged to have sold many tickets for \$80 apiece in the Hungarian section of the city for passage from Bridgeport to Hungary by airship route. The tickets are said to have been bought by Hungarians desirous of returning to fight for the fatherland, who were informed that by taking the air route they would escape the perils of the high seas incident to the war.

REFUGEE SHIP REACHES PORT

Liner Arrives With First Load of Stranded Americans.

"No Words Can Exaggerate Conditions," Say Passengers—Baggage Abandoned.

New York.—The American liner Philadelphia, with the first great crowd of Americans who rushed from Europe when the various nations declared war, arrived in New York Thursday night. There were 703 passengers in the cabin and 309 in the steerage.

Virtually all of them were without baggage, many of them without money and all had stories of hardships to tell.

The Philadelphia sailed from Southampton a few hours after England declared war on Germany. The first day out seven French torpedo-boats and three submarines were sighted. One of the torpedo-boats hurried after the American liner, the rest of the fleet following slowly. Finally the torpedo-boat—the B-7—came alongside and ordered the Philadelphia to stop.

The war vessel circled the liner several times, its officers looking closely at the faces of the passengers crowded on the decks. When the French naval officers were sure the Philadelphia really was an American vessel and that the passengers were Americans, one of them shouted in English that the Philadelphia might proceed. The passengers cheered the French ships. The cheer was returned and the tiny war crafts steamed away.

The refugees in the steerage had the freedom of the ship. The men were separated from the women, however, and in some cases husbands were separated from their wives by this regulation. Rather than sleep in the steerage scores of these passengers slept in the smoking-room, on the life rafts, and in steamer chairs. Four persons were in every cabin.

As the Philadelphia neared her pier in the North River the crowd waiting on shore shouted a welcome to the refugees. Then for a quarter of an hour the whole river resounded with cheers.

The regulation preventing a ship which arrives at quarantine after sundown from proceeding to her dock until the next morning, was waived. An hour and a half after she arrived in the lower bay the last of her passengers had gone ashore.

Travelers from Paris told of mobs swarming through the streets, breaking windows and looting German shops. Others told of Germans caught in the French capital and beaten by gendarmes and excited citizens.

The streets near the railroad stations were piled high with abandoned baggage. So great was the rush of Americans from France to England that small steamers in the English Channel, constructed to accommodate from 600 to 900 persons, carried 3000 men, women and children on every trip.

A loaf of bread selling for 8 cents was bringing 22 cents when some of the passengers left Paris. Other food-stuffs were soaring proportionately.

"I met Jack Johnson on the boulevard," said Howard Willett, of Chicago. "His face was wreathed in smiles. Crowds surrounded him asking him to fight for France."

A committee formed on board the Philadelphia with the expressed purpose of assisting Americans abroad issued a statement saying:

"No words can exaggerate the desperate condition of stranded Americans all over Europe outside of England."

Many of the passengers said they had been stopped in Germany and forced to prove that they were Americans and not Englishmen. Others had been stopped in France and asked whether they were Germans. With a few exceptions all were treated courteously when they proved their nationality.

Soldiers were stationed all along the roads and squads of them were guarding every tunnel and bridge. Military guards with loaded rifles were on every railway coach and engine and in all the stations.

Among the passengers were Charles Aldrich and family, of Cleveland, whom some one in London offered \$1000 for their stateroom or \$500 if allowed to travel with them.

John A. Wilson, of Franklin, Pa., President Wilson's cousin, smilingly announced on the pier that he believed he had less money and more summer clothes than any other man in New York. He carried with him a set of golf sticks presented to President Wilson by the City Lunch Club of London and which he was commanded to bring over.

Price of Sugar Soaring.

New York.—The upward tendency of the sugar market continues and new high records were made again Thursday, when fine granulated sugar was quoted at 6½ to 7 cents and centrifugal, .96 test, at 5.88.

Balmoral Offered as Hospital.

London.—King George has offered Balmoral Castle as a hospital for wounded soldiers.