

GOVERNOR HARDING BACKS BANK BOARD

1919-20 Policies Intended to
Avert Panic, Says Witness.

FARM CREDITS DISCUSSED

Governor Tells Congressional Com-
mission Prices Were Not In-
fluenced Deliberately.

WASHINGTON, D. C., Aug. 5.—Re-serve bank policies of 1919 and 1920 were formulated solely to prevent the country's banking system from collapse, and were successful in their object, Governor Harding of the re-serve board declared today in closing a two days' appearance before a joint congressional commission.

To questioners he repeated time and again a declaration that the board had not sought to influence prices, either up or down, but had prepared to meet a price break that was world-wide and yet to maintain and expand credit lines.

There was a bare possibility, he said, that if in 1919 the reserve board had raised national rediscount rates, "the runaway in prices might have been checked, and the result might have been better."

Federal Needs Considered.
He mentioned needs of the govern-ment financing as influential in de-termining the course actually taken. Representative Sumner, democrat, Texas, suggested that "the word might have gone out" from the board to bankers to be fearful of prices, but Governor Harding said that noth-ing had been done inconsistent with this statement.

"It wasn't a good time to be talk-ing too much—in 1920," he remarked, "but we can be bolder now."

He made a suggestion that the committee might utilize the farm loan board as a means of extending short-term credits to farmers, for nine and 12 months periods, but said he would make no detailed recommendations.

More Credit Needed.
"All over the country we find that agricultural and livestock interests find they need more credit facilities," he said, "and want something to make themselves independent of banks. The farmers' credit horizon is necessarily limited and local. Any man hesitates about getting the government in business, and we can't use the reserve system for that, because its funds are essentially reserved for making consider there is a possibility that the farm loan banks might be ex-tended to meet the need. The ques-tion needs study."

LUMBER SALES BETTER

Shipments for Week Exceed Pro-
duction by 14 Million Feet.

Lumber shipments from western Oregon and western Washington for the week just closed exceeded production by approximately 14,000,000 feet, according to the weekly lumber re-view issued by the West Coast Lum-bermen's association.

"One hundred and seven mills in western Oregon and western Wash-ington report production at 54,395,454 feet, which is 28 per cent below nor-mal," said the report.

"New business totaled 52,804,282 feet. Shipments totaled 68,295,532 feet. For delivery by rail, new business included 1204 cars; rail shipments, 1235 cars. Unshipped balance in the rail trade was 2730 cars.

"Local business totaled 4,236,237 feet. In the cargo trade, domestic or-der totaled 6,987,046 feet; exports, 6,461,000 feet. Coastwise and inter-coastal cargo shipments, 21,325,510 feet; export shipments, 6,959,885 feet."

UNIQUE DECREE ENTERED

Divorced Couple Divide Household
Effects Under Court Order.

SALEM, Or., Aug. 5.—(Special).—A unique division of property was made here yesterday in the decree dissolving the marriage contract of Mr. and Mrs. Rowley Metcalf. The decree was granted to the latter.

To Mrs. Metcalf was awarded a bedstead, mattress, set of bed spring, dining table, six chairs and all dishes. Mr. Metcalf was allowed a cook stove, cooking utensils, sanitary couch, feather bed, two pillows, bed clothing and electric iron.

The Metcalfs are well known in Salem, where they have resided for some time.

FORD'S CUT IS PROTESTED

Railroads Charge Attempt to Break
Down Rates.

WASHINGTON, Aug. 5.—With re-ference to Henry Ford, owner of the Detroit, Toledo & Ironton railroad, as "an overzealous entrepreneur," who would not be recognized, "for pur-poses of his own, to break down freight rates," upon which a number of railroads principally depend for their livelihood, the Northern West Virginia association protested today to the interstate commerce commis-sion against coal rate reductions proposed by Mr. Ford's railroad.

The association was joined in its protest by other coal operators' or-ganizations in the coal districts of Kentucky and West Virginia.

