

Wednesday: Fair and warmer; light to heavy frost in the interior in the morning; gentle northwest-erly winds.

The Oregon Statesman

SALEM, OREGON, WEDNESDAY MORNING, MAY 26, 1920.

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LOAN RATES SHOULD NOT BE CHANGED

Senator Owen Takes Issue With Federal Reserve Board State's Ample Interest Now Paid in United States

BANKERS OF COUNTRY SHOULD BE JUDGES

Discrimination Shown In Making Loans Under Policy Now in Effect

POKCA CITY, Okla., May 25.—Senator Robert L. Owen tonight issued a statement in which he took issue with the views of W. P. G. Harding, governor of the federal reserve board, in his letter written to the United States senate, declaring that he objected to the board's raising the rate of interest on loans in all parts of the country and for all purposes, he said: "What I object to is the boards raising the rate of interest on loans in all parts of the country and for all purposes and causing thereby a period of distrust and a breaking down of value of government bonds. Owners of bonds who bought them with the intention of using them as securities in obtaining loans are now denied the privilege of borrowing money on the bonds. The federal reserve board, an arm of the government which urged the purchase of government bonds, now is in the position of ruining the people who bought the bonds. "The federal reserve board has no right to say what is essential and what is not essential. This matter should be left to the banks of the country. "As regards the mobilization of credits for moving of the 1920 crop, I say that the federal reserve board has interfered with the lending of money by insurance companies and farm loan companies for the production of crops." (Continued on page 2.)

FORMER PRESIDENT HERE ALL ONE DAY

WILLIAM HOWARD TAFT MAY PLAY ON ILLAHEE LINKS

Business Men to Honor Distinguished Visitor With Noon Dinner at Marion Hotel

William Howard Taft, former president of the United States, will be Salem's guest all day next Saturday. He will arrive from Eugene on the 9:30 Oregon Electric train, and at the noon hour will be the guest of Salem business men at a luncheon at the Marion hotel. As there are to be reservations for only 75 guests, reservations should be made early. Reservations may be made at the Salem Commercial club.

It is understood the Oregon Electric railway company has arranged to carry a special observation car Saturday morning which will allow the Taft party to view some of the beauties of the valley. "It was first thought Mr. Taft would motor to Salem but later events interfered with his plans to the extent that he found it necessary to take the train to the city. He will speak at the armory Saturday night and leave for Portland Sunday morning.

Mr. Taft is making an extended tour under the management of the Ellison-White Lyceum bureau.

During his tour, Mr. Taft is lecturing upon three different subjects. They are:

"Bolshevism and Americanism," "Labor, Capital and the Soviet," and "The League of Nations Up-to-Date."

After Mr. Taft's arrival here the forenoon will be spent in rest and in visiting some of his friends in Salem. The Commercial club has been planning the noon banquet for some time but was not certain that Mr. Taft would be in Salem in time for it. It is possible that the president may spend the afternoon on the golf links if a match can be arranged.

Mr. Taft's lecture subject here will be "The League of Nations Up-to-Date." This lecture has met with great success wherever it has been presented.

Governor Olcott will introduce Mr. Taft and the Elks orchestra will furnish music.

Tickets for the lecture are on sale at Will's Music store. Much interest is being shown in Taft's appearance here and reserved seats are at a premium.

FUEL OIL NOT MONOPOLIZED BY ENGLAND

Country Has No Intentions of Cornering Market Says Ambassador—Reports Are But Unjust Propaganda

BRITISH STRIVING FOR PEACE WITH WORLD

Construction of Battleships Ceased at Time of Signing of Armistice

NEW YORK, May 25.—Sweeping denial that Great Britain was seeking to monopolize the world's fuel oil supply was made here tonight by Sir Auckland Geddes, British ambassador, speaking at the Pilgrim's dinner. Statements that Great Britain had such intentions, he added, were completely without basis in fact, as were charges that Britain today was moved by militarist impulses.

"I saw, without fear of informed criticism," Sir Auckland declared, "that British foreign policy is directed against no man, but is inspired by the desire to seek peace, to bring order out of chaos, to extend the boundaries of freedom, to improve the lot of the oppressed and to increase the material prosperity of the world. That is our program, those are the principles by which I, as British representative in this land, am guided from day to day."

The ambassador touched also upon reports that the British government was trying to pool the war debts of Europe, "and to drag you (the United States) into the pool."

