

WAR PUTS RAILROADS ON FRIENDLY TERMS WITH WATER SERVICE

Cooperation for Exchange of Traffic Is Sought Now by Railways of Country.

FREIGHT CAPACITY GROWS

Increased Efficiency in Loading Has Already Added Greatly to Increased Service.

War conditions have created a new attitude on the part of the railroads toward water transportation. The railroads' war board, in a communication to the chief of engineers, United States army, declared:

"The railroads will welcome any practicable water transportation and they are prepared to cooperate cordially with responsible persons or corporations who may provide such water transportation by the exchange of traffic, the issuance of bills of lading and, if necessary where conditions justify it, by joining the water carriers in the building of tracks to connect the railroads with the wharves and landings of water carriers."

By inducing the railroads to adopt a policy of making every freight car carry its maximum capacity, the railroad war board reports that increased efficiency already has been equivalent to adding 779,000 cars to the available equipment. The board reports, it was equal to an addition of 35,000 miles of railroad to the roads in the United States with a density of freight traffic on each mile equal to the average density for all railroads of the United States for 1915. The board estimates that if cars were loaded 10 per cent in excess of their marked capacity it would be equivalent to adding 200,000 cars to available equipment. Loading, congestion, speed in movement and other points are closely being watched so that loss in capacity will not result from idleness or delay.

CHANCELLOR TO DELIVER SPEECH NEXT THURSDAY

(Continued From Page One)

of "Give us an early peace!" Hindenburg silently saluted.

Vorwarts Makes Comment
Vorwarts, commenting on the majority's peace formula—which, broadly, is a declaration of no annexations and no indemnities—declares:

"Any chancellor must accept these principles."

As yet, Dr. Michaelis, the new chancellor, has made no statement of his policies. His position is unknown. But expressions from German newspapers received here today generally are to the effect that the new chancellor must accept the reichstag majority's will. This is in spite of the interpretation of neutrals that the unhorsing of Von Bethmann-Hollweg was a victory for the German prince and Von Hindenburg in pressing their relentless war program.

Dr. Michaelis Regarded Fair-Minded

The Frankfurter Zeitung declares:

"Dr. Michaelis is Prussian in the best sense of the word, but is not particularly Prussian."

"If his selection is to benefit the Fatherland, he must work with the majority. Whether he is in a position to do this is not known."

The Mannheim Volksstimme, leading Socialist organ of Baden, promises Michaelis the support of the Social Democrats if he carries out the policies of the majority.

"Peace and freedom must be his program," the paper declares.

Dispatches from Berlin today indicated that German newspapers were just as much at sea on guesses as to the new chancellor's policies as observers in neutral countries. Dr. Michaelis is lauded as fair-minded and energetic, but none of the editorials hazard any opinion on what he intends to do in Hollweg's position. This was true even of the outright junker newspapers.

Inclines Toward Conservatives

The belief was hazarded by several newspapers that Michaelis inclines more to the conservative than the radical wing.

It was significant that, now that Hollweg has been retired, certain of the conservative organs do not hesitate to call his policies as chancellor "personal," indicating the dissatisfaction of the junker class with the course of compromise with which the former chancellor has long maintained his domination in Germany.

HOLLWEG'S RETIREMENT MARKS PASSING OF THE LAST OF WAR PREMIERS

London, July 15.—(U. P.)—Appointment of Dr. Michaelis as German chancellor has not appeased the reichstag reformists. All word reaching here today indicated that there was continued dissatisfaction over the fact that the elements in the German parliamentary body who forced Von Bethmann-Hollweg's fall were not consulted in the new chancellor's naming.

There is no evidence whatever to show that the new chancellor is any more inclined toward democracy than was his predecessor.

New elements have now entered in the German crisis. The public entrance into politics of the German prince, Field Marshal Hindenburg and Quartermaster General Ludendorff shows the unveiled influence the militarists sought to exercise over the reichstag and other civil authorities in Germany.

East of War Premiers Gone

With Bethmann-Hollweg's fall, the list of premiers of all belligerent nations who have been swept from their places during the war is complete.

Every nation has now changed leaders. Hollweg was the last to go.

It was recalled here today that before the German break with America, Count von Bernstorff repeatedly declared in Washington that there "could be no peace until all the before-the-war premiers had retired."

The Pall Mall Gazette's comment on

the situation created by Germany's switch of premiers was typical.

