

GARY CHAMPIONS LABORER'S CAUSE

Rights Must Be Respected, He Insists.

PROFIT-SHARING IS ENDORSED

Capital's Plain Duty Set Forth by Steel Magnate.

LABOR TROUBLES ARE CUT

Employer of 275,000 Persons Declares Money Invested in Providing Proper Working Conditions Pays Dividends.

"Working people have rights that must be respected and about the only way the great labor problem is going to be solved—if it is going to be solved—is for capital to recognize them."

This is the way that Judge Elbert H. Gary, head of the United States Steel Corporation, with 275,000 employees and \$1,100,000,000 in capital, sums up what probably is the most vital economic and industrial problem of the day.

Judge and Mrs. Gary arrived in Portland yesterday after a tour of a few weeks in Alaska. They passed most of the day on the Columbia River Highway, returning to the Benson late last night. They will be here until tonight.

Theory Used in Business.
Judge Gary's philosophy on the labor situation is more than an idle platitude with him. It has been put into actual practice by the great corporation of which he is the head and proved workable in every particular. In fact, students of the country's industrial development of the last decade attribute a large measure of the steel company's remarkable success to the cordial relations existing between the corporation itself and its employees.

"About 15 years ago," related Judge Gary last night, in explaining the principles of the co-operative system, "we saw that the modern way of doing business required mutual confidence between employers and employees."

"So we put into effect a plan that enabled our employees to buy shares of the corporation at a figure a little below the actual market value, allowing them to pay for it in installments. They paid 5 per cent interest on the deferred payments, but were allowed to draw the full dividends on the stock."

Bonus Is Given, Too.
The steel executive laughed heartily as he contemplated the numerous employees who now are buying stock common on the deferred payment system at 5 per cent and drawing dividends at the rate of 17 per cent, which is the rate now prevailing. Twelve per cent interest on money that hasn't even been earned isn't so bad, he thinks.

Of the 275,000 men and women working for the corporation and its subsidiaries, 60,000 now are stockholders. The number is growing constantly. Employees' subscriptions are limited only by their wages, but many of them are making additional purchases on the open market.

"When a large percentage of our employees own stock in the company, we are pretty sure to have their good will and co-operation," he continued.

But in addition to the stock distribution, the company has inaugurated a profit-sharing system, by means of which the employees, at the end of each year, are given a substantial bonus out of the company's surplus earnings.

Employers Have Earned Money.
"We feel," he explained, "that our employees have helped us earn this extra money and that they are entitled to their share of it. We like to pay it to them. Naturally, they like to get it. We don't feel, nor do they feel, that we are giving them a present. We mutually regard these bonuses as increased wages, honestly earned."

Another progressive step inaugurated by the corporation under Judge Gary's direction is the pension system, similar to that prevailing among many railroads and other industrial institutions. Aged and incapacitated employees are automatically retired with a substantial income for the rest of their natural lives. Fully \$12,000,000 now is in the pension fund.

More recently a relief fund was established. Men who are disabled in service are paid regularly while away from their work.

"But none of our men are required to pay a cent to any of these funds," asserted the steel chief. "They are all kept up by the company."

Outlay Brings Returns.
"Besides this we have expended millions in the last decade to install safety devices throughout our plants, to provide recreation centers for the men, to install baths and sanitary conveniences. We find such improvements always pay. It is surprising to learn how much difference it makes in the health of our men to supply them with pure, fresh water."

Since the United States Steel Corporation was formed wage increases have been granted with great frequency. Three advances have been made since the first of the present year.

"We find," says Judge Gary, "that decent treatment of our men pays. Not only does it pay in the satisfaction of knowing that we have helped our

WEST INCREASES YIELD OF WHEAT

20 PER CENT MORE ACREAGE IS DECLARED ASSURED.

Assistant Secretary of Agriculture Finds Food Necessary for Allies Will Be Produced.

"EMPEROR EVERY INCH KING"

Reception of New Ambassador Made Great Ceremony.

GLASS COACHES ARE SENT

Clothed in Black Uniform of Death's Head Hussars, Head German Empire Receives America's Representative.

WHISKY BULGES POCKETS

Colored Man, Laden With Liquor, Is Arrested in Roseburg.

ROSEBURG, Or., Aug. 27.—(Special.)

PORTLAND BIRTHS LESS

First Seven Months of 1917 Show Total of 1971 Babies Born.

