



## PROBERS ALLEGE \$5,000,000 LOST

### Spruce Administration Is Flayed in Report.

### JOHN D. RYAN IS BLAMED

### Investigators Ask He Be Kept to Strict Responsibility for Extravagance.

### MILWAUKEE HELD FAVORED

### Line Built to Benefit Aircraft Director's Company, War Secretary Is Told.

**PORTLAND SPRUCE INQUIRY TO OPEN TODAY.**  
The first formal session of the congressional committee on spruce production inquiry, according to Chairman James A. Frear, will open this morning at 10 o'clock in the assembly room of the Portland Press club, Elks' building, when important testimony will be heard.

"Those directly responsible for excessive expenditures, used to advance large business interests, should be held to a strict legal responsibility," urges the initial report of the house subcommittee on spruce investigation, now in Portland, as forwarded to Secretary of War Baker last night. Charging unbridled extravagance in the construction of the Siemens-Carey-H. S. Kerbaugh spruce road through the Olympic peninsula, asserting that the line was undoubtedly built at government expense for the ultimate purposes of the Chicago, Milwaukee & St. Paul Railroad company, and declaring that the congressional committee is of the opinion that \$5,000,000 was squandered, misapplied and converted to the uses of the Milwaukee, the report is the first official expression of the investigating body since its Seattle hearings were concluded.

On July 31, when Secretary Baker testified before the committee, in Washington, D. C., Mr. Baker requested the members to advise him fully with regard to disclosures in the spruce area of the Pacific northwest, and with particular reference to the Olympic peninsula railroad, constructed for the government at an aggregate expense of \$4,000,000 and an average cost of \$115,000 per mile.

**Report Not Signed by Lea.**  
Chairman James A. Frear, representative from Wisconsin, and Representative W. W. Magee of New York appended their signatures to the report, after the document had been thoroughly discussed by themselves and their fellow-member, Representative Clarence F. Lea, democrat, of California. Mr. Lea did not sign the report.

In concluding that the Milwaukee road had an active interest in the construction of the government spruce line, the two concurring committee members invited attention to the testimony adduced at the Seattle sessions, when witness after witness testified to circumstances that invite the belief that the Milwaukee line coveted the government's completed project.

"It appears that the line as built was not to carry spruce logs, but as an extension of the Milwaukee railway for commercial purposes," runs the report to Secretary Baker, after reviewing the testimony.

**Milwaukee "Control" Alleged.**  
"The Milwaukee railroad officials and Milwaukee engineers apparently controlled the location and determination of the road that has been built," is a statement appearing elsewhere in the document.

"Milwaukee railroad officials apparently determined the route. A Milwaukee engineer built the road. Mr. Ryan (John D. Ryan, at that time government director of aircraft, a director of the Milwaukee line) personally examined it in July, 1918, according to information received," adds another paragraph in the summary.

Urging that the announced sale of spruce production equipment, set for September 2, be delayed until a full investigation can be made by Secretary Baker.

## \$15 PORK PREDICTED IN THREE DAYS' SLUMP

### CHICAGO MARKET NOW \$16, AS AGAINST \$23 LATELY.

### Heaviest Drop Since 'Panic' of 1907 Expected—Corn and Oats Go Down With Hogs.

CHICAGO, Aug. 28.—The \$15 hog, \$1.50 nearer the slender purse of the sufferer from the high cost of living, made its appearance in the Chicago stockyards today. His advent was immediately followed by a slump in provisions and grain, as well as live cattle and sheep. Meat products, dealt in large lots on the board of trade, decreased sharply in price, but the smaller costs were not evident in the retail market.

Corn and oats felt the effect of the hog and provisions decline, but butter, eggs and poultry in large or small amounts were unaffected by the stockyards drop. A continuance of the decline in live hog prices was looked for by traders who pointed out that 12,000 of the 25,000 animals received at the stockyards today were unsold and that 15,000 more were expected to arrive before the opening tomorrow. Cattle of the higher grades were 25 cents less per hundred-weight and sheep and lambs were fully 50 cents cheaper. The drop in hog prices was the greatest since 1907 and traders who look for still lower figures pointed out that eastern storage houses are believed to be already crowded with meat products, leaving only a domestic outlet.

