

COST OF LIVING AGAIN GOES UP

Tremendous Activity Booms Building Materials.

CLOTHING ALSO SOARS

Week's Carloading Figures Furnish Distinct Surprise; Unemployment Is Vanishing.

BY HARDEN COLFAX.
(Copyright, 1922, by The Oregonian.)
WASHINGTON, D. C., June 18.—(Special.)—The cost of living has begun to climb upward again, due to the general prosperity which has returned ahead of the time it was expected.

The federal departments of commerce, labor, agriculture and treasury, the federal reserve board and private organizations are receiving almost identical reports from their field investigators to the effect that what appears to be a major upward swing of prices is in progress at present.

Virtually all lines of commodities are the subject of these reports and with several notable exceptions the stories are the same.

Food and Clothing Up.
Food, fuel, clothing, furniture, building materials and manufactured articles generally are reported up in price, both wholesale and retail. Some this month are 1 to 5 per cent over the figures of six weeks ago. In many lines, including cotton, wool, bituminous coal, iron and steel, the price advances have been such as to extend through the wholesale figures and into retail prices of some of the finished articles. In most of the other lines, however, the wholesaler, still in hot competition with his fellow for business, has absorbed the slight rise.

Building Materials Go Up.

Building materials show a distinct uplift in prices due largely to not wholly to the tremendous activity in the industry. From January 1 to June 1, according to figures made public this week, construction work in 27 northeastern states totaled \$1,250,000,000, a new high record. May figures smashed the April record by 3 per cent and went to a grand total in the month of \$1,250,000,000, a new high record. Labor is reported to be getting advanced wages in many localities, and a shortage of skilled workmen appears imminent throughout the entire industry.

Car-Loading Is Surprise.

The week's car-loading figures furnished a distinct surprise. Loadings had risen to a total of \$21,000 cars on the 240 chief roads of the country during the week ending May 27, and it was thought the following week would show decidedly lower average figures. Instead, the Memorial day holiday the total loadings were less, being 750,645 cars, but the average for each day was up almost 10 per cent, being 130,000 cars a day, as compared with 127,000 during the week of May 27.

Continuation of the good work of that week throughout the month would make this the third month of railroad operation since 1917.

Unemployment Is Vanishing.

Preliminary reports on the unemployment situation during June, made to the department of commerce and labor, indicate that unemployment has almost wholly disappeared. Exceptions are made in certain lines, notably clerical workers and industries in which a strike is in progress.

In the coal industry, however, nonunion mines except in Alabama are working at record activity. In the single West Virginia county so much coal is being shipped at the present time that the money therefor, if equally apportioned, would furnish \$100 a week for every mine employee in the county.

The automobile industry, a bit hesitant two months ago, is out to smash its own best record and the undercurrent of sentiment is to the effect that prices on some well-known makes will advance before the end of summer. Manufacturers of the industry are beginning to bid against other industries for high-grade labor for the first time now within two years and as a result costs of construction are showing an increase. The entire industry, with here and there an exception, is working overtime.

Condition of Crops Good.

The general condition of crops, as forecast by the department of agriculture, is such as to afford satisfaction to the farmer, the department asserts. Indications are that he will receive a much higher price for his products next harvest time than he has at any time during the last two years. Farm products, according to the department's chart, advanced three points during the week.

A check to the rising prices—although not a halt—is expected when the new freight rates go into effect two weeks from today. The reduction, it is estimated, will reduce the cost of the railroads by \$20 a family during the year.

A speculation in gold in the ports during May, when more than \$9,000,000 has helped ease the prospects of inflation. The amount of money on deposit with leading banks is well established with the eleven billion dollar mark which it crossed recently and because of the lessened demand for loans, interest rates have shown a strong tendency to soften during the week. Still cheaper money is in prospect. The suggestion this week of the San Francisco Reserve bank that it lower its rediscount rate to 4 per cent—and thereby touch a low record for the movement—probably will result in the course of a few weeks, in lower rediscount rates at eastern reserve banks and indirectly tend to enhance the value of high-class bonds, which are still steadily on the upgrade.

DELEGATES ARE SCORED

Wasco County Grange in Favor of Millage Tax.

DUFUR, Or., June 18.—(Special.)—A resolution opposing the repeal of the educational millage bill and denouncing the action of the delegates who voted for such repeal at the state grange convention recently was adopted by unanimous vote of 19 members of the Wasco County Pomona grange at its June meeting here.

Confidence in the work of the agricultural college, coupled with a plea for economy of operation was expressed.

S. H. green stamps for cash. Holman Fuel Co. coal and wood. Broadway 6255; 560-21.—Adv.

DAUGHTER OF CLARENCE H. MACKAY, WHO IS REPORTED ENGAGED.



MISS KATHERINE MACKAY.

