HALT IN EXPANSION OF CREDIT URGED

Federal Reserve Board Makes Its Annual Report to Congress.

PUBLIC'S DUTY INDICATED

Price Inflation, It Is Pointed Out, Should Be Fought Through War-Time Economies and Liberty Bonds Bought With Savings.

WASHINGTON, Jan. 22.—Effect of credit expansion on the general rise of prices, and the part the American people can play in counteracting inflation by the wartime economies, were emphasized today by the Federal Reserve Board in its annual report to Congress.

Explaining that even though credit expansion is not entirely responsible for increase in prices, the board says "it regards it as one of its most important duties to prevent, as far as practicable, expansion of banking credit from running an uncontrolled course.

"Goods and credit," says the report, "must be saved to the utmost of our ability in order to check the upward movement of prices and in order to free for the use of the Government the goods and savings required for the winning of the war."

Public Duty Pointed Out.

The present conditions of a greatly-expanded currency will be improved, the board believes, "as the public performs its duty of absorbing the Government loans out of savings."

Before the third liberty loan, the report adds, Federal reserve banks must reduce their investments to strengthen reserves and avoid further expansion that has accompanied the last two liberty loans. The board does not say specifically how it proposes to do this.

Among the many radical influences of the war on the money markets the board explained that one of the most pronounced had been the effort of certain interests to have the Federal reserve system absorb 90-day notes or other short-term paper accepted with the privilege of repeated renewals.

The board had persistently opposed any such effort to destroy liquidity of the bank's assets, on which the system was based, the report said, but it admitted that the difficulties of private and corporate financing were so great as to justify action by Congress.

Corporate Financing Issue Remains.

The most serious problem, corporate financing, has been removed by Government operation of railroads, says the board's report, but the situation is still serious.

"The board therefore respectfully suggests early consideration by Congress of the problem of corporate financing in the belief that no satisfactory solution will be found that does not involve some degree of Governmental intervention.

"The board is of the opinion that some plan for Government intervention or aid can be worked out which would meet the requirements of the situation satisfactorily."

FLAG HAS THIRTY STARS

Gresham High School Will Have Dedicatory Service This Morning.

GRESHAM, Or., Jan. 22.—(Special.)—Union High School, No. 2, will dedicate a service flag on which there will be 30 stars, at a special assembly tomorrow morning, in the Auditorium of the High School building. A short programme will be given as follows:

Music, "Sweet Melody," Union High School Orchestra; introductory remarks, Principal Elmer F. Goodwin; instrumental trio, Miss Leisal Ruby, Miss Ruth Inglis and Glenn Rusher; presentation of service flag, Miss Helen Hornecker, vice-president of Tri-S Club; song, "Star-Spangled Banner," Treble Clef Club; acceptance of service flag, Mervin R. Good, president of student body organization; "Keep the Home Fires Burning," Misses Jelken and Towle, Messrs. Rusher and Waldrad; violin solo, Miss Leisla Ruby; patriotic address, Judge George W. Stapleton, chairman of the high school Board of Education; music, "Metropolitan March," high school orchestra.

The flag was presented to the High School by the Tri-S Club, an organization in the economic department, and the following members or graduates of Union High School will be honored by having a star on it:

Isaac Anderson, Forrest Arnold, Emerson Brown, Albert Camp, George W. Clark, Wilson Eastman, Ernest Freeman, Curtis Hendricks, William Hillyard, Guerdon Humason, Glenn Kesterson, Emil Lauber, Alton Lovelace, Eldridge McCulloch, William Martin, Walter Metzger, Edward Noreen, Roy Olson, Guy Jones, Thomas Parker, Albert Weiss, Gerry Reynolds, Harry Stanley, Wilbur Stanley, Leslie St. Clair, Clark Stillhens, Frank Rogers, Oscar Stone, Raymond Palmquist, Cecil Puffer.

The parents of these boys and the public generally are invited.

Coast Road Contract Awarded.

ASTORIA, Or., Jan. 22.—(Special.)—The County Court today awarded a contract to the J. H. Tillman Company, of Portland, to pave about three miles of road between here and Fort Stevens. The paving is to consist of five inches of concrete, with a surface of 1½ inches of asphaltic concrete, and the price is $73,757.15.

