

FAKE STEEL PUT IN SHIPS IS CHARGE

Inferior Metal, Used in Vessels Launched at Sea, Alleged by Emergency Fleet Corporation

DARK SECRECY PLAN OF COMPANY MANAGER

"If This Gets Out, It Is Good Night For Me," P. J. Forrest Said

SAN FRANCISCO, Feb. 16.—Alleged substitution of large quantities of "inferior and valueless" steel for the tested metal in the building of ships for the Emergency Fleet corporation here, was revealed here today in the arrest of Prospect J. Forrest, general manager of the Edwin J. Forrest Forge company of this city. He was held in bonds of \$5000 by Francis Krull, United States commissioner, and his hearing was set for Saturday, February 23.

Federal officials said they had evidence that Forrest submitted worthless steel to shipyards here after giving samples to the government tending to show that the metal was the tested and approved product.

These officials were endeavoring to trace some of these steel shipments, according to their declarations. They indicated that the investigation would include foundrymen and other steel manufacturers here. This investigation was to be started by the federal grand jury when it meets on Tuesday next, these officials said.

According to the evidence against Forrest, some of the steel had been utilized in government vessels already launched and at sea.

"If this gets out or I am found out, it is 'good night' for me," Forrest was alleged by the federal authorities to have told his employees.

The complaint against Forrest charged the "presentation of false claims against the United States." According to the officials handling his case, this charge was to be changed to "conspiracy to defraud the United States," which carries a maximum penalty of two years in the penitentiary.

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DOVER, ENGLAND IS BOMBARDED BY SUBMARINE

Thirty Shots Fired by U-Boat on British Town Kills One Child

SEVEN PERSONS INJURED

Firing Continues for Three Minutes; Damage Done Is Slight

LONDON, Feb. 16.—An enemy submarine bombarded Dover early this morning. It was officially announced. The submarine was fired on from the shore and ceased the demonstration after some 30 rounds had been fired. There were less than a dozen casualties and only slight damage.

The official statement reads: "Fire was opened upon Dover by an enemy submarine about 10 o'clock this morning. The firing continued three or four minutes. The shore batteries replied and the enemy ceased fire after discharging about 30 rounds.

"The casualties were: 'Killer, one child; injured, three men, one woman and three children. Slight damage was caused to house property."

Son Has Not Yet Heard of His Father's Death

George Skiff, a traveling man in the state of Washington, has not yet heard of the death of his father, Dr. William F. Skiff, a well known Salem dentist, who passed away Wednesday night. All attempts to reach him have been of no avail.

The funeral was held Friday afternoon from the Webb & Clough chapel. Rev. Robert S. Gill conducted the services. All of the children were present at the funeral with the exception of the unlocated son. A daughter, Mrs. Sylvester Doerflinger, came from Astoria and Lieutenant Seymour Skiff, who is stationed at American Lake, received a furlough to come home.

A quartet composed of Dan Langenberg, F. G. Deckebach, William McGilchrist, Sr., and T. L. Williams sang. Mrs. Chester Cox was the organist. Interment took place in City View cemetery.

UKRAINE TO BE SETBACK TO TEUTONS

Poland Loses Strip of Territory in New Peace Pact and Country Is in Verge of Bitter Revolt

DREAM OF DOMINATION MAY BE SHATTERED

Important Move by Entente Allies Is Retirement of General Robertson

(By The Associated Press.) Germany has suddenly found herself involved in a maze of difficulties on the eastern front and is in danger of losing all the large benefits she was calmly preparing to realize from her peace with the Ukraine and the Bolshevik withdrawal of Russia from the war.

Poland, that land which so frequently in the course of history has proved a thorn in the side of military conquerors, is threatening to constitute herself the rock on which the German hope of peace and gainful expansion in the east may be shattered. Embittered by the tearing off a strip of their territory to be given the Ukraine for breaking away from the Bolsheviks and signing peace with the central powers, the Poles are in what appears to be virtually a state of revolt.

Polish Army May Fight Huns. Even the very weapon which Germany and Austria were at such pains to forge in the hope of deriving military benefits—the Polish army—bids fair to be turned against them.

Reports in the German newspapers which express dismay and alarm over the Polish situation, indicate that the Polish legions, now an effective military force, are on the side of the prevalent Polish sentiment of bitterness against the central powers. The situation has grown so serious that the military are patrolling the streets in Warsaw.

Austria-Hungary is particularly involved in the difficulties because of the prominent part which it was expected she would play in the future government of Poland. The Polish elements and those sympathizing with them in the dual monarchy are up in arms over the situation and further internal troubles are threatened.

War on Russia Is Imminent.

