fort-backed by arms if necessary-

stead of joint action, there are unoffi-

countries now will decline to enter a

parallel effort to force Germany

Switzerland Not Affected.

struggle entirely, owing to the fact

that Germany has made exceptional

concessions to her, doubtless influ-

army of 400,000 on her border 20

miles from the Essen munition works.

not so sure Holland will be able to

South America Big Pactor.

South American newspapers an

some South American diplomats here

have indicated that President Wilson

is perhaps now too late in changing

Preparations Are Murried,

dent, however, from proceeding in his

On the other hand, if war is the only

in notifying neutrals he will ask power

nation ready to afford its citizens

and its ships this protection, cou-

government property and especially government army and navy property

and private and public property that

ACTUAL WAR BETWEEN

U. S. AND GERMANY

would serve the country in case of

JAPAN ANTICIPATES NO

NEUTRAL NEWSPAPERS

SAY GERMANY'S ACTION

tries regarding the German sub-

National Tidende (Danish)-It is

decision in Germany that the extreme

measure must be used in the struggle. For neutrals it is necessary to keep

cool blood and await the development

of events and obtain by negotiations

with the belligerents guarantees against overwhelming consequences of

consideration the present condition.

the blockade, carefully taking into

Aftenposten (Norwegian) states

avoidable consequence of the entente's

to be expected after the entente's re-

fusal of the German peace proposals

has happened. The German measure

marine situation:

war, is going on rapidly.

The work of affording protection to

tinued today.

Preparations that will make the

o protect Americans in their rights.

German warfare

candinavian countries.

A majority of officials hold this

the presence of a Dutch

to enforce peace.

House Committee Feels Large Pay Than Taxpayers,

Bill Provides 8 Per Cent Tax on Prof- to be well over \$700,000,000. its Over 8 Per Cent on Actual Capital Investment, \$5000 Exempt.

Washington, Feb. 5. - (WASHING-TON BUREAU OF THE JOURNAL.) The new revenue bill tramed by the majority of the ways and means committee of the house in harmony with the views of the administration, is built on the idea that the mounting cost of the preparedness program should be met, so far as possible, from those who most conspicuously share the prosperity of

The estimated increase of nearly \$250.000.000 in revenue is not to come in five and ten-cent pieces the small taxpayers, but in hundred and thousand dollar checks from wealthy corporations and estates. This course was deliberately chosen, in preference to extension of the income tax to smaller incomes, or to tariff taxation upon necessaries of life.

Manufacturers Protest. There is some dissatisfaction over this program, as there always is matter of taxation. Protests against the excess profits tax are coming from some of the manufacinterests say that through the income tax, the corporation tax and the munitions tax they are already too much burdened. The committee has taken the view that large corporations which make fover 8 per cent are better able to pay into the special preparedness fund created by the bill than taxpayers generally.

Only such corporations, joint-stock companies, partnerships and insurance companies as do a fair business will be affected, for there is a flat exemption of all concerns having an annual net profit of less than \$5000. and a deduction of that amount in Then a further deduction made of all profits under 8 per

When Excess Tax Is Paid.

the company has profits exceedon its actual capital investment, not including money borrowed through bonds or otherwise, the income beyond the & per cent line becomes subject to a tax of 8 per cent. The same ex-l lions in the test of experience. emptions are allowed as under the income tax, and exemption is also extended to the income of partnerships engaged in agriculture or income de-

rived from professional services.

This excess income tax is estimated to produce \$226,000,000 a year, \$170,- asked."

988,000 from corporations and \$56,000.- GOVERNMENT ENTERS to be turned into the special preparedness fund, along with \$175,000,000 estimated to be collected under the rev-

enue act of last year, and also onethird of the additional inheritance tax. Inheritance Taxes to Be Raised. The inheritance taxes are to be increased 50 per cent over the rates imposed last year, running from 11/2 per ent on estates less than \$50,000 5 per cent on estates beyond \$5,000, The additional rates are calcu-

lated to bring in \$22,000,000 in rev-

Total appropriations for the arm; Interests Better Able to and navy for the fiscal year 1916, prior to the adoption of the new proparedness program, amounted to \$258.-000,000. For the present fiscal year PROTESTS ARE RECEIVED the appropriations are better than double, being \$613,500,000. The estian increase to \$777,500,000. These may

be pared to some extent, but are bound Big Army and Mavy Increase.

Here is an increase for army and navy of around \$450,000,000 for next fiscal year over the fiscal year 1916, due directly to the demands of preparedness. It includes nothing for the military cost along the Mexican border, which it is proposed to care for by bond issue. That is \$162,000,-000 more.