Miss Katherine Mackay, talented daughter of Clarence H. Mackay, is as beautiful as well as being brilliant. Announcement of her engagement to Kenneth O'Brien, son of Mr. and Mrs. Morgan J. O'Brien, is expected by fashionable society.

RUSSIAN PICTURE DARK

LENINE NO LONGER FACTOR, IS BRITISH RUMOR.

Soviet Affairs Declared Likely to Overturn Conference at The Hague.

BY SAMUEL SPEWACK.

(Copyright, 1922, by The New York Times. Published by Arrangement.)
THE HAGUE, June 18.—(Special Cable.)—A gloomy picture of Russian internal affairs was painted today in British quarters. If it is accurate, these conditions probably will overturn The Hague conference and upset the entire international situation. Totally at variance with the most reliable Russian information available, this British story declares:

First—That Lenin has been stricken speechless and is no longer a factor in the government.

Second—That the result is a drift to the left, which will make negotiations with the outside world more difficult.

Third—That Foreign Minister Tchitcherine is uncertain of his power.

Fourth—That Leonid Krassin is on his way back to Moscow to try to swing sentiment back toward a point where it will be worth while for The Hague to continue.

This story comes from sources ostensibly favoring re-opening negotiations with Russia; and those in touch with Moscow say it is given out to embarrass the Russians and weaken their position when they arrive here. Despite this scoffing, however, the report is making a strong impression on the delegations here.

Even the meeting of the experts tomorrow, although it will be held without the French, makes but passing interest in the face of the British story. Charles Benoist, French minister to Holland, declares he is still waiting for instructions from Paris and meanwhile is only casually interested in the proceedings.

Whether or not their story is true, the British are publicly pessimistic over the outcome of the conference. According to the report, the triumvirate replacing Lenin holds various views. Leo Kamenoff is known as a Lenin man and in favor of the outside world. But the other two, Rykoff and Stalin, incline strongly to the left, and will probably determine Russian policy.

The Britisher who gave out the story insisted Krassin told him several days ago that if it were not for the left movement, The Hague would surely see the reopening of Russia.

Krassin said he would concede compensation of property and debts in a measure to satisfy all hands," the Englishman declared.

He added that Krassin was making a last-minute effort to persuade the Moscow central executive committee to accept this position, but was doubtful of success. The Soviet minister of trade and commerce have steadily been veering toward information, that the triumvirate did not have a western viewpoint and further believed that Russia could be self-sufficient.

This picture is entirely different from that outlined by M. Tchitcherine. The foreign minister is pessimistic over the French at The Hague, but holds a cheerful view of Russia's internal situation.

The French are hailing the British story with delight, but if it is true, this might as well be written over The Hague conference now.

However, those who doubt the story, declare Stalin and Rykoff have steadily been veering toward the right. Of course, they would rather see Russia self-sufficient, if that were possible, but they admit her economic condition forces her to accept outside aid.

PRESIDENT AWAITS TEST

(Continued From First Page.)

back of President Harding was the announced plan of Senator McCumber, chairman of the finance committee, to sidetrack the tariff Monday in favor of the soldier bonus bill.

It so happens that Mr. McCumber's committee has charge of both the tariff and the bonus and, while Senator Lodge has retained titular leadership in the senate, Chairman McCumber virtually is in the saddle so long as his committee measures

are under consideration. Mr. Lodge has let Mr. McCumber have a pretty free hand but, like Mr. Harding, he has drawn the line at sidetracking the tariff for the bonus.

President Expected to Win.

President Harding called congress in session April 11, 1921, for the express purpose of reducing taxes and revising the tariff. That the tariff—the poor old much-abused tariff, once the talisman of the G. O. P.—should still be subject to sidetracking in the middle of June, 1922, is a little more than even so tolerant a president as Mr. Harding has proven can stand.

There is little doubt that President Harding will win his point in the party conference the senators have been summoned to hold at 10 o'clock Monday morning, just an hour before the time Mr. McCumber has threatened to displace the tariff by calling up the bonus. The only question now is, how far will Mr. McCumber and some of the other decidedly pro-bonus senators go in making a combination with the democrats to override the republican majority decision?

Bonus Is Election Measure.

Many senators feel a deep sympathy for Mr. McCumber. He must stand the test of the primaries in ten days and a bitter fight is being made against him in his home state of North Dakota. The tariff and other duties have held the senator in Washington. He has been unable to make a campaign.

But he has been placing great faith in the bonus to help him out. He has felt that he could bring the measure up for consideration in the senate by the time the primary ballots are cast. It would help him in that fight they will have the whole soul and active co-operation of the mine workers.

"I am convinced," declared Mr. Lewis, "that the railroad men and the rank and file of the railroad organizations frankly recognize the necessity of making a fight, regardless of the consequences. And in that fight they will have the whole soul and active co-operation of the mine workers."

