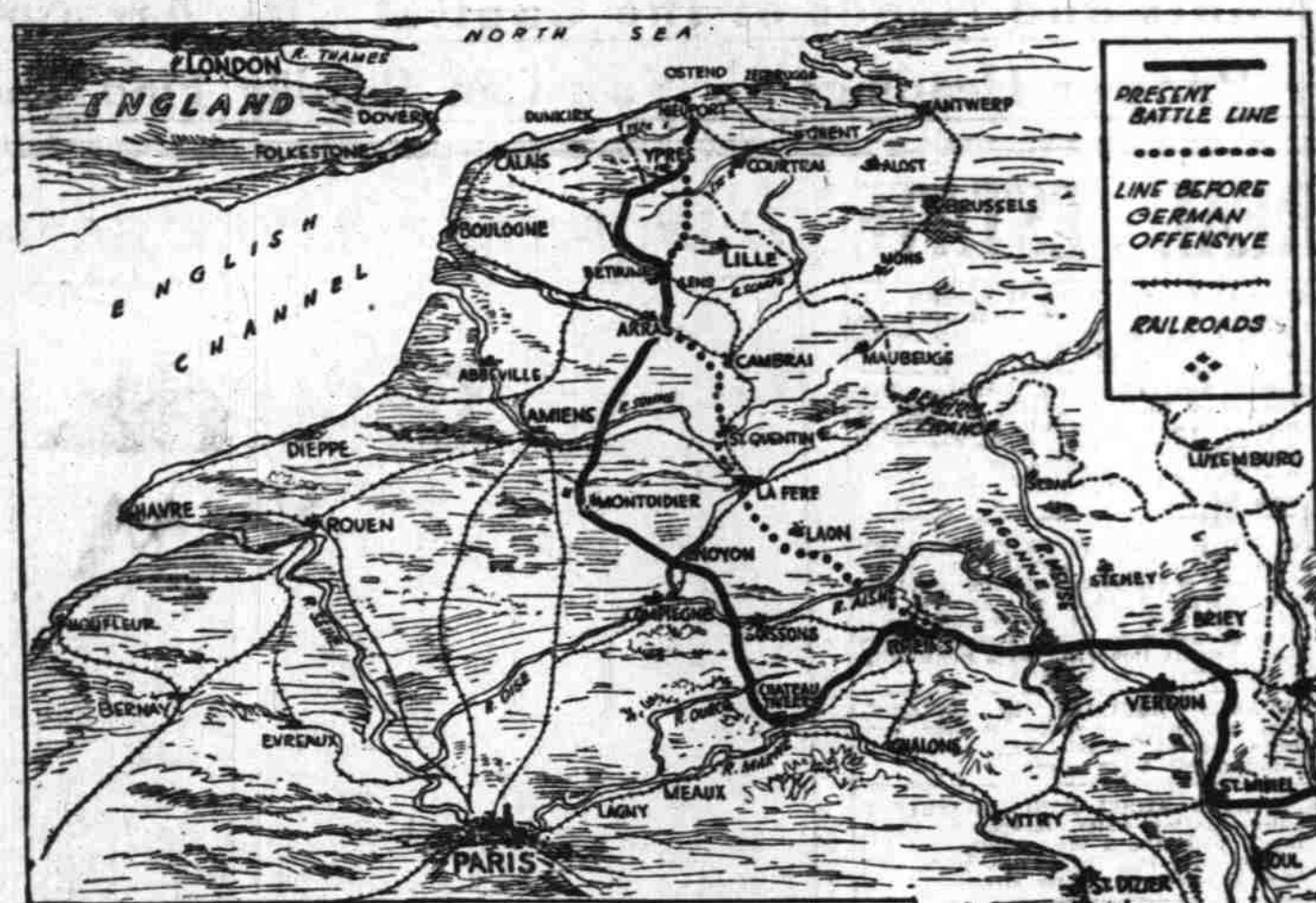


As the Battle Line in France Stands Today



OFFICIAL CASUALTY LIST

WASHINGTON, July 12.—Army casualties follow:

Killed in Action.

