

CUSTOMS FRAUDS BOARD OF POLITICS

Secretary MacVeagh Finds Campaign Debts Are Paid by Service.

COMPLETE CLEANUP URGED

Treasury Department Head Reduces Estimates by \$55,663,391—New York Sugar Thefts Termed Symptom of Corruption.

WASHINGTON, Dec. 7.—Sever the Customs Service from politics, release it from the payment of political debts, re-habilitate the whole service to law such frauds as were effected by the American Sugar Refining Company in New York, is a feature recommendation made by Secretary MacVeagh, Secretary of the Treasury, in his annual report given out today.

Widespread corruption as exposed in New York is referred to simply as a symptom of a "diseased condition" which, says Mr. MacVeagh, will be cured by "clear-cut measures."

Customs Service Corrupt.

Secretary MacVeagh, discussing the rehabilitation of the Customs Service in progress as a result of the extensive frauds discovered at the port of New York, says:

It is clear that the influence of local politics and politicians upon the Customs Service has been most deleterious and has promoted a laxity and low tone which prepare and furnish an inviting soil for dishonest practices. Unless the Customs Service can be released from the payment of political debts, it will be impossible to have an honest service for any length of time.

He says that the work of reorganization is "not complete, nor nearly complete," but predicts that the necessary prosecutions being made "will lead in the end to the establishment of an administration of the Customs Service that is fit for the government of a great nation."

Retrenchment is the keynote in the estimates of expenditures for the executive departments of the Government made by Secretary MacVeagh for the fiscal year 1911. The total estimates for 1911 are \$671,288,075, which are less by \$5,663,391 than the appropriations for 1910 and \$4,061,850 less than the estimates for 1910. The total estimated receipts for the current year aggregate \$648,000,000 and for 1911 about \$672,000,000, leaving an ordinary deficit for the current year of \$41,078,839 and for 1911 a surplus of \$48,738,446. Adding the payments on account of the Panama Canal and the public debt, the total deficit of the present year becomes \$22,078,839 and for 1911 a surplus of \$711,925.

Government's Ways Better.

Reductions in the present estimates, Mr. MacVeagh declares, result from improved handling of the Government work and the postponement of expenditures which can be delayed in an effort to adjust immediate expenses and receipts. He sounds a warning, however, that the reductions in appropriations will be disappointing unless equal attention is given to other important savings. "Even if our country is rich it cannot afford to be wholly unscientific in its appropriations," says the report.

One of the most important recommendations made by the Secretary is that the tax on bank circulation secured by United States bonds hereafter deposited bearing interest higher than 4 per cent shall be increased in exact proportion to the increase in the rate of interest above 2 per cent. He advises continuance of the rate of one-half per cent on bank circulation based on 2 per cent bonds. Mr. MacVeagh says that if the Panama bonds authorized by the law of August 3, 1906, should be issued at 2 per cent they would have a much better circulation privilege than the outstanding 2 per cent, the tax being only 1 per cent. Mr. MacVeagh would have the rate on the 1 1/2 per cent, otherwise the already low market value of the 2 per cent would unduly decline.

Mr. MacVeagh strongly urges the need of a retiring pension for aged employees, stating that the United States is the only nation that has no general legal retiring pension for the employees of its civil service.

His only reference to the new corporation tax is a paragraph designed to clear up the question of what form of return would be adopted. He says it must be assumed by the department that the single purpose of the law was to tax at 1 per cent the actual net profits of a corporation, as net profits are understood; and that the term "net income" was used that there might be no confusion.

Bank Reform Needed.

The improved conditions in bank examination by the office of the Comptroller of the Currency are noted in the report, but no recommendations are made along this line.

Mr. MacVeagh urges the need of a contingent fund—probably \$100,000—for his department.

Touching on banking and currency reform, Secretary MacVeagh says:

We must have at least the beginning of a permanent currency law. At present we have neither an adjustable currency nor trustworthy surplus reserves, two absolutely essential features of any banking system upon which the finance and the commerce of this great Nation depend. We must secure these essentials—to speak of no others—looked for reform must deal with fundamentals.