GIRLS! WOMEN! TAKE CASCARETS IF CONSTIPATED

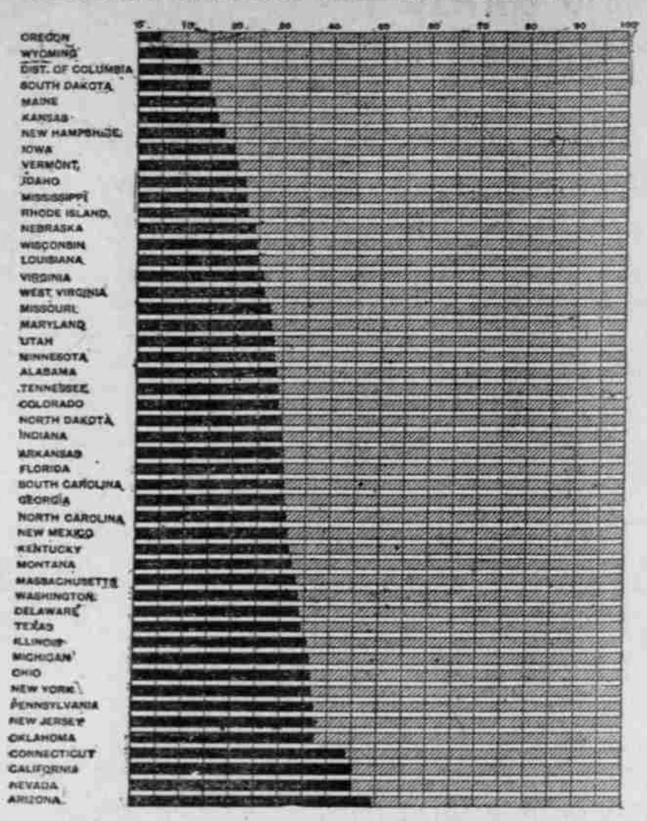
They Liven Your Liver and Bowels and Clear Your Complexion.

Don't Stay Headachy, Bilious With Breath Bad and Stomach Sour.

Get a 10-cent box now.

Tonight sure! Take Cascarets and enjoy the nicest, gentlest liver and bowel cleansing you ever experienced. Cascarets will liven your liver and clean your thirty feet of bowels without griping. You will wake up feeling grand. Your head will be clear, breath right, tongue clean, stomach sweet, eyes bright, step elastic and complexion rosy—they're wonderful. Get a 10-cent box now at any drug store. Mothers can safely give a whole Cascaret to children any time when cross, feverish, bilious, tongue coated or constipated—they are harmless.—Adv.

OREGON LEADS NATION IN PERCENTAGE OF VOLUNTEERS SENT TO COLORS, SHOWS PROVOST MARSHAL-GENERAL'S CHART.



Shaded Portions Represent Quota of State Calls Filled by Volunteers. Black Represents Proportion of Drafted Men Required.

DENMAN HITS BACK

Former Shipping Board Head Finally Gets Hearing.

BLAME LAID TO PUBLICITY

Assertion Made That Country Was Misled Regarding Wooden Vessels, and Entire Shipping Programme Suffered.

WASHINGTON, Jan. 22.—William Denman, former chairman of the Shipping Board, told the Senate commerce committee today that his position regarding wooden ships had been misrepresented to the public.

He declared the "press had overplayed our hand in the matter of wooden ships," and said the impression that the Board was devoted solely to a wooden shipbuilding policy had done more to harm ship extension in this country than anything else.

Mr. Denman denied that the row between himself and Major-General Goethals had prevented the commandeering of 15 vessels built in this country for foreign account, but said that delay by Congress in enacting necessary legislation prevented the taking over of 18 such vessels.

"The public had the opinion that we were trying to build up wooden ships and run down the value of steel vessels," Mr. Denman said. The real situation was that he wanted additional tonnage, he added, and regarded wooden ships the best way to get it.

Mr. Denman appeared before the committee at his own request. He said the purpose of the Board when organized was to speed up ship production in this country, and that this could best have been done by the building of wooden ships.

In order to show the situation that faced the allies at that time, Mr. Denman read from a statement made by him before the commerce committee early last year, but never made public, in which the prediction was made that at the rate German submarines sank ships in April, 1917, the loss for that year would be 13,000,000 tons deadweight, while he estimated that for the year ending March 5, 1917, world production would be 4,500,000 tons.

DIVORCE NOT GRANTED

OREGON SUPREME COURT DECISION NOTED FOR ITS BREVITY.

Chief Justice McBride Refuses to Discuss Childish Bickerings of Couple Who Ought to Be Happy.

