WEATHER

Fair, cooler east portion; moderate westerly winds.

The Oregon Statesman

DAILY EDITION

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REGIMENT OF HUNS IS HELD BY PERSHING

Most Serious Engagement Taken Part in by American Troops--Germans Bombard With Gas Shells

COUNTER-ATTACK IS SUCCESSFULLY MADE

Encounter Occurs in Renneres Wood—Advance Carefully Planned by Enemy

OFFICIAL SUMMARY.

When an entire German regiment, reinforced by storm troops attacked the sector held by American troops near Selcvheprey, General Pershing's men fought the most serious engagement they have as yet experienced.

The attack was made by a considerable force and indications show that important preparations were made for it. Unusual precautions were immediately taken along the whole sectior of the front as soon as the German intention was known.

An extremely heavy hostile bombardment with poison gas shells opened during the course of the night and lasted until 5 o'clock in the morning. At that hour the enemy infantry dashed forward, preceded by storm troops which had been brought to the scene especially for the attack, after preliminary training on ground similar to the sector held by the American troops.

Events along the battle line in France and Belgium seem to be shaping themselves for a resumption of the great German offensive. Since the savage attack on the American forces at Selcheprey on Saturday there has been no fighting of an extraordinary nature along the front, but there have been indications that the Teutons are almost ready to resume the sledgehammer blows they have been aiming at the allied armies.

Unless recent operations have been feints, it is probable that the coming week will witness two great turning movements by the Germans. One probably will pivot on the village of Robecq, northwest of Bethune, on the southern side of the salient driven into the allied lines back of Armentieres. The other is expected to develop at or near Mesnil, north of Albert, on the north side of the Somme salient.

The purpose of these movements will be to cut deep into the allied lines on each side of the promontory that projects out into German held territory and terminates on the old Arras-Lens front. The Germans have attempted two great frontal attacks on the defenses of Lens and Arras but they have been repulsed with terrible losses to the attackers. These losses were inflicted upon the enemy before he reached the stronger allied positions in that sector and since the second defeat at Festubert and Givenchy, the Germans have not cared to take up the task of driving the Canadians from their positions along Vimy ridge and on each end of that great natural bulwark before Arras.

Lines Are Entered.

The assault was over a line 2000 yards in length and at several places the enemy succeeded in entering the American lines. They even entered and occupied Seicheprey, where the Americans holding that position offered the most stubborn defense.

Without a moment's delay, after their retirement at Seicheprey, the Americans organized, with the French, a counter-attack which was carried out brilliantly, driving the Germans out of the village and taking a number of prisoners. The fighting did not cease until late in the afternoon.

The severest encounters occurred in the Renneres wood, where the Germans had taken a firm hold at dawn notwithstanding the most strenuous defense by small bodies of Americans stationed there. The French and American troops joined in the counter-attack on this section of the line, eventually succeeding in ousting the enemy. The amalgamated troops worked in closest co-operation and by the end of the day were able to secure a complete victory and restire their lines as they were before the en gagement. In this vicinity many prisoners fell into the hands of the allies while the barbed wire and shell-pitted ground was covered with German corpses.

Object to Split Forces.

The attack on the Americans at appears to have been carefully planappears to have been a crefully planned operation which had as its object the piercing of the American lines, or perhaps the splitting of the American and French forces, which are holding adjacent positions there.

Andrew Bonar Law, chancellor of the British exchequer, has introduced in parliament the budget bill for the coming year. Great Britain's expenditures for the period covered by the measure are estimated at about $14,-

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BOMBING RAIDS ARE INCESSANT

Stormy Weather Ends—British Air Men Drop Explosives on Railroad Depot

LONDON, April 22.—The official statement dealing with the aerial operations, issued by the war office tonight, reads:

"After a long spell of stormy weather which greatly hampered aerial work, the sky cleared on Sunday and our airplanes were able to remain in the air from dawn until dark. Bombing raids were carried on incessantly along the whole front. Over 23 tons of bombs were dropped on the Thourout railway station, Menin, Armentieres and various other targets.

"Thousands of rounds of machine gun ammunition were fired by our low-flying machines. Enemy machines were seen in large numbers but were not aggressive. Eleven German machines were downed in air fighting and six driven down out of control. A hostile observation balloon also was destroyed. Anti-aircraft fire accounted for two other hostile airplanes. Five of our machines are missing.

"The pilot of one of the hostile machines brought down was the well known German airman and fighter, Baron von Richthofen, who claimed to have destroyed 80 allied machines. His body was buried today with full military honors.

"On Sunday night, our night flying machines again bombed Armentieres, Bapaume, the Chaulnes railway station and Peronne, dropping a total of nine and a half tons of bombs. All the machines returned safely."

