

## 10 BILLION MAY BE REQUIRED FOR WAR

### Estimates of Year's Expenses Mount Up.

### ARMY ASKS \$5,278,636,000

### Senate Committee Considers Sources of Revenue.

### MORE TAXES, M'ADOO PLAN

### Sentiment Strong That Next Issue of Bonds Shall Be in Serial Form Instead of 20 Years.

### Interest May Be Higher.

WASHINGTON, July 26.—The new war budget to carry the Government through to next July and to cover additional credits to the allies promises now to exceed \$8,000,000,000 and may amount to \$10,000,000,000.

War Department estimates sent to Congress today call for new appropriations of \$5,278,636,000 for that branch of the military establishment alone. Estimates totaling another \$1,000,000,000 or more are expected tomorrow, when the other departments report their needs, and in addition Secretary McAdoo has indicated that before the year is out Congress will be asked for a \$2,000,000,000 appropriation to increase the fund available for loans abroad.

### Budget to Call for \$7,000,000,000.

As soon as the departmental reports are in the appropriation committees of Congress will go to work on an immediate budget, which probably will total in the neighborhood of \$7,000,000,000. Meantime the Senate finance committee, which has the war tax bill in charge, will be expected to consider what part of the new expenditures to be provided by taxation and on what commodities the new levies are to fall. The committee hopes to have a revised bill ready early next week.

Congressional leaders do not expect to have to provide immediately for the additional credits to the allies, as Treasury officials had indicated that no appropriation for that purpose will be requested until the next session.

### Estimates Total \$5,917,878,347.

The gross estimates submitted by the War Department today totaled \$5,917,878,347, but that covered all existing and expected deficiencies in the department funds, including upwards of \$640,000,000 already appropriated for the aviation programme. This latter item will not be included in the budget, but Congress will have to provide revenues to meet it, since it was not on the ledger when the war tax bill was framed.

How much of the new war expenses should be raised by taxation and how much by bonds or Treasury indebtedness certificates, is the question now in question. Committee sentiment tonight seemed to be in favor of increasing the \$1,670,570,000 war tax bill only to about \$2,000,000,000, with authorization both for a new bond issue probably at a higher interest rate and in serial form and for issuance of Treasury certificates of indebtedness.

### More Taxes McAdoo's Plan.

Secretary McAdoo is said to favor a much larger levy of taxes and a few committee members favor increasing the bill's total by \$1,000,000,000 or at least to \$2,250,000,000.

Whether the interest rate on the new bonds shall be increased is causing much discussion. There is a strong sentiment that the bonds shall be in serial form instead of running for 20 years.

As to the sources of the new taxes, sentiment apparently is tending toward securing the bulk of the increase from war excess profits and incomes.

Several War Department officials will appear tomorrow before the finance committee to explain their recommendations. Chairman Simmons said tonight that, while the present year's appropriations already total \$9,226,000,000, it is estimated that only about \$6,000,000,000 of that will be spent during the present fiscal year. The committee's tax bill has been drawn on that basis.

### Forts Are Expensive.

The largest single item in the department's estimate is \$2,195,513,900 for armament of fortifications.

The estimates include the following appropriations for armaments: Benicia, Cal., \$31,500; Frankfort, Philadelphia, \$2,630,000; Picatinny, Dover, N. J., \$49,000; Rock Island, Ill., \$1,645,200; San Antonio, Tex., \$133,000; Springfield, Mass., \$445,000; Watertown, Mass., \$741,500; Westville, N. Y., \$783,500.

For the protection of the Panama Canal a total of \$1,087,525 is required.

Other items include: transportation, \$480,480,305; clothing and camp equipment, \$257,506,927; subsistence, \$329,872,218; automobiles, \$1,000,000; medical supplies and hospitals, \$109,026,000; horses, \$51,751,468; signal service, \$3,000,000; quartermaster's department, \$162,912,925; barracks and quarters, \$82,178,000; civilian training camps, \$2,130,000; engineer department, \$194,700,000; ordnance stores, ammunition, \$29,520,000; ordnance stores, supplies, \$70,000,000; armored motor cars, \$21,750,000; and submarine mines, \$700,000.