SALEM, Or., Jan. 22.—(Special.)—If brevity is the soul of wit, Chief Justice McBride handed down what is probably the wittiest opinion on record in the Oregon Supreme Court today, when he decided an appeal in a divorce case from Clackamas County in a handful of words. The opinion affirms Judge Campbell, of Clackamas County in the case of Wallace M. Bleything, appellant, versus Maude E. Bleything.

In deciding the case the Chief Justice says:

"This was a suit for divorce. There was a trial, findings and decree for defendant and plaintiff appeals.

"There are no questions of law raised upon this appeal, and to discuss the evidence would only be to recount the childish bickerings of two young people who, by the exercise of mutual forbearance and self-control, could have lived pleasantly together. The evidence does not convince us that defendant's conduct has been such as to entitle plaintiff to a decree. Therefore the decree of the circuit court is affirmed."

Other opinions today were:

Othed decisions today were:

Edna R. Jackman vs. Northwestern Trust Company, appellant; appeal from Polk; suit to rescind an executory contract for the sale of land; opinion by Justice Bean; Circuit Judge Bell affirmed.

J. W. Fargo, appellant, vs. Joseph Dickover et al.; appeal from Multnomah; suit to recover as assignee of judgment; opinion by Justice McCamant; Circuit Judge Morrow affirmed.

Vincent Cook vs. Oak Nelson et al., appellants; appeal from Multnomah; suit involving title to land; opinion per curiam; Circuit Judge Duffey affirmed.

County of Multnomah, for the benefit of L. H. McMahan, appellant, vs. T. A. Sweeney et al.; appeal from Multnomah; suit to collect for lease of road-making machinery; opinion by Justice Bean; Circuit Judge Morrow reversed.

Depot Realty Syndicate vs. Enterprise Brewing Company, appellant; appeal from Multnomah; suit to recover rent; opinion by Justice Moore; judgment of Circuit Judge Gantenbein modified.

George Amos Marshall vs. Nellie Gustin, appellant; appeal from Multnomah; suit over division of estate; opinion by Justice Benson; Circuit Judge Morrow reversed.

Lorenzo Morata vs. Oregon-Washington Railroad & Navigation Company, appellant; appeal from Multnomah; action to recover damages for personal injuries; opinion by Justice McCamant; Circuit Judge Davis affirmed.

CITIZENS URGED TO ACT

J. R. Bowles Sees Need of Work to Retain Present Prosperity.

If Portland is to retain the prosperity incident to the present tide of shipbuilding industry, citizens must begin to lay plans at once, declared J. R. Bowles, president of the Northwest Steel Company, speaking before the Rotary Club yesterday at the Hotel Benson.

That but four shipyards would be in operation on the Columbia River after the war was Mr. Bowles' prediction.

He advocated immediate steps toward the establishment of factories and industries.

During the coming year, stated Mr. Bowles, the steel shipbuilding industry will expend $20,000,000 in payrolls in this city.

An adjustment of the wage ratio between the Atlantic and Pacific coasts must take place, said Mr. Bowles, citing the fact that the present wage rate is from 15 to 40 per cent higher than on the Atlantic Coast.

Shipyard Strike Called Off.

BEAUMONT, Tex., Jan. 22.—The shipyard strike in Beaumont has been called off, and the men returned to work today. The decision was reached after a conference with Mediator Rogers.

DAILY METEOROLOGICAL REPORT.

PORTLAND, Jan. 22.—Maximum temperature, 45 degrees; minimum, 40 degrees. River reading, 8 A. M., 11.6 feet; change in last 24 hours, 1.4 feet fall. Total rainfall (5 P. M. to 5 P. M.), trace. Total rainfall since September 1, 1917, 24.46 inches; normal, 23.96 inches; excess, 0.50 inch. Sunrise, 7:44 A. M.; sunset, 5:02 P. M. Total sunshine, none; possible, 9 hours 18 minutes. Moonrise, 1:07 P. M.; moonset, 4:14 A. M. Barometer (reduced to sea level) 5 P. M., 30.39 inches. Relative humidity at noon, 85 per cent.

THE WEATHER.