FEDERAL PRICES MAY ESTABLISH RATES ON BEEF

Maximums for May Purchases of Government Announced by All Branches

CONSOLIDATE BUYING

Allies and United States to Do Business From One Bureau in Chicago

WASHINGTON, April 22.—Maximum prices to be allowed in May on purchases of beef for America's fighting forces and the allies, were announced tonight by the army, navy and marine corps. While the government controls beef prices only to the extent of saying what it will pay, the purchases under government direction are so enormous that the maximum figures now fixed are expected to go far toward stabilizing prices to the domestic consumer.

The plan is to continue allotting government and allied contracts among the packers at prices based upon prevailing livestock markets, phovided they are not higher than the stated maximum. On the other hand, if there should be a drop in the market and no agreement on prices has been reached in the meantime, the federal trade commission will be called upon to ascertain costs upon which to base now maximum government prices.

Consolidation of all meat purchases for the government and the allies in a single bureau at Chicago also was announced tonight by the food administration. E. L. Roy of the administration's Chicago branch will be commissioned in the army's quartermaster corps to take charge of the office. He will be assisted by Gordon Hately of Chicago, in connection with purchases for the allies.

Followin gthe announcement of the beef prices:

"The army, navy and the marine corps announce that their meat requirements for May delivery (except upon the Pacific coast) will be allotted among the packers (unless lower bids are received)at prices based on livestock markets, but in no event higher than the following prices per hundred pounds:

"Good steers, 500 to 600 pounds, f. o. b. New York, frozen and wrapped, commercial trim for export, $24.05.

"Same, 600 to 700 pounds, $24.80.

"Same, 700 pounds up, $25.55.

"Navy requirements, $24.65.

"Cows, 500 to 600 pounds, $21.50.

"Army beef or special weights, with specialtrim or for special purposes, will have proper differentials.

"In case the markets go lower and prices are not agreed upon, they will be deteremined by the government, which will ask the advice of the federal trade commission in cost ascertainment if necessary. The allies will not buy at higher levels than the army and navy.

"The packers will not attempt to increase price for the domestic because of these allotments."

WILSON NIPS CHAMBERLAIN BILL IN BUD

Measure Proposed Turning Disloyalty and Espionage Cases Over to Military Courtmartial

LETTER WRITTEN BY PRESIDENT IS READ

Proposed Legislation Branded as Unnecessary and Unconstitutional

WASHINGTON, April 22.—What promised to be a sensational fight in congress over the proposal to turn disloyalty and espionage cases over to military courts martial, was nipped in the bud today by President Wilson. Champions of the plan abandoned it for the present, at least, when Senator Overman of North Carolina, chairman of the judiciary committee, made public a letter from the president declaring unalterable opposition to the Chamberlain courtmarital bill as both unnecessary and unconstitutional.

Senator Chamberlain of Oregon, author of the measure, announced later that in view of the president's attitude, he would not press the bill and that further hearings on it by the military committee would be postponed indefinitely.

Before the letter reached Senator Overman, Senator Brandegee of Connecticut, Republican, had brought the subject before the senate with a resolution instructing the judiciary committee to give a formal opinion upon the legality of the bill which he denounced as conconstitutional and containing "heinous" proposals. The Connecticut senator declared his intention of calling the resolution up for a vote tomorrow and if he does there probably will be a rivell discussion in spite of the fact that congressional leaders generally consider the Chamberlain bill dead.

Gregory Also Writes.

Another feature of the day's development was the publication of a letter from Attorney General Gregory to Representative Gordon of Ohio, repudiating the action of former Attorney General Charles Warren of Boston, who drafted the Chamberlin bill and urged its passage. Mr. Gregory said Mr. Warren acted without his knowledge and that if he had known anything about the bill he would not have permitted to to go to congress from his department. Mr. Warren resigned last week soon after the attorney general heard about his activities in connection with the proposed legislation.

Witnesses before the senate military committee including representatives of various branches of the government have urged transfer of trials of spies and disloyalists from the civil to the military courts as the only effective means of dealing with the menace and preventing a wave of mob violence.

President Wilson's letter was written in response to one from Senator Overman asking his opinion on the Chamberlain bill.

WAR MATERIALS ACTIVE STOCKS

Investment Issues Make Little Progress—Business Moderately Large

NEW YORK, April 22.—Equipments and specialties which derive their momentum in large part from the war demands were the active and strong features of today's stock market, investiment issues making little or no progress.

Half a score of stocks including Baldwin Locomotive, Crucible Steel, Bethlehem Steel and Great Northern Ore contributed overwhelmingly to the moderately large business.

