

## ALLIES EXPECT TO MAKE GERMANY PAY

Commons Hears of Conference Plans to Block Industrial Raid at War's Close.

## REPARATION TO BE SOUGHT

Restoration of Belgium and Serbia to Be Demanded, Asquith Says. Economic Policy When Peace Comes Not Aimed at Neutrals.

LONDON, Aug. 2.—Premier Asquith, in discussion in the House of Commons today on the resolutions of the Paris economic conference, said the British government had entered the conference with two objects in view. The first was to convince the central powers that the entente allies, whatever their views on the economic policy, were resolved to wage war in complete unity and determination in economic as in military spheres. The second was to make preparation for the period following the declaration of peace, in view of the known attitude and will of the Germans.

"Our eyes have been opened," said the Premier, "as to the meaning of the manifold ramifications of the German system of economic penetration and commercial and financial control of vital interests and the use to which, with advantage, this system could be put in time of war."

**Germany Already Preparing.**  
"Germany," Mr. Asquith said, "would be animated by the same spirit which has animated the French government in its readiness to organize their industries for an attack on the markets of the entente allies," he said, "and for a vigorous, if possible, attack on neutral markets."

The Germans would start with obvious advantage, the Premier continued, through their action in destroying the works and factories in the invaded countries, and because of the fact that they had a large industrial base safely interned in German and neutral ports, it would be necessary to make preparations for the coming of peace, and the resolution of the conference represented the general lines upon which these preparations would proceed.

Premier Asquith repeated that it was an essential condition to peace that Belgium and Serbia be restored, not only politically, nationally and diplomatically, but to the positions in which they stood before the war. The devastated districts of France and Poland would be similarly treated.

**Allies Not Target.**  
Dealing briefly with the measures proposed for the course of the war and during the period of reconstruction, the Premier Asquith repeated that the burden of the war was to take every step to secure for their own use the supplies produced by their own countries. As for permanent measures, with regard to mutual assistance and collaboration among the allies, these would be left to each country, consistent with the purpose of maintaining economic independence of hostile countries. He emphasized the point that the resolutions were not aimed at neutrals.

Reviewing the situation in general, Premier Asquith emphasized two points, first, the determination of the allies to obtain reparation for the devastated areas, and second, that "these resolutions are not aimed at neutrals."

"The attention of the Government," continued the Premier, "has been called to the fact that some apprehension has arisen in neutral countries, more especially in the United States, with regard to these resolutions, that the resolutions might be directed against neutrals. This is not the case. The resolutions contemplated only necessary measures of self-defense against economic aggression threatening the allies' most vital interests and in carrying them into effect, every endeavor will be made to insure neutrals against damage."

"There was no more hardened free trader than he," said the Premier, "but no one could be blinded to the fact that this war has brought about a social, political and industrial conditions suggested new problems and modifications in the solution of all problems."

**GERMANS KILL CAPTIVES**

TWO IRISHMEN SHOT AT LIMBURG PRISON CAMP.

Death of One Concealed From American Ambassador, Says Briton—Other Stain While Intoxicated.

LONDON, Aug. 2.—Baron Newton, Under Secretary for Foreign Affairs, replying to a question in the House of Lords today as to whether the German government had any information concerning the shooting of two Irish soldiers while prisoners of war in Germany, said:

"The American Embassy in Berlin notified the government on July 7 that Patrick Moran, of the Connought Rangers, had been shot by a guard at the working camp near Limburg May 28. The commandant of the camp told the American representative that Moran, while intoxicated, attacked a guard, who shot him dead in self-defense."

"On July 10 the American Embassy informed the government that another Irish prisoner, William Devlin, Munster Fusiliers, had been shot at the Limburg working camp. When Ambassador Gerard visited the camp in connection with the death of Moran, the shooting of Devlin was concealed."

"It is important to note that, according to our information, both soldiers had refused to join with Rogers, the commandant in his proposed expedition to Ireland."

**OREGON'S NEEDS RETOLD**

Oswald West, William Hanley and O. C. Letter Speakers.

Oregon's needs in development were the subject of addresses by Oswald West, William Hanley and O. C. Letter at the luncheon of the Rotary Club yesterday.

"If we are unable to secure a state guaranty of irrigation and drainage securities," declared Mr. Letter, "we ought to organize an underwriting company that will guarantee the securities when the project is feasible and the securities uniform."

"The bankers, the railroads, the Chamber of Commerce, all should assist in carrying forward the movement and lend their aid to every constructive step in the movement for irrigation, drainage and other development that means prosperity and growth for the state."

