

RATES TO BE ADVANCED THIS MONTH

New Passenger Fares Effective August 20, Advanced Freight Rates August 25 Say Rail Executives

OTHER RATE INCREASES MADE SIMULTANEOUSLY

Will End Drain Treasury By Putting Rates in Effect Sooner

WASHINGTON, Aug. 2.—New passenger fares probably will become effective August 20, and advanced freight rates August 25, according to a program outlined tonight by A. P. Thom, general counsel for the Association of Railway executives.

Simultaneously, increases in Pullman, excess baggage and milk charges also will go in force.

Railroad rate experts have begun preparing blanket rate schedules increasing transportation costs on a per cent basis. These will be presented to the interstate commerce commission five days before the proposed effective dates. "These rates will be supplemented by printed tariff sheets containing rates for all territories and on all commodities as soon as the many details can be worked out. Until this is done, local rail officials will compute the new rates and charges for their territories by adding 20 per cent to existing rates."

By putting the increased rates into effect prior to September 1, the drain on the treasury under the guarantee provisions of the transportation act, likely will be ended before expiration of the government's guarantee of earnings. Officials estimated today that by September 1 the guarantee provisions would have cost the government approximately \$450,000,000.

The government has been obliged to continue the \$75,000,000 monthly rental payment in effect during federal control and meet deficits, not covered by the rental amount, sustained by individual carriers. Included in these deficits is that portion of the \$600,000,000 wage award from May 1 to September 1, when the guarantee expires.

This was officially estimated at \$206,000,000. Thus the people will pay one-third of the increased wages for railroad employees in taxes.

With the amount guaranteed the carriers this year and the claims of the lines for compensation under the contracts with the railroad administration, the roads will have cost the government approximately a billion and a half dollars since December 28, 1917.

Operation of the roads after September 1, under the new rates will yield, according to the experts, an annual return of about \$1,530,000. They believed the increased freight revenues would total \$1,300,000,000 and the income from passenger traffic \$283,000,000. Their estimates were explained, however, based on the assumption that intrastate rates would be increased correspondingly.

Need for increases in intrastate rates was set forth in a report forwarded today to state railway and public utility commissions by the three state commissioners who sat with the interstate commerce commission during the hearings and consideration of the rate case.

COX URGED TO TAKE FIRM STAND

Gets Letters From G. O. P.'s Dissatisfied With Party Platform

DAYTON, O., Aug. 2.—Receipt of letters from many Republicans and Democrats urging a strong position for the league of nations was announced today by Governor Cox after a busy day going through his mail and completing Saturday's program for his notification.

More than half of his letters, Governor Cox said, discuss the league declarations of Senator Harding. "Many are from Democrats," he said, "and state they see a fine opening. Many others are from Republicans and it certainly looks as if the independent Republican vote is thoroughly dissatisfied."

The governor also announced a general policy of non-interference in Democratic primary fights. In a statement he declared he would not take sides in the Texas Democratic primary and also explained this was a uniform policy, applicable to all states. The governor said he had received many messages and letters urging him to aid opposing Texas factions, and that newspapers on both sides had been claiming his support.

HARDING THANKS OREGON LEADERS

LETTER FROM NOMINEE IS RECEIVED BY MR. COCHRAN

State's Fidelity in Past Causes Republican Presidential Aspirant to Call It His

John W. Cochran, deputy secretary of state and who recently was secretary of the Republican state central committee yesterday received a personal letter from Senator Warren G. Harding, Republican nominee for president, thanking the Oregon committee for its message of congratulation to him at the meeting of July 10. Senator Harding comments on this state for its political record and its fidelity to the Republican cause.

