RATE INCREASE TO HURT INDUSTRIES, IS VIEW EXPRESSED

Producers and Shippers Assert Proposed Raise Will Put Many in State Out of Business.

COMMISSION ASKS FOR DATA

Fruit Men Say Foreign Markets Are Gone and East Canner Crop Will Have Advantage.

The new freight rate increase of 25 per cent ordered by Director General of Railroads William G. McAdoo to go into effect June 25 is unfair to western producers and shippers, who compete directly with the east. If the rate goes into effect without modification it will put many Oregon industries, particularly horticultural, out of business and defeat the purposes of the railroad administration to raise additonal revenue for maintenance by shutting off western shipping.

This was the general sentiment expressed by 30 representatives of producers and shippers of the state, who met with the Oregon public service commission Thursday afternoon at the commission's rooms in the county court house to lay their problems and suggestions before that board.

The commission listened only to general statements of the problems and asked that definite figures and data be submitted to the commission in writing that recommendations may be made to Director General McAdoo. Frank J. Miller, chairman of the commission, declared that attention should be given at present only to those industries, particularly horticultural, that are in danger of annihilation through the new freight rate advance. "Any concern that can live and make a few dollars' profit can afford to wait to present its request for modifications of the rate. No doubt such modifications and necessary refunds will be made," he said.

Unfair Competition Charged

The public service commissions of Oregon, Washington and Idaho have already addressed a joint protest to Mr. McAdoo on behalf of Northwest producers of fruits, vegetables, canned goods, including jams, preserves and fruit juices, where the advance in rates cannot be transferred to the ultimate consumer and where the product comes into direct competition with Eastern products.

Representatives from the Hood River apple district declared that the cost of producing apples and getting them ready for market had increased about 17 cents a box over the cost two years ago, and this, added to the increased freight rate, would put the Western growers at such a disadvantage with Eastern growers that the product would not move.

The margin of profit for the past several years, it was said, had been less than the proposed freight increase, and there was no prospect of an increased price this year.

C. W. McCullagh, sales manager of the Apple Growers' association at Hood River, said that it would be difficult to market apples from Oregon under any condition this year because the war had spoiled the European trade. There are no ships for South America, he said, and Canada is considering an embargo on most fruits, including apples, and there is no market in Asia. Western New York, according to Mr. McCullagh, has prospects for a record crop this year. With its nearness to the Atlantic seaboard markets and relieved of refrigerator or car heating expenses it will be able to sell at a figure that would mean ruin to Western growers. Request has been made of the government, said Mr. McCullagh, that it put apples on the army ration list.

Apple Cost Is Estimated

Burt Van Horn, a fruitgrower from Niagara Falls, N. Y., stated that the cost of growing and getting a box of Oregon apples to New York under the new freight rate would be about 80 cents, and predicted that the interest on many mortgages would go unpaid this year.

That the freight increase of 66 2-3 per cent on westbound glass was almost prohibitive and that his company is purchasing many barrels to take care of fruit by refrigeration already contracted for, was the statement of H. S. Gile, representing Pheasant Northwest Products company of Salem. It was said that there was a likilihood of an increase in the price of glass containers of from 10 to 40 per cent and that on December 1, 1917, the freight rate on glass was increased 27 per cent, so that the rate to Portland is now 95 cents.

10 Per Cent Makes Equal Footing

Producers of apples and fruit juice products both estimated that a rate increase of 10 per cent would put them on an equal footing with Eastern producers. They did not think the consumers could stand added selling prices.

The fruit industry of the Northwest was said to be worth $200,000,000, much of which would be destroyed under the new rates, it was declared.

Dwight L. Woodruff, district manager of the Applegrowers' association of Hood River said that he had recently visited Washington, D. C., and had found no disposition on the part of the food administration to fix the price of fruit products.

Oil Shipment Hit by Rail

Commissioner Miller pointed out that while apples had made no noticeable increase in price in the last few years the price of wool had increased 300 per cent, yet both products would bear the same freight advance.

