

JAPAN GRABS ALL ORIENTAL GERMANY

Intent Declared to Be Restoration to China.

SHANTUNG CASE IN DOUBT

Peace Treaty Held to Have Given Rights Which Should Be Handled Direct.

TOKIO, June 20.—(By the Associated Press.) In connection with the note to the Chinese government in Peking by the Japanese ambassador on June 14, the Japanese foreign office has issued an official statement embodying correspondence between Japan and China on the subject of negotiations for the settlement of the Shantung question. This correspondence shows that in its reply to China's note of May 22, the Japanese government declared that "fundamental agreement" already existed between China and Japan as to the disposition of the leased territory of Kiaow Chow in Shantung and that Japan therefore could not understand China's previous declaration to negotiate with Japan relative to the restoration of Kiaow Chow to China and the settlement of incidental details, regardless of the fact that China had not signed the treaty of Versailles.

The text of the foreign office statement reads: "When the treaty of peace became effective in January the German rights and interests in Shantung passed into the possession of Japan by virtue of the provisions of the pact. The Japanese government in accordance with repeated declarations and pledges, and with a desire and intention to effect a restoration of Kiaow Chow to China as a matter of course, incidental thereto, instructed the Japanese minister at Peking to inform the Chinese government of the following:

"First.—That the Japanese government, desiring to open negotiations with China relative to the restoration of Kiaow Chow and the settlement of details incidental thereto, and hoping thus to effect a speedy solution of the entire question, expressed the hope that the Chinese government will make the necessary preparations for negotiations.

"Second.—That it is the intention of the Japanese government to withdraw its troops from along the Shantung railway as a matter of course, upon agreement between the two governments regarding the disposition of Kiaow Chow. In fact, the Japanese government wishes to withdraw its troops as speedily as possible, even before an agreement is entered into, but, in the absence of any competent force to assume the duty of guarding the railway after evacuation, it is constrained to keep those troops temporarily stationed there to insure the security of communications and safeguard the interests of Japan and China, who are co-partners in a joint enterprise.

The Japanese government, therefore, hoped the Chinese government, appreciating the intentions of Japan, would promptly organize a police force to replace the Japanese troops guarding the railway, even before agreement was reported as to other details. The Japanese government was fully prepared to proceed with negotiations to carry out its pledges, but nearly three months passed without reply. It is a source of deep regret that a time when all nations of the world are making efforts for the establishment of peace, the questions of importance remain unsettled between Japan and China.

Chinese Hold Back. "The Japanese government, being all the more desirous of the mutual benefit of the two countries, instructed the Japanese minister in Peking on April 26 to urge upon the Chinese government the importance of taking the necessary steps. It was not until May 22 that the Chinese government replied to this request of the Japanese government. The reply was in the nature of request for delay, the Chinese government saying: 'The Chinese government fully appreciates the intention of Japan to prepare for the evacuation of troops along the Kiaow Chow railway, which is incidental to carrying out of the terms of the treaty of peace. China, however, did not sign that treaty and is not in a position to negotiate directly with Japan on the question of Kiaow Chow. Furthermore, the people throughout China have assumed an indignantly antagonistic attitude toward the question.

"For these reasons, and also in consideration of the amity existing between Japan and China, the Chinese government does not find itself in a position to reply at this moment."

Military Held Unnecessary. "On the other hand the state of war with Germany having ceased to exist, all Japanese military establishments within and without the leased territory of Kiaow Chow are unnecessary and the restoration of pre-war conditions is heartily desired by the Chinese government. The people of China propose to effect a proper organization to replace Japanese troops in order to secure and maintain the safety of the whole line. However, this is independent entirely of the question of restoration of Kiaow Chow, the Chinese government trusts Japan will not delay the execution of the order for evacuation."

Upon receipt of this reply the imperial government of Japan addressed a note to the Chinese government, urging reconsideration. This memorandum follows: "In its note the Chinese government stated it did not find itself in a position to promptly meet the request of Japan for the opening of negotiations looking to an adjustment of questions, arrangements for which were provided for in the treaty of peace with Germany. This stand upon the part of the Chinese government was taken because of the importance which it attaches to relations between Japan and China, because China had not signed the treaty of peace with Germany, and further because the people of China are indignant.