## PLANES TO CARRY PIGEONS

### Forest Patrol to Liberate Birds in Case of Accident.

EUGENE, Or., Aug. 28.—(Special.)—Fifty homing pigeons have been sent from Mather field, Sacramento, to Eugene to be used in connection with the airplane forest fire patrol which has headquarters in Eugene, according to word received today by Major Albert Smith, in charge of the patrol. The birds will be taken on the airplane flights, and in case of breakdown or accident the pigeons will be liberated with a message to headquarters. The birds will be used also to report fire if the airplanes are on their way to distant stations and will not return to the Eugene base in time. Three men will be sent here to have charge of the pigeons and cots will be built in the oak trees on the hill back of the aviation field.

## PRINCE INVITED TO COAST

### Glimpse of Wonderland Urged by Governor of Oregon.

SALEM, Or., Aug. 28.—(Special.)—Acting upon request of the Portland chamber of commerce Governor Olcott today sent a telegram to Secretary of State Lansing extending to the Prince of Wales an invitation to make Oregon and the Pacific northwest part of his itinerary on his tour of the United States.

## FIRE COSTS MR. BARBER \$5

### State Insurance Commissioner Admits Setting Forest Blaze.

A. C. Barber, state insurance commissioner, pleaded guilty to a charge of setting a fire in the government forest on the Santiam river and was fined \$5 in federal court yesterday.

## LEGION HEAD ACQUITTED

### American Veteran Whips News Director at Astoria.

ASTORIA, Or., Aug. 28.—(Special.)—Jesse R. Hinman, president of Clatsop post, American Legion, was acquitted at his police court trial this afternoon of "using abusive language."

## LETTER MAILED TO PRINCE

### Airplane Delivery of President's Missive Fails.

BINGHAMTON, N. Y., Aug. 28.—A letter from President Wilson to the Prince of Wales by airplane has been mailed from Windsor, N. Y., by Captain J. M. Foote, U. S. A., a competitor in the New York-Toronto aerial derby. He was blown out of his course after leaving Albany, and landed Wednesday night on a hill near Windsor.

## PITTSBURG STRIKE IS OFF

### Three Thousand Carmen to Return to Work Today.

PITTSBURG, Aug. 28.—Street car service, suspended two weeks ago tonight by a strike of 3000 motormen and conductors of the Pittsburgh Railway company, will be resumed tomorrow.

## HANSON WOULD NOT HAVE I. W. W. MAYOR

### Seattle Executive Tells Why He Resigned.

### PLAIN, HARD STATEMENT MADE

### Rest Needed, Vacation Would Leave Lane in Chair.

### FITZGERALD NEW MAYOR

### Election Put Through Speedily in Accordance With Prearranged City Council Plan.

SEATTLE, Wash., Aug. 28.—(Special.)—City Councilman C. B. Fitzgerald was elected mayor of Seattle to fill the unexpired term of Ole Hanson, whose resignation was accepted at a special meeting of the city council in the county-city building this afternoon. Three councilmen voted against Fitzgerald and in favor of Hugh M. Caldwell to succeed Hanson. Five voted for Fitzgerald in accordance with a cut-and-dried programme announced before the meeting, thus giving him the required majority.

The meeting was called at 1:30 P. M. Reading Clerk E. M. Street read Mr. Hanson's resignation. Councilman Thomson moved to accept the resignation. This was done by unanimous vote of the nine members of the council.

Councilman Carroll then nominated Councilman Haas as chairman of the meeting to select Hanson's successor. Haas was elected and Thomson moved for an immediate secret ballot.

**Packed Chamber Applauds.**  
The votes of the council were collected and handed to Reading Clerk Street. The first three drawn were cast for Caldwell. The five following were Fitzgerald's.

