



### CHICAGO BLIZZARD WORST IN HISTORY

#### Wind and Snow Render City Helpless.

#### STREETS ARE IMPASSABLE

#### Wind Blows 54 Miles an Hour, Sleet Freezes as It Falls.

#### COLDER WAVE EXPECTED

#### Great Distress Anticipated Because of Fuel Shortage and Blocked Transportation—Telegraphic Service Badly Crippled.

CHICAGO, Ill., Jan. 6.—(Special.)—In the wake of the worst blizzard in its history the city stood almost helpless all of today and tonight. It will be hours before it can dig itself out and approach normal conditions.

Swept by a storm of wind and snow which had whirled its way up from the Southwest, Chicago awoke Sunday to find its streets impassable because of great drifts. As the day wore on these obstacles grew and increased in number.

Serious interruption to wire service makes it impossible to learn the full scope and extent of the storm, but it appears to be a combination of a heavy rain storm which fell on Sunday from Texas, encountering a cold wave headed southwest, somewhere in the Mississippi Valley. This changed the rain to sleet and snow and the contending winds produced a blizzard.

#### Southern Storm Suffer.

The southern storm was forced off its course and its center is near Evansville, Ind. It headed northeast and is driving furiously.

The upper Mississippi Valley, the Ohio River Valley and all the territory from those points to the Great Lakes is swept by the tempest. Alabama, part of Mississippi, Tennessee, Kentucky, Indiana, Ohio, Illinois, Lower Michigan and Western Pennsylvania appear to be the worst sufferers.

Trains are stalled, and a number with terminals here did not attempt to start today. The city is short of coal, and will be unable to get any until the drifts are cleared. In many places the snow drifts are up to second-story windows.

#### Severe Cold Wave Following.

More serious is the announcement that a severe cold wave is following the blizzard. This will freeze and pack down the enormous snow barriers and will further hamper transportation.

For hours the wind blew at the rate of 34 miles an hour. It packed the snow into hard mounds and billows. These, coupled with the fact that at times, owing to the falling snow, it was difficult to see any distance, were the cause of numerous accidents.

The storm struck the city at midnight Saturday. It increased rapidly in violence and continued with all its force for nearly 18 hours. Late this evening the wind dropped to 35 miles, but there was little change in the snow fall.

#### Great Distress Anticipated.

What probably will be the real hardship of the storm, from the standpoint of suffering, may come tomorrow. The weather forecast is that the mercury will drop to 12 degrees, and it is feared the cold, with the fuel shortage which exists, will be a most trying ordeal. It will be attended by a vast amount of human distress. In fact, charity organizations were busy today preparing for just such a situation.

Early in the day the city found itself facing these problems: Mail trains all late; some abandoned. Elevated train service irregular. Suburban service interrupted, the

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### GREAT MILLING PLANT OPERATED TO CAPACITY.

When Albers Bros. Milling company erected their large mills in this city, they provided for the increased demands the future was expected to bring and established a plant of greater capacity than the trade required at the time. Growth of business in the last year, however, obliged the company to operate its plant to capacity, working both day and night crews until a few weeks ago, when the usual quiet season permitted a reduction of output.

The company employs 156 persons, as against 142 a year ago, and has a monthly payroll of \$16,000, which is an increase of about \$2000 a month in wage distribution.

In the last year this company built a new modern mill at Oakland, Cal., representing an investment of many thousands of dollars, and is equipped for meeting all requirements of the trade, which are promising for 1918.

### \$3,000,000,000 IN INSURANCE BOUGHT

#### AMERICAN SOLDIERS AND SAILORS GET POLICIES.

#### Secretary McAdoo Calls Attention to Necessity for Early Filing of Applications.

WASHINGTON, Jan. 6.—More than \$2,000,000,000 worth of Government insurance has been bought by American soldiers and sailors. Secretary McAdoo announced in a statement urging upon the men necessity for filing applications for policies before the expiration of the time limit set by law. Men who joined the colors before last October 15 must apply for insurance before February 12, 1918, and those joining after October 15 must make application for insurance within 120 days after entering the service.

