

PAPER PRICES PUT UP TO \$5.00

Manufacturers of News Print Make Proposal to Federal Trade Body.

GOVERNMENT IS AMAZED

Offer is First Practical Recognition of New Idea by American Business Men—Publishers Win Signal Victory.

WASHINGTON, Feb. 16.—News print paper manufacturers, facing criminal prosecution in United States courts for alleged combination in restraint of trade, proposed to the Federal Trade Commission today that if a reasonable price for the output of the principal plants of the United States and Canada. The Commission announced tonight it had the proposal under consideration and would reply immediately. It is generally believed the answer will be an acceptance.

The action of the manufacturers gives a signal victory to American newspaper publishers, who, in the face of advancing paper prices, have seen nothing ahead but ruin for many of their number. If the proposal is accepted, officials say it will mark an expansion of the functions of the Government, which in arbitrating the differences between two industries opens up a wide field of possibilities for the future.

Although nothing has been said concerning the continuance of grand jury proceedings in the case, it is understood the manufacturers' move was predicated on the assumption there would be no criminal prosecutions. The manufacturers, in their proposal, while denying there having been any violations of the law, agree that the Trade Commission, if it deems it necessary, may make recommendations for such changes in the business of print paper as it may deem proper. The industry "may maintain its organization, management and conduct of business in accordance with the law."

The announcement came after several days of conferences between representatives of manufacturers, who make enough of the continent's print paper to control the market, and attorneys for the Commission, headed by Francis J. Heney, of Los Angeles, who was retained especially for the Commission's investigation of the industry. The Administration has shown the keenest interest in the proceedings, and it was said today that President Adoo's aid had made possible the result. President Wilson has watched the situation since the Trade Commission began its inquiry eight months ago.

The investigation was put under way last summer under a resolution adopted by the Senate. Information gathered tending to show anti-trust law violations was turned over to the Department of Justice, which in turn furnished information on economic phases of the situation was collected by the Commission. At the hearings held last Fall and as late as January the manufacturers, it is said, discouraged the Commission's efforts to find a solution for the price problem. After the grand jury proceedings were started they came voluntarily to Washington with their proposition.

It is estimated that if the proposal is accepted and reasonable prices are fixed at least \$4.00 per 100 sheets, it will mean a saving of \$100,000,000 to American publishers this year. Nothing is said of increased production, but it is understood the manufacturers are willing to keep enough machines on news print to insure a paper supply for the entire country.

It was learned today that the Canadian government will, under orders in council, fix a maximum price of 2 1/2 cents a pound on news print to be sold to Canadian publishers, leaving the price to be charged Americans to be determined in this country. The two governments have been in consultation on the situation, trying to find means to avert the threatened disaster to publishers.

The Trade Commission's report to Congress on its investigation will be delayed until a decision is rendered on today's proposal.

The statement issued by the Commission said: "The offer, with its promise of lower prices and more equitable distribution, not only means the saving of millions to the great publishers of the country, but averts the absolute ruin and threatens hundreds of the smaller publishers."

The statement continues: "The proposition is the outcome of the news print paper investigation that the Federal Trade Commission has been conducting for the last eight months. As a result of public hearings and the work of economists, accountants and field experts, the Commission arrived at the conclusion that the paper shortage was largely artificial, that prices were extortionate and that free competition had ceased to exist."

Prosecution Recently Planned. "It was the evidence procured by the Commission and turned over to the Attorney-General that led to the recent preparations for criminal prosecution by the Department of Justice."

"For the last two months the Commission has been seeking speedy relief from an intolerable situation by means of conferences between publishers and manufacturers, but a deadlock was the only result. The Commission has since taken active measures, the Federal Trade Commission employed Francis J. Heney, of California, to assist the Commission in securing instant action and relief. It is through conferences between Mr. Heney, on the one hand, and the manufacturers and their attorneys, on the other, that the proposition has been made to put the whole matter up to the Federal Trade Commission."

"This was the proposition suggested by the publishers January 27 at a Chicago conference and refused at that time by the manufacturers. Quite convinced of the Commission's determination, as well as impressed by its presentation of the evils and perils of the situation, the manufacturers made the submission in a spirit of fairness and co-operation."

