edge make it important that a thorough state of efficiency in the American army be reached with as little delay as possible. Secretary Baker declared in a letter today to Chairman Kahn, of the house military affairs committee, which went exhaustively into the reasons why he has asked congress for authority to retain a maximum of 18,000 commanding officers in the military establishment up to June 30, 1920.

Pointing out that the two major tasks now facing the war department are the "complete rebuilding of a permanent military force" and the liquidation of property valued at 26,500,000,000. Secretary Baker said authority to retain a maximum of 18,000 officers was requested in order that line officers might be free to devote their entire energy to army reorganization.

PAPERS SERVED ON HIGHWAY

COMMISSION AND OTHERS.

Proposed New Route of Part of Pa

route of the Pacific highway between Myrtle creek and Canyonville, were served on the respective state officials here today.

The proposed new route of the high-way, contract for construction of which has already been awarded to H. J. Hildeburn of Roseburg, leaves the present north and south trunk road

near Myrtle creek and is known as the Canyonville cutoff. If built as pro-posed the highway will eliminate

Riddle.

In a letter received at the state highway commission offices today Simon Benson, chairman of the board, says an effort will be made to have the case transferred from Douglas county to the Multnomah county courts.

Because of the desire of the commission to finish the highway between Myrtic creek and Canvonville as soon Myrtic creek and Canvonville as soon

Myrtle creek and Canyonville as soon

come up for trial shortly.

as possible it is believed the case will

WORKER'S CLAIM REJECTED

Accident Commission Refuses to

Allow Portlander's Complaint. SALEM, Or. Aug. 27.—(Special.)— The claim of Frank Lee Allen, a Port-land shippard worker, who alleged that he had lost the sight of an eye as the

result of an injury received while en-gaged in his employment, today was rejected by the state industrial acci-dent commission.

Investigation conducted by the com-mission disclosed the fact that Allen's

AIR PILOT TAKES TUMBLE

to Avoid Tree Collision.

Riddle

energy to army reorganization.

DISQUE MEN USED BY PRIVATE INTERESTS

Spruce Cutters Diverted, Says Witness at Hearing.

OTHER DISCLOSURES MADE

Men Enlisted to Get Out Airplane Material Find They Are in Woods For Other Purpose.

(Continued From First Page.) the removal of the troops therefrom.

Punishment Is Demanded. In concluding his testimony Captain Turner said: "A number of individuals are going to learn that American sol-

diers cannot be sold into slavery for diers cannot he sold into slavery for purely commercial purposes without those guilty being brought to trial."

The last witness of the Seattle inquiry. M. J. Carrigan, former depaity collector of cristoms at Port Angeles and a large property owner on the Olympic peninsula, electriffed the hearing with the direct charge that William G. McAdoo, as director-general of railroads, made possible the construction of the Olympic peninsula spruce line by the Slems-Carey people, and that its secret purpose was to serve the ambitions of the Chicago, Milwankee & St. Paul Railroad compary.

Paul Railroad company.

"It was on McAdoo's orders or suggestions that the Siems-Carey people were given the contract," calmly stated

Carrigan's hypothesis of the alleged deal, based on correspondence of the Port Angeles-Grays Harbor offi-cials, and upon other information, could not be pinned down to any specific knowledge of McAdoo's alleged inter-vention, but was substantially as follows:

Old Debt Declared Paid.

That McAdoo, while constructing the Hudson river tunnels in the earlier days of his career, came near to financial failure and was saved from disaster by Harvey Fiske & Sons, of New York, of which firm Pliny Fiske, prominent New York financier, was a mem-ber. The witness declared that Mr. Fiske went to Mr. McAdoo, when the Olympia peninsula spruce road was con-templated, and asked for payment of

wankee, declared Mr. Carrigan.

staff, was summoned to tell the committee of his general and specific knowledge of operations under the spruce production corporation, and was particularly pilloried by Chairman Frear and Representative W. W. Magee with respect to the Siems-Carey-H. S. Kerbaugh corporation's construction of the spruce road to Lake Discounting Cialiam county, which cost \$112,000 a

would say that it would be cheaper over the shorter route," admitted Major Grammer when asked if the Hoko river route to Clallam bay, where the logs could have been rafted and towed to the mills along the sound, was not most advisable course.