He writes: "I have your appreciated letter of July 10, unanswered earlier for want of opportunity. You transmit a copy of the resolutions adopted by the Republican state central committee of Oregon, endorsing the national ticket. I beg you will, upon my part, convey to the members of your committee my warmest thanks for this expression. "Oregon has universally proved faithful to the Republican cause, so we count it as a sure state. It is none the less appreciated for this reason; on the contrary, its steadfastness to the cause of Republicanism has endeared that state to the Republican heart, which always looks to you with confidence for your contribution to victory. "Cherishing this feeling, we shall, as usual, this year count Oregon in the Republican column, and I trust that no efforts will be abated, however promising the outlook may be, to assure the largest and most complete victory. "Please give the members of your committee my cordial greetings and best wishes. Very sincerely, "W. G. Harding."

GAS SHORTAGE TO BE RELIEVED

25 Tank Cars Enroute to Portland From Tulsa, Oklahoma

PORTLAND, Aug. 2.—Moving on a special fast freight schedule, a Southern Pacific train of 25 gasoline tank cars is now en route to Portland and other points in Oregon from Tulsa, Okla. It passed El Paso yesterday and upon its arrival it will drop off cars at the principal stations en route to this city. For Vancouver, Wash., five cars have been allotted.

This consignment is the result of co-operative efforts of proprietors of garages and dealers in motor cars to relieve the gasoline shortage. The gasoline thus brought in will sell at a price somewhat above that brought from California in tank steamers.

MANY ATTEND SUMMER TERM

619 Students Were Registered at O. A. C. for Term Just Closed

OREGON AGRICULTURAL COLLEGE, Corvallis, Aug. 2.—A total of 619 students had registered for work in the summer session at the college before the session closed Saturday, July 31. Of this number, 92 were rehabilitated men and 46 were members of the Girls' and Boys' club. A number of students completed the regular courses for degrees, among whom already reported are the following:

Sarah Helen John, Corvallis, in commerce; Agnes Houck, Portland in home economics; Harold Lefort Waterpaul, Corvallis, in agriculture; Mrs. J. F. Vestal, Corvallis, in home economics; Charles Walter Truesdell, Redlands, Cal., in agriculture; Walter J. MacPherson, Forest Grove, in vocational mechanical arts; Mary Aristienne Ewing, Corvallis, in home economics.

Much interest and satisfaction in the work of the students was expressed to the director, Dean M. Ellwood Smith. A number of the summer session were so impressed with their first taste of college work that they are now making arrangements to enter upon regular degree courses.

The largest single class was in tailoring, under Mr. Gurney of Portland. One of the most popular courses was the new work in physical education.

Destroyer Launched at Maine Centenary

BATH, Maine, Aug. 2.—The torpedo boat destroyer Pruitt was launched today in connection with this city's celebration of the centenary of Maine as a state and the inauguration of William King of this city as its first governor.

The destroyer was named in memory of Corporal J. H. Pruitt, of Phoenix, Ariz., a member of the marine corps killed at Blanc Mont Ridge, France, after having captured single handed two machine guns, killed two Germans and taken forty prisoners. The destroyer was christened with a cannon by Mrs. George H. Pruitt, mother of Corporal Pruitt.

HARDING HAS CONFERENCE WITH LEADERS

Debate Between Republican and Democratic Presidential Nominees Suggested—Party Heads Reject Plan

DISCUSSES PROBLEMS OF RAIL EMPLOYEES

Senator Sends Message of Sympathy to Mrs. Frank Hanly

MARION, Ohio, Aug. 2.—Political issues and campaign management were discussed by Senator Harding at conferences today. Among his callers were Republican leaders from several states. The proposal for a debate between the Republican and Democratic presidential nominees is said to have been suggested, but Senator Harding is not expected by his advisers to take part. Several invitations for a debate have been received but Harding managers are not inclined to favor acceptance.

One caller today was William L. Park, Republican member of the railway labor board, who told the senator details of the recent wage award and discussed conditions of railway labor.

With Dr. Newell Dwight Hillis of New York, the senator discussed the possibility of establishing a department of health in the federal government. Another subject brought forward by Dr. Hillis was the movement for higher salaries for school teachers and clergymen.