Kaiser and Army Control

"The German crisis," the newspaper asserted, "has ended, as usual, in a practical reminder that the Kaiser and the Army are the supreme factors in the control of Germany."

"Germany will continue her attitude of truculence. There is abundant, vague ferment among her population, but the desperate agony that that alone begets courage for a revolution still is far distant."

"This is the third famous junker victory since the war started," declared the Manchester Guardian. "The first was the German decision to wage war; the second was the institution of unlimited submarine operations."

Kaiser Listens to Crown Prince

Again the Kaiser has allowed his own judgment to be overborne by the crown prince and the junkers, who must now attempt to justify their faith in the sword and themselves by a supreme effort on land and on sea."

Chancellor von Bethmann-Hollweg's downfall was generally regarded here today as a junker victory. Whether the militarists' coup will be able to do more than merely retard the progress of democracy in the empire was one on which observers differed. The crown prince and his group now seem to have triumphed.

George Michaelis is a commoner—but he is regarded as a typical Prussian bureaucrat. Those who have followed German affairs closely declare he may be expected to carry out faithfully all of the bureaucrats' policies, compromising only when he is given permission by his imperial master.

What Will Scheidemann Say

The greatest curiosity was manifest here over what Philip Scheidemann, the German majority Socialist, might have to say over Michaelis' selection. Scheidemann has been a consistent supporter of the government. He was the government's catspaw used on the German machinations for a separate peace with Russia at the "international Socialist conference at Stockholm."

He was used again in his appointment to head the constitution committee which was advertised to draft sweeping reforms in the German governmental system. Whether Scheidemann will now give unserved support to the government, which must be regarded as frankly and thoroughly militaristic, was of the most intense interest here.

KAISER STAKES ALL ON BLOOD AND IRON U. S. EXPERTS BELIEVE

Washington, July 15.—(U. P.)—Kaiser Wilhelm has staked his all on blood and iron after harkening to his military men.

That is how international experts here today sized up the German situation.

tion, with Bethmann-Hollweg out and the bureaucrat Michaelis chancellor.

The military men have told the Kaiser, according to information here, that Germany's military machine can win the war and he need not heed the growing clamor of those who want peace without annexations or indemnities.

Resignation of Hollweg, the man who could straddle between the all-war junkers and the more peaceful Social Democrats and Center party, indicates clearly to experts here that from now on there will be no compromising.

As authorities see it, Hindenburg and Ludendorff are to have carte blanche—and deliver the goods or take the consequences.

The Kaiser's program will be to still the murmurings of his people by preaching the doctrines of his military men and claiming that German arms will be victorious if the nation only hangs on.

Michaelis faces a delicate situation. There is the peace resolution supported by the reichstag majority parties which will determine at the outset if he is to take his orders from the militarists or accept the reichstag will.

Out of this situation, experts here expect the most great deed in the German internal crisis.

Petrograd Papers Comment

Petrograd, July 15.—(U. P.)—The downfall of Chancellor Hollweg destroys all hopes of the immediate democratization of Germany, in the view of the Petrograd newspapers. They held the appointment of Dr. George Michaelis and the interference of the crown prince and Germany's duo of militarist leaders, Hindenburg and Ludendorff, as indicating a continued policy of arrogant suppression of the public's voice in German affairs.

Youth Drowns in The Santiam River

Lebanon, Or., July 15.—William Zimbrick, aged 19 years and one month, was drowned Sunday afternoon at Waterloo in the Santiam river.

The body was recovered near the bridge after being in the water two hours. Doctors Booth of Lebanon and Wallace of Albany were called, but their efforts to resuscitate the boy were of no avail. The boy is believed to have been seized with cramps, and owing to the noise of the falls his companions failed to hear his cries for help.

Funeral services were held at the Lowe Undertaking parlors in this city today after which the body was sent to Beaverton for burial. He was the second son of Mr. and Mrs. J. Zimbrick of Beaverton and a brother of John Zimbrick of Sdsville. Funeral services will also be held tomorrow morning at Beaverton.

RIVERS, HARBORS BILL IS LITTLE CHANGED BY SENATE'S COMMITTEE

Addition of Only \$130,000 Is Made; Fear of Defeat Is Cause for Moderation.

SEN. McNARY PLANS FIGHT

Oregon Senator, With Poindexter of Washington, to Urge 40-Foot Survey Clause for Columbia.

