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CITY EDITION

PORTLAND, OREGON, SUNDAY MORNING, JULY 24, 1921 -EIGHT SECTIONS

mission at Salem tomorrow morning at 10:30 o'clock when the second week of the rehearing will be commenced.

Major Garrison Babcock, up to the present time the star witness for the city of Portland's case, will continue his testimony in chief and, at its conclusion, will face the ordeal of cross-examination by James T. Shaw, attorney for the Pacific Telephone & Telegraph company. FIRST WEEK SLOW

The first week of the rehearing has been slow moving and, up to the time Tomlinson opened his case for the city of Portland, the scope and tendency of the evidence submitted was cumulative in large part and did not, except in a genway, touch upon the vital or mental questions governing rate read-

instruction of service complaints and invection against the present high rates given by farmers and small business men from various points throughout the state.

These witnesses contended in the main not only that the rates now charged were too high for the service rendered by the company, but that they were unreasonable and burdensome in view of the financial conditions of the rural residents and communities of the state as a whole.

Of Departments and Institutions in Salem, July 23.—Pointing out that the state is going through a period of business depression and money stringency. Governor Olcott today sent letters to the heads of all state departments and institutions in which he urged the most sealous care in the expenditure of "every"

(Concluded on Page Eight, Column Two)

## G. O. P. ADMITS

No Hope of Evading War Burdens Seen; Fordney Bill Is Nine Tenths Short of Demands.

By DAVID LAWRENCE Washington, July 25.—Taxes for the year 1321, which must be paid next March, will be reduced slightly, if at all. The painful truth that affects all the talk about economy, that the American taxpayers will not be rid of this war burden, is at last being admitted by leaders of the Republican party. Secretary Melion of the treasury department on the one hand has told the ways and means committee of the house that judging by what has happened thus far fully four billion dollars in revenue will be needed to run the government Senator Penrose has intimated, on the other hand, that he had, little hope of seeing taxes reduced.

It will be remembered that Secretary Houston of the Decocratic administration told the country last year that he did not believe government expenses could be cut below four billion, and that therefore all promises of lower taxation were unwarranted.

So a Republican secretary of the treasury now agrees with a Democratic secretary of the treasury now agrees with a Democr (Copyright, 1921, by The Journal) Washington, July 23 .- Taxes for the

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So a Republican secretary of the
treasury now agrees with a Democratic
secretary of the treasury in naming
\$4,000,000,000 as the government budget
and all hopes of lower taxation are going a-glimmering. Mellon has gone a
step further by telling the Republican
ways and means committee another
painful fact, namely that the tariff bill
about which there has been so much
controversy and which has just passed
the house, will not yield more than \$450,-(Concluded on Page Two, Column Four)

### Put Ford at Head Of Roads, Petition Requests Harding

### Sinnott's Bill Departure in **Grazing Cost**

Oregon Representative Propose to Base Charges on Amount of Rainfall in Districts.

Washington, July 23.-Marking a radical change in administration policy reg-Major Babcock, Portland's Expert
Witness, Will Resume Stand;
Cross-Examination to Be Sharp

Cross-Examination to Be Sharp

Other Testimony Will Be Introduced to Show Rates Too High in Oregon; First Week Slow

By Ralph Watson

Assistant City Attorney Tomlinson will continue his drive for lower telephone rates before the public service commission at Salem tomorrow morning

a new plan for handling permits for saxing.

Secretary of the Interior Fall has approved the measure. Instead of adding to the national forests certain public lands which are not wooded in order to bring them under the forest service as has been customary in the past, the Sinnot bill provides for the Issuance of grazing permits for maximum periods of 10 years at a charge not to exceed 1 cent per acre in areas where the rainfall is less than 10 inches.

Of the money derived from the leases half will go to the reclamation fund and half to the states in which the grazing

talf to the states in which the grazing lands are located and the fees will b paid into the same office. It is specifically provided in the bill that only lands are to be leased under the grazing permit. Preference rights for permits are to be given those engaged in the live-stock industry.

Governor Sends Letters to Heads

pealous care in the expenditure of "every peany of the funds."

"While financial conditions in Oregon compare favorably with those in other states, it cannot be disputed that there is a noticeable depression," the gover-

rovernment."