Applause broke out from a crowd that packed the council chamber when the result of the election was officially announced.

Fitzgerald tendered his resignation as councilman and made a brief speech of acceptance of the mayoralty, thanking the council for its action.

Thomson then moved the acceptance of Fitzgerald's resignation and after its unanimous acceptance moved to elect his successor. The result was five votes cast for A. T. Drake, finance clerk of the council, one for James Barry and one for Lee Boyce Henry.

Mr. Hanson would neither affirm nor deny a persistent rumor that his real purpose is to execute a whirlwind lecture tour of the direct primary states with his ultimate goal the presidency of the nation.

**Health Not Quite Broken.**  
"My health is not broken," said Mr. Hanson. "I am not ill by any means, but I need a good rest and a vacation."

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## INDIANS BOW DOWN AND WORSHIP FLIERS

### SEARCHING PARTY TELLS ODD EXPERIENCES IN SKY.

### Two Airmen Soar Over Wild Lower California, Where Stoppage of Motor Meant Death.

SAN DIEGO, Cal., Aug. 28.—An experience replete with hardships and dangers, considered by them to be as hazardous and thrilling as any war-zone flying, was related here today by Major Theodore MacCauley and Captain S. S. Eberle, North Island military aviators, on their return from an aerial trip into the trackless wastes of Lower California in search of Lieutenants Waterhouse and C. H. Connelly, missing aviators who were finally found by Mexican soldiers.

Leaving North Island August 24, Major MacCauley and Captain Eberle flew into Lower California, attempting to pick up the trail of the missing aviators. While flying at an altitude of 15,000 feet over the Pedro Martez mountains they encountered a severe electrical storm, twice ran out of gasoline and only by sheer good fortune found supplies in isolated places, and finally experienced the pangs of delirium brought on by thirst after tramping many miles over torrid deserts.

And just when they feared they would be compelled to give up their fight to find water they fell into a water hole at the base of the Cocopah mountains.

The two aviators flew over a country which had never before been visited by an airplane and where a sudden stoppage of the motor unquestionably would have meant death. While flying over the base of Pedro Martez mountains Major MacCauley and Captain Eberle sighted a group of Indians. These had never seen an airplane, and as the machine swooped down low the Indians prostrated themselves on the ground and went through the motions of praying. The aviators later learned that the Indians believed them to be some great unknown gods.

## U. S. BACON FOR GERMANS

### Teuton-Born Woman Buys All She Can at Yakima for Relatives.

YAKIMA, Wash., Aug. 28.—German efficiency in its highest form was illustrated here today when a German-born woman, still speaking with a marked accent, appeared at the postoffice to buy as much of the government bacon as she was allowed.

After arranging for the purchase she told her neighbor in the line before the postoffice window that she was planning to ship the supply of fat bacon to her starving relatives in Germany.

## CHICAGO GUTTER GETS BEER

### 12,000 Gallons of 2.75 Brew Dumped to Release War Tax.

CHICAGO, Aug. 28.—Four hundred barrels, or 12,000 gallons, of 2.75 per cent beer, manufactured by the Schlitz Brewing company of Milwaukee before war-time prohibition, was dumped into the gutters of a north side street today by Otto R. Fuerst, United States revenue inspector.

This action was taken to enable the company to recover \$2400 in taxes previously paid the government.

## TRAINS MUST MOVE, SAYS GOVERNMENT

### Drastic Action Is Taken to End Railroad Strike.

### MR. HINES ISSUES WARNING

### Men Not on Duty at 7 o'Clock Tomorrow Lose Jobs.

### STRIKE CLEARLY BREAKING

### Trainmen at Many Points in Southwest Are Returning to Work and Situation Clearing.

SAN FRANCISCO, Aug. 28.—Announced determination of the government to restore full railroad service in California, Arizona and Nevada by 7 o'clock Saturday morning, expressed in Washington tonight by Walker D. Hines, director-general of railroads, was generally accepted here as meaning that the strike situation would be cleared in the west within a few hours.

