

WILSON VETOES BILL; SUGGESTS CHANGE

Congress Told Postal Savings Increase Is Worthy With Single Exception.

RESERVE BANKS FAVORED

President Believes Federal Funds Should Remain Under Control, but Would Extend Period for Their Removal.

WASHINGTON, Sept. 11.—President Wilson today vetoed the bill to raise the limit of individual deposits in postal savings banks to \$1000 because it contained a provision repealing a section of the new bank law which provides that Federal funds must be deposited only with members of the Federal reserve system.

The President's message was as follows:

"With most of the provisions of the bill I am in hearty accord. But a portion of section 11 seeks to make a change in the Federal reserve act of last December, which I venture to regard as unwise.

Ultimate Unification Desired. "When the Federal reserve act was passed it was thought wise to make the inducements to state banks to enter the Federal reserve system as strong as possible. It was, therefore, provided in that act that Government funds should be deposited only in Federal reserve banks. The principle of such a provision is sound and indisputable. The money under the control of the Government ought to be placed only in those banks which are most directly under the supervision and regulation of the Congress itself.

"It is my clear conviction, very respectfully urged and submitted, that as a matter of principle, as well as of policy, we should strengthen and safeguard the new banking system zealously with a view to the ultimate unification of the entire banking system of the country under the supervision of the Federal Reserve Board. It would, in my judgment, be a grave mistake to take away any of the benefits or advantages held out by the present law to member banks to enter the system and take them away from the system is about to be put into operation and the promise of the act of last December made good to the banks that have entered.

Amendment Is Suggested.

"I am not insensible of the inconvenience which some banks might suffer if the postal savings funds were withdrawn at this particular time, although the law itself, of course, conveyed notice of that removal fully nine months ago. I am not sure that the Federal Reserve Board would not be justified, under the terms of the law as it now stands, in exercising a certain liberal discretion in determining the time and the view to which deposits should be withdrawn from banks not within the system.

"But, assuming that there has not been notice enough, and that the withdrawal would of necessity be rapid or immediate, I venture to suggest that the otherwise admirable bill which I now return might be amended so as to might, because of the financial circumstances now temporarily existing, be very advantageously amended, to extend for another twelve months the period within which banks not members of the Federal reserve system must surrender the deposits of the Government. "May I take the liberty of suggesting that this be done? It would remove from this bill the only feature which seems to me incompatible with sound public policy."

"WOODROW WILSON."

PRISON GAINED IN HOUR

EMBEZZLEMENT FROM PORTLAND FIRM ADMITTED BY BOISE MAN.

Eugene Henle, Prominent in Commercial Circles, Starts Sentence Before Wife Knows of Arrest.

BOISE, Idaho, Sept. 11.—(Special.)—Waiving all of his statutory rights and within a few hours from his arrest here on the charge of embezzling \$3500 from Bissinger & Co., hide dealers, Eugene Henle had started serving an indeterminate sentence of from one to 14 years in the State Penitentiary today, the announcement creating a sensation as well as a shock to his business associates. He was in the penitentiary before his wife had been notified of his plea of guilty.

Henle was local agent for Bissinger & Co., and was widely known in business circles. He was a director of the Boise Commercial Club and active as one of its workers. Mr. Bissinger, of the firm of Bissinger & Co., is Henle's cousin. Henle was given a free rein to draw on the company's account to purchase hides and furs. It was discovered he drew more than he was entitled to, and that he had expended on behalf of the business.

Bissinger filed the charge of embezzlement against Henle this morning. Within an hour after his arrest he appeared in Justice Court, pleaded guilty, waived all statutory rights, was taken into the District Court and sentenced to serve the indeterminate sentence and was removed to the penitentiary forthwith. He is a German subject, said to be of high connections.

ACCIDENT COMPANY SUES

Stockholders Defendants in Action Asking for Injunction.

Suit was begun against almost 100 stockholders yesterday by the American Life & Accident Insurance Company, which asks that an injunction be granted restraining the defendants from instituting proceedings against the plaintiff on account of stock that has been issued by the American Brokerage Company, which is alleged to have been represented falsely as having been issued by authority of the plaintiff corporation.

It is set up that several months ago the plaintiff corporation decided to reduce its stock 50 per cent and that the defendants were induced to become stockholders in the American Brokerage Company, which it is alleged, has no authority to conduct business in this state and cloaked its operations by hiding behind the American Life & Accident Insurance Company.