#### SOLDIERS' PAY HELD UP

#### Many Suffer Because Roll Has One Name Too Many.

WASHINGTON, Jan. 6.—Difficulties of a clerical nature have served in some instances to delay payment of troops in the United States. Secretary Baker said, in discussing reports of the failure of soldiers to receive their money on time.

An investigation ordered by Mr. Baker disclosed that the greatly enlarged Army enrollment and unusual foreign names that appear upon such muster lists had resulted in the transcribing to the payroll of a name which did not appear upon muster roll. The auditor would not pass the roll until the error had been corrected.

### MUTTON NOT RESTRICTED

#### Food Administration Says Eat Sheep Except on Meatless Days.

SALT LAKE CITY, Utah, Jan. 6.—An official bulletin, issued by the United States Department of Agriculture, which was received by S. W. McClure, secretary of the National Wool Growers' Association, makes an emphatic announcement that the United States Food Administration is not restricting the use of mutton or lamb in any way save on the designated meatless day of each week.

#### FREE PASSAGE IS GRANTED

#### Government to Bear Expense of Transporting Marine Graduates.

BOSTON, Jan. 6.—The demand for officers in the new Merchants' Marine prompted the United States Shipping Board tonight to announce that graduates of the Government free navigation or marine engineering schools would receive transportation and allowance for subsistence when ordered to report for duty.

Navigation schools have been opened by the Government at 20 points, and hereafter a graduate of the San Francisco school applying for a berth on a steamer from New York will travel at the Government's expense.

### DISLOYAL ACT STIRS MEN

#### North Bend Joiners Walk Out When E. T. Mettler Spurns Legion.

NORTH BEND, Or., Jan. 6.—(Special.)—Because E. T. Mettler, a joiner at the Kruse & Banks shipyard here, would not sign the membership roll of the Loyal Legion of Loggers and Lumbermen, the rest of the joiners employed at the yard struck yesterday and refused to resume work until action had been taken. As Mettler persisted in his refusal to sign the roll he was discharged, together with his son. The men then resumed work. Mettler had been employed in the yard for more than two years.

### WAR WORK CALLS WOMEN

#### Many Positions Available in Both Army and Navy Departments.

WASHINGTON, Jan. 6.—Increased needs of service caused by the war, it was announced last night, have thrown open to women positions in the Navy Department as mechanical, marine engine and boiler draftsmen.

The Quartermaster's Department of the Army is employing women as inspectors of clothing.

### CIVIL WAR GENERAL DIES

#### Title of Brigadier Worn by John C. Kennedy Before Age of 23

DENVER, Jan. 6.—Brigadier-General John C. Kennedy, who won his military title in the Civil War, died at his home here today, aged 76.

He was former Adjutant-General of Colorado and had been a resident of this state for 49 years.

### PEACE SHIP SPLITS ON RUSSIAN ROCK

#### Germans Refuse to Go to Stockholm.

#### TROTZKY INSISTENT ON PLAN

#### Decision of Teutons Arrived at During Crown Council.

#### BERLIN MUCH DISTURBED

#### Although Reichstag Parties in the Main Are Supporting the Government, Considerable Political Unrest Is Prevalent.

(By the Associated Press.) The peace negotiations between the central powers and the Bolshevik government in Russia have been "temporarily suspended" by the Germans.

From the meager advices received, it appears the rock upon which a continuation of the peace talks split was the demand of the Russians that the conference be resumed at Stockholm, instead of at Brest-Litovsk.

#### Trotzky Not Satisfied.

Disappointed with the proposals for peace made by the Teutonic allies before the recess of the Brest-Litovsk conference, Leon Trotzky, the Bolshevik Foreign Minister, has been insistent on the "deliberations" being held on neutral soil instead of at the German eastern headquarters.

The Germans, however, had been equally as firm in their determination not to treat with the Russians at any other place than Brest-Litovsk.