"You may seek far and wide for evidence on which that statement could be based," he said. "You will not find it. If you look closely you will find my government trying to pour oil on the troubled waters of Europe and you will also find on-lookers who seize the oil as it is poured and throw it on the fires of anti-British feeling here."

"I realize that traditional hatreds and ancient grudges die hard. I think I can make full allowances for these things, but I do plead with each and all to realize that if they have oil to pour they will better serve their day and generation and the cause of all humanity by selecting troubled waters to receive their libation and avoiding smoldering fires."

In answering what he characterized as "wild duck" publications as to the British purposes, the ambassador dealt first with the British navy, saying that while more than a thousand ships, including four battle cruisers, were under construction when the armistice was signed, one cruiser, the Hood, too far advanced to permit of cancellation, was the only major ship completed.

"We have not at present a single capital ship, building or completing, and not one ship, large or small, has been laid down since the armistice," he said.

The British army and air forces had been "even more drastically" dealt with, Sir Auckland continued, and added: "It is no business of mine to compare these facts with the corresponding action of any other nation, but I ask you, who knew yourselves to be non-militarist, to contrast them with your own national acts if you are tempted to think of an England militarist."

The ambassador, after referring to reports "in some newspapers or magazines that Britain has acquired an oil monopoly and proposes to hold the world to ransom," said 70 per cent of the world's oil output was from American soil and 16 per cent from Mexico; American capital controlling three-fourths of the Mexican yield. In addition, he declared, Americans were seeking oil in at least ten other countries, but regardless of those operations, he concluded, "you have 82 per cent of the present world supply of oil under your control."

Disappearance of Youth Still Puzzles Officers

The Dean Brothers of McCoy, Polk county were at police headquarters yesterday and reported that the whole district had carried on a search Monday night for Harold Lynch who left his home early Monday morning. Thinking that the lad might have met with an accident, all the neighbors and Chief of Police Snyder, with "Od Tom", the penitentiary bloodhound, thoroughly searched the surrounding hills for a trace of the boy. Yesterday morning, the Dean brothers said, they had heard that the boy came to Salem with a man named Crawford and they asked the police to be on the lookout for him. They described him as 16 years old, light complexion with blue eyes and as stuttering when excited. When he disappeared he wore blue overalls, a serge coat and a checkered cap.

HIGHWAY COMMISSION IS CALLED TO COURT

DALLAS AND INDEPENDENCE ACT IN HIGHWAY CONTROVERSY

Counsel Employed to Compel Officials to Route West Side Road as First Planned

DALLAS, Or., May 25.—(Special to The Statesman)—That the West Side state highway must be built through Polk county on the route located by the Oregon legislature, if built at all, was the unanimous decision reached here by a meeting of citizens that filled the Commercial club auditorium to overflowing. The meeting was called by the Independent Business Men's club and the Dallas Commercial club, resolved itself into a committee to employ counsel and bring action to compel the state highway commission to follow the route established by the people of Oregon.

The action of last night's gathering of Polk county taxpayers is the outcome of long dissatisfaction with the course of the highway commission in not following the law requiring the West Side highway to be built from McMinnville to Dallas, thence to Monmouth, Independence and Corvallis. The original commission had prepared to build along a route, but a later commission decided to build direct from McMinnville to Monmouth and Corvallis, leaving both Dallas and Independence on the stub roads.

The Polk county court refuses to prepare the grade from Monmouth to the Benton county line and insists that the highway should be built from Monmouth to Independence, thence south to Corvallis. Rumors that the highway commission will terminate the Salem-Dallas post road at Rickreall and leave Dallas off any paved highway, unless the county court shall accept the Monmouth-Corvallis route, reached Dallas and Independence this week and called forth the big meeting of protest held here last night.

Committeemen from the Dallas and Independence commercial bodies met in Dallas recently and appointed Oscar Hayter of Dallas to represent the two clubs in future proceedings. Full authority was given him to employ and necessary associate counsel and the long controversy will now be brought squarely before the courts for settlement.

JOHNSON LEAD STILL GROWING

Late Returns Give Californian Plurality of 1991 Over Wood

PORTLAND, May 25.—Senator Hiram Johnson increased his lead over Leonard Wood to 1991 in the tabulation of the vote of last Friday's presidential preference primary in Oregon. Figures compiled tonight by the Oregonian gave Johnson 44,808 votes and Wood 42,817.

