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VOL. LVII—NO. 17,630.

PORTLAND, OREGON, THURSDAY, MAY 24, 1917.

PRICE FIVE CENTS.

\$1,800,000,000 WAR TAX BILL IS PASSED

Measure Is Voted in House 329 to 76.

DEMOCRATS STAND AS UNIT

Second-Class Mail Levy Retained; Advertising Escapes.

WILSON'S WISHES PREVAIL

Republican Leader Mann Continues Opposition to Last—Senate Is Expected Virtually to Rewrite Principal Sections.

WASHINGTON, May 23.—The war revenue bill, framed to bring into the Treasury \$1,800,000,000 through new taxation during the coming year, passed the House by a vote of 329 to 76 late today in almost the same form that it was presented by the ways and means committee two weeks ago.

All the opposing votes were cast by Republicans, although there are many members on the Democratic side strongly opposed to certain sections of the measure.

Virtual redrafting of the bill in the Senate is regarded as certain. Material changes already are contemplated by the Senate finance committee as a result of public hearings held during the long debate in the House.

Final Passage Far in Future.

Final passage of the bill probably cannot be accomplished in less than a month.

Outstanding features of the bill are the greatly increased income, inheritance, excess profits, liquor, cigar and tobacco taxes; virtual abolition of the present customs free list and a 10 per cent addition to existing tariffs, new taxes on manufacturers, amusements, clubs, public utilities and insurance, a far-reaching stamp tax and a greatly increased second-class mail matter rate based on the parcel post zone system.

In only four particulars does the measure now differ substantially from the original draft. Surtaxes on incomes above \$40,000 have been increased about one-fourth above the committee schedule.

Paper and Gold on Free List.

Several articles, including print paper and gold and silver, slated for a 10 per cent duty, have been kept on the free list. Slight reductions in the second-class mail matter rate have been made. A proposed 5 per cent tax on all advertising except newspaper and periodical is eliminated.

Attacks on the bill in the Senate will center around the excess profits, income and manufacturers' taxes and the second-class mail rate increase sections.

Business men generally are protesting vigorously against the taxes, and virtually every publisher in the country is opposing the drastically increased mail rate.

Democrats, headed by Speaker Clark and Floor Leader Kitchin, voted solidly for the bill.

Republican Leader Mann was among those voting nay.

President Opposes Changes.

In a final effort to summon all of his party votes to support of the measure, Democrat Leader Kitchin declared that he had been informed personally by President Wilson today that he did not desire changes in the bill in Senate, as had been currently reported.

Mr. Kitchin also appealed earnestly to all members to supply the President with money to carry on the war now that the counting is in it.

"I would feel like a miserable coward," he said, "to impose a burden on my children and my children's children to pay for something for which they were not responsible and yet refuse to take out of my pockets money for my share of the burden."

Mann Obstructs Procedure.

Republican Leader Mann insisted that the bill would raise too large an amount of money by direct and immediate taxes. He placed every possible obstruction in the way of the measure, even insisting on a roll call on a motion to recommit. It was defeated 246 to 161.

The House voted down 345 to 60, a motion to strike out the increase in the Leanoor income tax surtax amendment which it is estimated will be productive of \$68,000,000 additional revenue.

An unsuccessful effort also was made to eliminate the committee second class mail matter rate section, which would increase March 1, 1918, the present flat rate of 1 cent a pound to a graduated scale ranging from 1 1/2 cents a pound in the first zone to 6 cents a pound in the eighth.

Advertising Tax Dropped.

Two oil or graduated scales with further increases in rate would go into effect July 1 next and November 1 respectively. The vote sustaining the committee was 256 to 150.

Mr. Kitchin voluntarily struck from the bill the proposed 5 per cent tax on advertising. It had been left in the measure for use in case of defeat of the second-class mail matter proposal to carry an amendment to tax newspaper advertising.

Those voting against the bill today were: Representatives Anthony, Austin, Bacon, Britten, Carter, of Massachusetts; (Concluded on Page 7, Column 3.)

CHINESE PRESIDENT DISMISSES PREMIER

DR. WU, EX-AMBASSADOR TO AMERICA, IS SUCCESSOR.

Action Probably Will Be Followed by Declaration of War Against Germany.