Turning to the north, it has already been reported that Germany purposes resuming military operations against Northern Russia, and this report gains color by the announcement that the commissions representing the central powers at Petrograd have left the Russian capital and passed within the German military line. The probable German purpose to attack the Bolsheviks is also indicated in a Vienna dispatch declaring that if Germany decided to resume military operations against Russia, "the attitude of Austria" would not be influenced thereby.

This would seem to mean that Austria intends to leave Germany to fight the battle alone in North Russia. Whether she hopes to keep up connections with the Petrograd government meanwhile is not clear, but a Sofia dispatch declares that Bulgaria is doing that very thing, having "resumed diplomatic relations with Russia." However, all the central powers are in agreement over the situation, it is declared.

In the west, while the military situation at the front shows few signs for the moment of passing beyond the stage of raids and sporadic bombardments and entering into one of major operations, by the millions of men massed for attack and defense, there has been a development of marked importance regarding the high command of the forces of the entente side of the battle line.

General Robertson Retired. Thus, London advises announcing the retirement of General William Robertson as chief of the British imperial staff and his replacement by Major General Sir Henry Hughes Wilson, apparently indicate that something approaching an allied general staff was created by the supreme war council in its recent session at Versailles. General Robertson, it is revealed, would not consent to take General Wilson's place as British military representative on the supreme war council, nor remain chief of staff "with limited power," the inference being that some higher authority has been set up.

Premier Lloyd George, with the endorsement on parliament that he received the other day to back him, it would appear, has grappled with the British military situation boldly and made it conform with the view so many have held, and which apparently was endorsed by the Versailles council, that there should be a unified control of the allies' armies. General Robertson seemingly was not willing to fit into the plan, and any question having been raised as to his ability, he has had to step down and make way for another.

Following up their destroyer raid

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GRIM STORIES OF RED GUARD CRUELTY TOLD

Men Forced to Run Around Wall Made Targets Until All Are Killed

WHITE GUARD NEED ARMS

Six Wounded Members of Government Forces Slain With Knives

STOCKHOLM, Feb. 16.—Grim stories of atrocities by the red guard in Southern Finland were told today by the 640 refugees who reached Stockholm with the second relief expedition sent from here. Eleven men were taken from a large estate near Bojorneborg, stripped and compelled to run around a walled garden while the red guard used them as targets until all were killed.

This is but one of a score of similar stories related by eye witnesses. The red guard makes a specialty of mutilating victims' faces, so that relatives cannot identify the bodies. Six wounded members of the government force were killed with knives when the red guard captured Kotka. Murders are of daily occurrence in Helsinki. Two hundred and forty tons of sugar sent to the Swedish consul at Helsinki was stolen by the red guard at Mantyluoto.

The stocks of the food commissioner also were plundered. Helsinki's banking institutions are in the hands of the red guard. No payments are made to foreigners. Red guard sentinels guard the churches and cemeteries are not permitted to officiate at funerals.

The refugees declared that the reign of the red guard would be short if the white guard had enough weapons. Six thousand men volunteered to defend the city of Lovisa, but only 400 could be armed, and the city was taken by the rebels and a reign of terror ensued.

Reports from Vasa say that refugees reaching there continue to report atrocities throughout Southern Finland. Socialist government passed a law to afford protection to holders, owing to the dissatisfaction of the organized anarchist with Kullervo Manner and M. Tokoi as well as other Socialist leaders who still are making some show of protecting the bourgeoisie from murder.

The anarchists who have a large club at Helsinki over which floats the black flag with the skull and cross bones are reported to have decreed the death of all bourgeoisie more than 12 years old. The anarchists are also reported to have declared the Russian district committee to be enemies of the red guard. This committee which is the Bolshevik military control organized in Finland, is reported to have appealed to Petrograd for help.

Pro-Germans Must Keep Mouths Closed at Dallas

DALLAS, Ore., Feb. 16.—(Special to The Statesman.)—A secret service employee of the United States district attorney's office of Portland has been in this city several days this week investigating charges of disloyalty. Several of them were called before the officer and made to understand that Uncle Sam was getting enough of their kind of work and if they wanted to breathe the free air of the Willamette valley they had better keep their mouths shut for the balance of the war. The officer left yesterday for Portland without making any arrests but made a favorable impression on a number of Polk's radical citizens.

ANOTHER SALEM SOLDIER DEAD

William M. Catton Dies of Meningitis at Fort Sam Houston, Texas

A soldier at Fort Sam Houston, Texas, William M. Catton, is dead there, according to a telegram which has been received in Salem by his father, W. F. Catton. His death came Friday afternoon at 5 o'clock, caused by spinal meningitis. He was 26 years of age.

The soldier enlisted just before Christmas from his home in Pring Valley. For two years he had been employed in Salem at the Royale Cafeteria. He had lived in Oregon for over ten years. His birthplace was Fairburg, Ill.

