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PRICE FIVE CENTS.

8.3-MILL LEVY IS FINALLY ADOPTED

Medical Inspection in Schools Carries.

AUDITORIUM IS TO BE BUILT

Public Budget Hearing Develops Into Lively Session.

MR. BIGELOW'S VOTE WON

After Keen Discussion Over Necessity for Fire Station at Sixteenth and Washington Streets Decision Is Eliminate.

ACTION OF COUNCIL ON CITY'S BUDGET.

Budget officially adopted amounting to \$3,254,527. Tax levy settled at 8.3 mills. Final decision reached that the Auditorium will be built. School medical inspection to be continued. Half of park band concerts left out. Fire station at Sixteenth and Washington streets to be abolished.

The City Council's old friend, Mr. Taxpayer, went to the bat strong yesterday on improvement questions in the 1916 city budget with the net result of changing the vote of only one Commissioner on only one of the many important questions which have formed the bone of contention between various interests during recent Councilmanic budget considerations and deliberations.

This one change of vote saved school medical inspection for the city. Commissioner Bigelow, who voted before to abolish the school inspection, deserted his compatriots, Baker and Daly, and voted with Mayor Albee and Commissioner Dieck to retain the service. Otherwise the former action of the Council majority on budget matters remained unchanged in spite of all kinds of arguments, protests, appeals and petitions hurled at the Council from every side by a crowded Council chamber during three hours of the open budget session.

Chamber Is Crowded. The chamber was crowded with people interested in one or more of the items to be considered at the meeting. Commissioner Dieck declared afterward that the meeting was "packed" by the proponents and opponents of the issue involved, and that the representatives of the factions were "nicely distributed" about the room so as not to arouse any particular suspicion. Commissioner Bigelow declared that he could see the same thing, Mr. Dieck saw, and the other Commissioners nodded their heads to the effect that they also had seen the light.

The Council finished its budget for the year with the single exception of the levy. This could not be done at yesterday's meeting. However, the budget was adopted in full—the amount being \$3,254,527—and it was decided to make the tax levy 8.3 mills, as compared with 7.5 mills for the present year. Nothing now remains undone but the final passing of the tax levy ordinance.

Auditorium Wins Out.

The Council at yesterday's session first heard the citizens, and then, in executive session, acted upon the questions. It was decided definitely to go ahead with the public Auditorium as planned, to continue school medical inspection, to let the band concerts cut in two, and to abolish the fire station at Sixteenth and Washington streets. School medical inspection which proved to be the principal topic of the session devolved into a struggle between the medical freedom people and those favoring medical inspection. The debate was opened by L. D. Mahone, who said he wanted to see the inspection stopped, but insisted that if it was not he wanted every parent to be able to have the inspection done by a representative of the system that parent favored rather than forcing all to be subject to the inspection of one class of physicians.

Insult Is Charged.

"I don't want any inspection," said Mr. Mahone. "Personally, I don't want any physician passing on my child unless I can select the physician myself. I'll let my family physician take care of my children. One of your inspectors came to my house and was actually insulting to my wife." "Did you complain?" asked Mayor Albee. "Yes, to you and to the health officer, and that was as far as it ever got," replied Mr. Mahone. "If I had been there I'd have thrown that inspector out by his heels." "I was health officer when this school inspection was started," said Dr. Esther Pohl Lovejoy. "And I consider the service vitally important. When a physician, an inspector, finds one case of contagious disease in a school he perhaps is preventing an epidemic. If you figure the loss to the citizens by reason of an epidemic you can see that

GOVERNOR SEEKING REMEDY FOR CRIME

YOUTHFUL FORGERS FOUND TO BE INCREASING.

Penitentiary Now Has 532 Inmates and Executive Wonders if Society Is to Blame for Condition.

SALEM, Or., Nov. 12.—(Special.)—To what extent is society to blame for the alarming ratio of increase in commitment to the Oregon Penitentiary during the last year; what are the causes and where does the remedy lie?

