

DEFICIT \$35,000,000; SUGAR DULY NEEDED

Income Tax Proves Big Producer, but Tariff Falls Short by \$82,000,000.

BOND ISSUE IMPROBABLE

Whisky Falls by \$16,000,000 to \$20,000,000 to Yield Revenue of Former Years - Emergency Tax Exceeds Expectations.

WASHINGTON, July 2.—The second business year of the present Administration, which closed Wednesday, showed a deficit of \$25,964,281, compared with a surplus for the year ending June 30, 1914, of \$4,439,298.

Official explanations will not be issued until the figures for the year are analyzed by Secretary McAdoo, but on the face of the records it is apparent that receipts were much smaller, while disbursements were much greater.

Notwithstanding the deficit of the year's business, the treasury now has an actual net balance of \$32,025,716. With such a balance on hand and every prospect that it will be increased possibly by \$10,000,000 in the next 10 days, it is evident that there is no probability of Panama canal or other Government bonds to replenish the coffers for many months to come, it at all.

Duty on Sugar Needed.

Customs receipts for the last fiscal year amounted to \$299,248,107, about \$11,000,000 under the estimates made by Secretary McAdoo several months before the war began, and \$500,000 below the amount received from this source in 1914.

The income tax proved the big producer during the past 12 months. Total receipts up to the close of business last night were \$78,828,878, of which \$36,390,236 came from the tax.

This is more than \$8,500,000 above the total received from the tax last year, and there remains five days of grace in which it may be lawfully paid. Officials are confident that during this period there will be received from income tax payments of \$16,000,000, which will bring the total \$50,000,000 above the amount estimated.

PRELATE ADVISES DEFENSE

Archbishop Hanna Says Peace at Any Price Is Not Good Policy.

LOS ANGELES, July 2.—Archbishop Edward B. Hanna, of San Francisco, in an interview today said "peace at any price" was not a policy the American people should follow in maintaining peace with honor. He said that the nation must be prepared for defense.

TURKS KILL 6927 BRITISH

One Nation's Casualties at Dardanelles More Than 38,000.

LONDON, July 2.—Premier Asquith yesterday said that the British naval and military losses in the Dardanelles were 38,825 officers and men.

WILSON ANNOYER CAUGHT

Polish Editor Arrested for Abusing President by Mail.

NEW YORK, July 2.—Alfonso Chrostowsky, Polish editor, was arrested at his home last night on a charge of sending annoying and abusive letters to President Wilson at Washington.

EXTRADITION IS ASKED

CRIMINAL CHARGES MADE BY GOVERNOR OF SONORA.

WASHINGTON, July 2.—Formal request for the extradition of General Huerta on various criminal charges has been presented to Governor Ferguson of Texas, by the Villa Governor of Chihuahua state.

ICE TAGS SHOULD BE KEPT

New Law for Prevention of Short-Weight Deliveries Effective.

Unless your team leaves a tag telling you the exact weight of the chunk of ice he delivers he is violating the law. The new ordinance requiring delivery slips went into effect Thursday and all ice dealers agreed to comply.

GREEKS ADVANCE ON BERAT

Two Large Bands Reported to Be Occupying Albanian Villages.

ROME, via Paris, July 2.—A dispatch to the Tribune from Antivari, Montenegro, says two large Greek bands are advancing toward Berat, Albania, after occupying the villages along the way.

THREE HURT IN ACCIDENTS

Boy Is Run Down and Motorcyclist and Painter Injured in Falls.

Three persons were injured in a series of accidents early Thursday night.

SCHOOL BOY TAKEN

Offer of \$120,000 for Trades Institution Site Accepted.

DELAY ASKED BY CHAMBER

After considering the purchase of a site for Parham's School of Trades on the East Side for the past 24 months, the School Board was notified Thursday of the acceptance of its offer of \$120,000 to the Anglo-Pacific Realty Company for a tract in Holladay Addition, comprising some 40 lots, but after going into executive session action was postponed.

Veterans Make Plea for More Specific Teaching of History, but Pacifist Objects—Grant for Dental Clinic Referred.

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\$300,000 MORTGAGE FILED

Len Secures \$110,000 Note Issue of Stockyards Company.

Three-year gold notes to the amount of \$110,000, paying 8 per cent, were issued Thursday by the Portland Union Stockyards Company, the Lumbermen's Loan Company taking the entire issue.

Miss Kathleen Lawler Wins Success in Concert.

Portland Vocalist's Appearance on Her Triumphant Stage in Entree Is Delight to Audience.

BY JOSEPH MACQUEEN.
It is rare that any person is honored in his own country, and especially before his own home folk.

Peace and war met in conflict at yesterday's meeting. A delegation of veterans from the Grand Army of the Republic, together with representatives of the Sons of Veterans, called upon the Board and urged that a special department be created for the teaching of history, economics and good citizenship be introduced into the city school system.

MR. BRYAN IS INVITED

GLADSTONE CHAUTAUQUE WOULD BOOK EX-SECRETARY.

NEGOTIATIONS BEGUN, and Officials of Assembly Say They Hope to Arrange for Lecture July 16.

OREGON CITY, Or., July 2.—(Special)—Local Chautauque directors reluctantly admitted tonight that negotiations were under way to secure William Jennings Bryan at Chautauque July 16.

MISUSE OF FLAG PROBED

ISSUE IMPORTANT TO VESSELS ENTITLED TO FLY EMBLEM.

PROTEST TO BE MADE AGAINST COURSE OF BRITISH ADMIRALTY WHICH WAIVES INFLUENCE HAS PROFITS.

WASHINGTON, July 2.—Searching investigation is being conducted by the United States into several cases in which it has been officially reported that British ships flew the American flag apparently to avoid attacks by German submarines.