PEKIN, May 23.—President Li Yuan Hung has issued a mandate dismissing Premier Tuan Chi Jui from office and naming Dr. Wu Ting-fang, ex-Ambassador to the United States, as acting Premier and empowering him to form a new cabinet.

This action probably will end the deadlock in Parliament and make possible a declaration of war by China against Germany.

The provincial Military Governors who were attempting to disband Parliament left Peking before the President took action against Tuan Chi Jui, as the President had positively announced that he would disregard their demand for a dissolution of the legislative body.

The President declared that Parliament must not be coerced in any way and announced his intention to conduct the government in accordance with the provisional constitution at any cost.

BURIED TREASURE DUG UP

Fortune of a Five-Year-Old Boy Found After 65 Years.

SALEM, Or., May 23.—(Special.)—Sixty-five years ago when John Caplinger, now a farmer east of the city, was 5 years old, he had hoarded \$1.85. His parents, needing some ready money, borrowed a dollar from the boy, fearing they might want more. He buried the other 85 cents—a half dollar, a quarter and a dime—in a field on the farm. But he forgot where he buried the money, and all his boyish searches proved futile.

The other day, while plowing, Mr. Caplinger turned over the half dollar, and a little search revealed the other two coins.

Today he was in Salem, displaying the long-buried treasure. One of the pieces buried was coined in 1774, and another in 1850. The third is so badly worn, the date is obliterated.

CHARLES DUNDORE VICTOR

Portland Boy Defeats Shy Hunting-ton of The Dalles in Election.

UNIVERSITY OF OREGON, Eugene, May 23.—(Special.)—Charles Dundore of Portland, today was elected president of the senior class for 1917-18 at an election of the juniors in Johnson Hall. Dundore defeated Shy Huntington of The Dalles, 54 to 46. Miriam Page, of Eugene, was chosen vice-presidential, and Willy Knighten, of Grass Valley, treasurer, defeating Oscar Goreszky, of Portland, 54 to 43.

Dundore has been active in student body activities for his three years in the university and is a member of Kappa Sigma fraternity. He also was elected recently to membership of Friars, senior society.

KING GEORGE RAISES SPUDS

Princess and Prince Also Cultivating Vegetable Garden.

WINDSOR, May 6.—(Mail.)—King George can be seen most afternoons in Windsor Park cultivating a potato patch, which he started himself when the general allotment scheme was initiated.

Princess Mary is also the owner of an allotment adjoining her father's and one of the young Princess puts in a good deal of time on a small patch of vegetables.

FAKE ART SALE ADMITTED

Firm to Return £20,000 Paid by American for Romney Copy.

LONDON, May 22.—The action brought by Henry E. Huntington, of New York, against a London firm of art dealers for the return of £20,000 paid for an alleged Romney ended today.

The defendants admitted the canvas was not by Romney and agreed to return £20,000 within a year and all costs.

DERELICTS ARE SUSPECTED

Waterlogged Vessels May Be Deceyos, Warns Government.

SAN FRANCISCO, May 23.—Beware of waterlogged boats and floating mines, for they may be decoys to lure ships upon submerged mines, was the warning issued to navigators here today by the Collector of the Port on instructions from the Department of Commerce.

Derelicts should be destroyed by gun fire and not rammed, it was suggested.

CANADA FOILS SLACKERS

Men of Military Age Not Allowed to Cross to America.

SHERBROOKE, Quebec, May 23.—In response to reports by immigration officials that a large number of young men who would be eligible for war service under a Canadian conscription law had tried unsuccessfully to cross the American border, the Dominion authorities issued rigid instructions to military and immigration officials today.

Men of military age are not to be allowed to enter the United States.

PEACE TRIP BY U.S. SOCIALISTS FORBID

Passports Are Denied by Government.

INTERFERENCE VIOLATES LAW

Heavy Penalty Provided for Negotiations With Enemy.

KAISER IS BEHIND MOVE

Two Americans Selected to Go to Stockholm Said by Own Party Members to Be Pro-German.

WASHINGTON, May 23.—Emphatic disapproval of the peace propaganda of European Socialists was expressed today by the American Government, which denied passports to American delegates to the Stockholm conference and issued a warning that any American taking part in the negotiations would be legally liable to heavy punishment.

