

GERMANY DRAINING RUSSIA OF GOLD

Berlin Announces Arrival of Second Installment of Indemnity at Frontier.

SOFT PLEADS FOR COLONIES

Regaining of Possessions Declared to Be Greatest Task Confronting Nation — Parliamentary Reform Talked Of.

AMSTERDAM, Oct. 2.—The fact that Germany is draining Russia of her gold was emphasized today by a Berlin dispatch which said that the second shipment of gold from Russia to Germany in payment of war indemnity had arrived at the German frontier.

AMSTERDAM, Oct. 2.—(Reuters.)—Dr. W. S. Self, the German Colonial Secretary, who has been mentioned as the probable successor of Count Von Hertling, the retiring Chancellor, in a lecture before an audience in Munich which included King Ludwig of Bavaria, said the national importance of Germany regaining her colonies far surpassed any other task.

Substitutes for raw material, he said, could not suffice for peace requirements. For wool alone, Germany would have to keep fifty million sheep, which was practically impossible. The supply of raw materials was the weakest point in Germany's world economy, hence the need for colonies.

Commercial Isolation Feared. Dr. Self urged that Germany must have colonies to prevent her commercial isolation. He said the policy of the open door must be one of the most important demands at the conclusion of peace. Germany had no thought of military Africa, he contended, but desired to prevent the employment of colored men in Europe.

The Imperial German government, the colonial secretary said, adhered firmly to its demand for the return of its African and South Sea possessions, as well as a fresh partition of Africa, so as to consolidate Germany's scattered possessions.

AMSTERDAM, Oct. 2.—Plans are under consideration for the reorganization of both the Imperial German and Prussian Ministries on the lines of a parliamentary system, according to the Berlin Tageblatt, which quotes Friedrich Von Payer, the Imperial Vice-Chancellor, to this effect.

Early Reform Proposed. The Vice-Chancellor declared that the abrogation of portions of Articles IX and XXI of the constitution would be taken in hand as soon as possible. Vice-Chancellor von Payer has definitely declined the Chancellorship, according to the Berlin newspapers.

The German Emperor has conferred the Order of the Black Eagle on Count von Hertling, who recently resigned from the office of Imperial Chancellor.

The articles of the German constitution alluded to are as follows: Article IX.—Each member of the Federal Council shall have the right to appear in the Diet and shall have the right to speak when he shall so request, to represent the views of his government, even when the same shall not have been adopted by a majority of the council. Nobody shall be at the same time a member of the Federal Council and of the Diet.

Article XXI.—Officials shall not require a leave of absence in order to enter the Diet. When a member of the Diet accepts a salaried office of the empire, or a salaried office in one of the states of the confederation, he shall forfeit his seat in the Diet, but may recover his place in the same by a new election.

ALLIES ON WAY TO BERLIN

(Continued From First Page.)

glands and the French to the westward held the Yser Canal line.

Victory Won by Slight Margin. From October 21 to November 15 the great struggle raged, and war won by our allies by only the narrowest of margins.

Now that the tide has turned, the British and Belgians are doing what the French attempted in 1914 and Haig is rolling up a good total. Both had reached the \$100,000 mark late last week, with every prospect of reaching their full quotas in a short time.

Judge Watson was a resident of Portland in 1882, and said yesterday he had "picked up his blackberries" when the Oregonian building now stands. He has been "doing his bit" in the recent labor crisis, and for 135 nights without a break, walked a beat at night watchman at one of the box factories.

A Simple Way to Remove Dandruff

There is one sure way that has never failed to remove dandruff at once, and that is to dissolve it, then you destroy it entirely. To do this just get about four ounces of plain, common liquid arvon from any drug store (this is all you will need), apply it at night when retiring; use enough to moisten the scalp and rub it in gently with the finger tips.

By morning most, if not all, of your dandruff will be gone, and three or four more applications will completely dissolve and entirely destroy every single sign and trace of it, not matter how much dandruff you may have.

You will find all itching and digging of the scalp will stop instantly, and your hair will be fluffy, lustrous, glossy, silky and soft, and look and feel a hundred times better.—Adv.