Agreement Said to Exist. "The Japanese government, however, would point out that a fundamental agreement exists between China and Japan as to the disposition of the leased territory of Kiaow Chow. Repeated declarations of the imperial Japanese government leave no room for doubt as to the singleness of purpose with which Japan seeks at the earliest date a final and just settlement of the question. The imperial Japanese government, therefore, fails to understand the contention of the Chinese government that it does not find it convenient to negotiate directly. It is a plain and positive fact that all the rights and interests that Germany formerly possessed in Shantung have been transferred to Japan in accordance with the treaty of peace. Since

the Chinese government previously had consented to the transfer of those rights and interests, they have rightly come into the possession of Japan. It follows naturally, therefore, that these rights cannot be affected in any way by the refusal of the Chinese government to sign the treaty of peace.

Offer to Negotiate Cited. "Immediately upon the coming into force of the treaty of peace with Germany, the Japanese government, in accordance with its past repeated declarations and pledges proposed to the Chinese government that negotiations be opened with a view to restoration of rights and interests in Shantung under the understanding that it is hereby declared that they also enter negotiations over matters in connection with the restoration of territory formerly leased to Germany.

"The Japanese government had hoped the Chinese government would respond readily to the proposal not to hesitate to open the way for the Japanese government to demonstrate by concrete actions its policy of fairness and justice towards China. "Contrary to expectations, however, the Chinese government, after a delay of several months, replied that it did not find it advisable to negotiate, giving the reasons above stated. It is hardly necessary to point out, therefore, where rests the responsibility for delaying the settlement of the Shantung question. The imperial Japanese government, however, always considering the amity between Japan and China, hereby reiterates its declaration that it will accept a proposal for negotiations at any time considered agreeable to the Chinese government.

January Note Referred To. "In connection with the railway guard along the Shantung railways, the Japanese government refers to its note of January, continuing the statement of its intentions to withdraw Japanese troops at once, even before the conclusion of negotiations, if the Chinese police force is made competent to take over the responsibility of guarding mutual interests.

"Reference is made to military equipment established in and around Kiaow Chow. This constitutes additional ground for negotiations. It is with the desire definitely to settle with China as to the disposition of this equipment that the Japanese government seeks to commence negotiations. If the Chinese government shall proceed to negotiate, it need hardly be emphasized that all minor questions will be solved simultaneously.

"In conclusion, while the Japanese government deeply regrets the enforced delay in carrying out the agreement reached at the Paris conference, it stands unchanged in its sincere desire to promote a fair and just solution of this question with the least possible delay and to pursue a fixed policy toward China."

SCHOOL VOTE IS COUNTED

WOODWARD AND SHULL CONFIRMED AS WINNERS.

Complete Unofficial Returns Make Practically No Change From Standings Late Saturday.

Complete unofficial returns from the school election Saturday made practically no changes in the standing of candidates from the late returns of Saturday night. William F. Woodward and Frank L. Shull continued to build up the leads which they had developed over the other candidates and were elected by wide margins to the two places on the board of directors of school district No. 1 to be filled at this time. Shull proved to be the leader in the race for directors, with a total vote of 5112, while Woodward came second with 4617. Each had nearly 5000 of the votes cast for the next highest candidate, J. N. Pearcey, who polled 2357.

Final returns showed the tax levy to have carried by practically the same proportion as was indicated Saturday night, when 18 out of 59 precincts had been reported. The final tabulation showed 4547 votes for the measure against 2775. The final tabulation showed 4547 votes for the measure against 2775. The final tabulation showed 4547 votes for the measure against 2775.

Complete unofficial returns follow: For school director—Frank L. Shull 5112, William F. Woodward 4617, J. N. Pearcey 2357, Mrs. Francis A. Sherman 2215, Arthur W. Jones 1717, O. M. Plummer 1666, S. A. Murchard 1149.

Tax levy—For the levy 4547, against the levy 2775.

BIRD BILL STILL DISLIKED

Revamped Measure for Refuge Declared Unsatisfactory.

