

POVERTY IS TO BE LESS IN HOMES OF ACCIDENT VICTIMS

Remarkable New Washington Law Goes into Effect June 1, Providing Fixed Compensation; Employers' Fund.

(Special Dispatch to The Journal.) Olympia, Wash., May 20.—Former Assistant Attorney General George D. Lee, C. A. Pratt of Tacoma, and W. H. Wallace of Seattle, who will comprise the board of employers' liability, which was created by the recent legislature, will meet soon to formulate plans for conducting the detail work of assessment and distribution of the accident fund. It is likely a test case will be brought to try out the constitutionality of the law; then the numerous deputies will be appointed and the commission will take a trip east to confer with some big liability insurance companies to learn details and methods.

Percentage of Payroll Paid In.
The compensation of the members of the new board is fixed at \$200 per annum and the last legislature appropriated \$100,000 for salaries, traveling and incidentals. A fund amounting to \$1,000,000 will be assessed against employers with which to defray all claims for injuries received by employees. Each employer is to pay into the state treasury the first of each year a percentage of his total payroll, the assessment to vary according to the dangers of accidents of the business.

In the event of an accident in an employer's establishment, the commission will be notified and a deputy will at once fix the amount of damage the injured person is entitled to receive. There will be no long, tedious litigation with the result that when the damages are finally adjusted, lawyers will off with the lion's share of the amount allowed by the courts. As there will be a fixed award for every class of injuries the unfortunates will receive aid when it will do them most good.

Life Pension in Some Cases.
The compensation schedule covers death and disability in varying degrees. Where death results funeral expenses up to \$75 are allowed from the employers' fund; when a workman leaves a widow or a woman an invalid husband, a monthly payment of \$20 is made throughout the life of the spouse, to cease at the end of the month at which remarriage occurs. The surviving spouse shall also receive \$5 per month for each child under the age of 16 years at the time of the occurrence of the injury, provided the total amount paid the widow does not exceed \$125 per month. Upon remarriage the child receives a lump sum of \$240 but the monthly payment to the children shall continue as before.

If the workman leaves no wife or husband but has children, each child shall receive a monthly payment of \$10 until it reaches the age of 16 years; a dependent upon a workman not spouse or child will receive a monthly payment equal to one-half the benefits previously received. If a workman is under the age of 21 years and unmarried at the time of his death, his parents will be paid \$20 a month until the time at which he would have arrived at 21 years.

Total Disability Cases.
Permanent total disability means the loss of both legs or arms, one leg and one arm, total loss of eyesight or other condition permanently incapacitating the workman, and the schedule is fixed at \$20 a month if the workman is unmarried and \$25 a month with \$5 for each child under the age of 16 years if the injured person is a married man, or a woman having an invalid husband dependent upon her wages for support. Minor injuries are compensated in proportion to the extent of disability. The new law goes into effect June 1.

DEFUNCT BANK

(Continued from Page One.)

he exercise reasonable care to see that the funds which are deposited in the bank are judiciously loaned.

Depositors' Right.
"If he fails to do so, he should be held liable. The depositors have a right to say to him: 'You held yourself out as a director and you did not direct, now reimburse me for your failure to do so.'"

The bank case involved two suits brought by Thomas C. Devlin, receiver, in behalf of the German-American bank, with institution took over the assets and liabilities of the defunct bank, which failed in the fall of 1907. One suit was against the bank directors and George Estes, W. Stryker and J. J. Reddy. The latter suit involved the purchase of the Pacific & Eastern railway, in which a conspiracy was charged between the directors and the three last named men.

Should Be Liable.
It was contended by Receiver Devlin that the directors who were such during the time when the losses occurred should be held liable by reason of their gross negligence and inattention in the administration of the bank affairs. H. A. Moore, Lytle and Friede replied they were not directors, claiming they had never been stockholders or qualified as directors. Lytle claimed he was not a stockholder when the other directors finally elected him a director.