The new war estimates will increase materially the technical labor required of Congress and probably greatly prolong the session. The Army estimates probably will require passage of a new Army appropriation bill. Another and more far-reaching appropriation measure is necessary and another naval deficiency bill also is possible.

## INVESTIGATION OF BREAD COMMENCED

### MAYOR HAS SAMPLES TAKEN SECRETLY AND WEIGHED.

### Object Is to Have Standard Loaf Sold at Standard Price Allowing Reasonable Profit.

### Bread Now Is to Be the Subject of Investigation by Ivan Humason, Investigator Appointed by the City Council.

### Mayor Baker Yesterday Instructed Mr. Humason to Go into the Subject Thoroughly and Fairly to Give the People of Portland Complete Detail Information as to the Legitimacy of Present Bread Prices.

The investigation was ordered after Mayor Baker secretly had E. D. Jones, City Sealer of Weights and Measures, take samples of bread delivered at stores by various bakeries for weighing. The result of this inquiry was that a large amount of bread was taken and it was found that the weight for a 16-cent loaf varies from 15 ounces to 15 1/2 ounces.

Mr. Baker called officials of the Master Bakers' Association into conference at his office yesterday and told them the results of his investigation of which they had known nothing previously.

Mayor Baker said he hoped to have adopted a standard-size loaf for a standard price, allowing a reasonable profit thereon.

### PAY FOR MEN IN CAMP AIM

### City Will Be Asked to Provide for Employes Trying to Be Officers.

An ordinance providing for the payment to city employes who have entered the Officers' Reserve Training Camp at San Francisco, of the difference between their salaries from the city and their salaries from the Government and also reserving their city positions for them on their return, will be presented to the City Council Wednesday by Mayor Baker.

The proposal is that all men who have gone into the service shall suffer no loss of salary as a result and shall be protected in their positions when they return. The Mayor also provides in this measure that their going shall not prevent their having their annual vacation from the city.

### MOVIE FIRE IS FATAL

### Caldwell Operator Loses Life When Broken Reel Starts Flames.

CALDWELL, Idaho, July 26.—(Special)—Horace Crookham, son of Mr. and Mrs. George W. Crookham, of this city, lost his life by suffocation in a fire which damaged the Huree Theater tonight. Crookham, an operator at the theater, became panic-stricken as the flames, which originated from a broken reel, enveloped the room.

Not until the fire had been extinguished was it discovered that he had escaped through a trap door leading into the attic. He was immediately rescued, but the five physicians summoned were unable to revive him.

Charles H. Beal, a theatrical operator, was severely burned.

### SHIPS' MACHINERY INJURED

### Siamese Government Interns Subjects of Enemy Countries.

BANGKOK, Siam, July 26.—The machinery of the Austro-German steamers which were seized after Siam had declared war against the central powers July 23 was found to be damaged.

All masculine subjects of enemy countries have been interned and all enemy business will be wound up.

Nine steamers, aggregating 19,000 tons, were seized by the Siamese government with their entrance into the war. They were owned chiefly by the North German Lloyd Company.

### OREGON PRODUCT PUSHED

### Mr. Hawley Asks That Loganberry Jam Be Put in Army Ration.

OREGONIAN NEWS BUREAU, Washington, July 26.—"Read the Army on Loganberry jam," is the recommendation made by Representative Hawley today to the War Department.

Blackberry jam is now part of the Army rations, but the department is unable to obtain it in sufficient quantities. Mr. Hawley recommends that the Oregon product be added to the ration.

### THREE FISHERMEN MISSING

### Strong Wind Off Mouth of Columbia Makes Sea Rough.

ASTORIA, Or., July 26.—(Special)—A strong wind has been blowing and high seas have been running outside the mouth of the river during the past few days and as a result several fishing boats have met with mishaps.

Three trollers, who reside at Hammond, are reported to have been missing since Monday, when they left to troll outside the heads, and fears for their safety are felt.

