POSTAL SERVICE EXHIBITS FAILURE

Postmaster - General Burleson's Administration Criticised by Bourne.

SELF-CONVICTED IS CHARGE

Testimony Before House Committee on Commerce Quoted as Proof That Government Failed Where

Telegraph Co. Succeeded.

OREGONIAN NEWS BUREAU, Wash-OREGONIAN NEWS BUREAU, WashIngton, July 8.—That the postal service, rather than the telegraph service,
has broken down is the assertion made
by the Republican Publicity Association in a statement commenting upon
the reasons given by Postmaster-General Burleson for advocating Government operation of the telegraph lines.
Former Senator Jonathan Bourne, Jr.,
speaking for the organization of which

Former Senator Jonathan Bourne, Jr., speaking for the organization of which he is president, said:

"In his testimony before the House committee on interstate commerce Postmaster-General Burleson advocated the taking over of the telegraph lines by the Government and is quoted as giving as one reason that the telegraph service is breaking down as evidenced by the sending of important messages, including those of the Government, by train messager.

Telegrams Sent by Mall.

"This statement, if made as quoted in the press, forces to public attention the question as to what it is that has really broken down. It is asserted that a telegraph company received Government messages in the evening in New York for transmission to Wash-ington and in Washington for trans-mission to New York and instead of sending these messages by wire, sent them by messenger on a train leaving about midnight and reaching the destination early the next morning, when the messages were delivered as though they had been transmitted by wire.

"Apparently this was done so efficiently that the Government officials thought the messages went by wire.

thought the messages went by wire.
There was, therefore, no apparent
breaking down in service, though the
government was paying telegraph
tolls when it should have been paying

postage, or nothing at all.
"If the telegraph company could take those messages and transmit them by train, why couldn't the postal service do the same? Why was the Government sending by private wire messages which could have been, or should have been, transmitted just as quickly and effectively by its own public postal service? Why was the Government further burdening a telegraph system aiready congested?

Postni Service Needs Manager.

"Mr. Burleson's statement, if he is correctly quoted, is in effect an admission that the postal service has broken down. It has falled to assure the va-rious departments of the Government that it can take their messages in the evening in New York and deliver them

evening in New York and deliver them in Washington the next morning, though there is a five or six-hour train service between the two cities, and the Government maintains a special delivery service in both.

"The manager of the telegraph company did it. What the postal service needs is a manager who will offer Government service that will successfully compete with parallel service conducted by private enterprise.

"There is no doubt whatever as to "There is no doubt whatever as to what service has broken down."

JUNE SALES ARE HEAVY

SELLS WAR STAMPS TOTALING \$548,274.44.

Under Recent Ruling Purchasers Are Allowed to Hold \$2500 Deposit in Postal Bank.

The month of June was a busy one for the sale of war savings and thrift stamps at the Portland Postoffice. The \$548,274.44, or \$21,931 for each business

The Postoffice appropriation bill ap-proved by the President July 2 increases the maximum amount that a depositor can place in the Postal Savines Bank from \$1000 to \$2500, on which the Government pays the depositor interest at the rate of 2 per cent per annum. This money is deposited by the contract of the ed in the commercial banks and is ade available for the needs of trade

ITALIAN ACTIVITY GROWS

Continued From First Page) cent of their effectives were killed. pared for the purpose of holding Jeru-salem. How serious was the menace to Venice is indicated by the fact that Austrian guns were only five miles away. Sand bars exist along the Adrican dars exist along the Adriatic coast, where the ground is solid
enough to support cannon if the Austrians had been able to advance them.
Sallors and soldlers fighting neck
deep in mud, water and reeds, blocked

WASHINGTON, July 8.—Official cor-

acks, swimming with knives in then eeth until they surprised and killed



E & W soft collars give you trimness without binding and



the machine gun defenders. The artillery of both sides played night and day freely upon every road built in between the canals.

The result of the battle gives the Italians nearly 40 square miles of new territory and a shorter front.

James H. Morrison, a New York actor who is working in an American Red Cross refuge, is feeding many italians daily and has not slept in 10 days. He said:

"One night the Austrians mistook the American Red Cross villa for the Mestra railway station and bombarded us severely. They injured the wounded men and destroyed the estuary in our village."

ed men and destroyed the estuary in our village."

