BUSINESS PHONE RATE INCREASES MADE EFFECTIVE

Residence Phone Raises Allowed Only in Albany, Corvallis, Oregon City and Grants Pass.

ORDER EFFECTIVE ONE YEAR

Portland Business Houses to Pay $1.50 to $2 More, Outside Points as Low as 25 Cents.

(Continued From Page One)

the postmaster general may now take is problematical. Public Service Commissioner Williams concurred in orders issued by the commission but filed a separate opinion as to the theory on which the findings should be made. The company asked for increases in some instances as high as 60 per cent and averaging 27 per cent throughout the state, and intended to increase the company's revenues approximately $640,000 a year.

PROFITS NOT INCREASED

Increases allowed by the commission are intended to be sufficient to take care of the increases in wages and abnormal cost of materials, but not to give any increase in profits on the company's investment. The increases in rates allowed by the commission are to be effective for one year only, unless at that time the commission extends them. In connection with its order, which covers 70 pages of typewritten matter, the commission summarized its findings in a statement which it gave out to the press. This statement says:

"After a very exhaustive investigation by the public service commission and its corps of experts, covering a period of five months, the commission issues its order denying application for 27 per cent increase in the telephone exchange rates on lines of the Pacific company throughout the state, declining to allow so heavy a burden to be placed upon the telephone users.

RELIEF HELD IMPERATIVE

"The commission states that the increased expense of giving telephone service had directly resulted from war activities and the company should bear a portion of the burden.

"Necessity of some relief, however, is held to be imperative in order to provide for increased wages and permit the furnishing of adequate service.

"Rates for business service in Portland were raised in the case of a single party line from $3 to $8.50, while the two-party rate is raised from $5 to $7. Outside of Portland the maximum raise in business rates, except in towns where consolidations have been effected, is $1.50. The maximum raise applies in only a few instances. Most business rates outside of Portland are increased less than $1, and in small exchanges the increase is seldom over 25 cents.

"Advisability of putting the Portland business rates on a measured basis in the near future is suggested. Lack of available data on measured rates prevents this action at the present time.

COMPANY FIGURES WRONG

"Residence rates are not increased except in the case of four exchanges, at Albany, Corvallis, Oregon City and Grants Pass, where either existing or past competition has forced rates to an abnormally low level.

"The application requests increases in some instances as high as 60 per cent and averaging 27 per cent throughout the state, and designed to originate approximately $640,000 additional revenue. While it was the claim of the company that the increases asked would produce a return of only 4.35 per cent on the valuation, the commission finds they would really bring a return of 7.2 per cent, if allowed. The commission found calculations of the company to be in error, in that they ask for a rate of depreciation on straight line basis and at the same time ask for a return on an undepreciated value, which claims are inconsistent.

"The commission holds that if undepreciated value is used as a basis for calculation, the depreciation must be calculated by the 'sinking fund' method and if 'straight line' depreciation is used in calculating depreciation, a depreciated valuation must be used.

"An allowance of 5.6 per cent on the depreciable portion of the property was allowed for depreciation, while the company's calculations show 6¼ per cent and contract with the government is on the basis of 5% per cent.

CONTRACT NOT APPROVED

"The commission declines to approve the so-called 4½ per cent contract, whereby the Pacific company pays to the American Telephone & Telegraph company for rent of telephone instruments, engineering and financial services 4½ per cent of its gross revenues, holding that these services have no relation whatever to the gross revenues and should be paid for on the basis of the cost of the service. In the estimates made by the commission it has allowed for this service, in lieu of the 4½ per cent, an amount equal to approximately one half thereof.

"Relative to the arrangements between the Pacific company and the Western Electric company, whereby the latter furnishes to the former a large part of its material and supplies, the commission calls attention to the fact that the advantage of the existing arrangement to the American Telephone & Telegraph company is obvious, but that that this advantage is shared by the subsidiary companies is not so clear. Also notes that some discrepancies have been found between prices paid for materials by the Pacific company and those paid by independent companies."

AUTOMATIC IS URGED

"In referring to the pending consolidation of the Pacific and Home systems in Portland the commission expresses the hope that it will eventually result in the adoption of the automatic system in place of the manual.

"Attention is called to the fact that the wages now paid by the Pacific company are 33 per cent in excess of those paid in 1917 and an increase of approximately $500,000 annually in wages alone, with further increases pending.

"The commission establishes service connection charges which are lower than those inaugurated by the postmaster general for all exchanges with less than 1000 company stations. The ordinary charge will be $2.50 instead of $3.50 as heretofore. In larger exchanges the charge will remain $3.50.

"A charge of 25 cents per month is provided for desk phones on account of increased cost of installation and maintenance, extra value of the service, and the fact that the larger users are thereby compelled to pay for their additional use to some degree. Parties desiring to change from desk to wall phones may do so at any time within 90 days without extra charge for the change. After that time a charge of $1 will be assessed.