Oriental Cafe

Cor. Broadway and Washington (Upstairs.) OPEN 11 A. M. TO 2 A. M. Finest Grill of Its Kind on Pacific American and Chinese Dishes. SPECIAL SUNDAY CHICKEN DINNER TRY OUR DAILY LUNCH 11 A. M. TO 8 P. M. 25c, 30c, 35c, 40c TO 75c Including Soup, Vegetables, Drinks, Dessert.

DANCING

taught by professional instructors at DeLoney's beautiful academy, 234 and Washington. New classes for beginners start Tuesday and Thursday evenings. All dances guaranteed in eight lessons. Ladies, 25 cents, 50c. The only school teaching from 3 to 11. Plenty of practice. No embarrassment. All dances thoroughly taught. Extra step room for backward pupils. Private lessons at all hours. Normal instructions for dancing teachers. A printed description of all dances for pupils free. Advanced class for fancy steps, etc., starts Monday evening. Call afternoon or evening this week. War Stamps taken. Phone M. 4500. Dancing parties Saturday evening.

again in 1917. They are driving forward behind the German positions on the Belgian coast; they are pushing a wedge deep into the German front in Belgium, and the evacuation of Lille on the south and of Ostend on the north has already begun.

This means that the Germans are going back behind the Scheldt from Ghent to Valenciennes; that after four years of war, Ypres has at last become a quiet sector.

Belgium Scene of Big Events. And what is happening in Belgium is happening in France. The German line, which has undergone minor modifications, has endured through four long years, is becoming a thing of the past. Cambrai and St. Quentin have fallen. Lille will promptly be evacuated. Rheims, like Ypres and Verdun, will before many days be far behind the front.

We may not see any swift and general retreat; we may see a prolonged struggle from one trench system to another, "behind switch lines" and subordinate lines, a reproduction on an enormous scale of the first battle of the Somme.

On the other hand, it seems assured that the Germans between the Meuse and the Oise, and particularly about Laon and in the St. Gobain region, must retire with little delay and over a considerable distance.

So far we have had three acts in Foch's stupendous drama. On July 18 he broke the German offensive and seized the initiative. In August he employed this initiative to open the great operation which threw the Germans back to the Hindenburg line.

For the last two weeks we have had a colossal struggle to drive the Germans out of the Hindenburg line and this third act has been fought equally as successful as the two which preceded it.

We are now to see the pursuit of the Germans retiring from the Hindenburg positions. On the character of the German retreat depends the ultimate outcome of the campaign of 1918. If the Germans retreat as they did from the Marne in July and from the old Somme front in August, the campaign will end by the time they reach the next defense system behind the Scheldt and the Meuse and the liberation of most of Belgium will have to be postponed until next year.

Supreme Disaster Possible. But if German morale breaks down, if there is a crumbling of the resistance at any vital sector, then we may see a supreme disaster, the rout of the German army and a military decision had this year. Of this last event there seems to be only the remotest chance.

It is certain now that the Germans must go to the front, but it is probable that they will be able to rally there, and bad weather will interrupt operations for the year.

But even if the liberation of North-east France be the maximum profit of this campaign it will endure as one of the most wonderful in human history. The German offensive has been broken. Germany's conquered provinces and cities are slipping rapidly from her grasp. Allied troops in Belgium, in France, in Flanders, in Artois, in Champagne and in Lorraine are advancing in country which has been German for 47 long months. And all chance of a German return to the offensive is gone.

HAY BRINGS TOP PRICES

JUDGE WATSON VISITS PORTLAND AFTER LONG ABSENCE.

Lack of Rain and Scarcity of Feed Compels Southern Oregon Ranchers to Sell Their Herds.

With hay selling at \$25 and \$30 per ton in the stack, stockmen of Southern Oregon are finding it necessary to dispose of their herds, according to Judge C. H. Watson, of Ashland, who is in Portland this week for the first time in five years. The season has been an exceptionally dry one in that section, he says, and hop growers have been badly hurt, while farmers without irrigation have produced practically nothing. Those with ample water, however, are making money, he says. Water in many of the streams has been lower than known in years, and Judge Watson recently walked across Link River, which was rendered absolutely dry by a high wind that backed the water in the lake to such an extent there was no overflow. This has occurred but three times in years.