The word "American" seems to act as a charm with the common soldier. For instance, in the course of one night, when there was heavy shelling, an Italian Captain kept up the courage of a group of reserves by saying each time a shell fell: "The Americans are coming over faster than that."

ITALIAN HEADQUARTERS, July 7.

(By the Associated Press.)—The Italian commandant under whose direction the American flyers are working on the Italian front has only one fault to find with them. They never want to remain on the ground. Regardless of the weather, the flerceness of the barrage or the vigilant enemy chasers, they want to be in the air after the enemy.

TEUTONIC PRESS BITTER

GERMAN AND AUSTRIAN EDITORS ATTACK WILSON.

Independence Day Speech of President Unpleasant Reading in Central Empires

AMSTERDAM, July 8 .- Commenting on President Wilson's Independence Day speech, the Rheinische Westfal-ische Zeitung says: "Washington would turn over in his grave if he could hear how his miser-

ble successor in the presidential chair

able successor in the presidential chair falsifies history and places his warlike aims on the same plane as those truly humane principles and ideals of the time of the founding of America."

The Cologne Volks Zeitung says:
"Hypocrisy and impudence, thy name is Wilson!"

The Essen Aligemeine Zeitung says:
"Wilson speaks in the fantastic wrappings of American egotism. The inexperienced American allow themselves to be persuaded into political fantasies."

antasies.

fantasies."

The Vienna Neue Freie Presse describes President Wilson's speeches as bearing the "stamp of superficiality and untruthfulness."

The Vienna Tageblatt says:
"It is the Central Powers who are fighting for the good and right ideas which President Wilson enunciates."

The Vienna Reichpost says:
"President Wilson's latest formula is

"President Wilson's latest formula is nothing more than a renewed declara-tion of war-nothing but an announce-ment of mailed fist peace."

KAISER PUBLISHERS HERE

(Continued From First Page.) Company, accompanied by a pledge of the stock of the S. S. McClure Newspaper Corporation, had been surrendered to him in exchange for the \$108,000 note in September, 1917.

"In other words, by giving his note for \$109,000 he had obtained a return of notes aggregating in excess of \$1,300,000 and stock representing a controlling interest in the Evening Mail."

troling interest in the Evening Mail.

Mrs. Busch's Name Mentioned.

Rumely has claimed recently that it was Sielcken who put up the money was Sielcken who put up the money in the transaction. Previously he had stated Mrs. Busch had contributed to the fund. Mrs. Busch, however, denies it, and the Columbia Trust Company, executor of Hermann Sielcken as well as Mr. Sielcken's partners in the firm of Crossman & Sielcken, say that so far as they know Mr. Sielcken had nothing to do with this transaction.

Attorney-General Lewis declared that Mrs. Busch, referred to in his statement, was Mrs. Adothus Busch, widow

ment, was Mrs. Adolphus Busch, widow of the St. Louis brewer, who was questioned recently by Government officials upon her return from Germany, In [®]n statement issued late tonight, Assistant State Attorney-General Beck-

The entire amount which went into the purchase of the Evening Mail was derived from the sale of German war bonds in this country, and American citizens furnished the money to ac-quire the paper, which was to be used for the purpose of carrying on German

inles for the month amounted to it was German money. Mr. Stoddard retired from the management of the paper and still holds most of the out-standing bonds. When the United States declared war against Germany day.

From December 3 to July 1, the Portland Postoffice sold \$1,578,820.03 States declared war against German worth of war savings and thrift stamps, all for cash, no pledges being considthe bonds unless the Evening Mail ex essed loyalty to this country in every

Various Cities Contribute. According to Mr. Becker, St. Louis contributed \$100,000 from the sale of German war bonds and Chicago \$200,-000. This money, he said, was first de-posited to the credit of Dr. Albert and ount von Bernstorff with the Equita-

Count von Bernstorff with the Equitable Trust Company in New York, and eventually reached Dr. Rumely. Mr. Becker added that \$350,000 of the fund collected was deposited with the Hanover National Bank and \$200,000 with the Columbia Trust Company.

An order drawn on the Farmers' Loan & Trust Company for \$185,000 in favor of Lyon was signed by G. Amsinek & Co., according to Mr. Becker, who asserted that this capital was the one of wounded or taken prisoner.