Curry county, which had not been heard from since election day, completed its return today. They reached the Associated Press office via Marshfield. Several of the counties reporting have done so officially. It was estimated tonight that there were less than 4000 more votes to be heard from.

Workman Killed By Jumping From Truck

VANCOUVER, Wash., May 25.—William J. Sommer of 350 Taylor street, Portland, was run over and killed by an automobile truck here late today. Sommer with a number of other workmen from the G. M. Standifer Construction corporation plant, jumped on a sand and gravel truck owned by the Vancouver Sand and Gravel company. After riding a short distance he jumped off the truck, putting one foot on the hub. This threw him under the big car and he was crushed to death under a rear wheel. The body was taken to the office of W. J. Knapp, county coroner.

Sommer was 23 years old.

POLICE CAPTURE CONVICT

SAN FRANCISCO, May 25.—C. R. Tolliver, military convict who escaped from Alcatraz Island prison four months ago disguised as a woman, was captured by the Vale, Or., police today, according to a report to Captain Johnson, prison officer. Tolliver, bedecked in feminine finery passed out of the prison unchallenged and a gallant officer assisted him on the boat from the island, unaware of his identity.

DENOUNCES SOLDIER BILL

WASHINGTON, May 25.—Senator Sherman, Republican, Illinois, speaking today in the senate, denounced the proposed soldiers' relief bill as a "disgraceful deterioration of the patriotism of a great country." If the impelling aim of the American legion is to "loot the federal treasury," he said, "it is a disgraceful organization."

BODIES 'BROUGHT HOME'

WASHINGTON, May 25.—Bodies of Red Cross and other welfare workers who died in France will be returned on the same basis as those of the soldier dead. It was announced today at the war department.

QUESTION OF ARMENIA UP TO CONGRESS

Situation Must Be Given Immediate Consideration—Some Democrats Open in Opposition to Mandate

ACT CALLED "FORCIBLE INTERVENING" BY PORTER

Chairman of Committee Suggests That President Adopt Watchful Waiting

WASHINGTON, May 25.—The house foreign affairs committee will meet tomorrow to consider President Wilson's request that he be given authority by congress to accept a mandate over Armenia.

Announcement tonight by Chairman Porter that the committee had been called to take up the proposal immediately and that Secretary Colby would be the first witness, caused widespread comment among members who had believed earlier in the day that the whole mandate question would go over until after the convention recess.

There was no intimation as to the reasons for immediate consideration. With the short time remaining before the recess the general impression was that congress would not have an opportunity to pass on the question.

Democrats Oppose Bill

Some Democrats, outspoken in their opposition to the mandate, said they construed the call for the meeting to mean that the Republicans had decided at the last moment to act immediately on the president's request and refuse to grant it. The question was discussed today by Republicans at a number of informal conferences and the opinion was expressed by many that in the event that congress failed to act and then adjourn until December, as some members have urged, the president might call a special session for its special consideration.

Chairman Porter, in a statement, said he had not had time to confer with all members of the committee but that he regarded "the proposition of sending American soldiers to Armenia or any other foreign country for the purpose of settling their political and economic quarrels as utterly absurd."

"If my views prevail with the committee," Mr. Porter said, "we shall give the president a mandate to follow that portion of Washington's farewell address admonishing us to keep out of European entanglements, or I would gladly give him power forcibly to intervene in Mexico and stop the murder and robbery of American citizens which has been going on for over 10 years."

"Mandate" Misleading

"The word 'mandate' is misleading. In the past, the action suggested by the president would have been called forcible intervention, which is equivalent to war. "If the president will apply 'watchful waiting' to Armenia and other foreign countries and forcible intervention, to distracted Mexico, our immediate neighbor, I could agree with him, but distance appears to lend enchantment to the presidential view."

National Guard Members Receive Federal Pay

The army pay call was heard in Salem for the first time Monday night, when Company M, national guard of Oregon, received the first federal pay at the armory. The men were paid from August 28, 1919 to December 31, 1919. National guard pay days will now be a semi-annual affair—July 1 and December 31 being the days set for the "ghost" to walk.

Doney Asked to Select Candidates for Annapolis

Carl Gregg Doney, president of Willamette university, received a telegram yesterday from Congressman W. C. Hawley, asking him to select three principals and nine alternates for appointments to the naval academy at Annapolis. The men selected will be exempted from all further college and academic studies.

