

STATE PHONE RATE INQUIRY IS ORDERED

Restoration of Tariff in Effect
Prior to July 29 Purpose.

HEARING TO BE AUGUST 27

Public Service Commission Expects to Meet Representatives From All Oregon Towns.

SALEM, Ore., Aug. 6.—(Special)—Investigation of the telephone rates now in effect in Oregon, with a view of rescinding the so-called Burleson schedule and restoring the tariff effective prior to July 29, has been ordered by the Oregon public service commission, to be held in the courthouse at Portland on Wednesday, August 27, at 10 o'clock A. M. All persons interested in the telephone controversy are invited to attend.

The order of the commission calling a public hearing follows:

"Whereas, At 12 o'clock midnight on July 31, possession of the facilities and properties of the Pacific Telephone & Telegraph company was assumed by the United States government pursuant to joint resolution of congress of the 65th congress, and by proclamation of the president of the United States directing that supervision, possession, control and operation of the properties should be exercised by and through the postmaster-general; Albert S. Burleson, and

Jurisdiction Is Changed.

"Whereas, by act of congress signed by the president on July 11, 1919, the possession and control of the facilities and property of the Pacific Telephone & Telegraph company were released from federal control, and the company became subject to the jurisdiction of the commission under the public utility act, and after consideration of July 31, 1919, which said act further provided that existing toll and exchange telephone rates fixed by the postmaster-general on or prior to June 6, 1919, should continue in force for a period not to exceed four months from and after July 30, 1919, unless sooner modified or changed by the proper state regulatory body; and

"Whereas, the Pacific Telephone & Telegraph company had filed with the public service commission of Oregon a schedule of rates designated P. S. C. No. 3, covering the local telephone exchange service throughout the state of Oregon, which are attempted to be put into effect and collected, and which said rates are an increase in certain particulars and instances over the rates fixed by this commission in its order No. 493, dated May 1, 1919; and

Investigation Is Ordered.

"Whereas, the commission believes that sufficient grounds exist for a hearing being held as to the legality and reasonableness of the rates contained in said schedule O. S. C. No. 3;

"Now, therefore, it is hereby ordered that an investigation be and hereby is instituted on the commission's own motion into the legality and reasonableness of the rates contained in the schedule of regulations of the Pacific Telephone & Telegraph company for exchange telephone service rendered entirely within the state of Oregon, and that a hearing on the matter shall be held by the public service commission of Oregon at its offices at 252 Courthouse, Portland, on Wednesday, August 27, 1919, at 10 o'clock A. M., at which time and place all interested parties may appear before the commission."

Order Subject to Change.

The commission made it plain that the formal order was subject to change without notice, although the conference probably will be held as scheduled. Members of the commission will hold a conference with attachés of the attorney-general's office, and it is believed here that they have received sufficient assurance of jurisdiction in resuming telephone service to warrant a thorough investigation of the issue. Because the increased rates affect practically every town and city in the state, it is the opinion of the commissioners that many sections of Oregon will be represented.

Should the commission find itself clothed with jurisdiction to rescind the so-called Burleson schedule of rates, the tariff in effect prior to July 29 probably will be restored. This would be authorized by the commission last May, and authorizes an increase not to exceed 25 per cent of that granted by the postmaster-general.

PHONE SCHEDULES RECEIVED

Burleson Order for Rate Increase, However, Not Included.

Schedules of the increased rates effected by the Pacific Telephone & Telegraph company in the city of Portland on July 31 were received late yesterday by Mayor Baker from Senators Chamberlain and McNary. Copies of the orders issued by the postmaster-general if it were necessary, were not included and it is probable that another message will be sent today requesting that copies of orders or authorization of the schedules be sent to the city officials.

The copy of schedule rates received yesterday bears no indication of the time when it was authorized by the postmaster-general, other than the following notation at the top of the schedule: "Issued for the month of June 30, 1919." The schedule also refers to the rates as "proposed rates applicable to all exchanges listed hereunder."

The rate quoted for one-party wall business telephone is \$1.50 per month; one-party desk business, \$8.75; two-party wall business, \$7 per month, and two-party desk business, \$2.25 per month. The schedule also cites \$3.75 for one-party wall residence telephone; \$1.75 for two-party wall residence telephone; \$3 for two-party residence wall telephone; \$3.25 for two-party desk residence telephone; \$2.50 for four-party wall residence telephone, and \$2.50 for four-party desk telephone.

Measures for one-party business service is quoted at a rate of \$6.30 for 150 calls per month and 4 cents for each additional call. The rate for coin boxes is \$1.50 per month, with a guarantee of 100 calls per day.

The schedule also cites the rates which were in effect prior to May 1, 1919, when the public service commission increased rates following a hearing.