RAILWAY PROMOTER HERE

S. A. KENDALL, Projector of Roseburg Line, to Begin Work Soon.

S. A. Kendall, of Pittsburgh, who has promised to build a standard-gauge railroad from Roseburg eastward into timber tract in which he and his associates are interested, arrived in Portland Thursday and continued to Roseburg yesterday.

DESTROYER IS DAMAGED

BRITON HAS 14 MEN MISSING; TORPEDO OR MINE PRESUMED.

LONDON, July 2.—The torpedo-boat destroyer Lightning, off the East Coast by a mine or torpedo explosion. She is now in harbor. Fourteen members of the crew are reported missing.

ALIENATION CASE AT END

Sealed Verdict Is Returned by Jury in J. E. Ray's \$23,000 Suit.

A sealed verdict was returned early last night in the case of J. E. Ray vs. Mrs. Ray. The jury returned a verdict for \$23,000 for alleged alienation of affection.

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DRUGS

WOODWARD, CLARKE & CO.

Get Your Films Today and Be Sure They Are the "SPEER" ANSCO.

Reasonable, These! For every 100 National Jolly Covers... \$1.00

Get Your Films Today and Be Sure They Are the "SPEER" ANSCO.

BOYS! ALL OUR BASEBALL GOODS AT "GIVE-AWAY" PRICES.

WE DON'T RECOMMEND "PATENTS" and we don't try to sell you a patent.

MISS KATHLEEN LAWLER WINS SUCCESS IN CONCERT.

PORTLAND VOCALIST'S APPEARANCE ON HER TRIUMPHANT STAGE IN ENTREE IS DELIGHT TO AUDIENCE.

BY JOSEPH MACQUEEN. It is rare that any person is honored in his own country, and especially before his own home folk.

PEACE AND WAR MET IN CONFLICT AT YESTERDAY'S MEETING.

THIS IS WHY LAST NIGHT'S CONCERT WAS SO IMPORTANT, VOICALLY.

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COUPON
Bring this coupon and get 25 extra stamps on your trading stamps on your first \$1 cash purchase and double stamps on the balance of purchase.

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Take Your Stamps Today They Are Cash Dividends to You

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BOYS! ALL OUR BASEBALL GOODS AT "GIVE-AWAY" PRICES.

WOODWARD, CLARKE & CO.

Buy Like Luggage with a Five Year Guarantee! Trunks, Bags, Suitcases. The Highest and Finest Quality of America's Famous Makers.

GENUINE GLUTEN FLOUR, F. & R. FOUR DIABETICS.

GENUINE FLOUR FOR DIABETICS. These Flours are Recommended by the Medical Profession.

Woodward, Clarke & Co., Alder St. at West Park

50c Banitol, 40c
50c Star's Dyspepsia Tablets at 40c
100 Pipe's Lintaph, 70c
25c Morse's Pills, 10c
25c Glycerine and Rose Water at 17c
25c Spirits Camphor, 10c
10c Sulphur Nitro, 7c
10c Concentrated Lye, 7c
10c Chloride Lime, 7c
Cream Tartar, one pound, 5c
10c Soda Bicarbonate, 7c

RESINOL

will stop that itching

If you are suffering with eczema, ringworm, rash or other tormenting skin-eruption, try Resinol Ointment and Resinol Soap. You will be surprised how quickly the itching stops and the skin becomes clear and healthy again.

Outing Suggestions for July

4 Days' Outing \$3.00
July 3, 4, 5, 6 \$3.00

Celebrate at the Beach

Tickets to Garibaldi Beach Resorts on sale July 2, 4 & 5, good for return until July 6, with corresponding low fares to other Tillamook County Outing Resorts.

Regular Season Fare \$4.00—on Sale Daily.

In addition to regular daily service Seashore Special Trains

Leave Portland at 1:40 P. M. daily on and after July 2, and will leave Tillamook on return trip daily on and after July 2.

Newport Will Celebrate Monday, July 5th

With Field Sports, Aquatic Events, Baseball, U. S. Life-Saving Drills, Etc.

Special Round-Trip Fare From Portland, \$4.00

Tickets will be sold July 2, 4 and 5, and will be good for a return trip on July 5 and 6.

Regular Season Fare, \$6.25—on Sale Daily.

Through Sleeper Service July 3rd and 4th

From Portland on No. 15 at 1:30 A. M., Saturday, July 3, and Portland on Portland Union Depot 9:30 P. M. (Friday and Saturday nights).

Returning

Sleepers will leave Newport at 6 P. M. Monday evening, arriving in Portland Tuesday morning at 1:20 o'clock.

Call at City Ticket Office, 80 Sixth Street, Cor. Oak, Union Depot, East Morrison Depot, for further particulars, literature, etc.

SOUTHERN PACIFIC

John M. Scott, General Passenger Agent, Portland, Or.

Loop Excursions, Portland to McMinnville and Return

Saturday, Sunday and Monday leave Union Depot at 1 P. M.; 4th and Yamhill 1:30 P. M. A most delightful way to spend the day.

\$1.60 Round Trip

SPEND THE DAY AT LAKE GROVE 35c Round Trip OSWEGO LAKE

Rowing races July 4 between the Portland Rowing Club and the Oregon Yacht Club. Other interesting contests.

Week-End Fares

Round-trip tickets between Portland and all points in the Willamette Valley on sale Saturday, good for return until Monday.

Night Special to Forest Grove

Special train will leave Portland Saturday, July 3, and Monday, July 5, at 9:20 P. M., stopping at all intermediate points going and returning.

Electric Train to McMinnville via Newberg, Monday Night, July 5th

On Monday, July 5, Train No. 329, leaving Portland at 11:30 P. M. will run through to McMinnville, via Newberg, arriving McMinnville about 1:30 A. M.