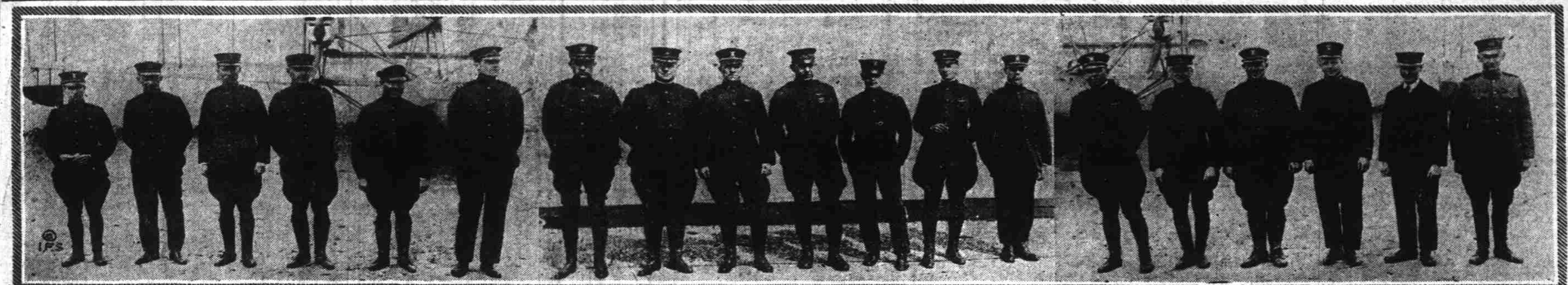


## The Men Who Are Making Transatlantic Flight History for U. S. Navy in American Planes

LINED UP as they appeared just before starting from the Rockaway air station for the first leg of their transatlantic air flight, are the crews of the three American seaplanes which are striving to be first to fly across the ocean. From left to right, they are: The crew of the NC-4, Lieut. Commander Albert C. Read, commander and navigator; Lieut. E. F. Stone, pilot; Lieut. W. Hinton, pilot; Ensign C. Rood, radio operator; Chief Special Mechanic E. Harry Howard, engineer; Lieutenant James L. Breese Jr., reserve pilot engineer. The crew of the NC-3, Lieutenant Commander J. H. Towers, in charge; Commander H. C. Richardson; Lieutenant Commander P. N. S. Bellinger, Major B. L. Smith, Lieutenant Commander G. de C. Chevalier, Lieutenant Commander Byrd and Lieutenant Barrat. The crew of the NC-1, Lieutenant Commander Bellingier, in charge; M. A. Mitscher, pilot; L. F. Barin (of Portland), pilot; Lieutenant H. Sadenwater, radio operator; Chief Machinist Engineer C. I. Kessler, and Reserve Pilot Engineer R. Christensen.



## NC-4 TAKES TO AIR AT 7:08 P. M.

Aviators Lighten Cargoes and Get Machines in Shape for 1200-Mile Flight to Azores.

Balloon Car, Which Escaped Yesterday, Drifts From Sight and May Be Lost Entirely.

Trepassy, N. F., May 16.—(U. P.)—The NC-4 left the water at 7:08 p. m. (local time).

Trepassy, N. F., May 15.—(U. P.)—The seaplane NC-3, commanded by Commander John H. Towers, began taxiing across the harbor for a start in the transatlantic flight at 6:06 (Newfoundland time), (4:36 New York time) or 5:41 Greenwich time, this evening.

Commander Towers is admiral of the squadron of three seaplanes and the crowd gathered on shore took the NC-3's start from her anchorage as a signal that the trip to the Azores was about to begin. The NC-3 sent the spray flying as she sped away in the direction of the mouth of the harbor.

A few minutes before the NC-3 got under way Commander Towers said the seaplanes might spend two hours in trials after leaving the harbor before actually getting away for the Azores.

Each seaplane, he said, would reduce its load by 600 pounds in gasoline, but would take its full crew of six men.

Each machine now carries 25,200 pounds.

Trepassy, N. F., May 16.—(U. P.)—All three American seaplanes probably will hop off for the Azores at 6 o'clock New York time today on the attempt to cross the Atlantic. Weather conditions early this afternoon were favorable for the attempt.

St. Johns, N. F., May 16.—(U. P.)—The United States destroyer Edwards arrived here this afternoon and reported that its search for the dirigible C-5 had been fruitless.

