

PENNSYLVANIA ROAD PRESIDENT IS HERE

Samuel Rea, With Family, Visits Portland; Threatened Strike Is Discussed.

PROBLEM HELD SERIOUS

Executive Says Railways Will Not Be Coerced by Men; Public May Have to Foot Bills; Mediation Plan Is Doubtful.

Samuel Rea, president of the Pennsylvania Railroad system, popularly known and accredited as "the standard railroad of America," arrived in Portland yesterday on a special train. He is accompanied by Mrs. Rea and their daughter. They are staying at the Benson.

The Reas passed the day in sight-seeing, motoring out yesterday afternoon over the Columbia River Highway to Multnomah Falls.

Mr. Rea, naturally, is much interested in the railroad wage controversy and the prospect of its developing into a strike.

"It is a very serious problem for the railroads and for the public," he said, "and we want to do everything possible to avoid a strike. It is economically and practically impossible to meet the men's demands, but we are willing to arbitrate."

"One thing is certain. The railroads will not be coerced into making the concessions asked by the men. There has to be some other way out of it. And the public is just as much interested as the railroad men in the forced to assume the increased burden of expense that the men's demands imply. It is probable that the carriers will have to ask the Commission to increase the rates. Some roads cannot stand any extra financial burden."

Mediation Plan Doubtful. Mr. Rea, however, does not believe that mediation under the Newlands act can effectively dispose of the pending controversy. The Newlands act provides for an arbitration board of entirely disinterested persons, let them hear all the facts in the case and then submit their decision. Each side should agree to abide by it before they enter into the arbitration.

Mr. Rea is an ultra-modern railroad executive. He violates all traditions of the position; that is, the traditions imposed by the story book type of a railroad president and sometimes exemplified in real life a generation ago.

Regulation Not Opposed. He is not opposed to regulation. He is not opposed to Governmental supervision of the railroads. He invites Federal valuation of railroad properties. He is deeply interested in the welfare of his employees, as is evidenced by the pension system, the employees' relief system and the regulations against the use of intoxicating liquors which were inaugurated under his direction or with his advice prior to his assuming the presidency.

The Pennsylvania pension system already has paid more than \$1,000,000 to veteran employees. It is supported entirely by the company. The men contribute nothing to it.

Drinking Men Not Opposed. The regulation against drinking was a natural outgrowth of the relief system. Before a man is eligible to participate he must undergo a physical examination. Experience showed the men who drank were not fit to work. Intoxicants could not meet the physical requirements. Naturally, that stopped a lot of drinking. Then the company clinched it by refusing to employ men who drank.

Alcohol and railroad don't mix, said Mr. Rea. "No well-managed business will employ drinking men. There has been a remarkable change of sentiment on this point within the last few years. It is growing. The drinking man is doomed."

Mr. Rea and his family passed last week in Glacier National Park. They will leave on a special train over the Southern Pacific this morning for San Francisco.

Mr. Rea says that business throughout the East never was better, and that the railroad revenues in the Eastern territory are reflecting those conditions.

POLISH KINGDOM SET UP

AUSTRIAN FOREIGN OFFICE ISSUES FORMAL ORDER.

German Conservative Newspaper Warns Against Off-hand Settlement of Complicated Political Question.

LONDON, Aug. 13.—The Austrian Foreign Office has issued an order that all the inhabitants of the part of Russian Poland occupied by Austro-Hungarian troops must be regarded as subjects of the kingdom of Poland, according to Berlin newspapers, says a Reuter dispatch from Amsterdam. All passports of inhabitants of these districts are to be marked "citizen of Poland" and "Pole," and no longer "Russian subject."

UNITED STATES BOARD OF MEDIATION, WHICH IS TRYING TO HELP SETTLE THREATENED RAILROAD STRIKE.



LEFT TO RIGHT—M. A. KNAPP, CHAIRMAN; W. T. CHAMBERS AND G. W. W. HANGER.

STRIKE IS NEARER

Leaders on Way to Confer Affair Prospect.