ALL CAMPS IN OPERATION

Marion and Polk County Lum-
bermen Scent Better Times.

SALEM, Or., Aug. 5.—(Special).—Practically all logging camps in Marion and Polk counties are now in operation, and new camps will be opened before fall, according to U. G. Hott, manager of the logging depart-ment of the C. A. Spaulding Logging company.

The camps are being conducted on the eight-hour schedule and no diffi-culty is being encountered in obtain-ing plenty of men. As a result of the present logging operations it was said that all the mills will have plenty of material for the winter run.

ALIENATION IS CHARGED

Husband Declared to Have Been
Lured Away by Parents.

Making the charge that her hus-band's family lured him away from her, Mrs. Hazel K. Klatt died suit

against her "in-laws" in the circuit court yesterday, asking \$20,000 dam-ages for alienation of affections. She is in Portland, "a stranger in a strange land," she declares, deserted by husband and "without friends, ac-quaintances or money."

Mrs. Klatt married Gus G. Klatt in Los Angeles on November 15, 1920. Until January 28, 1921, they lived hap-pily together, she avers. At that time Klatt persuaded her to come to Portland to live. They lived together here until he left her on March 2, 1921, "and never since."

From the day she came here her husband's family tried to separate them, she charges, telling him that "she was not the type of wife for him," that he would be "far better off without her" and that it would be better if he left her before children were born.

"When he did leave her folks re-fused to tell her his whereabouts or to help her in any way," she com-plaints.

The suit is brought against Fred Klatt and Julia Ann Klatt, father-in-law and mother-in-law; Esther Klatt, sister-in-law, and Clarence Klatt, brother-in-law.

SOVIET GOLD BAN LIFTED

SHIPMENT FROM GREAT BRIT-
AIN IS PERMITTED.

London Ambassador Advises Com-
merce Department of Test Case
Decision in England.

WASHINGTON, D. C., Aug. 5.—Rus-sian soviet gold may now be shipped to this country from Great Britain as a result of a recent test case in the British courts, the commerce de-partment has been advised by Am-bassador Hildon, at London.

"The London board of trade now takes the ground," the ambassador said, "that the outcome of the test case demonstrates that no holder of imperial Russian securities can suc-cessfully contest the soviet claim to legal ownership of the Russian gold reserve, and I am informed that the Bank of England will henceforth grant export licenses on documents of title for soviet gold without regard to the character of the assay marks it carries."

LONDON, Aug. 5.—(By the Asso-ciated Press).—The American relief committee has been placing little faith in the reports that the Ameri-can prisoners in Russia have been re-leased.

WIFE HELD 'BEHIND TIMES'

Mate Would Not Go to Church, Is
Divorced Plaintiff.

VANCOUVER, Wash., Aug. 5.—(Spe-cial).—In the divorce case of John H. Hildon, the government in the su-perior court today the plaintiff said his wife was 600 years behind the times, that she would not go to church or dress as him and that she would not entertain company in his home. These facts grieved him so deeply that he would die if he had to live with her any longer, he said.

The plaintiff maintained that dur-ing a quarrel over two cows the de-fendant had thrown a hoe at him and he would have been killed if he had not been a good sprinter.

The trial brought out the fact that some property was held by both the principals.

Judge George B. Simpson took the case under advisement.

WOMAN HIT BY BOARD

Driver Arrested on Charge of Fail-
ing to Show Light.

P. D. Madill, 428 Russell street, was arrested last night by Patrolman Thorpe following the injury of Mrs. Fannie Turshinsky, 3 years old, Royal hotel, by a board which pro-duced from the rear end of his load. Madill was said to have passed the front of Mrs. Turshinsky at East Gil-son street and Broadway, when the plank struck her down. She was sent to St. Vincent's hospital, where her in-juries were found to be painful but not serious. Madill was charged with violation of the traffic ordinance for alleged failure to attach a warning signal to the protruding portion of the load.

