

GRAVE PROBLEMS OF GOVERNMENT TO FACE HARDING

Washington, Nov. 5.—(U. P.)—One hundred problems of major importance will confront the Harding administration. The number of minor problems are legion.

Bringing a technical as well as practical state of peace and paying the remainder of the cost of the war will be a big job for the new administration. In addition to writing the peace terms with Germany and Austria, the new secretary of state must frame a Russian and probably a Mexican policy and propose to the other powers President-elect Harding's plan for an "association of nations."

WAR DEBT CONFRONTS
Governor Lowden, if appointed to the treasury, will have to get the United States started on the task of paying off the rest of the cost of the war, about \$14,000,000,000.

Cash must be found to pay off about \$4,500,000,000 worth of Victory notes in May, 1923. Between now and then the total amount of government obligations of all kinds maturing will total nearly \$7,500,000,000.

This means the government's annual tax bill must continue to total at least \$4,000,000,000 a year. Most of this now comes from the excess profits tax law, which business men are demanding be repealed.

To complicate the problem of cutting down fixed charges of the government, about 65 per cent of the \$4,000,000,000 now collected annually is already pledged to pay war charges. These charges include annually about \$900,000,000 for the maintenance of the army and navy, \$350,000,000 for the war risk bureau and war insurance, hospitals and assistance for former soldiers; \$250,000,000 for Civil War pensions and \$1,200,000,000 a year for interest and sinking fund charges on the cost of the great war.

Some problems that will face heads of other government departments follow:

AGRICULTURE
Farmers, now threatening a national strike because of the low prices paid for their product, must be assisted and encouraged to increase production. The drift of farmers from the land to the cities must be halted.

SHIPPING BOARD
Hog Island, which cost the government nearly \$70,000,000, must be sold, as well as 12,000,000 tons of shipping now being operated by the government.

LABOR
The new secretary of labor will take over his duties at a time when employers are believed to be planning a national concerted movement to reduce wages. President Comptroller of the American Federation of Labor challenged employers to attempt this, declaring that labor will fight.

INTERIOR
Concessions in oil and potential water-

power sites worth billions must be allotted by the new head of the interior department, under the new water-power and oil-land leasing bills.

WAB
The new secretary of war must undertake the reorganization of the army and the national guard. Money for this will not be readily available because of the tremendous outlay that must be made to pay for the war just ended. In addition, a reserve army must be recruited sufficient to throw 2,000,000 men into the field in case of an invasion of the United States by a foreign power.

NAVY
The secretary of the navy must carry through the present three-year building program which will give the United States one of the world's biggest navies.

CITY BUDGET IS 'SHAVED \$400,000'

Cutting budget estimates at the rate of \$200,000 per day, the city council today entered upon its second session for consideration of 1921 city expenses.

This afternoon more than \$400,000 had been cut, with the task of slicing an additional \$100,000 facing the commissioners. The city planning commission with \$6480 for personal service and \$1120 for supplies was cast into oblivion and will cease its existence at the end of this month.

POLICE BUREAU HIT
Thirty-seven thousand dollars had been taken from Mayor Baker's estimate for the police department, \$28,000 of which was for personal service. This will necessitate a slight reduction in personnel of the department. The mayor's budget, as it stands now, is \$11,000 less than was actually allowed during 1920.

The fact that the 1921 budget must be less than last year's allowance by \$100,000 was brought forcibly to the attention of the commissioners. Commissioner Bigelow made a cut in maintenance of the street cleaning department and personal service of \$20,000. Commissioner Mann's estimate has been pared to \$24,000 less than he was allowed last year.

CUTS AGREED UPON
All five commissioners agreed to a 10 per cent reduction in their estimates totaling \$1,000,000 for supplies and materials. This lump sum of \$100,000 was among the first to be saved at today's session.

Abandonment of the city planning commission was agreed on with failure, at the election, of the city zoning ordinance.

Commissioner Barbur, with a single cut of \$50,000 for personal service, is now \$61,000 under his allowance of 1920. Commissioner Bigelow is \$4000 under his 1920 grant and Mayor Baker \$11,000.

It was expected that the \$1,000,000 budget would be pared of its necessary \$500,000 by the close of Saturday's session.

TESTIMONY GIVEN IN GOVERNMENT WAR STAMP CASE

The case of the government against William Brenner, W. E. Smith, Angelo H. Rossi, Robert La Salle, David Stein and Fred Peterson, charged with conspiracy in fraudulent War Savings Stamps, was resumed in the U. S. district court this morning.

Testimony was heard from Smith, Brenner and Stein, all of whom related their part in the stamp transaction. Brenner stated that the stamps had been brought to his store by Rossi, who "needed money"; that he had no knowledge that the stamps were not good, nor did he suspect anything was wrong when Matthews returned from the post office, where he went to find what they were worth and said it was necessary to wait about 10 days before they could be redeemed.

EXPRESSMAN TESTIFIES
Nathan Henkin, expressman, who spent considerable time at Brenner's store, told of the conversations he had overheard regarding the transaction. He told of Rossi coming in with the stamps and wishing money. Rossi claimed he had received the stamps from a logger in trade and asked Brenner if he happened to know anyone that would buy, let him know. Shortly after, Matthews came in and upon being told about the stamps asked the price and who was the friend. Brenner handed Matthews the stamps done up like a "pack of cards," with a rubber band around them. Matthews took them to the postoffice to find what they were worth. When he returned, Henkin overheard him say: "It is this way: I would take the stamps, but the postoffice requires notice of 10 days, and if I buy them I would like to turn them over."