## OFFICIAL WAR REPORTS

BERLIN, via London, Aug. 2.—The official German statement today follows:

**Western front—North of the Somme.** In the sector from Maurepas to the Somme, the enemy vainly attacked during the evening with strong forces, after having suffered a sanguinary defeat during local enterprises against Monacu farm through a speedy counter attack by German battalions. On the high road from Maricourt to Clerly the enemy penetrated, but was completely demolished trenches. The enemy losses were again considerable. South of the Somme there was local fighting in the Bois de la Fosse.

**On the right bank of the Meuse (Verdun front).** We made some progress in the northward and to the west of the Thiaumont work. We captured a hill-south-east of Fort Souville, and pressed the enemy back considerably in the mountain forest and in the small Lauffe wood. Nineteen officers and 923 unarmored men were taken and 14 machine guns were captured.

**French.**  
PARIS, Aug. 2.—The official statement issued by the War Office tonight reads:

"North of the Somme there was no infantry action in the course of the day."

"According to new details received, the fortified work captured by us between Hem wood and Monacu farm contained about 100 German bodies. Up to the present we have cleared away four machine guns on that work."

"South of the Somme two enemy counter attacks against the trenches which we conquered in the northwest of Denicourt were repulsed."

"On the left bank of the Meuse (Verdun sector) our second line south of the Mort Hommes was bombarded with shells of large caliber."

"On the right bank we carried out several attacks by echelon from the Meuse as far as Fleury in the wood immediately east of Vacherauville to the west and to the south of Thiaumont work, as well as in the ravine south of Fleury. Our troops captured several German trenches and engaged points of support. We took in the course of these actions about 600 prisoners and captured about ten machine guns."

"An enemy counter attack in the region of Vacherauville was repulsed by grenades and the action ended with Chapire-Chenols the bombardment continued with violence."

**Belgian communication:**  
"A heavy artillery action and bomb fighting occurred in the region of Dixmude."

**Russian.**  
PETROGRAD, via London, Aug. 2.—The official communication issued today reads:

"Western (Russian) front.—In the region of the villages of Stolyava and Starye Russkye the German army made a rush attack on our troops occupying the western bank of the Stokhod River. The enemy inflicted heavy losses on the enemy. The battle is still proceeding."

"Caucasus front.—Our troops advanced further in the direction of Sivastopol to the west of Erzingan."

**British.**  
LONDON, Aug. 2.—The British official statement issued today reads:

"There is no change in the situation."

**RUSSIANS DRIVE ON**

Fall of Kovel and Lemberg Regarded as Imminent.

RETREAT MAY BE CUT OFF

Flank Movement on Von Bothmer's Army Threatens Railroad on Which 100,000 Men Depend for Retirement if Beaten.

BY ARTHUR S. DRAPER.  
LONDON, Aug. 2.—(Special.)—The tremendous series of battles for Kovel and Lemberg continued today as the Russian army drove on to the capture of both places is now considered by military experts to be assured. So strong is this feeling that attention is already being turned to the situation as it will be after their fall.

to the question of what line the Austro-German forces will next attempt to hold, and as to how successful they will be in withdrawing their shattered armies to it.

Little definite information as to the day's fighting can be drawn from either the Russian or allied official statements. Both record a successful counter attack, the Germans claiming success and the Russians defeat for them. The Germans also say that Russian blows both against the Stripsa line and the new German positions west of the Stokhod were repulsed.

**Russians Nearing Kovel.**  
Information reaching here, however, shows that the Russians are continuing their advance on all fronts. At the northern end of the battle line, between the two railways diverging from Kovel, they are reported to be only 15 miles from the city. Farther south they have widened and deepened the wedge they are driving between the German and Austrian sectors of the line, until the separation is almost complete and co-operation between the two will be almost impossible until they have retreated many miles.

The Stripsa lines of Von Bothmer's army are apparently still holding, in spite of the increasing threat from the north. South of that more Russian attacks are taking place. It is here that the Germans claim success, but private advice says the Russians are continuing to sweep to the flank and rear of this army and are almost within striking distance of the railroad from Tarnopol to Lemberg, running through Brozany, which is the only line open between the defenders of the Galician capital and the jaws of a pincer.

**Wedge Driving Forward.**  
Thus enveloping movements are progressing rapidly against Kovel, Lemberg and Bothmer's forces. The armies of Von Boehm-Ermolli and Von Linington are believed incapable of offering any serious resistance to the wedge which is being driven forward between them, and it is taken for granted that, no matter how well the salients hold, the Russians will soon be on the flank of both the cities aimed at.