SALEM, Or., June 20.—(Special.)—The so-called compromise regarding the framing of the Roosevelt bird refuge measure, to be submitted to the voters of Oregon at the November election, is very unsatisfactory, according to Percy Cupper, state engineer. The original bill, he says, caused a storm of protest and a conference was called in Portland for the purpose of reaching some agreement among the persons interested in the bird refuge and the irrigationists adjacent to Malheur lake.

Nothing was accomplished at this conference, according to Mr. Cupper, and the measure as revamped is not satisfactory. Mr. Cupper contends that Oregon owns too much land at the present time and that the establishment of more reserves will have a tendency to increase taxes without gaining for the taxpayers corresponding benefits.

In a public statement to be issued later this month, Mr. Cupper says he will point out the inconsistencies in the bird refuge bill, and show why its passage would be a detriment rather than a help to the state.

Obituary. Miss Mae Louise Thomas, daughter of Mr. and Mrs. C. D. Thomas, 311 Hazel Fern place, died Saturday afternoon after an extended illness. The funeral will be held at 9 o'clock this morning from the All Saints' cathedral in Laurelhurst, and the burial will be at Rose City Park cemetery.

Miss Thomas was 24 years old and a native of Colorado. She had lived in Portland since girlhood and was a graduate of Washington high school. Besides her parents she is survived by a brother, Carl F. Thomas, also of Portland.

SUGAR IS TOO HIGH, MAINTAINS GROWER

10 Cents Sufficient, Says Visitor From Hawaii.

PALMER CONDUCT CITED

James S. McCandless Declares Price Due to Promise Made Democrats of Louisiana.

At the time when 7.25 cents was being paid the Hawaiian planter for his sugar crop, Attorney-General Palmer agreed not to prosecute Louisiana planters, who happened to be good democrats and administration supporters, for profiteering. Mr. McCandless collected 17 cents a pound. This was the assertion of James S. McCandless, prominent sugar planter of Hawaii and imperial assistant rabban of the Shrine, on his arrival in Portland yesterday.

It would not have been consistent for the administration to purchase the proffered Cuban crop for 6 1/2 cents a pound after permitting the Louisiana planters to sell their output at 17 cents, explained Mr. McCandless, who said this was the initial step in the upward flight of sugar prices. Altogether too much money is now being paid for sugar, declared this grower, who believes, however, that the peak has been reached. A material drop in sugar prices during 1921 is not expected unless European nations get into the market by growing beets.

Ten Cents Held Sufficient. Ten cents a pound retail is a good price for sugar, he declared. Mr. McCandless, allowing a fair profit to the planter even at higher than normal labor costs, but not in the present labor situation. He does not think the price to the consumer will reach this figure for a considerable period and never expects it to drop back to the 4 1/2-cent basis of before the war days.

Admitting that sugar plantations are making more money than ever in history—too much money, he says—Mr. McCandless said that excess profits taxes and income taxes cut into the returns heavily, and the bonus system in effect in the Hawaiian islands has increased wages 500 per cent during the past year in the case of ordinary plantation labor. At present a serious sugar strike is in progress on the island of Oahu, where Honolulu is located, but is being controlled by imported labor, asserted the producer.

Mr. McCandless put the blame for present exorbitant prices directly on the shoulders of the Wilson administration.

Administration Is Blamed. Under Hoover and the sugar commission, headed by George Rolph of San Francisco, the United States had contracted for the 1919 sugar crop for 4 1/2 cents. "At the same time, Hawaii, Porto Rico and the Philippine Islands received 7.25 cents. The difference was entirely in tariff.

In August or September of 1919, it was estimated that Cuba would have a crop of 4,200,000 tons in 1920. The sugar commission wanted to contract for all the 1920 crop at 6 1/2 cents at which it was offered, but on the advice of Palmer and because of the objection of President Wilson fixing the price, congress failed to pass the appropriation bill.

In the meantime, Louisiana planters had waited on Palmer and asked that a reasonable price be fixed for the 1919-1920 crop. It was agreed with these good democrats that 17 cents would be reasonable and the no prosecution for profiteering would result if this price was not exceeded. At the same time only 7.25 cents was being paid for the Hawaii crop. But

Phone your want ads to The Oregonian, Main 7070, Automatic 560-25.

You Brush Your Teeth Regularly—Yet Cavities Form Just the Same

Why is it? Because the probabilities are that you have "Acid-Mouth"—unless you are the exceptional one in twenty who is said to be free from it—and mere brushing won't check "Acid-Mouth." It must be combated by truly scientific methods.