Co-operation Is Offered. "The principal features of the offer are: Whereas, Among manufacturers and publishers there are differences of opinion regarding the increasing price of news print paper in the United States and regarding the increased prices to which consumers are entitled for news print paper sold for use in the United States for the six month period beginning March 1, 1917, taking into consideration the increase in their cost of production and other conditions affecting such manufacturers; and Whereas, The undersigned manufacturers are desirous of co-operating in any plan that may be approved by the Federal Trade Commission, providing for a more effective distribution of news print paper among the smaller publishers; and Whereas, The undersigned manufacturers are desirous of submitting these matters to the arbitration of the Federal Trade Commission; now, Therefore, Each of the undersigned does

PACIFIC UNIVERSITY WINS ITS GREATEST FORENSIC VICTORY

Both Teams Win Over Willamette in Debate on Literacy Test as Best Method of Restricting Immigration From European Countries.

FOREST GROVE, Or., Feb. 16.—(Special.)—Pacific University scored its greatest forensic victory Saturday night, when the debating team defeated that of Willamette University both at Salem and Forest Grove. Pacific University has had 26 dual debates since 1908 and has won 15 and tied two, but Saturday's victory was the first unanimous decision that has ever been awarded the university debating team in a double debate.

The question debated was "Resolved, That a literacy test at least as restrictive as House bill No. 6049, of the 65th Congress is the best method for restricting European immigration." The affirmative men of Pacific University were Elbert Taylor, a junior, who has been on the debating team for three years, and Lester Jones, who supported the question against the Salem men, Randall and Conley, at Forest Grove. The negative for Pacific University was upheld at Salem by Glen Jack, president of the student body, Alpha Zeta Literary Society assistant editor of the College Index and a junior, and by Kenneth Irie, president of the college Y. M. C. A., captain of the basketball team and a member of the Literary Society. He is registered from Portland.

Judges were Carlton Spencer, professor at the Multnomah School of Law; Professor Bercholdt, of Oregon Agricultural College; M. R. Johnson, Professor McPherson, of Oregon Agricultural College; Professor Dunn, University of Oregon, and Professor Bates, of the University of Oregon.

herby request the Federal Trade Commission to find, fix and determine forthwith: (A)—The probable or estimated cost of production of standard news print paper in the United States during the period of time beginning March 1, 1917, and ending September 1, 1917, over the cost of production of news print paper in the United States during the year 1916.

(B)—What price per hundred pounds at the mill would be the fair and reasonable price for the sale of such paper in the United States during the aforesaid period of time, from March 1, 1917, to September 1, 1917, taking into consideration such increased cost of production and other conditions affecting the order of business which the Commission may deem pertinent at this time.

It is by the manufacturers that they will carry out all existing contracts, even if at prices lower than those fixed by the Commission, and that with respect to contracts which are for higher prices, reductions will be made.

Further important clauses in the proposition are these: And each of the undersigned does hereby agree that it will, so far as lies in its power, limit each contract in its purchase of news paper to the requirements only, and sell to its customers respectively who have no contract, at the lowest price obtainable, and that it will not, during said period, charge more than said maximum price so found, fixed and determined by the Federal Trade Commission, during said period of time.

Co-operative Buying Proposed. And the undersigned also agree and bind itself to co-operate with the Federal Trade Commission in carrying out any and all proposals which may be made by the Commission to bring about the distribution of news print paper in the United States and which will enable such small publishers through co-operative buying to obtain the same price as that which is hereunder provided for the larger publishers, due provision being made for the payment of distribution. New publishers shall not be charged more than said maximum price so found, fixed and determined by the Federal Trade Commission, during said period of time.

And each of the undersigned, while not admitting, but on the contrary expressly denying that any law has been violated, it does, nevertheless, hereby agree that it finds necessary or advisable to proceed forthwith to make recommendations for the re-education of its organization, management and conduct of business in accordance with the law.

The proposition which has been taken under advisement by the Federal Trade Commission is said by Government officials to mark a new era in American life. The Commission was created to provide an expert body for scientific and economic adjustment rather than the investigation of criminal law. The offer of the news print manufacturers is the first practical recognition of the new idea by American business men.