H. E. Judge, representing the Valvoline Oil company, pointed out that his company, with branch houses all over the Northwest and in Alaska, shipped its lubricating oil from Pennsylvania and competed almost entirely with California refined oils so that the 25 per cent rate increase made too great a discrimination.

He said with the 25 per cent increase the total advance on oil shipments from Pittsburg since March 15 would be 59¾ per cent.

RUBBER INDUSTRY IS EXCEPTION

Mills Here Placed in More Favorable Competition With East

One Portland industry goes on record as being decidedly benefitted by the increased freight rates effective June 25. Officials of the Portland Rubber mills say that they are placed in a more favorable position in competition with Eastern rubber manufacturers. The local concern depends upon the demands of the market in the Pacific coast states for the sale of its products and has in the past been placed at a disadvantage in competition with Eastern manufacturers in this territory.

The raw products used by rubber manufacturers of the United States are received very largely through the Pacific coast ports. With an increased freight rate on raw rubber from the port of entry to the Eastern manufacturer and an increased rate on his finished product to the Western market, the local manufacturer, who takes his raw material from the ship and distributes his finished wares in local territory, is placed at an advantage in the rubber goods trade.

Members of the Washington public service commission, including A. A. Lewis, E. F. Blaine and F. R. Spinning, are in session with shippers at Goldendale, White Salmon and Stevenson.

MODIFICATION HELD FAR FROM SUFFICIENT

Salem, June 14.—Study by the rate expert of the public service commission of the modifications made in the order of Director General McAdoo for the 25 per cent freight rate increase shows that the only modification which affects the Northwest territory is the elimination of the minimum charge of $15 per car on brick, cement, coal, coke, logs, ore, sand, gravel and stone.

"This does not eliminate the 25 per cent increase on these commodities," explained Rate Expert Davies, "but will relieve the threatened burden on short hauls. If the $15 minimum had gone into effect, that sum would have to be paid on each carload shipment, regardless of whether full freight rate would figure only half that amount."

Mr. Davies pointed out that slabwood is not included in the elimination, and, unless the order is further modified when the new rates go into effect, $15 will be the minimum freight charge on every carload of slabwood. In many instances the effect would be to double the freight cost on this wood.

These few modifications, it is said, give no relief to the apple growers and loganberry juice manufacturers, two industries which will be hardest hit by the proposed increase. The public service commission is speeding work of gathering material to back up a protest against the increases.

'SINKING' IS LAST WORD FROM SHIP HIT AT SEA

(Continued from Page One)

came a second message: "We are sinking."

The fact that two hours elapsed between the first call and the signal "sinking," made port authorities believe there may have been a running fight between the Keemun and the raider.

U-BOAT COMMANDER ONCE IN U. S. NAVY

An Atlantic Port, June 14.—(I. N. S.)—Passengers arriving here today on an American steamer from South America declared that on Monday while off the Florida coast a wireless message was received that a German submarine had been sighted and was being chased by American destroyers.

According to the passengers, four destroyers were in the vicinity shortly after the wireless was received and escorted them out of the danger zone.

In the northward trip the vessel was compelled to put into two ports for inspection and instructions as to the course it was to follow.

On the southbound voyage of the steamer, 19 survivors of vessels that had been sunk were picked up. The men had been held prisoners aboard one of the U-boats, the commander of which, they reported, was formerly a gunner in the American navy. The German captain told the men that he had refrained from sinking American ships until receiving orders from Berlin, at Kiel, to get busy or come home. The men who were picked up in open boats were sighted on Sunday, June 2. They were members of the crews of the Hattie Dunn, the schooner Edna and the steamer Hauppauge. They were closely questioned by the officers of the American vessel and all signed affidavits which agreed in essentials.

The identity of the submarine on which they had been held prisoner was agreed upon as the U-151. Her commander, they said, was Captain Neustidt.

According to information gleaned from the crew of the submarine by the prisoners, she left Kiel on April 14 for a 10 weeks' expedition and at the time of the disappearance of the steamer Carolina she had been out seven weeks.

The rescued sailors said also that the food served aboard the submarine was very poor.