AIRPLANE COST CUT HALF

Government Soon to Get Machines for Third Normal Price.

WASHINGTON, Aug. 27.—

TESTAMENTS ARE ORDERED

Y. M. C. A. Wants Million Books for Soldiers and Sailors.

BREAD RATION EXTENDED

Holland Limits Consumption Because of Increasing Scarcity.

THE HAGUE, Aug. 27.—

BEEVES SELL FOR \$16.30

New High Mark for Cattle on Hoof Set at Chicago Yards.

CHICAGO, Aug. 27.—

FIRST VISIT TO KAISER RELATED

Gerard Recalls Presentation at Court.

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BY JAMES W. GERARD.

American Ambassador to the German Imperial Court, July 28, 1913, to February 4, 1917. (Copyright, 1917, by the Public Ledger Company.)

The second day out on the Emperor, headed for a summer's vacation, a loud knocking woke me at 7 A. M.

Many friends were on the ship, Henry Morgenthau, later Ambassador to Turkey; Colonel George Harvey, Adolph Ochs and Louis Wiley, of the New York Times; Clarence Mackay and others.

The Emperor is a marvelous ship of 54,000 tons or more, and at times is hard to believe that one is on the sea.

In addition to the regular dining saloon there is a grillroom and Ritz restaurant with its palm garden, and, of course, Hungarian band. There is also a gymnasium and swimming pool.

Gerard Learns German Speech.

Colonel Harvey and Clarence Mackay gave me a dinner of 24 covers, something of a record at sea.

For long afterwards in Germany pictures of the Emperor, including one of the tables set for this dinner, I saw everywhere.

These were sent out over Germany as a sort of propaganda to induce the Germans to patronize their own ships and indulge in ocean travel.

I wish that the propaganda had been earlier and more successful, because it is by travel that peoples learn to know each other, and, consequently, to abstain from war.

On the night of the usual ship concert Henry Morgenthau translated a little speech for me into German, which I managed to get through after painfully learning it by heart.

Now that I have a better knowledge of German a cold sweat breaks out when I think of the awful German accent with which I delivered that address.

Instructions Given Ambassador.

A flying trip to Berlin early in August to look into the house question (Continued on Page 2, Column 2)

LUMBER FOR ARMY COSTS \$2,000,000

NORTHWEST SUPPLIES BIG ORDER IN EIGHT WEEKS.

TACOMA, Wash., Aug. 27.—(Special.)

Material for American Lake and Des Moines Cantonnments Rushed by Oregon-Washington Mills.

ATHENS, Aug. 25.—(Delayed.)

Class of '18 Graduated

West Point Turns Out Third Set of Officers for U. S. Army.

WEST POINT, N. Y., Aug. 27.—

80-YEAR PENALTY IMPOSED

Mexicans, Captured by Pershing, Imprisoned for Part in Raid.

DEMING, N. M., Aug. 27.—

FRENCH WILL GIVE FLAGS

Ten American Regiments to Have Colors Presented to Them.

WASHINGTON, Aug. 27.—

American Institutions Impress.

The Premier's statement was brought out by the speech of George Cafantaris, chairman of the delegation which recently visited America, who said he was deeply impressed with what he had observed of republican institutions in the United States.

Salmon Run Increasing

Seven Canneries Handle More Than Million Fish in Two Days.

BELLINGHAM, Wash., Aug. 27.—

INDEX OF TODAY'S NEWS

The Weather.

YESTERDAY'S—Maximum temperature, 84 degrees; minimum, 56 degrees.

TODAY'S—Fair and cooler; moderate westerly winds.

War.

Austrians yield to Italian attacks, Page 2.

Foreign.

Ex-Ambassador Gerard tells of presentation at German court, Page 1.

Green on verge of forming republic; monarchy gets more trial, Page 1.

National.

Treasury officials to investigate gold exports, Page 2.

Total bond issues of \$21,000,000,000 to be asked of Congress, Page 3.

All exports are licensed, Page 4.

America's aid is offered to Russia, Page 2.

Domestic.

MacMillan announces discovery of two islands and enormous glacier, Page 3.

GREECE ON VERGE OF BEING REPUBLIC

Parliament Puts Monarchy on Trial.

KING WILL GO IF HE FAILS

Chamber of Deputies Cheers Premier's Statement.

UNITED STATES IS MODEL

Grecian Deputies Told of Republican Institutions in America by Delegate, Who Speaks for Similar Government.