The presidents of the rail unions said in their letters to the labor board that they had done everything to avert a strike, pointed out that no appeal was possible from the board's decision and restated that the railroad men were in a position to transport law required a living wage for employees at the bottom of the scale of occupations with higher rates for other workers, according to their skill, hazard of employment,

responsibility, training and experience. In making wage reductions, the board was told that it had established the principle that "just wages must await the complete satisfaction of the railroad ownership in the matter of rehabilitation and profits." Further, the board was told that in its last decision cutting the wages of clerks, signalmen and stationery foremen, that it had stated as a "basis of action the theory that labor cannot be completely freed from the economic laws which likewise affect the earnings of capital."

"Clearly this means nothing more or less," the letter said, "than the treatment of labor as a commodity whose value fluctuates according to the demand for and the supply of labor."

As a result of the board's decisions, the letter said, the lowest paid employees "have been degraded below a level of bare animal subsistence and the earning capacity of the employees in the higher grades had been reduced 'below a standard of healthful and decent living.'"

SITUATION IS HELD HOPEFUL

Chairman of Rail Labor Board Expects Improvement.

CHICAGO, June 18.—The railroad situation today is hopeful and by far many of the present difficulties will be smoothed out, Ben W. Hooper, chairman of the United States railroad labor board said in a statement tonight reviewing the problems before the board. Neither rates nor wages are permanent, he said, because the conditions on which they are based are not permanent.

He expressed the belief that the railroads of the country will soon voluntarily discontinue the work regardless of their opinions as to its legality. This, he thought, will go a long way toward restoration of the friendly relations between the carriers and their employees. The Southern Pacific has already taken this action voluntarily, he said.

CHICAGO, June 18.—(By the Associated Press.)—Formal notice was served tonight on the railroad labor board by the chiefs of ten railroad unions of their intention to go through with a strike in event one is authorized by the 1,225,000 workers whose wages are to be reduced on July 1 under orders of the board.

Coupled apparently with the action of the rail union leaders was a statement that the "railroad workers have no alternative except to fight," made by John L. Lewis, leader of the striking coal miners, who will meet with the rail union leaders Tuesday to consider joint strike action. He also pledged the miners' aid to the rail men, but declined to state definitely what aid might result from joint action.

Attitude Is Reiterated.

The notice sent to the railroad labor board in the form of a letter reiterated the rail union leaders' attitude on the threatened walkout, which was first definitely asserted in their statement issued here Thursday night. The previous statement also included the declaration that an overwhelming vote was being cast for the walkout. It turned the letter to the board the rail men said.

When there occurs a miscarriage

of justice of such colossal and permanent injury to railway labor as your decisions will bring about, the only means of remedy which the injured parties have is to refuse to accept your decision. This procedure is perfectly legal. While it should be used only as a last resort, our membership may decide it to be fully justified by your denial of elementary and long-established rights and by the seriousness of the situation which you have created.

RAIL UNION HEADS READY FOR STRIKE

Workers' Mandate Will Be Obeyed, Is Decree.

LABOR BOARD NOTIFIED

Coal Miners and Transportation Leaders to Meet Tuesday, for Conference.

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Strike Vote Awaited.

"You decisions have been submitted to a strike vote of our members and we are awaiting the results of their action. Should our members decide not to accept your decision, or, in other words, to strike, we shall sanction their action and advise you accordingly."

The letter was signed by B. M. Jewell, president, and John Scott, secretary of the railway employees' department of the American Federation of Labor, and the heads of the 10 railroad unions.

Mr. Lewis, the miners' chief, while asserting unwillingness to discuss the outcome of the coming conference with the rail men, said the miners "will do anything that is helpful and constructive for the railroad men and for the miners themselves."

Peace Efforts Fail.

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The Diary of a Dollar

(A page or two from life)



The United States National Bank
Sixth and Stark

"One of the Northwest's Great Banks"

-2- PRISON

SHALL I ever be free? For a week now I have been imprisoned in a cold, damp place under a floor.

I'm sure this life will ruin my beautiful new appearance—and, beside, I'm not doing my work. I can help no one here. There are a lot of rusty old fellows of my kind with me, but they have long ago given up hope.

Every night the old man who is our master takes us from our cell and fondles us with his long, bony hands. Sometimes he talks to us. "Ah, my beautiful children—tens—twenty—tens and twenties!"

—and last night he said, as he caught me up with several of us who were younger, "You—you dollars are nothing. I'll give you all for one piece of gold!"

So I have found my way back to the United States National Bank again. I have lost time. I must work and earn.

M'CORMICK IS BETTER

OPERATION IS AS MUCH OF MYSTERY AS EVER.

Chairman of Harvester Company

Board of Directors Making Satisfactory Progress.

CHICAGO, June 18.—The veil of mystery drawn about an operation performed last Monday on Harold F. McCormick, chairman of the executive board of the International Harvester company, remained as impenetrable tonight as it was 48 hours ago, when word of Mr. McCormick's illness first became public.