

LABOR PARTY LEADER IS CENTER OF BITTER BRITISH CONTROVERSY

Lloyd George Practically
Charges Henderson Be-
trayed Confidence.

RESIGNATION IS ACCEPTED

Concealment of Kerensky's Message
That Russia Opposed Stockholm
Peace Conference Charged.

London, Aug. 11.—(U. P.)—England seethed today in one of the bitterest controversies in months, which culminated in the retirement from the ministry and the war cabinet of Arthur Henderson, leader of the labor party. A biting letter from Premier Lloyd George practically charged that Henderson had betrayed the confidence of the war cabinet, the inner circle of the ministry which has direct charge of the conduct of the war.

In tendering his resignation, which was accepted, Henderson wrote Lloyd George:

"In our interview last night I gathered that your intention was to reach the conclusion that my retention of the secretaryship of the labor party was no longer compatible with membership in the war cabinet."

Henderson said he hoped to aid in carrying on the war in a private capacity.

The entire controversy followed the decision of British labor in convention here yesterday to send delegates to the Stockholm conference at Stockholm, where the subject of peace is to be discussed next month.

Lloyd George to Make Statement

The atmosphere is expected to be cleared Monday when Lloyd George will make a statement as to the government's attitude toward the Stockholm conference.

Meanwhile, however, the press today raised a terrific and vicious campaign against Henderson, charging that he had betrayed the confidence of the war cabinet.

Lloyd George charged, in his letter, that Henderson had sent a telegram stating that the Russian government did not approve of the Stockholm conference. The Stockholm meeting was originally planned at the invitation of the Russian workers' and soldiers' council, but the invitation was issued before the Russian government was reconstructed and supreme power vested in Kerensky.

Charge He Concealed Facts

The conservative press today charged that Henderson had concealed from the labor convention yesterday the fact that Kerensky had wired his disapproval of the Stockholm meeting.

It was intimated that Henderson had informed the labor convention of this fact the day before, and that he was acting in favor of British participation, might have shown a different result.

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What Every Soldier Should Know

Beginning tomorrow, The Journal will publish a series of daily articles constituting a home reading course for citizen soldiers that are so rich in general information that they will be read with great interest by all. The articles are offered by the war department, through the committee on public information, and cover a wide range of subjects pertinent to the army life that the men called under the selective draft will soon experience.

The subjects of the articles are in part as follows:

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| Your Post of Honor.
Making Good as a Soldier.
Nine Soldierly Qualities.
Getting Ready for Camp.
First Days in Camp.
Cleanliness in Camp.
Your Health.
Marching and Care of Feet.
Your Equipment and Arms.
Recreation in Camp.
Playing the Game.
Team Work in the Army.
Grouping Men into Teams.
The Team Leaders.
Fighting Arms of the Service. | Staff Branches of the Service.
Army Insignia.
The Army System of Training.
Close Order Drill.
Extended Order Drill.
Getting Ahead in the Army.
Army Courtesy.
Discipline and Respect for the Color.
Some Army Traditions.
The Spirit of the Service.
Why We Fight.
The War in Europe.
The Soldier in Battle. |
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In The Journal Every Day, Beginning Tomorrow

Senate Revision of Revenue Bill Stirs House Leader

Representative Kitchin Charges Discriminations Are Made
Against the Plain Man; Senator Simmons Denies
Charge; Pestering President No More.

Washington, Aug. 11.—(WASHINGTON BUREAU OF THE JOURNAL.) How bad, or how good, is the senate finance committee's revision of the revenue bill passed by the house? Claude Kitchin, house minority leader, is preparing to prove that it is extremely bad for the poor man, but Senator Simmons and other senate revisioners do not admit the indictment.

There is something to be said on both sides. The final work of the senate committee was done with a view to raising radically the total sum to be secured, because of recent estimates from the treasury department on the climbing cost of the war. This caused all sides to agree that more money must be had from taxation.