Both companies are under investigation by the District Attorney as to whether they are complying with the state corporation laws.

The Asiatic town of Malwacht, on the borders of Russia, is inhabited by men only. Women are forbidden entrance to it.

LATE PHOTOGRAPH OF NEWLY ELECTED POPE.



BENEDICT XV. —Photo Copyright by Underwood & Underwood.

DEEP CUT PLANNED

Mouth of Columbia to Suffer in Redrafted Bill.

PORK BARREL STILL ALIVE

Insistence of Democratic Senators Threatens Whole Measure, While War Revenue Is Expected to Take Right-of-Way.

OREGONIAN NEWS BUREAU, Washington, Sept. 11.—When the rivers and harbors bill is redrafted and reported back to the Senate, the appropriation for the mouth of the Columbia River, which now aggregates \$5,100,000 cash and a continuing contract, will be cut to \$2,500,000, and may be reduced to \$1,500,000. Several members of the commerce committee are insisting that \$1,500,000 in the bill, containing that should be authorized for the mouth of the Columbia.

Senator Chamberlain, who is on the commerce committee, says he hopes to retain the full cash appropriation of \$1,000,000 and also is hopeful of obtaining a continuing contract authorization of \$1,500,000 in addition. He adds that he will fight for this amount.

Other Items to Be Reduced. Other Northwestern appropriations, Senator Chamberlain believes, will not be reduced in amount, but will remain in the present bill. This conclusion, however, is at variance with the views of Senators in charge of the bill, and the intimation is given today that practically all these items will be reduced, inasmuch as any money appropriated now will be for only part of the fiscal year.

Several Senators close to the Administration are urging the advisability of making more than a 25 per cent reduction in the bill, containing the appropriations sufficient to carry on work until next March will be adequate, as it is the intention to pass another revenue and harbors bill at the short session, and that bill, they point out, can be made immediately effective.

"Pork" Threatens Measure.

Thus far the Democratic Senators in charge of the rivers and harbors bill have objected to eliminating "pork barrel" items, and the most they will be willing to do will be to reduce the amounts appropriated for those, as for other projects. If this policy is adhered to Senator Burton and his associates profess ability to defeat the bill. Daily it grows more difficult to get a quorum in the Senate and many Senators threaten to leave by October 1. If the bill is not passed prior to that time.

Indications are that the Senate early next week will lay aside the rivers and harbors bill to consider the war revenue bill, though the Oregon Senators are protesting against this course.

If the revenue and harbors bill is displaced by the revenue bill, and that is understood to be the President's desire, it will be much easier for the opponents of the "pork barrel" items to accomplish the defeat of the entire bill or else force the elimination of the items they are opposing.

FREE TRADE IS CRITICISED

W. D. Fenton Speaks to Realty Board on Business Outlook.

"Though favoring an interchange of trade between nations, I am unwilling to see our people open their doors to all the wares of Europe and Asia, and thereby lose work that belongs to our men," declared William D. Fenton, counsel for the Southern Pacific Railroad Company, in an address before the Realty Board yesterday on "The Business Outlook."

"The people of the United States are

being asked to pay an emergency tax of \$100,000,000 which could have been raised from tariff duties on lumber, wool, sugar and other products. I am not speaking as a partisan but as an individual.

A prominent Portland lumberman told me yesterday that he couldn't market his lumber at a profit of more than 35 cents a thousand because of the competition of Canadian lumber which is transported in ships at one-half the price we pay. We tie ourselves and our own men and then sit around and ask what is the matter.

"Another thing! We must check sentimental legislation. If the laws we have now are properly enforced we have no present need of a state of prohibition that will make a nation and state of hypocrites and increase the revenue of the drug stores. Oregon is now invested with an army of paid advocates of a special cause who are seeking to drag religion into the mire. They are trying to drive out of Oregon an industry that brings \$5,000,000 to this state annually. In the four months and a half that I spent in Europe last year I saw but one drunken man."

Mr. Fenton asserted that he did not believe the war would benefit the United States. He said we would have to pay the penalty for the tightening of finances in Europe, "the cradle of our credit." The most hopeful circumstance, he said, was the fact that there was \$1,700,000,000 of actual gold in the United States, which is more than that possessed by several of the warring countries combined.