Representative F. C. Hicks of New York, just back from a trip through the west, reported a rising Harding sentiment in western states. Senator Harding sent the following message to Mrs. J. Frank Hanly, Indianapolis, upon learning of the accidental death of her husband: "I have learned with unspeakable distress of the fatal accident to your husband, whom I highly esteemed. Please know how deeply I sympathize with you in your great sorrow. Family, state and nation have suffered a distinct loss."

M. R. Myers, editor of a co-operative journal, Chicago, a caller, expressed satisfaction with the senator's attitude toward the farm and its problems. He was anxious to have the senator address the convention of co-operative societies in Chicago, or receive a delegation from them.

Portland To Have Direct Line With East Indies

PORTLAND, Aug. 2.—Establishment of a joint freight and passenger service between Portland and the Dutch East Indies and other Oriental ports by the Holland-American steamship company, is planned for the near future, according to an announcement today by C. Van de Ven, representing the line. The first ship in the service, the Endeke, a 12,000-ton steel vessel, is scheduled to come to Portland some time during September to land cargo. According to Van de Ven, monthly or bi-monthly sailings are planned.

Bolshevik Propaganda Distributed in China

AMOY, China, Aug. 2.—Bolshevik propaganda is being carried on in southern Fukien under the direction of Governor Chen Chung-Ming, whose advanced socialistic leanings have long been recognized. A society has been formed with headquarters at Chang Chow and quantities of literature issued citing the Bolshevik achievements in Russia and declaring that China must follow in footsteps of Russian Bolsheviks. The effort aims at abolition of the marriage relation and of private ownership of property.

O. A. C. Secures New Extension Specialist

CORVALLIS, Or., Aug. 2.—Professor Clayton L. Long, master of science in horticulture from the Ohio State university, arrived here today to assume the duties of extension specialist in horticulture for the Oregon Agricultural college. He will take up his new position immediately.

Bolshevik and Polish Delegates in Conference

LONDON, Aug. 2.—The Polish and Bolshevik armistice delegates met Friday evening at Kobryn, on the railroad east of Brest-Litovsk and the negotiations began Saturday morning. Kark Radek, representing the Bolsheviks, says a dispatch to the Daily Mail from Berlin. It is stated that the Bolsheviks began by demanding the surrender of Brest-Litovsk, which already was in their hands.

THOMAS SMITH WALKS BACK INTO PRISON

WANTS TO SEE VARNY AND VARNY WANTS TO SEE HIM

Man Paroled Eight Months Ago Wanted for Alleged Attack on Young Yamhill County Girl

Inadvertently, Thomas Smith re-committed himself to prison when he appeared at the Salem police station Sunday. Smith said he would like to get in touch with State Parole Officer Varny relative to his parole papers. Smith aroused the suspicion of officers at the station and when Varny was called the parole officer said Smith was the very man he wanted. Smith is now held at the city jail on a charge of attacking a small girl in Yamhill county.

Smith was convicted in Polk county on a statutory charge. He was to serve from one to 10 years. Eight months ago he was paroled and recently broke parole by his assault on the small girl.

TACOMA MAN NABBED HERE

Officer Harry Rowe Makes Clever Catch at Western Union Office

Officer Harry Rowe walked into the Western Union office early yesterday afternoon.

One Fred Ford walked out. Officer Rowe followed and nabbed Ford as he was about to step into a natty red roadster and trundle out of town. Ford is wanted in Tacoma on a felony charge.

Salem police were informed by telephone from Tacoma that Ford was wanted there on a felony charge and the Salem authorities were instructed that Ford would send a message to some woman at about 2 o'clock. Minute descriptions of Ford and his roadster were given.

Rowe immediately went to the Western Union office and requested the manager to be on the lookout for a man answering the description. A man who answered the description perfectly arose from a desk where he was writing a message and slipped out. Rowe followed and the arrest was made.

Ford awaits Tacoma officers and his natty red car is held in a local garage.