Ashland is the most lively small town in the state, according to Judge Watson, who says war-time activities are responsible for the condition. Lumber mills and box factories are operating at capacity, and there is more work than men can be found to handle. Wages are good, everybody has money, and all are putting forth their best efforts to aid in winning the war.

In the Liberty loan campaign Ashland is making excellent progress, although not yet "over the top." Medford, also, is rolling up a good total. Both had reached the \$100,000 mark late last week, with every prospect of reaching their full quotas in a short time.

Judge Watson was a resident of Portland in 1882, and said yesterday he had "picked up his blackberries" when the Oregonian building now stands. He has been "doing his bit" in the recent labor crisis, and for 135 nights without a break, walked a beat at night watchman at one of the box factories.

VOCATIONAL VOTE OPPOSED

Prussian Upper House Passes Equal Direct Suffrage Measure.

AMSTERDAM, Oct. 2.—Berlin advices received here say that the Prussian upper house has rejected the motion to introduce suffrage based on vocations, and passed an equal direct suffrage measure in accordance with the government bill, with the addition of an extra vote for persons over 50 years of age.

LONDON MARKET STRONG

RUSSIAN AND ROMANIAN OILS ACTIVE FEATURES.

Central European Issues Show Improvement Due to Neutral Buying.

LONDON, Oct. 2.—The possibilities arising out of the present war situation increased the buoyancy of the market generally on the stock exchange today. Consols proved the bright spot, advancing 1/8 per cent. Other 3 1/2 per cent securities and Russian and French bonds were prominent. Russian oils and mines and Roumanian oils continued active features. Many hitherto neglected speculative shares received increasing attention. The market all around closed confident. Munition stocks were easy.

The money market benefited by the distribution of £21,000,000 of war bond dividends, which it is expected will be largely re-invested. A sharp improvement was noted in most of the Central European issues. Due to buying for neutral account, Bulgarian bonds were five points higher.

MARIE DRESSLER RETURNS

Actress Will Take Further Part in Liberty Loan Campaign.

Marie Dressler is due in Portland this morning to take further part in the Liberty loan campaign. Following her visit in Portland last week, when she spoke at various meetings and at the Ag Club luncheon, Miss Dressler went to Seattle, and also visited Camp Lewis, where she sang for the boys in camp. Miss Dressler will speak at the Grant Smith-Porter shippards at noon today in the interests of the Liberty loan.

Miss Dressler and her party will be guests of Eric Hauser at the Malinmah Hotel, leaving Friday night for other speaking appointments.

BERLIN CONFESSES SERIES OF DEFEATS

German Official Statement Announces Retirement From City of St. Quentin.

WITHDRAWALS ARE NOTED

General Staff Admits Getting Out of Certain Positions Northwest of Rheims and West of Argonne. Yanks Beaten, Is Assertion.

BERLIN, VIA LONDON, Oct. 2.—"There were no new engagements in Flanders and Champagne," says the official statement from general headquarters this evening. "Before Cambrai the day passed quietly."

Parts of the German salient lines near St. Quentin, northwest of Rheims and west of the Argonne forest yesterday were withdrawn to positions in the rear, the German Army headquarters staff reported in its morning statement.

In local raids west of the River Meuse, the earlier statement alleges that the Germans threw back the Americans out of the Bois des Ognons and the adjacent lines.

The German general staff announces that St. Quentin yesterday was occupied by the enemy and that the town of Rumilly, south of Cambrai, also remained in the hands of the enemy.

The text of the German official statement reads: "In Flanders, on both sides of Cambrai and in the Champagne we ward off violent enemy attacks. In quiet sectors of the front near St. Quentin, northwest of Rheims and west of the Argonne we withdrew parts of our salient lines to positions in the rear."

Capture of Prisoners Alleged. "North of Staden (Belgium) warding off enemy attacks we captured about 100 prisoners. The enemy attacked on both sides of the road leading from Ypres to Roulers and Menin and obtained a footing in Ledeghem. We captured the eastern part of the place by a counter attack."