#### Decision Reached at Berlin.

German advices Saturday were to the effect that the Bolshevik delegates, on finding that the representatives of the Teutonic allies were at Brest-Litovsk awaiting them, had started for this town, but nothing has come through to show that there had any foundation in fact.

The decision of the Germans to discontinue the sittings was arrived at during a crown council held in Berlin Saturday, which was attended by Field Marshal von Hindenburg and General von Ludendorff, first Quartermaster-General.

#### Germans Fear Intrigue.

A related dispatch from Berlin gives as the reason for the refusal of the Germans to go to Stockholm for further conference the fear that British, French and American diplomats in the Swedish capital would by intrigue render all endeavor futile.

Disputes from Berlin indicate that, although the Reichstag parties in the main are supporting the government, considerable political unrest is prevalent and that strong efforts are being made to hold the Socialists in line.

The Socialist organ in Berlin characterized the decision as a "disappointment." (Continued on Page 4, Column 4.)

### HUNGER IMPERILS SUCCESS OF ALLIES

#### FOOD SITUATION IN ENGLAND FRANCE AND ITALY GRAVE.

#### Deep Concern Now Felt—Lord Rhonda Anxious—Compulsory Rationing Starts in England.

WASHINGTON, Jan. 6.—The food situation in the allied countries of Europe is graver than it has been at any time since the beginning of the war and is giving American Government officials deep concern. Official reports picture extreme food shortages in England, France and Italy.

The fact that conditions in Germany and Austria are far worse offers the only grounds for optimism in viewing the situation.

In England and France the situation is described as critical in a cablegram to the food administration today from Lord Rhonda, the British food controller, which concluded with these words: "I view the situation with grave anxiety."

In Italy conditions are not as good perhaps as in either England or France. Compulsory rationing will be started in England immediately with meats the first commodity to be put under control. Distribution of butter and margarine will be taken in hand next and other foods will be added as they become scarcer. All of the principal foodstuffs will be rationed by April.

### ITALY INCREASES ARMY

#### Men Previously Exempted Ordered to Be Further Examined.

WASHINGTON, Jan. 6.—Italy has adopted a drastic new policy to increase her fighting forces. Physical requirements have been modified, and all men between the ages of 18 and 44 years previously exempted for defects are ordered to present themselves for further examination.

Those accepted will be mustered in the army January 15. It is estimated the decree will bring more than 600,000 men to the colors.

### COLFAX FIRE LOSS \$23,000

#### Kincaid Implement House and Colfax Creamery Are Destroyed.

COLFAX, Wash., Jan. 6.—(Special.)—Fire early today destroyed the Kincaid implement house and Colfax creamery, causing a loss of about \$23,000.

The fire started in the implement house and machinery valued at \$25,000 was burned.

The Colfax creamery loss is estimated at \$2000. The two buildings were valued at \$4000. The losses are partly covered by insurance.

### BEET SUGAR PRICE TO RISE

#### Wholesale Price to Be Uniform With That of Cane Sugar.

DENVER, Colo., Jan. 6.—The wholesale price of beet sugar is to be raised 10 cents a hundred pounds under order from the National Food Administration, according to announcement from local sugar concerns.

The new price will be 77.55, the same as that for cane sugar. The rise, it is said, was made to place beet and cane sugars on an equality.

### \$500,000 PAID BY BANKS OF PORTLAND

#### Total Earnings Estimated at \$750,000.

#### RATES RANGE TO 15 PER CENT

#### Year's Business Is Satisfactory Throughout.

#### SURPLUS FUNDS INCREASED

#### General Strengthening of Financial Institutions for 1918 Indicated by Analysis and Few Changes in Management Forecast.

Fully \$500,000 was or will be paid out by Portland banks as dividends to their stockholders for the year 1917. The dividends and sums set to surplus and undivided profits probably will be more than \$750,000.

This index to the earnings of the local financial institutions is two-fold in its importance this year, and is so regarded by banking students here and elsewhere. It shows that the amassed local capital represented by more than \$100,000,000 in deposits, is working, developing industries and mercantile business, and also that business conditions are not only healthy but are growing.