Washington, July 15.—(WASHINGTON BUREAU OF THE JOURNAL)—The senate committee on commerce, in reporting the rivers and harbors bill, has stuck close to the text of the house bill. In the body of the bill, with one or two unimportant exceptions, the senate committee has not so much as changed the dotting of an "i."

There is a reason for this. Friends of river and harbor legislation know they will have to use a high degree of strategy to pass any kind of a rivers and harbors bill at the present session. The closer they stay to the house text the better chance they have to win.

Usually the senate committee is liberal with amendments to rivers and harbors bills. Frequently senate amendments have been plastered on so thickly that the measure has borne small resemblance to the one which came over from the house. The history of such bills is that the senate has enormously increased their totals.

Only \$130,000 Is Added

This time the increase of the senate over the house bill is just \$130,000, and \$100,000 is due to the senate having added a section for a commission of seven members to coordinate all government activities dealing with the study, development and control of waterways and such related questions as irrigation, drainage, flood control, forestry and conservation.

The other \$30,000 of the senate increase is accounted for in two items, one of \$5000 for cost of possible condemnation proceedings for acquisition of the Cape Cod, Massachusetts, canal, the other \$25,000 for surveys in connection with agreements for joint action in flood control by Minnesota and the two Dakotas.

Senator Weeks is credited with

"putting over" the Cape Cod canal project, which commits the government to take over that property, either by negotiations or condemnation. The house, after a fight of some bitterness, put in a like provision for acquiring the Chesapeake and Delaware canal, and the senate left that intact. These two canal purchases, each to cost millions, are defended as war moves. The bill makes no appropriation toward the purchase of either.

The authorization for this Cape Cod canal is the only important thing the senate committee has done in changing the house bill. Its unwillingness to make changes is shown by the fact that it added only three new surveys, all relatively unimportant. One was for Tchula lake, a tributary of Yaxoo river, Mississippi; another for Petaluma creek in California, and a third for the east channel of Coos river, in Oregon.

Little Hope for Columbia

While Senator McNary still plans a fight for his amendment for a 40 foot survey for the Columbia river from its mouth to Portland, cooperating with Senator Poindexter in urging that a like survey be made for deep water to Vancouver, Wash., there is only a shadowy hope for its adoption.

Warning is being given that friends of waterway improvement must not load down the bill with amendments, or it will fail entirely. The bill was brought into the house with the statement by Chairman Small of the house committee that it had been approved in that form by the war department, but amendments would be dangerous, and made few amendments. The senate seems inclined to use like caution.

Surveys Must Be Approved

All of the survey items in the bill have been qualified by an amendment which provides that no examination or survey authorized by the bill shall be made until the close of the war with Germany except such as the secretary of war shall direct. This will apply to all the Oregon survey items, which are as follows:

Hayden slough, with a view to relocation of the dike near the upper end.

Columbia river from Brookfield to the mouth to secure channel depth of 30 feet, thus making a uniform official depth of 30 feet to Portland, instead of 26 feet.

Main ship channel of Columbia on Oregon side from Point Adams to above Tongue Point and of Youngs bay, with a view to securing a channel of 40 feet.

Early Action Not Expected

Columbia river from mouth of Willamette to Vancouver with a view to securing a channel of depth equal to project depth between mouth of Willamette and Portland.

Columbia river between Carrolls and Stella, Wash., and Cowitz below Os-

trander, Wash., with view to bank protection.

Willamette slough, with a view to removal of old dikes now said to obstruct navigation.

East channel of the Coos river.

The senate is not expected to give consideration to the rivers and harbors bill for several weeks. Some of the time needed for it may be had after the food bill is passed if the revenue bill is not then ready to be taken up.

FRENCH TIGHTEN GRIP UPON MORONVILLIERS, NEW TACTICS USED

(Continued From Page One)

start. They knew that three new divisions (approximately 45,000 men), including the Seventy-fourth Hanover regiment, had been brought up into line. The Hanoverians were to bear the brunt of the assault. They knew these attacking troops had been rehearsed back of the line for the part they were to play in the struggle.

New Tactics Fool Germans

Then the French began preparations of their own for attack. Three days before the French artillery roared out a preparatory fire. Late Saturday evening this preparation decreased. The French purposely timed the slackening of fire to deceive the Germans into thinking an attack was imminent. But the usual attacking hours passed. Along toward 7:30 the Germans began to figure that there was no assault coming. The enemy hauled down their observation sausage balloons, apparently convinced that the day was ending in truce.

Suddenly at 7:45 the French reopened a redoubled artillery bombardment. Almost simultaneously the French infantry leaped out of their trenches.

