able picture framing.

This is the only store in the

city which does artistic and reli-

Ready to Receive Proposal From Japan.

MAY TAKE THE INITIATIVE

When Port Arthur Falls, Opportunity Will Be Presented.

CLOSE UNION THEN PLANNED

Offensive and Defensive Alliance Will Be Formed, and Supremacy of Both Nations in the Far East Made Certain.

SPECIAL CABLE.

ST. PETERSBURG, Dec. 2 .- A report which comes from an unimpeachable source has reached the Publishers' Press correspondent that Russia is not only ready to receive any peace proposals Japan may have to make, but that with the fall of Port Arthur she will be ready to sue for peace. That is the situation today, notwithstanding the swashbuckling attitude of those who profess to frame the Empire's policy, and will be the situation right along, even if this and subsequent statements to this effect were officially denied. Before the world at large Russia cannot afford just now to appear tired of the struggle and skeptical as to its outcome, but diplomatic circles are permitted to know the truth, and Russia's representatives all the civilized world over have received strong intimations that sincere and authoritative offers of mediation must not be treated lightly in the future.

It is therefore to be assumed that Russia considers that the conflict is entirely hopeless. There are sure to be some Russian victories in Manchuria and the general belief is that they will come soon, owing to the fact that Field Marshal the Marquis Oyama has been compelled to part with large bodies of his men in order to hasten the fall of Port Arthur. But Russia has Far Eastern interests of much greater importance than even the possession of Port Arthur, and as these interests have been attacked in the past by Great Britain and China alike, she is in dire need of an ally. That ally will be Japan, if the plans of today do not miscarry. The battles of today are to be followed by close ties of commercial and political union tomorrow.

Offensive and Defensive Alliance. Naturally, Russia will not consider her friendship a sufficiently great gift to expect the Japanese to refrain from the occupation of Port Arthur, from special rights in Corea, and from other provinces which are set down in the Japanese peace programme today as indispensable. Diplomats here are confident the Mikado and his advisers will take the same view. The strength of the argument that armed peace between the two nations would be a constant menace to the prosperity of both. while an offensive and defensive alliance would assure both a great future is considered incontrovertible. The Czar's advisers know full well that Japan does not trust China and that Great Britain's friendship is believed by many leading Japanese to be the outgrowth of England's hatred of Russia, and not for love of the "little

Details of the plan to be followed in the settlement are not obtainable as yet, but the programme is being worked out with great care, and according to the informant of the Publishers' Press correspondent, provides for all posibilities. It provides for peace by mediation on the part of a foreign power, for peace through a Japanese offer, and for peace by means of a Japanese proposal. The contingencies of Port Arthur's fall, as well as of the rescue of the fortress by the Baltic fleet, are provided for as minutely as are those of victories south of Mukden, but the final chapter of all, the point to which all these lines converge, is an alliance of such ironbound ties that Russia and Japan will stand as one if any other power attempts one step in the Par East which does not equally please tire Czar and Mikado.

Salem Residence Set on Fire. SALEM, Or., Dec. 2-(Special.)-An incendlary attempted to burn Jacob Schind-



Rosenthal's

SOLE AGENTS For Portland

night, but the heroic work of the fire de-partment and neighbors confined the damage to the destruction of the woodshed, in which the fire was started. About two months ago some one set fire to Schindler's dairy barn, causing a loss of \$3000.

INAUGURATED WITH POMP. Diaz Begins His Seventh Term as President of Mexico.

CITY OF MEXICO, Dec. L.—The in-auguration of General Porfirio Diaz, as president of the republic of Mexico for the seventh time, and Senor Don Ramon Corral, as first vice-president. took place in the hall of the Chamber of Deputies under most auspicious cir-

At sunrise today all the artillery stationed in the federal district and also the infantry here and at barracks throughout the republic fired a president salure, and flags were hoisted over all public buldings.

The principal streets and edifices and residences were decorated profusely with arches and national flags, freely interspersed with the flags of foreign nations. One of the features of the street decorations were two allegorical arches over the Paso de la Reforma, the principal street of the capital, rep-

resenting 'Peace' and 'Glory.'
A heavy rain which had fallen the previous day necessitated the postponement of the grand civic and military procession for which elaborate preparations had been

The days was devoted to field sports and merry-making. Tonight there will be music on the various plazas by military bands and an inaugural ball, to which over 1000 persons have received

WILL WAIT ON RUSSIA. Roosevelt Will Not Urge Peace Conference Be Held at Once.

