

## HARDING TO ASK FOR CREDIT POOL

Message Expected to Go to Congress Today.

## BROADER POWERS WANTED

Railroads, Farmers and Exporters Would Be Helped.

## HOOVER SUGGESTS IDEA

War Finance Corporation Would Be Relied Upon to Adjust Difficulties Now Faced.

WASHINGTON, D. C., July 25.—Broadening the powers of the war finance corporation, making it the great governmental agency for bringing about the necessary economic readjustments, will be suggested by President Harding tomorrow in a special message to Congress, according to forecasts tonight.

The special letter, it has been announced, will deal primarily with the proposed financial settlement between the government and the railroads. But, according to statements by administration leaders, it probably will go further and recommend not only that the war finance corporation take charge of the railroad settlement, but also that it be empowered to direct and practically sole charge of farm credits and export financing.

## Hoover Suggests Idea

Secretary Hoover said today that he had recommended such a plan and that his recommendation had been approved by Secretary Mellon and Eugene Meyer Jr., managing director of the war finance corporation.

Investigation, he said, had convinced him that the broadening of the finance corporation's powers through legislation permitting it to handle adequately the triple problem was the proper course to pursue.

Funds for spending on bonds, he asserted, could be made available by the corporation without a great drain on the treasury. The corporation is empowered to issue bonds up to six times its capitalization of \$500,000,000.

However, according to finance corporation officials, that organization has an account with the treasury of more than \$300,000,000, so that a bond issue will not be necessary until that sum is exhausted. Payments to the roads, however, are expected to clean out quickly the account with the treasury.

In connection with the necessary government financing to move the first call for funds for the railroads, it was indicated at the treasury that an issue of treasury certificates would probably be made August 1. It was not thought, however, that the next issue of the treasury's new short-term notes would be floated until September.

## Separate Bills Advised

President Harding is understood to have been advised today by prominent republican leaders to recommend separate bills and not to complicate the subject of railroad refunding with agricultural credits. The new bill drafted by Secretary Hoover and Chairman Meyer of the war finance corporation, was said to have been completed today. It was to be introduced as a substitute for the Norris bill, pending before the senate, proposing a new farm financing corporation.

A substitute for the Norris bill was introduced by Senator Sterling, republican, South Dakota, during a broadening of the war finance corporation's powers to make agricultural financing loans, also is pending and discussion of substitute legislation is expected to develop tomorrow in the senate.

## Greater Loan Powers Proposed

Another substitute for the Norris bill by Senator Sterling, republican, South Dakota, during a broadening of the war finance corporation's powers to make agricultural financing loans, also is pending and discussion of substitute legislation is expected to develop tomorrow in the senate.

## 23 1/2-POUND TROUT TAKEN

California Angler Makes Record Catch in Pelican Bay.

KIAMATH FALLS, Or., July 25.—(Special.)—All records were broken Saturday when Dr. A. E. Sykes of Oakland, Cal., landed a 23 1/2-pound rainbow trout from Crocker creek, in Pelican bay, at the head of upper Klamath lake. The nearest approaches in size were a 22 1/2-pound rainbow taken by Mrs. McKay, in 1909, and a 22-pounder caught by William Baldwin of Oroville, in 1914.

Dr. Sykes' catch was 38 inches long and 24 inches in girth. He will take it to San Francisco for mounting and exhibition.

It was generally conceded by sportsmen that upper Klamath lake produced the largest rainbow trout in America, and in the absence of any contrary showing Dr. Sykes made the world's record catch.

## THREE-CENT STAMP REVENUE PROPOSAL

PLANS FOR REBUILDING TAX LAW ARE CRYSTALLIZING.

Excess Profits Levy to Be Dropped, but Secretary Mellon Opposes Imposition From Sales.

WASHINGTON, D. C., July 25.—Plans for building a new tax law took more definite form today as preparations were completed for the actual beginning tomorrow of revision of the revenue laws by the house ways and means committee.

President Harding heard details of what house leaders proposed to do from Chairman Fordney of the committee and information leaked out indicating that the excess profits stamp might be resorted to as a revenue producer.

The return to the 3-cent stamp was understood to have been discussed at a conference Saturday between Secretary Mellon and Mr. Fordney and other republican members of the ways and means committee. The suggestion will be taken up with the post-office department before any further action is made, however, it was stated.

In the search for methods of raising \$4,000,000,000 a year, members of the committee were declared to have talked also of a stamp tax on bank checks, but that suggestion was understood to have been frowned upon by the treasury. Other stamp tax proposals may get some consideration in the committee, but members said they feared the reaction from them.