Answers to these questions are sought by Governor Withycombe, who views with concern the constantly growing population of the state's prison. Today the penitentiary has 532 inmates, more than ever before in its history, and with this increase an added cost of maintenance is foreseen. Unless a remedy is obtained, the Governor said today, the prison would be confronted by a deficit.

"Last year 257 prisoners were received at the penitentiary," said the executive, "and during the first ten months of this year 229 persons were committed. It is a striking feature also that 20 per cent of the prisoners were committed for forgery or obtaining money by false pretenses, and most unfortunately the greater portion of this class of criminals is composed of young men just entering maturity."

"Whatever influence is responsible for contributing to this deplorable condition should be remedied, if possible. It is due to social conditions, or to the general carelessness of bankers and business men in cashing checks."

NOTED JAPANESE TO VISIT

Baron Shibusawa Is to Include Portland on Itinerary.

Baron Shibusawa, one of the wealthiest men in Japan, will visit in Portland en route home from a trip through the eastern part of the United States. This information has been received by K. Kumakura, Japanese Consul, from official circles in Tokio. Baron Shibusawa arrived in San Francisco a few days ago and left for an extensive trip through the East. His tour of the Pacific Coast will include visits to San Diego, Los Angeles on the way East and Northwestern cities on his return trip.

The Japanese Association of Oregon probably will entertain Baron Shibusawa when he comes to this city.

CUE JURORS DISCHARGED

One Holds Out 32 Hours for Conviction of Editor.

TACOMA, Wash., Nov. 12.—(Special.)—After deliberating 32 hours, the jury of 10 men and two women which heard the case of M. E. Cue, publisher of Centralia Daily Hub, charged with first-degree assault upon Joe Lucas, a shoemaker, was discharged tonight by Judge Card.

The jury stood 11 to one for Cue's acquittal. Juror Joe Mezzerall, former proprietor of an Old Town saloon, held out steadfastly from the start for conviction and refused to budge during the 32 hours.

PLANE IS TO CARRY MAIL

Machine to Be Used on 600-Mile Route in Columbia.

NEW YORK, Nov. 12.—The Yolander II, a hydroplane, drawing five inches of water and driven upwards of 40 miles an hour by two air propellers, is here awaiting shipment to Bogota, Colombia, where she will be used to carry the mails and Government officials down the Magdalena River between the capital and the coast, 600 miles.

The boat was built at the direction of Gonzalo Mejia, a Colombian, and her light craft is made necessary by the shallow waters of Magdalena River.

SIRE OF 8 LEAPS TO DEATH

Thomas J. Leach, Rancher, Pitches Headlong Into Well and Dies.

CONDON, Or., Nov. 12.—(Special.)—Thomas J. Leach, a rancher, 48 years of age, living four miles west of Condon, early this morning leaped headlong into a well, breaking his neck. He died instantly.

Leach, coming from near Williamina, had been in Crook County, and came here two years ago. He leaves a widow and eight children, the youngest being a baby in arms. Worry over financial matters is believed to have prompted suicide. He was a member of the Artisans.

HIBERNIANS MAKE READY

Judge Kavanaugh to Speak at Manchester Martyrs' Memorial.

Circuit Judge J. P. Kavanaugh has been chosen by the committee in charge of the Manchester Martyrs' Memorial to deliver the principal address at the entertainment in Hibernian Hall, 346 Russell street, Sunday evening, November 14. Mrs. J. C. Hayes, soloist, will sing a sweet Irish lullaby. The programme will be completed next week and will include some of Portland's best vocal and instrumental talent.

The memory is commemorated the world over each year by the home-loving Gael.

Reed Co-Eds Hold Dance.

Reed College co-eds held their annual party dance yesterday afternoon in the assembly room of the Arts building. After the dance an entertainment in the dormitory social room was held and a banquet served at 8 o'clock.