GOTHAM TENEMENTS BURN

Four Children Perish and Seven
Others Badly Injured.

NEW YORK, Aug. 5.—Four chil-dren were burned to death and seven other persons were seriously injured in an early morning fire which swept three tenement houses in the Bronx this morning.

The fire spread quickly from the tenement in which it started to two adjoining tenements and when fire-men reached the scene they found more than a score of panic-stricken women and children crowded before the windows crying for aid.

Aerial ladders were run up and firemen began bringing the scantily clad women and children down to safety.

Oregon Scenery Lauded.

Oregon and its scenery are all to the good, according to the declaration of W. N. King, assistant general at-torney for the Toledo & Ohio Central railway and the Kanawha & Michi-gan Railway company, with head-quarters in Columbus, O., who is vis-iting here. In company with J. W. Hannelman, formerly schoolmate of John Perrin, chairman of the board of the 12th federal reserve bank at San Francisco, declared in a newspaper statement here today. Mr. Perrin is in the city on a trip of inspection.

The low no money-lending agency loaning rates throughout the world have materially eased during the last few months, the ratio of federal re-serves has steadily increased. Mr. Perrin declared. "We are experienc-ing a steadily increasing demand for agricultural and livestock products, with prices distinctly and more favor-ably than a few months ago and with wheat, wool and other products mov-ing at good prices."

Mr. Perrin said that during the last year there has been a steady de-cline in the value of rediscounted paper from member banks in cities and a steady increase in value of such paper from banks in the agricultural dis-tricts.

CHILDBEATER GOES FREE

Judge Suspends Sentence of 180
Days in City Jail.

The case of Naason McMaster, charged with assault and battery for inflicting drastic punishment on his two stepchildren, was settled late yesterday afternoon in municipal court by a jury trial. The jury brought in a verdict of guilty, with a recommendation of leniency. Ac-cording Judge Leonard affixed a sentence of 180 days in the city jail, but sus-pended the sentence, after cautioning McMaster against re-peating the offense.

The two stepchildren, Wilfred and Kathleen Waterston, 10 and 8 years old, respectively, together with their

BUYERS DINNER GUESTS

MORE THAN 700 MERCHANTS
ATTEND SOCIAL FUNCTION.

Addresses and Musical Numbers
Entertainment Features Added
by Chamber of Commerce.

More than 700 guests of the Port-land Chamber of Commerce, repre-senting a part of the buyers in the city for buyers' week, were present at the elaborate dinner served at the Multnomah hotel last night. A number of addresses and a musical programme were the features of the evening, following the repast.

In the absence of H. B. Van Duser, president of the chamber of com-merce, the address of welcome was delivered by the toastmaster, A. J. Bale, who said that this has been the most remarkable buyers' week in the history of the event, 1552 visitors hav-ing registered at the headquarters up to the closing hour last night.

J. A. Davidson of the Western Farmer, made a plea for the develop-ment of farm resources in an address. "The farm wealth of the United States totals \$77,000,000,000," he said, "and we must not realize that the farmer is our meat ticket."

He pointed to the fact that the farmers bought 70 per cent of the au-tomobiles purchased in the country last year, as an example of wealth control. Mr. Davidson's topic was "Farm Market Possibilities to the Country Merchant."

Frederick Greenwood, manager of the Portland Trust and Savings bank, outlined the system and workings of the federal reserve banking organiza-tion. His subject was "Federal Re-serve System and the Economic Re-adjustment."

B. F. Irvine closed the programme of addresses with a talk on the topical "The Pulse of the Times." Musical numbers given were in the form of solos by Miss Phyllis Wolfe and O. T. Wedemeyer.

JOBBERS HOLD OPEN HOUSE

Business Is Combined With Socia-
bility by Visitors.