Enemy partial attacks south of La Bassée were repulsed. "On the fifth day of the battle of Cambrai again ended in complete failure for the enemy. North of Sannoourt our troops beat back assaults of the enemy which he renewed seven times."

Further south the enemy pressed forward temporarily beyond Abancourt, Bantigny and south of Biecourt towards Cuvillers. Our counter attack threw the enemy back beyond Abancourt, Bantigny and south of Biecourt towards Cuvillers and saved the brave Wurttemberg defenders of Biecourt from being surrounded by the enemy.

At Cambrai and south of it enemy assaults broke down. Rumilly remained in the hands of the enemy. "St. Quentin's Loss Admitted. "Between Le Catelet and the Oise our front since the night before last has run east of St. Quentin and Berthencourt on the River Oise."

In the course of the day enemy attacks developed against the sectors of Estrees, Joncourt and Ledina. The enemy penetrated our lines on both sides of Sannoourt, but our counter-attack threw him back again. "St. Quentin, in which only reconnoitering detachments were stationed, has been occupied by the enemy."

There have been outpost engagements in the region between Alleffe and the Alsne rivers. "Northwest of Rheims we withdrew our troops from the river Vesle to positions in the rear. The enemy followed with weak detachments in the evening and occupied the line of Ventilly and Villers-Franqueux."

In the Champagne the French resumed their united attacks in the forenoon these assaults were directed against the front from Ste Marie-a-Py to Monthois and in the course of the day against the line between Somme-Py and the Avre. The attacks broke down. Local breaches were cleared again for the most part by counter-attacks."

New Front Defined. The new position taken up the night before last on both sides of the Alsne runs from Monthois, beyond Challegny to the Bois d'Auty, to the north of Elnarville and straight across the forest of Argonne to Apremont.

Advanced guards several times repulsed enemy attacks before these localities. In local raids we threw the Americans back and out of the Bois des Ognons and adjacent lines. "Yesterday we shot down 27 enemy airplanes and three captive balloons."

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LUNG TROUBLE IS FATAL

Private Melching Escapes Bullets to Die of Disease.

Mr. and Mrs. C. P. Melching, 552 Ladd avenue, have official confirmation from the War Department of the death of their son, Carl, in a hospital in France. The name appeared in the casualty list a few days ago.

Private Melching was in the trenches in France all summer, and escaped bullets only to die of lung disease. He was a member of Company D, Third Oregon Infantry, served on the Mexican border, and was one of the first to be ordered to France, but was ill in New York with pneumonia and bronchitis for several months.

Arriving in France, he was transferred to the headquarters company, signal section, of the Eighteenth Infantry. Letters to his parents told of participation in the July drive.

Man Under Indictment Is Sulkide. NEW YORK, Oct. 2.—Under indictment on charges of bribery and conspiracy to defraud the Government, Joseph Usoskin, manager for Valentine & Co. shirt manufacturers, committed suicide today in his home in Brooklyn.

Fleet Officials Resign. SEATTLE, Oct. 2.—Two Seattle Emergency Fleet Corporation officials, J. C.

FOURTH LIBERTY LOAN ANNOUNCEMENT

Aetna Life Insurance Company Offer Limited to Employers and Employees

Morgan G. Bulkeley, President of the Company, has today authorized us to accept subscriptions to the Fourth Liberty Loan under the following conditions:

The subscription to be made through the employer, who will forward it to the Aetna Life Insurance Company, and who will also collect and forward the partial payments as follows:

- 2 Per Cent—To be forwarded with subscription.
3 Per Cent—First of November.
5 Per Cent—First of each month thereafter until subscriptions are paid.

The Company to purchase bonds to the amount of the subscription, but not exceeding \$1000 for any one individual.

Delivery of bonds to be made at any time on payment of the balance due with accrued interest, and the Company will allow interest at 4 1/4% on the partial payments, and will charge a similar rate of interest on deferred payments.

Blanks for making subscriptions on this plan will be furnished employers on receipt of application for same, but limited to industries or employers located within the state of Oregon.

The Company also authorizes us to announce that they will arrange to subscribe for the benefit of the Oregon quota, an amount equal to the total of subscriptions taken on the above plan.

We believe that the above offer is the most liberal one offered anywhere, and will enable many employees to subscribe who have heretofore felt unable to, and likewise many others to double their subscriptions.