In order to bring about prosperous times again we must effect a curtailment of credit," he said. "A spirit of economical and personal extravagance has taken hold of the people. We are disposed to spend the money of the future that is not yet made. In Oregon we have gone the limit in state, county and municipal extravagance. "Personal extravagance also must be checked. Too many spend more than their incomes, and some mortgage their homes to buy automobiles. A tone of idealism is noted in suggested legislation. When the demands of the world require that a man work 10 hours a day it is folly to limit his work by law to eight hours a day. For 20 years I have been working 12 hours a day.

"What we need is more men who are with the world, with their tongues and jaws on the streets of the city as reformers. Oregon should cease to be an experimental station for freak legislation."

Mr. Fenton said that in his judgment the war probably would end before the close of the present year, according to terms of mutual concession. An appeal for funds to help the Visiting Nurse Association in their charitable work was made before the Board by Mrs. R. J. Marsh. Special vocal music was rendered by Mrs. Milton Fisher, Herbert Gordon, president of the Lawyers' Title & Trust Company, presided.

CITY MAY NOT MOVE DIRT

Commissioner Dieck's Plan to Prevent Slides Not Upheld.

When City Commissioner Dieck reported to the City Council yesterday that he had succeeded in securing the consent of all the property owners on Maywood drive to the city removing at the expense of property owners, a large amount of dirt along the drive to prevent dirt slides next winter, the Commission balked at the arrangement.

Believing that the dirt should be removed as a safety measure, Mr. Dieck posted notice on the ground ordering the property owners to remove the dirt, under the "weed ordinance." Commissioner Dieck asked for an appropriation to cover the cost of removing the dirt, the amount to be in the form of a loan to be paid back to the city in installments the same as street-improvement assessments.

J. P. Hyde Will Be Buried Today.

The funeral of James P. Hyde, who died Wednesday, will be held tomorrow morning at 10:30 o'clock from St. Charles Church, 988 Alberta street. Burial will be at Lone Fir Cemetery. Mr. Hyde was born in Portland and was the husband of Minnie Hyde. Mr. Hyde was an ex-fireman and was a member of the Moose and the Red Men's lodges.

Nova Scotia coal mines are rapidly being equipped with electrical machinery.

WOMAN IS BLAMED

Working by Wives Declared Bad for Children.

OPEN SHOP CRITICISED

Los Angeles Employers Testify One Reason for Low Wages Is Inefficiency—Girls Not Serious Between 18 and 22.

LOS ANGELES, Sept. 11.—Despite the fact that the local market is badly overcrowded, conditions among women workers in department stores are above those in many other cities, the Federal Industrial Relations Commission heard today from various witnesses.

Katherine P. Edson, a state industrial welfare commissioner, Arthur Letts, president of the National Dry Goods Association, and W. E. Chamberlain, manager of a local department store, testified that paid in states where it has been fixed by law. As yet no minimum wage law has been passed in California, but one is to be introduced at the coming sessions of the Legislature. It is thought the scale will be between \$8 and \$10 a week.

Lack of Efficiency Asserted. Both Mr. Chamberlain and Mr. Letts explained that lack of efficiency caused wages to remain low for many workers. "The greatest trouble among women workers in this country is lack of efficiency," Mr. Letts testified. "A great many employees regard the years between the ages of 18 and 22 as merely the carrying over period and have marriage as their ultimate aim. If they can earn the money in my store, the sky is the limit."

Neither of the witnesses employs organized labor, but Mr. Letts has a grievance committee among his employees that may present the case of an employee. Both men strongly rebuffed the workmen's compensation act.

Mrs. Edson testified that a contributing cause to social evils here has been the working of married women whose husbands do not earn sufficient wages to pay for homes. Thus, she testified, many children were forced into the streets.

Workers Cowed, Says Witness. "The result of the open shop in Los Angeles has been to produce moral, intellectual and physical coward," Mrs. Francis M. Noel, of the Women's Trade Union League, testified. "The Merchants and Manufacturers' Association has cowed not only the worker but the small merchant."

The witness also testified that the local police force is used to carry out the commands of employers. She cited an instance where she said two policemen and a detective were sent forth to guard a laundry where it was feared five girls might resort to "violence."

"What effect does a woman like this have on people?" Chairman Walsh asked.

"It makes rebels of us," she replied.