ATHENS, Aug. 25.—(Delayed.)

WIFE-MURDERER IS HUNTED

Newspapers Will Be Used in Effort to Locate Escaped Convict.

SALEM, Or., Aug. 27.—

SENTRY ROUTS SKULKERS

Cheyenne Reservoir Guard and 3 Men Exchange Shots.

CHEYENNE, Wyo., Aug. 27.—

MILLS ARE RAVAGED

Near Kelso, Wash., the Derrick sawmill had narrow escape from fire, while a dangerous blaze is burning in the holdings of the Inman-Poulson Company.

FIRE NEAR KAMELA WORSE.

No sooner was the serious fire at Kamela subdued yesterday than another broke out in Ladd Canyon, where 400 acres of the choice timber last night were reported afire.

Motorcycle patrols reached Sheridan and were charged with the burning in the woods. A grain field was threatened by a fire started by a cigar stub. Fires on Deer, Baker and Mill creeks are serious.

Mayor Leads Fire Crew.

The Mayor of Dallas led a crew of 52 business men into the woods to fight fire that was raging in the woods near the source of the city's water supply. Ellendale also sent business men against a fire started by campers. Both were checked.

The fire near Berlin was spreading yesterday and damaging much timber.

Eight more lookouts were established near Bend and auto patrols were sent out from Marshfield. Pine Mountain was afire, a dangerous blaze being reported on its slopes.

Loggers at the Newton Creek Logging Company's holdings, near St. Helens, were charged with their homes by fire which swept through the property and which called out the fire apparatus of St. Helens. The burning trees lit the country for miles. Trees and tracks were in danger.

Soldiers also reached Roseburg yesterday, where the fires are nearly all under control.

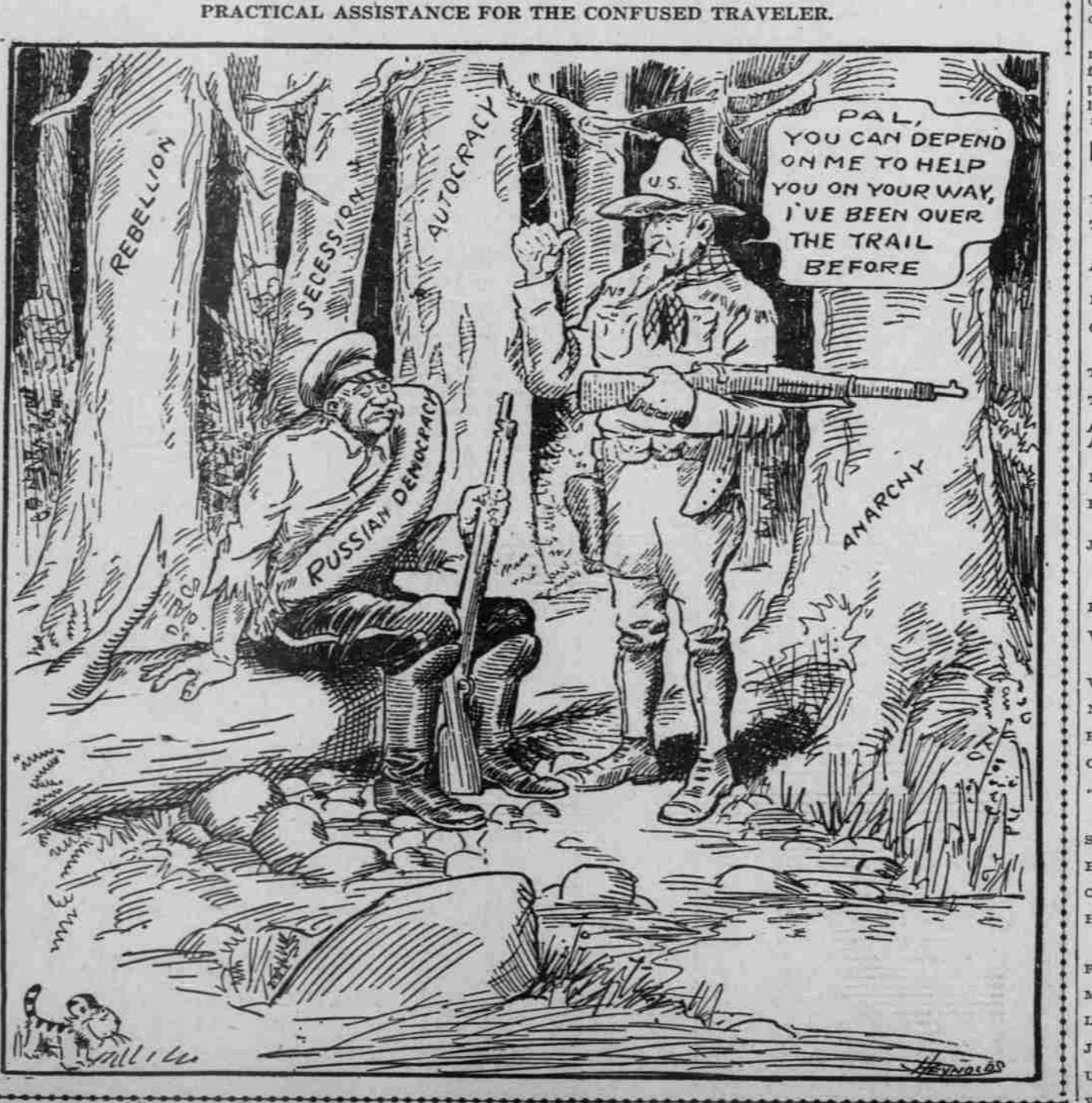
Situation Yet Serious.