### GOETHALS TO GO TO FRANCE

### Major-General May Head American Army Engineers.

WASHINGTON, July 26.—Major-General Goethals is expected to go to France soon to head the American Army engineers, it was said today.

He has expressed a wish for active service since the reorganization of the Shipping Board.

## SCHOOL BOARD HIT BY SOARING COSTS

### Alarming Situation Is Shown at Meeting.

### FUEL PROBLEM MOST ACUTE

### Directors Told Oil Contracts Cannot Be Made.

### FRANKLIN UNIT IS KILLED

### Board's Recent Action on Salary Increases Rescinded and New Plan Will Be Worked Out to Provide for Rises.

### POINTS IN SCHOOL BOARD'S ECONOMY PROGRAMME.

Fuel situation so acute that coal burners will have to be substituted for oil burners, or slabwood may have to be used.

Financial situation of Board so cramped because of tax limitation, soaring prices, etc., that all possible construction, all purchases of ground and everything possible to eliminate will be cut.

Bids for construction of third unit of the Franklin High School rejected and construction postponed indefinitely.

Action of Board in increasing salaries of grade teachers and other employes last week rescinded, but new schedule of rises will be worked out.

To assist in fuel conservation, bathing at schools ordered discontinued during remainder of summer season.

To conserve space and avoid necessity for new buildings, survey of vacant rooms is ordered and established lines for each school, once laid down, will be adhered to rigidly.

Great obstacles which have to be overcome under the most difficult of circumstances last night caused the members of the Board of Education at a special session to determine upon a policy of the most rigid retrenchment and financial conservatism compatible with absolute necessities.

On top of several other very difficult problems came an announcement yesterday from the oil companies operating in the city to the effect that they cannot enter into any contracts for fuel oil this year; that they may not be able to furnish any definite amount and suggesting that the board prepare to burn coal or wood.

This creates the most acute situation which has as yet come to the board.

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## SOLDIER GUARD IS SHOT BY PROWLER

### CORPORAL SUTTON WOUNDED AT P. R. L. & P. PLANT.

### Finding of "Live" Dynamite Fuse Leads to Belief That Assaultant Carried Explosives.

### Corporal William Sutton, Third Oregon Infantry, was shot through the right shoulder at 10:20 last night by an unknown prowler while on guard duty at Substation L of the Portland Railway, Light & Power Company, at the foot of East Lincoln street. He will recover.

The prowler, who was fired upon three times by Corporal Sutton, escaped toward Hawthorne avenue, apparently unhurt. He was challenged by the soldier and his right there questioned. He made a surly reply and is said to have grappled with Corporal Sutton. The shots followed and the man fled. The stranger used a revolver.

Sutton fired three shots, but apparently did not hit his assailant. Wallace Wager, another sentry on duty at the other end of the route, at once ran to assist his comrade, but, confused by the sound of the shots, ran in another direction. Two or three minutes elapsed before he reached the spot where the melee occurred. By that time the prowler had escaped. Wager assisted the wounded soldier to the sentry headquarters at the sub-station, and then returned to the scene of the shooting, where he found five feet of "live" dynamite fuse.

The police and Special Agents Lou Wagner and William Keller, who arrived at the substation 10 minutes after the shooting, are convinced that the prowler either carried explosives which he threw into the river when challenged by the sentry, or else had previously hid the stuff and was seeking to put his fuse to it and touch it off.

Corporal Sutton was rushed to St. Vincent's Hospital, where it was found that his wound is not serious.

### FRENCH LOSSES ARE NIL

### Submarine Attacks of Week Against Six Merchantmen Unsuccessful.

PARIS, July 26.—During the week ending midnight July 22 not a single French vessel either over or under 1000 tons was lost.

Six French merchantmen were attacked unsuccessfully during that time by submarines. Ships of all nationalities, numbering 1963, entered port and 927 departed.

ROME, July 26.—Two Italian steamers were sunk and one small sailing vessel was damaged during the week ending at midnight July 22, says an official announcement. Five hundred and ninety-three vessels, with a gross tonnage of 389,818, arrived, and 550 of a tonnage of 463,450 left port.