Co., according to Mr. Becker, who asserted that this capital was the one of including some of the Orient corps, pre-which Adolph Pavenstedt; now interned.

the #Austrian flanking movement. respondence made public today displicitly was especially arduous on the hundreds of canals behind the Lagoon of the Monthly Weather Review, redistrict, where every cellariess hut had cently dropped from the Government been transformed into a machine-gun service, was dismissed because of "his The Italians had to make night at- perial German government."

MARSHFIELD, Or., July 8.—(Special.)—A. B. Chapman, who was arrested in the vicinity of Powers, when a constable found 16 bottles of whisky in his automobile, was held in bonds of \$2500 to appear before the next county Grand Jury.

It developed at the trial that Chapman had sold liquor to a soldier and reports from Powers indicate the liquor being sold there is manufactured in an illicit still, hidden away about 20 miles east of that city, in the fastness of the mountains.

The rescued men were picked up by the liner after having drifted help-lessly for 11 days, subsisting most of that time on seaweed and rainwater wung from their clothing or caught in their caps.

According to members of the crew, who told their story in fragments over the side of the liner when she docked, the sea wolf adopted the same methods as used by the U-boats in their operations off the Atlantic coast.

Ship Sunk With Bombs.

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Ship Sunk With Bombs.

countains.

One soldier in this county has been prwarded to the guardhouse at Camp ewis for n 68-day stay, a punishment

for being intoxicated.

Pictorial Review Patterns

Second



Mrs. Graeme

Art Needle Section, Fifth Floor.

This Store Uses No Comparative Prices-They Are Very Misleading and Often Untrue

CORSETS Clearance at \$3.95

-Nemo, Smart Set, Etoile de France and C. B. Corsets in the most desirable models are offered in Fourth Floor. this July Sale.

Sipman Wolfe & Co. Merchandise of Merit Only

KODAKERS, Attention!

-We are told our developing and printing is the best in the city. It should be. We give this work special attention.-KODAKS, FIRST FLOOR.

BLACK SILKS

3 Fabrics—Clearance \$1.59

-Even our scarce and most desirable black silks find their way into the July Clearance Sale. Qualities that we know cannot be duplicated again at these prices. Nevertheless, we offer for today-

> 35-inch Heavy Lustrous Black Duchess Satin.

> 35-inch Chiffon Taffeta, finest for suits, separate skirts, coats, etc

35-inch Soft Charmeuse, in soft finish. Second Floor-Lipman, Wolfe & Co.

Art Needle Novelties, Clearance 25c

-A host of pretty fancy work novelties-pillow tops, lunch sets, laundry bags, lace squares, fancy bags, gown cases-mostly of one kind. These will be sold on the Sale Circle, First Floor. Main Floor, Sale Circle-Lipman, Wolfe & Co.

The July Clearance

no matter what the conditions, is an unalterable part of our merchandising system and must be held, for through this event our stocks are made ready for the new season. Every item has a new meaning to all who buy for economy and quality.

-Appreciating our duty to our customers, we are not taking advantage of conditions; we are not profiteering, but are passing this merchandise along to you just the way we would under ordinary con-

-Every item is a worthy presentation, marked at tempting savings to quickly speed it to new owners. A sale to make the most of, because it touches the need of every person

Grass Rugs for Summer Homes

- Make your home a haven from the heat. You are inviting comfort when you use these cool grass rugs throughout the house. They are serviceable and most attractive, in tans, green, brown, gray and blue. At July Clearance prices:

> 4:6x7:6, price \$ 4.45 6x9, price..... 7.45 8x10, price..... 10.95

Cretonnes and Chintz, Clearance 43c

-A number of pieces of beautiful art chintzes find their way into this July Clearance Sale. Lengths from 5 to 15 yards each. If you have not yet put up your Summer draperies, these will afford you a real opportunity-or perhaps for next season.

They come in floral and conventional designs.

Fifth Floor-Lipman, Wolfe & Co.

GOOD TOWELS



hemmed ends.

Thousands of Them in This Impotant

July Sale All Sold at Clearance Prices

-Buy towels now for home, country or beach use. Every towel in this sale is 'way below regular prices, based on today's market, and many are sold less than today's wholesale cost.