MARKSMEN WIN AGAIN

Americans Triumph in Pistol and Small Bore Rifle Events

BEVERLOO, Belgium, Aug. 2.—Incomplete returns of today's pistol and small bore rifle events of the Olympic shooting contest indicate another triumph for the United States, which is believed to have gained first places, for individual and teams, in both events.

In the pistol match, the Brazilians apparently gained second for the team shoot, and Afranio Costa's individual score of 489 is second only to that of K. T. Frederick, an American civilian, whose 496 gave him first. Costa borrowed an American pistol and with it beat A. T. Lane, former Olympic pistol champion, who scored 481.

In the small bore rifle match, N. A. Nuesslein, an American civilian won 391.

Paul Van Asbroeck, Belgian world's pistol champion, shot badly today. Official results will not be known until tomorrow when the meet closes with the army revolver competition.

In addition to the United States, there were ten countries represented today—Sweden, Norway, Denmark, France, Switzerland, Finland, Brazil, Canada, Great Britain and Portugal.

WAS TRUSTY, IS NOT NOW

Louis Davis About to Enjoy Evening of Music When Officers Get Him

Just as he had settled himself for a quiet evening of music in a North Commercial street home early last night, Louis Davis, trusty from the state prison, but away without permission, was nabbed by prison guards, and has been deprived of the trusty privileges he has enjoyed for four years.

BRITAIN TO LOAN MONEY TO GERMANY

House of Commons Votes Loan of Five Million Pounds in Connection With Spa Coal Agreements

GLAD OCCUPATION IS NOT NECESSARY

Germany Must Pay Her Debts in Either Gold or Goods Says Premier

LONDON, Aug. 2.—The vote for an advance of £5,000,000 to Germany in connection with the Spa coal agreements came up tonight in the house of commons. It was agreed to without revision. Labor members welcomed in the proposition what they characterized as a "sensible change in the government policy toward Germany and a practical revision of the unworkable Versailles treaty."

Premier Lloyd George said the proposal for obtaining coal was much better than sending a large and costly army for it. He argued Germany must pay her debts either in gold or goods. She had no gold, he declared, but coal was equivalent to gold.

"However," the premier added, "Germany is unable to produce sufficient coal, while her population is unfit and ill fed. Hence she must be helped."

"Dare-Devil" Aviator Is Killed "In Action"

LOS ANGELES, Aug. 2.—Lieutenant Ormer Locklear, noted "stunt" aviator and Lieutenant Milton Elliott, his aide, were killed tonight when their plane crashed from a distance of 1000 feet.

Locklear, who had gained the sobriquet "Dare-Devil" because of his many thrilling stunts in the air, was engaged with Lieutenant Elliott in performing a feat for a moving picture concern. The accident occurred in the midst of huge oil tanks in the La Brea oil field near here.

When 1000 feet high he was given a signal by the motion picture director and started into a nose dive. A battery of searchlights was playing on the machine and fireworks were being set off from the plane by Lieutenant Elliott. When he had dropped to within 200 feet of the earth Locklear was seen to attempt to straighten his plane out. He was too low, however, and crashed to the earth.

Newspaper Woman Not Lost—Reaches Hoquiam

HOQUIAM, Wash., Aug. 2.—Miss Henrietta McKaughan, special writer for a Portland newspaper, arrived here tonight after a walk across the Olympic forest reserve, which she made unaccompanied. She had not been heard from since Wednesday of last week and forest rangers had been sent to search for her, one of whom met her today and accompanied her here.

Man Taken Here Is Held for Federal Authorities

While riding his motorcycle on Pacific highway in the direction of Salem Sunday afternoon, Officer Verden Moffitt passed a bright yellow and orange underslung American roadster. Something about the car attracted his attention. The car was headed for Portland.

Officer Moffitt hastily returned to the city police headquarters and examined the police records answered the description of that belonging to George Landon who is wanted by federal authorities on a white slave charge.