ALLIES' OFFENSIVE DEEMED FAILURE

Germans View Result as Victory for Them.

ENERGY IS NOT DIVERTED

Teutons Still Able to Spare Men for Other Fronts.

SERBIAN PLAN UNSPOILED

French and English Orders Show They Expected to Do Wonders. Attempt No Feint, but Serious Effort to Break Line.

BY JAMES O'DONNELL BENNETT.

(Was correspondent of the Chicago Tribune, Copyright 1915, by the Tribune. Published by arrangement.)

HOTEL DE L'EUROPE, LILLE, FRANCE, Oct. 13.—The most important questions in the world today are:

"What did the Anglo-French offensive accomplish?"

"And what, if anything, is it accomplishing?"

Certainly these are the most interesting questions men and women in Europe are asking each other today and I think they are such vital questions that if one only would set the correct answers then one might almost know what the issue of the war will be. In this dispatch I want to convey to the reader in as intimate a way as possible some part of the multitude of tremendous impressions I have received during the last fortnight. Tremendous though the impressions are, I do not want to write about them in the tremendous manner, but simply to talk as if we were bending over the maps spread out on your big desk and genuinely trying to get the hang of the terrific operations still in progress.

Germans Believe They Won.

There will be some things in this letter that you will find it hard to believe; some things, too, that I would like to cable because I think they are of immediate interest. But judging by experience, they are matters that would hardly get by London, or if they did, would reach you in such garbled form as to be meaningless.

First, though not the most important of these incredible statements, is the statement that the Germans at home and the soldiers on the west front consider the results of the offensive a German victory. Now that opinion might be dismissed as a perilous delusion and I should so regard it if I had not seen during days of personal contact with the German troops on the west front that those troops are not in peril. What is more important and more illuminating is the fact that the Anglo-French offensive has not distracted Germany from pursuing her operations on other fronts.

Germans Active in East.

The most trustworthy man in my circle of friends among the American

(Continued on Page 2, Column 4.)

INDEX OF TODAY'S NEWS

The Weather.

YESTERDAY'S—Maximum temperature, 47 degrees; minimum, 28 degrees. TODAY'S—Fair; northwesterly winds.

War.

Germans regard allies' offensive in West as complete failure. Page 1. Winston Churchill leaves British Cabinet to join army. Page 2. Rumania would enter war if Russia would send 200,000 men. Page 2. Asquith's early peace terms unchanged, says Sir Edward Grey. Page 2.

National.

British Columbia lumbermen taking trade away from Oregon and Washington interests. Page 3. Administration to offer old anti-dumping provision tariff. Page 7. Plot to destroy manitowoc plants charged to German Ambassador and Austrian Consul-General. Page 7.

Domestic.

Senator Weeks pleads for ship subsidy. Page 1. Story of Morrell's collapse begun at New Haven trial. Page 3. Former watchdog outfits former superior officer and claims \$12,000,000 of Cambria Steel stock. Page 1.

Sports.

Lincoln triumphs Portland Academy, 20 to 0. Page 12. Big Eastern eleven are nearing goals. All Western football fans' eyes peer into East today. Page 12. Asquith's early peace terms unchanged, says Sir Edward Grey. Page 2.

Pacific Northwest.

Crime increase leads Governor to seek reorganization of Vancouver Chamber of Commerce is completed. Page 6. Commercial and Marine.

Wheat moves overseas for shipment to Europe. Page 17. Record week's wheat exports stimulate Chicago. Page 17. Specialties are strong features of stock market. Page 17. Business progress in East is rapid. Page 17. British warships in port under Norwegian registry. Page 14.

Portland and Vicinity.