BATH TOWELS, 23c

Liberal size bath towels, splendid for seashore and country use and just the quality that will save your better towels. All white with hemmed ends.

BATH TOWELS, 39c -Splendid quality and extra large size bath towels, very heavy and absorbent. Full bleached, with

BATH TOWELS, 45c -Double thread twisted yarns, the best woven towel on the market. This excellent towel is most exceptional at this low price. Pure white, or white with

red or blue borders. BATH TOWELS, 59c

-Extra large and extra heavy bath towels of double twisted yarns. These are very soft and absorbent and pure white.

UNION HUCK TOWELS, 35c

Splendid quality of hemmend union huck towels, the kind that wear so well for hard, every-day use. White with neat borders.

IMPORTED HUCK TOWELS, 50c Each -Scotch huck towels, in an extra heavy quality, and about 60 per cent linen, with neat red borders. An exceptional towel at this low price.

Second Floor-Lipman, Wolfe & Co.

July Sale of APRONS

-For the joy of feeling comfortable, as well as looking smart, one of these attractive aprons will surely solve the problem. Many new, attractive models in these house apron dresses that can be worn in the garden and for outings.

NEW PERCALES, \$1.69

-Plain colors or fancy figured stripes are these new percale aprons. Button-front style, large fancy pockets, full belted, V-neck and kimono sleeves and finished with neat white bias piping.

-An attractive model of plain colored percale, slip-over-head style, with trimming of dainty white ruffle at neck, sleeves and belt. Also

another slip-over style, lace front, with trim-ming of black and white polka dot.

RUFFLED HEMMED APRON, \$2.25

NEW BILLIE BURKES, \$2.49 -The ever popular Billie Burkes, in two new models. Plain colors or checked percales; one style with large patch pockets and wide belt, with collar, pockets and belt of white jean; another model with white collar and cuffs, finished with embroidery edgings, has also a

full belt of white material.

-Two distinctive new models of extra quality materials; one is of imperial suiting, so excellent for its wearing qualities, made in slipover style, with fancy yoke collar laced in front, with fancy pointed pockets and wide belt. This comes in plain pink, green, blue, with trimmings of striped material. There is also an attractive plaid apron dress of gingham in slipover style, with V-neck, kimono style, wide belt and side pockets. The belt, sleeves and pockets are finished with dainty ruffles. Also other styles equally as attractive.

2000 Yards Embroidery 15c

Fourth Floor-Lipman, Wolfe & Co.

-Fine nainsook, lawn and cambric, blind designs, in floral patterns; also Swiss eyelet work. A great number of designs to select from; Main Floor-Lipman, Wolfe & Co. 3 to 5 inches wide.

Second Day Sale of Boys' Wash Suits \$1.29, \$1.59, \$1.98

Many Less Than Cost

-Notwithstanding a great response, our assortments are yet complete and offer a wide choice in boys' galatea, poplin, pique, linen and Devonshire wash suits. Clever suits in the smartest styles for youngsters 3 to 10 years old. Fourth Floor-

Lipman, Wolfe & Co.

Georgette Crepe \$1.65

36 and 40 Inches Wide

-For your Summer waist or dress this Georgette crepe will prove a most satisfactory material. It comes in a standard quality of extra weight and in such desirable colors as gray, Alice, paon, delft, navy, midnight, wisteria, taupe and tan.

Main Floor-Lipman, Wolfe & Co.

'Globe" Union Suits 50c

-These famous union suits have disappeared from the market at this price. They come in low neck, sleeveless style, with lace knee. Sizes 4, 5 and 6.

Glove Silk Vests \$1.89

-Women's glove silk vests, in flesh, lace trimmed, bodice style, with ribbon shoulder straps. Sizes 36 to 42. These vests are very special and are sure to attract a great deal of attention.

Main Floor-Lipman, Wolfe & Co.

Eleven Survivors of Augvald Picked Up at Sea.

OFFICIAL WARNING ISSUED

Fallacy of Von Capelle's Statement Relative to German Submarine Menace Exposed by

U. S. Officials.

lifeboat containing 14 of the crew. For two days the latter boat drifted about and was then upset in a storm. Three of the men were swept away and th others managed to right the boat and bail her out. They lost all their food and fresh water and even their oars were gone.