The information which was received yesterday did not satisfy City Attorney LaRoche or Assistant City Attorney Tomlinson, who are handling the telephone case for the city. Both officials said that in their opinion the schedule submitted by the postmaster-general's office had no meaning and could not in any way be construed as a part of an order or authorization by the postmaster-general.

Unless officials of the Pacific telephone & Telegraph company produce authority for the recent advance in telephone rates within the state of Oregon, telephone users are justified in refusing to pay the additional charges, according to Attorney Tomlinson in an interview yesterday.

"The telephone company," said Mr.

Tomlinson, "should either produce the postmaster general's order authorizing it to make its announcement, or else admit there is no such order. There is but one source from which the company could have obtained lawful authority for advancing rates and that is from the postmaster general prior to July 6, 1919. It would be a very simple matter to produce the order if there is any such order in existence."

"It cannot be questioned that the people have a right to know the answer upon which this utility attempts to make this increase and in view of the persistent discrimination on the part of the company to be frank and fair with the public, it would seem that the telephone users are amply justified in refusing to pay the proposed new rates until their lawfulness has been established."

Following announcement of the increase in telephone rates in Oregon, the members of the city council requested local officials of the company to furnish a copy of the order from the postmaster general authorizing the increases. W. J. Phillips, division superintendent of the company, replied to a request, however, that the local officials did not have copies of the order and that the request had been forwarded to the telephone administration through regular channels.

SHOE PROFITEERING FOUND

HIGH PRICES ARE ANALYZED BY TRADE COMMISSION.

Excess Margins Held Collected by All Parties—Laws to Protect Consumer Urged.

WASHINGTON, Aug. 6.—The high prices were declared to be due to excessive profits taken by every factor in shoe production in a report by the federal trade commission to congress and made public today. The packers were charged with having begun the pyramid of shoe prices by the unwarranted increase in the price of leather.

The report pointed out that the shoe manufacturers have demanded an "unusual margin," and the retailers have charged prices of "unjustifiable amounts."

The commission's report covers the four-year period from 1914 to 1918.

To show that the packers have made unwarrented increases in the price of leather, the report pointed out that while the price differential between their hides and "country" hides—hides of a lower grade—has increased "far beyond the usual proportion."

"Some relief from the intolerable prices paid by consumers would be had," the commission said.

"A rigid enforcement of the laws against monopolistic control of commerce."

Legislation forbidding producers of hides from engaging in the tanning business and,

"The adoption of a devise in the distribution of shoes that will acquaint the consumer with the selling prices of the manufacturer."

While there is little chance of increasing in the cost of materials during the war period, "prices are bound to advance considerably even though no large profits were obtained," the commission said.

Leather manufacturers, shoe manufacturers and retail shoe merchants all made "unprecedented profits."

MILWAUKEE BOY DROWNS

Roy Appleby, Coxswain in Navy, Knocked Overboard.

OREGONIAN NEWS BUREAU, Washington, Aug. 6.—Roy Appleby, coxswain of the United States, drowned Aug. 29, when he struck his coaling barge and knocked overboard, according to an announcement of the navy department today. His mother is Ella Appleby of Milwaukee.

MARKET CLEANUP URGED

Screening of Fruit and Vegetables Is Suggested by Inspector.

Captain Albert E. Wood, engineer, was today ordered relieved from duty at Camp Lewis, Wash., and ordered to proceed to this city at once to become attached to the chief of the communications division of the army. Colonel Clarence E. Dentler was totally detailed to duty as inspector instructor of the national guard of Oregon with station at Portland. He is ordered to report to the governor of Oregon immediately on his arrival at Portland.

Oregon and Washington troops have sailed from overseas recently as follows: Evacuation hospital No. 16, one officer and 51 men, sailing on the Imperator from Brest for New York last Sunday; 6th corps, military police, 32 men, on the same ship. All of these men will go to Camp Lewis for demobilization.

Representative Hawley's bill to require mining claims of this year's assessment work was favorably reported today by the senate committee on mines and mining.

MILK CONDENSERY GROWS

Socio Concern to Enlarge Plant to Care for Increased Trade.

ALBANY, Ore., Aug. 6.—(Special)—Another story and an addition will be built on to the Socio milk condensery building this fall to enable the company to handle its growing trade. Eight trucks are delivering 24,000 pounds of milk daily to the plant.

Extensive testing equipment has been added to the plant and a new office built. The company is furnishing big consignment to the government for army camps in the west and will be in full operation within a few days.

The milk trucks are covering the country within a radius of 28 miles of Socio. They cover a territory as far as Sweet Home and rivalry for the milk of Lincoln county between the Socio condensery and the Jordan cheese factory is keen.

Cook to Fly in Eugene.

SALEM, Ore., Aug. 6.—(Special)—Lieutenant Cook, in charge of a local airplane operating on commercial basis, has his craft ready today in Eugene, where he will remain until late in the week. On his last visit to the Lane county city Lieutenant Cook was kept busy all day and evening taking people of that vicinity on tours of the clouds.