Lieutenants Wilmarth Brown, Washington, D. C.; Harry M. Coppinger, Oklahoma City, Okla.; John Cannon Paisley, Gibsonville, N. C.; Augustus M. Trotter, Camden, N. C.; Sergeant Peter G. Miller, Lancaster, Pa.; Privates Sherman L. Conkling, Newark, N. J.; Steve Dusanek, Schneetady, N. Y.; Harry F. Jones, Roanoke, Va.; Walter Santimaw, Potsdam, N. Y.

Died From Wounds.

Captain George T. Spalding, Columbus, Ky.; Lieutenant Robert E. Ball, Wollaston, Mass.; Privates John W. Bresnahan, Rochester, N. Y.; Harry L. Erisman, Sterling, Ill.; John V. Fennessy, Rochester, N. Y.; Hyman Klein, New York City; Walter F. Ryan, Portage, Wis.

Died From Disease.

Lieutenants George G. McNish, Stevens Point, Wis.; Goodwin Warner, Jamaica Plains, Mass.; Sergeants Frank A. Browne, Petersburg, Va.; Walter R. Lux, Fort Shaw, Mont.; Fireman Constance Hendricks, Havre, France; Privates James H. Enslley, Alinsworth, Neb.; Ray U. Nicholson, Scotts Mills, Or.

Died From Accident.

Lieutenants William D. Robbins, Raleigh, N. C.; John C. Wilford, Asheville, N. C.

Died From Accident and Other Cause.

Captain Karl H. Dauber, Benito, Cal.; Sergeant Arnold J. Peterson, Beloit, Wis.; Corporal Guy M. Cox, Denison, Tex.; Cook Harry E. Hollingsworth, Le Harpe, Kan.

Wounded Severely.

Lieutenants Charles H. Cook, Cusseta, Ga.; William H. Osborne, New York City; Harold H. Titman Jr., St. Louis; Manton M. Williams, Sinton, Tex.; Corporal Thomas Brace, Detroit; Privates Louis D. Allen, Goodhope, Ill.; Frank J. Blanchard, South Manchester, Conn.; Jake L. Dyer, Novice, Tex.; Conrad D. Ekblom, Yonkers, N. Y.; Nikolas Genaris, Cania, Greece; Clyde W. Hall, Lafayette, Ind.; Samuel T. Johnson, Dot Va.; Clinton Lamphere, Dolgeville, N. Y.; Blair L. Renand, Keewaydin, Pa.; Max A. Seltz, Detroit.

Private Joseph L. Eastland, Pittsfield, Mass.

Wounded, Degree Undetermined.

Lieutenants Edward M. Ogle, Terre Haute, Ind.; Charles J. Riley, Pleasant Hill, Ill.

Missing in Action.

Privates Harry Christian, Filbert, W. Va.; Harry Chohessy, Brooklyn; Theodore Grimes, Springfield, O.; John W. James, Oil Trough, Ark.; Charles W. Preston, Wynnewood, Pa.

HERTLING CLAIMS TO HAVE PEACE FEELING

(Continued from page 1.)

mediately go into them. That is to say, we will not reject them and we will speak to begin, within a small circle.

Opinion is General

"I can also tell you that this standpoint is not merely my own standpoint, but that it is shared emphatically by the chief of the army administration. The chief of the army administration, also, does not conduct war for the sake of war, but has said to me that as soon as serious desire for peace manifests itself on the other side we must follow it up.

"You will probably be interested to know we are working on this standpoint and certain problems will appear which the present time forces upon us.

Exhaustive discussions took place

regarding these questions July 1 and 2 at general headquarters, under the presidency of the Kaiser. "Naturally I can only announce here quite generally the lines which were laid down at the time, regarding the east, west and on the basis of the peace of Brest-Litovsk and we wish to see this peace carried out in a local manner. That is the wish of the German imperial administration.

Difficulty on Outside

"However, the difficulty of the execution of the peace of Brest-Litovsk does not lie on our side, but in the fact that conditions in Russia are still exceedingly uncertain. We are inclined to believe in the loyalty of the present Russian government, and especially in the loyalty of the representative of the Russian government in Berlin.