Study of these figures tells why more revenue must be had, since at the same time the regular cost of administration grows, and the government has a number of enterprises on foot, costing millions in each case. which a few years ago it did not have. For instance, agricultural extension, aid to good roads, proposed increase of pay to government employes, armor plant, nitrate plant, Danish West Indies, Alaskan railway, federal shipping board, rural credits plan, and many other things comparatively new.

\$1,368,000,000 Is Meeded.

As the matter stands, it is esti-mated \$1,368,000,000 will be needed by Uncle Sam to pay his way next year. This will be met by \$230,000, 000 from customs, \$325,000,000 from "ordinary" internal revenue, \$134,-000,000 from emergency taxes, muni tions and inheritance taxes, \$133,-Some of the big 000,000 from the corporation income already. tax, \$111,750,000 from individual incess profits tax, \$22,000,000 from inborder expense, armor plate plant, nitrate plant, Dan- ruthless will also develop. ish West Indies and shipping board. Margin of \$41,000,000 Necessary.

adjustments which allow \$100,000,000 every step to prepare the country for an estimated treasury balance at the already developed. end of the current fiscal year of

necessary expenditures are based upon esti- war. mates which may vary several mil-

Wife's Advice.

From the Boston Transcript you ever ask your wife's advice about things?" "No, sir; she doesn't wait to

For ten seconds after the

close of the picture the big

audiences yesterday sat

breathless, then they burst

into applause, for they

knew they had witnessed

a masterpiece. You can

see it tonight.

UPON REAL PERIOD OF DANGER IN ITS STAND

Germany's Time of Grace for Neutral Shipping in Barred into modifying her submarine war-Zone Expires:

DEVELOPMENTS HOPEFUL

Belease of Americans, Appeal to Wentrals and Observance of International Law Give New Hope.

By Robert J. Bender. Washington, Feb. 5 .- (U. P.)-This government entered today upon the belief, but there are others who are real danger period in its position toward Germany, for today the time of keep out. These officials pointed to

grace for neutral shipping in new war area expires. At the same time, three momentous developments have come to improve what some officials insist/ are possibilities of peaceful outcome: "Germany has yielded to this coun-

try's demands made a few hours before the break in relations came, for immediate release of Americans held prisoner in Germany. President Wilson has asked all neurals to follow his course in severius

diplomatic relations with Germany believing such action "will make for peace of the world." Germany has met the full demands of international law in the Housatonic of great weight on Spain and the

Austrian Relations In Doubt. This government has yet to reach

lecision on relations with Austria. Careful consideration has led officials to feel that the break with her his former course of strictly isolated the appeal is made is in the interest will not come, however, unless Austria action. herself precipitates it-if she has not Whether peace continues or war is

come tax, \$56,000,000 miscellaneous to come, the present situation with receipts, \$10,000,000 Panama canal Germany should develop within a tolls, \$2,000,000 deposits for postal few days, it is officially believed. savings bonds, \$226,000,000 from ex- Within that time the attitude of most of the neutral nations will become creased inheritance tax, \$303,000,000 publicly known and whether or not fron bond issues, covering Mexican Germany intends to halt or continue Alaskan railway, the campaign President Wilson called Attention Centers on Neutrals.

At the same time he is employing thousand to one chance of success. The excess of these receipts over the mailed fist to emphasize his the \$1,368,000,000 needed results from peace hopes, the president is taking answer, he is ready for it, as he said working balance in the treasury and eventualities more serious than those

With diplomatic relations at an end, there is always the constant The net result gives a margin of danger that the situation between \$41,000,000 over the estimated re- the United States and Germany will ing \$5000 and earns over 8 per cent quirements, which is deemed to be develop into a state of war; offifrom the fact that the cials realize such a severeance of refigures of revenue and many of the lations has always been followed by At any moment an unfortunate mis-

take or a deliberate act by some I-boat commander may bring the 'spark" to our shores. The attention of the United States government today now centers upon neutral nations of the world.

Break But Peace Move. The president has indicated clearly

Feeble words are inadequate to describe this play that makes dimples to catch the tears. Ask your neighbor.

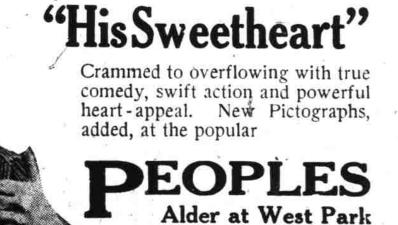
Only Tonight, Tomorrow and Wednesday

A genuine classic of screen-art; the characters' reach right out and take hold of your heart—you laugh and sob and fight with "Joe," the greatest character ever created by the surpassing artists

George Beban

the famed star of "Pasquale," "An Alien," "Sign of the Rose."