Landon was overtaken by Moffitt and returned to Salem. According to Moffitt, Landon denies the charge against him. Mrs. Landon also declares, according to the police that her husband is not guilty and that there is some mistake. The arrested man will be turned over to a United States marshal from Portland.

Many Find Work Through City Recorder's Office

City Recorder Earl Race reports a busy week at his office supplying men for various labor near the city. Eighty-seven men were given employment by him during the past week. The following comprises the list of men according to Mr. Race's report:

SAYS MOTHER-IN-LAW IS CAUSE OF HIS WOE

BROWN PROTESTS HER "BOSSING." WIFE ASKS DIVORCE

Portland Dentist's Answer Recites Indignities Heaped Upon Him When Relative Comes

Because his mother-in-law insisted on "bossing," which efforts he resented, is the reason given for his separation from his wife, according to Philo Glenn Brown's assertion in his answer to the complaint of his wife, W. Mae Brown, for a divorce.

Mr. Brown says he was able to live happily with his wife as long as his mother-in-law was away from their home. He said he was able to provide for the needs of his wife, and had a good home for her in Portland.

The mother-in-law, Mr. Brown avers is the cause of his marital difficulties. She insisted on finding fault with the defendant, Brown says, and with the manner in which his home affairs were conducted. Mr. Brown says his mother-in-law accused him of being too close with his money, that he did not take his wife to shows, and "around socially," and declared that he shouldn't force his wife to live in an apartment. He asserts that upon the occasion of the last visit from his wife's mother, she started to re-arrange his household furniture, and when he protested, she became angry and returned to her home in Salem.

Mr. Brown is a dentist practicing his profession in Portland, and says that when his wife came to Salem to visit her mother, her brother returned to Portland and stripped his home of valuable dishes and tableware and other furniture while he was at his dental office. He accuses the mother-in-law as responsible for the acts of his wife. He denies the allegation of his wife that he is earning \$500 a month and that he has \$600 in the bank. He gave his net earnings at \$125.50. He offers to give his wife \$100 for attorney fees and to contribute \$50 a month for the up-keep of his wife and minor child.

PONZI MEETS ALL PAYMENTS

Has Paid Out \$3,500,000 Since Investigation Started

BOSTON, Aug. 2.—Officers of the company headed by Charles Ponzi, whose alleged operations in foreign exchange are under federal investigation, were closed late today after another all day run by investors with the announcement they would be opened tomorrow and payments continued to depositors desiring their funds returned.

When the offices closed, a long line of investors was still outside, the last of hundreds who had come today after reading a statement by a publicity agent formerly employed by Ponzi that the company was insolvent.

All claims were paid in full today, it was announced, the principal being returned to holders of ninety day notes which had not matured, and principal and fifty per cent interest being paid on matured notes. Ponzi estimated that he had paid out \$3,500,000 during the run which began a week ago, but insisted he had plenty of money.

Civil Engineers Will Assemble in Portland

PORTLAND, Aug. 2.—The fiftieth annual convention of the American Society of Civil Engineers, which will be held in Portland during the week of August 9, will bring to this city some of the most distinguished technical men from all parts of the United States, according to announcement by local members today. The society, the oldest engineering association in the country had a membership of 373 on the first of the year. Monday, August 9, and Tuesday, August 10, executive sessions will be held and Wednesday will be devoted to excursion trips from Portland.

Three of Four Army Planes in British Columbia

PRINCE GEORGE, B. C., Aug. 2.—Three of the U. S. Army planes in the New York to Nome, Alaska flight, landed here early today, after a successful flight from Jasper, Alta. Plane No. 3 burst a tire in landing. Captain St. Clare Street, commander of the expedition, who was forced to return shortly after the hop-off at Jasper, was expected to arrive late today. The airman will remain here tonight and leave early tomorrow on the next lap of the flight, to Hazelton, B. C.