MEN REFUSE ARBITRATION

Flat Statement Made That Own Demands Would Not Be Submitted, Much Less Contingent Proposal of Roads.

Mr. Rea, however, does not believe that mediation under the Newlands act can effectively dispose of the pending controversy.

"Now what is to be done? The interested parties appointing mediators," he asked pointedly. "They are not mediators. They are advocates. They are there to represent their respective sides. You can't expect them to do anything else."

"The way to settle this difficulty is to have the President or some other accepted authority appoint an arbitration board of entirely disinterested persons, let them hear all the facts in the case and then submit their decision. Each side should agree to abide by it before they enter into the arbitration."

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The conservative Kreuz-Zeitung, which connects the visit of Imperial Chancellor von Bethmann-Hollweg and Foreign Minister von Jagow to Vienna with the settlement of the Polish question, raises a warning voice against such a procedure, which, it says, confronts the German nation with an accomplished fact in one of the most important and complicated political questions of the future before it has been cleared up, it charged.

The Kreuz-Zeitung adds: "This falls short of the promises given to us."

Sacramento Elks Visit City. A special train, made up at Sacramento, carrying 90 Elks and their wives, arrived at the Union Depot last night at 9 o'clock. The special left at 11 P. M. for Seattle, whence the Elks will embark on a pleasure trip to Alaska. While in Portland last night a number of the visitors were guests at the lodgerooms of the local Elks.

EAST LINES BROKEN

Austrian General Von Bothmer in Full Retreat.

RUSSIANS CLOSING TRAP

Success of Teutons in Reaching and Holding New Positions Problematical—Southern Galicia Army Is Cut Off.

PETROGRAD, via London, Aug. 14.—The Austrians' lines along the Stripa, which they have held since early in September, have crumpled and General von Bothmer is in full retreat along the whole front, according to the latest information received by the Russian general staff.

General Letchitzky is advancing in the rear of Von Bothmer's right flank, while General Scherbachoff is closing in on his left. The Austrian commander is apparently making an attempt to escape the Russian trap by taking up a position on a line running through Zlochov, Pomerany, Brzany and Halicz, roughly 20 miles to the west of his old lines before Tarnopol and Bucacz.

It is said semi-officially that the Austrians evacuated the Stripa line without a battle. Their success in reaching and holding their new positions is considered problematical. It is pointed out that the strength of General Letchitzky's position on both sides of the Dniester between Halicz makes it extremely unlikely that the Austrians will be able to hold that town. Their failure to hold Halicz would render their new line little more advantageous than the position on the Stripa, and General Letchitzky still holds the left wing of General Letchitzky.

The Russians have successfully negotiated the last natural obstacle between them and Halicz, namely, the Bystritsa River, which empties into the Dniester eight miles to the south. The capture of Nadvorna strengthens the left wing of General Letchitzky. The Austrians were endeavoring to reorganize this army for the defense of the Pruth.

Constantinople reports that the Turks east of the Suez Canal have turned against the British and compelled them to retreat with heavy losses. The London War Office, however, disputes this statement, asserting that the British cavalry still is in pursuit of the Turkish rear guard, which Saturday night had been driven back to a position east of Birs-el-Manca.

After a long period of inactivity the British along the Euphrates in Mesopotamia attempted an advance against the Turks but retreated after two hours' fighting.

Further advances for the Turks against the Russians on the Persian front and in Turkish Armenia also are asserted by Constantinople.

Child Struck by Auto. James Meehan, 12 years old, living at 1562 Villard avenue, was taken to his home in a serious condition last night as a result of being struck by a speeding automobile the driver of which did not stop. The lad is the son of Mr. and Mrs. James B. Meehan. The parents notified the police.

Sleeping-car berths have been invented with end sections that can be lifted to give occupants room enough to stand erect when undressing or dressing.

BERLIN, via London, Aug. 13.—The repulse of Russian attacks at various points on the eastern front is recorded in the following official announcement given out here today:

"Front of Field Marshal von Hindenburg: Russian attacks south of Smorensk and near Lubieszow were unsuccessful. West of Zaitzow enemy attacks were ward off."