Major Grammar was also quizzed as to his opinion respecting the appoint-ment of General Disque's relatives to ment of General Disque's relatives to positions on the spruce division staff and as to his further opinion respecting the alleged probabilities that the Chicago, Milwaukee & St. Paul railroad desired to acquire the Clailam county spruce line at a tremendous discount. He replied that he had no knowledge of either of these alleged circumstances. "I want to testify," interpolated the witness, "that I have never heard a rumor regarding graft in connection with the spruce division or corporation, People that I talked to seemed surprised that an investigation should be

prised that an invession made."

"Do you feel that way?" countered

"Do you feel that way?" countered

Chairman Frear.
"I did," responded Major Grammar.

Inquiry Now Approved. "But do you now?" insisted the chair-

man.
The witness replied that the investigation had convinced him that there were matters that should be developed as an educational benefit to citizens, and that he believed the inquiry should be fully carried out.

"Yes, indeed," agreed Chairman Frear, waying his spectacles. "This investiga-

waving his spectacles. "This investiga-tion has developed the fact that the Cialism county road cost \$112,000 a mile, and that Milwaukee engineers helped determine the route, a very convenient one, down toward Grays Harbor. It is right and fair that the government and the people should bear the

Another returned aviator who say service in France took the witness chair in the person of Lieutenant Norman S. Archibald, of Seattle, who testifed that he was sent overseas in October, 1917.

elub." amplified the witness.

Eventually Lieutenant Archibald reached the front as a member of the only pursuit group of American airmen anywhere along the line. They were equipped with French Spads and their personnel numbered 80 giftots. This was the Chateau Thierry sector. Later equipped with French Spads and their personnel numbered 30 pilots. This was in the Chateau-Thierry sector. Later the lieutenant was transferred to St. Milhiel, where he was shot down and captured by the Germans on September 8, 1918. During all his service, testified Lieutenant Archibald, he saw but one American plane on the battle line, and that one an obseravion machine, forced to land near the airdrome. It was a Liberty plane, he testified, of the DR4 type.

"Have you ever heard these planes called Tisming coffins" asked Representlative Magre.

"Yes, sit." was the response. That was their name among all filers."

Dr. Suzzalo Witness.

An academic touch to the proceeding was lent by the appearance of Dr. Henry Suzzalo, president of the University of Washington, former chairman of the Washington state council.

An academic touch to the proceeding was lent by the appearance of Dr. Henry Suzzalo, president of the University of Washington, former chairman of the Washington state council of defense, who was summoned to tention of the Washington by the Charles of the Council of the Counc tify relative to his efforts in the labor situation. It developed that the eight-hour day proposal had been shunned by both Secretary of War Baker and Sec-retary of Labor Wilson, who desired it to be instituted by the northwestern loggers on their own responsibility, and declined to institute a universal

who declined to institute a universal eight-hour day which would have placed the timber industry of Oregon and Washington on an equal basis with the southern yellow pine interests.

Dr. Suzzale testified that his recommendations had included the plea that General Disque be given unlimited authority in this and other matters, and held to strict responsibility as to results attained in spruce production. On

was effective. Coupled with the testimony of John Coupled with the testimony of John E. Bradnober, who presented a scale of commercial lumber price quotations, as decreed by the price-fixing commission of the war labor board, in which a 20 per cent differential appeared in favor of southern pine as against northwestern fir, the revelation served to being expected. bring caustic comment from Chairman Frear.

Frear Assails Polley.

Chairman Frear assailed the policy, which would place the northwestern lumber industry at a distinct disadvantage, by refusing the universal eighthour day in the lumber world, and at the same time create a 20 per cent differential against the fir products of that industry.

that industry.

J. W. Lindsay, Port Angeles business man and one of the incorporators of the Port Angeles-Grays Harbor railroad, surveys and data of which were subsequently taken over by the spruce production corporation for the construction of the Lake Crescent line by the Siems-Carsy-H. S. Kerbaugh corporation, amplified his testimony of the previous day.

vious day.

The substance of Mr. Lindsay's testimony was that after various overtures on the part of his fellow officials and New York principal, to Siems-Carey and the spruce corporation, the Port Angeles-Lake Crescent surveys were taken over by the Siems-Carey com-pany, without a cent of compensation.