United States Steel again overtopped the list in point of activity but was under intermittent pressure, reacting a full point in the last hour.

Rails were sluggish and mostly lower, the only exception being Reading. Sales amounted to 550,000 shares.

Time money was in smaller supply at recent quotations but call loans hardened presumably in consequence of last week's contraction of reserves in the bank statement.

Dealings in bonds were mainly limited to the Liberty issues which were variable. Virginia deferred 8's lost 10 1-4 points on the supreme court decision. Total sales of bonds, par value, aggregated $5,275,000. United States bonds, old issues, unchanged on call.

Movie Desperado to Do Hold-up Act for Liberty Loan Drive

"Big Bill" Hart, famous bad man of the movies, may be seen in action today in the real flesh and blood at the Southern Pacific at 5:42 this evening, when he will give a short speech from the rear platform of the Shasta Limited. He is making a tour of the west in the interest of the liberty loan and spent yesterday in Portland, where he made addresses at the Commercial club, high schools and auditorium.

As Mr. Hart is familiar to thousands of movie fans here, a big crowd is expected out to greet the desperado of the screen. It was not learned until late last night that he would be able to stop in Salem.

BRITISH BUDGET IS LARGEST IN WORLD'S HISTORY

Bonar Law Explains How Country Can Be Self-Supporting Despite Loans

WILL LESSEN BURDEN

Defects in Present System of Securing Money From U. S. Pointed Out

LONDON, April 22.—Andrew Bonar Law, chancellor of the exchequer, in introducing the budget in the house of commons today said it was the largest in the history of the world.

His expectations as to the assistance given to the entente allies by the United States had been fulfilled. Notwithstanding this assistance, the British loans to the allies in the last year were £505,000,000. The United States had advanced to all the allies £950,000,000.

"It is only necessary for us," said the chancellor, "to lean on the United States to the amount the other allies lean on us. In other words, we are self-supporting."

He had been in communication with Secretary McAdoo on the subject of these complicated loan transactions, and with Mr. Crosby, head of the financial mission to Europe, who was on the point of returning to Washington to consult his government.

"I have made certain suggestions regarding advances to the allies," continued the chancellor, "which, if adopted, will lessen our burden considerably without in any way increasing the total obligation to the United States.

Giving the figures of the revenue for the last fiscal year, which amount to £707,234,565, a large increase over the preceding year, he said that this was very gratifying but that real test of the position would come when Britain ceased to rely upon borrowing.

The chancellor expressed the government's appreciation of the hearty co-operation on the part of the Canadian government in assisting to finance the war. He considered it possible that the alteration of the arrangement with the United States in the method of making advances would result in loans to the allies being reduced to £300,000,000 and to the dominions £50,000,000. He pointed out how small the advances to the dominions had been during the war, showing how great was the desire, not only in Canada, but in the other dominions to carry on the war out of their own expenditures.

The additional taxation proposed, said the chancellor, would in the full year be equivalent to 66 per cent of the ante-bellum revenue from taxation. The financial test of the country after three years of war was greater than any one could imagine and was amazing testimony to the financial stability of the nation.

Pennsylvania Tunnel To Have Common Usage

WASHINGTON, April 22.—In line with its policy of common use of terminal facilities, the railroad administration ordered today that beginning next Sunday Baltimore & Ohio trains run into the Pennsylvania station at New York through the Pennsylvania tunnel.

Tennessee Mob Hangs Negro for Shooting

LEXINGTON, Tenn., April 22.—Berry Noyes, the negro who shot and killed Sheriff W. E. McBride near here last Saturday, was hanged in the court house yard today by a mob. The sheriff sought to arrest Noyes for violating the state prohibition law.

STRIKE WILL BE VIOLATION OF UNION LAW

Gompers Opposes Resolution for Protest Against Alleged Persecution of Principal in San Francisco Bombing

ARIZONA FEDERATION ACTS INDEPENDENTLY

Seattle Labor Council Not in Sympathy—Speaking Tour Called Off

WASHINGTON, April 22.—Announcement in the senate today by Senator Poindexter, of Wash., that Seattle labor leaders were proposing a general strike in protest against the alleged persecution of Thomas J. Mooney and others convicted of bomb plotting at San Francisco, resulted tonight in a statement by Samuel Gompers, president of the American Federation of Labor, declaring any attempt to incite such a strike would be in violation of union laws and repugnant to the rights and interests of workers themselves, and would react against Mooney.

Men Believe In Justice.