A throbbing modern drama of



A photoplay that will live

everlastingly in your mem-

ory - enjoy it tonight!

TO GIVE ITS HELP TO CHEWAUCAN SETTLERS Aviatrix Offers to

Northwest Townsite company, which undertook to complete the construction Oregon supreme court.

Why the state itself should help the Germany, settlers in their contest against the cattle barons for a share of the waters of Chewaucan river for irrigation purposes is self-evident. In the first place, the state water board adjudi- thing of a valetunidarian, Mrs. Comeplace, the state water pour and the up."
cated the water rights, allowing the up."
Oh, dear me, no! He eats meat reg. to meet all requirements and at the ular three times a day

same time giving the Chewaucan Land that his move in breaking relations & Livestock Co. enough for the water-Germany is designed to lead neutral countries in a great moral efing of its stock.

Enters now the first political play of W. Lair Thompson, then president The president has formally re- of the Oregon state senate, and then, quested full and immediate reports as now, attorney for the cattle conrom American representatives in the pany. He started a movement for the neutral capitals on the reception of creation of a new judicial district for his suggestion as to similar action, Lake county. Such a district was cre-Owing to the fact that this gov- ated. He then employed his considernment has always stood out for able influence with Governor Withyndividual or "parallel" action in combe and Bernard Daly was appointed judge.

cial indications that many of the Judge in Cattle Business. Daly was and is interested keenly in another cattle company which oprates under similar conditions in an-

other valley of Lake county. The ruling classes of Spain and Then the case involving the Paisley Sweden are generally understood to rrigation project came up for settlebe somewhat pro-German, while the ment on appeal from the adjudication other Scandinavian countries lean the of the water board. It went before Daly, the judge, whose job was created by Thompson, the Chewaucan Holland, it is believed by some au-Land & Livestock Co.'s attorney. thorities here, will stand out of the

Colonel Wood believes Judge Daly must have had some evidence to sustain his decision giving practically every drop of water in the Chewaucan to the cattle barons. But he does not believe that all the evidence that should have been presented was considered. "The law is a game," said Colonel

"One must be a good loser. We

were ready to throw up our hands and the fact that Germany also has large quit, and appealed to the state to canforces grouped on the Dutch frontiers. But even these officials say they becel our bond and call off our contract with the state. But the state has delieve that if Holland does change her clined. Therefore, even against our present status, it would probably be wishes and certainly at great cost we actually to enter the war and not have to go ahead with the fight" merely sever relations, as the presi-It is contended that Judge Daly dent calls on neutral nations to do. strained the discretion allowed him by Switzerland, being an interior nation. law in taking the entire readjudication is not directly affected by the new of the water right out of the hands of the water superintendent and water board and going ahead with the col-Hence the greater significance will lection of evidence. Legally, he had be attached to the attitude of the the right to do so, irrigationists con-South American countries, as their tend, but the discretionary power aldecision may prove to be an influence lowed by law was to avoid sending the

dence, it is asserted. Great Deal at Stake. The state's interest in seeing that of irrigation development generally. It Despite the efforts of President wants to know whether the policy is to Wilson to change Germany's plans by be one of encouragement or discouragemoral force, there is a strong belief ment of settlement. If the cattle comthat she will not alter. And this view pany is to get all the water of this had strong backing when United Press river, then other cattle companies may dispatches from Berlin showed that be allowed all the water of other close Berlin observers would be sur- rivers and irrigation would come to a prised if Germany modified her wai-

whole case back when discrepancies of

a minor character appear in the evi-

standstill, With particular reference to the Paisley project, the company starting The possibility—even the probabil-itrigation development made its large ity of war—will not deter the presi-investment on the basis of the water investment on the basis of the water board's adjudication, believing that the state's adjudication would stand. But the cattle company's attorney is not content to allow the state to help make good its implied promise to the rrigation company and to the settlers

who are trying to build up the district,

HOUSE DECLARES ITS FEALTY TO NATION: SENATE CONSIDERING

(Continued From Page One.) ator Garland, "but I am surprised at the request. Every legislature now in session has passed such a resolution." The resolutions adopted by the house, and which will be considered in

the senate at the same time as the senate resolution, are follows: Tokio, Feb. 5.—(U. P.)—United Press cables announcing the severance of diplomatic relations between the United States and Germany created a tremendous rensation in Tokio. All the papers and Osaki showed great enthusiasm. The general public was greatly astonished by the swiftness of President Wilson's action, evidently was supported.