"Front of Archduke Charles Francis: West of Monastyrzka and also south of Stanislaw, attacking Russians were thrown back partly by our counter attacks."

"Balkan front: Nothing of importance has occurred."

BRITISH ARE MAKING GAINS

Somme fighting. In the opinion of military experts here, the evidence in the ability of the Germans, even by the most ferocious artillery fire, and the most reckless sacrifices of the Kaiser's crack infantry, to move either the French or the British from the positions they have gained.

It is becoming clear that the allies can gain, and that the Germans cannot. They have now had ample time to strengthen their defenses and to bring up all the men they can afford to have on this front. Still they are driven back and still their counter attacks fail. No one believes that they are now felt in London that they are definitely on the down grade.

WAIKIKI HOST IS HERE

T. B. THEILE, HONOLULU HOTEL MANAGER, VISITS PORTLAND.

HEAD OF FOUR OF LARGEST AND FINEST

HOTELS IN INSULAR POSSESSIONS Greeted by Friends.

The host of the world-famed Waikiki beach at Honolulu is in Portland. T. B. Theile, general manager of the Territorial Hotel Company, of Hawaii, which owns and operates the largest and most famous of the Oahu hotels, arrived in the city yesterday afternoon on a tour of the Northwest.

Four of the largest and finest hotels in the insular possessions of the United States are under the direct charge of Mr. Theile. The Moana and Seaside hotels are both on Waikiki beach, separated only by the Outrigger Club. Visitors at either of these hotels may sit on the broad lanais or verandas almost any day in the year and watch Duke Kahanamoku, the Hawaiian world's champion aquatic sprinter, watching the mainland novice to swim.

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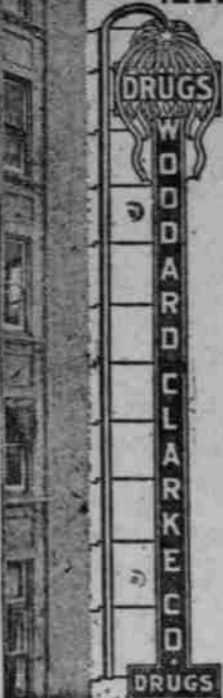
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Take Your Trading Stamps and Exchange Them For Cash

OUR NINTH COMPETITION IN AMATEUR PHOTOGRAPHY CLOSES SEPTEMBER 1. NOTE—We reserve the right to call for any negative winning any prize, for the purpose of reproducing same in the newspapers. Negative not wanted for any other purpose and will be returned to contestant. \$50 cash in 9 prizes. Particulars Photo Dept.

- Fireproof Copper Containers for Gasoline, \$1.50 and \$2.25
Pacific Fly Repellant, pt. 35¢, qt. 50¢, 1/2 gal. 75¢, gal. \$1
Wood-lark and Cla-wood Olive Oil, guaranteed, qt. \$1.00
Half-gallon . . . . . \$1.75
Imperial Floor Wax (for dancing), 1-lb. can 40¢, 3 for \$1.00
5-lb. can for . . . . . \$1.25
Hectograph Mass, for reproducing documents, menus, etc. 76c can, three for . . . . . \$2.00
Gluten Flour (genuine) for diabetes, 10-lb. sack . . . . . \$2.25

- TOILET GOODS
50c Loblava Face Pwd. 30¢
50c Java Ris Face Pwd. 37¢
50c Pozzoni's Face Pwd. 39¢
25c Colgate's Tooth Paste only . . . . . 20¢
50c Pebecco Tooth Paste . 39¢
25c Euthymol T'h Paste 15¢
25c Sanitol Tooth Paste 20¢
\$1 Mielona Freckle Cream for . . . . . 85¢
\$1 Othine Double Strength for only . . . . . 85¢
\$2 Hair Brush, solid back, now . . . . . \$1.49
50c Hard Rubber Comb . 35¢
50c Nail Brush . . . . . 33¢
25c Tooth Brush . . . . . 17¢

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Hurd's Polo Linen in the latest tints—the box . . . . . 75¢
Hurd's Polo Cards, box . 75¢