There are now two uncontrolled fires in the timber of Southern Oregon, in the Siskiyou Mountains, according to information reported to the Portland headquarters of the United States Forestry Service yesterday.

The situation is menacing all over the Northwest, according to reports, largely because of the continued dry weather. New fires have broken out at various points in Northern Washington, near the Canadian line.

The work of fighting fires in this district is costing the Government far

(Continued on Page 7, Column 1.)



BRYAN CALLS FOR KAISER'S DEFEAT

GREAT MASS OF PEOPLE IS LOYAL, SAYS SPEAKER.

CHICAGO, Aug. 27.—

There Can Be but One End to the War, and That is the Overthrow of Germany," Audience Hears.

WASHINGTON TOWNS ARE MENACED BY FLAMES.

LOGGING CAMPS ARE RAVAGED

Astoria Accuses Finn Rancher of Setting Blaze in Woods.

CYCLE PATROLS SENT OUT

Inman-Poulson Company Threatened by Fire That Escapes From Control and Now Blaze Is Found Near Kamela.

Forest fires were threatening Washington towns and sweeping through the woods of Montana at a tremendous rate, driving homesteaders and crews of fighters before them, according to reports that reached the outside yesterday from the fire-infested districts.

Wind that suddenly came up the night before and threatened to fan 100 Montana fires into blazing fury proved not to be general and summer resorts probably will be saved. Settlers in many districts, however, were driven from their homes by the onrushing flames.

None Is Reasonably Safe.

None, Wash., which the night before seemed to be on the verge of destruction, yesterday was reported reasonably safe unless a high wind arose and drove the fires across the river into the town. Bayview, however, was in the path of the fires and crews were working diligently to save the town. More men were called to fight the flames.

Crews were helpless yesterday before fires that swept through the holdings of the West Side Logging Company in Eastern Lewis County, Washington, and burned several sections. The Governor may be asked to postpone the opening of the hunting season as a result of the fires.

Mills Are Ravaged.

Near Kelso, Wash., the Derrick sawmill had narrow escape from fire, while a dangerous blaze is burning in the holdings of the Inman-Poulson Company. This latter blaze is believed to be incendiary because of the fact that it started in the deserted sections of the company's property. It is endangering cut logs.

Lewisport, Idaho, reported that the fire threatening the summer resort at Lake Waha had been checked and other blazes were believed to be under control unless a high wind developed.

In Astoria yesterday the first arrest was made on a charge of starting forest fires. A Finn rancher was held because it is alleged that he said he would clear a road through the woods and would set fires until he achieved his purpose. A small blaze had been started. Most of the fires in Clatsop County are out; a pipeline run to the fire, one of the logging camps did effective work.

Fire Near Kamela Worse.

No sooner was the serious fire at Kamela subdued yesterday than another broke out in Ladd Canyon, where 400 acres of the choice timber last night were reported afire. Volunteers were rushed into the woods.

Baker reported that the fires in the Minam forest were under control, but the one on Mount Mariah was still dangerous and about 800 acres had been burned over.

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