Interesting Features Abound.

Interesting features of Mr. MacVeagh's report are found in the abstracts of reports submitted by the heads of bureaus and decisions of the Treasury Department. Striking among these are the following:

The available balance in the Treasury at the close of the fiscal year, 1909, was \$136,375,428.60 or \$118,795,919.63 less than 1908.

Old uncurrent silver coin amounting to \$1,497,000 was melted during the year for coinage.

The mint at Philadelphia is now equipped to manufacture medals for the Government.

Minors of the United States in the calendar year, 1908, produced gold amounting to \$94,560,000 and silver valued at \$28,050,000.

In 1909, 1392 distilleries operated, an increase of 92 over 1908. The production of beer in 1909 shows a decrease of 2,449,672 barrels.

lives during the year, aided 5060 persons, cared for 48 persons in disasters and assisted 156 vessels. Derelicts and obstructions to navigation destroyed by the Revenue Cutter Service numbered 26. Nineteen new issues of counterfeit notes were discovered in 1909. Counterfeit coins and bills confiscated represented \$67,991.42 in value.

RED CROSS TO GIVE MEDALS

Messina Heroes and Turkish-American Relief to Be Honored.

WASHINGTON, Dec. 7.—Immediately preceding the opening today of the fifth annual meeting of the American National Red Cross, the central committee of that organization agreed to recommend to the society the awarding of a number of medals for important voluntary service rendered the American Red Cross during the year.

Those recommended for gold medals for service in connection with the Messina earthquake were ex-Minister Lloyd C. Griswold, Consul-General to Beirut, Dr. P. D. Sheppard, Rev. Stephen R. Trowbridge, Dr. Harry P. Dorman, E. L. Freyer and Miss Anna Davis.

For services in connection with the Turkish-American relief, silver medals were recommended for G. B. Rayndal, Consul-General to Beirut; Dr. P. D. Sheppard, Rev. Stephen R. Trowbridge, Dr. Harry P. Dorman, E. L. Freyer and Miss Anna Davis.

HORSE THROWS JOHN DREW

Actor's Shoulder Fractured When Animal Tramples Him.

NEW YORK, Dec. 7.—John Drew, the actor, was thrown from his horse while riding with his daughter on the bridge path in Central Park today and seriously injured.

UNITED STATES MINISTER TO NICARAGUA ABSENT FROM HIS POST.

H. G. Knowles, U. S. Minister to Nicaragua, is absent from his post.

NEW YORK, Dec. 7.—(Special.)—H. G. Knowles was for some years Consul of the United States at Bordaux. In 1901 he was made Minister to Roumania and Serbia. This year he was transferred to Nicaragua, but before he could get to that country and he remained at home. He is still Minister to Nicaragua and may take his place when order has been restored in the republic.

But it is not unlikely he will be made the head of a commission to inquire into the relations of the United States with Central America.

injured by being trampled by the horse. Miss Drew was holding her father's head in her lap when an automobile party stopped and waited for the actor to the hospital. There the doctors announced that Mr. Drew had suffered a severe fracture of the left shoulder and it was feared he had been injured internally.

Mr. Drew was resting easy tonight. His injuries are serious, but in all probability he will be out in a week or two.

CITY ELECTION IS CALLED

(Continued From First Page.)

ble, lay pipes, the necessary expense to be borne by the fund.

Sinking Fund Created.

One of the chief features of the proposed amendment is that which creates a sinking fund, which, Mayor Simon believes, will pay off all of the outstanding bond issues of the department in 50 years. This section is as follows:

The Council shall annually, in pursuance of Section 235 of the charter, upon the recommendation of the water board, set and establish rates for the use and consumption of the water, sufficient to provide for the expense of maintaining and conducting the water works of said city, and the creation of a sinking fund not exceeding two per cent of the par value of all outstanding water bonds, including bonds hereafter issued pursuant to the provisions of this section, for the purpose of retiring and paying off said bonds, such of which shall be used and applied under the direction of the water board, either to the purchase of any water bonds issued by or due from the city at a premium not to exceed 10 per cent, or to the payment and redemption of any of the aforesaid water bonds at a premium not to exceed 10 per cent, such water bonds when so acquired to be forthwith cancelled and deposited with the Auditor.

