



AUSTRIAN RETREAT CHANGED TO ROUT

Enemy Piles Across Piave Under Italian Fire.

40,000 PRISONERS TAKEN

General Diaz Says Appalling Number of Austrian Soldiers Are Killed.

RIVER FILLED WITH DEAD

American Airmen Do Brilliant Work in Developing Italian Victory.

VIENNA, via London, June 24.—The War Office announces today the evacuation of Montello and the right bank of the Piave River by the Austrian troops.

WASHINGTON, June 24.—Austrian losses in the retreat from the Piave included an "appalling number" of troops killed, more than 40,000 made prisoner and an enormous amount of war booty, said a report from General Diaz, the Italian commander, which was cabled from Rome tonight to the Italian Embassy.

Tenacious Hold Broken. "Yesterday we obtained a great victory," said General Diaz' message. "Owing to the extreme pressure of our troops and the continuous fire of the artillery and airplanes, the enemy, after having desperately clung for eight days at the cost of appalling losses to the right bank of the Piave, on the night of the 23d began to retreat to the left bank under our terrific fire.

"The retreat continued during the entire day, protected by strong machine gun contingents and rearguard units, which, after opposing obstinate resistance, were successfully overpowered by the impetus of our troops, which enveloped Montello and swept over on the entire Piave line with the exception of a short section at Musile, where the fight continues.

"Thus far 40,000 prisoners have been counted and an enormous amount of booty captured. An appalling number of Austrian corpses litter the ground bearing witness of the unfortunate bravery and of the crushing defeat of the enemy."

(By the Associated Press.) The defeat of the Austrian armies on the western bank of the Piave River is complete. Admission is made by the Austrian War Office that the troops of Emperor Charles have been forced to evacuate the Montello plateau, over which they had hoped to press their way and gain the Venetian plains, and "some sectors" of the positions they attained last week on the bank of the river between the plateau and the point where the stream empties into the Adriatic.

Crushing Attacks Failure. Bad weather and the rising of the Piave under the heavy rainfalls are assigned as the reasons for the withdrawal of the Austrians. But the Rome War Office asserts that it was the impetuous attacks of the Italians that brought about the failure of an operation which was started with the intention of crushing the armies of General Diaz and forcing the Italians, like the Russians, to accept a Teutonic allied peace.

All along the river the Italians have pressed back the invaders of their territory until only small units remain on the western bank, and across the stream King Victor Emmanuel's men are keeping well on the heels of the retreating enemy, who is fleeing in disorder.

Again the cavalry has been thrown into the fighting and is harassing the enemy, while machine guns from the ground and from aircraft, some of the latter operated by American aviators, are working havoc among the fleeing Austrian columns.

40,000 Men Captured. The losses to the enemy are described as enormous, both in men killed, wounded or made prisoner. An official statement from Rome to the Italian Embassy in Washington asserts that the Austrians have lost 40,000 men in prisoners alone. The Italian War Office statement mentions only 4000 Austrians, as having

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MANY RAILROADS SAID TO FACE RUIN

TEN THOUSAND MILES OF LINES NEAR BANKRUPTCY.

Railroad Administration's Attitude Blamed for Plight of Smaller Companies.

WASHINGTON, June 24.—Because of the railroad administration's attitude toward the short-line railroads of the country, 10,000 miles of lines belonging to smaller companies are now on the verge of bankruptcy and threaten to suspend operations, representatives of the short lines told the Senate Interstate Commerce committee today.

They urged an amendment to prevent relinquishment of short lines while control of competing trunk lines is retained.

Ben H. King, of Dallas, Tex., member of the executive committee of the American Short Line Association, said the operating income of his road, the Gulf, Texas & Western Railroad, has been reduced about 50 per cent since the Government took control of railroads because much of the freight shipments which formerly passed over that line are now being routed over Government-controlled roads which compete with that one.