Indicating that the Chicago, Mil-waukee & St. Paul railroad actually was interested in the Lake Crescent route, afterward chosen by the spruce corporation and General Brice P. Disque for the penetration of Clallam county's spruce, the witness testified that at the time his company had the proposed line under private consideration, various employes of the Milwaukee road attempted to secure positions with the Port Angeles-Grays Harber rail-road, returning to the Milwaukee upon

refusal.

The testimony veered to Major F. W. Leadbetter, of Portland, member of the aircraft board, when Mr. Lindsay stated that the president of his company, John Cain, of Port Angeles, with F. A. Douty, prominent Portland lumberman, had-called on Major Leadbetter at Washington relative to the proposed line, and had been refused an audience.

The witness said that Major Leadbetter's attitude in his opinion reflected.

ter's attitude in his opinion reflected resentment against Mr. Douty, for the reason that the latter had supported Major Charles Sligh for the position of contract officer.

Significant Letters Read.

Various official correspondence be-tween officers and principals of the projected Port Angeles-Grays Harbor road were read by Chairman Frear, for the purpose of establishing the fact that these men generally believed the Milwaukee road to have designs upon

nent New York financier, was a member. The witness declared that Mr. Fiske went to Mr. McAdoo, when the Olympia peninsula spruce road was contemplated, and asked for payment of the old debt of gratitude.

In this alleged transaction the Port Angeles-Grays Harbor promoters were left in the cold, while the contract went to Siems-Carey, whose construction of the Olympic line was fully in accord with the secret purposes of the Milwaukee line.

Milwaukee road to have designs upon the irroject and upon the line as substantially built by Siems-Carey for the Spruce Production corporation.

"Cain said that some company John D. Ryan was connected with owned a large block of stock in the Siems-Carey company," was a portion of the estimony, referring to the ex-director of aircraft production, an official of the Milwaukee line.

"It is our understanding if the government does any financing of the road.

"It is our understanding if the gov-ernment does any financing of the road Major Grammer Is Called.

Major A. S. Grammer, lumberman of Seattle, who served on General Disque's staff, was summoned to tell the committee of his general and specific Pacific and then a railroad administration official.

Right-of-Way Cost Light.

Right-of-Way Cost Light.

John S. Cain, counsel for the Siems-Carey-H. S. Kerbaugh corporation, testified that all right-of-way to the Lake Crescent spruce line nad been acquired without condemnation proceedings, except in a few minor instances, and that \$17,000 had been puid for titles to land and timber. He added that several cases yet remained for settlement, but these would not bring the total cost of right-of-way above \$80,000. The witness also testified to the wide reputation of Siems-Carey and H. S. Kerbaugh as large and responsible railroad contractors, but was halted by renment.

road contractors, but was halted by Representative Magee.
"I called you on the question of title," said Mr. Magee. "I do not care for what is rumor or common hearway."

Members of the congressional commission leave tonight for Portland, arriving early tomorrow morning. Their

railroads, the construction work of the patriotic motives," Warren Spruce company, and the tracts of timber which were to be logged. They will return on Sunday. Inasmuch as Monday is labor day, it

is announced that the commission will not open its sessions in Portland until

FRANCE WORRIES OVER U. S

'INTERFERENCE" IN TURKEY IS RESENTED.

American Representatives Point Out That Supposed Formal Act Was Informal.

PARIS, Aug. 27.—An informal warning to Turkey that massacres of Armenians must cease, given recently by that no American training planes were available in France, and that he and others were trained on French Nieuports, an advanced type that made the lessons highly hazardous.

U. S. Filers "Suicide Club."

"The French called us the Suicide club," amplified the witness.
Eventually Lieutenant Archibald reached the front, as a member of the council there was reported to have occurred sharp criticism of American interference in Turkey through missions and otherwise, despite the fact that the United States had shown no disposition to accept the mandate for the administration of any Turkish terpersonnel numbered 89 gitots. This was

States was speaking for the conference.

Immediate delivery, 4-ft. green slab-wood, cordwood, coal. Albina Fuel Co.



IS DENIED BY RYAN

Coast Contract to Aid Milwaukee Railway Refuted.

PATRIOTISM IS ASSERTED

Nothing to Do With Siems-Carey Agreement" Announces Ex-Director-General of Aircraft.