HOSE — HOSE

A great special on Garden Hoses, the UNKINKABLE KIND that is guaranteed for two years. TEN EXTRA STAMPS ON EACH PURCHASE TODAY OF THE FOLLOWING SPECIALS:

- 50 ft. 1/2-in. regular \$10.00, today . . . . . \$7.69
50 ft. 3/4-in. regular \$9.00, today . . . . . \$6.79
50 ft. 1-in. regular \$8.50, today . . . . . \$6.79
50 ft. 1 1/4-in. reg. \$7.50, \$5.40
50 ft. 1 1/2-in. reg. \$6.50, \$4.59
25 ft. 1 1/2-in. reg. \$3.50, \$2.79
Our last Lawnmower, a \$4.00 number, 14 1/2-inch blade, goes to first customer at . . . . . \$3.29

FAMILY ACT AT STRAND

DOUGLAS TROOP SING, DANCE AND WEAR NICE CLOTHES.

Playlet "The Sheriff" Esther Sundquist and Arthur Freed Are Other Vaudeville Features.

The Douglas family—five of 'em—offer the leading act on the new bill that opened at the Strand yesterday. Their act is full of life, and each of the six members of the family sing, dance and wear attractive clothes. Of course they are Scotch. But they do not confine their songs and dances to those of the Highlands. Irish airs are a diversion.

The two youngest in the family, a girl and a boy, both of tender years, elicit large quantities of smiles and applause with their clever acting and singing. They are two clever little artists.

"The Sheriff" is a one-act drama of the western cattle country. It is offered by Vane, Calvert & Co. and its principals are a sheriff, a woman ranch owner and an engineering construction foreman who is addicted to the use of liquor. The inevitable shooting affray is injected into the skit, which is well staged and skillfully executed.

Esther Sundquist, her violin and her infectious smile, are again a feature. Miss Sundquist is always a favorite and she presents a programme of classic and popular numbers.

Arthur Freed is a well-dressed youth with a very good voice, good stage presence and some new old songs. He also plays his own accompaniment. His songs were well received.

The bill opens with the Red Feather film, "The Yoke of Gold." It is an attractive tale of early California, depicting the charity and kindness of the Franciscan fathers. A pretty romance is woven into the picture with Dorothy Davenport as the heroine.

COMPANY IS MUSTERED IN

New Marshfield Artillery Organization Joins in Man Hunt.

MARSHFIELD, Or., Aug. 12.—(Special.)—The Eleventh Company of militia Coast Artillery was mustered in here last night by Major Walter Wilson, acting Adjutant-General. Captain G. Williams, of Eugene, and Lieutenant Willis Shippam, United States Army. The company mustered 80 members. The ceremonies were held in the Billoma Club room, and were followed by a smoker tendered by the Sons of Veterans.

Election of officers resulted in the choice of Fred G. Gettins for Captain, Fred W. Smith First Lieutenant and James H. Mills, Second Lieutenant. The members of the company are from

Marshfield, North Bend and nearby suburbs. The company attended a man-hunt about midnight, when someone reported that the prowler who has caused so many sensations was about. The man was chased over the southern part of the city, but escaped in a brushy gulch.

Chehalis Library Robbed.

CHEHALIS, Wash., Aug. 12.—(Special.)—Either late Friday night or early Saturday morning thieves broke into the Chehalis free public library and stole \$2.16, money taken in fines by the librarian. Entrance was gained through a ground-floor window and up the elevator shaft. It is thought the theft was by boys.

SOME LIFE means living—to others it means merely existence. Life at

HOTEL NORTONIA

is living, to the Nth power. Nortonia is the discriminating traveler's standard of measure. Nortonia spells Comfort, Satisfaction, Moderation, Tranquillity. Get the Nortonia habit, Mr. Traveler; it will pay you. 11th, off Washington Portland

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See Victor Company's Special Advertisement on a Previous Page.



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The Northwestern National Bank \$1.00 opens a Savings Account. Only reasonable amount required for Checking Account. The Northwestern National Bank Northwest Bank Bldg., Portland, Oregon