Hellish show runs, but strike is not settled. Page 11. Report that runaway car was leaky puts new twist on investigation. Page 13. Awards made in Industrial section of Land Show. Page 6. Men are in charge of final Land Show programme tonight. Page 6. Monrovia to have their day. Page 6. Central Oregon Development League to be revived to back railroad project. Page 13. Municipal employment bureau created. Page 8. Martin Beck, head of Orpheum Circuit, is here and says theatrical business improving. Page 13. City levy of 8.3 mills settled after stormy public session. Page 1. Weather report, data and forecast. Page 17. Missing girls are captured at The Dalles. Page 14. Eva Booth, Salvation Army commander, here on inspection tour. Page 13.

LAKE BOAT LOST IN GALE

Four Lives Lost With Steamer in Ontario Waters.

COBALT, Ont., Nov. 12.—News reached here today that four lives were lost on Lake Temiskaming, yesterday when the steamer Aileen, owned by the Nipissing Pontiac Navigation Company, foundered in a gale.

Rescue boats sent out have reported that they found wreckage from the Aileen and the body of H. Lacoste, the only passenger. The Aileen carried a crew of three men.

WAGES OF 4600 INCREASED

Big Hardware Manufacturing Firm Adds Big Sum to Payroll.

STAMFORD, Conn., Nov. 12.—An increase in wages on all day and piece work was announced today by the Yale & Towne Manufacturing Company, makers and builders of hardware. About 4600 employees are affected.

The increase will add between \$60,000 and \$300,000 a year to the payroll.

WINSTON CHURCHILL TO FIGHT IN FRANCE

Ex-Head of Admiralty to Join Army.

CABINET OFFICE IS RESIGNED

Regret Over Non-Credit for Acts in Admiralty Hinted.

VINDICATION IS PREDICTED

"Well-Paid Inactivity" Not Acceptable, Is Explanation in Rejecting Proffer of Place in New War Council.

LONDON, Nov. 12.—It is officially announced that Winston Spencer Churchill, Chancellor of the Duchy of Lancaster, has resigned from the Cabinet and will join the army in France.

Mr. Churchill, in his letter of resignation, explains that he agrees in the formation of a small war council and appreciates the intention which Premier Asquith expressed to include him among its members. He foresees the difficulties that the Premier would have to face in its composition, he says, and he makes no complaint because the scheme was changed, but with that change his work in the government naturally closed.

Position Is Rejected.

He says he could not accept a position of general responsibility for a war policy without any effective share in its guidance and control, and did not feel able in times like these to remain in well-paid inactivity.

Rumors have been current for some time that Mr. Churchill would resign his seat in the Cabinet and go out on active service at the front. He is a Major in the Oxford Yeomanry.

Mr. Churchill was serving as First Lord of the Admiralty when the war began and filled that office until the formation of the coalition Cabinet last May. He took the position of Chancellor of the Duchy of Lancaster in the new Cabinet, Arthur J. Balfour being made First Lord of the Admiralty.

War Council Is Approved.

The following letters have passed between Premier Asquith and Mr. Churchill:

"When I left the Admiralty five months ago, I accepted an office of few duties at your request to take part in the work of the war council and assist the new Ministers with the knowledge of current operations which I then possessed in a special degree. The councils which I offered are upon record in the minutes of the imperial defense and in memoranda I circulated to the Cabinet, and I draw your attention at the present time to these."

"I am in cordial agreement with the decision to form a small war council. I appreciated the intention you expressed to me six weeks ago to include me among its members. I foresew then the personal difficulties which you

(Continued on Page 2, Column 2.)

Friday's War Moves

THE continued landing of British and French troops at Saloniki is causing some uneasiness to Bulgaria and Turkey, and the ministers of those two powers yesterday again protested to the Greek government, which took formal notice of their protest.

The determination of the entente allies in their Balkan campaign is shown by the large force they are sending to the Balkans, and news was received from Rome in London yesterday that Italy also had decided to intervene in this region "in a manner worthy of her greatness," and to give sufficient support to the British and French to assure a complete triumph. This is said to have had some influence on Greece and Rumania. Rumania, however, is waiting for the development of the Russian plans.