At this point a plainly dressed working girl walked down the aisle of the hearing room and, interrupting the proceedings, said:

"Mr. Chairman, I am one of those girls."

The girls, Mrs. Noel said, had been discharged for joining a labor organization. They made no demand on their employer, she added.

MORTON VOTE IRREGULAR

Ballots of Those Who Did Not Register May Be Thrown Out.

CENTRALIA, Wash., Sept. 11.—(Special.)—Due to the fact that none of the voters who cast ballots in the Morton precinct Tuesday were registered and none of the votes were sworn,

NEW YORK RAISES LOAN

HUNDRED MILLION IS PAID SOON AFTER PLAN ADOPTED.

Banks and Trust Companies Subscribe \$98,778,357, Leaving Only \$1,356,000 for Underwriters to Raise.

PAUPER'S PAST BRILLIANT

George Bright, Killed at Hood River, Victim of Rum.

HOOD RIVER, Or., Sept. 11.—(Special.)—Until he was run down and killed Thursday by an O.-W. R. & N. passenger train, local people considered George Bright, who has been a county pauper for the last year, an ordinary pauper.

His death brought to light the fact that formerly he was a resident of Finley, O., where he was a leading criminal lawyer 20 years ago, and was at one time a District Judge stationed at Cincinnati. He also played a prominent part in the politics of the day, having been one of the chief henchmen of George B. Cox. Drink reduced him to poverty.

these returns may be thrown out. The race for Representative is the only one that will be affected, except that John Raught will be given a larger majority for the nomination for County Treasurer over Val Myer.

In the 18 months that Morton has been incorporated no election has ever been held in the town. When the books and records of the various city officials were checked over by a state examiner they advised to order registration books so that the voters could cast ballots this Fall, but the advice was apparently overlooked.

NEW YORK, Sept. 11.—Within a few hours after the board of estimate and apportionment had adopted today a plan for the city to borrow \$100,000,000 with which to pay off in gold a foreign indebtedness of approximately \$80,000,000 and other maturing debts, J. F. Morgan & Co. and Kuhn, Loeb & Co., syndicate managers of the loan, turned over to the City Chamberlain a check for \$100,186,617.

As the loan is of September 1, the extra \$186,617 represents the interest accruing since that date. Banks and trust companies in Greater New York subscribed \$98,778,357, including the interest which left only about \$1,356,000 to be taken by the syndicate managers. Three banks in the city failed to participate because of the three could summon a quorum of its board, owing to the absence of directors from town.

Henry P. Davidson, of the Morgan firm, commenting on the success of the loan, said it was due entirely to National patriotism and to the civic pride of the city's banking community.

DEFENSE PLEA WINS JURY

BAKER, Or., Sept. 11.—John "Scotty" Cosgrove, who stood trial in the Circuit Court for the murder of William Carroll, was found not guilty late this afternoon. The verdict was returned five minutes after the jury retired. Self-defense was pleaded by the prisoner as a reason for killing Carroll. The verdict was received with a great demonstration in the courtroom, which was filled with miners and friends of the prisoner.

RECORD ENROLLMENT EXPECTED

UNIVERSITY OF WASHINGTON, Seattle, Sept. 11.—(Special.)—It is predicted by the administration that the enrollment of the University of Washington this year will reach approximately \$400, or an increase of approximately \$100,000. The initial enrollment of the university freshman class may exceed 1000.

VETERANS TO CONDUCT FUNERAL

SALEM, Or., Sept. 11.—(Special.)—Funeral services will be held tomorrow over the body of John Bain, a pioneer of Siletta, who died here. The Grand Army of the Republic will have charge. Mr. Bain owned a fine timber claim, and is said to be without relatives. If no heirs appear to claim the land, it will revert to the state.

Will America Carry Her Burden?

GREAT BRITAIN and Europe, where productive industry has been paralyzed, have mouths to feed, bodies to clothe, constructive operations to carry through, and a thousand-and-one wants and needs to be satisfied—and Great Britain and Europe look to America in confidence for much of the needed supplies.

It were folly for United States manufacturers and merchants to be downhearted during these terrible times in Europe. A great burden—a great duty—a great responsibility—has been imposed on American manufacturers, merchants, bankers and workers. Shall we shirk this burden, this duty, this responsibility—and fail to reap the opportunities?

What's the Answer?

What's the answer? The answer is simple. It is to produce more goods, to increase our production, to meet the needs of the world.

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