U-boat Heavily Armed

New York, June 14.—(U. P.)—Americans captured off this coast by German submarine pirates were forced to polish torpedoes intended for use against United States transports. This came to light today with the arrival of more seamen who had been taken off their sinking ships by the Germans and held prisoner aboard the U-boat No. 151.

The U-151 carried 18 torpedoes and a crew of 76 officers and men. It is commanded by Captain Neustidt, formerly of the Hamburg-American line and for five years a chief gunner in the United States navy.

The U-151 was built at Kiel in 1915. Is 250 feet long, 29 feet wide, has a three fourths inch hull, which, it was boasted, a submarine shot could not pierce. She carries two 5.9 inch guns, four stationary rapid fire guns, 100 rapid fire rifles and is equipped with eight double periscopes.

Aid Call Heard at Sea

An Atlantic Port, June 14.—(U. P.)—An American steamship arriving here today from a Cuban port reported that she received an "S. O. S." call from a ship being attacked by a submarine on Tuesday. The call came from a point nearer shore than she was traveling. She carried over 100 passengers and was escorted to this port by destroyers and seaplanes.

Huns Warn Neutral Shipping

Amsterdam, June 14.—(U. P.)—The German admiralty intends to declare the east coast of the United States, from Mexico to Canada, a "danger zone," and will warn all neutral shipping, according to reports received from Berlin today.

Nine Lost With Swedish Steamer

Sockholm, June 14.—(U. P.)—The Swedish steamer Dora of 1500 tons has been torpedoed without warning, it was announced today. Nine lives were lost.

Boarding Steamer Sunk

London, June 14.—(U. P.)—An armed boarding steamer was torpedoed and sunk June 5 with the loss of seven lives, the British admiralty announced today.

Milk 13 Cents in Chicago

Chicago, June 14.—(I. N. S.)—Chicago will pay 13 cents for milk on and after August 1. This much has been agreed upon by hearings conducted before W. E. Lamb of the food administration.

BIG TARGET RANGE WILL BE LAID OUT

Steps Taken by War Department to Give Vancouver Barracks a Large Tract for Training.

Washington, June 14.—(WASHINGTON BUREAU OF THE JOURNAL)—The war department is completing acquisition of the Proebstel tract of approximately 3000 acres for a target range for the men at Vancouver barracks, for which $100,000 was appropriated.

The land selected consists of 23 parcels, on which 18 contracts are practically closed and a condemnation suit in one case has been started.

Instructions were telegraphed Wednesday to close the deals or begin condemnation proceedings on the four remaining parcels, so the appropriation will be available and not lapse with the end of the fiscal year.

AMERICAN AVIATORS MAKE RAID OVER METZ

(Continued from Page One)

by censor) poured several rounds into his opponent, the German machine falling in flames. The Germans attacked one of our machines, three albatrosses encircling it. The American machine was seen to spin earthward. It is believed that the Americans were made prisoners.

Another of our machines got on the tail of a Boche, firing steadily. The Boche machine, apparently clipped, dived earthward. The remainder of the German airmen fled. Our aviators returned to their base.

Hun Plane Shot Down

In another engagement fought earlier in the day three of our aviators shot down a German machine over Thiaucourt after a long chase.

This afternoon the Germans dropped bombs behind our lines on the Toul front, but no damage was done.

AMERICANS CUT RAIL LINE HELD BY ENEMY

By Bert Ford

With the American Army at the Marne, June 13.—(Night)—(I. N. S.)—The steady progress of the Americans in the sector of Belleau wood and Bouresches has cut the Chateau-Thierry-Villers-Cotterets railway line which was previously in German hands.

Information obtained from German prisoners, one Russian captain in particular, as well as from other sources shows that the German attack this morning was an imposing operation.

Storm Troops Sent Against Yankees

Specially trained storm troops, who had been carefully rehearsed, were brought up from General von Below's divisions to partake in the assault and the men were under orders to inflict a decisive defeat upon the Americans, as it was recognized that their morale and confidence had been infinitely raised by their continued successful progress.