Even before the announcement of Mr. Hines strikers at practically all points except in Los Angeles territory were obeying the orders of chiefs of the international railroad brotherhoods and were returning to work. Union leaders here urged the men to consider the consequences of remaining on strike in view of the statement of Mr. Hines that all men who did not return to their posts by the time set would find their positions filled.

**Mr. Hines Issues Warning.**  
The statement of the director-general further announced that anyone who interfered with or interrupted the use of railroad property would be dealt with for having committed an offense against the United States.

The governors of California, Arizona and Nevada were telegraphed by Mr. Hines and requested to co-operate to the fullest possible extent in maintaining traffic and in preventing interference with the movement of trains.

The mayors of the principal cities also were requested to aid in restoring railroad service to normal. These officials, in practically all instances, had been laboring for hours to end the strike and it was assumed that they would use to the limit all their powers to carry out the wishes of Mr. Hines.

**Government Action Drastic.**  
This action, coming after the announcement of brotherhood chiefs that they would assist the government in ending a strike which they had not sanctioned and which they declared illegal from the start, was considered the most drastic ever taken by the government in a labor controversy.

Edward D. Nolan, secretary of the international workers' defense league, denied the truth of reports that the strike was planned as part of a proposed

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## WARM TRIBUTE PAID PERSHING IN HOUSE

### BILL AUTHORIZES PERMANENT RANK OF GENERAL.

### Republican and Democratic Leaders and Speaker Cannon Praise Chief of A. E. F.

WASHINGTON, Aug. 28.—(By the Associated Press.)—In recognition of General John J. Pershing's services in the war, the house today passed a bill authorizing the president to confer on him the permanent rank of general. The measure now goes to the senate.

Tributes to General Pershing were paid by many members of the house. Democratic Leader Clark said Pershing was more deserving than any former general, "having commanded more troops than any other man and having fought on three continents."

Republican Leader Mondell said, "along with his great military leadership, General Pershing has been alert enough to maintain an interest in the country's affairs and urged the high rank for the commander as a recognition of his extraordinary services."

Former Speaker Cannon, Illinois, paid tribute to the humane sentiments of General Pershing, saying, "He has got a heart as well as great ability Washington, sufficient to meet the needs of a general."

First mention in congress of General Pershing for president was made during the debate by Representative Campbell, democrat, Pennsylvania, who said: "The country cannot pay too great an honor to him."

"I would like to see the people of this country and this house put aside our partisanship, our adherence to democracy and republicanism," declared Mr. Campbell, "and make him the unanimous choice of the convention that assembles next year and elect him president of the United States."

## BOY, 13, KILLS PANTHER

### Camas Valley Lad Spies Cat, Shot Ends Life; Bounty His.

ROSEBURG, Or., Aug. 28.—(Special.)—A big, sleek panther, measuring eight feet, tip to tip, was killed by Jack, the 13-year-old son of Bert Wells, a Camas valley hunter and guide, at a point about a half mile from the family home, yesterday afternoon. The lad, in company with John Smith, a neighbor, was trapping through the timber when they stopped to rest beside a small stream. Young Wells spied the big cat as he crawled beneath the thick foliage not more than 20 feet from where he was sitting.

The lad was carrying a 30-30 rifle, and without a moment's hesitation, according to Mr. Smith, fired an off-handed shot that found its way through the breast and penetrated the heart of the beast. The pelt, including the head and claws, was exhibited here today. The boy gets a \$25 bounty on the panther.

## CAFE'S COFFEE POISONED

### Chicago Police Seek Culprit; 30 Victims to Recover.

CHICAGO, Aug. 28.—Arsenic was found today in samples of coffee taken from a downtown lunchroom, where 30 persons were poisoned yesterday, according to Health Commissioner Robertson. He expressed the opinion that someone had put poison in the coffee urn with malicious intent, and the police were asked to search for the guilty person.

It is expected all of those taken ill after eating at the restaurant will recover.