Official Washington is amazed at the completeness of the Commission's accomplishments, and already there is a belief that the action of the paper manufacturers will be followed by other groups that have been charged with the investigation of export and import duties.

If the Commission accepts the offer it is in a position, by reason of facts gathered in the last eight months, to make its decision before March 1. If done, a first step has been taken for the establishment of mutual relations between publishers and manufacturers, even while competition is freed from restraint and the public interest safeguarded at every point.

INVESTIGATION NOT STOPPED Jury in New York Asked to Report Again Monday.

NEW YORK, Feb. 16.—Bainbridge Colby and Mark Hylan, special prosecutors in charge of the Federal grand jury investigation to determine whether the high cost of print paper is due to criminal violation of the Sherman anti-trust law, tonight assumed that the Federal grand jury would report that they had no official information as to the Washington developments and had received no instructions to abandon the inquiry. The jury has been asked to report again on Monday.

It was explained that the sudden halt in the proceedings had no special significance, being due to the raising of a point of law regarding the testimony. Government prosecutors have announced their intention to call every officer of the News Print Manufacturer's Association, an organization of 68 companies or individuals.

CROSSING WORK TO START Contract to Eliminate O.-W. R. & N. Hazards to Be Let February 28.

Everything will be ready by February 28 for the award of the contract to the Pearson Construction Company for the building of the viaducts and other parts of the project for the elimination of the O.-W. R. & N. Company's grade crossing on the East Side, according to George Edmondstone, engineer in charge for the city. The contract amounts to \$507,000.

Mr. Edmondstone says all lawsuits will be out of the way at that time. Work will then be started. The bids were opened December 6 and laid on the table until February 28, in accordance with the terms of the specifications. The Pearson Company was the lowest bidder.

POSTAL BILL HAS 'BONE-DRY' CLAUSE

Shipment of Liquor Into All States That Prohibit Sale Is Made Unlawful.

STATE LAWS NULLIFIED

Senate Passes Measure With Draconic Provision and Sends It to House, Which Will Ask for Conference Committee.

WASHINGTON, Feb. 16.—With its added drastic prohibition legislative provisions, the annual postoffice appropriation bill, carrying \$22,000,000, was passed by the Senate today after a week of vigorous debate. It was sent back to the House, which will ask for a conference on the amendments. The Senate wrote into the bill a provision making it a criminal offense to ship liquor into states which prohibit its manufacture and sale, thus nullifying the statutes of certain prohibition states permitting the importation of limited quantities of liquor for personal consumption.

Another provision would bar from the mails letters, postal cards, circulars, newspapers and other publications containing liquor advertising, with a view to laws against such advertising; violation to be punishable with a fine not to exceed \$100 or imprisonment not to exceed six months for the first offense or more than one year for the second offense; and the Postmaster-General to enter for another year pneumatic mail tube contracts in large cities and providing for a commission to investigate the tube systems with a view to their purchase by the Government.

Determined efforts made by the postoffice committee to increase second-class mail rates and to establish a 3-cent postage on drop letters were made and bitterly contested and the bills finally were thrown out on a point of order.

COMMITTEE OF 18 NAMED All Will Work in Conjunction With Commanders of Four Departments of Army—Loyal Co-operation Declared Essential.

NEW YORK, Feb. 16.—The railroads of the United States today informed President Wilson that the resources of their organizations are at the disposal of the Government in the event of war.

Presidents or other officials of the 18 of the roads were appointed as a special committee on National defense, which will work in conjunction with the commanders of the four departments of the United States Army. W. W. Atterbury, vice-president of the Pennsylvania Railroad, sent a telegram to the White House, saying this was the plan of the railroads.

Committee Under Defense Council. The committee, organized here today at a meeting of the American Railway Association's executive committee, will act under the guidance of President Wilson's National council for defense. Daniel O. Willard, president of the Baltimore & Ohio, is a citizen member of the council in charge of transportation and communication and will act in an advisory capacity both for the new committee and for the council in the railroad's preparation to meet the emergency. The association's committee on National defense succeeds in authority a committee formed last Fall to co-operate with the War Department in transporting troops to the Mexican border.