Whereas, The president of the United States has found it necessary in protection of national honor and interests. to declare a severance of diplomatic relations between this country and the German empire; and.

Whereas, Such diplomatic breach is fraught with the gravest possibilities, which may lead to hostilities between the two countries named; and,

Many Nations Represented.

President Wilson's action, evidently expecting another display of the patience which has characterized his attitude towards Germany during the 30 months of the war.

Marquis Okuma, former premier of Japan, said the breaking of relations with America may force Germany to surrender to the allies. America does not need to participate in any of the actual fighting, he believed, in order to accomplish the kaiser's defeat.

Financial circles, in Tokio reflected the general optimism which has resulted from America's new attitude. They do not expect any actual hostilities between the United States and Germany.

Many Mations Represented.

Whereas, The citizenship of these United States is composed of many nationalities, by birth or ancestry, which said nationalities have come to America with the purpose of permanent residence and full participation in the benefits and responsibilities of this government: therefore, be it

Resolved, By the house of representatives of the state of Oregon, the senate concurring, that the legislative branch of this state declares its adherence to the principles enunciated by the president of the United States and declares further the loyal support of this commonwealth in carrying out such plans as may be found necessary in the present crisis for protection and vindication of American honor and right; and, be it further

METITRAI NEWCRAPERS Many Mations Represented.

Will Forward Appeal.

Resolved, That the legislature of this state appeals to the citizenship of Oregon for such conduct and action as will prove their loyalty to the country of adoption or birth, regardless of previous race, creed or national affiliation and appeals further for that proof of appreciation of American citizenship which was professed at the time of arrival here, which has been repeated in accepting citizenship, and which the very nature of conditions indicate all honorable men felt when choosing residence in these United States. And, be it further

Resolved, That a copy of these resolutions, duly attested, be sent to the president of the United States of America, the Hon, Woodrow Wilson. Will Porward Appeal. WAS TO BE EXPECTED Berlin, via Sayville, Feb. 5—(I. N. S.)—Following are excerpts from newspaper comments in neutral counonly natural that the blockade of the North Sea announced by England, together with the entente's answer to he German peace offer, matured the

Mineworkers Must Defend Damage Suit

Washington, Feb. 5.-(U. P.)-The supreme court today denied a petition of the United Mineworkers for a rethat the German measures are the view of a decision of Arkansas courts answer to the recent English decla- which held the union must defend itration of blockade by mines. The self against an action for more than newspaper advises Norwegians to \$1.200,000 damages brought by Arkan-await events calmly. Aftonbladet (Swedish) character- Coronado company, in connection with izes the German measure as the un- alleged dynamiting of plants.

The companies alleged the union men refusal of the central powers' proffer had done over \$400,000 damage to and as the natural answers to the plants, and asked triple damages under English war of starvation against the anti-trust laws. The union held it was unincorporated and could not be sued Nieuwe Courant (Dutch)-What was as a body.

Yoncalla Reports a Barber Shop Burglar

Yoncalla, Or., Feb. 5.—Burglars en-tered the barber shop of S. A. Watkinshaw some time between Saturday ion blockade which is contrary to night and Monday morning, taking ome laundry. Entrance was effected by breaking a back glass door. Money tills were left open by the proprietor, but the burglars broke one off anyway.

Serve Her Country

Osaka, Feb. 5,-(U. P.)-Miss Catrof the irrigation project, declared last erine Stinson, Los Angeles aviatriz, night that the appeal already has been who has been making exhibition flights perfected and will be taken from the here, today cabled Washington, offercircuit court of Lake county to the ing her services as an aviator to the United States in case of war with

> Nothing Like That. "I understand your husband is some-

Madame Richet, Expert Designer and Dressmaker Starts Her Spring Dressmaking School February 12th

-In this course Madame Richet teaches the practical fundamentals of dressmaking.

-She will teach you how to cut your garments—how to baste them—how to fit them—how to sew them—and when the garments are completed they will not only fit you, but you will have acquired the art of making your own clothes. -This is one of the few courses where you are personally instructed in a prac-

Entire Course of Ten Lessons For \$1.00

-FREE EXPLANATORY LECTURE next Saturday afternoon at 3 o'clock in the Auditorium when Madame Richet will explain the various branches of dressmaking which are to be given in the entire course. Don't miss this lecture, it will be most instructive, and is Free to the public. -Auditorium, Eighth Floor

New Pictorial Review March Patterns

tical manner.