Immediately following the issuance of the letter, Governor Olcott forwarded a letter to Miles C. Riley, secretary of the governors' conference, at Madison, Wis., in which he pointed out that, to be consistent, it would be impossible to attend the governors' conference this year.

Harding's Call to rover the rower to be included in the section of the governors' conference that to be included in the section of the governors' conference this year.

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### Child Playing in Street Is Seriously Injured by Auto

### Cloudburst Fatal To 2 Women; Auto Swept Into Creek

Del Norte, Colo., July 23.—(I. N. S.)— Ira. Ernest Gisuke and Miss Bertha Bisuke, daughter of Albert Gisuke, were frowned and Albert Gisuke and his wife,

Edison Device Aids Diners in Secluded Retreat; Inventor Finds

Henry Ford Takes Swing With Axe; Tented City Ideal for the Pleasure of Distinguished Party

By Raymond Clapper

United Press Staff Correspondent
Hagerstown, Md., July 23.—President Harding was today initiated into the country's most famous camping club. Having motored out from Washington today, he was resting tonight in a se-cluded camp, pitched near Pecktinville, a small Maryland village in the Blue Ridge mountains. The president took the place left vacant by the death of John Burroughs, in the famous club com-prising Thomas A. Edison, Harvey S. Firestone, Henry Ford and Burroughs. This time the party had been expanded by the inclusion of the families of the members and Bishop and Mrs. William F. Anderson of Cincinnati. The camp also different from previous locations of the famous quartet. COMFORTS AFFORDED

There was little of the "roughing it" in the well equipped tent village which had been erected on a mountain picnia ground. Automobiles were used to bring up supplies which contributed to every

The Harding party was met at Peck-tinville. Their automobile, declared to be too large for the difficult trail leading to the camp grounds, was shandoned for the lighter climbers which the hishop and Edison brought with them. The president and his companions "fell to" on a hearty lunch which was await-

ing them on arrival.

Every activity of the camp durin forenoon was directed toward rece of the new member.

The party ate off a trick table a revolving center, said in

### Flyer Sees Panorama of **Much Beauty**

Victor Vernon and Passenger Journal Plane Glimpse Puget Sound and Mt. Rainier.

Scenic panoramas of such surpassing charm as he had never before seen from any vantage point were not even dwarfed for Victor Vernon, general manager of the Oregon, Washington & Idaho Airplane company, piloting The Mint Bed; Asks for a Julep. Journal airplane express to Clatsop county resorts, by the fact that he hung up a new time record for the return flight from Seaside.

Overwhelmed by the grandeur of his cloud fringed perspective in the skies, Vernon was, indeed, unaware of the unusual time of 70 minutes between Seaside and the home basin at Lewis & Clark field. Equally thrilled was C. B. Woodruth of the Ladd & Tilton bank, a round frin passenger with Vern

bank, a round trip passenger with Ver-non in The Journal's giant Seaguil. BREEZE CLEARS ATMOSPHERE Puget Sound and the country around

it, especially that part of it centered by Olympia, Wash, opened to the gaze of the enwrapt fliers from an altitude of 5000 feet as they glided through the air before a stiff summer breeze that may have had much to do with clearing the atmosphere to make the long distance view, as well as the rapid flight, possible.

saw the atmosphere so clear.

Another scenic treat was accorded the two men as they passed over Rainler, 5000 feet in the air, when the pilot caught sight of Portland. Turning his head immediately to the west he saw Tongue Point jutting its nose out into the Columbia river. PASSENGER AND PAPERS

Saturday afternoon at 1:10 o'clock with notes. as passenger. He arrived at The Jour-nal's new landing slip near Tongue Point, Asteria, at 2:24 p. m. and was in trip at \$ :08 p. m., still carrying his pas-senger, and arrived at the Lewis and Clark field hangars at 4:18 p. m. Petition will be made for appo of a receiver. Doors were

News Index Many of English Shins Idle, Long

### Roseburg Slayer Planned Escape Well, Says Sheriff

Roseburg, July 23.—"Nothing new in rumors," said Sheriff Starmer tonight speaking of the Brumfield mystery mider case. "It seems as though the miderer planned his escape as carefully the crime was planned. Naturally have many things we cannot give and I am convinced that we are following out the right track."

Several parties left Roseburg the afternoon for the Coast range of more tains. They declare that they will so the hills in effort to find the murder being of the firm belief that he is made his escape in that direction and not many miles from this city.