LOVE GOES FROM TEXAS

DALLAS, Tex., May 25.—Thomas B. Love of Dallas was re-elected by acclamation as national democratic committeeman from Texas by delegates to the state democratic convention here tonight. Responding to calls for an address, Mr. Love declared he would not stand for a temporary chairman at the San Francisco convention who favors light wines or beer. "But I shall stand for one who supports President Wilson and the league of nations without reservations," he added.

FOOD COMMISSION REPORTS ARRESTS

MUCH ILLEGAL LIQUOR IS FOUND DURING LAST QUARTER

Out of 26 Prosecutions \$290 in Fines Is Collected and Other Sentences Suspended

The quarterly bulletin of the state dairy and food commission, April issue, contains a record of 26 prosecutions, 18 of which were in Portland. In nine cases fines were assessed upon the defendants, aggregating \$290. In the remainder of the cases sentence was suspended.

The bulletin records six cases in which butter was found illegal in that it contained more than 16 per cent of moisture. Milk was found illegal in four cases because it contained less than 2.2 per cent butterfat. Liquor was found illegal in 49 cases. This was beer, cider, grape juice, "moonshine" and other drinks. The following articles were listed under the head of "condemned or destroyed":

Apples, 1640 pounds; drier apples, wormy, 120 pounds; bananas, frozen 120 pounds; beef, 225 pounds; cabbage, partially decayed, 540 pounds; cereals, containing weevil, 150 pounds; corn meal, containing weevil, 40 pounds; cream of wheat, containing weevil, 100 pounds; flour, containing weevil, 70 pounds; pancake flour, 46 pounds halibut, 750 pounds; ink (fish 205 pounds; lard, 150 pounds; pears, 180 pounds; potatoes, 6910 pounds; salmon, 500 pounds; smelt, 2190 pounds; catsup, fermented, 48 bottles; honey, 8 bottles; pickles, 32 bottles; ice cream, soured, 1 can.

TRAIN WRECKS MANY HURT

Two Trainmen Die When Santa Fe Passenger Leaves Track Near Albuquerque

ALBUQUERQUE, N. M., May 25.—Santa Fe passenger train No. 808, due to arrive here at 6:30 p. m., was wrecked this afternoon at La Joy, 52 miles south of here, due to soft track resulting from high water, according to a report received here. The engineer and fireman were killed and about 50 passengers injured.

All of the cars are reported to be lying on their sides in the water. A special train with doctors and nurses had been ordered to the scene from Socorro and the wrecker has been ordered from Belen, which will also take all available doctors from there. The train left El Paso this morning.

INVESTIGATION OF EXPENSES ON

Senate Probes Pre-Convention Pledges of Hoover and France

WASHINGTON, May 25.—In its inquiry into pre-convention campaign expenditures and pledges of presidential candidates, the senate investigating committee dealt in quick succession today with the candidacy of Herbert Hoover and Senator France of Maryland, Republicans, and Edwards of New Jersey and Senator Owen of Oklahoma, Democrats.

From B. M. Baruch, the committee sought information as to the campaign being made in behalf of William G. McAdoo, Democrat, but learned nothing. Mr. Baruch testified to his own utter ignorance of campaigns of campaign financing for any candidate.

John F. Lucey, manager for Mr. Hoover, said the national campaign fund raised in behalf of the former food administrator amounted to approximately \$2,000 with a present deficit of \$4,000 exclusive of the amount spent in California. Questioned by committee members, he said he would ask the head of the Hoover campaign in California for information as to expenses there. C. J. Hepburn, a Pennsylvania Hoover leader, said that \$20,000 had been contributed in Pennsylvania.

W. W. Vicks, representing Governor Edwards, testified to the collection of \$12,000 for his principal and emphatically denied that "wet" influences, money or individuals were or would be concerned in it.

For Senator Owen, J. W. Beller, a manager, said \$40,410 had been collected and expressed the opinion that more might have been used to advantage.

Senator France told the committee he had no manager or funds. Chairman Kenyon after adjournment ordered notices of the investigation sent to Nicholas Murray Butler of New York and Governor Coolidge of Massachusetts or their representatives.

"INJURED IN INDUSTRY" BILL

WASHINGTON, May 25.—The senate bill, providing for vocational rehabilitation of persons crippled in industry, was passed today by the house and sent to the president. Under the bill the federal government and the states would share the cost, the state authorities to have direct charge of the work under federal supervision.

FLIGHT TO STOCKTON IS SUCCESS

Ben W. Olcott Wins Title of "Flying Governor" at Ad. Convention. Trip Made in Thirteen Hours.