He said the relinquishing of the Denver & Salt Lake Railroad, about 200 miles in length, by the Government had destroyed that road's credit, and that the Colorado & Midland Railroad, having a mileage of 344 miles, also will have to suspend operations for the same reason.

The Midland road, Mr. King said, parallels the Denver & Rio Grande Railroad, and all traffic has been diverted to the latter road.

Witnesses told the committee that practically 800 short-line railroads in the country, with a total of 30,000 miles of track, are affected by the resolution.

WARDNER'S SINS WIPED OUT

City, Minus Saloons, Is Sans Police and Needs No Jail.

WARDNER, Idaho, June 24.—(Special.)—Owing to falling off in business since the state went dry, Police Judge T. R. Jones of this city has asked the council to reduce his salary from \$35 a month to \$19 a month.

The judge also informed the Council that there was no further need of a city jail and that the city might as well quit paying rent on the place. The Council had already dispensed with the services of a policeman.

In the palmy days of liquor the city had 18 saloons, employed four justices of the peace and a police judge to handle the business, while three policemen rounded up the strays. Owing to its location even the bootleggers now shun the town and the only attempt made at moonshine work was nipped by Federal agents, who confiscated the plant.

PEACE DOVE NOT IN SIGHT

Burlan's Remarks, Says Lord Robert Cecil, Damned by Tizsa.

LONDON, June 24.—In the House of Commons tonight Lord Robert Cecil, Minister of Blockade, replying to a question concerning the latest utterances of Baron Burlan, the Austro-Hungarian Foreign Minister, said there was no indication favorable for official peace negotiations.

Baron Burlan's remarks, he added, contained no serious contribution to any peace discussion. He was the nominee of Count Tizsa, the former Hungarian Premier, who was as responsible as any man in Europe for the war.

SPANISH SHIP IS HELD UP

U-Boat Captain Refuses to See Papers and Sinks Craft.

MADRID, June 24.—The captain of the Spanish mail vessel Joaquina reports that his ship, which sailed from Cuba, was held up by a submarine, which declined to examine the ship's papers. The vessel was sunk and the crew was afloat for five days, being rescued off the coast of Africa. The vessel which picked them up landed all at Gibraltar except the captain.

A dispatch from Paris May 22 said that the Joaquina had been found abandoned.

TWO DISTRICTS OVER TOP

Clackamas Committees Open Drive in Defense of Nation.

OREGON CITY, Or., June 24.—(Special.)—J. E. Calavan, county chairman of the War Savings Stamp drive, has received reports from several districts of Clackamas County. The first district to report is Advance, a German settlement. This district has gone \$565 over the top. The quota was \$2065.

Another district heard from is Springfield. About \$1000 worth of stamps had been sold at noon, and the committee was still at work.

TRALEE HAS MARTIAL LAW

Irish Scaport Put in Same Class as County Clare.

DUBLIN, June 24.—A proclamation issued tonight declares the scaport of Tralee, County Kerry, to be a special military area. This means the same system of martial law has been applied to Tralee as has been enforced in the County Clare.

Permits will be necessary for persons to enter the proscribed district.

AUSTRIAN ROUT IS BLOW TO GERMANY

Teuton Offensive Plans Believed Upset.

GERMAN TROOPS RUSH SOUTH

Temper of Austrian Public Makes Defeat Fatal.

TEUTONS MUCH WORRIED

Possibility That Austrian Government May Fall Hampers Berlin in the Prosecution of Struggle in France.

WASHINGTON, June 24.—Germany's entire offensive programme may have been upset, in the opinion of some officers here, by the crushing defeat of the Austrians along the Piave River. Official reports reaching Washington bear out the picture of the Austrian disaster given in press accounts from Italy, although the full extent of the Italian success is not yet apparent.

Teuton Morale Hard Hit. It is regarded as certain, however, that the central powers have been dealt a blow that will further shake the morale of their people and probably will compel the German high command to make a complete re-adjustment of its plans in France.