STATIONS.	Minimum temperature	Maximum temperature	Precipitation past 24 hours	Wind Velocity	Wind Direction	State of Weather
Baker	18	20	0.00	..	S	Pt. cloudy
Boise	22	40	0.00	..	SE	Cloudy
Boston	16	22	0.18	10	NW	Snow
Calgary	0	40	0.00	16	NW	Pt. cloudy
Chicago	12	20	....	8	NW	Clear
Denver	10	34	0.00	..	S	Clear
Des Moines	14	16	0.00	..	NW	Clear
Duluth	18	4	0.00	..	W	Clear
Eureka	38	54	0.00	..	N	Clear
Galveston	28	42	0.00	..	NE	Clear
Helena	26	38	....	10	NW	Snow
Jacksonville	44	64	0.72	14	W	Clear
Juneau	38	40	1.96	10	SE	Rain
Kansas City	12	*28	0.00	..	W	Clear
Los Angeles	48	66	0.00	..	W	Clear
Marshfield	36	56	0.00	..	NW	Clear
Medford	27	50	0.00	4	S	Pt. cloudy
Minneapolis	-6	4	0.00	12	SW	Clear
New Orleans	50	56	0.00	..	NW	Clear
New York	14	22	0.36	14	NW	Clear
North Head	42	48	0.14	6	NW	Cloudy
North Yakima	26	46	0.00	..	NW	Clear
Phoenix	36	62	0.00	..	E	Clear
Pocatello	20	30	....	12	SE	Snow
Portland	40	45	....	3	S	Cloudy
Roseburg	34	52	0.00	..	NW	Pt. cloudy
Sacramento	36	64	0.00	..	SW	Clear
St. Louis	12	26	0.02	14	NW	Pt. cloudy
Salt Lake	16	28	....	..	S	Snow
San Diego	48	64	0.00	..	NW	Clear
San Francisco	44	64	0.00	..	SW	Clear
Seattle	40	48	....	8	S	Cloudy
Sitka*	..	44	....	..	..	.....
Spokane	20	38	0.08	6	SW	Cloudy
Tacoma	38	50	....	12	SW	Cloudy
Tatoosh Island	42	48	0.46	12	W	Cloudy
Valdez†	28	32	0.34	6	....	Snow
Walla Walla	30	54	0.01	6	SW	Cloudy
Washington	18	24	0.44	4	W	Pt. cloudy
Winnipeg	-14	0	0.00	10	S	Cloudy

†A. M. today; *P. M. report of preceding day.

FORECASTS.

Portland and vicinity—Probably rain; moderate southerly winds.

Oregon and Washington—Probably rain; moderate southerly winds.

Idaho—Probably rain or snow.

EDWARD L. WELLS, Meteorologist.

Beware of Cheap Substitutes

In these days of keen competition it is important that the public should see that they get Chamberlain's Cough Remedy and not take substitutes sold for the sake of extra profit.

HONORS TO OREGON FILL DRAFT REPORT

Provost Marshal-General's Book Places Beaver State Foremost in Patriotism.

PRIDE DEEPLY STIRRED

First Chart Shows Highest Enlistment Credits—Excess of Enlistments Over Quotas and Small Exemption Claims Features.

Oregon is crowned with undying honors, foremost of all the states of the Union in patriotism, in the official report on the first draft made by Provost Marshal-General Crowder to President Wilson.

Repeatedly, insistently, in table, chart and summary of the report, the name of Oregon "leads all the rest."

Copies of the Provost Marshal-General's report reached the office of Adjutant-General John M. Williams yesterday from Washington. Perusal of its pages stirred deeply the sense of pride of everyone privileged to glance them through.

Often had the people of the state been told that Oregon had shown herself a leader in patriotism—here was found official proof of the fact. And the proof is so graphically, so pointedly, depicted in a great Government publication of 160 pages that the Nation, it seemed to those scanning the records, must needs pause a moment to tip off a salute of deference to the loyal young Beaver state.

The very first chart of the report, printed on page 16, shows Oregon highest on the thermometer giving ratio of enlistment credits to gross quotas, except only for Hawaii. On this thermometer Oregon's patriotic fervor rose to 90.11 degrees, with the District of Columbia and state of Maine ranking next, at 75.34 and 74.09, respectively. Twenty-six states and the District of Columbia ranked above the National average of 40.42 per cent of men provided in the first draft by volunteer enlistments, the remaining states falling below the average.

On the succeeding page is recorded the fact that more county and city units of Oregon had no net draft quota because of excess of enlistments than had any other state. The city of Portland and 14 counties, a total of 15 divisions of Oregon, were not touched by the draft, have their quotas already filled. South Dakota, ranking second, had 12 county divisions so listed. Kansas and Texas had 10 counties each which filled their quotas outside the draft.

Oregon counties which filled their quotas by volunteer enlistments are: Benton, Coos, Crook, Douglas, Hood River, Jackson, Josephine, Lane, Linn, Marion, Multnomah, Polk, Tillamook and Yamhill.