SEATTLE, April 22.—Commenting on the assertion of Samuel Gompers, president of teh American Federation of Labor, that any attempt by Seattle labor leaders to incite a general strike as a protest against the alleged persecution of Thomas J. Mooney would be a violation of union laws and repugnant to the rights and interests of workers, James A. Duncan, seretary of the Seattle central labor council, tonight made the following statement to The Associated Press:

"There will be no violation of union laws. There never has been nor will there by any attemp by so-called labor leaders to incite a strike. All action thus far taken has been by overwhelming popular sentiment on the part of the rank and file.

"What were yesterday known as leaders are today practically the brakes of the workers as a mass, and in consequence the attitude of the so-called leaders always will be along as conservative lines is is consistent in establishing justice where injustice is foundd."

Mr. Duncan said that none of the officials of the central labor council openly supported the resolution calling for a strike. He said that when the resolution resolution was adopted a month ago, it was understood that the measure called for a general strike on May 1, 1918, to continue until Mooney was freed, but that the working of the resolution was ambiguous, and that since then the sentiment of the workers had changed until the majority seemed now to favor a strike lasting but one day.

Mrs. Rena Mooney, wife of Thomas J. Mooney, will not speak here next Sunday as had been planned, a committee from the labor council which was making arrangements for her proposed meeting, being advised that she had cancelled her speaking engagements in the northwest.

ADOPT RESOLUTION.

PHOENIX, Ariz., April 22.—The executive board of the Arizona State Federation of Labor today unanimously adopted a resolution calling upon all workers to go on strike for 24 hours on May 1 as a protest against the execution of Thomas J. Mooney of San Francisco, condemned to death in California for participation in the bomb outrage during a preparedness parade there.

After being informed of the stand taken by Samuel Gompers, president of the American Federation of Labor, concerning the proposed protest strike, Thomas J. Croaff, president of the Arizona Federation of Labor, said.

"I don't wish to start any argument between Mr. Gompers and myself. I can only say that the Arizona Federation of Labor has acted in teh matter of the proposed strike May 1. We have wired President Wilson and Mr. Gompers, advising them of the action of the Arizona Federation of Labor. We have received no answer."

Commission Approves Willard-Fulton Fight

ST. PAUL, April 22.—The Minnesota boxing commission, after a conference with Promoter J. C. Miller today, voted unanimously to approve the proposed Willard-Fulton fight at St. Paul on July 4.

The commission and Colonel Miller reached an agreement whereby Willard and Fulton will receive their share of the fight receipts in liberty bonds. Colonel Miller agreed to give 12½ per cent of the gross receipts to the Red Cross, or the government recreation fund, and to donate 25 per cent of all money received from the fight pictures to the war recreation fund.

PEAKS CHANGED AFTER QUAKES

Mount San Jacinto Has New Appearance After Yesterday's Tremblers

HEMET, Cal., April 22.—People here believe that since yesterday's earthquake the height of two of the three peaks of Mount San Jacinto has been changed. Formerly, they declare, the central and northerly peaks were the higher, while now the southern peak is higher. Casual observation appears to confirm this belief. Old residents dug in hastily-rescued trunks today for photographs of the mountain made years ago to compare them with pictures taken today, in an effort to establish the truth of the theory. There is a perceptible variation in the height of the snow line on the three peaks since the shocks.

A few of the braver residents moved their beds back into their houses tonight.

NINE SHOCKS IN ALL.

LOS ANGELES, April 22.—Nine earthquake shocks, severe in intensity, which began yesterday at 3:32 p. m. and extended over thirty hours, tonight appeared to have completed their work of destruction with a toll of two lives and property damage roughly estimated at half a million dollars. Thirty hours of anxious waiting brought no further news of damage in Southern California, which suffered most, or Western Arizona, and Utah, slightly affected.

Hemet and San Jacinto, twin towns of the broad valley between the San Jacinto and Santa Ana ranges, were found to have been half wrecked in their business sections and to have had their 400 odd homes jolted and jarred, a score into ruins.

Plate glass valued at thousands here, railroad water tanks at several points, building fronts at Banning and elsewhere, irrigation reservoirs and canals and countless chimneys suffered from the shock.

SALARIES FOR COMING YEAR ARE ADJUSTED

No Instructor to Receive More Than Ten-Dollar Monthly Advance

DRESS IS NOT COSTLY

Salem School Girls Not Extravagant in Tastes, Findings Show

The heaviest bit of work coming before the schol board last night was the adjustment of the salary schedule for the coming year. It was held by some members that a horizontal rise all along the line would work an injustice to teachers in the lower grades, where the advance was most needed, whie in some cases instructors with the larger salaries might secure a double advance through promotion to higher positions. The schedule as finally passed contained the provisco that no teacher or principal should receive an advance of more than $10 a month over the salary of the present year. The final arrangement was as follows:

Teachers in the elementary grades 1 to 6, first year, $80; second year, $85; third year, $90.