Signan Wolfe & Co Merchandise of Merit Only

New Spring Fashion Book

The New Spring Underwear Is Here Envelope Chemise That Are Unusually Attractive

For \$1.00

-Made of fine longcloth with the pointed or round vokes most effectively trimmed with medallions and lace; also becoming plain styles finished with an embroidery edging.

-Is another lot of envelope chemise fashioned from fine soft materials and unusually attractive with trimmings of ribbon and embroidery. Empire and straight styles.

and ankle length. All sizes. And priced at

MEN

Globe Brand

Union Suits

The New Weight for

Early Spring Wear

-These suits are of an ex-

ceptional quality, made from

fine white Egyptian cotton

soft yarn. Made with pat-

ent trouser seat, long or

short sleeves, three - quarter

\$1.00 Suit -Pirst Ploor

Many Are Buying Silks for All the Year in This

GREAT SALE OF BLACK SILKS

-In this sale we have outdistanced our best previous silk sales. For it is an outpouring of silks, the like of which it is hard to realize, under present market conditions. Not a manufacturer in the world could or would undertake to duplicate these silks in quality and kind to retail at the prices you may secure them for now.

-Again Tuesday interest will continue to be centered in these:

36-inch Black Taffeta \$1.19 32-inch Black Taffeta \$1.09 Six Qualities Black Taffeta at Six Sale Prices \$1.29, \$1.39, \$1.49, \$1.55, \$1.69 35-inch Black Duchess Satin \$1.49

40-inch Extra Quality Black Taffeta \$1.79 35-inch Black Peau de Soie \$1.29, \$1.59, \$1.79 35-inch Black Messaline \$1.19 and \$1.39

Linens-Direct From Belfast, Ireland A Special Shipment of Over 1000 Fine Table Cloths

Are Being Sold at Less Than Regular Wholesale Cost -Cloths in all sizes to fit the small breakfast table to the large dining table; of genuine double damask, pure linen, union linen, and cotton cloths.

-Because they are slightly soiled, or because on some there is an extra heavy thread or some other slight imperfection is the only reason for these particularly low prices - but please note that the imperfections in every instance are so slight as to in no way impair their real worth and wearing qualities, or appearance.

2 by 31/2-yard Cloths Very Special \$7.95 21/2 by 21/2-yard Cloths

Very Special \$9.00

2 by 21/2-yard Cloths Special \$3.95, \$5.69, \$6.75 21/2 by 3-yard Cloths

Very Special \$10.85

2 by 3-yard Cloths Spl. \$3.29, \$5.75, \$6.79, \$8.25

21/4 by 21/4-yard Cloths

70 by 70-inch Cloths Very Special \$1.45, \$2.19 2 by 2-yard Cloths

Special \$3.45, \$4.49, \$4.75

70 by 88-inch Cloths Very Special \$1.79, \$2.50 Special \$5.95, \$7.25 Hemstitched Table Cloths, \$1.95, \$2.10, \$2.75

-Sizes 64 by 73 inches, 64 by 81 inches and 64 by 105 inches.

Economy Basement Store

New Suits—New Coats—New Dresses

The first displays for Spring, sent to us by our buyer from New York Come—See These New Garments Tomorrow

Suits Of wool poplin, in navy, light blue and mustard shades. New styles, pleated and belted, white silk poplin collars, fancy silk linings—extraordinary suits, at only \$19.85 and \$14.85.

Coats In full flaring styles, with large collars. Belted button trimmed. Made of fine wool poplin. Price \$10.75. Also finest rose and nustard colored velours, at \$13.85.

Dresses Of wool serge, in navy, Copenhagen, Burgundy and green, embroidered, pleated and trimmed with white serge, \$10.75. Silk taffeta dresses, in Copen, navy, black, green, sand, embroidered in gold. Georgette collars, and new pockets. \$14.85

New 2-Piece **Breakfast**

Sets 98c -Of checked gingham

and plain percales, pink, blue and lavender. Open front, belted jacket, full gored skirt.
-- Economy Basemen

Men's New Shirts 50c

-Just arrived--remarkable shirts with stift cuffs. Coat style, Great variety of colors and patterns. All sizes. -Economy Basement

Soap 25c and FREE with each purchase a 10c bar of Olive Oil Toilet Soap

Limit 7 cakes to a cus tomer, no phones, C. (D., approvals, deliverie -Economy Basem

7 Cakes

Crystal White

-Try it!

Our 25c Lunch Is hot, delicious

and quickly served.

is exactly in the same relation to international law as is the British blockade of the German bay declared several years ago. Intelligenz Blatt (Swiss) points out that the German decision is Germany's answer to the British starvathe law of nations. STATE MORALLY BOUND (Continued From Page One.)