Secretary Baker showed the significance attached here to the defeat of the Austrians when he dispatched a telegram today to the American Ambassador at Rome for transmission to the Italian Minister of War.

Mr. Baker's message was sent before the decision of the District Court of Yellowstone County in favor of the defendant in the suit of the city of Billings against the Billings Gas Company to compel that utility to furnish gas in accordance with provisions of an ordinance enacted a year before the State Utility Commission was created.

The court laid down the rule that the right of a municipality to fix prices by an ordinance contract was subject to the paramount authority of the state, and that by the creation of the Utility Commission the state decided to exercise that authority, abrogating the provision of the ordinance. The city can obtain relief, if rates are too high, by complaint to the commission.

MORROW SCHOOL IS FIRST

Cecil District "Over the Top" in War Stamp Drive.

Cecil school district, Morrow County, is the first district in Oregon officially to report "over the top" in the war savings stamp drive.

C. E. Woodson, of Heppner, county chairman, yesterday telegraphed State Director C. S. Jackson that Cecil district had more than doubled its quota, \$43 having been subscribed for every man, woman and child in the district. Sixty per cent of the sales were in cash and 40 per cent in pledges.

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ALL INDUSTRIES TO BE ORGANIZED

TRI-STATE ZONE COMMISSION PLAN ADOPTED.

Sub-District Centers Are Portland, Seattle, Tacoma, Walla Walla, Spokane and Boise.

SEATTLE, Wash., June 24.—Representatives of civic organizations of Washington, Oregon and Idaho, at a conference here today, adopted a plan of organization for a zone industrial commission of the War Industries Board.

The purpose of the plan is to bring manufacturers in each zone into close relationship with the needs of the Government in order that they may change over their production to Government necessities as quickly as possible when the need arises.

The district is to have a representative attached to the War Industries Board at Washington, D. C., who will represent zone manufacturers in dealing with all purchasing departments of the Government.

Sub-district centers and their districts are: Spokane—All of Idaho, and Astoria, Whitman, Adams, Grant, Douglas, Lincoln, Chelan, Okanogan, Ferry, Stevens, Pend O'Reille and Spokane counties in Washington.

Boise—All of Idaho south of Idaho County.

Walla Walla—Pendleton, Franklin, Benton, Walla Walla, Garfield and Columbia counties in Washington, and Morrow, Wallowa, Umatilla, Union and Baker counties in Oregon.

Portland—All of Oregon except the above-named counties; Klickitat, Skamania and Clatsop counties in Washington.

Tacoma—All counties except Clarke in Southwestern Washington.

Seattle—Kittitas, Kitsap, Clallam, Jefferson, Island, San Juan, Whatcom, Snohomish and King counties, Washington.

STATE SUPERIOR TO CITY

Montana Supreme Court Upholds Authority of Utility Commission.

HELENA, Mont., June 24.—The Supreme Court of Montana affirmed today the decision of the District Court of Yellowstone County in favor of the defendant in the suit of the city of Billings against the Billings Gas Company to compel that utility to furnish gas in accordance with provisions of an ordinance enacted a year before the State Utility Commission was created.

The court laid down the rule that the right of a municipality to fix prices by an ordinance contract was subject to the paramount authority of the state, and that by the creation of the Utility Commission the state decided to exercise that authority, abrogating the provision of the ordinance. The city can obtain relief, if rates are too high, by complaint to the commission.

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GERMANS CAUGHT IN PROPERTY PLOT

U. S. Takes Over Three Big Corporations.

'SAFEGUARD' SCHEME EXPOSED

Enemy Assets Masquerade as American Holdings.

ATTORNEY DEVISES PLAN

Aggregate Capitalization of Teutonian Concerns Seized by Custodian Palmer Is Placed at \$5,500,000.

NEW YORK, June 24.—German plots to hide enemy assets under the cloak of American corporations organized or lent for the purpose were revealed today when A. Mitchell Palmer, alien property custodian, took over three German-owned concerns with an aggregate capitalization of \$3,500,000.