Meanwhile the Austro-Germans and Bulgarians are advancing slowly in their efforts to cut off or annihilate the Serbian army. These efforts, however, are growing more difficult, as the Serbians have occupied, according to the official report, defensive positions to the south and east of Kraljevo and east of Ivagnitza and on the eastern front the left bank of the Southern Morava, where heavy fighting is in progress.

Big battles also are proceeding in the south between the Bulgarians and the Anglo-French, but the reports are so conflicting that it cannot be said which side has gained an advantage.

Outside the Balkans the most important theater of operations is now the German eastern front. In the north the Germans apparently have abandoned any hope of reaching Riga and Dvinsk, at least until the ground freezes, and are falling back or are being driven back from the Dvina, which was their objective. The Russians in the Biga region are attempting an outflanking movement and their recent successes have brought them within striking distance of the Tukum-Mitau Railway, which connects the German fighting front with the fortress of Windau.

The Germans also are falling back before Dvinsk as the result of the Russian offensive near Lake Swentsof, while in the south General Ivanoff has continued to harass the invaders by repeated thrusts which, during the past five weeks, according to Petrograd dispatches, have brought him nearly 150,000 prisoners. In the most recent of these thrusts, near Rudka, the bag totaled 60,000, many of whom were Germans.

The Italians keep up their offensive on both the Trentino and Isorno fronts and are making another effort to take Gorizia, which has withstood them for so long.

On the western front heavy artillery bombardments again are beginning in Artois, but with the present rain-soaked condition of the ground, this can hardly presage another offensive.

November 13, 1914.

Germans driven out of Dixmude. British appeal for recruits. Pierce battle rages along 150-mile front in Eastern Germany. Vienna admits Austrians have evacuated Eastern Galicia.

HOOPER TEASES DETECTIVE

Lou Wagner Gets Fugitive's Bulletin From Escaped Highwayman.

"Return in 10 days to John Austin Hooper, or Outlaws' Ranch," was the return mark on an envelope postmarked "Minneapolis" and addressed to Lou Wagner, special agent for the Portland Railway, Light & Power Company, received yesterday, showing that the local man has not yet been forgotten by the highwayman. Hooper escaped last summer from the Sheriff at Grants Pass, and since has been at large, except for a brief jail sentence in Minneapolis under an assumed name.

The highwayman is accused of several bold robberies in Oregon and California.

The envelope contained nothing but an announcement of a firm of manufacturing furriers of Minneapolis.

FRUIT BRINGS MILLIONS

Yakima Valley Shipments Aggregate 7100 Carloads This Season.

NORTH YAKIMA, Wash., Nov. 12.—(Special.)—Statistics gathered from railroads, shippers and growers indicate that the Yakima Valley fruit shipments this season will aggregate 7100 carloads. The returns to shippers are estimated at more than \$3,000,000. The total is about 400 cars less than that for 1914, but prices have been materially better.

Apples show a reduction from 5600 cars to 3900. Shipments of other fruits have been: Pears, 800 cars; peaches, 1500 cars; mixed cars, 1000; cherries, 130 cars; prunes, 150 cars; strawberries, 30 cars; watermelons, 150 cars; cantaloupes, 300 cars; apricots, 10 cars; grapes, 40 cars.

OREGON GOATS WIN PRIZES

Monmouth Herd Fakes First Honors at San Francisco.

OREGON BUILDING Exposition Grounds, San Francisco, Nov. 12.—(Special.)—The sensational prize-winning swine, sheep and goat show, which closed today, was that of Angora goats, in which Oregon swept almost everything.

William Riddell & Sons, of Monmouth, carried off first prizes in almost every section. F. A. Pierce, of Days Creek, Or., winning the others. Riddell & Sons won four of the special awards from the American Goat Breeders' Association and F. A. Pierce won one. The competition was strong with New Mexico and California.

EX-WATERBOY BUYS \$15,000,000 STOCK

Big Deal in Cambria Steel Completed.