Mayor Simon declares that, in his opinion, which is based upon experience, the present law will not work. No progress can be made under its provisions, as it imposes upon abutting property the cost of all small mains, and contractors will not bid on the work, fearing they cannot collect their assessments.

The policy of the administration is to lay water mains and to have all other necessary work done before the laying of hard-surface pavements, and next Summer there will be laid, if possible, 120 miles of various pavements. The Mayor and City Engineer Morris, as well as others who are experienced, declare that, unless the proposed amendment is carried, this work cannot be done, as the Water Board will be powerless to lay the necessary pipes ahead of the improvements.

Issue Is Serious.

"This is a serious and most important matter," said Mayor Simon last night, after having completed arrangements for the calling of the special election. "If the people will give the Water Board an opportunity to make progress in the laying of mains, we can take care of the situation. I believe the electors will pass the amendment without doubt."

Nothing but the proposed amendment, changing the system of handling the water mains, will be submitted at the special election, according to the Mayor. After the Council fixes the date and passes the necessary ordinances this morning, the proposed amendment will be published in the city official newspaper, under provision of the charter.

Ancient buildings or works cannot be restored in Italy without the consent of the government.

Shop Early and Avoid the Confusion, Annoyance and Exasperation of the Last Few Hours

REMEMBER—Only a Few Days Left to Buy Xmas Gifts

Olds, Wortman & King

Storm-swept Portland looks like a genuine New England city, while Portland people are hunting high and low for heavy clothes, warm bedding and comfortable garments. Wednesday's offering is attractive because of the big cut in Furs. Toyland still appeals to the children, while enough other wearables, gifts and specialties are listed to satisfy the demand for mid-Winter staples of every kind. The women of Portland will find several most interesting cold weather bargains in today's advertisement.

ONE-FOURTH CUT ON A SPECIAL LOT OF FURS

The center of attraction for the women Wednesday will be on the Second Floor. The Quality Store's entire stock of Furs has been examined and a very special lot has been selected for a striking reduction. In this lot are Jap Minks, Lynx, Baum Marten and Black Wolf. These include separate muffs and scarfs. The assortment will please the most discriminating shopper and fastidious dresser.

1/4 OFF

Furs included in this sale are regularly priced at prices ranging from \$9.50 to \$250.00. Articles of every kind have been included, such as Collars, Stoles, Capes, Coats, Muffs, Scarfs and Neckpieces of all kinds. The variety selected for this sale is large and bewildering. For the inclement weather, Furs will come in very handy and, thus, the opportuneness of this sale. Goods that are regularly sold for \$9.50 and up to \$250 **ONE-FOURTH OFF**

HALF-PRICE SALE OF SUITS AND OPERA WRAPS CONTINUES WEDNESDAY

See Our Special Toy Values For Wednesday



The merry laughter of happy boys and girls fill the aisles of Toyland on the fourth floor. Hundreds of little folks braved the wind and snow yesterday to wander through the long aisles of heavily laden tables, complete with toys, dolls, banks, games, books and gifts of every kind and description. The genius of toymakers was never so advanced as this season's exhibition displays. Almost everything in the toy line is brand new. The mechanical toys are more mechanical, the dolls more lifelike than ever, and doll furniture as nearly perfect as though dolls were human beings and required as much comfort as the fathers and mothers. A LITTLE TIP: Buy unclothed dolls now, so as to have plenty of time to make dresses for them. The number shown is infinite, with a wide range of prices:

- TEDDY LIONS**
Lifelike and very real. A very popular and lasting toy for the little folks. These come in two sizes:
Small size, regular value 75c, **WEDNESDAY SPECIAL FOR 59c**
Large size, regular value \$1, **WEDNESDAY SPECIAL FOR 78c**
- BOYS' TOOL CHESTS**
Something every boy will demand, sooner or later. These are hardwood chests, measuring 5x5x14 inches.
Regular value 85c, **WEDNESDAY SPECIAL 63c**