The enemy found the Americans in strong natural positions, but the Germans were bountifully supplied with machine guns and flame projectors. Artillery in adjoining sectors was ordered to concentrate a destructive fire for several hours.

The Germans were found to be carrying six days' rations and a tremendous amount of machine gun ammunition. They had figured on storming Belleau wood and Bouresches and digging in there and upon holding to the positions until they were consolidated at the old lines.

Germans Lose Heavily

Krupp guns were moved up to support the operation. The attack was utterly crushed at Belleau wood. French and American artillery blasted the ground beneath the feet of the attackers.

The Germans lost very heavily, not only from the cannon fire, but from the continuous blasts from the American machine guns. To the eastward the Germans succeeded in debouching from the Bouresches railway station, penetrating along a sunken road. After American machine gunners had poured in a withering fire, the American infantry debouched from the ruins of Bouresches village and swept the station at the point of the bayonet. Many German bodies were found along the road, transfixed with the cold steel. Not a single American was bayonetted.

German Gunners Flee

German machine gunners abandoned their weapons and fled. Minnenwerfers squads threw down their mine throwers and took to their heels, rushing across the field that bordered the road. Later they were rounded up there.

Throughout the day German batteries maintained a harrassing drumfire against the American positions. It was exasperating, but a complete failure so far as results were concerned.

FRENCH WAR CROSS IS AWARDED TO AMERICANS

By Newton C. Parke

With the American Army in France, June 15.—(I. N. S.) — The following Americans have been awarded the French war cross for heroism and fidelity to duty:

Infantry

Majors James F. Hickey and G. J. Rau, Captains A. H. Griswold and C. M. Thompson, Lieutenants John J. Riley, C. E. Lockhart, A. F. Oberlin, D. W. Strickland and C. W. Comfort, Chaplains Lyman H. Rollins and O. A. Petty, Sergeants Edward J. Reilly, Milton H. Maxim and J. T. Church, Corporals James F. O'Toole, W. A. Trafto, Ernest P. McCarthy, Oscar F. Durand, J. R. Thornley, John S. Petro and F. W. Rosene, Privates F. E. Barry, J. S. Ferry, George W. McGinnis, Adelbert Brennahan, J. J. McKenzie, Earl Shea, H. L. Bailey, E. L. Dion, J. Tryon, Ray Moore, H. W. Mellin, Ernest Firth, J. T. Bird, M. J. Mehan, U. R. Harteuse, Jacob Levy, W. B. Bolton, Patrick Malone, M. L. Gogan, Andrew McGinley, Julius Loryneck, William Pushnick, John D. Curry, Arthur Bjornberg, J. Clark, Gil Stevens, G. C. Peckham, H. W. Congdon, A. F. Scott, A. C. Lugg, C. E. Brundel, M. J. Ryan, S. A. Cosky, W. F. Asley and M. J. Shea.

Field Artillery

Major F. S. Perkins, Lieutenants Thomas Sanders, T. G. Holt, T. R. Johnson, A. W. Thompson, Daniel Willard, Lee Cover, J. C. Davis and Renville Wheat, Sergeants H. M. McPhetus, J. A. Delmore, A. D. Gustafsen and J. H. Broadhead, Corporals Howard Morse, H. J. McDonald, F. D. Hurrell and E. L. Veaudray, Privates A. Richards, B. Sewell, R. Byers, W. H. Mullen, M. O. Kyme, H. R. Johnston, J. C. Perrin, Vincent Pollio, Dominic Palesky, J. R. Madden, W. M. Procter, T. J. Berry, E. E. Bernier, R. E. Clark, Charles Clapham, Robert Casis, John F. Brennihan, P. P. Gordon and E. H. Hobbs, Chaplain W. J. Farrell.

Engineers

Sergeant W. C. Shea.

Ammunition Train

Corporal L. M. Emery.

Signal Corps

Sergeant Robert Dundas, Privates R. A. Bale, E. G. Bray and H. B. Liming.