Banks which last year and the year previous held needlessly large reserves are now lending liberally to meet the local demand. In addition the good offices of the Federal Reserve System in making it possible for the member banks to operate on a broader scale and at the same time remain perfectly liquid, are reflected in the increased service of the institutions.

Excellent returns on capital investments were made by all of the city's larger banking institutions and contrasts favorably with 1916, when some of the banks passed dividends. The average dividend returns in 1917 on the entire aggregate capitalization of \$5,000,000 was better than 7 1/2 per cent, definite figures from several of the institutions not being given out.

#### Surplus Funds Swelled.

Dividends of 8 per cent or better were paid by all of the large banks. Among the smaller institutions lower dividend payments were occasionally recorded. However, in many instances where no direct cash disbursements were made to the stockholders these institutions set aside sums to surplus and undivided profits and in one or two cases took over real estate on which loans had been made.

### DARING AVIATORS PROTECTING PADUA

#### ITALIAN CITY SPARED ANOTHER AIR RAID BY GERMANS.

#### Aerial Cordon Circling Over City Sends Enemy Planes Elsewhere. Damage Done at Castel.

(By the Associated Press.) ITALIAN HEADQUARTERS IN NORTHERN ITALY, Jan. 6.—Padua was spared another air raid last night, largely through the daring of Italian aviators, who went into the air an hour before moonrise and formed an aerial cordon around the city, meeting enemy machines as they advanced.

The enemy aviators, seeing the heavy concentration, diverted their course, going to Mestre, Bassano and Castel, France, where they caused some casualties and considerable loss at the last place.

British aviators are doing especially good work. Their latest exploit was the destruction of an enemy balloon at Susegana and the bringing down of an enemy airplane by gunfire.

The artillery action along the mountain and Piave fronts is intermittent, and no longer shows the intensity of a big offensive.

Along the Upper Piave enemy batteries have been virtually silent for a week, indicating either a shortage of ammunition or a possible movement of forces westward to other fronts.

Weather conditions continue abnormally good, with clear days and nights.

### STARVATION TALE IS TOLD

#### German Aviator, Who Deserts to Greece, Says Army Morale Low.

WASHINGTON, Jan. 6.—A dispatch to the Greek legation here says that a German aviator, a graduate of Berlin University, who had deserted and arrived in Greece, told of starvation in Germany and the cruel treatment of the Greek population in Macedonia and Thrace, occupied by the Bulgars.

"Questioned by the Greek authorities," said the dispatch, "the aviator said that daily a great number of deaths occur in Germany due to starvation. Coffee and fats are scarce. Coffee and bread are substituted by acorns."

"The morale of the German army is low because of insufficient nourishment due to the prolongation of the war. Mutinies and threats to officers occur daily."

### LABOR SCARCIE; JAIL OPENS

#### Complainant Bails Prisoner Out in Order to Put Him to Work.

After causing the arrest of Walter Fryl on a charge of larceny of an automobile truck, E. J. Hoover appeared at the central police station yesterday morning and bailed the prisoner out in order to put him to work at the complainant's creamery, 475 Jefferson street, where he has been employed. The prevailing scarcity of labor caused his employer to put up \$150 cash bail.

Fryl, it is said by the police, used the auto truck to take himself and two friends, Walter Berg and John Zyback, to a dance. All three of the men landed in jail.

### INDEX OF TODAY'S NEWS

#### The Weather.

YESTERDAY'S—Maximum temperature, 57.4 degrees; minimum, 49.2 degrees.

TODAY'S—Rain; fresh southerly winds.

#### War.

Daring Italian aviators protect Padua from hunger dangers of allies. Page 1.

German peace ship splits on Russian rock. Page 1.

#### Foreign.

Lloyd George's speech unites and strengthens British in war. Page 3.

#### National.

American soldiers and sailors take out \$3,000,000 worth of insurance. Page 1.

Railroad bill to have right of way in Congress. Page 2.