The drive at Vladimir Volynski is also opening the way for the capture of Lemberg, since it exposes the left flank of Von Linington's army, defending the city. With General Letchitsky's forces advancing up the Zlota Lipa, the defenders of the Galician capital are being caught in the jaws of a pincer.

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## HEIGHT AT VERDUN TAKE BY GERMAN

French, Too, Win Trenches in Vicinity of Thiaumont, Turning Tables.

## BRITISH GAIN SLIGHTLY

Thirty-Three Aerial Battles Aired Fought Over Toulon Lines on Somme Front, Entente Allies Claiming Victories.

BY ARTHUR S. DRAPER.  
LONDON, Aug. 2.—(Special.)—A series of terrific hand-to-hand fights on the Verdun front, in which the advantage lay on the whole with the French, though the Germans also gained a little ground today, overshadowed the Somme front fighting in the public mind here. There was little change in the Somme sector, where the allies are still rearranging their guns in preparation for the next blow. The British gained a few yards in small but fierce encounters east of Posieres, and the French drove the Germans from a strongly fortified trench near the public mind here. There was little change in the Somme sector, where the allies are still rearranging their guns in preparation for the next blow. The British gained a few yards in small but fierce encounters east of Posieres, and the French drove the Germans from a strongly fortified trench near the public mind here.

**Wednesday's War Moves.**  
THE armies in the three great theaters of recent activity—the Somme region of France, Russia and Galicia—evidently have let up considerably in the fighting in which they have been engaged, and are indulging in a breathing spell preparatory to further attacks and counter attacks. The official communications dealing with the operations in these theaters Wednesday tell of no single important engagement nor of any notable changes in the positions of any of the belligerents.

**Attacks by the Austrians against the Italians at various points, including Monte Cimone, Monte Seluggio and Castellato, have been repulsed with heavy casualties, according to Rome.**

**The Russians are keeping up their advance against the Turks in the Caucasus region.**

**The Germans have carried out another raid on the eastern counties of England, the third during the present week.**

**The press which will soon squeeze them out.**

**Knights of Columbus Allow Increase for Supreme Officers.**

DAVENPORT, Ia., Aug. 2.—The salaries of the supreme knight and supreme secretary were increased from \$6000 to \$8000 a year at the convention of the Knights of Columbus. The salary of the supreme treasurer also was increased from \$2500 to \$4000, and the per diem of delegates was raised from \$5 to \$10 a day with 10 cents mileage.

Four supreme directors re-elected for three years were: John H. Reddin, Denver; Dr. N. A. Dasaquet, Quebec; Judge Paul Leche, Des Moines, Ia.; and W. H. Dwyer, of St. Paul. A mass meeting was held tonight at the Coliseum, and addresses were made by Joseph Scott, Los Angeles; John Sullivan, New York, and Daniel J. Gallagher, Boston.

Old Point Comfort, Va., was chosen as the place for the 1917 convention.

**2 TAKEN ON THEFT CHARGE**

Prisoners Being Held in Connection With Loss of \$80.

Montes Donica and Roy Garland were arrested yesterday by City Detectives Moloney and Swennes and are being investigated in connection with the disappearance of \$80 belonging to Tom Scott, former owner of a boarding-house in Mill City. The money is said to have been taken from Room 21 in the Sharp hotel.

According to Scott, he left the room for a few minutes and when he returned the money was gone. Donica, who had been visiting in the room, had also disappeared.

Fifty dollars in money, believed to be part of the original \$80, was recovered from Donica. According to the detectives, Donica gave \$20 of his haul to Garland.

**BULGER FUNERAL IS HELD**

Courts Adjourn Out of Respect for Late Officer.

Funeral services for Harry Bulger, chief probation officer of the Juvenile Court, were held in the chapel of Finley House yesterday afternoon. Flags at the Courthouse were half-masted during the ceremonies and the courts adjourned out of respect to his memory.

Webster Camp No. 68, Woodmen of the World, of which Mr. Bulger had been a member for 19 years, conducted the services. The supreme funeral ritual of the lodge was read by Harry Ponoy, consul commander, and Nate Casler, adviser.

Handsome floral pieces adorned the chapel, and the casket was covered with flowers. Private services were held at the Portland Crematorium.

**APPRAISERS NAMED**

Value of German Prize to Be Fixed Before Surrender to British.

NORFOLK, Va., Aug. 2.—Appraisers were named by Federal Judge Ward today to fix the value of the liner Appam preliminary to passing on a motion that the ship be turned over to her English owners under bond pending the appeal from the court's decision against the German prize crew.