Ambulance Company

Sergeants G. W. Wilcox, G. C. Northrop, L. S. Holsheimer, J. B. Kendry and R. R. Drury, Private Wilbur J. Hanson.

ORGANIZATION TO BE SIMPLIFIED TO CONFORM TO PLAN

Chamber of Commerce to Be Managed by Executive Secretary and General Staff.

DEVELOPMENT OF CITY AIM

Budget for Coming Year Includes $127,000 to Cover Operating Expenses.

The Portland Chamber of Commerce is preparing to discard what is now regarded as the fanciful scheme of organization adopted three years ago. At a membership drive meeting Friday evening, both President H. L. Corbett and Executive Secretary W. D. B. Dodson announced that it is planned to simplify the form of organization so that it will be consistent with the simplified outline of purpose—trade and commerce growth, industry building and state development.

In place of the bureaus formulated under the somewhat inutile scheme of three years ago, committees will be appointed by the president or the board of directors to work toward definite objectives. Instead of bureau secretaries there will be a general staff under the executive secretary.

Business and commercial, rather than civic or social activities, will be engaged in. The club features, with daily luncheons, will, however, be retained.

Publicity Program Planned

Radical expansion of the Chamber of Commerce publicity program is planned with effort directed by an expert to secure both display and general publicity for Portland's industrial achievements in the publications which come under the eyes of the commercial and investing interests of the country.

That a simplified policy of action, aiming at the things most necessary, is fruitful was shown by the long list of definite accomplishments which reports by the president and secretary revealed.

A budget estimate of $12,000 for trade and commerce, particularly to be used during the coming year in prosecuting the effort for increase of shipping, was indicated. For industrial and payroll development a budget estimate of $25,000 was made. For Oregon development work it is proposed to set aside $20,000.

Appropriations Made

For administration and general Chamber of Commerce expense, including the salary of the chamber's representative at Washington and the executive secretary, $25,000 is estimated, miscellaneous charges are placed at $5000 and publicity at $5000, the latter item including the salary of a publicity man. An estimate of $15,000 for rent and $20,000 to maintain club features in addition to individual house charges, completes the general budget estimate. The total indicated is $127,000.

It is promised that every cent above the $92,000 estimated for general Chamber of Commerce administration, exclusive of club features, will be put into commercial and industrial publicity in a vigorous and result-bringing way.

Max M. Hirsch, chairman of the membership drive committee, presided at the Friday evening meeting. A brief statement of the budget for the coming year is as follows:

Club—		
Rental	$15,000	
General club expense	20,000	$ 35,000
Chamber—		
General chamber and administration		$ 25,000
Industries and manufactures	20,000	
Oregon development	20,000	
Trade and commerce	12,000	
Publicity and conventions	5,000	
Miscellaneous (legislative, civic, grain, lumber, retail)	5,000	92,000
Total		$127,000

Training Camp Is Filling Rapidly

Colonel John Leader, who is receiving applications today for entry to the University of Oregon military training camp, which opens June 24 for a four weeks' training course, announced at noon that the quota of 150 men was nearly filled, although applications would be taken until 4 o'clock.

Many men applying will have to be rejected, said the colonel, because of the limitations.

ALL DAY IN THE SUN; SUFFERS NO SUNBURN

A PRETTY society girl who is devoted to athletic, motoring and other outdoor pursuits is the envy of her friends because, no matter how much she is in the sunshine, it doesn't seem to affect her at all, and her complexion, neck and arms are always like the proverbial lily, white, soft and smooth as satin. She confesses to her friends that the secret of her success in avoiding sunburn and tan, freckles and other results of outdoor pleasure is that she uses Santiseptic Lotion, a delightful toilet requisite that protects her skin in an almost miraculous way. Santiseptic is just as effective in preserving the skin from pimples, blackheads, acne, spots and other blemishes. It is easily procured at drug and department stores, costing but 50c. If your druggist cannot supply it, his name and 25c in stamps or coin sent to the manufacturers, the Esbencott Laboratories, Portland, Or., will secure postpaid a large introductory bottle.—Adv.

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