"But we may not, and cannot, assume unconditionally that the present Russian government has the power to carry through everywhere the loyal promises made to us. We do not all wish to create difficulties for the present Russian government, but as conditions now are, there are incessant developments and endless frictions in the frontier region.

However, our principle is that we stand on the basis of peace made at Brest-Litovsk and we will carry out this peace loyally and will deal loyally with the present government. "They are still under the depressing influence of a terrible crime in Moscow. The murder of our ambassador there was an act in violation of international law than which a worse could never cry to heaven.

Allies Blamed for Murder

"All indications point to the fact that the accused deed was instigated by the entente allies, in order to involve us in a fresh war with the present Russian government—a state of things we are most anxious to avoid. We do not want fresh war with Russia. The present Russian government desires peace and needs peace and we are giving her our support in this peaceful disposition and aim.

"On the other hand, it is true that political currents of very varied tendencies are circulating in the Russian empire—movements that have the most diverse aims, including the monarchist movement movements of the constitutional democrats and the movements of the social revolutionaries. We will not commit ourselves to any counter-current, but are giving careful attention to the course Russia is steering."

Situation Reviewed

In connection with this point, the imperial chancellor passed to a review of the political situation in the west. He then spoke of the reasons which led to the resignation of Dr. von Kuehlmann and concluded: "The name of the man who is proposed as Dr. von Kuehlmann's successor is known to you. Admiral von Hintze possesses a thorough knowledge of Russian affairs, which is a matter of great importance in the present situation. But it goes without saying that I will give my counter-signature to the appointment of Admiral von Hintze only on condition that he follows my line of policy and not his own.

"However, as far as I am concerned, I have already a sure guarantee for this in Admiral von Hintze's promise. I will direct the line of foreign policy and the secretary of state for foreign affairs has merely to carry out my policy. The proposed secretary of state for foreign affairs is absolutely clear on this point.

"The course with which the great majority of the reichstag declared itself to be in agreement in November of last year will still be followed."

CASUALTIES AT SILVERTON MANY

Gann's Ear Severed, Charles Hanson Bruised, Mrs. Town Hurt

SILVERTON, Or., July 12.—(Special to The Statesman).—An aged man named Gann, who has been working in the woods near Silver Creek falls for the Brewer Lumber company was seriously injured yesterday when a tree fell upon him. One ear was severed from his head and he was considerably bruised otherwise. He was found unconscious by some other men employed in the woods and was brought to this city where his wounds were dressed. Norris Ames of the Ames hardware store went to Portland yesterday to investigate the enlistment of

Government Policy to Use More Older Men

WASHINGTON, July 12.—In setting forth the government's attitude toward the employment of women in war industries, the war labor policies board today recommended that a more general employment of older men to relieve the labor shortage and that women be more generally employed in clerical, accounting and cashier service.

The policy as outlined is against the employment of girls under 21 years of age as public messengers, elevator operators, bell boys in hotels, or clubs, or in street car, elevated and subway transportation service. The recruiting of mothers of young children for employment in war industries is discouraged.

In a statement tonight the association said that in the opinion of a special committee of its members from virtually all coal producing sections of the country which has been investigating the question, the country cannot have "both booze and sufficient coal this winter."



portunity. He has a desire to join the navy.

While working on the carriage at the Silver Falls mill yesterday Chas. Hanson was seriously injured. As he was rolling from the deck to the carriage he fell in front of it. No bones were broken, but he was seriously bruised.

A meeting was held in the Methodist church tonight for the purpose of organizing a municipal league whose aim will be to enforce law and order in the city. It is said the organization is directed against some of the pool halls in Silverton. It is reported the churches will co-operate.

Jack Morley, one of the oldest merchants of Silverton, is in Portland receiving medical treatment. Mr. Morley has been ill for several months.

The annual convention of the Lutheran Young People's society met here today and will continue through Saturday and Sunday. An interesting program has been prepared for the three days session. Several delegates from Salem, Portland, Eugene and other towns will be in attendance.

Mrs. William Town was seriously injured a few days ago when she stepped through a hole in the sidewalk near the school grounds.

Mrs. C. O. Dennis of Portland has been spending the week with Mrs. R. C. Kelsey.

Low Davenport has returned from Aberdeen, Wash., where he has been working for some time.