Turn one more page and you behold another chart on which the name of Oregon far over-tops all others. This is again a thermometer, showing ratio of "actual enlistments to gross quotas." Oregon notches in at 153; Utah, well down the scale, ranks next at 113. The District of Columbia, Washington and Maine are the only other districts above 100.

From page 39 of General Crowder's report is herewith reproduced the next diagram heralding Oregon's surpassing patriotism in sending the largest proportion of volunteers to fight for liberty and world democracy.

On another chart is portrayed the fact that only in Montana and Vermont were smaller proportions of exemption claims filed than were advanced by Oregon registrants. These states had slightly less than 35 per cent of their registrants in the first draft seek exemption. In Oregon and Louisiana 26 per cent filed claims for exemption.

GUARDS ARE INCREASED

MORE THAN 150 MEN ASSIGNED TO DUTY ON WATER FRONT.

Order From Adjutant-General to Major Deich Demands Detachment of 50 Men for Night Service.

More than 150 men were placed on guard duty about Portland water front properties last night by the Oregon State Guard, Major Richard Deich commanding, and the Multnomah Guard, Lieutenant-Colonel John Hibbard commanding.

Major Deich announced, when his men assembled at the Armory at 8 o'clock, that every member of the State Guard is summoned to report again this evening at the same hour.

The 60 additional State Guards and 50 Multnomah Guards who went out last night to reinforce the river front patrol assumed this duty as volunteers. The order from Adjutant-General Williams to Major Deich still demands a detachment of but 50 men for night service.

A change in the provisional order for 50 guards for the night details may be forthcoming at any time, say those in touch with the situation.

"The burning of a single warehouse or dock," said one of the guard officers, "would entail a loss immensely greater than the cost of giving adequate protection for a year. Personally, I do not favor taking any chances, and our men are in accord with this view."

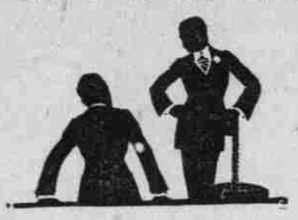
The State Guards are wearing the familiar old blue, while the Multnomah Guards are without uniforms, but have togs of khaki on the road from the East. Both detachments are fully armed while on their beats.

Belted Suits $15

A DECIDEDLY modest price for some young men's suits I am showing in gray and in fancy weaves.

These are desirable suits for the high school man, or the young fellow who is donning his first long-trousers suit.

Shown on the second floor.



Ben Selling
LEADING CLOTHIER
Morrison Street at Fourth

LABOR CRISIS MET

Federal Authorities Adjust Difficult Situation.

COMPETITION IS AVERTED

Interests of War Industries and Government Agencies Will Be Properly Conserved by Preventing Competition for Workers.

WASHINGTON, Jan. 22—Measures to check competition for labor between the war industries and Government agencies have been taken by the Department of Labor.

This was announced today after a delegation of Virginia truck growers had called on Assistant Secretary Post with a protest that the farmers would lose a million bushels of potatoes this year if the enticement of farm laborers by industrial concerns were permitted to continue.

The delegation was told that the department already had directed the cancellation of extravagant advertisements for men, which are considered detrimental to the Government's war programme.

Industrial plants are being assured that all real labor needs will be met by the United States employment service, in whose hands the distribution of the available labor supply has been placed by Secretary Wilson.

Mobilization of shipyard workers, a department statement said, has been placed entirely in the hands of the employment service by the Shipping Board.

Independent recruiting by the board and the individual plants will be discontinued to permit a concentration of effort which will culminate in a National shipbuilders' registration week February 11.

Confusion and suffering are said to have resulted from careless statements as to shipyard needs, attracting many men to places where an ample supply of workmen already was gathered.

UNION DENTISTS

Painless operations on the teeth, as perhaps you will know from your own experience, depend largely on the man who uses the instrument. If he is careless, irritable or unsympathetic, he will inflict pain.

You Will Not Get Hurt If You Find This Number.

The Union Painless Dentists are incorporated under the laws of Oregon, and the company is responsible for the guarantee that goes with all the work that leaves their office.

UNION

PLATES $5.00

Porcelain crowns	$3.50 to $5
Porcelain Fillings	$1
22-K Gold Crowns	$3.50 to $5
22-K Gold Bridge	$3.50 to $5
Extracting	50¢

231½ Morrison, Cor. 2d
Entire Corner.
Look for Big Union Sign.