A wireless message from the British steamer Clan Davidson stated that it had failed in its attempts to salvage the "Blimp" and was no longer able to stand by. The Davidson is proceeding on its voyage.

St. Johns, N. F., May 16.—(U. P.)—The American dirigible C-5, which broke from its moorings late Thursday and drifted seaward, was still mysteriously missing early this afternoon.

Lieutenant Little, chief aviation expert, aboard the cruiser Chicago, denied that the Chicago had received a message saying the "Blimp" had been found by the destroyer Edwards and was being towed to this port.

He said that the British steamer Niger, which left St. Johns for Liverpool yesterday morning, reported she had sighted the airship on the water 85 miles east of St. Johns last night, but that the Edwards, which was sent to the scene, had made no report. The destroyer apparently is still searching for the missing dirigible and the report from some of the naval officers that the C-5 was being towed here is apparently a hoax.

Little said he believed there was little hope that the "Blimp" would be rescued and that even if she was towed in she probably would be useless for flying purposes for a long time. The Chicago, he said, is now embarking Chicago, he said, is now embarking Chicago, he said, is now embarking

By Junius B. Word  
Special Cable to The Journal and Chicago Daily News.  
(Copyright, 1919, by The Chicago Daily News Co.)

BREST, France, May 15.—(Delayed.)—"The time has come for the American people to be told the truth about the part they played in winning the war," said Congressman Julius Kahn of California in a remarkable interview on his arrival today at Brest, preparatory to sailing on the Leviathan on Thursday for home.

"America can be proud of what she has done, but she has not heard all. Military necessities made it inadvisable to tell many things, and European jealousies made it impossible to tell any more. Both restrictions are now removed. We should have every American soldier out of Europe before October 1. The amount of the German indemnity will not be determined for many months, but as our country gets none of the money, it should not be turned into a collection agency for other countries. Let them collect

(Continued on Page Two, Column Four)

## GERMANS INSISTING ON PARLEY

British Labor Leader Advises Enemy to Sign, But Offers Criticism of Treaty.

Paris, May 16.—The German peace delegates today received a number of messages from Berlin, directing them to insist on the right to confer freely with the Austrians and also on the right to carry on oral discussions with the allies.

The allies are now framing a reply to the German demand for oral discussions. The text of the German note and the allied reply probably will be made public early next week.

The German counter proposal regarding the Saar basin agrees to surrender the coal mines, but insists upon retention of political jurisdiction over the region. It was learned from an authoritative source today.

ADVISE THEM TO SIGN  
"My advice to the Germans would be to sign the treaty," Arthur Henderson, British labor leader, declared in an interview here today.

Henderson has been aiding in preparing the report of the "big four" regarding the Germans' labor recommendations and recently participated in a three-day conference of Socialists of various countries who adopted resolutions partly endorsing and partly condemning the treaty.

"We are bound to recognize that certain injustices, attributable to past wars, have been repaired," he said. "Some peoples long kept in subjection have been liberated. We welcome creation of the League of Nations. In its present form, however, the league is an association of governments and executives rather than peoples and parliaments.

WOULD ADMIT GERMANY  
"It falls to compel members to renounce entirely recourse to war. Instead of being an organ of international justice, it has the appearance of a victorious coalition dominated by the five great powers. Failure to include

(Concluded on Page Eighteen, Column Two)

## British Air Raids Kill 100 Afghans

London, May 16.—(U. P.)—British air raids forced evacuation of Dikka (on the Kabul river in Afghanistan, just across the Indian frontier), according to an official dispatch dated Sunday received by the India office today. Several other successful bombing raids were carried out. One hundred Afghans were killed and seven runs captured.

## Grain Men Asking If Elevator Will Be Ready by 1919

"WILL the municipal grain elevator be ready to receive the grain of 1919?" This is the question of prime importance to the Merchants' Exchange in the investigation which it has undertaken of conditions at the St. Johns terminal, according to A. Cohn, chairman of the Merchants' Exchange committee on inquiry.