The companies were: Dieckerhoff, Raffler & Co., importers and manufacturers of notions, 550 Broadway; Raffler, Erbsloh & Co., cordage manufacturers, of the same address, with plants in Cuba, and the American Storage Company, of Havana.

Lawyer Helps Out Plot. It is charged that on March 17, 1917, three weeks before the United States entered the war against Germany, George Carlton Comstock, a New York lawyer, advised Ewald C. Dieckerhoff, one of the principal owners, to "safeguard" his property. Comstock, in a letter which was discovered by the Department of Justice, is said to have written on that date:

"The best thing to safeguard your property would be to transfer all your assets to a New York corporation which could be organized for this purpose, or a corporation already in existence could be used.

Corporations Out of Jobs. "We have corporations in this office which are not doing anything at this time; they have been created for certain purposes and those purposes have been accomplished, are now available for other uses after amendments to the objects and increases of capital stock have taken place."

Dieckerhoff, who is said to have lived in this country 16 years, but has never been naturalized, has a residence in Greenwich, Conn., a townhouse in Park avenue and maintains a 2000-acre estate in the Catskills.

Some Owners Live Abroad. Others involved are Rudolph Erbsloh, of New York, a native of Germany, but now a naturalized American; William H. Erhart, of New York, an American citizen, who has one sister married to Erbsloh and another sister, Clara Erhart von Truchsess, who lives in Germany.

Still other owners of the concerns taken over, who are living in Germany, are: Johann Herkmann, Johann C. W. Rump, Millie Raffler, Emma (Concluded on Page 3, Column 1.)

UMATILLA COUNTY GETS HEAVY RAIN

GOOD SHOWERS REPORTED IN MANY SECTIONS.

Thunder Storms and Even Small Cloudbursts Seen—Maturing Grain Is Benefited.

PENDLETON, Or., June 24.—(Special.)—From many sections of the county have come reports of heavy showers, thunder storms and even small cloudbursts yesterday afternoon. So far as can be learned, there was no serious damage, though in some instances there was considerable danger.

From Stanley Creek, near Pilot Rock, comes the report that hailstones as large as walnuts fell for several minutes yesterday afternoon, driving men and horses working in the fields to shelter. In places the stones lay four inches deep on the ground. A cloudburst on Meacham Creek caught the end of freight train No. 255 on the O. W. R. & N. between Duncan and Huron, washing rocks and logs onto the track and derailing the caboose. Traffic was delayed for some time.

From McKay Creek, experienced a small cloudburst near the John Schmidt place on the south fork of the creek and warnings were telephoned to ranchers farther down in the valley. The water spread out before any damage was done. There were heavy rains at Latta Springs, at Thorn Hollow, east of here and between Milton and Weston. The farmers profited greatly by the rains, especially those having spring grain.

LA GRANDE, Or., June 24.—(Special.)—Reports today show that some slight damage was done by the heavy downpours yesterday, which hit mountain and valley alike. Mountaineers suffered by hail somewhat. In the valley the rain, which yesterday totaled an inch and a half, so soaked Union County that no more is needed to mature the grain.

SLACKER SUSPECTS TAKEN

Seven Hundred of Draft Age Are Rounded Up in Brownsville, N. Y.

NEW YORK, June 24.—More than 700 men of draft age were rounded up by the police in the Brownsville district of Brooklyn tonight and questioned concerning their registration cards.

The raid was prompted by local draft officers, who were disappointed in the registration of June 4, and who had learned that circulars had been distributed urging all young men to resist being "illegally inducted into the Army."

MRS. MUCK IS REGISTERED

Wife of Interned Musician on Record as Enemy Alien.

BOSTON, June 24.—Mrs. Anita Muck, wife of Dr. Karl Muck, former conductor of the Boston Symphony Orchestra, who has been interned as an enemy alien, registered here today as an enemy alien.

She gave her birthplace as Graz, Styria, Austria, where her father was one time Mayor.

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