There was a succession of rain storms and the men were almost con-

Warning of Danger Issued. Simultaneously with the arrival of the submarined crew warnings were sent out today that the hostile U-boats

WASHINGTON, July 8.—Optimistic The council was composed of the statements regarding submarine accom-WASHINGTON, July 8.—Optimistic The council was composed of the statements regarding submarine accombastic beads of departmental bureaus, the asplishments made by Admiral von Capilshments made by Admiral von Capilshments made by Admiral von Capilshments and staff officers. It was formed to aid the secretary in the central problems, but respectively. Saturday were dealing with war problems, but respectively.

Expert Gunners Get Extra Pay. CAMP KEARNY, San Diego, Cal., drawn with rheumatism, it is not a table, it will do the work and not harm

WAR COUNCIL NO MORE

CHANGES LEAVE LITTLE FOR BODY TO DO.

tinually drenched. Day after day went by and finally on July 4 the rescue ship came over the horizon and the exhausted and starving men were soon safely on the deck of the liner.

Functions of Council Will Be Vested in Assistant War Secretaries and Other Officials.

WASHINGTON, July 8.—Secretary Baker today formally abolished the war ouncil and turned over its principal may be encountered between latitudes functions to the assistant secretaries 35 and 45 North. On July 5 last an enemy submarine was reported in latitude 42.32 North, longitude 43.50 West. chief of staff in charge of purchases, storage and traffic.

of staff, and General Goethals.

Major-General Frank McIntyre, chief
of the Insular Bureau and formerly
chief military censor, it was learned
today, is slated to become principal assistant to General March, chief of staff.
He will succeed Major-General William
S. Graves, now assistant chief of staff,
and head of the executive division, general staff. eral staff.

General McIntyre has been head of the Insular Bureau since 1912, having previously served in the bureau with the rank of Major and Colonel.

Physician Called to Front.

SAN FRANCISCO, July 8.—Following the loss of their appeal, Lawrence DeLacey, D. J. Harmady and William Muliane were ordered by the United States Circuit Court of Appeals here today to serve the prison sentences and pay the fines given them for an attempt to liberate Franz Bopp, former German Consui-theoreral here, and his side, E. H. von Schack, from an internment camp. Marshffeld, Or., July 8.—(Special)—A. R. Chapman, who was arrested in the vicinity of Powers, as constable found if to the rescued men were picked up by the liner after having drifted help lessly for 11 days, subsisting most of the stranding or caught in their caps. An ATLANTIC PORT, July 8.—An force the Reichstag Saturday were defore the Reichstag Saturday were defored the Reichstag Saturday were defored the Reichstag Saturday were defored t

Ship Sunk With Bombs.

The steamer was stopped by shell fire, the crew ordered into two boats and the ship then sunk with bombs.

Captain Egge, of the Augvald, left the ship with 12 men in his boat and it became separated from the other wit pthem extra pay of \$5 a month.

June 26.—An examination for the appointment of expert gunners is to be held in the 143d (California) Field Artillery June 10, and many of the men tillery June 10, and many of the most delicate stomach.

Write the physician of this Company and left to get rid of your rheumation. You must go deeper than that, down deep into the blood, where the poison lurks it became separated from the other wit pthem extra pay of \$5 a month.

dependent upon pure blood. When the strong and enabling it to make you muscles and joints become sore and well S. S. S. is guaranteed purely vege-

rganization of the staff and various has been ordered to point of embarkather changes have left little for it tion to leave for France with a ho At meetings with the Shipping Board, War Industries Board and other departments, the War Department will be represented by Secretary Baker, Assistant Secretary Crowell, Assistant Secretary Siettinius, General March, chief of staff, and General Goethals. unit. This news was received yester-day by Ed T. Judd, of the Oregon building, his father. The young man spent his boyhood at Salem, Or. but was practicing in Arizona at the time of his



SERVICE Eyes carefully examined and properly fitted with glasses without the use of drugs by skilled specialists. Complete lens grinding factory

on the premises. SAVE YOUR EYES

PORTLAND'S LARGEST, MOST MODERN, BEST EQUIPPED EXCLUSIVE OPTICAL ESTABLISHMENT. 209-10-11 CORBETT BUILDING FIFTH AND MORRISON

OPTICAL INSTITUTE

SINCE 1908