"It is of the greatest importance to know if subsidence of the elevator structures can be stopped in time to complete the work speedily and prepare to handle the wheat movement of this year up to the elevator's capacity," explained Mr. Cohn. Other members of the committee are Peter

Kerr, D. A. Pattullo, Sherman R. Draper and J. H. Klosterman. After it has gathered all the facts available and has reached conclusions which the facts warrant the Merchants' Exchange committee will

(Continued on Page Two, Column Three)

## Party Program Of Republicans Is Agreed Upon

House Republican Steering Committee Takes Up Legislative Plans for Caucus.

Washington, May 16.—(U. P.)—A legislative program of 10 important measures was drawn and agreed upon by the house Republican steering committee today for submission to the entire Republican membership in caucus tomorrow night.

The program, if adopted, will be regarded as a promise to the country to see that the 10 measures are carried through congress with all possible speed. They are:

- Repeal of the luxury tax.
- Return of the wires.
- Adoption of a shipping policy.
- Settlement of the railroad problem.

Passage of a constitutional suffrage amendment.

Enactment of a national budget system.

Tariff revision.

Aid for men coming from the service.

Economy in public expenditures.

Passage of essential appropriation bills.

REPEAL COMES FIRST  
The work on appropriation bills will be the first matter taken up, but repeal of the luxury taxes and perhaps suffrage will be rushed through the house very early in the session, party leaders said.

Return of the wires will also come up for early consideration.

With the exception of the wire return, luxury tax and suffrage questions, the committee did not attempt to commit the party to any policy. This will be left wholly in the hands of the various legislative committees which have charge of the measures.

Representative Madden, Illinois, who suggested the outline of a party slate to carry before the caucus, said that more measures might be added in caucus. There are suggestions that immigration restrictions be made a part of the Republican program.

TO CHALLENGE BERGER  
The steering committee also decided to ask the chairman of one of the three house elections committees to challenge Victor Berger, Milwaukee Socialist congressman, when he presents himself to be sworn in next week.

Minor patronage matters were discussed.

## HOUSER TO BUILD BIG MILL HERE

Work Begun by Max H. Houser on Large Modern Plant on East Side.

Announcement has been made by the Portland Flouring Mills company, controlled by Max H. Houser, of the building in this city of the most modern cereal plant in the entire country and perhaps the largest west of the Rocky mountains.

Work on the structure is now being carried on at the site of the company's old warehouse at Washington and East Second streets and every effort will be made to have the plant completed and in operation for the coming season's grain crop.

The construction of this plant will be the best along the coast of the Pacific coast cities as a cereal manufacturing center. Mr. Houser has secured the cooperation of Sherman T. Edwards of the Hales-Edwards company, noted cereal operators of Chicago, in the management of the new plant.

Mr. Edwards recently arrived in this city and has taken care of initial operations.

PORTLAND MILL PIONEER  
The Portland Flouring Mills company was one of the first big cereal companies in the Pacific Northwest. Since Mr. Houser secured control of the corporation he has decided not only to make the milling plants owned by the company the best along the coast, but he has felt that this city should have the most modern cereal plant that could be constructed.

Selection of the site has been made on the building and equipment to insure early completion.

Present plans of the company are to make Portland the cereal center of the Pacific coast.

As further indication of the new trend of industrial activities, announcement was made today by W. H. Crawford, manager of the department of industry of the Chamber of Commerce, that the location of a new flouring mill backed by Walla Walla district interests is assured. Mr. Crawford has now received definite assurance that the mill will be located here.

Selection of the site has been practically made and financial arrangements have been completed. It is planned at first to place the mill on an operating base of 200 barrels a day—an embryo of the development the backers of the industry are confident they will develop in a few years.

NAMES OF OWNERS WITHHELD  
Announcement of the owners of the mill is withheld because all arrangements for the site have not been completed. The proposition outlined is to raise the grain in Eastern Oregon and Washington and ship it to Portland and then to San Francisco. The route from Hawaii to San Francisco and then to Portland is particularly suited to raising grain and the conditions here all make possible a wonderful development of the flouring industry.

"By-products of one of the principal problems of the miller, can be admirably handled here," declares Mr. Crawford. "Cattle raisers in the Willamette valley could enlarge their herds if enough by-products were available for them. The establishment of a great milling industry would thus tend to make Oregon a greater cattle country."