BUTTE, Mont., Aug. 27.—Through his Butte office, John D. Ryan, chairman of the Anaconda Copper Mining company board of directors, who resigned from office as president of the company when appointed director-general of aircraft production for the war period, issued a statement today refuting charges relating to his administration of the spruce division.

Of the contract for construction of a railroad in the state of Washington, said to have cost \$12,000,000 Mr. Ryan declares that negotiations were company to the state highway commission, Governor Olcott and state Treasurer Hoff and o hers, from changing the present BUTTE, Mont., Aug. 27 .- Through his

declares that negotiations were com-pleted before he assumed office and that because he was interested in the Chicago, Milwaukee & St. Paul rail-way, he refused to discuss the affair, except in an advisory capacity, but re-ferred the matter to Scoretary Baker. Although Mr. Ryan is now in New York his Butte office was authorized to make the statement. make the statement.

"I Refused," Says Ryan.

He says in part:
"It is alleged that I authorized con-struction of a government railway in the state of Washington, which was in effect an extension of the Chicago, Milwaukee & St. Paul railroad, of which I was a director, and that the road cost \$12,000,000. It is further alleged that I was interested in land or timber to be

reached by this road.

These, charges were answered by Secretary Baker at the hearing in Washington, August 15.

The contract with the Siems-Carey company was entered into by proper officers of the spruce production divi-sion on the Pacific coast more than a nonth before I became director of air

month perore I became director of air-craft production, May I, 1918.

"When it was brought to my atten-tion, I refused to discuss it. I referred the whole matter to Secretary Baker because the Chicago, Milwaukee & St. Paul railroad was an interested party and I was a director of that railroad. and a member of its executive com

Signing of Contract Denied. "Mr. Baker called in Mr. Stettinius, then assistant secretary of war, and stated that the contract for the railway construction had been negotiated but that the United States railroad administration had refused to allow the Milwaukee to expend its fund for construction. ministration had refused to allow the Milwaukee to expend its fund for construction.

The railroad administration took the position that the new road was being built not as an enterprise but as a war measure.

Impaired vision was due to a former injury, according to the commissioners. Allen's former employer and a nurse attending the ship worker at the time he sustained the previous injury to his eye were among the witnesses corroboutly not as an enterprise but as a war allen asked compensation in the commission.

Carey-Kerbaugh company contract for spruce production was to insist on certain changes which I believed should be made for the protection of the government.

"I have not and never have had any personal interests in land or timber on the Pacific coast or any enterprise the Pacific coast or any enterprise the production of the short sharply to avoid them, and the short the personal interests in land or timber on the Pacific coast or any enterprise connected with them except as a share-

mission leave tonight for Fordand, arriving early tomorrow morning. Their headquarters will be in the Hotel Benson. The Portland hearing is expected to occupy a week or more.

Inspection Trip Planned.

Chairman Frear indicated that tonorrow will be spent in general detail ind rest at Portland, and that the compission will in all probability leave on the plane with them except as a share sharply to avoid them, and the short turn threw the machine's nose to the plane troops to pursue the thieves were troops to pursue the thieves were with damage to the plane was hurt and there was but slight into solely in the interests of the government and its allies; that it was necessary to build the railroad and provide for spruce production to land the rest at Portland, and that the compission will in all probability leave on the plane would have a state of the plane which will be shipped to Salem for repairs.

Lieutenant Cook showed great skill was not accepted, it was said here.

WASHINGTON, Aug. 27.—The American rovernment's cedented and everything that was not accepted in the trees. cedented and everything that was done to meet it that had come to my knowl-edge was done under capable manage-ment by men who were acting from

EFFICIENT ARMY WANTED

Secretary Baker Hints at Conditions

Hot

Bread

Fresh From

Our Revolving

Ovens-Full

24-Oz. Loaves

15c

Hot Rolls

Delicious and Appetizing 10 Rolls 10c

Baked in Our Revolving Glass Ovens

Come in and watch us bake. Or, you don't need to come in - you can watch from the street.

You would never think that so much goodness could be put into a loaf of bread. But we do not make them one loaf at a time, we make them by the hundreds and can afford to put the best that money can buy into each and every loaf.