Mr. Mellon, it was said, had told the committee that he was opposed to the use of a sales tax to supplant the excess profits levy, which, it was conceded, would be abandoned. He was represented as being favorable to a flat tax on corporations.

Committee leaders declared they believed the corporation tax would take the form of a 15 per cent levy on incomes with the exemption of \$200,000 now in effect, abolished.

## MOTORCYCLIST IS KILLED

Machine With Two in Side Car Plunges Over Embankment.

TILLAMOOK, Or., July 25.—(Special.)—The body of John Affolter of Eagle Creek was brought to this city this afternoon from the southern part of Tillamook county. He had met instant death yesterday when returning from a dance at this city.

The young man was visiting his uncle, Fred Affolter, and wife of Slab creek. All three went to the dance yesterday with John Affolter driving a motorcycle and Mr. and Mrs. Fred Affolter riding in a side car. It was when returning to their home that the accident occurred. When rounding a curve in the road the motorcycle swung and ran into the bank. This caused the machine to head toward the opposite side of the road, when the motorcycle and side car went over the embankment with the occupants in the wreck that followed John Affolter was killed and Mrs. Fred Affolter was seriously injured, while her husband was bruised.

John Affolter was 37 years of age and unmarried. His mother resides in Portland.

## PURDUE HEAD IS MISSING

University President and Wife Believed in Mountain Accident.

BANFF, Alberta, July 25.—Dr. W. E. Stone, president of Purdue university of Lafayette, Ind., and his wife today reported missing from the Walking Tour camp at Mount Assiniboine and were believed to have met with some serious accident.

Dr. and Mrs. Stone are both enthusiastic Alpinists and experienced mountain climbers and were attending the Walking Tour in order to be in fit condition for the big Alpine club meet at Lake O'Hara this week.

The missing couple left the Mount Assiniboine club Sunday, July 17, to traverse the surrounding country and took enough food with them for about four days' outing. Nothing has been heard from them since.

On Sunday the toilet articles belonging to Dr. and Mrs. Stone were found at the base of Mount Ennon, the second peak close to Mount Assiniboine.

## ROAD ARGUMENT IS SET

Salem Judge to Hear West Side Pacific Highway Case.

SALEM, Or., July 25.—(Special.)—Hearing of a motion to make more specific a complaint filed by residents of Independence who seek to halt work on unimproved sections of the West Side Pacific highway, will be heard by Judge Kelley, in the Marion county circuit court here, Wednesday. The motion was prepared by attorneys for the state highway department.

Judge Belt originally was assigned to hear the motion, but he declined to serve because of prejudice. Judge Kelley then was assigned to hear the motion, but he declined to hear it because of prejudice. Judge Kelley then was assigned to hear the motion, but he declined to hear it because of prejudice.

## HARDING GREET'S FATIMA

Afghanistan Princess Formally Received at White House.

WASHINGTON, D. C., July 25.—Princess Fatima, sultana of Afghanistan, was received at the White House today by President Harding.

The ceremony was carried out with all the formality customarily attending the visit here of distinguished foreigners.

## INVENTOR GRILLED AT PHONE HEARING

Babcock Withstands Onslaught of Queries.

## TRIFLING SUBJECTS COVERED

Lawyer's Reference to 'Dingbat' Rouses Tomlinson.

## CLASHES ARE FREQUENT

Witness for Portland Testifies Many Wage Earners Unable to Afford Service.

## SALEM, Or., July 25.—(Special.)

Under a severe and grueling cross-examination conducted by James T. Shaw, attorney for the Pacific Telephone & Telegraph company, Major Garrison Babcock, star witness for the city of Portland in the telephone rate rehearing, spent a most uncomfortable afternoon on the witness stand.

Several times Attorney Shaw had Major Babcock in awkward positions, but in each case the subject was not of great importance. Whether the attorney conducting the cross-examination will be able to shake the substantial testimony given to the commission by the city's witness last Friday remains to be seen.

The moment that Major Babcock was turned over to him for cross-examination, Attorney Shaw cast aside his cloak of gentility and attitude which he wore last week as he interrogated the farmers who were called. He cast aside also his moderate manner of speech employed when Mrs. Agnes Johnson was on the stand last week.

## INTERROGATION IS SEVERE

In an instant the attorney became a harsh, cynical interrogator of the criminal lawyer type. And he overtook not an opportunity in which to cause the expert witness embarrassment. The attitude of the attorney was shown at the outset when he referred to a telechronometer, invented by Major Babcock and how manufactured in Seattle by a company, in which the witness has financial interest, as a "dingbat."