Preparations are being made for the construction of a new bridge across the Abiqua river near the Morley farm east of Silverton.

Mrs. H. E. Smith, Miss Grace Wolcott and Miss Virginia Smith are spending the week at Newport.

Mr. and Mrs. F. E. Kahler of Portland have been visiting at the home of H. S. Van Valkenburg. Mrs. Kahler was formerly Miss Nettie Jameson of Silverton. They were married in Portland last week.

Harvest has commenced in the Waldo Hills and it is said that the yield will be larger than was anticipated.

Dallas is Preacherless, Ministers Are Off to War

DALLAS, Or., July 12.—(Special to The Statesman).—Within the next few days Dallas will be almost a preacherless city, only one of the many pastors remaining to look after his congregation. The war is responsible for the situation and the ministers have heeded the great call for men for social welfare work and have given up their respective posts thinking that their work with the army will accomplish more good than remaining in their pulpits.

During the past few months the preachers have answered the call and within the last week the balance of them have departed with the exception of Rev. Charles P. Johnson of the Methodist church. Rev. D. V. Poling was the first to leave for army Y. M. C. A. work and was followed by Rev. D. A. MacKenzie of the Presbyterian church. This week Rev. W. S. Plowman of the Evangelical church has joined his fellow workers in the war work and Rev. Howard McConnell is daily awaiting a call for overseas work as chaplain in the army.

Besides these pastors to take up social welfare work from this city was F. E. Davis, one of the prominent business men who left last week for Seabeck, Wash., to take a course of training for army work.

Benefit for Red Cross Planned at Silverton

SILVERTON, Or., July 11.—(Special to The Statesman).—The Ladies Aid society and the Lutheran auxiliary of Trinity church is to give an ice cream social for the benefit of the Red Cross on the evening of July 20. The social starts at 7 o'clock and will be on the grounds surrounding Trinity church.

Mr. and Mrs. George B. Glazier are moving to Cascade Locks where Mr. Glazier has accepted a position.

Mrs. Mary Murray is visiting relatives in the Hull country. Mrs. Murray will best be remembered as Miss Mary Hosteeler. Mr. Murray is with Company 1 in France.

CASTORIA For Infants and Children In Use For Over 30 Years

Always bears the Signature of *Dr. H. H. Fletcher*

PROHIBITION IS MADE NECESSITY

Coal Men Can Not Fill War Orders Unless Brewers Are Cut Out

WASHINGTON, July 12.—Immediate nationwide prohibition is absolutely necessary if the extra hundred million tons of coal, needed by the country in its war on Germany is to be mined, Fuel Administrator Garfield has been informed by the National Coal association, representing bituminous operators producing 400,000,000 tons of coal annually. Dr. Garfield is understood to have laid the association's recommendation before President Wilson for his consideration.

In a statement tonight the association said that in the opinion of a special committee of its members from virtually all coal producing sections of the country which has been investigating the question, the country cannot have "both booze and sufficient coal this winter."

NEW PLAN WILL BE PRESENTED

Commercial Club Committee to Submit Scheme for Ratification

The Commercial club committee, composed of Gideon Stolz, chairman, Theo. Roth, C. S. Hamilton, Charles H. Fisher and W. M. Hamilton, met in the reading room last night for the purpose of discussing further the matter of altering the by-laws of the club so as to facilitate both the election of department heads and the formation of committees. A carefully drawn sketch of the sections involved was submitted and received the approval of the committee. This will be submitted to the board of directors and within a few days will be brought before a meeting of the club for ratification. By the new plan the former lines of activity will be retained in the club, but will give the directors a free hand in the selection of committees for specific work and will tend to make administration more flexible and efficient.

EXPLANATION OF BONDS IS GIVEN

Confusion Exists in Public Mind as to Privilege of Conversion

There has been more or less confusion in the public mind as to the privilege of conversion attached to the liberty bond issues already outstanding, the majority of people supposing that the 3 1/2 per cent bonds of the first issue, or the four per cent bonds of the second issue could be converted into the 4 1/2 per cent bonds of the third issue. This is not the case.