- DOLL FURNITURE**
Toy furniture of the most realistic kind—China Closets and Bureaus, regular value 35c, **WEDNESDAY SPECIAL FOR 23c**
Dime Register Banks. These work like a National Cash Register, keeping tab on the pennies and nickels and dimes deposited in them. A new and interesting holiday gift. Reg. value \$1, **WEDNESDAY SPECIAL 69c**
- BLACKBOARDS**
These are metal boards, with map on one side, pencil and paper racks and about 7 feet of drawing copy.
Regular val. \$2.75, **WEDNESDAY SPECIAL \$1.95**

Men's Housecoats \$11.35

Fifty men's House Coats are offered for Wednesday. These are splendid \$15.00 values and are reduced as an inducement to make Wednesday a big day. Regular \$15.00 coats, only **\$11.35**
Our Men's Furnishing Goods Department was never so well prepared as now to supply every possible Christmas want of the menfolks.

NECKWEAR AND GLOVES OF EVERY KIND

We call special attention to a new line of most exclusive weaves in Neckwear, all imported silks. Unlimited opportunity for selection of colors and patterns. These neckties come in a variety of prices from 50 cents up

In Gloves, our line comprises Dents, Fownes and Bacmo. As an inducement, we suggest you take any size you like and exchanges will be allowed after Christmas. Or, buy a Glove order. Fancy Suspenders, Reefers, Mufflers.

1-3 Reduction On Heatherbloom Petticoats

Any Heatherbloom Petticoat in our big stock, black or colors, made with either tailored, shirred or embroidered flounce; all have deep underlay or dust ruffle, either fitted or tape tops. These Petticoats have been regularly sold for \$1.50 to \$6.00, Wednesday.

- ONE-THIRD LESS**
IMPORTANT—Women's French hand-embroidered Night Robes, chemise or Hubbard style, eyelid embroidery or designs in spray or floral effect. Usually \$2.50 to \$27.50.
- ONE-THIRD LESS**
OUTING FLANNEL PETTICOATS. Knee length, pink or blue stripes scalloped or flounced; regular 50c. **WEDNESDAY SPECIAL 39c**
- MISSES' OUTING FLANNEL GOWNS**, white or blue, trimmed in finishing braid of pink, blue or white; red collar and fancy cuff. \$1.00. **VALUE FOR WEDNESDAY 69c**

Opera Glasses at 1/4 Off

As a special inducement for Wednesday, every pair of Opera Glasses, except the Le Maire make, will be sold for one-fourth less than regular prices, which range from **\$2.75 to \$15.00**.

JEWELRY AND LEATHER GOODS IN ABUNDANCE FOR MEN AND WOMEN.

For Women—Beautiful Hand Bags, New Ideas in Opera Bags, Pocket-books, Sterling Silver Toilet Sets, Jewel Caskets, Belt Pins and Buckles, Hat Pins, di-rect from Paris.

For Men—Wallets of every kind, Cigar Cases, large variety; Collar Boxes, Cuff Links and Sets, together with a big list of little novelties that please the men-folks.

Still More News About Real Cut Glass

A host of special bargains listed for Wednesday's special trade. Don't miss them.

- For the convenience of shoppers, we have arranged bargain tables, upon which articles are arranged according to price. All odd lines are quoted at specially reduced prices, as well as a large assortment of seasonable articles.
- WONDERFULLY SPECIAL VALUES ARE OFFERED IN OUR COMPLETE STOCK OF LIBBEY CUT GLASS, SILVERWARE AND BEAUTIFULLY HAND-PAINTED CHINA.**

English Decorated China

From Minton, Royal Doulton, Cauldon and Coalport.