Buyers passed yesterday visiting jobbers and manufacturers of the city who keep open house for them, and the business combined with soci-ality. Many order books held evi-dence of intensive purchasing yester-day and the week's total will be very large in volume, it was said.

Today sight-seeing trips about Portland by automobile will complete the entertainment of visitors. The automobiles will leave the Oregon building at 10:30 A. M. and take the visitors out upon the nearby boule-vards and other scenic spots of the city and its environs.

\$15,000 PAYROLL STOLEN

SIX OUTLAWS HALT ARMED
GUARD OF FIVE MEN.

Robbers Board Train in Illinois
and Get Package Said to Be
Worth \$50,000.

HACKENSACK, N. J., Aug. 5.—The county prosecutor's office was notified today that six armed robbers had held up the payrollmaster of the Barrett Manufacturing company at Shadyside, about 11 o'clock, and re-ceived with a payroll believed to be between \$10,000 and \$15,000. The payrollmaster, accompanied by an armed guard of five men, was traveling in an automobile when the holdup oc-curred.

GREENVILLE, Ill., Aug. 5.—Two robbers who boarded a Baltimore & Ohio passenger train at Beecher City at 9:30 o'clock last night held up the express messenger and escaped at Altamont, five miles south of Beecher City, with all the cash, express packages. It is believed the packages contained approximately \$50,000.

OMAHA, Neb., Aug. 5.—A man whose name was given as Harry Palmer was held here today follow-ing his arrest yesterday by police officers in connection with the theft in Toledo last winter of \$500,000 worth of liberty and other govern-ment bonds.

Palmer was arrested when he called at the postoffice for a regis-tered letter addressed to him from Chicago. D. V. Dickinson, govern-ment secret service agent, said that details of what connection Palmer is supposed to have had with the al-leged Toledo theft were not known by federal officials here.

WORST IS DECLARED OVER

FINANCIAL BASEMENT NOTED
BY RESERVE BANKER.

Money Stringency No More and
Lending Rates Materially Eased,
Says John Perrin.

SPOKANE, Wash., Aug. 5.—Pros-pective large crops and a marked im-provement in the financial situation indicate that "the worst is past," John Perrin, chairman of the board of the 12th federal reserve bank at San Francisco, declared in a newspaper statement here today. Mr. Perrin is in the city on a trip of inspection.

The low no money-lending agency loaning rates throughout the world have materially eased during the last few months, the ratio of federal re-serves has steadily increased. Mr. Perrin declared. "We are experienc-ing a steadily increasing demand for agricultural and livestock products, with prices distinctly and more favor-ably than a few months ago and with wheat, wool and other products mov-ing at good prices."

Mr. Perrin said that during the last year there has been a steady de-cline in the value of rediscounted paper from member banks in cities and a steady increase in value of such paper from banks in the agricultural dis-tricts.

Trusty Makes Escape.

SALEM, Or., Aug. 5.—(Special).—Jim Ward, who was rec'd at the state penitentiary here from Linn county last March, escaped from the institution today. He was under a two years' sentence for manslaughter. At the time of his escape Ward was employed in handling flax outside of the prison inclosure.

Girl's Arm Fractured.

FOSSILL, Or., Aug. 5.—(Special).—Lorraine Morris, 3-year-old daughter of Mayor C. W. Morris, while playing on the porch of the Morris residence today fell off the steps and her arm was broken.

Artisans' Dance Tonight.

The United Artisans will have a dance on the river bank Swan tonight. They will leave the foot of Jefferson street at 9 o'clock.

Comfort Your Skin

With Cuticura Soap
and Fragrant Talcum

See Olmstead, Taylor, etc., everywhere. Sample free of Cuticura Laboratories, Dept. X, Malden, Mass.

CANBY TO BOYCOTT 'JUICE'

CITIZENS REFUSE TO PAY
HIGHER RATES.

Intention to Return to Coal Oil
Lamp Expressed at Mass Meet-
ing of 100 Consumers.