(Concluded on Page Five, Column Three)

## Oakland Chief Quits Under Bribe Charge

Oakland, Cal., May 16.—(U. P.)—Chief of Police J. H. Nedderman resigned today. Captain J. F. Lynch has been recommended as his successor. Nedderman's resignation was demanded by Commissioner of Public Health and Safety E. P. Morse following the chief's indictment for bribery in connection with a lottery. The council, in session today, has been asked to approve Lynch's appointment.

Rear Admiral Robert M. Doyle, U. S. N., commanding the North Pacific fleet, is en route from Hawaii to San Francisco. From there will go to New York and Washington to ask retirement, according to a letter received by his son, H. H. Doyle of Los Angeles.

## Ship Contracts to Be Based on Flat Price, Lower Rate

Word in Washington Is That Congress Will Agree in Main With Announced Policy as Outlined by Shipping Board; Western Yards Must Meet New Conditions.

WASHINGTON, May 16.—(Washington Bureau of The Journal.)—There is good reason to believe that congress will agree with the main features of the announced policy of the shipping board as to future construction of ships for the government. These are:

The cancellation of steel contracts aggregating in the vicinity of 2,000,000 tons and the substitution of larger, speedier types.

The award of new contracts on a flat price basis, probably not exceeding \$140 to \$150 a ton, without assumption by the government of any increased costs of labor or material.

The opening of yards to contracts on foreign account, under permit by the shipping board, to prevent interference with the government program.

The situation the Pacific Northwest yards will face will be the alternative of taking large contracts on the basis suggested, involving, it is believed, a considerable capital outlay, or ability to secure contracts on foreign account for ships of a size that will not require extensive plant alterations.

It will be seen that there is no conflict between this statement and the statement recently sent to Mayor Baker of Portland by Chairman Hurley, when Mr. Hurley said:

"You may say to the workers and shipbuilders of Oregon that in the report the board makes to congress in connection with any cancellation of types that are not required, we will recommend substitution of a contract for the type that is required."

The United Auxiliaries reception committee is taking a leading part in the reception, with the help of Frank H. Hilton of the Portland reception committee and T. Truxton Strain of the War Camp Community service. Luncheon is to be served them at the Portland hotel, when Mayor Baker will welcome them home formally.

During the afternoon there will be theatre tickets in profusion and everything provided that the boys can wish if they will report to the Liberty temple when they run out of amusement. Tonight the Daddies club will be host to them at the Jazz Canyon at The Auditorium, where the boys will be provided with fake cash to use in the "Camping Joint" there and under "Fifty-six soldiers in a casual detachment from Camp Upton, L. L. will arrive in the city at 3:30 and leave at 4 for Camp Lewis. Another detachment of 51 is due to arrive in the city at 12:30 Saturday on the O-W. R. & N. and to leave at 4 o'clock for Camp Lewis. The units which these men represent is not known.

## EQUAL RAIL RATE NATIONAL BUDGET PROMISE IS MADE CURB ON EXPENSE

Committee Exacts Statement That Diversion of Pacific Traffic Must Not Result.

Equal rates for foreign trade for Atlantic and Pacific coast ports.

Use of barges as freight carriers on the Willamette and Columbia rivers.

Great expansion of foreign trade by the United States, including methods of stimulating commerce through changes in marine insurance general policy.

Crisis faced by Portland as a port, calling for activity along commercial and manufacturing lines in this city.

These are suggestions and reports brought to Portland by City Attorney W. P. LaRoche on his return today from an eastern trip during which he attended conferences in Chicago and St. Louis of the foreign trade convention and United States Chamber of Commerce in behalf of the dock commission. Mr. LaRoche declares that after a differential of 80 cents on iron and steel goods in favor of Atlantic ports on commerce to the Orient had been granted by the railroad administration, a committee, of which he was chairman, of representatives from western states, exacted a promise from the administration that the rates would be changed if a diversion of traffic to the eastern seaboard resulted.

FACTS PRESENTED  
"Mr. Chambers of the railroad administration promulgated a westbound export tariff called 25-C, under which all iron and steel goods for Oriental

(Concluded on Page Fourteen, Column One)

## 1620 BOYS RETURN TO PORTLAND

Second Battalion, Including 135 Men of Old Third Oregon, Welcomed to Home State.

After months of waiting, 135 of Oregon's sons of the Second battalion of the One Hundred Sixty-second infantry—the old Third Oregon—have returned from France and arrived at the Union station shortly after noon today. With 10 hours to spend in the city, these boys, who for a year and a half did necessary work, even if lacking thrills, in the camps in England, will be free to enjoy themselves in the metropolis of their own state.