Tastiness - Wholesomeness - Perfection - When we opened our first bakery in Portland, at 146 Third street, on March 31st, we underestimated the demand for our bread. We increased our capacity, but the crowds kept increasing. We could not accommodate them. We have installed another

Bakery No. 2 Now Open for Business Federal System (Chatterton) Bakeries 289 Washington St. Between 4th and 5th Sts.

(Bakery No. 1-146 Third St.)

Just East of Perkins Hotel

Peach Ice Cream!! Lucious pink-cheeked peaches - whipped into velvet smoothness and then frozen. Is there anything finer tasting or more refreshing these hot days? Order Peach Ice Cream for Dessert at Lunch or Dinner Here Today -or-When You Drop in "Between." It Is Wonderfully Good! 388 Washington 127 Broadway

SEVENTH CAVALRY NOT PULLED OUT AT REQUEST.

American Government Replies to Carranza's Note of Protest Against Invasion.

Lieutenant Cooks "Beaches" Plan EL PASO, Tex., Aug. 27 .- A demand for the withdrawal of the American TILLAMOOK, Or., Aug. 27.—(Special.)
—Lieutenant E. D. Cook and his passenger, Sidney Paul, furnished the crowd at the fair grounds a thrill toexpedition which crossed at Fort Hancock, Tex., Saturday, was made by Mexican officials after the expedition had crossed, it became known here to-day. Troops of the seventh cavalry,

under command of Colonel Francis M. Glover, crossed the border, remaining in Mexico during the day without locat-

WASHINGTON, Aug. 27.—The American government's reply to Mexico's protest against the dispatch of American troops into Mexico in pursuit of bandits who held two American avia-

SALEM, Or. Aug. 27.—(Special.)—
L. J. Simeral, J. H. Arnold and Fred C. Sefton will represent Salem employes on the voluntary mediation board, according to announcement made by the Trades and Labor council here today. Mr. Simeral is a member of the Electrical Workers' union, Mr. Arnold of the Loyal Legion of Loggers and Lumbermen. and Mr. Sefton of the Capital Typographical union. The employers a week ago announced their representatives on the voluntary mediation board, according to announcement made by the Trades and Labor council here today. Mr. Simeral is a member of the Electrical Workers' union, Mr. Arnold of the Loyal Legion of Loggers and Lumbermen. and Mr. Sefton of the Capital Typographical union. The employers a week ago announced their representatives on the board.

Justifiable in international law, was leader, who has been operating for made by the American Association of Producers of Petroleum in Mexico in a reported in a communication to the letter presented today to the state de- | war department.

Sinaloa Bandit Dead.

MEXICO CITY, Aug. 15. - (Corre-

WASHINGTON, Aug. 27.—Reland S. Morris, American ambassador to Japan, who has been investigating conditions spondence of the Associated Press.)— in Siberia for President Wilson, has The death of Silverio Soto, a bandit been ordered to return to Tokio.



UNITED STATES RAILROAD ADMINISTRATION DIRECTOR-GENRAL OF RAILROADS SOUTHERN PACIFIC RAILROAD-LINES NORTH OF ASHLAND

Labor Day Special Train Tillamook County Beaches

Special Week-End Train, which leaves Portland 1:15 P. M. Saturday, August 30th, will return from Tillamook

Monday Evening, Sept. 1st

To enable patrons to spend Labor Day at the Beach the Week-End Train will return on Monday evening. September ist, instead of Sunday. This will be the last trip of Week-End Train. Schedule will be as follows:

Monday, Sept. 1st. Schedule of Special. Read up. Wheeler Rockaway For schedule at other points, see Agent

Other Special Trains

ACCOUNT LABOR DAY

Hillsboro Special Sunday special from Hillsboro will be cancelled Sunday, Aug. 21st. but will run on Labor day, Sept. 1st, leaving Hillsboro 6:20 P. M., arriving Portland 7:30 P. M.

Forest Grove Special Trains 125 and 126 between Portland and Reedville will be extended to Forest Grove Labor day, Sept. 1st, leaving Portland 1:10 P. M., arriving Forest Grove 2:25 P. M. Leaving Forest Grove 3:15 P. M. arriving Portland 4:35 P. M.

Lake Grove Specials Trains 309, 312, 319 and 322 will be extended to Lake Grove on Labor day, Sept. 1st., and will leave Lake Grove on return trip at 1:05 P. M. and 8:50 P. M.

> JOHN M. SCOTT. General Passenger Agent.