



WEATHER REPORT.

Snow flurries tonight and Saturday.

TO ADVERTISERS The East Oregonian has the largest paid circulation of any paper in Oregon, east of Portland and nearly twice the circulation in Pendleton of any other newspaper.

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AUSTRIA AND SERVA REPORTED TO HAVE SETTLED DIFFERENCE

Premier Asquith Predicts That Peace Conference Will Satisfactorily Adjust All Disputes.

DIPLOMATS NOT HOPEFUL

Greeks and Turks Still Carry on Hostilities - Commanders of Rival Fleets in Sea Battle Joke Each Other by Wireless Over Poor Shots of the Gunners.

DEVELOPMENTS IN PEACE CONFERENCE

Authoritatively stated that Austria and Serbia have reached a satisfactory settlement of their disagreement. Premier Asquith predicts that Balkan-Turkish war will be definitely settled by the peace envoys.

Diplomats declare they see no adjustment of Balkan war and say that hostilities will begin within another week. King receives peace envoys, who later consult informally at their hotels.

London, Dec. 20.—Premier Asquith predicted that the conference here will settle the Balkan-Turkey and Austria-Serbian disputes, at the Lord Mayor's luncheon to the envoys and the presentation of the envoys to the king.

Paris, Dec. 20.—Constantinople reports say that Admiral Halli Pasha was unhurt in the naval fight, contradicting reports that Halli was killed.

SCHOOL REVENUES INCREASE SAYS MR. WELLES IN A SPECIAL REPORT

Frank K. Welles, who is just concluding his second term as superintendent of schools in this county, has just prepared a special report on the condition of the schools at the request of State Superintendent L. R. Alderman and it will be printed in the latter's biennial report to the legislature.

"Two supervisors are employed in this county," says the report. "In order to secure thoroughly competent, trained men, it is necessary to pay \$120 per month. The necessary traveling expenses which are allowed by law amount to a little less than forty dollars per month for each man.

BODIES OF AVIATOR KEARNEY AND HIS FRIEND LAWRENCE ARE FOUND

Los Angeles, Dec. 20.—The water-swollen bodies of Horace Kearney, aviator, and Chester Lawrence, newspaper man, lay side by side in a little undertaking shop at Redondo Beach finally given up by the sea which had combined with the more mysterious forces of the air to destroy them as they were seeking to write a new chapter in aviation by a daring flight to San Francisco.

Ten hours after the body of the young reporter, battered almost beyond recognition by waves and rocks, had been found on the coast near Rocky Point, that of his aviator companion was picked up a mile away at sea by a searching party in charge of George B. Harrison, a skilled aeronaut and close friend of the doomsday men.

Kearney's body was found entangled in kelp and attached to a life preserver, the white cloth of which glistening in the sunlight attracted the searchers to the spot.

There was indicated that Kearney had met death soon after his hydro-aeroplane struck water. The life preserver had not been buckled about him and he wore the leather suit he had borrowed from Aviator Charles F. Willard to make the long flight.

His hands were gloveless and clenched and on one sparkled the diamond ring which in his will made on Friday the 13th, the day before the ill-fated trip was begun, he had bequeathed to his sweetheart, Miss Louise McPherson of Madisonville, Kentucky.

Kearney's body was recovered at 3 o'clock yesterday, but it was not until 5 o'clock that the launch Fann, towing the corpse, arrived at the Redondo wharf. The bodies will be brought to Los Angeles after an inquest by Coroner Hartwell.

The relative conditions of the bodies showed that Lawrence died last and that he had made ineffectual attempts to relieve himself of his heavy wearing apparel in order to be better able to battle with the heavy seas. His vest, a light jersey and a heavy sweater, were pulled partly over his head, showing that he had drowned when trying to lighten the burden he carried.

Ontario, Dec. 20.—The funeral of Chester Lawrence, the newspaperman killed with Aviator Kearney in a hydro-aeroplane flight will be held tomorrow from the home of J. P. Robinson, his father-in-law, and will be private.

WILL DEMAND OF MEXICO TO STOP PRESENT UNREST

President Taft Decides on Action After Conferences Over the Situation. The American Ambassador Will Demand That Mexico Stop Rebel Destruction of Property.

Washington, Dec. 20.—The occupation of a portion of Mexico by American troops as the result of the outbreaks committed there is admitted in diplomatic circles.

Washington, Dec. 20.—President Madero has not been sent an ultimatum, but a severe note demanding greater protection for American life and property, is being prepared this afternoon, according to Secretary Knox. It is believed the note constitutes an ultimatum.