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By Carl Smith  
Washington, D. C., May 16.—(WASHINGTON BUREAU OF THE JOURNAL.)—The purpose of a budget system in government is the prevention of waste through centralized responsibility for a fiscal program, substituting a policy for chaos in expenditure.

Most government officials who have passed through centralized responsibility for a fiscal program, substituting a policy for chaos in expenditure.

They are not agreed as to how it should be brought about. Many members of congress are too fond of appropriations, which they may be able to secure, to indorse the plan of executive responsibility. That is the plan pursued in a nearly all the civilized countries of the world.

The late Senator Aldrich had the budget system in mind as a means of reform when he told the country a few years before his death that the government could be conducted for \$200,000,000 a year less than it then cost. It is the remedy usually in the mind of public men who discuss the question. Here is the existing situation:

Estimates of the needs of departments for the approaching fiscal year, except for the army and navy, are sent to congress through the secretary of the treasury, but he acts merely as a forwarding officer. He would be interfering with another department if he cut down or altered the estimate of any other department than his own. Experience has shown that while in some instances these estimates are carefully drawn, they usually are loosely drawn, and almost always on the side of liberality, for but few chiefs are inclined to expansion and salary increases.

In the house, where appropriation bills originate, the estimates go to various

(Concluded on Page Fourteen, Column One)

## Speed Limit for County Roads Is 30 Miles an Hour

Misunderstanding as to New Law Which Applies to Columbia River Highway.

From the many inquiries coming to The Journal it would appear that it is not yet generally understood that the limit of speed on county roads has been raised from 25 to 30 miles per hour.

The change in the law was made by the last legislature in the enactment of the bill relating to the licensing and operation of vehicles. This measure had the emergency clause attached and the law went into effect last March.

Local authorities can require a reduction of speed on city streets and sharp turns and other places where it would be dangerous to maintain the maximum speed, provided the limit is not reduced beyond 10 miles an hour, or one mile in six minutes.

Readable signs must be set up to denote where these local restrictions are to apply.

The new law does not give immunity to speeders on the Columbia river highway and other roads improved by the state as some would like to think. Neither does it render inoperative the instructions posted along the highway of "keep to the right" on turns and to maintain a certain speed around curves.

The only effect of the new law is to make the maximum speed on county roads 30 miles an hour instead of 25 as under the old law. One of the objects of the new law was to secure uniformity with the laws of California and Washington.

## 600,000 Workers Want Higher Pay

Fall River, Mass., May 16.—(U. P.)—A demand for an increase of 15 per cent in wages was made today on all textile manufacturers in the country by the 600,000 operatives in the ranks of the United Textile Workers of America. Announcement of the demand was made by President John Golden. The textile workers demand, he said, that the increase take effect May 26 and that it be binding until April 1, 1920.

NEW FIRM GIVEN TWO MORE SHIPS  
Wooden Vessels Will Load Here With Ties for Eastern Coast And for Europe.

Two additional wooden steamers have been assigned to the Columbia Pacific Shipping company, the Portland shipping firm recently organized under the management of A. C. Stubbs, former manager of Sudden & Christenson. The additional ships announced today by C. D. Kennedy, chief of the division of operations of the shipping board are: Birchleaf, a product of the Supply & Ballin yard, and the Fort Stevens, a Ferris type vessel, built by the Grant Smith-Porter company.

The Birchleaf will start to load railroad ties at the Peninsula Lumber company mill Monday, and the destination of the steamer will probably be Philadelphia. The two are destined for reconstruction work for the railroad administration.

Assignment of the Fort Stevens to load ties for Europe is in line with the recently announced program which will put into service 15 wooden steamers built on the Pacific coast. The Fort Stevens will be allowed to carry 200,000 feet of lumber on deck.

By Junius B. Word  
Special Cable to The Journal and Chicago Daily News.  
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## Coolness Detected Between French and Yankees in France

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(Continued on Page Two, Column Four)

## Croatians and Serbs Fight; Scores Dead

Geneva, May 16.—(U. P.)—Scores have been killed in a sanguinary battle between Serbians and Croats at Agrani, in Croatia, according to information from Vienna today.