THIS WEAK NERVOUS WOMAN TOOK VINOL

It Made Her Strong and Well

Barneveld, Wis.—"I was in a weak, nervous, run-down, anaemic condition, so that my housework was a burden. Vinol was recommended, and it made me well and strong. It is certainly the best tonic and strength creator I have ever taken."—Mrs. John Lewis.

Vinol is a cod liver and iron constitutional remedy for weak, nervous, run-down conditions of men, women and children. Your money will be returned if it does not help you. The Owl Drug Co., Portland, and at the best drug store in every town and city in the country.—Adv.

THAT BANK ACCOUNT OF YOURS can be greatly strengthened with the aid of one of these little Dime Savings Banks. Just call at our Savings Department—get one of them and let us explain its advantages.

LADD & TILTON BANK
Washington and Third

MEMBER FEDERAL RESERVE SYSTEM

SPEND THE WINTER IN CALIFORNIA

Average weekly temperatures of leading California resorts for week ending Saturday, January 12, 1918.

	Max.	Min.	Mean.		Max.	Min.	Mean.
Los Angeles	67	47	56	Del Monte	60	48	54
Coronado	64	44	55	Ocean Park	70	44	57
Santa Barbara	73	34	54	Long Beach	69	45	57
San Francisco	59	47	53	Santa Monica	70	44	57
Arrowhead	73	34	54	Redondo	69	45	57

One of the most magnificently situated hotels in America, famed world wide for its excellence of cuisine and sumptuous appointments. Golf, tennis and every imaginable recreation. American plan, absolutely fireproof. A delightful region with an equable year-around climate. Army and Navy Headquarters for Fort McArthur and Harbor Naval Station. Write for folder.

LONG BEACH CALIFORNIA

IN THE CENTER OF THINGS

BROADWAY AT SEVENTH

Center of Los Angeles, at Seventh and Broadway, convenient to all shopping, theatrical and business activities. Three hundred beautiful outside rooms with private baths. European plan, rates $1.50 and up. Cafe service elegant and refined. Free automobile car meets all trains. Wm. R. Flood, Mgr.

LOS ANGELES

HOTEL DEL CORONADO

(American Plan.)
CORONADO BEACH
California.

Completely Equipped With Automatic Sprinkler System.
Splendid 18-Hole Golf Course.
Motoring, Tennis.
Bay and Surf Bathing, Fishing and Boating.
NEAR CAMP KEARNEY, SAN DIEGO.
John J. Hernan, Manager.

BELLEVUE HOTEL

more Comfortable than Home

Oregon Headquarters. 300 Cheerful Rooms, 300 Baths. Every comfort and luxury. Convenient location, willing service. Splendid table. Am. Plan from $4. Eu. Plan from $2. Guests always return.
Morgan Ross, Manager.

Geary at Taylor Sts.
SAN FRANCISCO

ARLINGTON HOTEL
SANTA BARBARA, CAL.

ONE OF WESTERN AMERICA'S MOST INTERESTING RESORTS

Ideally situated on a beautiful estate convenient to everything. All outside rooms, each having private lavatory. Three kinds of GOLF—9-hole links on Hope Ranch; links on own grounds; indoor golf, inside hotel. Winter surf and warm plunge bathing, tennis, horseback riding, motoring and dancing. Am. plan. Fireproof. E. P. Dunn, Lessee.

HAD TROUBLE 4 OR 5 YEARS.

No one appreciates good health like those who are ill. W. J. Furry, R. F. D. 2, Salem, Mo., writes: "I have been bothered with bladder trouble four or five years. It gave me a great deal of pain. I took different medicines, but nothing did me any good until I got Foley Kidney Pills." Many persons suffer from kidney and bladder trouble when they can be relieved. Backache, dizziness, rheumatic pains, stiff or sore joints and other symptoms yield to Foley Kidney Pills.—Adv.

WEEKS' BREAK-UP-A-COLD TABLETS
NIP A COLD IN THE BUD
The quickest way to break up a cold. Get the genuine at any drug store
25¢

HOME OF THE ONLY DI-SODIUM ARSENATE NATURAL STEAM CAVES KNOWN.

Foremost Among the World's Noted Spas. Temperature of steam caves 202 degrees Fahr. Water, steam and mud radioactive. Splendid Am. plan hotel. Altitude 2000 feet. Table supplied from hotel's dairy, poultry and vegetable ranches. No tourist should fail to visit this interesting resort. Just 68 miles from Los Angeles. Finest motor boulevards; splendid transportation facilities. Write for interesting folders and other invaluable data.
Arrowhead Springs, Southern California.