OREGON CITY, Or., Aug. 5.—(Spe-cial).—Following the lead of the city of Canby, which reduced its street lights to one-seventh of their former number in retaliation for the recent rise in the electric rates, 100 citizens at a mass meeting Thursday night acclaimed their intention to order the Molalla Power company to discon-tinue furnishing them electricity.

The mass meeting, held in Canby, was attended by consumers from that district, who met to decide means to obtain a rate more nearly equal to that paid by other cities in this dis-trict.

The rise was allowed by the public service commission, effective the first of last month, pending a hearing, a definite date for which has not been set. Discussion of the question with the commission was pending and that the hearing would be held some time this fall.

Increased cost of operation is given by the Molalla Power company as the reason for the increase. The com-pany is now buying power from the Portland Railway, Light & Power company and the electricity comes over the same line which serves Woodburn and vicinity.

The recent rise puts electricity on a basis of \$1.70 a 60-watt unit, as against a basic charge of 75 cents for the same consumption under the old rate.

The householder, many of whom are farmers of the district, acclaimed their intention to stop using elec-tricity and return to the coal-oil lamp if necessary. August 15 was set for the date when they intend to ask the company to cease supplying them current.

One municipality of Canby recently reduced the number of street lights from 60 to nine. This will cut its electricity consumption six-sevenths or the former figure. The city will formerly was \$40 a month and now will drop to \$9. Under the increase, if the consumption was not reduced, Canby would be forced to pay more than \$100.

TWO DEAD IN ACCIDENTS

List of Fatalities Compiled by State
Department.

SALEM, Or., Aug. 5.—(Special).—There were two fatalities due to in-dustrial accidents in Oregon during the week ending August 4, according to a report filed by the state indus-trial accident commission today. The victims were Vernon Foster, logger, Gaston, and H. T. Lowe, logger, Valdez.

Of the total of 428 accidents dur-ing the week, 289 were subject to be-efits under the compensation act, 26 were from firms and corporations that had rejected the act and 13 were from public utilities not subject to the act.

PHONE MEETING CALLED

Public Inquiry Into New Rates to
Be Made at Sheridan.

SHERIDAN, Or., Aug. 5.—(Special).—A public meeting has been called for tomorrow night in the city hall to discuss local telephone rates. Con-siderable agitation against new tele-phone rates has been made locally, and the committee organizing the meeting desires a public inquiry into the new schedule.

Public meetings to investigate new electric schedules effective here July 1 were held during the last two weeks, but no definite action was taken. Threats of boycott were made and petitions circulated.

Salem Elks Name Delegates.

SALEM, Or., Aug. 5.—(Special).—The Salem lodge of Elks has elected three delegates to attend the state convention to be held at Marshfield late this month. The delegates include F. B. Southwick, Carl Hingens, N. D. Elliott, O. A. Fisher, Julius Alms, O. A. Hartman, C. D. Gabrielson, Paul Siegel and A. L. Wallace.

Jail Sentence Suspended.

T. B. Manzer, who appeared before Acting Judge Leonard in municipal court yesterday morning on a charge of driving an automobile while in-tox-icated, was sentenced to 180 days in

Fall From Auto Hurts Girl.

Yetta Cohen, 16 years old, 355 Broadway, was taken to the Good Sa-maritan hospital in an unconscious condition last night after she had fallen from the front seat of an auto-mobile as it rounded a corner. With three friends she had been to Macys park and all four were riding in the front seat when the accident occurred. She regained consciousness after reaching the hospital and was said to be out of danger.

Sale of Liquor Charged.

The potency of moonshine which was being dispensed in the cigar stand of Joseph Speilich, 222 Couch street, was attested by a chemist last night. When the police entered the liquor was poured down the sink drain and was tapped and samples of mixed moonshine and water showed 8.2 per cent alcohol. Speilich was locked up for violation of the prohibi-tion law.

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