COMPANY IS SCORED

"Attention is called to the fact that if the maximum rates provided for in the Portland franchise were charged the rates would exceed even the schedule of rates proposed by the applicant and also impose unfair burdens and badly injure service.

"Attention is also called to certain franchise requirements, free service, etc., and municipalities and others are asked to keep in mind the fact that all free and reduced service thus exacted must eventually be paid for by the consumer.

"The company is scored for its overabundance of supervision and the lack of power to exercise decisive authority on the part of numerous officials. The efficiency of the local organization is said to be retarded by its magnitude and lack of centralization of authority."

A. B. FOSTER, SLAYER OF GOODELL, IS HELD ON MURDER CHARGE

Grand Jury Returns Indictments Against Hospital Patient; Other True Bills Found.

Amos B. Foster, slayer of John L. Goodell, young night clerk at the Angela hotel, was indicted for murder in the second degree by the Multnomah county grand jury this morning. Foster will be arraigned in the near future.

After shooting to death young Goodell on April 26, Foster, in a spectacular manner, turned a gun upon himself and fired three shots into his body. He has been confined at a hospital since his attempted suicide. He is part owner of the Orlando pharmacy, Twentieth and Washington streets.

Evidence that Foster had either been drinking or had been under the influence of narcotics when he killed Goodell and threatened the life of Officer George Raney is said to be held by the police. Foster's infatuation for pretty Bessie Wilson, a roomer at the Angela hotel, was given as a primary cause for his actions.

Floyd Hallam, G. H. Winkleman and M. R. Goodwin, three boys who are alleged to have stolen an automobile belonging to C. C. Bradley, were indicted on the charge of grand larceny.

John Zumwalt, a soldier, was indicted on a charge of contributing to the delinquency of a minor.

John Marston Bullick, indicted, is accused of taking an automobile without the owner's permission.

An indictment charging burglary was returned against James Jones. Dick McLain and Esther Long were indicted on a statutory charge.

A patent has been granted the Spanish inventor of a process for utilizing banana fibre instead of hemp and jute in textiles and cordage.

COUNTRY LAGGING IN BUYING BONDS

Subscriptions Pass Billion and Half Mark; Only Slight Speeding Up Reported.

Washington, May 3.—(I. N. S.)—Subscriptions to the Victory loan today passed the $1,500,000,000 mark. Only a slight speeding up was reported from any of the 12 federal reserve districts, and the treasury department today renewed its appeals to all loan organizations to perfect plans for a house to house canvass during the one remaining week of the drive. The nation is so far behind schedule, it was stated, that it will be necessary to raise approximately $500,000,000 a day during the remaining days to reach the minimum goal.

The Philadelphia district today reported a total of nearly $100,000,000, or a gain of more than $14,000,000. This is the biggest advance recorded in any one day since the start of the campaign. The city itself has now subscribed $46,000,000.

The San Francisco district is now approaching the $80,000,000 mark, with individual subscriptions totaling 263,278. Cities of the district have attained percentages of their quotas as follows: San Diego, 100; Portland, 70; Ogden, Utah, 52; Seattle, 43; Salt Lake, 38; Oakland, 28; Tacoma, 27; Spokane, 13; San Francisco, 13, and Los Angeles, 21.

From the Kansas City district came a report by states as follows: Colorado, $9,322,550; Kansas, $19,292,050; Nebraska, $11,757,500; New Mexico, $312,300, and Wyoming, $981,050. The district now has exceeded $75,000,000.

The St. Louis district added $6,500,000 to its sales yesterday, and now has subscribed nearly 60 per cent of its quota. The state of Kentucky gained $3,000,000 in a day.

12TH DISTRICT TOTAL TO DATE $90,854,450

San Francisco, May 3.—(U. P.)—The twelfth federal reserve district has subscribed $90,854,450 to the Victory Liberty loan, campaign headquarters announced today. The total represents 298,244 individual subscriptions. State and district total follows: Arizona, $757,000; Idaho, $3,648,500; Nevada, $561,700; Oregon, $16,137,700; Utah, $4,248,600; Washington, $16,464,950; Northern California, $24,148,100; Southern California, $12,122,800.

RECORD OF PORTLAND IS NOW AT STAKE

(Continued From Page One)

All the banks have agreed to remain open until 9 o'clock this evening to accommodate the public, instead of closing at noon, as is the Saturday custom. Nothing is being left undone to reach the people and give them opportunity to buy the most attractive security that the United States government has ever offered to the citizens of the nation.

Working at top speed, the solicitors and the district directors are covering every building in their territory.

The mopping up brigade is out in force to aid in wiping out the balance and, so far as enthusiasm is concerned, no drive ever saw the dawn of the last day with more ginger and vim. The quota is almost within reach and with this incentive no one is laying down on the job.