When a former issue bond is converted into a new ten-year bond it is simply a bond of supplementary or substitute issue, bearing the same dates of interest payment, the same dates of maturity of principal, and the same terms of redemption as the bonds upon the conversion of which they have been issued. But they are not a part of the regular second or third liberty loan issue.

These bonds also differ from the regular issues in that they carry with them only the exemption attached to the third ten-year 4 1/2 bonds.

The holders of the first or second liberty issue have the privilege of converting them into 4 1/2 bonds on or before November 9, 1918.

The holders of the 3 1/2 bonds have the privilege of converting them into any subsequent issue made during the period of the war, except short term obligations.

The 3 1/2 bonds are free from all taxation except inheritance taxes. The 4 and 4 1/2 bonds are free from all normal taxes, but are subject to the super-taxes and excess profits where aggregate holdings exceed \$5000. Five per cent of the amount outstanding in any one year of all bonds issued since September 24, 1917, can be purchased by the government for the sinking fund.

These bonds also differ from the regular issues in that they carry with them only the exemption attached to the third ten-year 4 1/2 bonds.

The holders of the first or second liberty issue have the privilege of converting them into 4 1/2 bonds on or before November 9, 1918.

The holders of the 3 1/2 bonds have the privilege of converting them into any subsequent issue made during the period of the war, except short term obligations.

The 3 1/2 bonds are free from all taxation except inheritance taxes. The 4 and 4 1/2 bonds are free from all normal taxes, but are subject to the super-taxes and excess profits where aggregate holdings exceed \$5000. Five per cent of the amount outstanding in any one year of all bonds issued since September 24, 1917, can be purchased by the government for the sinking fund.

These bonds also differ from the regular issues in that they carry with them only the exemption attached to the third ten-year 4 1/2 bonds.

The holders of the first or second liberty issue have the privilege of converting them into 4 1/2 bonds on or before November 9, 1918.

The holders of the 3 1/2 bonds have the privilege of converting them into any subsequent issue made during the period of the war, except short term obligations.

The 3 1/2 bonds are free from all taxation except inheritance taxes. The 4 and 4 1/2 bonds are free from all normal taxes, but are subject to the super-taxes and excess profits where aggregate holdings exceed \$5000. Five per cent of the amount outstanding in any one year of all bonds issued since September 24, 1917, can be purchased by the government for the sinking fund.

These bonds also differ from the regular issues in that they carry with them only the exemption attached to the third ten-year 4 1/2 bonds.

The holders of the first or second liberty issue have the privilege of converting them into 4 1/2 bonds on or before November 9, 1918.

The holders of the 3 1/2 bonds have the privilege of converting them into any subsequent issue made during the period of the war, except short term obligations.

The 3 1/2 bonds are free from all taxation except inheritance taxes. The 4 and 4 1/2 bonds are free from all normal taxes, but are subject to the super-taxes and excess profits where aggregate holdings exceed \$5000. Five per cent of the amount outstanding in any one year of all bonds issued since September 24, 1917, can be purchased by the government for the sinking fund.

These bonds also differ from the regular issues in that they carry with them only the exemption attached to the third ten-year 4 1/2 bonds.

The holders of the first or second liberty issue have the privilege of converting them into 4 1/2 bonds on or before November 9, 1918.

The holders of the 3 1/2 bonds have the privilege of converting them into any subsequent issue made during the period of the war, except short term obligations.

-WAR SUMMARY

(By the Associated Press)

The striking Germans on a front that has been quiet for the past six weeks, the French have broken through and advanced their lines. The blow was launched between Castel and Mailly-Raineval on the Picardy, southeast of Amiens.

The attack was along of approximately three miles. It swept the Germans back out of the village of Castel and the Anchin farm, about a mile to the south, and cleared out a number of strong enemy positions. The French penetrated the German lines to a depth of more than a mile.

The American attack on Cantigny some time ago advanced the line materially at that point where the Australians and Americans on July 4 and 6 cut deeply into the German lines at Hamel and Villers-Bretonneux, south of the Somme. The French attack was launched at a point between positions of the Americans at Cantigny, and the Australians, farther north.