Argument on the motion was postponed to await the arrival of Frederick W. Lehmann, of St. Louis, who has been retained as counsel by the German government.

**COURT SEEKS H. J. CLARK**

Alleged Larcenist Released Year Ago Falls in Promises.

As Harry J. Clark has failed to make good any of the promises he made to the court a year ago, Circuit Judge Gatens yesterday issued a bench warrant for his arrest.

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## WILSON IS NOT WON

Suffragists Fail in Effort to Move President.

**FINAL REPLY IS INDICATED**

Women's Hope for Change of Mind Before Their National Convention Is Dismissed by White House Statement.

WASHINGTON, Aug. 2.—President Wilson has not changed his position that the woman suffrage question should be dealt with by the states. It was announced today at the White House. The statement was brought forth by the announcement yesterday of Charles E. Hughes, the Republican nominee, that he favored an amendment to the Federal Constitution giving the vote to women.

The question with the President and afterwards indicated they believed he would make a new statement on the question before the convention of the National Woman Suffrage Association in September. At that time the policy to be pursued in the present campaign will be determined by the National suffrage organization.

Today Secretary Tamm discussed the question with the President and afterwards announced that Mr. Wilson's position on the subject was unchanged. This position, he said, had been maintained for several years. The President voted for woman suffrage in New Jersey last year.

It was indicated that today's announcement was final.

**TROOPS' SPIRIT IS GOOD**

Y. M. C. A. MAN SAYS OREGON BOYS ARE FARING WELL.

Local Secretary Back From Border Visit Says Army Realizes Unpreparedness at Start.

The condition of the Oregon boys at the border is in every way satisfactory, according to L. B. Rhodes, state secretary of the Y. M. C. A., who has recently returned after a visit of several weeks in the various troop camps. "Living conditions seem to be good down there," said Mr. Rhodes, "and everything possible has been done to make the troops comfortable. The cooking has aroused no great complaints. Possibly a few of the company cooks lack skill, but on the whole, our soldiers are living well."

Mr. Rhodes reports that the troops are preparing to make an extended stay at the border. "The spirit seems to be high," he said. "There may be a certain element that chafes at the uncertainty, but most of them are ready for whatever happens. They feel that they may be few months away there would be little hope of carrying on a successful campaign in Mexico. But the United States is rapidly recovering from its state of unpreparedness, and in a few more months will be well prepared for military action. The stay at the border will not be temporary, judging by present indications. They are putting floors in the tents, and installing all possible comforts for a prolonged stay."

The work of the Y. M. C. A. at the border has been particularly appreciated by the men. At El Paso, where the Y. M. C. A. has carried on a wonderful work, he said.

**BOUNDARY CHANGE ASKED**

Citizens of Oak Grove Seek Control of Stretch of Highway.

OREGON CITY, Or., Aug. 2.—(Special.)—An Oak Grove delegation petitioned the Gladstone City Council Tuesday night to change the city boundaries. A special election will probably be held soon to settle the issue.

The county road running from the railway bridge across the Clackamas River to Gladstone now is within the city limits, while the property west and south of the road is in the Oak Grove road district. Oak Grove citizens believe the road is not being kept up right and want to do the work themselves.

**PLAGUE REACHES BILLINGS**

Four Cases of Infantile Paralysis Found; Theaters Closed.

BILLINGS, Mont., Aug. 2.—Four cases of infantile paralysis have developed in Billings, according to announcement made today by local health authorities, and two other suspected cases were reported today. Orders were issued closing all theaters and other public gatherings and the municipal swimming

**PEACE TALKS BELITTLED**

GERMAN COMMITTEE SPEAKS IN GENERALITIES ONLY.

Audience in Berlin Is Warned Against Expecting or Demanding Too Much From Results of War.

BERLIN, via London, Aug. 2.—The announcement of the national committee for securing an honorable peace were held in about 40 of the largest cities of Germany last night, but at none of the meetings did the moderates give any precise statement concerning the conditions of peace as the moderates would like to see them. The speakers usually dwelt on generalities, rarely going behind the Chancellor's declaration with regard to peace.

Professor Adolf Harnack was a speaker at the Berlin meeting in the great Philharmonic Hall. He made no surprising statements regarding the aims of the war, which he specified as the thrusting back of Russia from Eastern Europe, where she was an intruder, to the East, where she had her mission, and the termination of the situation on the west, where England was the uncontrolled ruler of the sea and Belgium her vassal.

**Contest**

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