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Judge Marsters at Salem.

SALEM, Ore., Aug. 6.—(Special)—R. W. Marsters, retiring county Judge of Douglas county, passed a part of today in Salem conferring with Governor Ott and other state officials.

S. H. Green stamps for cash, Holman Fuel Co., Main 353, A 2222, Blackwood, short slabwood, Rock Springs and Utah coal; sawdust—Adv.

ITALIAN HATRED FOR AMERICA OBSERVED

U. S. Attitude Toward Fiume Disappoints, Says Officer.

BIG TRADE FUTURE SEEN

Lieutenant Robertson, Assistant to Attaché in Rome, Thinks America Slow in Sending Supplies Abroad.

STARTS TODAY THREE DAYS

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BIG TRADE FUTURE SEEN

Lieutenant Robertson, Assistant to Attaché in Rome, Thinks America Slow in Sending Supplies Abroad.

"Italy needs food; Italy needs clothing, but she is getting little response from the United States to her appeals for these commodities," said Lieutenant Charles A. Robertson, who has returned from Rome where he has been stationed for more than a year as assistant to the military attaché of the American embassy. "President Wilson's attitude is having the effect of the Italian people will Germany after her association with that country had been severed. His stand on the Fiume question, especially, has pleased the Italians who feel deeply the lack of progress in the peace conference in this respect."

Mr. Robertson, formerly an attorney of Portland, is visiting with his parents, Mr. and Mrs. A. R. Robertson, 1329 Sandy Boulevard, prior to going to Europe to visit his wife. He recently made a report to the army intelligence bureau in Washington, based upon conditions as he observed them.

Balkan Mandatory Held Need.

The establishment of a mandatory for the Balkan states, Mr. Robertson believes, will be necessary to settle the affairs of the various states which are fighting among themselves and do not intend to maintain peaceful relations.

While not presuming to solve the vexing question that has given nations of the world much concern, Mr. Robertson yesterday expressed the belief that a mandatory offers the most satisfactory solution.

That the strength of the American army in Italy when the armistice was signed was not sufficient to subdue Italy generally, Mr. Robertson said, is proved by a perusal of Italian papers of that date. One long regiment constituted the American strength in Italy, and on this regiment was bolstered the great Italian morale which enabled her valiant army to put to rout her enemies.

Army Disappoints Italians.

This American regiment, he said, never was engaged in battle and suffered one casualty—due to the accidental discharge of a rifle. The Italians people have been led to believe that a great American force was in their midst and the announcement of the real strength upon signing of the armistice was a keen disappointment.

Possibilities of trade between America and Italy are stupendous, said Mr. Robertson, who says the need of that country for raw materials and who learned Italy's desire to trade with this country are far greater than enough English and French goods products.

While the American forces in Italy are strong in numbers, there is a strong feeling in Italy against what is termed a one-man diplomacy, and people there express confidence that the American president and the will not stand behind the president for any length of time in support of his Italian attitude, he said.

MODEL GIRLS

A Prizma in Natural Color Showing the Live Ones and the Wax Ones.

MARKET CLEANUP URGED

Screening of Fruit and Vegetables Is Suggested by Inspector.

Unsanitary conditions in the public market and in private markets in the downtown section are charged in a letter to Mayor Baker from H. W. Van Hovenberg, a sanitary inspector. The letter was referred immediately to City Commissioner Bigelow, who called Mr. Van Hovenberg in his office for a conference.

Mr. Van Hovenberg advocated that

all fruit and edibles on display outside of markets should be screened as a protection from contamination and disease.

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HAROLD LLOYD

in Just Neighbors

for fun only.

MURTAGH

and our

\$50,000 Organ.

THE DICTIIONARY SAYS:

"VIRTUE" Strength, Valor, Chastity, Anything good and honorable.

"SINNER" One Who Sins, An Offender, A Degenerate.

Can a Man or Woman Answer to Both Definitions at the Same Time?

THE ANSWER IS GIVEN IN THIS POWERFUL DRAMA OF SEARED SOULS.

Hay is being sold in considerable quantities for \$25 a ton and upward, it is claimed.

Centralia Red Cross Worker Home.

CENTRALIA, Wash., Aug. 6.—(Special)—After 10 months' service in France with the Red Cross, Miss Esther Farlow returned to her home in Centralia Monday. The young woman, a graduate of the Centralia high school, was teaching at Greentop when she decided to cast her lot with the Red Cross. She served successfully as stenographer, canteen and research worker.

Hay to Be High at Yakima.

YAKIMA, Wash., Aug. 6.—(Special)

Government expenditure in fighting the forest fire which raged last week in the valley of Rattlesnake creek amounted to \$10,000, according to E. J. Fenby of Tacoma, forest supervisor. The fire, which was started by lightning, burned about two years ago because he said he would not