WASHINGTON, Dec. 1 .- Official announcement was made at the State De-partment of Russia's conditional acceptance of the American Government's invi-tation to join the other powers at The Hague for a second peace conference. Russia's suggestion for a postponement of the congress until the close of the war must necessarily delay further steps for the present, for the reason that it is de-sired that Russia shall participate in this conference, and, moreover, several other powers would be unwilling to attend the onference if Russia were not represented.

Russian Press Is Pleased. ST. PETERSBURG, Doc. 1.—There is universal commendation of the prompt-ness with which Russia accepted the American arbitration treaty proposal, but beyond expressions of satisfaction at the fact that it will bind the two countries closer together, the papers induige in lit-

Grand Prize for Bordens. ST. LOUIS, Mo., Dec. 1 -- (Special.) --Borden's Malted Milk received grand prize. Borden Condensed Milk Co. also received grand prize on Eagle Brand Con-

Russian Warships at Tangier. TANGIER, Dec. 1.-Several warships anchored in the bay last night. are supposed to be a part of the Russian second Pacific squadron. MEN LOST

Japanese Casualties for a Day at Port Arthur.

December 10 Is the Date When It I Expected the Capture of the Stronghold Will Be Completed.

LONDON, Dec. 2.—The correspondent at Chefco for the Daily Telegraph says the attack on 203-Meter Hill resulted in heavy losses to the first division of the Japanese stormers. Simultaneously with this assault, the correspondent says, men of the Ninth and Eleventh Divisions ad-vanced and menaced the Riblung and Kekwan forts. It is said, the correspond-ent adds, that within the last 24 hours the Japanese casualties have 15,000, and it is asserted the attacks have been planned to continue until December 10, when it is hoped the capture of Port

NEWS CHEERS THE JAPANESE

Thousands of Recruits Don Uniforms for First Time at Tokio.

TOKIO, Dec. L - General Nogi's telegram announcing the storming and capture of 203-Meter Hill was received with cheers by the Japanese people. It revives the hope of an early capture of Port Arthur proper. The people have never despaired of the success of the besiegers, but the fortitude of the defenders and the prolongation of the siege, which exceeds by months the most liberal preliminary estimate of the time required to accomplish the reduction of this stronghold, have been a source of deep regret, commined with the loss of life and dis-appointments over the fact that the slege has occupied such a large men, decreasing Field Marshal Oyama's strength at a time when he needed every

Today was the date set under the co scription act, when recruits could join the army. Cheered by the news from General Nogi, thousands of recruits throughout the empire marched to barracks and donned uniforms for the first time. Following an honored custom, the relatives of the recruits, carrying flags and banners, escorted the new soldiers to their barracks. In Tokio today there have been scores of little processions esorting detachments of popular con-cripts. The number of men who have scripts. joined the colors today under the con-scription act has not been made public.

BLOW WOULD BE DESPERATE

Russians Are Not Ready to Admit Japanese Have Seized Hill.

ST. PETERSBURG, Dec. 1-The War Office here is not yet prepared to accept the report that the Japanese before Port



LADIES' OUTFITTERS.

FOURTH AND MORRISON

FURS FOR XMAS

The reputation of Silverfield's Furs is established by their absolute perfection in fit, style, quality and workmanship. Our stock is the largest in the West, comprising all this season's best styles, as well as the many exclusive style ideas of our own designer. Practical presents are always appreciated, and it is doubtful if you could purchase a more sensible and lasting remembrance than one of our Fur Garments.

CAREFULLY NOTE THESE UNSURPASSED VALUES \$3.50 Child's Set \$2.65

lar, trimmed with Siberian lamb, and neat flat muff to match, with small purse attached. Grand holiday Sale Price \$2.65

\$6.00 Boas \$3.85

Regular \$6.00 Australian Marten Boas, in sable and Isabella colors, trimmed with six tails; very dressy. Holiday Sale price\$3.85

\$10.00 Boas \$6.95

Regular \$10.00 Sable Marten Long Boa, finished with six large tails, good quality marten and well made. Holiday Sale Price.\$6.95

\$25.00 Boas \$16.85 Regular \$25.00 Sable and Isabella

Fox Stoles and Long Boas, the season's most favored fashions. trimmed with natural tails, dressy and serviceable. Holiday Sale Price\$16.85 \$8.65 Boas \$5.35

White Angora Child Set, with col- Regular \$8.65 Brook Mink Long Boas, a serviceable and stylish garment, trimmed with four full tails and finished with cord and tassel. Holiday sale price.\$5.35

\$15.00 Boas \$9.85

Regular \$15 White Mouflon Boas just the thing for young ladies; dressy and youthful; trimmed with cord and tail. Holiday Sale Price\$9.85

\$18 and \$20 Boas \$13.75 Regular \$18.00 and \$20.00 Sable and Isabella Fox Boas, in the long effect, lined in Siberian squirrel and trimmed with natural tails and cord and tassels.