PEBEC TOOTH PASTE
Counteracts "Acid-Mouth"

Pebec tends to counteract unfavorable mouth acids by stimulating the natural flow of saliva, which is normally alkaline and therefore the natural antidote to "Acid-Mouth." Its beneficial effects upon the teeth, gums, and oral cavity could hardly be equaled.

OUR SIGN IS OUR BOND.
Linn & Sons
Sold by druggists everywhere

it would not have been consistent to buy the Cuban crop for 6 1/2 cents when the Louisiana planters were to be allowed to sell for 17 cents.

Europe Enters Market. "The result of the refusal of the administration to accept the Cuban offer resulted in Europe coming into the Cuban market and bidding against American refineries until the price was run up to 12 cents. This was the height reached in February. At this time, revised estimates of the sugar crop of Cuba cut it from 4,200,000 tons to 800,000 tons.

"This created a serious shortage as the world was living from hand to mouth and no surplus was on hand or in sight. Then prices rose 100 per cent, unheard of height of 22.52 cents. Meantime the Louisiana planters asked for more and were allowed to raise their price to 20 1/2 cents.

Cuba Sets Price. "The price of Hawaiian sugar is based on the price of Cuba centrifugals in New York on the day of the arrival of our sugar. The Hawaiian crop is about 800,000 tons and this year the consumption of sugar in the United States is near the 4,000,000-ton mark. We do not figure much in the market, for Cuba dominates it and sets the price."

Mr. McCandless said that an unprecedented strike had arisen in the matter of bonus paid to employees. The agreement with plantation workers was that a bonus would be given after 4 1/2 cents had been reached. At this time, we never realized in our fondness for the strike would be over 9 cents," said Mr. McCandless, "which would have been a high price."

As it is now, labor costs have increased 200 per cent because of the bonus agreement.

Strike troubles may interfere with replanting and mean a short crop during coming years, declared the planter, which would not help prices to slump.

REPUBLICANS' AID ASKED

MUST HAVE ANOTHER STATE, SAYS ORGANIZER.

Pronounces Picketing in Chicago for Suffrage Recognition of Passive Nature.

Responsibility, for the ratification of the woman suffrage amendment by enough states to make the measure a part of the constitution of the United States is being put squarely up to the republican party by the National Woman Suffrage organization, and the issue may be projected into the forthcoming presidential election if the measure has not become a federal amendment by that time, according to Miss Betty Gram, 362 Larrabee street, national organizer of the women's party, who has returned from Chicago, where she took part in the "passive picketing" of the national republican convention.

"At the present time we feel that, because of the peculiar conditions in two states, the republican party is responsible for the ratification of the woman suffrage amendment in time to give the women the vote at the presidential election," said Miss Gram last night. "Both Connecticut and Vermont have republican governors, and republican legislatures pledged to ratify the amendment, and a special session in either of these two states would mean the passage of the measure."

"Our picketing at Chicago was passive and of a quiet nature in the main, but just as the tenth ballot which nominated Senator Harding was being taken, a group of us inside the hall lowered a large banner over the delegates bearing the inscription, 'republican party, we hold you responsible. We do not want planks. We demand the thirty-sixth state.'"

Miss Gram expects to leave shortly for San Francisco to attend the national democratic convention as a spectator. No picketing would be done by the women at San Francisco, she explained, as in no democratic states do conditions exist similar to those in the two republican states.

OLDFIELD TIRES WIN AGAIN

At Uniontown, Pa., Saturday Oldfield Tires won for Tommy Milton in his Deussenberg.

First place—at an average speed of ninety-five miles an hour for two hundred and twenty-five miles.

Just as Oldfields won for Gaston Chevrolet in the 500-mile classic at Indianapolis, where for the first time in the history of the speedway the winner went through without a single tire change.