Washington, Dec. 20.—Aroused by the attacks upon American lives and property in Mexico as the result of the revolution there, President Taft devoted most of the day yesterday to conferences concerning the situation, the result of which was that the American ambassador to the Mexican capital leaves here today with a demand that Mexico take prompt action to put an end to the existing unrest.

Officials who were parties to the conferences denied that the demand could be considered as an ultimatum. Aside from this, they declined to discuss the government's action.

It is generally understood that foreign governments have made representations concerning the destruction of the property of their citizens in Mexico and the jeopardy in which those citizens are placed.

Ambassador Wilson will leave for New York today on his way to the Mexican capital.

GOV. WILSON TO PROPOSE CHANGE IN JERSEY LAWS

Studies Up on Corporation Statutes With View of Recommending Some Radical Changes to the Legislature—Will Hold Conference With Mr. Bryan Probably Tomorrow.

Trenton, N. J., Dec. 20.—President-elect Wilson poured studiously for several hours here yesterday over the corporation laws of New Jersey with a view to recommending radical changes in them to the legislature.

Later he listened to a formal appeal by United States Senator Overman of North Carolina that Joseph Daniels, national committeeman from that state for nearly 20 years, be appointed postmaster general in the Wilson cabinet. The president-elect made no comment. He announced that he would meet William Jennings Bryan for the first time since the election on Saturday or Sunday.

The governor's day was concentrated for the most part on the corporation question. Repeated charges were made during the national campaign by Theodore Roosevelt and Hiram Johnson that Mr. Wilson had failed to put into effect any legislation curbing trusts chartered as New Jersey corporations. Mr. Wilson made no speech in reply but he telegraphed briefly to Senator O'Gorman of New York, an answer which was made public in which he declared that as the state legislature always had been republican in one or both branches, he had been unable to put forth his promised program of reform. He added also that evils complained of in connection with the trusts were mostly under federal jurisdiction.

The New Jersey legislature now being democratic in both branches, the governor started to work in earnest yesterday to plan reforms, calling to his aid Edwin Walker, chancellor of the state, and Judge Bennett Van Syckel formerly of the state supreme court. These men with Governor Wilson will draft the new legislation.

FILIPINOS SENT HERE TO TAKE PLACE OF GREEK LABORERS WHO LEAVE FOR THEIR NATIVE LAND

People who have believed that the general exodus of the Greeks who have been doing section work for the railroad companies back to their native soil to assist King George in his hour of strife would result in their replacement by white labor are doomed to learn different. Another class of foreign labor is being secured to take the place of the sons of Greece, no other than Filipinos. Dave Roberts, section foreman at Mission, has already been supplied with a full quota of these brown skinned American subjects and other crews are to be likewise filled according to reports in railroad circles.

The Roberts crew was in the city yesterday and the appearance of the Filipinos caused much speculation as to their nationality and race. Some were of the opinion that they were Japs while others thought they might be mixed-blood Indians who had finished at Chemawa or Carlisle. They were exceedingly well dressed, intelligent in looks and deported themselves quietly. Opinion is freely expressed that they will prove superior to both the Japs and Greeks as laborers.

TERRIFIC STORM SWEEPS DAKOTA

Traffic Demoralized. Higher Wages Wanted. More Than a Thousand Troops on Guard and Mining Town Is Under Martial Law—No Disorders Reported Today—Government Representatives Want Settlement.

Gargo, N. D., Dec. 20.—A terrific snowstorm is raging and thousands of dollars damage is feared. Six foot drifts are generally reported. The waterworks here are endangered. Streets are blocked and traffic is demoralized. It is feared fatalities will result. Wires are down and an attempt is being made to use wireless.

MEXICAN MINERS ARE ON STRIKE

Higher Wages Wanted. More Than a Thousand Troops on Guard and Mining Town Is Under Martial Law—No Disorders Reported Today—Government Representatives Want Settlement.

Douglas, Dec. 20.—Representatives of Governor Maytorena, state of Sonora, are rushing to Cananea in an endeavor to effect a settlement of the strike of twelve hundred Mexican laborers at the Green-Cananea mines. No disorders are reported today. More than a thousand troops are on guard and the mining town is under martial law. Higher wages are demanded.

SCHOOLS CLOSE TODAY FOR XMAS VACATION

Today is a day that has been anticipated by Pendleton school children for many weeks. It is the last day of school before the Christmas holidays. Tomorrow commences a vacation period which will last until January 6, a longer rest from school routine than usual because of the fact that Christmas and New Years both come during the middle of the week.

In observance of the approach of Christmas, all of the grade schools are today holding exercises, the pupils of each room participating in the program.