McCARGAR, BATES & LIVELY, General Agents, Yeon Building, Portland, Oregon. AETNA LIFE INSURANCE COMPANY, AETNA CASUALTY AND SURETY COMPANY, THE AUTOMOBILE INSURANCE COMPANY, Morgan G. Bulkeley, President.

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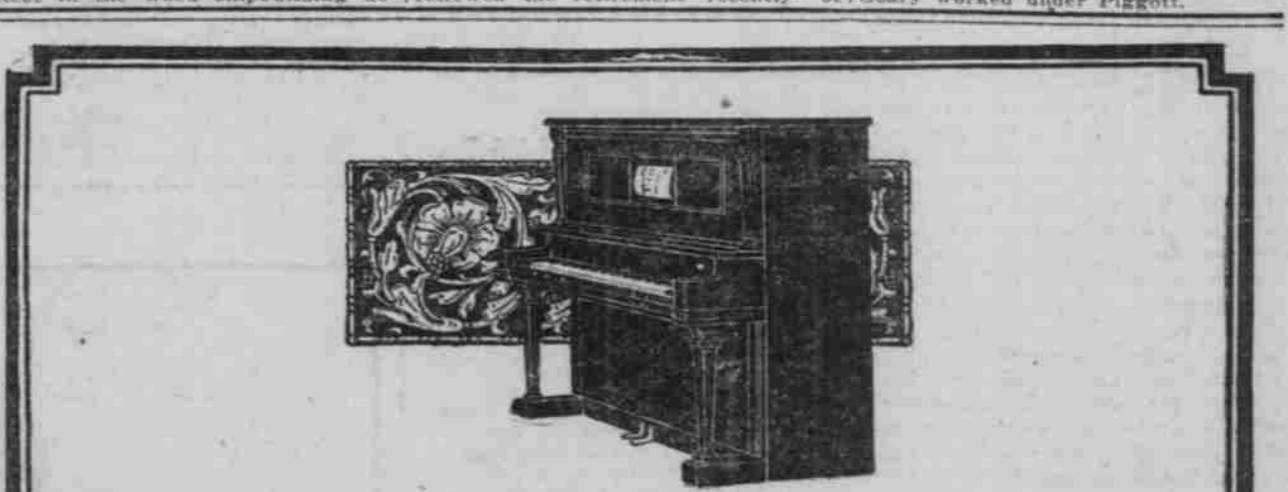
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Ford, assistant supervisor of wooden ship construction, and L. E. Geary, architect in the wood shipbuilding department, have resigned. It was announced here today. The resignations followed the retirement recently of Geary worked under Piggott.



The Marvelous Duo Art

The DUO ART is the very latest style of Player Piano, a product of the Aeolian Company, makers of the famous and original Pianola. It can be played manually as a regular Piano, as a Player Piano using any make of 88-note roll, and as a Reproducing Instrument. It stands out above all others, superior in every particular—

- 1—Tone Gradation—having practically twice the number of Tone Gradations of any other player instrument, producing perfect "tone color" impossible in any other Player.
2—"Time" Control—which not only regulates the time but instructs and guides the one playing, assuring the correct interpretation of the selection.
3—Accenting the Solo—bringing out perfectly the solo (or melody), but at the same time controlling the accompaniment so that it properly supports the Solo.
4—No Pedaling—the air chamber is constantly supplied without foot pedaling, permitting the one playing to devote his entire attention to interpretation, thus making the instrument a pleasure instead of a labor.
5—Simplicity of Construction—no complicated or troublesome mechanisms, as in other Players.
6—Reproducing the Actual Playing of the Great Pianists—with the wonderful Duo Art Rolls, as perfectly as the Victrola reproduces the voice of Caruso and other great artists.

Neither space nor words enable us to explain here how marvelous is this new instrument. There are so many interesting points about it—it is so far in advance of all other players—we urge you to come in and let us play it for you; let us show its exclusive and wonderful features.

Sherman, Clay & Co SIXTH AND MORRISON STREETS, PORTLAND (Opposite Postoffice) SEATTLE—TACOMA—SPOKANE

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