Holiday Sale Price \$13.75 \$75.00 Coats \$54.45

Regular \$75.00 Nearseal and Genuine Alaska Beaver Coats, cut on the new blouse style and trimmed with handsome gold-braided belt, lined with brocaded silk. An unusual value. Grand Holiday Sale Price\$54.45

SALE OF MILLINERY The greatest millinery special we have ever offered. Our entire stock of Ready-to-Wear Hats, including all our trimmed velvet and fur Hats,

ONE-HALF PRICE

Gainsboroughs, Envelope shapes, etc. Every hat in our stock, including

SUITABLE HOLIDAY GIFTS

Our stock of beautiful and useful articles for the holiday trade is both large and of special merit, as we make a point to keep styles and novelties in all lines that cannot be obtained elsewhere. See our Fourth-street window display of Ladies' Handkerchiefs, Fans, Fancy Combs, Hand Bags and Neckwear.

Ladies \$25 Suits \$16.65 We are placing on sale a special

brown and black cheviots and mixtures, with fitted or loose backs, in the collar and collarless styles; suits we have been selling regularly for \$25.00-your choice during Holiday Sale ... \$16.65 \$7.50 and \$8.50 Silk Petticoats \$6.15

line of Ladies' Suits, in blue, A handsome Silk Petticoat makes a most acceptable Xmas Gift. The line on sale is large and the assortment the best. All made heavy, rustling taffeta, in black, blue, gray, brown and The regular price of these Petticoats is \$7.50 to \$8.50

out overproductions with one sweep.

We bought these suits and coats at about half of what the man-

ufacturers had been receiving for them all season for their dupli-

cates, and if you come today you can have your unrestricted choice

at the same saving. It's a clear case of tremendous sacrifice on the

part of the makers, who were willing to take a loss in order to clear

\$17.50 to \$20 Coats for \$9.98

These Coats are made of excellent kerseys in tan and easter-made in fancy stitched and strapped styles, 36 to 40-inch lengths; some of them have capes, while others are made without. All are lined with satin of excellent quality; \$17.50 to \$20.00 is a very conservative estimate of \$9.98 their value, yet

our price is only. \$20 to \$30 Suits for \$12.75

Tailor-made Suits - made of cheviots, broadcloths and fancy mixed men's wear materials; colors are brown, navy, blue and black, in vestee, coat and blouse styles; some are plain tailor-made, others are fancy effects. None in the lot less than a \$20 value, from that up to \$30 -

choice of the line

Lipman, Wolfe & Co.

We make all kinds of Drapery work. Portieres and Window Shades to order.

Suit and Coat Specials We Offer for Today \$6 to \$12 Hats for We'll confess that the above sounds like a "fairy tale"-but it's

the truth nevertheless. It's emergency selling, caused by the urgent

need of room for the display of Holiday Goods by adjoining depart-

ments. The offering consists of remnants of our best-selling lines,

none were less than \$6, a few as high as \$12, the majority selling

heretofore at \$8 to \$10. We offer for today-

One dred Trimmed Hats and Readyto - Wear

Hats. Included are large shapes sailors, turbans, toques and bonnets, made of finest quality French felts, trimmed with choice ponpons, velvets, etc.; none of them was heretofore less than \$6, from that up to \$12. The entire lot on sale today at only \$1 each. All in all, the greatest millinery bargain of the



Crocheted Silk and Wool Scarfs

Our assortment of Crocreted Scarfs and Shawls of wool, icewool and silk, is now at its best. They lend themselves remarkably well for evening and theater wear. Prices very reasonable, of course. Full assortments of evening shades, as well as white, cream and black.

Crocheted Silk Scarfs, magnificent values at \$1.50, \$2.75, \$3.75 and \$5.

Crocheted Silk Shawl, magnificent values at \$1.75, \$2.25, \$2.75, \$3.50 and \$4.50.

Crocheted Icewool Squares, magnificent values at 75¢, \$1.00, \$1.50, \$2, \$3, \$3.50 and \$4.50.