In reviewing the case, Judge Gatens said: "The evidence tends to show that H. A. Moore paid little or no attention to the affairs of the bank, but permitted his name to appear upon the literature of the bank; that the defendants, Lytle and Friede, not only permitted the use of their names upon the literature and stationery, but attended the meetings with other directors and took an active interest in its management and affairs."

Converted Money to Own Use.
"It seems to me that where a person holds himself out to the world and permits his name to be used for the purpose of giving a banking institution credit and standing in a community, and depositors intrust their money to a bank by reason of their confidence in the integrity and good business judgment of such person, the law should not permit him, after the bank has become insolvent and liability attaches, to say that he was not a director."

THREE ROADS SIGN JOINT USER NOTE

O. & W., N. P. and Milwaukee Will Share Grays Harbor Facilities.

(Special Dispatch to The Journal.) Aberdeen, Wash., May 20.—J. B. Bridges, attorney for the O. & W. R. & N. today announced that the agreement for joint use of railroad facilities here between his road, the N. P. and the C. & P. S. has been signed, also that work in the union depot on the waterfront filled by the O. & W. R. & N. will start at once. The station will be worthy of the importance of Aberdeen and one of which the city will not need to be ashamed. No other traffic agreement of importance was announced.

SWITCHMAN DIES UNDER O.-W. TRAIN

W. E. Ritchie, Recently From Portland, Meets Terrible Death at Umatilla.

(Special Dispatch to The Journal.) Pendleton, Ore., May 20.—Umatilla was the scene of another tragic accident this morning when W. E. Ritchie, a switchman, fell under the wheels of a moving train and was instantly killed. The accident occurred about 9 o'clock while Ritchie was assisting in the railroad yards, according to telephone communication received at this city.

No one witnessed the tragedy and it is not known how it happened but it is supposed that he lost his footing and fell between the cars. Ritchie was about 40 years of age and had been employed in Portland before coming to Umatilla two months ago. He leaves a wife and two children.

Coroner Folsom was notified and left immediately for Umatilla. The body was brought to Pendleton this evening.

of the plaintiff that certain of the defendants have been guilty of any criminal acts but only attempt to neglect them by reason of their gross neglect of duty. It seems to me that the directors of a corporation are required to exercise reasonable care and diligence in the management and control of a banking institution and are only liable for gross negligence and negligence.

The directors entrusted to Moore and Morris, the president and cashier, the duty of carrying out the details of the business and the power to employ and discharge employees. I am of the opinion that directors under our statute would have authority to delegate such power to the president and cashier. They could not have delegated to them the authority of making loans and disposing of the securities of the bank and there when the president and cashier, by saying that they authorized the president and cashier to act for them.

Director's Duty.
"The duty of a director of a corporation is to 'direct.' He must take an active interest in the care and management of the bank. He should look after the loans and discounts and its securities. It is not expected that directors who receive no compensation for their services should devote their whole time to the affairs of the bank."

"The evidence shows that the defendants Lytle and Friede visited the bank each morning and passed upon all loans which were presented to them for approval; that they were not informed that Moore and Morris were secretly extending large lines of credit to irresponsible persons or were using the funds of the bank for their private use. That the defendant Lytle believed the affairs of the bank were in a proper condition is shown by the fact that 20 days before the bank closed its doors he paid \$35,000 for 1500 shares of the bank's stock, a premium of \$10,000."

Examined All Notes.
"Lytle and Friede received statements each week showing the bank's condition; that during the month of June, 1906, Lytle and Friede examined all the notes that were in the note book of the bank; that they there found notes of the Order of Washington; that they objected to further credit being extended to that concern, although after the bank closed its doors, it was ascertained that further sums had been advanced to the Order of Washington; that at about the same time, they discovered the indebtedness of John Barrett company to the bank and that at their request, steps were taken to protect the bank; that at the same time they discovered a note of the Golden Eagle company; that the defendant Friede, objected to this note and said he did not want to loan any more money to that concern; that he procured an endorsement of said note by one Mr. Wright, which note was subsequently paid; that it was understood that no further credit should be extended to the Golden Eagle concern."