STAMPS TURNED BACK

Brenner then turned the stamps back to Rossi, said Henkin, the whole transaction not taking more than two hours. When LaSalle came to the store he and Brenner went to the rear to talk over Masonic work. When they returned Henkin said he overheard their conversation. Brenner told LaSalle about the stamps. LaSalle said if the stamps were O. K. he knew a friend of his who would take them, Henkin testified.

Ralph Hoyt, county commissioner; W. P. Gibson, a wholesaler; L. A. LaTourrette, deputy city attorney; Mark W. Petersen and Arthur A. Manner were called to the witness stand for the defense and testified as to Brenner's character as an honest, law-abiding citizen.

SALE IS MADE

David Stein, second-hand dealer, testified he had known Rossi about three years, that Rossi wanted to sell the stamps, that Rossi said the stamps were good and belonged to him and his

wife, but that he wanted money immediately and that if he took them to the postoffice he would have to wait 10 days. Stein said he offered him \$4, which Rossi accepted, and Stein made out a check for \$256.

The stamps were loose and in a bundle. Stein said he noticed nothing wrong with them, that he took them over to Tobin, who looked them over and found one stamp that was somewhat smudged. This stamp Stein took back to Rossi and was reimbursed \$4.

Rossi said his wife had spilled some ink on it. From the other stamps Stein said he received a check from Tobin amounting to \$263.

22 Aliens, Labeled Undesirable, Start Trip to Home Lands

Twenty-two undesirable aliens this morning started on the government train for New York for deportation to their native countries. Only one of the aliens, Chagararare, arrested for white slavery at Astoria recently by Inspector I. P. Bonham, was from Portland, 14 were from San Francisco and seven from Seattle. Inspector Ed Kline of Washington, D. C., was in charge of the deportation car.

Inspector C. E. Keagy brought the Seattle delegation to Portland and is remaining over for a few days with Bonham.

Three aliens will be deported from Portland to Canada next week. Inspector Bonham is in charge. One of these, William Langstaff, is a business man who abandoned his wife and brought his stenographer to Portland. He has just completed a nine months' jail sentence. Henry Schneidmiller, the 19-year-old youth who was sentenced to the penitentiary for being an accomplice in a robbery, whose sentence was changed to deportation, will be in the party. The third is William Culver, who has just completed his term in the penitentiary for robbery. Culver served in the Canadian army and while tramping through this country broke into a schoolhouse to get warm and could not resist the temptation of taking away the teacher's gold watch which had been left in the desk.

U. S. Holds Man Who Garbled Testimony

Abraham Kroese was this morning bound over to the federal grand jury under \$1000 bail, after a hearing in Commissioner Fraser's court, on the charge of claiming exemption from military service on the grounds of being an alien and later testifying in naturalization proceedings that he had not claimed exemption. Kroese came from Amsterdam, Holland, in 1913.

Teed Bound Over

George Teed of Stanley station, whose hearing on the charge of "moonshining" was heard in Commissioner Fraser's court Thursday afternoon, was bound over to the federal grand jury. Teed was employing two youths about 13 years of age, one to operate the still and the other to sell the liquor, it was charged.

WESTERN MAN IS URGED FOR CABINET

Salem, Or., Nov. 5.—The appointment of a Western man as secretary of the interior in the new

cabinet to be formed under the Republican administration which takes office March 4 next, is urged upon Warren G. Harding, president-elect, in a letter forwarded by Governor Olcott this morning.

Governor Olcott calls attention to the movement toward this end which was started prior to the election, but in which he refused to join for fear it would embarrass the candidate. Now that Harding has been named president, however, the governor declares, "I consider it perfectly proper to address you on the subject at this time."

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Mayor Kyle Wins His Fifth Term

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C. I. Brockman, Don Pruitt, John Hickman and James G. Lane.

U. S. Asks Damages
The Deschutes White Pine Lumber company is being sued by the United States for damages resulting from the cutting down of yellow pine trees in the Deschutes national forest. United States District Attorney Humphreys has also filed suit against the Victory Lumber company for cutting fir and cedar along Eagle creek in the Oregon national forest. Damages of \$395.45 are asked.

BEN SELLING

FOURTH AND MORRISON STREETS

Will Save You \$3 to \$10 on Boys' Suits
One-Knicker and Two-Knicker Models

Regular \$25, \$27.50 and \$30
BOYS' SUITS
\$19.85

Regular \$18, \$20 and \$22.50
BOYS' SUITS
\$14.85

Boys' Regular \$12.50 Corduroy Suits \$9.50
Boys' \$15 and \$16.50 Overcoats \$11.85

Blouse Specials!

Children's Regular \$2.50 Blouses **\$1.50**

Children's Regular \$1.50 Blouses **98c**

60-Boys' Coat Sweaters-60

In Ages 6 to 14 Years—All Colors

Regular Price \$4.50

HALF-PRICE!

If You Want to Save \$15 to \$30 on a Suit of Clothes

Come to My Sale!

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Like every sale at this store, this sale is genuine. All men's suits in my stock at the above prices are included

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