Shetland Shawls and Squares, magnificent values at 25¢, 65¢, 85¢, \$1.00, \$1.50 and up to \$3.00.

We are displaying in the Notion Store a large variety of

Children's Work Boxes, made of leather, linen, pressed leather-

ette and wicker. We are the only store in the city that shows

Also more elaborate Boxes at 75¢, \$1.00. \$1.25 and up to

PRETTY SATIN LINED BASKETS in an elaborate as-

sortment in different sizes, colors and shapes, varying in price

Fancy Lace Jabots; special, \$1.00, \$1.25 and \$1.75 each.

class Novelty Ribbons, suitable for making opera bags.

New Messaline Ombre and Plaid

Ribbons 30c

We have on display new ombre and plaid Ribbons in all the

We offer at half price a large number of remnants of high-

Music Store

Sale of Standard Music. This edition is printed on the finest paper from new plates with beautifully colored title page. Publishers' price 50c and 60c.

Today Only 5c Each

Beautiful Danube, Cornflower Waltz, Daily Question, Frolic of the Frogs, Fifth Nocturne, Flee as a Bird, Garden of Eden, Home Sweet Home, Kathleen Mavourneen, La Fontaine, Last Hope, Last Rose of Summer, Melody in F, Musical Box, Old Folks at Home, Shepherd Boy, Thine Own, Valse Blue, Palms.



A mighty busy place these days is "Dollyland"-a center of great absorbing interest for every little girl in town. Selling almost as many dolls these days too as we did last year at the height of the holiday rush. Good news spreads fast-we're selling the prettiest Dolls in town, and our prices are much the lowest. Examples:

AT 756-Unbreakable Dolls, light | and dark wigs, 15-inch; real shoes and stockings.

AT 50¢-"Buster Brown" Dolls, including the famous dog

dressed-15-inch.

AT \$1.25—Rag Dolls, light and dark. Can be dressed and un-

AT 89¢-Full joined sleeping bisque head Dolls; real stockings and shoes; 17-inch.

AT \$1.13—Very pretty celluloid-head Dolls—13-inch. Fully dressed; great value. AT 60¢-Fully dressed "Middy"
Dolls-13-inch. Great value for

a collection of these pretty gifts.

taining silk, in colors, seissors,

needles, thimble and button box.

papers needles, colored cotton,

colored spool silk, spool cotton,

button box, glove mending cotton.

Neckwear

19c Instead 35c

lars of Mousseline de Soie, em-

broidered silk and silk with ap-

plique; great variety and great

49c Instead 75c

silver or gold bead embroidery.

silk with faggoting and silk

latest colors and shades.

with applique.

Women's Silk Stock, with

Fancy Embroidered Mull Turnovers, 35c.

Women's Fancy Stock Col-

from 25¢ to \$2.50.

AT 40c-Pretty linen boxes con-

AT 50¢-Box containing four

the money.

cially designed as gifts; useful, therefore very acceptable: Women's pure silk Hose, plain black, extraordinary values, at \$2.00, \$2.25 and \$2.75.

Fine Hosiery

We herewith call your attention to our stock of Fine Hosiery, espe-

Women's pure silk Hose-blackplain tops, with lace boots, splen did qualities, at \$1.50, \$2.25, \$2.75 and \$4.00. Women's allover lace and lace boot

lisle Hose-large variety, exceptional values, at 50¢, 85¢, \$1.25, \$1.50, \$1.75. Women's plain and lace ankle lisle

Stockings, with hand-embroidered floral and other designs; splendid values, at 50¢. 85¢, \$1.25, \$1.50 and \$2.00. Hand-crocheted House Slippers, in

black, red, blue and pink, 98¢. Lambswool Slipper Soles-all sizes -infants' to largest men's sizes.

AT 25¢-Little boxes containing

AT 35¢-Boxes containing scis-

sors, needle, darning cotton and

silk, cotton and thimble.

silk, thimble and bodkin.

darning cotton, colored and black

Children's Fitted Work Boxes In the Men's Store Today

The mercury is beginning to flirt with zero these days, therefore warmer underwear will certainly be in order-the proper



Underwear 95c Special at

If we were to tell the exact truth about the value of this special it would seem like exaggerationtherefore we confine ourselves to a description: Men's natural merino Underwoor of medium weight-shirts have ribbed skirts and silk fronts; drawers, selfbands, double gussets, suspender tapes and pearl buttons also; same in heavier weight.