Geographic Division Made. President Atterbury, of the Railway Association, sent to the heads of its members at the close of today's meeting telegrams declaring that the "present emergency facing our country calls for loyal support and earnest co-operation" by the roads with the Federal defense body.

A geographical division was made of the country, corresponding with the Army departmental action. A sub-committee of railway heads was appointed for each territory. In selecting the sub-committee, careful consideration was given to area, population and military requirements. The members for the Western department, with headquarters at San Francisco, are: William Sprule, president of the Southern Pacific Company, chairman; E. P. Ripley, president of the Atchafalaya, and J. D. Farrell, president of the Oregon-Washington Railroad & Navigation Company.

The committee is prepared to assure the Federal body that the roads will carry out instructions faithfully. These instructions are expected to deal in general with movement of troops, transportation of supplies, classification of equipment, building of new terminals at strategic points where military service and construction of new roads which may be needed for the Nation's defense.

TURKEY WILL FIGHT ON

NEW GRAND VIZIER SAYS FOES MUST RECOGNIZE RIGHTS.

Internal Reforms Are to Be Delayed Until After War, He Declares.

Vote of Confidence Given.

LONDON, Feb. 15.—Turkey will fight to the last man to retain Constantinople, declared Talaat Bey, the new Turkish Grand Vizier, in a statement before the Chamber on the policy of the new Cabinet, according to a Constantinople telegram forwarded by Reuters' Amsterdam correspondent. He referred to the sacrifices Turkey had already made, Talaat Bey said: "We shall persevere in this gigantic struggle in close fraternity of arms with our brave and victorious allies until we have compelled our enemies to recognize our rights to existence. That is our aim."

It was impossible in the present great crisis to undertake important internal reforms, Talaat Bey declared, and the efforts of the nation must be concentrated on the difficulties created by the war. The Chamber passed a unanimous vote of confidence in the government. Women are employed by English railroads to handle freight in the sheds, and in many instances are paid as much as the men.

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3 MURDERERS HANGED

MONTANA EXECUTION BELIEVED QUICKEST ON RECORD.

Only One Scaffold Used and Negroes Are Put to Death in 30 Seconds in Yard of Jail.

WHITE SULPHUR SPRINGS, Mont., Feb. 16.—Three negro murderers, Leslie Fahley, Harrison Gibson and Henry Hall were hanged here today. There was but one scaffold. The execution was probably the quickest on record, according to several Montana Sheriffs who were present. The three men marched to the gallows, each accompanied by two Deputy Sheriffs. They stood together on the scaffold platform and after a prayer was said the trap was sprung and the execution in appeals to Governor Stewart.

There were seven negroes in the jail who were to be hanged with the three who were hanged today. The execution was completed in 30 seconds. The hanging took place within 100 yards of the city school and this was one of the objections made to the execution in appeals to Governor Stewart.

ARMY STAFF IS ATTACKED

DEMOCRAT IN HOUSE SAYS PREPARATIONS ARE INSUFFICIENT.

Lack of Sufficient Artillery and Rifles Charged—Universal Training Amendment Proposed.

WASHINGTON, Feb. 16.—General debate on the \$247,000,000 Army appropriation bill continued in the House today, many members giving their views on national defense problems. Representative Shallenberger of Nebraska, a Democratic member of the military committee, attacked the War Department and the general staff, declaring that the proposed plans of the staff were carried out the Army would cost a billion dollars a year. He said the Department had failed to provide sufficient rifles and artillery for success in case of war.

Representative Olney of Massachusetts advocated universal military training, and Representative Caldwell of New York gave notice he would offer an amendment to provide for the training of the youth of the country.

Representative McKenzie of Illinois declared he believed the people of this country were drifting to universal conscription, and that the Chamber of Commerce should be given the subject between now and the assembling of the next Congress.

BILL HELPS BAKER COUNTY

Measure Dividing Forest Reserve Funds Gives County \$12,532.

BAKER, Or., Feb. 16.—(Special.)—Baker County will receive \$12,532.04 as the result of the final passage by the State Legislature yesterday of the Strayer bill apportioning the forest reserve timber funds. Of this \$10,000 will be used on roads and \$2,532.04 will go to schools, according to the amended provisions of the bill.