German Bombardment Terrific

Across the line the Germans tried hastily to shoot up their observation "sausages," in an endeavor to find out what was happening. But before the balloons could reach heights sufficient for observation the French had won their victory. Péliss held the tops of both Monts Teton and Haut—exactly the objectives planned for them. Within less than five minutes the Germans, with the gigantic artillery concentration which they had massed for their abortive attack, opened the most terrific bombardment I have yet witnessed anywhere along the French front. The summits of both Haut and Teton were quickly enveloped in seething smoke. The sides were a living furnace of burning grenades, incendiary shells, exploding munitions caches and flaming material generally.

Night Was Light as Day

Into this infernal furnace the Germans launched their counter attacks. The desperate character of the fighting

which ensued was apparent from the countless rockets that flamed into the skies. French and German troops both sent them up, signaling advances and retreats, calls for lengthening or shortening of the barrage fire, a change in artillery ranges and other fluctuations of the battle. Night fell on this scene, but the darkness was hardly noticeable in the flaming of the rockets and the explosions. It was as light as day.

The Germans finally gave it up. They let the French hold on tight to their gains. Before morning the poilus had consolidated their new positions and gripped still tighter their hold on the Moronvilliers crest, dominating the entire Champagne front.

German Losses Heavy

Paris, July 15.—(U. P.)—Desperate fighting in the Champagne, in which powerful German attacks were made around Monts Haut and Teton and the French later retook the captured positions, was detailed in today's official statement. Heavy losses were inflicted on the enemy.

"In the Champagne," the war office said, "the Germans bombarded our positions violently and around Monts Haut and Teton launched powerful attacks on the positions which the French took Saturday."

"At first the enemy progressed on Mont Haut, but after an allnight battle the French retook their previous gains. The Germans' losses were heavy."

"Between the Somme and the Aisne German raids were repulsed. South of Corbeny, in vigorous fighting, the enemy was hurled back."

TERRIFIC FIGHTING IS SUNDAY PROGRAM ON THE FRENCH FRONT

London, July 15.—(I. N. S.)—Slaughter of the most sanguinary character marked another Sunday on the Franco-German front, where all days are consecrated to Marsden. The departing sun left the road with the chivalrous name bathed in new torrents of blood and the slopes of the Champagne heights dotted with new hillocks of bodies.

A frightful double battle was fought throughout the night and all day long. The Teutons emerged victors on the Road of the Ladies; the French in the Champagne. The representative gains on these widely-separated fronts curiously counter-balance.

The French gain was on a width of 800 meters and a depth of 300 meters. They took 350 prisoners.

The German gain was on a width of 1500 meters and a depth of 300 meters. They took 350 prisoners.

Crown Prince's Troops Ejected

Paris asserts the Teuton assault on the Chemin des Dames was only partly successful, violent French

counter attacks having ejected the crown prince's troops from all but a few elements of trenches on a 500-meter front.

Berlin does not concede the reverse in the Champagne, declaring the French attacks were beaten off.

The French official communication on this scene, but the darkness was hardly noticeable in the flaming of the rockets and the explosions. It was as light as day.

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Polus Makes Brilliant Dash

The advance of the Polus north of High mountain on the slopes east of the Teton is described by the French war office as a brilliant piece of dash and determination.

"Conducted with exceptional vigor," the official account says, "the attack was successful in attaining all the objectives."

A network of powerfully organized German trenches were captured and held against increasing Teuton counter attacks, which many times developed into terrific hand-to-hand carnage. Nine officers were among the prisoners taken.

The French seventy-fives saw to it that no large reserve bodies could be organized by the Germans to come to the relief of their hard-pressed comrades.

Graveling Fire Envelops Germans

Whenever such auxiliary troops were gathering behind the German lines, they were caught under the annihilating fire of Petain's guns and scattered to the four winds.

There was heavy gunfire on the Verdun front, interspersed with reconnoitering actions.

Only patrol encounters and raids were reported in the British official statement.

British Raid Is Successful

London, July 15.—(I. N. S.)—Artillery duelling gave way to raiding activities on certain parts of the British front during the night, the war office announced at noon.

The British carried out a successful raid at Oppy (six miles northeast of Arras), entering German trenches and inflicting damage.

The Germans tried unsuccessfully to raid British trenches in the sectors of Arramontes and Fontaine.

There has been heavy fighting with big guns in certain sectors of West Flanders.