## NEGRO IS SHOT BY MOB

### Crowd at Ocmulgee, Ga., Burns Churches and Lodges.

EASTMAN, Ga., Aug. 28.—Elli Cooper, a negro, was shot to death in a church at Ocmulgee, Ga., near here today by a mob. The church was then burned. Other negro churches and lodges in the vicinity were burned yesterday after reports had been circulated that the negroes were planning to "rise up and wipe out the white people."

## INDEX OF TODAY'S NEWS

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## REFUND OFFERED IF PHONE RATE IS CUT

### Company Offers Argument at State Hearing.

### WAGE INCREASES INVOLVED

### Burleson's Approval Admitted to Have Been Verbal.

### TIME FOR BRIEFS IS SET

### Reply in Substantiation of Rise in Charges to Be Asked Within Ten Days.

Subscribers to the Pacific Telephone & Telegraph company will receive refunds of whatever may be the difference between the amounts collected from August 1 and the rates to be fixed by the public service commission. This stipulation was entered yesterday by James T. Shaw, general counsel for the company, at the hearing before the commission, which adjourned at 5:30 P. M. subject to a notice of seven days when the next public hearing will be held, probably late in September.

Yesterday was devoted almost exclusively to an argument by counsel for the telephone company and of the protesting community and civic interests. Charles H. Carey, counsel for the telephone company, occupied the forenoon session with argument that the commission has no power to suspend rates established under authority from congress, which he contended is the status of the rates put into effect under the order of July 29.

**Vigorous Argument Offered.**  
These rates, he maintained, are in effect until changed by the commission, and that all acts of the company were consummated by it as an agent of the postmaster-general.

He held that the only "legal rates" were those authorized by the postmaster-general November 4, 1918, and suspended November 15, but that the suspension was not an abrogation, but meant the rates were merely held in abeyance.

At the opening of the afternoon session, Assistant City Attorney Tomlinson entered a vigorous argument in support of his request for suspension of the rates pending the decision of the case by the commission. He maintained that no rate had been established under the terms of the congressional act, except the pre-war rate and that it should now be declared the existing rates in effect in Oregon.

**Improper Rates, Alleged.**  
He maintained that the rates collected during the period between May 1 and June 6, under the construction that had been placed upon approval of rates had been improperly collected and that the company should refund the difference between that amount and what would have been collected under the pre-war rates to the subscribers.

One of the counsel for the company interjected a correction that the government instead of the company would be called upon to make the refund, which Mr. Tomlinson accepted by adding:

"Yes, the government should order the refund made out of the pocket of the company," which was greeted with a laugh that relieved the tension of a session marked with heated and severe condemnation of the acts of officials of the telephone company while under direction of the postmaster-general.

**McCurt's Testimony is Heard.**  
John McCurt, appearing for the state chamber of commerce, portrayed the company as being confronted with the early expiration of control by the postmaster-general and at the last moment trying to put into effect a rate which at some time the postmaster-general had approved.

He declared there is nothing in the record showing that the rate announced July 29 was ever approved or that the rates filed with the commission had ever been approved, and that the postmaster-general knew anything about it.

"The logical thing for the company to have done," said Mr. McCurt, "would have been to apply to the public service commission with the statement that two new factors had come into the situation by reason of increased wages and expense incurred by small stream. Young Wells spied the big cat as he crawled beneath the thick foliage not more than 20 feet from where he was sitting."

**Company's Course Reviewed.**  
"I do not believe that anybody would have offered any objection to that course, and I think that it would have been far better than for these representatives of the company to endeavor to put this through as agent of the postmaster-general, as a subordinate of the government officials, if you please, as the hired men of the government."

In emphatic language Mr. McCurt reviewed what he said appeared to be the course that had been pursued and pointed out that the approval of the rates fixed by the Oregon commission, the legal authority to determine the state, came after the suspension of the rates of November 4, indicating that the postmaster-general had decided in view of all of the facts involved. He maintained that the act of congress of June 6 certainly established for four months unless changed by the commission, the rate that it put into effect May 1, and no other rate. He there-

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