The high school closed its term examinations yesterday and many of the out of town students have returned to their homes for the vacation. Preparations are now being made for the occupation of the new high school building when work is resumed. The rooms in the fine new home are being thoroughly cleaned, desks and tables are being put into place and such equipment of the old school as will be used again is being transferred.

ALASKA BANKER FOUND GUILTY OF MISDEMEANOR

Valdez, Alaska, Dec. 20.—After being out six hours the jury found Captain Elbridge T. Barnett, former president of the Washington Alaska bank, guilty of a misdemeanor charge of making false statement of the condition of the bank in 1910. The offense is punishable by a fine of from \$50 to \$1000, or three to twelve months in jail.

MORGAN'S PARTNERS WILL BE CALLED NEXT

Washington, Dec. 20.—Business partners of J. P. Morgan will testify when the money probe is resumed it was reported today. They will be asked to explain details of the various Morgan deals, including the formation of the steel trust. It is hoped that bills will be introduced at this session of congress remedying the money evils as a result of the probe.

HURL INVECTIVE AT M'MANIGAL

ATTORNEYS SAY "LIAR"

Defense Begins Arguments in Trial of Labor Men at Indianapolis—McManigal Alleged to Be "Thief and Murderer"—Attorneys Argue for An Hour and a Half.

Indianapolis, Dec. 20.—"Liar, thief, murderer," was the characterization of McManigal by Attorneys Henry Nolan and William Gray, representing the several defendants in the trial of the labor men today. Each argued an hour and a half at this morning's session.

Nolan represented M. L. Pennell, Samuel Buckley, Edward Smythe and James Ray, while Gray represented Michael Cunnane.

Attorneys Tiffin and Leffer, representing Charles Beum, Fred Money and Hiram Cline are expected to argue this afternoon.

MEMORIAL TO REID IS HELD

ROYALTY IN ATTENDANCE

Three Thousand Americans Accompany Casket to Westminster Abbey—Body Then Taken to Portsmouth to Be Placed Aboard Battleship—Will Sail Tomorrow

London, Dec. 20.—Prince Arthur, the Duke of Connaught, representing the king and queen, members of royalty and three thousand Americans attended the Reid memorial in Westminster Abbey today. The British cabinet, the lord mayor of London, the Archbishop of Canterbury, the bishop of London, and the entire diplomatic corps headed the procession. A choral orchestra rendered Beethoven, Chopin and Purcell dirges. A gun carriage bore the casket. A wreath from the king and queen topped the bier.

After the service the body was taken to Portsmouth. The body will be placed on board the battleship Natal this evening and start for America tomorrow. The widow and her son Ogden will sail on the Campania tomorrow.

POSTMASTER BROWN EXPLAINS ESSENTIALS OF PARCELS POST

Inasmuch as institution of the parcels post will come into life with the birth of the year 1913, it behooves the public to acquaint itself with the operation of the new department of the post office and to that end Uncle Sam through his postmasters and the newspapers is providing the means of this education. The following are eleven regulations which Postmaster J. T. Brown declares are the fundamentals to be remembered by those who use the new service.

1—Parcels cannot be mailed in package boxes; must be brought to the postoffice or designated postal station.

2—Rates of postage on packages weighing not more than four ounces are the same as at present. Packages weighing more than four ounces take new post pound rates which are arranged according to distance carried.

3—Distinctive parcel post stamps must be used, and packages mailed with ordinary postage stamps will be treated as unmailable. The parcel post stamps will not be good for postage on other classes of mail matter.

6—Printed matter, books, etc. are not mailable under new parcel post regulations, but must go as third class matter at present rate of one cent for each two ounces or fraction, without regard to distance. Parcel post stamps not good for postage on this class of matter.

7—Unmailable: Live animals, live poultry, spirituous, vinous and malt liquors, explosives, articles liable to injure the mails or persons handling same.

8—Liquids other than those shown in paragraph 7 as unmailable may be accepted for local delivery only when it is unnecessary to transport them over steam or electric railways. Liquids may be sent to any destination when mailed in glass bottles containing not more than 12 ounces, such bottles to be encased in a block or tube surrounded with sufficient absorbent material to take up the contents of the bottle if broken.

9—Insured: Parcels may be insured up to \$50 in value for a fee of 10 cents.

10—Registry abolished: It will not be possible to register merchandise parcels under the new regulations, the insured mail taking the place of the registry system as applied to fourth class matter.

11—Wrapping: All parcels must be securely wrapped and sufficiently well packed to protect contents from damage in transit.

All parcel post stamps of whatever value.

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