Besides his father, he leaves three sisters and three brothers. They are Mrs. Ella Baker of Portland, Mrs. Frank Koch and Mrs. E. J. Vincent of Salem, and Harlin, Oscar and Len Catton of Salem. The body will be brought here for burial. It will probably arrive Friday or Saturday.

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OPERATION OF SHIPYARDS BY U. S. IS PLAN

Chairman Fletcher, After Investigation, Urges Government Control and Fixing of General Wage Scale

NEW DELAWARE SCALE TO BE WAGE BASIS

Early Settlement of Trouble May Be Affected; President to Act

WASHINGTON, Feb. 16.—Government operation of all shipyards engaged on government work, the forbidding of strikes and limited competition of labor were suggestions advanced today by members of the senate ship investigating committee as a means of speeding up shipbuilding.

Senator Fletcher, chairman of the committee, advocated taking over of the yards by the government, the fixing of a general wage scale and the detailing of skilled men drafted into the army to work in the yards. Senator Calder of New York, another committee member, announced that he would like to see the president issue a proclamation forbidding the men to strike, and said those falling to obey should be denied the privilege of returning to work in the yards.

"If the United States were operating the shipyards," Senator Fletcher said, "it could appeal to the patriotism of the men, but where private corporations are piling up profits for themselves and the men who are doing the work are not receiving so much for their labor, it is natural that they should feel that they are entitled to some of the profits."

WASHINGTON, Feb. 16.—Efforts by the government to end the strikes of carpenters in eastern shipyards brought two important developments today which officials declared promise to effect an early settlement.

President Wilson prepared to take some action in the situation, the nature of which has not been disclosed, and the shipbuilding labor adjustment board handed down a wage award covering Delaware river and Maryland shipyards, which will form the basis of a general eastern shipbuilding wage scale.

The president is expected to express definite views on the situation in reply to a telegram he received tonight from William L. Hutcheson, president of the United Brotherhood of Carpenters and Joiners of America, and a statement from the Maryland Shipbuilding and Construction Corp. to put the situation before him.

Other developments in connection with the strikes during the day were:

Metal Workers to Continue. Indications that the heads of other unions will not support Hutcheson's position and assurance from New York metal workers that they will continue work awaiting an adjustment by the wage adjustment board.

A statement by the shipping board that no effort will be made to coerce the strikers by threatening to call them into the military service.

The declaration by Chairman Fletcher of the senate commerce committee, investigating shipping, that the government should take over the operation of all shipyards and fix a general wage scale.

A request by shipyards that they be permitted to crush the strike in their own way.

Carpenters Decline Adjustment. Hutcheson's refusal to leave a settlement to the labor adjustment board drew from officials of the board tonight the statement that the carpenters' organization alone of all the trades engaged in shipbuilding has declined to let it adjust difficulties.

Officers of the American Federation of Labor, it is declared, have little sympathy with Hutcheson's attitude and are likely to repudiate him.

Organizations of the carpenters on the Pacific and Gulf coasts and along the South Atlantic, despite orders from Hutcheson, are leaving to the adjustment board, its members said tonight, all questions affecting their relations with their employers.

The Delaware river and Maryland award established a uniform wage scale and working conditions in 50 per cent of the Atlantic coast yards. It gives carpenters a minimum wage of \$5.60 a day and the striking Baltimore carpenters, although not parties to the agreement, will be permitted to accept its provisions if they so desire. The award will be used as a basis for arranging other agreements. The adjustment board will go south next week and the week after expects to take up consideration of the New York district scale.

Unrest to Be Checked. Today's award, by establishing identical conditions in all the yards, will put a stop, officials said, to most

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NEUTRALS MAY BE EXEMPTED IN DRAFT LAW

Threatened Embarrassment to Government Brings Special Amendment

MEN TO BE DISCHARGED

Loss of Man Power Held More Than Offset by New Foreign Relation

WASHINGTON, Feb. 16.—Amendment of the draft law to exempt citizens or subjects of neutral countries who have declared their intention of becoming American citizens is proposed in a bill prepared by the war department in conjunction with the state department and introduced today by Chairman Dent of the house military committee. Secretary Lansing advised Chairman Dent that the state and war departments considered passage of the amendment as highly desirable.

Secretary Lansing's letter revealed that many neutral countries already have made insistent protests against conscription of their nationals, causing embarrassment to the government; that the president has found it expedient for international reasons to discharge from the army neutral nationals under certain circumstances and that the present law has been used abroad as a medium of irritation by enemy propagandists.

Foreign Relations At Stake. Secretary Lansing said the loss of man power involved seemed to him "inconsequential in view of the other considerations a stake in our foreign relations."