### FARM GIRL GETS \$2 A DAY

### 16-Year-Old Maid Comes to Rescue in Montana Labor Shortage.

HELENA, Mont., July 26.—Unable to get men, a farmer near here has hired a 16-year-old girl at \$2 per day as a field hand.

She has "made good" with the plow and is the best worker he ever had, her employer says.

### Nation's Fate in Balance.

"Now is the time to put forth every effort to secure a permanent industrial peace. The Nation confronts at this time the greatest peril in its history and it is the time for each and every citizen to do his part."

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## CONCILIATION BOARD IS GOVERNOR'S PLAN

### Executive Would Avert Industrial Strife.

### GRAVE TROUBLES FORESEEN

### I. W. W. Not Feared; Viciousness Held Checkmate.

### CHIEF JUSTICE IS NAMED

### In Appeal to Patriotism of Labor and Capital, Mr. Withycombe Pledges Aid of State in Stampeding Out Traitorous Vipers.

SALEM, Or., July 26.—(Special)—Governor Withycombe announced today his plan for keeping Oregon free from labor disturbances by the creation of a board of conciliation and arbitration to which would be submitted all difficulties which might arise between labor and capital.

The personnel of this board would be made up of three men, selected by and from the ranks of organized labor; three men selected by representatives of the employers, and as the seventh member the Chief Justice of the Supreme Court, to be asked by the executive to serve as representative of the state.

His decision to create such a board, with the sanction of the employer and the employed, is based upon broad patriotic grounds. Realizing that National safety depends in the greatest degree upon freedom from internal dissension and strife, particularly from industrial disturbances, he asks that patriotism become the paramount desire of every citizen and that the wage-earner and the man who pays him, join in this move to conserve the Nation by conserving peace among themselves.

Grave industrial troubles ahead. "The country is on the verge of a great industrial danger at this time," declared the Governor, in discussing his plan for eliminating disputes. "I am not afraid of the I. W. W.—their propaganda and their agitation are too vicious and too contemptible to become a permanent menace. But I believe that this country is on the verge of grave industrial difficulties.

"Oregon, industrially, is just coming into her own, particularly in the shipbuilding industry, which is developing into colossal proportions. Not only are we building for the present, but for years in the future. The state is at the dawn of its greatest commercial era.

"Now is the time to put forth every effort to secure a permanent industrial peace. The Nation confronts at this time the greatest peril in its history and it is the time for each and every citizen to do his part."

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## SENATE DATE FOR DRY VOTE IS SET

### CONSTITUTIONAL AMENDMENT UP NEXT WEDNESDAY.

### Sheppard Claims Necessary Majority in Close Fight; Penrose and Underwood Are Opposed.

WASHINGTON, July 26.—National prohibition will be voted on by the Senate next Wednesday. By unanimous consent it was agreed tonight to take up Monday Senator Sheppard's resolution for a National prohibition amendment to the Constitution and to dispose of it by Wednesday night.

Foes of prohibition consented to the vote in order to clear the resolution from the calendar, transmit it to the House and perhaps shift further agitation on the subject from Congress to the states. They secured an agreement, however, for addition of a proviso requiring the states to act within six months on the constitutional amendment, if submitted to them.

The vote in the Senate probably will be extremely close. Adoption would require two-thirds of the Senators present. Senator Sheppard predicted tonight an affirmative vote of 65 to 66 votes, just enough to approve the resolution, which would then go to the House, subject to a similar two-thirds vote.

Ratification of the amendment would require affirmative action by three-fourths of the 48 states.

Senator Penrose said he would vote and speak against the resolution. Senator Underwood also announced that he was opposed to it.

### FREE PHONES PAID FOR

### Samuel Hill Turns \$25,375 Over to Home Company Receiver.

SALEM, Or., July 26.—(Special)—The Public Service Commission today was notified by ex-Governor West, receiver for the Home Telephone & Telegraph Company, that Samuel Hill has paid \$25,375 for 3171 installations of telephones for that company. Receiver West states that payment for the phones came as a voluntary gift, and that for more than a year prior to making the offer Mr. Hill was not connected with the company either as officer or director.