Senate Raises Total
The house bill was estimated to produce \$1,866,000,000. The senate bill as first reported raised this to about \$1,500,000,000. The final draft of the senate bill increases this to a little over \$2,000,000,000. The big boost in the senate figures comes from increased taxes on profits, incomes and intoxicating drinks.

Mr. Kitchin's criticism of the work of the senate committee is somewhat neutralized by this turn of events. The proportion of tax which wealthy must pay is vastly increased by the last revision. It is easily demonstrated, also, that in some respects the senate bill is better than the house bill.

Cuts Made in Upper House

Thus the senate bill lops off \$200,000,000 of tariff taxation proposed by the house, it cuts out \$30,000,000 on consumer's electric light, gas and telephone bills, reduces by about \$25,000,000 the sum to be raised from the cheaper forms of amusement, and about \$20,000,000 from passenger transportation.

On the other hand, the senate proposes to slap on \$65,000,000 in consumption taxes on coffee, tea, cocoa and sugar, omits \$6,000,000 for the first year and \$30,000,000 for succeeding years proposed to be raised by the house bill from inheritances, customs and duties on jewelry and an equal sum from motion picture films, and \$12,000,000 from automobile tires and tubes.

Tax on Automobiles
The senate revision reduces from \$68,000,000 to \$40,000,000 the amount to be derived from automobiles, and makes the tax apply to machines in the hands of the owners, according to the value of the car, instead of collecting it as a manufacturer's tax on new machines.

The big changes of the final senate revision are those already noted, whereby house rates are increased to net \$262,000,000 increase on excess profits, \$72,000,000 on surtaxes on incomes above \$15,000, and \$31,000,000 on intoxicants.

Mr. Kitchin has shown, however, that in many ways the senate bill creates discriminations, in the matter of income and excess profits taxes, which do not appear in summarizing the vast totals. This is done by a series of classifications and exemptions which require close analysis, the effect of which, he maintains, is to enable many of the large corporations to escape, while the smaller business man must pay. One example out of many will be given.

Discriminations Alleged
Senate amendments exempt from the excess profits and income tax certain professional men, such as lawyers and doctors and the employees and agents of corporations or services. Merchants, farmers and ordinary workers pay. Why, says Kitchin, exempt Gary and Schwab of the steel corporation? Do you want to exempt J. P. Morgan, and the great corporation lawyers, when the farmer, the merchant, the butcher and the candied nut maker must pay?

Korps Fly Attacks Quelled
Pestering the president is becoming a more difficult occupation on Capitol hill since a number of prominent Republican members of the house have declared against the war. The sentiment from the country in favor of standing back of the president and

putting down the horse-fly criticism is reflected in the debate in the house over the conference report on the food control bill.

Congressman William S. Vare of Pennsylvania, who is one of the Vare brothers distinguished in Philadelphia politics, expressed it this way:

"I am a Republican, and I believe in the principles of the Republican party. As a member of congress, I believe in legislation free from executive concern. But, first of all, I am an American, and I stand with the president of the United States. With the nation at war, I am no longer to be regarded as the titular leader of the Democratic party. He is the leader of the American people, the commander-in-chief of the American army and navy, and as such he should be left free from any hampering influence."

Uncle Joe's Reflections
Uncle Joe Cannon also spoke straight from the shoulder, and in his remarks said:

"I recollect very well that during the Civil War there was legislation that was denounced by one-third of the people north of Mason and Dixon's line as unconstitutional, and as the epitome of the worst of the president of the United States, Mr. Lincoln, what is now spoken among ourselves, about everybody in congress or in official life, is like a gentle summer evening zephyr as compared with a winter blast."

Kahn Urges United Support
Congressman Julius Kahn of California told the house he was glad the conference had stricken out the proposition for the "mooing" committee. Then he said:

"I believe it is the duty of congress during this emergency to present a solid front to the country. I believe in standing by the president. The United States in this emergency, he is the commander-in-chief of the army and the navy. He will have to give an account of his stewardship in proper time to the people of the United States."

"Let us not hamper him, and we will be doing a service to our country. We will not let the common enemy know that the American people's representatives by the congress of the United States, intend to stand by the president in order that he may bring this war to a speedy and successful conclusion."