"All aliens (except enemy aliens) who had declared their intention to become American citizens were, by the selective service act, made liable to military service in the same manner as citizens of the United States," said the secretary's letter. "The act contained no provision preserving the treaty stipulations by which this government had become obligated to exempt the nationals of Argentina, Costa Rica, Honduras, Italy, Japan, Faraguay, Serbia, pain and Switzerland from military service in the United States. It made the declaration of intention the determining factor of such liability, although this government is a party to several treaties which specifically stipulate that the declaration of intention shall not of itself affect in any way the nationality of the declarant. And it is the rule of law in the United States, supported by supreme court of the United States decisions, that a declaration of intention does not confer American citizenship upon the declarant, or release him from his prior allegiance. Apparently there never has been any intention on the part of the government to regard such persons, generally, otherwise than as aliens."

Neutrals Ask Discharge. "It was not to be unexpected, therefore, that the department of state should receive numerous and insistent requests from the diplomatic representatives of neutral countries for the discharge of their nationals who had been conscripted based upon our treaty stipulations to exempt the aliens in question from military service. In other cases requests, little less insistent, were based upon our treaty stipulations nations to exempt from military service in international conflicts, resident nationals of foreign countries. In still other cases, requests were founded upon treaty provisions which expressly reserve the alien nationality of persons who may declare to become citizens of the United States, but who have not completed the act of naturalization.

"On account of the number and insistence of such requests and considering the grounds upon which they are based, the president has found it expedient in the conduct of foreign relations to indicate his willingness to discharge neutral aliens in certain circumstances, after they have been brought within his jurisdiction as commander in chief of the army, by induction into the military service. Such induction, however, which is a necessary prerequisite to discharge in reality a violation of the treaty obligations and the accepted international precedents upon which the protests of foreign diplomatic officers have been based.

Cordial Feelings Sought. "And while the action of the president has afforded a means whereby the department might in a limited way meet the most urgent requests of the representatives of the foreign countries, it does not afford an adequate solution of the question involved, because, though discharged from the army, neutral aliens were nevertheless liable under the selective service act to military services and therefore subject to all the restrictions and conditions of persons liable under the act in respect to further service if required, departure from the United States and otherwise.

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GERMANY IS GIVEN WARNING

Count Czernin Notifies Berlin That Austrian Troops Must Not Be Used in Drive Against Russia Without Orders From Vienna

GERMANS IN UKRAINE FOR RUSSIAN ATTACK

Bolshevik Arrest Huns and Wholesale Massacre of Prisoners Is Threatened; Berlin Shows Anxiety

AMSTERDAM, Feb. 16.—German forces are already being concentrated in Ukraine to attack the Bolsheviks, according to a Berlin dispatch to the Tjld, and declarations looking to the active prosecution of the war against the Bolsheviks in North Russia also will be made at Berlin next week.

The German authorities are anxious regarding the fate of German prisoners in North Russia, whom the Bolsheviks are holding as hostages and who, Berlin dispatches say, may be killed if the Bolsheviks are driven to desperation. Germany has already served notice on the Bolshevik authorities that she will enforce reprisals if the German prisoners are harmed.

Count Czernin, the Austro-Hungarian foreign minister, has notified Berlin that Austrian troops must not be used against Russia to support any policy which Austria has not approved but only for purposes of self-defense against marauding bands.

AMSTERDAM, Feb. 16.—The Bolsheviks are making wholesale arrests of Germans in Russia and holding them as hostages, according to a Riga dispatch received by way of Berlin. Three hundred Germans and many pro-German Estonians at Dorpat have been arrested and transferred to Kronstadt. All the food in the Dorpat district has been confiscated and it is almost impossible to feed the German women and children.

The lives of those arrested as well as Germans and German supporters who have not yet been arrested, are reported in great danger, adds the dispatch, as the Bolsheviks threaten wholesale butchery. The Bolsheviks have officially declared the Baltic nobility outlaws.

ENEMY AIRCRAFT IN NIGHT RAID; LONDON BOMBED

LONDON, Feb. 16.—Hostile aircraft crossed the Kent coast of the Thames estuary about 10 o'clock tonight and proceeded toward London. The raid is still in progress, but so far only one bomb is reported to have been dropped on London.

FLAX PLANT IS STILL PROBABLE

R. C. Crawford to Represent Club in Contracting for Acreage

Prospects are brighter now perhaps than ever before for the establishment of a flax mill in Salem, but the name of the concern which is likely to establish here is withheld from publication by the commercial club which is negotiating for the enterprise.

The club is in a position to contract for 750 acres for flax production, either by individual contracts with farmers or by leasing the land. Robert C. Crawford, former superintendent of the state flax plant at the penitentiary, will go over the country, beginning Monday, as a representative of the club in negotiating for the acreage.

WEATHER. Rain west, rain or snow east portion; moderate easterly winds.

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