Clashes between attorneys in the case were frequent throughout the day, and often Attorney Tomlinson came to the rescue of the witness by objecting to certain lines of testimony, winning a ruling from Chairman Williams in practically every instance.

The first time that Major Babcock lost his bearings during the hearing was when Attorney Shaw, referring to the major's testimony in reference to toll rates in effect in Washington, Oregon are 40 per cent higher than the rates in Oregon, asked Major Babcock

## WHY DOESN'T PRESIDENT HARDING LET HENRY FORD SOLVE THE RAILROAD PROBLEM?

EIGHTEEN-MILES ON A GALLON OF GAS!

HONK HONK HONK

## MAURETANIA BURNS DESPITE HARD FIGHT

FLAMES, UNCONTROLLED, EAT WAY INTO INTERIOR.

So Much Water is Poured Into Liner That Dangerous List to Starboard is Taken.

SOUTHAMPTON, July 25.—(By the Associated Press.)—Fire broke out today in the first cabin of the Mauretania of the Cunard line, sister ship of the Lusitania and, spreading rapidly, developed into a most serious conflagration. At 8 o'clock tonight, many hours after the outbreak, the flames were still eating into the interior.

The fire was supposed to have originated from a lighted cigarette dropped upon the carpet in the main saloon, and it had made much headway before discovered.

In addition to the fire brigades, tugs assisted in the efforts to save the vessel. The firemen worked under great difficulties from stagings along over the side.

So great was the volume of water poured into her that the liner took a dangerous list to starboard. Timely action of the pumps, however, enabled her to right herself.

Thus far the first-class dining saloon and all of the state rooms on the E. and D. decks have been burned out. The damage is estimated at many thousands of pounds and it is said it will take months to repair the vessel.

## JAPANESE KILL AND LOOT

Englishman Murdered; Americans Attacked; Colonies Roused.

YOKOHAMA, Japan, July 7.—Crimes of violence in Japan which are increasing, probably as a sequence of the growth of unemployment, were marked yesterday by the murder of Donald Hill, a young Englishman while he was attempting to subdue a Japanese burglar. Hill was the son of F. W. Hill, a British resident, representative of a Canadian insurance company and prominent in the British colony here.

The murder, which followed several attacks on Americans, has aroused the entire foreign community of Japan and it is likely that the authorities will be asked to furnish more adequate protection to foreigners.

## BIG INCOMES HARDEST HIT

People Making Million Yearly Are Taxed About Two-Thirds.

WASHINGTON, D. C., July 25.—People who are making \$1,000,000 or more net income are paying the government practically two-thirds of it in taxes, according to preliminary statistics of income for 1919, issued today by the internal revenue bureau. There were 65 of these taxpayers, paying an average of \$1,525,492 each, the average rate of tax being 64.87 per cent.

The preliminary statistics do not show the taxes in classes above \$1,000,000, but the net income of individuals in the class from \$1,000,000 to \$1,500,000 is given as \$41,658,483.

## DR. BRUMFIELD SEEN, SAY ROSEBURG MEN

ALLEGED SLAYER REPORTED GOING SOUTH IN AUTO.

Driver of Car Near Crater Lake Park Declared to Have Been Positively Identified.

ROSEBURG, Or., July 25.—(Special.)—Roseburg officers tonight warned police authorities throughout northeastern California to be on the lookout for Dr. R. M. Brumfield, alleged murderer of Dennis Russell, who was believed to be headed in that direction. A man positively identified by Dr. R. B. Shoemaker, a local physician, and his father, M. J. Shoemaker, was seen by them Saturday afternoon at 1:30 o'clock about nine miles from the boundary of Crater lake park. He was reported seen again yesterday afternoon at 4:30 o'clock speeding south through Alturas, Cal.

## JURY IS OBTAINED TO TRY MRS. AGEE

Alleged Husband-Slayer Is Calm in Court.

STATE SEEKS DEATH PENALTY

Defense to Center Attack on Circumstantial Net.

## HEARING STARTS TODAY

Wide Public Interest in Case Is Demonstrated by Large Crowd in Courtroom.

As the hands of the courtroom clock reached 5 yesterday afternoon, counsel for defense and prosecution gathered for the first time in the courtroom to try Mrs. Louise Agee for the murder of her husband on the night of June 11. Twenty-four jurors were selected for the case to prevent a too rapid curtailment of the national defense, especially in naval preparedness.