Holding up freight cars to be expensive hereafter to shippers. Page 3.

#### Domestic.

Chicago in grip of worst blizzard in history. Page 1.

American labor to wage war on anti-American propaganda. Page 5.

Cardinal Gibbons holds annual reception. Page 8.

Mrs. Norman DeL. Whitehouse going abroad to tell Germans United States war aims. Page 2.

J. Ogden Armour recent statements credited to Council Healy, of Federal Trade Commission. Page 4.

#### Pacific Northwest.

Disbarment proceedings against Major Gill, of Seattle, start today. Page 5.

Grant-Smith-Power Brothers Company awarded contract to furnish government with 100,000,000 feet of airplane spruce. Page 6.

### FLEEING JAILBIRDS CAUGHT; ONE SHOT

#### Kelso is Scene of Lively Gun Fight.

#### OFFICER BRINGS DOWN MAN

#### Marshal Hull, Single-Handed, Halts Four Fugitives.

#### BULLETS SENT IN REPLY

#### Three Criminals Wanted in Tacoma and Two Companions Taken. Only One Man Out of Party of Six Escapes.

KELSO, Wash., Jan. 6.—(Special.)—Four dangerous fugitives from Tacoma, where they had broken jail, together with two men who were accompanying them south with an automobile, were halted by City Marshal Ed Hull here just before midnight last night. After a thrilling pistol duel in the heart of the town, five of the party of six were captured. One of them, Tom French, was probably fatally wounded by a bullet from Marshal Hull's revolver.

Word from Tacoma that the fugitives were supposed to be heading south caused Mr. Hull to be on the alert for the party. He finally located the automobile in a garage in Kelso, where it had stopped to have repairs made to the brake.

#### Four Ordered to Halt.

Going into the street, Marshal Hull saw the four men who had broken jail. He called on them to halt, at once to Sheriff Clark Studebaker, at Kalama, five miles distant. Sheriff Studebaker, assisted by Deputy Sheriff Dunbar, soon captured Arthur Grier, who had been sentenced to from 1 to 15 years for larceny, and the two men who had accompanied the fugitives by automobile.

#### Sudoth Still at Large.

Sam Sudoth, who had been held at Tacoma on a vagrancy charge, had not yet been apprehended last night. The prisoners and two companions were all taken to Tacoma today by Sheriff Studebaker and Marshal Hull.

The two men who accompanied the prisoners have not yet been identified, but they were returned with the fugitives and their case will be investigated by the Pierce County authorities.

In all, 11 shots were fired in the melee at Kelso, five by Marshal Hull, a like number by French, and one by Carl Hays, the logger who aided the officer.

#### BANKER IS SUED BY GIRL

#### Breach of Promise of Marriage Alleged in Suit for \$250,000.

INDIANAPOLIS, Ind., Jan. 6.—Allen Gray, president of the Citizens' Bank at Evansville, was sued for \$250,000 damages and his brother, William Gray, connected with the Citizens' Trust Company, at Evansville, was sued for \$100,000 in the United States District Court here Saturday by Miss Amy O'Conner, of New York City.

Miss O'Connor alleges that William Gray caused his brother to break his promise to marry her. She asks the \$250,000 for alleged breach of promise to marry and the \$100,000 for the alleged interference by William Gray in her love affairs.

### JAPAN FIRM FOR ALLIES

#### Premier Says Jewel of Civilization Shall Not Be Lost.

TOKIO, Jan. 6.—Count Seiki Terauchi, Premier of Japan, in replying to the New Year's message of David Lloyd George, the British Premier, said: "Our fixed resolve is that the jewel of civilization shall not be lost to the world."

"We congratulate ourselves that you can say efforts of the Imperial Japanese navy have contributed toward the accomplishment of this great end."

### BIG GUNS CONTINUE FIRE

#### Italian Front Scene of Great Aerial Activity Yesterday.

ROME, Jan. 6.—Austro-German and Italian big guns maintained a vigorous fire along the entire Italian front yesterday, says today's War Office announcement.

There was great aerial activity.