A Pessimist

From the New York Times.

"You say your mother is willing you should marry me, but your father isn't."

"Yes. They never can agree. Married folks never can."

It opens tomorrow, Tuesday, two o'clock

LIBERTY

Broadway at Stark

In the opening of this theatre Portland acquires the most magnificent playhouse in the West—One in which will be shown the greatest photodramatic productions—Musically interpreted by the most skilled organist in the U.S.

Organ recitals—Musical programs of wide appeal will also be featured.

—Opening photo-play

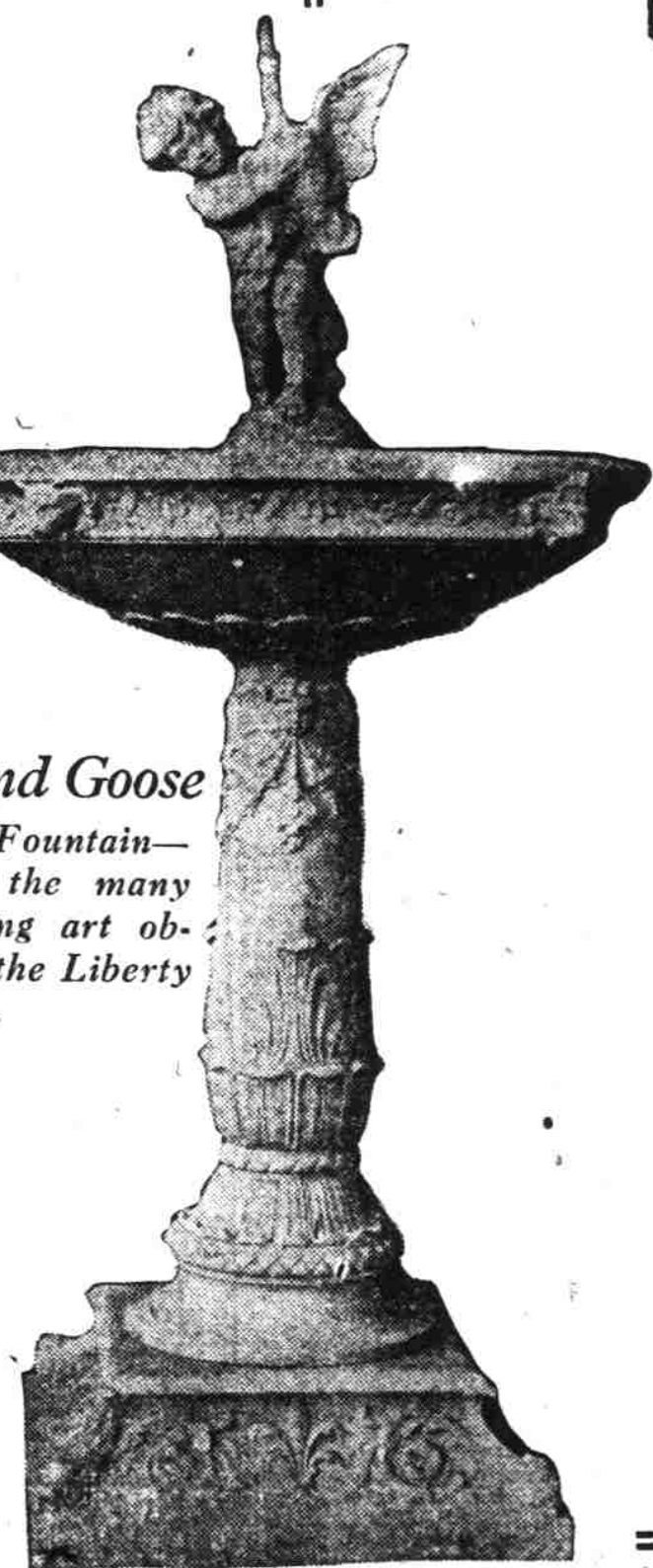
FLAME of the YUKON

A 7-reel super-feature—a picture of vigorous action, wild poetic beauty and great heart appeal—of men and women—of love and hate—

Dorothy Dalton—and a splendid cast

HEAR WALLACE on the Wurlitzer

Boy and Goose Foyer Fountain—one of the many interesting art objects at the Liberty Theatre.



Popular Prices!

Santiseptic Gives Skin Comfort

Instantly relieves, cures and prevents chafed or irritated skin. Cool and soothing. You'll like its clean, healthy odor. 50c. All druggists. Adv.