A jury willing to decree the death penalty in case of conviction of murder in the first degree was sought by the prosecution and all prospective jurors having scruples against hanging a woman were dismissed from further consideration by the state.

Evidence is Circumstantial.

Questions propounded in the course of the examination of veniremen disclosed that the state conceded that its case was based on circumstantial evidence. Considerable stress was laid on the willingness of jurors to accept circumstantial evidence as a basis for a verdict of guilt. The defense did not disclose the plan to bear the name of the prosecution in the questioning except that it will claim absolute innocence of the crime and not rely on any claim of insanity, self-defense or the like.

## Jury Is Announced

The jury as finally accepted is composed of the following: August H. Ackerman, 91 Thurman street, real estate man; Henry C. Rigley, 1188 East Salem street, carpenter; Wesley D. Hill, 1128 Minnesota avenue, farmer; William N. Akers, 4523 Woodstock avenue, grocer; George Ellis, 821 Halsey street, retired justice of the peace and farmer; Chester W. Hopkins, 27 West Church street, dentist; G. W. Whitcomb, 425 East Fifty-seventh street, carpenter; E. B. White, 609 Elliott avenue, building contractor; Ellison D. Hoskins, 527 Blagden street, carpenter; Albert E. Holcomb, 575 Hawthorne avenue, drayman; Charles Rayburn, 912 Gantenben avenue, carpenter; B. W. Thomas, Gresham, retired hardware merchant.

Throughout the rather tedious process of selecting the jurors, Mrs. Agee sat almost motionless, her black gloves folded in her lap, her eyes boring into the prospective jurors as they approached the box. She was absolutely void of expression was her face, but the intensity of her gaze seldom relaxed.

Nervousness Not Shown.

If the woman who was on trial for her life, charged with a most brutal murder of the man she has promised to honor and cherish, was nervous, she did not show it. Occasionally she would moisten her lips with the tip of her tongue. Her chest rose and fell with a regularity that was almost hypnotic. She was the only indications that she was under a strain.

Her black sailor hat and veil and dark garb were relieved only by the white collar and cuffs of her waist. The veil was thrown back over the hat. At her left sat Miss A. Williams, special deputy sheriff, appointed to guard the woman during the trial at the request of the Prisoners' Aid society. At Mrs. Agee's right sat her father, D. J. Swing, who came to Portland from Missouri to be present at the trial. He is a large man, with broad, powerful shoulders. His hair is gray.

He took a keen interest in the proceedings and occasionally laughed appreciatively at a quip by judge or attorneys.

Judge Quizzes Veniremen.

Judge Morrow occupied a chair before opposing counsel during the examination of jurors, frequently interrupting to ask questions of the man being examined or to explain intricate legal distinctions. With John A. Collier, former chief deputy prosecuting attorney for Multnomah county, Blagden street, in the defense his brother, Henry Collier, and T. Walter Gillard, chief deputy district attorney Hammersly is being assisted by Deputy Pierce.

The preliminary challenges by the defense were against August Marin, Conrad Emig, W. H. Hamilton, Thomas E. Anderson and Charles Mason. The prosecution challenged W. G. Love and W. L. Pace. Jurors excused for cause or challenges were Samuel Haddock, Arthur View, James Brown, Alfred G. Holmes and L. A. West. Most of the latter were excused because of scruples against capital punishment.

Public interest in the case runs high, if the attendance at the trial is

## POINDEXTER MAY BE CONFERENCE ADVISER

PACIFISTS NOT WANTED AT DISARMAMENT SESSION.

President Considers Appointing Senator Who Knows Naval and Military Requirements.

## THE OREGONIAN NEWS BUREAU

Washington, D. C., July 25.—Development of the last few days have indicated that Senator Poindexter of Washington is under consideration by the president as one of the senators to be chosen to sit in at the forthcoming disarmament conference. It has been said that the president feels that this conference will need, at least as advisers, men who are experienced in matters of military subjects.

As acting chairman of the senate committee on naval affairs, Senator Poindexter is now the outstanding authority of the senate on naval matters. He has been a student of naval defense for many years and was on hand at every one of the recent air bombing tests, held off Hampton roads.

But what is more important, Senator Poindexter is not a pacifist and it is far from the purpose of the president to make the disarmament gathering a mere meeting of peace theorists. It has been pointed out that the president is seeking a solution through the minds of practical men who recognize the stern fact that no nation is forever immune from attacks. In Senator Poindexter's behalf attention has been called to the fact that he was for preparedness before the war and that he has sought the peace to prevent a too rapid curtailment of the national defense, especially in naval preparedness.