Mr. West also notified the commission today that the new tariff offering three months' service free for new subscribers after August 1 does not apply to subscribers installing their phones prior to August 1.

### MOTHER SEES GIRLS DROWN

### Daughters of Mr. and Mrs. Robert McGuire Die in Siletz River.

NEWPORT, Or., July 26.—(Special)—Lottie and Esther McGuire, aged 12 and 9, daughters of Mr. and Mrs. Robert McGuire, of Siletz, drowned yesterday while bathing in Siletz River. The girls got into a deep hole and drowned before assistance could be summoned.

The mother of the girls witnessed the accident, but was unable to help. The bodies were recovered shortly afterward.

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## COMMONS REJECTS PEACE PROPOSITION

### Reichstag Resolution Is Held Too Vague.

### FINAL VOTE IS 148 TO 19

### Asquith Commends Plan to Restate War Aims.

### FALTERING DELAYS PEACE

### Former Premier Declares He Finds Nothing in German Attitude to Indicate Agreement With Purposes of Entente.

LONDON, July 26.—The House of Commons, after employing the whole evening session in a discussion of a peace resolution moved by James Ramsay MacDonald, Socialist and Labor member, defeated it by a vote of 123 to 12. The announcement of the figures was received with some cheers and much laughter.

The smallness of the numbers in the House when division was taken is an indication of the little interest shown by Parliament in any hope of a useful peace movement at the present juncture and the conviction was voiced in an important statement by Herbert H. Asquith, the former Premier, that nothing was to be hoped from the present temper of the German Reichstag and people.

### Faltering Would Delay Peace.

Mr. MacDonald, as shown by the vote, found very few supporters. George James Wardle, in behalf of the labor party, declined to have anything to do with this pacifist resolution.

The speech of Andrew Bonar Law, the government leader in the House, dealt largely with the Russian crisis. He was certain that if anything could delay peace it would be any sign of faltering.

Philip Snowden, Socialist, said the debate disclosed that the British government, more than any other belligerent, was standing in the way of an early settlement. He protested against more blood being shed to restore Alsace-Lorraine to France.

### New Statement Asked.

A little group of pacifists instituted the peace debate this afternoon by introducing a resolution declaring that the German Reichstag resolution favoring peace by an understanding expressed the principles for which Great Britain stood throughout and calling on the government, in conjunction with the entente allies, to restate their peace terms accordingly.

Further, the resolution declares that the allies should accept the Russian proposal that the forthcoming allied conference on the war aims should comprise representatives of the people and not solely spokesmen of the government.

The resolution was moved by James Ramsay MacDonald, Socialist and labor member for Leicester, and was supported by Charles P. Trevelyan, Liberal; Hastings B. Lees-Smith, Liberal; Philip Snowden, Socialist, and Arthur A. Ponsonby, Liberal.

Mr. MacDonald agreed that his resolution expressed the opinion of only a small minority, but he contended that this minority was ever growing. Stockholm had borne its fruit; the allied conference would bear more, and the

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### HOW PRUSSIA SPUN THE WEB OF TREACHEROUS DECEIT.

### By Former Ambassador Gerard.

"My Four Years in Germany," the remarkable relation of a monstrous scheme of world domination, will appear in the daily and Sunday issues of The Oregonian, beginning Sunday, August 5.

When Mr. Gerard represented the United States in Germany he became possessed, bit by bit, of the evidence that convicts Prussianism. In all history, ancient or modern, no more glaring case of treacherous intrigue has been presented, and the letters of the former Ambassador will be the records of impartial history when the battle flags are furled.

Were the German protestations of friendship for America borne out by the secret plans and contrivings of the Prussian clique? Mr. Gerard's letters form a conclusive answer in the negative. Was the world war forced upon Germany, or was it the fruition of plots toward the Prussianizing of the world? The evidence of those intrigues is in the letters.

Of the reams of contribution to the world war, nothing that approaches in importance or clarity the Gerard letters has been offered to the public. To follow their graphic course is to understand much that hitherto has been clouded by surmise and