Underwear \$1.23

Men's natural wool and camelshair Underwear, made like the above, on sale today at the remarkably low price of \$1.23. Equal to the best elswhere sorts at \$1.50 and \$1.75.

Handkerchiefs Are Welcome Gifts

At 25¢ each, or \$1.40 for the half dozen, men's pure Irish linen hemstitched Handerchiefs, unlaundered, have hand-embroidered 25¢ and 50¢.

initial; great value; also two great lines in laundered, all linen, hemstitched Handkerchiefs, with hand-embroidered initials, at

Neckwear Always Acceptable Our assortments of men's Neckwear are now complete, styles

are absolutely correct in every particular, and prices are lower than those asked by other stores-50¢ to \$2.50. We call particular attention to our assortment of English

Squares at \$1.00 and \$1.50-the values are truly magnificent.

Arthur have taken 208-Meter Hill, but if it is officially confirmed, the War Office admits that it will be a desperate harbor. Does Not Expect Fall for Weeks.

blow for the gallant defenders of the fortress. The position commands the harbor and, if the Japanese can mount siege guns on its summit they can force out the Russian squadron or destroy it at its anchorage.

Those familiar with the supporting plans of the forts think it is by no means Port Arthur on the Japan liner Iyo Maru, en route to San Francisco. He expresses the opinion that it will be many certain that even though Russians are forced to retire from 26 Meter Hill, the Japanese can place in position heavy guns against the fire which the other forts can bring to bear on it. Still, the War Office officials rejuctantly agree that such a breach in the chain renders the position actionally critical and though the

such a breach in the chain remers the po-sition extremely critical, and though the garrison might be able to hold out in the Golden Hill, Tigers Hill and Liao Tai forts for some time, it may mark the be-ginning of the end. The War Office is convinced that with the approach of the Russian second Pa-cific squadron the Japanese considered that the elimination of the Port Arthur squadron as a fighting factor was ab-solutely vital, thus accounting for the

Your Liver Will be roused to its natural duties and your billousness, headache and constipation be cured if you take

Hood's Pills Sold by all druggists. 25 cents. reckless sacrifice of life in order to se-cure a position directly commanding the

VICTORIA. B. C., Dec. 1,-Richard Barry, war correspondent for a San Franciaco newspaper, arrived here today from

rection, but border scouts enclosed the Japanese on two sides and routed them, yet before the fortress at Port Arthur can be captured. He has been with Gencapturing ten rifles and several horses eral Nogi's army since August. He says The Russian loss was five killed or wounded. The Japanese loss is supthe Japanese regard the arrival of the Baltic fleet with considerable apprehension, but are making tremendous prep-Japanese Generals Wounded.

TOKIO, Dec. 1 .- Reports from the Japanese army besieging Port Arthur say that Lieutenant-General Thuchiya is among the wounded, and that General Nakamura, the leader of the specially trained body of swordsmen which charged into the Russian forts November 25, was injured in both legs.

Decidedly Heavy Skirmish. MUKDEN, Dec. Le-There was an-othre small skirmish on General Rennenkampff's front on November 30, but otherwise everything remains quiet The weather is warmer and more agreeable. Chinese report that in con-sequence of the inability of the Russian Red Cross Society to obtain sur plies offered in the United States and

se- China, these supplies will be handed ! over to the Japanese for the benefit of an international hospital at Yinkow.

Japanese rear guard to evacuate a pass an international hospital at Yinkow. A decidedly heavy skirmish took place on November 29 on the Russian right between the villages of Chianton and Syaokchet, the latter place being occupied by Russian troops. Several companies of Japanese with cavalry. taking advantage of night, tried to cut

the Russian communication in this di

posed to have been much heavier. Report From Kuropatkin. ST. PETERSBURG, Dec. 1.-General

Kuropatkin reports under yesterday's date the continued pursuit of the Japanese who retreated from Tsinkhetchen.

Wherever you see Schilling's Best

baking-powder flavoring extracts there is fair dealing too.

At your grocer's; moneyback,

The Russians November 24 forced the Russian losses were insignificant. Arbitration Treaty Signed.

STOCKHOLM, Sweden, Dec. 1 .- An arbitration treaty between Norway, Sweder and Belgium was signed yesterday.

Tutt's Pills Cure All Liver lils.

disease by the timely use of Tutt's Liver Pills, an old and favorite remedy of increasing popularity. Always cures

SICK HEADACHE. sour stomach, malaria, indigestion, torpid liver, constipation and all bilious diseases.

TUTT'S Liver PILLS