No formal announcement of purpose was issued.

Mr. Lansing explained that it had been the policy of the Government for more than 100 years not to permit any interference in international affairs by private citizens that might in any way defeat the plans of the Government.

Move Inspired by Germany.

Officials believe, however, that the Government's course would have the two-fold effect of discrediting generally any peace moves by unauthorized persons and of condemning in particular the present Socialist agitation, regarded since its inception as inspired by Germany.

In making known the decision not to give passports to the American Socialists designated to take part in the Stockholm conference, Secretary Lansing cited the Logan Act of 1795 as defining the punishments which might be exacted by any American now in Stockholm or who might go there without a passport and participated in the peace discussions.

Heavy Penalty Provided.

Under this law unauthorized persons who directly or indirectly treat with foreign agents regarding controversies of the United States may be imprisoned for three years and fined \$5000.

The American delegates to the conference authorized to represent the Socialist party over the protest of some of its foremost members are Victor L. Berger, of Milwaukee, and Morris Hillquit and Algeron Lee, of New York.

They were selected by the party's legislative committee after a notable group of Socialists, headed by Charles Edward Russell and William English (Concluded on Page 4, Column 3.)

LIBERTY LOAN FACTS TOLD IN NUTSHELL.

SAN FRANCISCO, May 23.—The following summary of facts regarding the Liberty loan bonds now being placed to finance America's war operations has been given out by Archibald Kains, governor of the San Francisco Federal Reserve Bank:

Purpose—This loan is a bond issue authorized by Congress to pay cost of the war against Germany, to make advances to the allies and, above all, to bring about a speedy and successful end of the world conflict.

Amount of loan—\$2,000,000,000. Pacific Coast share—\$166,000,000.

Size of bonds—\$50, \$100, \$500, \$1000 and upward.

Rate of interest—3 1/2 per cent per year.

Term of bonds—The bonds run for 30 years. The Government reserves the right to buy them back at face value after 15 years.

Buy these bonds now because: First—These bonds are the safest investment known.

Second—By so doing you serve your country.

Third—Democracy needs its dollars for defense, not tribute.

Fourth—These bonds are backed by the credit of the whole United States, the richest country in the world.

Fifth—Every \$1000 invested will bring you \$35 a year income.

Sixth—The Government guarantees to pay you more income if future loans carry higher interest rates.

Seventh—You can buy them on the installment plan.

Eighth—Your money will be spent wholly in America.

How to buy these bonds: Every bank is authorized to take subscriptions for the Government. You can subscribe now by paying to your bank only 2 per cent of your purchase and the balance as follows:

18 per cent on June 25.

20 per cent on July 30.

30 per cent on August 15.

30 per cent on August 30.

This is an opportunity to combine a patriotic service with a good investment.

Published reports of an explosion in the city power plant were denied.

SENATOR LANE DIES IN SAN FRANCISCO

End Comes As Result of Nervous Breakdown.

ILLNESS LASTS FEW WEEKS

Prominent Part Taken in Oregon Politics Many Years.

DEATH NOT UNEXPECTED

Two Terms as Mayor of Portland Served and First Term in United States Senate Being Served at Time of Death.

SAN FRANCISCO, May 23.—United States Senator Harry Lane, of Oregon, died at a hospital here tonight, from a nervous disorganization produced by a blood clot on the brain.

Senator Lane was stricken while in Washington. He stopped here on his way to his home in Portland, to recuperate. Last Thursday he was taken to a hospital, and on Monday the doctors pronounced the case hopeless.

Senator Lane was 62 years old. He is survived by his widow and two daughters, Mrs. Nina Lane McBride, of Washington, D. C., and Mrs. Harriet Lane Hicks, of Norfolk, Va.

SENATOR NATIVE OF OREGON

Life Devoted to Efforts in Aiding Common People.

Senator Lane was a native of Oregon, the son of a pioneer family of this state. His grandfather, General Joseph Lane, was the first Territorial Governor of the state, its first United States Senator and candidate for Vice-President on the Democratic ticket with Breckinridge in the memorable campaign of 1860.

Nat H. Lane, was a pioneer merchant, establishing the first store on the East Side. Nat H. Lane was well known in the early days for his ready wit, his calm and unruffled philosophy of life and what his friends were pleased to call his "plain horse sense."