POLAND WILL GO HUNGRY

NEW YORK, Aug. 2.—Compelled by the Bolsheviks to leave her crops unharvested and with her transportation system disrupted, Poland on the threshold of a national food shortage as winter approaches, Lieutenant Colonel A. J. Chesley said on his arrival here today after 14 months abroad as head of American Red Cross work in Poland.

W. B. LLOYD, COMMUNIST, HELD GUILTY

Millionaire Socialist and 19 Other Communist Leaders Charged With Conspiracy Against Government

JUDGE GIVES LLOYD HEAVIEST SENTENCE

39 Named in Original Indictment Several of Them Being Women

CHICAGO, Aug. 2.—William Brown Lloyd, millionaire socialist, and 19 other members of the communist labor party tonight were found guilty by a jury of conspiracy to overthrow the United States government. The defendants were given various sentences, most of them getting from one to five years in the penitentiary, a few being given fines in addition, and several were sentenced to one year in jail.

Lloyd got the heaviest sentence, one to five years in the penitentiary and a fine of \$2000.

Max Bedacht, of San Francisco, a reporter, was given one to five years in prison and fined \$1,000.

Other sentences follow: L. E. Katterfield, Dayton, Kan., farmer, one to five years in the penitentiary.

Ludwig Lore, alleged co-author of the Communist Labor party platform and author of alleged radical publications, one to five years in the penitentiary.

L. K. England, Moline, Ill., member of the Communist Labor party, state executive committee, one to five years in the penitentiary.

Jack Carney, Duluth, Minn., editor of "Truth" and member of the party's national executive committee; one to five years in the penitentiary and \$1000 fine.

Samuel Ash, Chicago lawyer, one year in jail.

Dr. Oscar Jesse Brown, De Kalb, Ill., one year in jail.

N. J. Christensen, Chicago, one year in jail.

Edwin Pirth, Indianapolis, printer, one year in jail.

S. F. Hankin, Chicago, one year in jail.

Niels Kjar, Chicago, one to five years in the penitentiary.

Charles Krumbein, Chicago, one year in jail.

J. Meisner, Chicago, one year in jail.

Edgar Owens, Moline, Ill., one to five years in the penitentiary.

Arthur Proctor, Chicago, one to five years in the penitentiary, and \$2000 fine.

Dr. C. F. Sandberg, Chicago, one year in jail.

Morris A. Stolar, Chicago, one year in jail.

John Vogel, Chicago, one year in jail.

The sentences are for the state penitentiary and the Cook county jail. The case went to the jury at 12:45 p. m. today and the verdict was returned in eight hours and 45 minutes. During part of the time, however, the jury was in recess. The defendants were charged with conspiracy to advocate the overthrow of the government by force, conspiracy to publish or distribute printed matter advocating overthrow of the government by force, conspiracy to belong to an organization advocating it and conspiracy to attend meetings at which overthrowing the government by force was advocated. Macklay Hoynes, state's attorney, in a statement called the verdict a "signal victory for the United States."

"In this trial 'red' radicalism was driven into the open," said the statement. "One important issue decided is that the red card of the I. W. W. is international and not American, and that the only card recognized as American is the card of the American working man in the American Federation of Labor."

A motion for a new trial will be argued on September 25. The defendants were indicted under the new Illinois law against criminal syndicalism. They were among 300 suspected radicals taken in a raid in Chicago last January. Thirty-nine members of the Communist labor party were indicted, but not all were tried, for several fled, some being reported in Mexico, while John Eed, magazine writer and author, is in custody at Abo, Finland, charged with smuggling from Bolshevik Russia.

The trial began on May 10 and nearly nine weeks were consumed in selecting a jury. The state centered its attack on Lloyd, the most prominent of the defendants. He was charged with openly advocating a revolution against the government, and alleged to have said that "banks should be blown open to get money to finance the revolution, and armies should be rifled for ammunition."

Several newspapermen who reported speeches made by Lloyd were among witnesses, as was Mayor Ole

(Continued on page 2.)