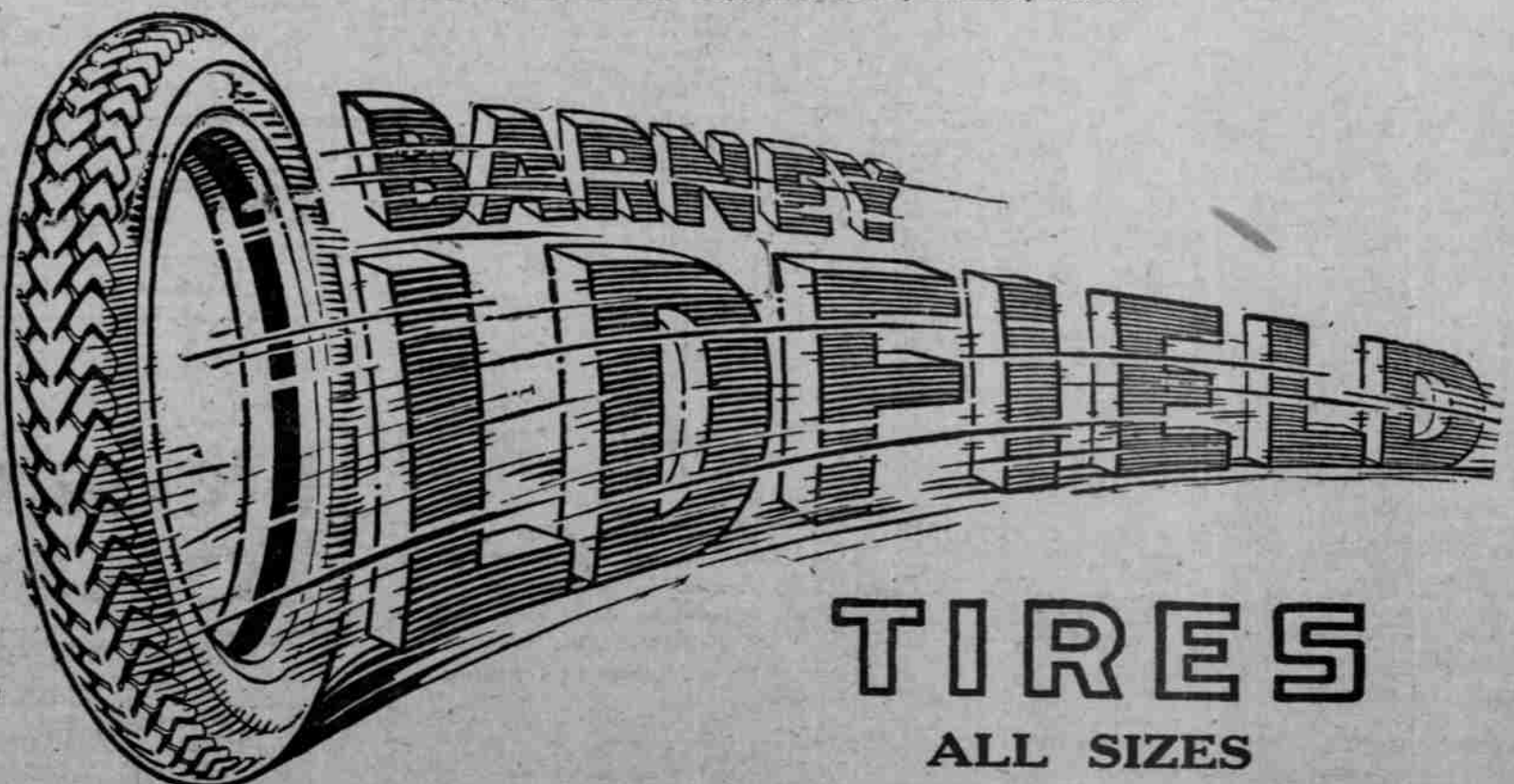
For years tire manufacturers have offered the verdict of the speedway as the best argument why you should use their tires.

Oldfield tires at Indianapolis and again at Uniontown have established a record that settles all argument.

Buy these speed tested tires and tubes—tires designed and perfected by Barney Oldfield, "Master Driver of the World". They are the most trustworthy tires built.

THE OLDFIELD TIRE CO.
BARNEY OLDFIELD
PRESIDENT
CLEVELAND, O.

Wholesale Warehouses at Dallas, Chicago, San Francisco, Los Angeles, Kansas City, New York, Atlanta, Boston



TIRES
ALL SIZES
CORD and FABRIC
Dealers Everywhere