At Victory hut Friday there were 302 subscribers, amounting to $41,500 bonds, with a cash deposit of $19,985. On the corresponding day in the fourth Liberty loan drive the subscribers were 279, and their purchases amounted to $42,250, with $11,975 cash. The squad of enthusiasts operating in the theatres cleaned up another $52,000 Friday night, which is practically a duplication of the sum raised in the playhouses the night before.

Once the spirit moves, results come quickly. For example, Alfred F. Smith pledged $25,000 in the Heilig Thursday night. Solicitors went to Mr. Smith's office Friday to have him redeem the pledge and instead of taking the $25,000 promised, Mr. Smith tilted his subscription $125,000 more, making his total subscription $150,000.

SUBSCRIPTIONS INCREASED

This morning the Willamette Iron & Steel works telephoned to Mr. Roberson of the industrial bureau at Victory Hut that they would double their subscription, their original promise being for $100,000. In addition the employes of the plant have taken $75,000 of the Victory securities. Lipman, Wolfe & Co. took $25,000 and the employes $15,000.

Reports from employes of the following concerns show these subscriptions: Columbia Steel company, $6000; Covey Motor Car company, $3000; Balfour-Guthrie, $2400; Albers Bros., $6800; Nicholai, Neppach company, $4400; Carman Manufacturing company, $5100; Independent foundry, $6600; State laundry, $2000; Clark-Wilson Lumber company, $3500; Cicolai Door Manufacturing company, $1050; Fenner Manufacturing company, $3150; Union Meat company, $24,250; Multnomah Iron works, $3550; Eastern & Western Lumber company, $18,000.

DEMONSTRATION PLANNED

Providing the needed $1,500,000 is raised by 9 p. m., Portland will see the wildest night of demonstration that has been witnessed in this town since the armistice was signed.

Every force and factor that has contributed to the present struggle will be energized and mobilized in the rousing rally which will take place in Victory Center at Sixth and Morrison as the closing event of the drive tonight.

Bands will play, artists will sing, buglers will sound the call to duty and the great Victory bell will clang out its strident notes that the hour for final, decisive action has come.

CALL TO ARMS ISSUED

The call to arms has been sent out to the thousands of individual workers who have been in the field incessantly for two full weeks. The armies of solicitors under the banner of the women's committee, the industrial section, the city sales organization and the flying squadron have all been ordered to report.

The various war auxiliaries, the American Red Cross canteen workers, the girls of the war camp community service, the Salvation Army lassies, the Y. W. C. A. and picked squads of many other units of a semi-military character have all been urged to come to the front and assist in the big, final push to roll Portland over the top.

The city sales organization under the direction of H. B. Van Duzer, has been ordered to remain in the field in the downtown business and financial center till dinner time tonight, and then the individual workers will start in checking up their reports so as to be ready to announce them when Mayor Baker takes the platform at 9 o'clock tonight to preside at the closing Victory loan watch party.

CLEAN-UP URGED

The same orders have gone forth to the women solicitors, of whom there are nearly 2000, and Mrs. Charles E. Curry has particularly urged them to clean up their territory as thoroughly as possible and bring their returns to Victory center tonight so that these totals may be added to the others. The industrial bureau will work along similar lines, as will the bureau of foreign corporations.

An augmented staff of auditors and accountants will be on duty early in the evening and have their official banking reports of subscriptions actually turned in ready for the final meeting.

As much of this preliminary detail as possible will be wound up before the meeting, so that City Chairman Emery Olmstead may have an approximate idea of how far Portland will have to go to roll over the top.

APPEAL TO PATRIOTISM

Then, at the meeting, the most inspiring and eloquent speakers in the city will take the platform and appeal to the crowds to put their shoulder to the wheel—to buy more bonds, to double or treble their subscriptions if they can—to exhort their friends and neighbors to buy just one more bond that Portland's glory may not be tarnished in the final moment when victory is in sight.

That no opportunity may be overlooked and that every man, woman and child may realize to the fullest extent the gravity of the situation, Mayor Baker has issued a proclamation ordering all banks in the city to remain open till 9 p. m. for the sole purpose of receiving bond subscriptions.

SOLDIERS GIVE AID

A force of 120 regular army troopers from Vancouver barracks have been out on the skirmishing lines all day long, attended by more than 100 young women of the American Red Cross canteen, the War Camp Community service, the Y. W. C. A. and the Salvation Army and they have been laboring with might and main at 24 "mopping up" stations at the prominent street intersections in the downtown district as well as from booths in the lobbies of the principal office buildings.

Roving selling booths mounted on army trucks and manned by soldiers and sailors have been adding their bit to the general cause and speaking, singing and special forms of patriotic appeal have been set in motion all day long by the special features bureau.