Court Sees Conspiracy.
"The testimony further shows that when Morris requested the defendant Lytle to visit Medford and there inspect the Crater Lake road, that Lytle informed Morris that the road was worth about what it would bring for old iron and made inquiry of him as to whether or not the bank should make it do with it. He was informed by both Morris and Moore that it was an individual investment and it was none of the bank's affair."

"The testimony shows that of the various loans passed upon by the defendants, Lytle and Friede, none of them resulted in loss to the bank."

"I find from the evidence in this case that there was a conspiracy on the part of Estes, Stryker, Morris and W. H. Moore to purchase the properties of the Medford and Crater Lake railroad company for their own individual profit and benefit, and find that the defendants above named, together with H. A. Moore, are liable for the sum of \$14,500."

"The court is therefore of the opinion that the defendants, W. E. Moore, H. A. Moore and W. C. Morris, did not exercise a proper degree of care in looking after the affairs of the bank, but is of the opinion that the defendants, Lytle and Friede, did exercise such care as to relieve them from liability."

See Big Piano Sale. Announcement of Ellers Music House (now at Seventh and Alder), page 6, section 1, this paper.

FAVORS COMMISSION FORM.



William Schmeer.

"I am a firm believer in the commission form of government and it cannot be put into effect too soon to suit me," says William Schmeer, who has been nominated as an independent against Councilman K. K. Kubil in the eighth ward. "If my term of office were only two weeks, and in that time I were able to assist in bringing about a better government in Portland, I would be satisfied."

"I have no private interests to serve by going into the council. I was urged by numerous friends to enter the race, and when on Friday the circulation of nomination petitions was begun I was surprised by the response. This evidence of the good-will of my old neighbors is very gratifying to me."

"If I am elected I will give my best efforts to the city's interests. It will be my object to enforce strict honesty, to stand for economy, to fight the lobby of special interests, and to secure a business administration of affairs. I will stand alone, if necessary, in doing what I believe is right, and no one will own me."

"I have not been seeking this office. I am not a politician, but the matter was presented to me in such a way that I believed I should make the race. I will make a clean fight, and hope to win on my merits. I will make no speeches and engage in no scramble. If the people of the eighth ward want me, I shall be glad to serve them to the best of my ability."

A third candidate in the ward, besides Schmeer and Kubil, is Frank M. Kelly, a Democrat. He is a saloonkeeper and is not expected to figure strongly in the finals. Mr. Schmeer was a candidate for the council about 12 years ago and lost by two votes, after a recount. In this contest his attorney failed to allege fraud, and certain votes which would have been thrown out as fraudulent had fraud been alleged were counted against him. Mr. Schmeer being assured by Judge Frazer, who conducted the recount, that he was in fact elected.

Since that time Mr. Schmeer has taken no active part in politics. He is a pianoforte dealer and is president of the Schmeer Furniture company. He has been a substantial taxpayer in the eighth ward for 45 years.

I.W.U. Build Spray Plant.

(Special Dispatch to The Journal.) Hood River, Ore., May 20.—The Hood River Spray company, which has been successfully operating a plant here for several years, has made application to the city council for a permit to build a factory near the freight depot, and, if granted, the company will build a much larger plant.

STUDENT DEBATER LOSES THIS YEAR

Hood River High School Is "Worked Up" Over Failure of Spaulding.

(Special Dispatch to The Journal.) Hood River, Ore., May 20.—Considerable excitement prevailed in Hood River high school circles yesterday because Earl Spaulding, member of the senior class, who was to have graduated this year, was not permitted to do so. Young Spaulding participated in the several high school debates and as a result fell a few points short of the grade required in one of his studies and thus failed. The students who graduated last night refused to accept their diplomas at the public gathering and were given them after the exercises were over. The chair that was to be occupied by Earl Spaulding stood vacant on the platform and caused a great many inquiries and much comment.