The French lines south of Castel have been parallel to and westward of the Avre river. The success gained there carries the French up to the hills to the west of the river and into positions which appear to dominate the villages of Morisel, on the west bank, and Moreuil, on the east bank of the river.

Between the Marne and the Aisne the French have continued their offensive operations. It is reported that the village of Longpont, south of Corcy, the capture of which was reported on Thursday, has been taken by General Petain's men who

Home Guard Companies Thrive in Polk County

DALLAS, Or., July 12.—(Special to The Statesman).—Another home guard company was added to the military organization of Polk county this week when the Independence unit of the county forces was formed.

The following officers were elected: Captain, C. W. Barriek; first lieutenant, C. L. Stidd, and second lieutenant, Grant MacLaughlin. Drill will be held Friday evenings of each week. This makes the third company of Home guards in the county.

BINDER TWINE FOR 1919.

Binder twine for the harvest of 1919 will cost American farmers about 3 cents per pound less than they have paid this year; the estimated total saving to grain growers of the United States is \$5,000,000. This announcement of the U. S. Food Administration follows an arrangement it has made with the Comision Reguladora, the Yucatan monopoly controlling sisal, whereby the Comision has contracted to sell 500,000 bales of sisal to twine mills of this country at a price 3 cents per pound less than a year ago.

That quantity of sisal represents the principal supply of fibre needed to manufacture binder twine for the grain harvest of 1919. To maintain an economical operation of twine mills in the United States, sisal is contracted for about a year ahead and is manufactured into the finished twine throughout the year. By the new arrangements, the cost of sisal will be approximately 16 cents wholesale at gulf ports compared with 19 cents per pound for the sisal used in making the twine for the present harvest.

Since its early investigations of binder twine, which is a vital element in our grain harvest, the food administration has maintained that the Comision Reguladora of Yucatan must sell its sisal at more reasonable prices if it expects to retain this country as a large customer. Sisal growers have complained, however, of the high cost of food and supplies which they secure from the United States. With the hope of establishing a better understanding between Mexican and American producers, the food administration proposes an exchange of agricultural commissions. A commission of Mexican farmers has been invited to visit the United States and study the production and distribution of articles they secure from this country.

In case the proposal is accepted, the food administration plans to have a committee of American farmers visit Yucatan to study methods and costs of sisal production. Such an interchange of study is expected to prepare the way for mutually satisfactory conditions in future sisal arrangements.

CULTIVATING GOOD HABITS.

There are some very simple habits which should be cultivated by all young people. First of all is faithfulness. This includes fidelity to one's promises, one's engagements, one's friends. Then comes kindness. No one has a right to hurt the life, or cloud the happiness, of another. The use of time, also, should be sacred. No one can be justified in "killing time." The same words apply to the use of money. Money is time and talent coined into silver and gold. Reading, letter-writing, personal appearance, dress, the keeping of Sunday, the making of friends, are all contributing factors to the making of

LIBERTY Showing Only First Run Pictures

SUNDAY—MONDAY

MISS U. S. A.

WITH JUNE CAPRICE

A Patriotic Feature of Home

life. "It is more difficult to make a life than to make a living."

SERIOUS SUGAR LOSSES.

The submarine depredations of the Atlantic coast early in June resulted in the loss of 13,554 tons of sugar from Cuba and Porto Rico. This represents nearly one-fifth of the total weekly consumption of sugar in the United States and is more than the recent total sugar allowance of Great Britain for jam making this year.

Although the cargoes were fully covered by insurance the loss of sugar emphasizes the need for additional conservation of this important commodity.

PLANT LATE CABBAGE AND BROCCOLI NOW

We have plenty of fine plants and now is the time to plant for best results.

The Cabbage crop is going to be very short and you will find it a very profitable crop to raise. Always a demand for Broccoli and never enough for the market. Special prices in large lots. Place your orders one day ahead of delivery so we can have the gardener bring in fresh plants. Also, can plant carrots, beets, peas, lettuce, turnips, radishes, etc., for late gardens and secure good results.

D.A. WHITE & SONS

Phone 160. 255 State St.

Wanted

75 Men for sawmill and yard work at Salem,

July 15. \$3.25 for eight hour day. Spaulding Logging Company. Phone 1830.