TACOMA MAY ACT AS NEXT YEAR'S HOSTS

Caravan to Visit Yosemite—Last Session Will Be Held in Famous Park

SACRAMENTO, Cal., May 25.—Governor Ben W. Olcott of Oregon, who might be termed the "flying governor", was a dinner guest tonight at a hotel with Governor William D. Stephens and members of the Chamber of Commerce.

Governor Olcott's flight from San Francisco, to Sacramento late this afternoon, ended a journey of 1500 miles in an airplane piloted by Lieutenant R. M. Kelly, the total flying time being 13 hours and 40 minutes. From San Francisco to this city it required 45 minutes, including the time required to circle Mount Tamalpais. Governor Olcott landed at Mather field at 5:30 o'clock.

Upon his arrival with Governor Olcott, Lieutenant Kelly delivered a Governor Stephens a letter from the premier of British Columbia and one from the governor of Washington. Governor Olcott will leave early tomorrow for Salem, Or.

Convention Comes To Close

The third day of the Pacific Coast Advertising clubs convention came to a close with a reception, dance and entertainment put on by the Northwestern representatives at Hotel Stockton roof garden tonight. Departmental sessions were held during the day.

Tomorrow a great caravan will leave Stockton for Yosemite valley over the big oak flat road where the concluding sessions of the convention will be held.

Election of officers is scheduled for Thursday. The office of district vice president of the Advertising Clubs of the World is the most sought after honor. Rollin C. Ayres of San Francisco, who holds the office but who has not served a full term is being backed by the Bay City delegation for the honor. Los Angeles delegates are urging Harry S. Carroll. Portlanders are also in the race and present W. P. Strandboers, who organized the northwest caravan for the office. Spokane delegates are working to put Thomas S. Keene in the chair of president of the coast association.

Alvin K. Matthews of Stockton, local convention manager is in the field for a newly created office of Pacific coast convention manager for the next year. He is being opposed by a Portland man. Tacoma seems destined to be chosen as the next convention city, delegates said.

Vancouver sought the honor but later withdrew. At a dinner tendered the presidents and secretaries of the Ad clubs of the coast, Tacoma received the recommendation of the session. The question will be determined Thursday.

RELIEF BILL HAS LEADERS IN AIR

House Split Over Soldier Measure—May Be Presented Thursday

WASHINGTON, May 25.—House leaders were "up in the air" today over the question of soldier relief legislation.

With Democrats and about 50 Republicans attempting to block immediate consideration, leaders started a new move in the hope of breaking the combination so that the bill might be presented to the house not later than Thursday.

Although Chairman Fordney of the ways and means committee announced that he planned to call up the measure Thursday, there were indications of a possible change in the Republican program and some uncertainty as to what might happen. Instead of the effort to give the relief bill the right of way by a special rule, Republicans fighting for the bonus decided on other parliamentary tactics and announced they would endeavor to get it before the house by suspension of the rules.

TO FLY TO BUENOS AIRES

ROME, May 25.—The dirigible airship, R-34, which in 1919 flew across the Atlantic from England to New York and back, had a trial flight today and shortly probably will attempt a flight from Rome to Buenos Aires.

Barnes Cash Store
Retiring From Business
Offering All Remaining
FIXTURES

At less than present cost of glass alone. Merchants, big and little, automobile dealers and others may find something suitable for their purpose and certainly at a big saving

Time Recording Clock
International, in perfect running order. A 50 card case goes with it at **\$150**

Beautiful Walnut Case \$395
This wall case has large plate glass front shelves, mirror and compartments. Size over all is 26 in. deep, 8 ft. 3 in. high, 18 ft. 6 in. long—a handsome piece of furniture that could not be duplicated under about \$1400.

Two solid plate glass Umbrella Cases, capacity 176 umbrellas each, very high grade fixtures, each...\$60

One large triple mirror, size of each glass 20x56 inch...\$125

Glass front Spool Silk Case, capacity 2120 spools...\$15

Two Hugh Lyons revolving piece goods racks, capacity, 24 pieces, each...\$6.00

Two Rolling Ladders, track, each...\$10

Shoe Fitters' stools, each...75c

Window display fixtures, very cheap. Tables of various widths and lengths. Good seasoned Spruce, per foot...8c

Sanitary Drinking Fountain
With filter, cooler and all connections. The outfit complete for **\$50**