**NOTED ARMEN
OF ALLIES TO
ARRIVE TODAY**

(Continued From Page One)
Committee and all will go to the Chamber of Commerce, where the membership council will entertain them at lunch, and in the afternoon, at 2 o'clock, there will be a meeting of lumbermen in the Green room of the Chamber of Commerce, where the visitors will investigate thoroughly the claims made recently that fir is as suitable for aeroplane construction as spruce.

Following this meeting the Third Regiment band will serenade the European representatives for an hour at the Portland hotel, which will be followed by dinner at the Arlington club.

Free Public Meeting Monday
The big public meeting will be held in the auditorium at 7:45 p. m., to which everyone is invited. Preceding this meeting the reception committee will meet their guests at the hotel and march east on Morrison street and south on Third to the auditorium. W. D. Wheelwright will preside at the evening meeting and Mayor Baker will deliver the welcoming address. The opening number of the program will be a national air by the Third Regiment band, accompanied in song by the entire assemblage. As each of the European speakers is introduced by Chairman Wheelwright the national air of the country of the speaker's nativity will be played by the band.

"We have been royally received everywhere," declared F. A. Douy, president of the Multnomah Box & Lumber company, who has been with the party.

Will Show Importance of Aircraft
The pictures we show tell the story of the importance of the aircraft in warfare and show, too, how the people can aid in their building. The military representatives tell their stories at each meeting and you can take it from me that their stories have real thrills in them.

"We are particularly anxious to have every man, woman and child who can, attend the public mass meeting Monday night. It will be well worth their while. Tacoma turned out 4500 people and Seattle 2000. We should turn out at least 6000."

Food administration stands for clean managers as well as clean plates.

FIRST CONSCRIPTION SCANDAL COMES TO LIGHT IN NEW YORK

Two Members of East Side
Exemption Board Placed
Under Arrest.

New York, Aug. 11.—(U. P.)—With two deposed members of draft exemption board No. 99 under arrest, New York tonight faced the first conscription scandal of the war.

Louis Cherry, druggist, and Dr. J. Bernfeld, removed from their positions by President Wilson, were taken into custody late today on charges of having conspired to defeat the ends of the selective service.

Dr. Henry M. Grobel, third member of board 99, ousted by the president, made a full statement to Deputy United States Attorney Knox this afternoon. Afterward Knox announced that Grobel was completely exonerated.

Two other federal warrants are known to have been issued today and more arrests are expected. The government expects to get an affidavit from Jacob Skiwirsky, 21, who says he paid \$200 to Cherry for exemption.

The board affected by the scandal is situated on the East Side, having been moved from its old headquarters in the Bowery to a new one in the Bronx. Federal officials are investigating charges that attempts have been made to bribe more exemption officials in that district. Governor Whitman today declared he regarded the situation as serious.

District Attorney Swann this afternoon subpoenaed the officials to appear before the grand jury. He indicated that he believed the state had jurisdiction in bribery cases.

Kalman Gruher, dentist, was also arrested today, charged with draft irregularities. With Cherry and Bernfeld he was placed in the Tombs. An opportunity to give \$5000 bail will be given the men tomorrow.

**BAKER SAYS
8 HOURS IS
DAY'S WORK**

(Continued From Page One)
He has sought to turn friendly nations against us in order that our nation might be dismembered and our great western and southwestern country planted under the jurisdiction and control of alien governments. He has sought to rule over us by ordering what we should and what we should not do to the minutest detail.

"The German government must not be permitted to carry these designs into execution. Our first duty as patriotic American citizens, having the future welfare and freedom of our people at heart, is to compose our personal and industrial differences to enable us to use the highest efficiency of our man power for the national defense."

Closing, the secretary says: "A large portion of the timber produced on the Pacific Coast will be needed for shipbuilding and airplane purposes. The legal workday therefore might be very properly adopted. We would urge that basis of adjustment as a solution of our problem. Our men at the front are even now making sacrifices for the common good, with greater sacrifices to follow. Surely our men at home must be equally willing to make sacrifices for the welfare of the nation."