## HONOR FOR LANE URGED

Proposal Made to Change Name of Park Feature.

TACOMA, Wash., July 25.—Clyde B. Altchison, interstate commerce commissioner, after a visit to Rainier national park, said today that he would appear before the national geographic board soon and urge that the park be named in honor of the late Franklin K. Lane, Pinnacles Peak is one of the highest in the park and is readily seen by visitors. Mr. Altchison said it was to be proposed for the peak to bear the name of Mr. Lane rather than a smaller mountain that has been suggested.

"All the majestic mountains in the Pacific northwest should be renamed," Mr. Altchison said. "Mount Rainier, Mount St. Helena and Mount Hood and Mount Baker should bear the names of former presidents."

## POOL HELD INADEQUATE

Cattle Raisers Think \$50,000,000 for Loans Not Sufficient.

PORT WORTH, Tex., July 25.—Belief that the \$50,000,000 bankers' pool for loans to the cattle industry would prove inadequate to meet the needs of the stockmen was voiced by members of the executive committee of the Southwestern Cattle Raisers' association, meeting here late today.

Earlier in the day the committee tabled a motion presented by south Texas livestock interests that the committee request Governor Pat M. Neff to submit to the legislature, now in session, a request that the tick eradication law in zone three be suspended for one year.

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## SPEED LIMIT SIGNS WANTED ON ROADS

Conference Denounces Taking of Cash Bail.

## MORE POLICE SUGGESTED

Legislature May Be Asked to Increase Highway Patrol.

## SESSION OFTEN BITTER

Columbia County Authorities Demand Officers Who Are Chief Cause of Complaints.

That the state highway commission be petitioned at once to install suitable and uniform speed signs throughout the state in much the same manner as is now done on the state highways in California and that the requirement of cash bail from speeding motorists when arrested on the Lower Columbia River highway be frowned upon and when absolutely necessary to take bail a duplicate receipt be made out and the books audited at regular intervals, was the substance of the two resolutions which grew out of the meeting at the Chamber of Commerce yesterday afternoon. Seven city representatives of the lower Columbia district and the committee from the Chamber.

Following a discussion lasting for two hours and during which time the citing of personal cases and grievances did much to delay the highway settling of a definite plan of action, the resolutions were adopted unanimously. A vote of thanks was also given to the representatives of the various communities on the lower Columbia and the Columbia county representatives for their consideration of the subject, and in addition a vote that the traffic situation through the town of Seaside was at the present time ideal, was recorded.

More Police Favored.

At the close of the meeting Captain Lewis of the Portland police bureau proposed a resolution that the meeting go on record as favoring the increase of state highway police to enforce speed laws throughout the state and especially to relieve local police outside of municipalities. This plan will be proposed at the next session of the legislature and it is probable that it will be prepared in the form of a bill to be presented at that time.

Yesterday's meeting was called by the Oregon State Motor association, the Oregon tourist information bureau and the Chamber of Commerce with invitations sent to representatives of all the communities on the lower Columbia highway to discuss the safety of the traveling public on the lower Columbia highway. Complaints from various individuals and organizations as to the method of law enforcement prompted the call, which was responded to by 60 representative men from communities from Portland to Seaside.

## H. J. Ottenheimer Presides

H. J. Ottenheimer, who was elected chairman of the meeting, opened the discussion by calling upon County Commissioner Dolman, asking him to give his idea as to the maximum speed limit on the highway. He cited the case of a woman who was fined \$15 for stopping near Hood River recently with two wheels of her car still on the paved highway, as an example of this abuse. She had stopped to view the scenery and was not aware of an ordinance forbidding her to park as she did. Mr. Dolman urged that more discretion in the matter of making arrests be used and that more warnings and fewer arrests be given out.

Captain Opposes Increase.

Captain Lewis took exception to the arguments advanced by Commissioner Dolman for the increase of the maximum speed limit on the Linnton road, stating that there were 126 accidents on this stretch of road last year, which were due, they were made, and it would only be possible to increase this maximum for a stretch of about two miles.

The policy of warning people has been carried out by the police to the extent that 32,000 motorists were warned in the city of Portland last year, and this in view of the fact that there are only 28,000 drivers of cars in the city," said Captain Lewis. "This means that we have warned and repeatedly warned the drivers, and it is not available."

Captain Lewis stated the policy of the Portland police in filing the warnings when they were made, and when a driver had been warned a certain number of times he was brought into court. "The matter of warning can be handled all right in the rural communities and the counties if they can afford to go to the expense of keeping an accurate record of warnings."