This year the county will receive \$3000 of the back money and \$3000 regular apportionment, the last named amount being \$2000 more than received under the old method. Grant County will receive \$30,177; Jackson County, \$19,528.15; while Harney, Morrow, Union, Klamath and Umatilla Counties' apportionments will run from \$76 to \$387.

The bill was drafted and backed by the Baker Commercial Club.

Kodak Shop First Floor Lipman Wolfe & Co. Pictorial Review Patterns Second Floor Merchandise of Merit Only

For Today—200 Newest Trimmed Hats

In a remarkable assortment of the smartest Spring styles go on sale for the first time at the interesting price of \$5.00. Notwithstanding the high price on all millinery materials, we are upholding our usual high standard of workmanship, materials and styles at no advance in price. And today we show the largest and most complete assortment of practical Spring styles at the always popular price of \$5.00. The very latest effects can be found here—the all-ribbon hats—soft straws and combinations of materials with braids—trimmed with latest novelty effects, featuring the Oriental designs and other novel ideas of this season.

Fascinating Spring Neckwear Newly arrived, specially priced at \$1.15. Pretty sheer dainty affairs of new crepes and organdy showing the new square effect and the round effects; some of these collars come in sets with cuffs to match. Finished with lace or hemstitching. Styles that will be in vogue for suits, as well as dresses and waists.

The Kind of Girlish Styles That Youth Delights in Are Here in New Spring Suits For Girls and Misses. Featuring the middy-like suit that slips over the head, semi-fitted and pinchback models, with detachable collars and cuffs, and skirts with just the right fullness. Some belted and others tailored in straight lines. Priced Moderately, \$25 and \$35.

More New Dresses for Misses. Fascinatingly youthful, the new silk and wool dresses, in new colors and combinations, with clever embroidered designs to trim them.

Popular Sheet Music Special Four for 50c. There's a Little Bit of Bad in Every Good Little Girl; Arrah, Go On I'm Going Back to Oregon; Pray for the Lights to Go Out; If You Ever Get Lonely; What's the Matter With the Irish?

DRUG SALE. Women's Dressing Combs, coarse or mixed .33c. Diamond Dyes, all colors .8c. Boric Acid Powder .5c. Violet Ammonia for bath .33c. Filled Smelling Salt Bottles in four colors, each .39c. Glycerine and Rose Water .19c. Circular Cloth Brush .19c. Large rolls Crepe Toilet Paper 7c. French Ivory Picture Frames, oval or square .89c. Mentholatum .33c. Toilet Soap and Hand Brush, both priced at .15c. Charney Bouquet Perfume, priced at the ounce .50c.

Tools and Garden Seeds. Spades, Shovels, Spade Forks, each 79c. Long or short handles, extra quality. Garden Rakes .30c to 95c. Garden Hoes .25c to 75c. One-piece Steel Garden Trowels 12c. Turf Edgers at .69c. Garden Trowels from .10c to 50c. Lilly's Garden Seeds.

Continuing the Half-Yearly Shoe Sale Featuring for Today A Most Extraordinary Price on Women's Button and Lace Boots Of Patent Leather and Dull Calf With Cloth Tops \$4.85 Special.

The Quinine That Does Not Cause Nervousness or Ringing in Head. Because of its Tonic and Laxative effect, LAXATIVE BROMO QUININE can be taken by anyone without causing nervousness or ringing in the head. It removes the cause of Colds, Grip and Headache. Used whenever Quinine is needed.

How to Prevent Croup. Give Chamberlain's Cough Remedy as soon as the child becomes hoarse, or even after the rough cough appears, and the attack may nearly always be warded off and all danger and anxiety avoided.

Peruvian Poet Shot Down. LIMA, Peru, Feb. 6.—Leonidas Yerovi, a Peruvian writer and poet, was shot and killed last night. Manuel Jose Sanchez, a Chilean, is charged with the shooting.

Canadian Casualties Number 70,000. BOSTON, Feb. 16.—Sir Herbert Ames, a member of the Canadian House of Commons and director of the Canadian Patriotic Fund, told the House of Representatives tonight that the war has caused so far 70,000 casualties among the Canadian forces, numbering 49,000 men, and it has meant 30,000 homes from which a father or son has gone, never to return.

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