Miss the bargains offered here, and one of the exceptional Christmas buying opportunities will be regretted. Genuine and material reductions are made in almost every line we carry. A few extraordinary instances are quoted:

- TEACUPS AND SAUCERS**
\$16.00 values, special... **\$10.65**
\$18.00 values, special... **\$12.00**
\$22.50 values, special... **\$15.00**
\$24.00 values, special... **\$16.00**
\$30.25 values, special... **\$26.00**
- CHOCOLATE CUPS, SAUCERS**
\$ 8.50 values, special... **\$ 5.65**
\$ 9.00 values, special... **\$ 6.00**
\$12.00 values, special... **\$ 8.00**
\$30.00 values, special... **\$20.00**
- These **HOLIDAY SPECIALS** at reduced prices are sold in complete dinner sets or separate dozens. Place Plates, Bouillons, Ramakins, After-Dinner Coffees, Chocolate, Meat, Fish, Salad or Cake Sets.



Ladies' Neckwear

Phoenix and Wayne Mufflers, known everywhere, in a full and complete assortment of sizes and colors. Just exactly the thing for windy, stormy days. Not at all amiss as an inexpensive and practical gift for Christmas. Everybody knows the special value at our **SPECIAL WEDNESDAY PRICE OF 38c EACH**

Men's Umbrellas

Greatly reduced for Wednesday's showing. Splendid assortment. Will go quickly. Holiday Umbrellas, all silk or union taffeta, fitted with best of frames and a varied lot of attractive handles, such as stag, ivory, sterling silver trimmings and novelty handles. Look at these prices:
Reg. \$ 5.00 to \$ 6.25 vals., Wed'dy \$4.00
Reg. \$ 7.50 to \$10.00 vals., Wed'dy \$6.50
Reg. \$12.50 to \$16.50 vals., Wed'dy \$8.50

EXTRA SPECIAL IN RIBBONS

Many are the dainty little gifts that are devised with the proper use of ribbon. We have a splendid array of ribbons for this particular purpose. All go on sale for Wednesday. There are fancy ribbons for fancy work, plain ribbons, Dresden ribbons, plaid ribbons, moire and taffeta ribbons, all running from 3/4 to 6 inches wide. Regular values up to 35c, **WEDNESDAY SPECIAL, PER YARD 17c**
EXTRA HEAVY PURE SILK RIBBON, Dresden and Persian and long range of plaids and stripes, 4 to 7 inches wide. Regular up to 35c, **WEDNESDAY SPECIAL ONLY, PER YARD 39c**

LADIES' SWISS RIBBED UNDERWEAR

As good as you can get and particularly desirable at this season of the year. Vests, Pants and Union Suits. This Underwear comes in medium and heavy weights. Everything in the line at **WEDNESDAY'S SPECIAL PRICE OF ONE-FOURTH OFF REG. PRICES**. We have a limited number of ladies' one and two-clasp kid Gloves; also 12-button kid Gloves. These are odd lines. There is a very good assortment of sizes. The regular prices of the short Gloves run from \$1.25 to \$1.50, 12-button Gloves up to \$3.50. You see the value in our offering all at **WEDNESDAY'S SPECIAL PRICE OF, PER PAIR 69c**

COLD WEATHER BLANKET SALE

Blanket Weather—Cold nights make one think of warm bedding. This sale of Blankets is especially apropos now.
White, soft, wool Blankets; cozy, comfortable and made with pretty borders. Regular value \$5.50 and \$6.00. **FOR WEDNESDAY SPECIAL ONLY \$4.35 and \$4.95**
Victrola Brown Blankets, very heavy and close woven; easily sold at regular retail price of \$5.00. **FOR WEDNESDAY SPECIAL ONLY \$3.95**

Silk Elastic Belting

A special lot of silk elastic Belting on sale for Wednesday. This Belting comes in plain colors and fancy weaves. There is a very large variety from which to make a selection. Choice is unlimited. Regularly sold for 10c an inch and up, **SPECIAL WEDNESDAY PRICE OF, AN INCH 4c**

Children's Hosiery

We have an extra quality of ribbed silk Hosiery for boys and girls. They are fast black, with reinforced knee, toe and heel. Absolutely the best quality offered in the city. Sizes from 5 to 9 1/2. Regular 35c values. **SPECIAL FOR WEDNESDAY, PER PAIR, ONLY 25c. PER DOZEN, WEDNESDAY ONLY \$1.38**