## Greeks Pursuing

Warren Spurgin, Head of Chicago Bank, Gone 5 Days Before \$1,500,000 Shortage Is Found

orgeries of \$500,000 Revealed: Underworld Denizens Who Lost Money Likely to Kill Fugitive.

By J. L. O'Sullivan

Chicago, July 23 .- A price of \$10,000 was tonight placed on the head of the youthful Warren Spurgin, president of the Michigan Avenue bank, missing of with hundreds of thousands of the bank's

Detectives figure Spurgin had a six-day start before investigators found the shortage, now totalling nearly \$1,500,000. "It was the greatest sight I ever saw."

Vernon said Saturday evening. "I never saw."

Saw the atmosphere as clear. Forgeries amounting to \$500,000 were revealed today in the bank's accounts. Fake mortgages and notes, which were purported to have been given by prosperous farmers of Indians, Illinois and lows, were claimed to have represented noney loaned out by the bank. FARMERS IGNORANT OF NOTES

Vernon left the foot of Yamhill street of the alleged loans and mortgages and

Oil stocks of little value were said have been substituted for the bank's sound securities without knowledge of Point, Astoria, at 2:24 p. m. and was in the Necanicum river at Seaside at 2:45 p. m. He left Seaside on the return trip at 3:68 p. m., still carrying his pas-senger, and arrived at the Lawis and

### rance Sends Army To Silesia, Despite Britain's Warning

### Chicago Landlords To 'Bleed' Tenants. For Increased Rents

Chicago, July 23.—(U. P.)—Landlerds in Chicago and throughout the middle west generally plan to "bleed" tenants for another 15 per cent raise this fall, according to advices to the United Press

NEW YORK EXPECTS INCREASE

### Kemalist Forces Stages to Operate Spokane to Seattle

### TELLS WHAT HE HAS DONE

OV. LOUIS F. HART of Washington, who sets forth achievements of his administration in answer to critics who have launched movement to get his job.



# BY GOVERNOR HART GO, EDITORS TOLD

Tells Washington Bar Association He is Responsible to People of the State.

Olympia, Wash., July 23 .- Answering

"If as one of these agents I could summarize briefly what this administration has done of benefit to the people. I should say that the really important things, the things that count, are as follows:

"This administration has devised a plan whereby the 22,000 depositors of the defunct Scandinavian American bank of Seattle will recover their \$12,000,000 deposits and still leave the state guaranty fund intact. I am happy to say that the plan I originated in this matter was adopted by the guaranty fund banks, and still happier to feel that these thousands of depositors will receive their money.

"I secured the withdrawal of the sockey salmon treaty with Great Brittain. If it had passed, the fishing industry in the waters of the Sound would

AIDS SALE OF BOAD

(Concluded on Page Four, Comm One)

### Mrs. David Stoddard And Children Have Close Call on Road

La Grande, July 23.—An enclosed atomobile, valued at over \$4000, was amaged to the extent of \$3000 when a mail car, going at a speed which was excited according to witnesses crashed

E. W. Hardy Speaks on Press and Government Before Associa-

tion at Bend. Bend, July 21 .- A plea for

### Poodle Dog in Bag Leads to Arrest of Wm. W. Dumville

### American Officer Weds French Girl Who Nursed Him

PRICE FIVE CENT

Spring Production of Mills Is Oversold When Manufacturers Open Offerings of Gingham

Many Would Double Orders; Shoe Factories Work Full Capaci Farmers' Financial Aid Assured

By Byran Seller signs of breaking up, and with He tion of frozen credita, more active by and better business condition

Business and official despatches from this country and abroad received within the last 24 hours have made there fasts

The so-called buyers strike is a ng around the edges. This was ing around the edges. This was plainly apparent by the results of opening offerings of ginghams he cotton goods manufacturers for delinent spring. The response from joi and dress manufacturers was so that the possible spring production the mills has been oversold and have to be filled on profit basis. I buyers expressed willingness to double the amount allotted to This will insure the operation of This will insure the operation of the cotton mills at capacity between Octand April as one bright spot on whole cotton situation.

ANXIETY IS BELIEVED

Six Carloads in First Ship of Season From Mid-Ocean

### Sheep Herder's Fire Spreads to Timbe

Bend, July 22.-Fire in yell