Earl Spaulding is a young man working his way through school and is a general favorite among the students. The students made an appointment with the board of school directors yesterday and attempted to adjust the matter but no satisfactory result was reached. They say Spaulding was asked by one of the faculty to take on the debating work.

SOLDIER-MURDERER KILLED BY POSSE

(United Press Leased Wire.) Cheyenne, Wyo., May 20.—Private John Lepp, eleventh infantry, wanted for crushing the skull of Private Burgess and mortally shooting Private Coyle, was shot to death today by a posse headed by Sheriff Hughes. The tragedy occurred on Pole Creek, 10 miles north of Cheyenne, where Lepp had taken refuge in a haystack. At the time of his death, two soldiers from Fort Russell, who were hunting for him, were asleep in the stack, and that they escaped the bullets of the posse is remarkable.

Both of Lepp's victims are in a critical condition.

VICE PRESIDENCY

(Continued From Page One.) fill them, the president will be at the command of the people."

At about that time it was determined by the president's friends that a straightening out of the kinks was one of the immediate necessities. The plan to secure the resignation of Secretary Ballinger, was devised, but it fell through because of a bungler. It may be remarked that it is quite likely Mr. Leob Jr. will be summoned to serve as Republican national committeeman in the 1912 convention.

Reports Are Favorable.
Missionaries are now in the south and favorable reports are coming in. From other sections it is said good reports are likewise being received. According to the International News Service, correspondents, information in the New York delegation is now assured to Taft. The Taft people are not really fighting any other well defined candidacy. They do not believe La Follette can secure any considerable number of votes, and the mention of the name of Hughes does not create a ripple of comment.

What the friends of the president are aiming to do now is to heal as far as possible the breach in the party and put his renomination beyond dispute. In every way possible the progressive wing of the party is being placated.

As to former President Roosevelt, it is positively stated that he will not attend the national convention. He is neither for nor against Taft. He has informed his friends that he desires to be let alone.

REINTERMENT OF 8000 CHINAMEN IS PROPOSED

(Publishers' Press Leased Wire.) San Francisco, Cal., May 20.—The validity of the law requiring the payment of a \$10 fee before a body can be exhumed from its grave was attacked today by the Chinese Six companies, when permission was asked to remove the 8000 Chinese interred in the old

CHINESE CEMETERY AT SAN MATEO.

It is the desire of the Six companies to exhume the bodies of the 8000 Chinese and ship the remains to China for reinterment. But the Chinese refuse to pay the \$10 per body, or \$80,000 for the 8000. Through their attorneys they allege the old law requiring the fee has been vitiated by later legislation.

The Six companies will now bring a test case and carry it through to the supreme court if necessary.

MOOSE WILL INITIATE 200 MORE AT RAYMOND

(Special Dispatch to The Journal.) Raymond, Wash., May 20.—Another big initiation is scheduled for next Tuesday evening in this city by the Raymond lodge of the Loyal Order of Moose. Two hundred candidates will be taken in, which will bring the total membership up to 450. Arrangements are under way looking toward the building of a permanent home for the lodge in this city.

Journal Want Ads bring results.

Trousers Worth \$10 Free!

Owing to the backward season, I am overstocked with woolens. I must reduce my stock and I am going to give you more for your money than was ever before given by any tailor. I will build a suit to your measure from any Spring or Summer patterns you may select, worth from \$30.00 to \$50.00, for only