The most strenuous day in the history of the American Red Cross canteen band of 50 pieces which has been on duty throughout the drive was put in today, for it was on duty from early morning and will be going strong till the grand climax tonight.

BANKS TO STAY OPEN

Every patriotic man, woman and child in the city is urged to be present at Victory center at 9 o'clock tonight to hear the good or bad news.

To add zest to the meeting, the Victory loan publicity department will distribute ten German officers' helmets free of charge by scattering envelopes from the top of Victory arch during the meeting.

By reason of the following statement by Mayor Baker, all banks will be open until 9 o'clock tonight:

"It is the manifest duty of every citizen to use every effort to raise Portland's Victory loan quota. Given the opportunity, every man and woman will respond. No matter what other cities do, Portland must answer in full. That citizens may have this opportunity, every bank in Portland is hereby instructed to remain open today until 9 o'clock p. m., for the purpose of taking Victory loan subscriptions, keeping windows open this afternoon for that purpose alone. Citizens are asked voluntarily to prove Portland's mettle."

Senate Will Ratify League Covenant, Hitchcock Asserts

Washington, May 3.—(I. N. S.)—The senate will ratify the League of Nations covenant, in open session, in exactly the same form that it was adopted by the peace conference.

This prediction was made this afternoon by Senator Hitchcock, of Nebraska, retiring chairman of the foreign relations committee, on his return to Washington from a western trip.

"If the Republicans attempt to make the League of Nations a party issue," continued Hitchcock, "it will split the party in 1920."

Amendments to the covenant, in Hitchcock's opinion, were such as to remove any legitimate objections, and those senators who are still opposed to its ratification are irreconcilable to a League of Nations of any sort, he believed.

Oregon Government Founding Celebration

Champoeg, May 3.—Founders' day is being celebrated here today by Oregon pioneers, members of their families and friends. The celebration is the eighteenth and the fine weather drew many to the scene of the foundation of government in Oregon, on May 2, 1843. An interesting program, with a basket dinner, is being enjoyed.

National Guard Show At Armory Attracts

The Victory celebration of the National Guard at the Armory Friday night opened in good shape with a large attendance. The street shows ran with a rush until after 11 p. m. Military police guards patrolled the premises and kept a strict watch. Company H is in charge under Captain Clark. More concessions will be in evidence next week.

According to an English scientist Eskimos have two more ribs than any other human race.

DANCE
LEARN HOW!

I WILL POSITIVELY GUARANTEE TO TEACH YOU IN A REMARKABLY SHORT TIME

GENTLEMEN $5.00
LADIES $3.00

Come dance with our many expert lady and gentleman instructors. Private lessons daily.

NEW CLASSES THIS WEEK—BEGINNERS, MONDAY AND THURSDAY EVENINGS; ADVANCED TUESDAY AND FRIDAY EVENINGS.

RINGLER'S DANCING ACADEMY
Cotillion Hall
14th St. at Washington Bdwy. 5880

COLUMBIA
Direction of Jensen-Von Herberg
NEW SHOW TODAY
One of the Screen's Best Liked Favorites

EARLE WILLIAMS
IN
"A GENTLEMAN OF QUALITY"
A Stirring Dramatic Story of Love, Mystery, Amazing Dual Identity and the Hand of Vengeance.
Also
PARSONS COMEDY
"Potem of Swat"

LIBERTY
DIRECTION OF JENSEN-VON HERBERG
"LIBERTY CORNER"
11AM 11PM
STARTING TOMORROW WE WILL FURNISH PORTLAND WITH THRILLS—THRILLS—THRILLS—IN FACT, ENOUGH FOR A LIFETIME, WITH THE GREATEST AUTOMOBILE RACING PICTURE EVER MADE
THE ROARING ROAD
Featuring
WALLACE REID
Theodore Roberts and Anna Little
A Picture for Everyone Who Owns, Rides, Drives, Likes and Wants an Automobile. From the Great Saturday Evening Post Racing Story.
HE ARRIVES AT TEN THIRTY SUNDAY A. M.

Showing an Auto Racing the Midnight Express From Los Angeles to San Francisco and BEATING It ! ! !
LAST TIMES TONIGHT
"TODD OF THE TIMES"

A Checking Account
is a household and business necessity.
A monthly statement showing all deposits and withdrawals is furnished and every canceled check is a receipt.
As a depository for your funds select
"A Conservative Custodian"
Hibernia Savings Bank
Savings — Commercial — Trust
Open Saturday, 6 to 8 P. M.

THE VICTORY Liberty Loan
Will afford the last opportunity to subscribe to a government loan to defray the cost of the Great War
THE TERMS OF PAYMENT ARE EASY, VIZ:
10% on or before May 10, 1919
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(with accrued interest on deferred payments)
Subscriptions can be made at any bank
INVEST
The Bank of California
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Watch! Wait!
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May the 5th
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