Junior high school grades 7 to 9, first year $90; second year $95; third year $100.

Senior high school, first year $100; second year $105; third year $110.

Principals of elementary schools, first year $100; second year $105; third year $110 .

Junior high schools, enrollment of more than 250, first year $115; second year $120; third year $125. Enrollment of less than 250, first year $110; second year $115; third year $120.

Supervisors of special subjects in elementary grades and junior high school, first year $100; second year $105; third year $110.

Heads of departments, senior high school, first year $115; second year $120; third year $125.

Heads of special departments, manual training and commerce, first year $140; second year $150; third year $155.

Dress Not Exaravagant.

The committee placed in charge of dealing with the matter of dress in the upper grades reported that a questionnaire had been instituted in the various schools and the fact was brought to light that there were very few cases of extravagant or unsuitable dressing among the girls and it was decided that it was not advisable to undertake to deal with the question through arbitrary rule, but rather to persuade the students to enter into any measure of reform voluntarily and in good spirit.

Whole Year Term Not Favored.

Reports from Principal Nelson

(Continued on page 5)

BILL DRAWN AND PASSED AT MEETING

Rapid Action Taken by City Council for Suppression of "Russellite" Seditious Literature

APPEAL OF FEDERAL COURT ORDER TAKEN

Commercial Club Comes in for Mild Rebuke by Alderman Elliott

When the city council convened last night no ordinance was in existence making it possible to suppress the distribution or circulation of seditious or disloyal literature. Before the council adjourned an ordinance had been drafted read three times and enacted into a city law. And it is an ordinance with a punch in it, providing penalties sufficiently heavy to discourage any further distribution of unpatriotic literature in Salem.

The rapid action of the council came as a result of clandestine distribution of "Kingdom News" about the residence districts some time Sunday night by representatives of the International Bible Students' association, purporting to inform the public why "The Finished Mystery" was suppressed. Alderman Elliott brought a copy of the paper to the meeting and made the motion which resulted in the ordinance.

The ordinance makes it unlawful for any person to sell give away or otherwise distribute any literature "which tends to hamper or discourage enlistments, registration for the United States army draft, or which is reasonably likely to hamper the United States government in any of its war work or war enterprises. All such books, pamphlets, hand bills, papers and literature are hereby declared to be a public nuisance."

Punishment Is Provided.

Punishment provided in the law is fine of not less than $50 or more than $100, or by imprisonment in the city jail not less than ten or more than twenty days, or by both fine and imprisonment. When any of the literature is seized it is made the duty of the city recorder to conduct a hearing, and if the literature is found to be such as is prohibited by the ordinance, the recorder is to order its immediate destruction.

Another important action of the council last night was to instruct City Attorney Macy to collaborate with William P. Lord in an appeal of the litigation with the Salem, Water, Light & Power company from the federal district court to the United States district court of appeals. In a readjustment of water rates in Salem the public service commission lowered the rates for users in Salem but elevated the hydrant rates for the city. The city refused to pay. The company took the case into the federal court and a decree in March favored the plaintiff company.

Disease Ordinance Introduced.

First and second reading was given last night to an ordinance resulting from the recent action of the state emergency board providing money for the transportation to a central station in Portland and quarantine of women affected with social diseases. Similar action is being taken in other towns of the state of $5000 or more population. The bill was referred to the committee on ordinances.

The United States proposes to force a physical connection of the tracks of the Southern Pacific company and the Oregon Electric company at North Front and D streets, and because of the policy of the Southern Pacific to refuse all such connections the army authorities have taken the issue up with Washington authorities. The connection is wanted for greater convenience in shipping government contract goods from the plant of the Salem King's Products company. Quartermaster department officials last night petitioned the council to rescind temporarily a prohibition against the spotting of cars on the street at that point so that the loading out of the dehydrated potato contract may be facilitated.

Commercial Club Hit.

In the course of an argument relative to the city's share in paying for the lighting of the new Willamette river bridge, Alderman Elliott took a punch at the Salem Commercial club. "It appears that the club is urging the city to hurry arrangements whereby it is to pay half the expense, amounting to $15 a month. "The commercial club," said Mr. Elliott, "is the greatest little passer on of things you ever saw. It also can do the loudest hollering when it comes to making up the city budget."

Alderman Wiest submitted a resolution that the city attorney be authorized to enter into an agreement with the county court whereby the city would pay its half of the expense of maintaining the lights. The reso-

(Continued on page 2)