Senator Lane was born at Corvallis on August 28, 1855, and was, therefore, in his 62d year. As a youth he was employed on a farm and for a time worked as a laborer on a mining property operated by an uncle in Curry County. He was compelled to leave school at the age of 13 to help support the family. But he studied in his spare hours and by the time he was 20 was able to enter Willamette University at Salem. He was graduated from the medical department there on May 30, 1876. Most of his active life was passed (Concluded on Page 2, Column 1.)

STRANGER THROWS SOLDIER OFF BRIDGE

GUARDSMAN IS ATTACKED BY TRESPASSER.

Adam Garren Rushed to Medford in Serious Condition—No Explanation of Deed Given.

MEDFORD, Or., May 23.—(Special.)—Adam Garren, 37 years old, of Hubbard, Or., a private in Company I, Third Oregon Infantry, is at the Sacred Heart Hospital in a serious condition as the result of being thrown from the trestle at Graves' Creek, near Leland Tuesday night by a stranger, whom he had accosted and was escorting off the railroad bridge.

Garren arrived in Medford early Wednesday and as he has been under the influence of opiates ever since details of the tragedy are lacking. As far as could be learned by Dr. E. H. Porter, who attended the injured man, Garren was guarding one end of the railroad bridge when the stranger started to cross. Garren ordered him back. The man obeyed without protest and when about 20 feet from the end of the trestle, suddenly turned, knocking Garren 30 feet to the rocky bottom beneath.

Private A. L. Covey, guarding the other end of the bridge, saw his comrade fall and started in pursuit of the stranger, but was unable to catch him. Garren was rendered senseless by the fall, suffered a compound fracture in each leg and sustained minor injuries. A passing freight train was flagged and the injured man was rushed to Medford.

Unless there are complications due to internal injuries, Garren is expected to recover. No explanation of the action of the stranger has been offered. Captain Todd, of Company I, left tonight for the scene of the accident and will make a thorough investigation.

FOREST FIRE PROBE BEGUN

Minnesota Authorities Take Up Charges of Incendiarism.

ST. PAUL, May 23.—Members of the Public Safety Commission today took up charges that forest fires in Northern Minnesota were due to incendiarism.

It was pointed out that the fires began after announcement of the Government's plan to construct many wooden ships as a means of combating the submarine menace.

"A. P." AIDS LIBERTY LOAN

Association Devotes Extraordinary News Fund to Bond-Buying.

NEW YORK, May 23.—At a meeting of the executive committee of the Associated Press today it was unanimously resolved to transfer from the present investment the sum of \$200,000 of the emergency reserve fund to the purchase of Liberty loan bonds.

The accumulation had been set aside for extraordinary news events.

INDEX OF TODAY'S NEWS

The Weather.

YESTERDAY'S—Maximum temperature, 61. TODAY'S—Partly cloudy; northwesterly winds.

War.

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Two hundred and one non-commissioned officers in Western Department to train at Fort Ord. Page 2.

French mission to America arrives in France after secret trip. Page 3.

World revolt is fostered by Socialists. Page 7.

Danish foreign legion in France again decorated. Page 2.

Allies perfecting buying organization to spend \$100,000,000 in Liberty bonds. Page 4.

British ships for past week are comparatively low. Page 4.

National.

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Domestic.

Weather favorable to crops. Page 7.

Portland firm's contract for four Government ships signed. Page 20.

Sports.

Pacific Coast League results: Portland 3, Los Angeles 1; Vernon 4, Salt Lake 1; San Francisco 3, Oakland 3.

Red Cross women's golf handicap won by Mrs. George H. Mayes. Page 4.

Industrial Kentucky to strengthen Los Angeles team. Page 16.

Johnny Ertz, basketball title-holder, is slipping. Page 15.

Pacific Northwest.

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Guardman is thrown from bridge by trespasser. Page 1.

Commercial and Marine.

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Chicago wheat depressed by improved crop prospects. Page 21.

United States Steel duplicates previous high record quotations. Page 21.

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Episcopal conference in session in Portland. Page 4.

Curtailment of streetcar service said to be planned if strikes are not regulated. Page 12.