SUPERIOR OFFICER IS OUTBID

Young Man Knows Property and Wants to Buy It.

PENNSY RAILROAD SELLS

Fight for Control Involves C. M. Schwab, Whose Plan Is Said to Include Giant Rival of Steel Corporation.

NEW YORK, Nov. 12.—Three hundred thousand shares of stock, or thereabouts, in the Cambria Steel Company were bought today for approximately \$15,000,000 by J. Leonard Replogle, of this city, who started his business career when 11 years old as a waterboy at less than \$5 a week in the Cambria mills at Johnstown, Pa.

Mr. Replogle, who is now 38 years old, bid against his old superior officer, William H. Donner, for the block of stock and won it after negotiations in Philadelphia which lasted all day and virtually all night for several days and nights.

Pennsylvania Railroad Sells.

The stock was sold by the Pennsylvania Railroad Company, which formerly owned 450,820 shares of the 900,000 issue—a controlling interest in the Cambria Company. The capitalization of the Cambria Steel Company is authorized at \$50,000,000, but only \$45,000,000 (90,000 shares of a \$50 par value) were issued.

Of the railroad's original 51 per cent holdings of Cambria Steel, Mr. Donner already had acquired about 112,000 shares. This was secured in two lots: one of 56,000, on which he had an option, and another of the same amount, on which he exercised a conditional option.

Interests Clash With Schwab.

The condition was that he should find a purchaser for the railroad's holdings of Pennsylvania Steel stock. Mr. Donner is president of both the Cambria and Pennsylvania Steel companies.

Charles M. Schwab, the genius of Bethlehem Steel, wanted the Pennsylvania Steel properties. It was reported, to combine them with his Bethlehem plant and thus form the nucleus of another gigantic steel merger. Mr. Donner's interest crossed with this plan and Mr. Donner won in the quest for the Pennsylvania Steel stock. He then tried, it is said, to obtain the remaining Cambria stock owned by the railroad.

Property Thoroughly Understood.

Three weeks ago Mr. Replogle, who resigned as vice-president of the Cambria company on March 1, began negotiations to purchase the remainder of the Cambria stock held by the railroad. During the 27 years he has been with the Cambria company he had risen from waterboy to occupy almost every position successively in line to the vice-presidency. He knew the property thoroughly and wanted it.

In the meantime, however, the Pennsylvania Railroad, no longer controlling the Cambria Company after Mr. Donner had exercised his options, sold some of the stock in the open market at a time when Cambria was at the crest of its recent rise.

Stock Finally Transferred.

Negotiations were begun for the purchase of the remainder and ended today in the transfer of the stock to Mr. Replogle. So far as is known Mr. Replogle is the largest single stock owner. Whether a fight for control will develop is to be seen.

The Cambria property consists of large steel works, mills and blast furnaces at Johnstown, Pa., and extensive iron ore holdings in Michigan. In addition the company operates the Cambria Steamship Company and the Manufacturers' Water Company, of Johnstown.

It is regarded as unlikely that the plant will be put to work extensively on munition orders for the allies, an undertaking with which Wall-Street gossip had identified several steel changes recently.

3 DIE ON GRADE CROSSING

Freight Train Runs Into Auto Loaded With Human Freight.

TWIN FALLS, Idaho, Nov. 12.—Three persons were instantly killed and two seriously injured when a freight train ran into an automobile at a grade crossing here today.

The dead, all of Rock Creek, a town 20 miles southeast of Twin Falls, are: Mrs. Lawrence Hansen, Mrs. John Iversen and M. A. Patterson.

Harry Larsen and his wife were badly hurt, while their 2-year-old daughter escaped without a scratch.

Two of the dead and one of the injured were carried on the engine pilot with the wrecked automobile a quarter of a mile before the train could be stopped. It is believed that the driver of the car, failed to see the approaching train. The accident was witnessed by a large crowd attending a football game.