The lumbermen assert that to put the industry at this time on an eight hour basis would mean financial disaster. They contend they are willing to operate eight hours if the mills of the southern pine belt also run only eight hours a day.

Day They Can't Complete
The Pacific Coast lumber manufacturers say they cannot compete with

for Soldiers, Officers and Non-Commissioned Officers.

Some one or more of these books should be in the hands of every soldier.

Mail Orders Filled Promptly

Infantry Drill Regulations. Paper, 30c; Cloth, 50c

Cavalry Drill Regulations. 75c

Field Service Regulations. 75c

Small Arms Firing Manual. 75c

Artillery Drill Regulations. \$1.25

Coast Artillery Drill Regulations. \$1.25

Coast Artillery Material. 75c

Lewis Machine Gun. 75c

Engineers' Field Manual. \$1.25

Manual of Courtmartial. \$1.10

Deck and Boat Book. 60c

Blue Jacket's Manual. \$1.00

What a Company Officer Should Know. \$2.00

McArthur. \$2.00

An Officer's Notes, Captain R. M. Parker. \$2.00

Hand Book of Transportation by Rail and Vessel. \$1.00

The Field Quartermaster's Handbook. \$2.00

The Reserve Officer's Handbook, Sutherland. \$1.25

Plattsburg Manual. \$2.00

U. S. Army Regulation. \$1.25

Fundamentals of Military Training. \$1.50

Moss Manual of Military Training. \$2.25

Soldiers' French-English Conversation Book. 30c

We will obtain for you any book you desire not listed here.

The J. K. Gill Co. Booksellers, Stationers, Office Outfitters

Third and Alder Sts.

the pine mills, which are operating 10 hours, unless both sections agree to the same working basis.

For several weeks the timber workers in western Washington have been on strike demanding an eight hour day. During the last few days conferences have been held here between the state council of defense, representatives of the manufacturers and of the union single weavers and timber workers and a neutral committee representing the public in an effort to reach some agreement that would end the struggle. Yesterday the arbitration ended in failure.

Today J. G. Brown, president of the International Shingle Weavers' union, announced the strike will be extended as rapidly as possible to include the public in an effort to reach some agreement that would end the struggle. Yesterday the arbitration ended in failure.

On the eastern front the Germans attacked in the Brody region. Their assaults were broken down, Petrograd reported. The Roumanians have displayed stubborn resistance in the battle that is raging on that front. After giving away in the Suchitza river section, the Roumanians returned to the attack and regained the lost ground. At last reports the battle was still in progress.

Air Fighters Active
London, Aug. 11.—(U. P.)—Ten German machines were brought down out of the sky by British fighters on the night of the 10th and 11th. The British fighters were active on the night of the 10th and 11th. The British fighters were active on the night of the 10th and 11th.

**All Fronts
IN BIG WAR
ARE ACTIVE**

(Continued From Page One)
The north of St. Quentin. Near Fayet, the war office announced, the Germans were thrown out of a greater part of the gains they made on the nights of the ninth and tenth. South of Allies, a brilliant attack won tonight, stated that British planes

dropped six and a half tons of bombs on German aerodromes, munitions depots and other military points during the day.

The air fighting was very severe throughout the day. Haig's statement said: "Enemy aircraft crossed our lines in many places in attempting to prevent artillery fire."

In the neighborhood of Ypres, Staden railway, to the right of Steenbeck, the British gained ground, the statement said.

Airplanes Bombard Aerodromes
London, Aug. 11.—(U. P.)—Naval airplanes successfully bombed the aerodrome at Ghistelles, railway sidings at Zuedvime and the railway junction at Hourtou, Thursday, an official admiralty announcement said today. Dense smoke was observed at Zuedvime after the bombs were dropped. Another raid yesterday resulted in bombs being dropped on the aerodrome at Sparrafelsholm.

Berlin Claims Progress
Berlin, Aug. 11.—(U. P.)—Progress in the direction of the Trutis valley and northward of Focani, on the eastern front, was announced in the official war office statement tonight.

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