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G. A. R. members are assigned to public schools for Memorial day. Page 6.

Mr. Butler factors one day off in four for strikers. Page 20.

Four actions for divorce begun yesterday. Page 2.

Assessor Reed takes charge of Red Cross canvass for funds. Page 14.

One hundred register under selective draft act. Page 14.

Mr. Reames asks for ruling that will decide whether enemy aliens will be allowed downtown without permits. Page 14.

Two-platoon system denounced by fire board engineers. Page 8.

Whole National Guard will be absorbed into Army. Page 17.

Weather report, data and forecast. Page 21.

19TH SHIP YARD IS TO BE BUILT HERE

Backing by Eastern Capital Reported.

SITE NEAR PENINSULA PLANT

Plants Along Harbor Within Year Multiply From Two.

PORT TO ASSIST BY FILL

Dual Purpose Will Be Served, as Dredge Is in Need of Place to Deposit Material From Work Near North Bank Span.

NINETEEN SHIP PLANTS ON LOCAL WATERWAYS.

One year ago two plants were engaged in the construction of deep-water vessels on the river—the St. Helens Shipbuilding Company and Wilson Bros., of Astoria, while three others were laying out yards—the McEachern Ship Company, at Astoria; the Northwest Steel Company, at the foot of Sheridan street, and the Peninsula Shipbuilding Company, at the foot of McKenna avenue.

Today 11 additional companies are building ships or constructing yards, and three more are about to start, the latter including Portlanders who have leased a site at Columbia City, below that of Somarstrom Bros., and are withholding their identity; the Grant Smith & Co., which has leased property at the foot of Baltimore street, St. Johns, and the yard of F. C. Knapp and Eastern associates, alongside the St. Johns railroad bridge. The list of active plants and those known to be projected numbers 19 now.

Independent of the Peninsula Shipbuilding Company, established at the foot of McKenna avenue by F. C. Knapp and associates a year ago, the official announcement being made April 25, 1917, the first unit of a second plant is to rise below there. The site extends from the approach of the Spokane, Portland & Seattle Railroad bridge south about 450 feet, having that much river frontage. It will reach back to the O. W. R. & N. right of way, about 1400 feet.

Supporting Mr. Knapp in the enterprise are said to be influential New Yorkers and, except that Mr. Knapp is president of the Peninsula corporation, it is understood the new organization will be financed by separate capital.

Additional units to the plant may be added on the south as far as the property of the Peninsula Lumber Company.

Business Trip Taken East.

For the past few months Mr. Knapp has been in the East on business connected with the Peninsula company relative to machinery and negotiations for wooden ship contracts. In the latter business he has so far closed for a fleet of four steamers and they are to be delivered complete, the company agreeing to furnish and install all machinery.

They will be turned out at the present yard, two being already started, while two other vessels on ways will be launched as soon as ready and before then the fifth and sixth sets of ways will be available.

Included in bits of information drifting here from Washington is one report that Mr. Knapp will have several Government ship contracts, and steps taken for the establishment of the second yard indicate the first award of four vessels is not all by any means.

New Site Requires Fill.

The new site will require a fill, and the matter has been taken up with members of the Port of Portland Commission as to obtaining dredged material. Fortunately, for the new concern, the Port's dredging programme includes work in that vicinity and opportunity to obtain space on which to deposit dredgings will facilitate the harbor improvement. It is roughly estimated that 400,000 cubic yards of material will be needed to bring the property to the desired grade.

The Port has followed a policy of assisting new shipbuilding plants in making fills, such enterprises being highly important in the development of the Port. In the present case a double purpose will be served. It has been indicated by the commission that a dredge can be assigned there in 10 days if fuel is available.

In less than one year of actual construction, the Peninsula Shipbuilding Company has turned out the auxiliary schooners Alpha and Beta, and a third vessel is ready to be launched except for placing struts and shafts, while the fourth schooner will be fully planked in another week. Keels for the first two Government steamers have been laid, but speed cannot be made on further work until the receipt of specifications from Washington.

Half of Japanese Town Destroyed.

TOKIO, May 23.—Seventeen persons have lost their lives and 87 are suffering from various injuries as a result of the fire which swept over Yonezawa yesterday. Half of the city has