\$25

With An Extra Pair of Trousers Worth \$10 Free

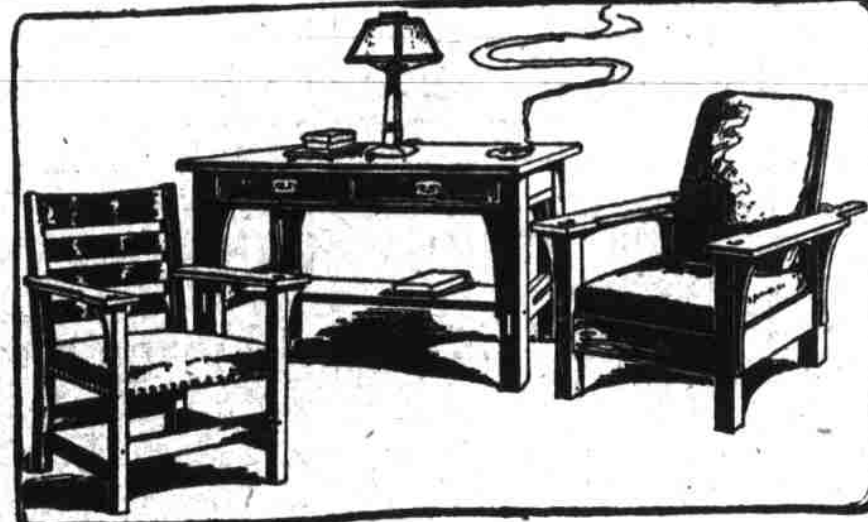
Union Label in Every Garment

I will make the extra trousers from the same material as your suit or from any beautiful gray or fancy striped trousers pattern you may select. This assortment includes Bannockburn Tweeds, English Tweeds, the late Niggerhead Cheviots you can't buy in any tailor shop less than \$50.00, together with all the late shades of tans and browns, English Worsteds and the famous United States Government Test Blue Serges. I have spared no money in securing the best tailors this country affords, and I will see to it personally that you will not leave here unless your suit is more than satisfactory in every detail.

Robert Douglass

125 Fifth Street THE TAILOR 125 Fifth Street Near Washington. Open Eve'g.

Fumed Oak Furniture



Fumed oak is of a rich, nut-brown color, beautiful in itself, restful to the eye and particularly pleasing with brown woodwork. It is the most popular as well as the most durable oak finish.

You will be interested in our stock of Fumed Oak Furniture, which is notably large and complete. It includes Dining-Room Suites and odd pieces, Chairs and Rockers of every sort, Settees and Davenport, Library Tables, Breakfast Tables, Desks, Bookcases, Book Racks and Magazine Stands, Hall Consuls, Mirrors, Costumers, Taborettes and Pedestals, and many interesting and out-of-the-ordinary pieces.

Most of this furniture is the well-known Craftsman style, but we also offer beautifully carved pieces in the Old English periods.

Much of our Fumed Oak Furniture is made by Stickley Bros., Berkey & Gay and other famous makers, and is of the finest selected oak, perfectly made and beautifully finished. Some of it is much more cheaply made. But it is all good furniture—handsome, liveable and durable in the highest degree. Moreover, it is all marked at strictly competitive prices, so that in buying it you pay for the quality only, and not for exclusiveness or the great reputation of its makers.

New Summer Rugs

- Full stocks of new Rag Rugs, in every size and color, are on show this week. Made of perfectly new cretonnes, they are at once sanitary and beautiful. The colors are soft yellows, tans, grays, blues, pinks and greens. We carry several grades, all of excellent quality.
- Size 27x54 inches, from \$1.75 to \$2.25
- Size 36x72 inches, from \$3.00 to \$4.50
- Size 4x7 feet, from \$5.00 to \$7.00
- Size 7 ft. 6 in. by 10 ft. 6 in., from \$14 to \$20
- Size 9x12 feet, from \$17.50 to \$22.50

New Bungalow Fabrics

- In preparation for the Summer season, we have brought out a large number of inexpensive but exclusive tapestry fabrics for bungalow, Summer house or beach cottage. They include new reps, crashes, scrims, chintzes and novelty weaves. Many are plain, some are prettily figured.
- Reps, novelty weaves and other drapery fabrics range from 60c to \$1.75 per yard
- Scrims of every grade and color 20c to \$2.50
- Alyth Cloth, Mossgeil and the many Sundour fabrics range from \$1.25 to \$2.90 per yard

Fifth and Stark J. G. Mack & Co. Fifth and Stark