

RETIREMENT OF LIBERTY BONDS ALREADY BEGUN

Report of Treasury Shows \$250,000,000 of Three Issues Bought Back.

NEXT LOAN LIKELY FOR \$5,000,000,000

Complete Retirement on Schedule Made Possible, Business Firm.

WASHINGTON, Dec. 4.—Retirement of liberty bonds by the treasury has begun. This was revealed today in the annual report of the treasury department for the fiscal year ending June 30, 1918.

A total of \$250,000,000 of the first, second and third bond issues have been bought back by the treasury on Nov. 1. This does not represent quite five per cent of each issue which under the liberty loan act the treasury is permitted to buy back each year.

It was indicated that after this year the full five per cent of each issue would be retired. This will eliminate the piling up of a great sinking fund, reduce the interest payments annually and permit of retirement of all bonds on their maturity date, 20 years hence.

Urges War Saving Continue. Secretary McAdoo estimates that in the fiscal year ending June 30, 1919, public debt redemptions will aggregate \$695,000,000. The grand total of expenditures for the year is estimated at \$2,718,128,000, which is approximately \$7,000,000,000 more than the estimated total receipts.

The recent treasury announcement of a fifth war loan therefore, was accepted to mean that the next loan, scheduled for early in April, 1919, would be for \$5,000,000,000. This belief was based on calculations of further reduction in expenditures, officials said.

In the report, the secretary strongly urges a continuation of the war savings campaign as a peace time measure of thrift. He estimates that the 1919 series of savings stamps should bring into the government more than \$1,250,000,000, or 35 per cent more than during the last year.

Glycerine Process Reported. Discovery and development of a process of producing glycerine synthetically by fermentation of sugar is disclosed by the report. The discovery was made by chemists attached to the bureau of internal revenue and afforded the assurance that during the latter part of the war there would not be a shortage of glycerine supply for munitions manufacture.

The financial transformation from peace to war was accomplished, McAdoo declared, without "shock or financial disturbance of any kind." The credit and business structure of the nation remains sound and strong.

In this connection the report points out that:

"It must not be regarded that entire amounts expended during 1917 and 1918 have been permanently absorbed. A large per cent represents productive investment. It will require several months to give an accurate estimate of capital outlays, salvage and expenditures of a permanent character during the war."

Cash Outgo Continues. As to future expenditures the report says there is no hint of immediate diminution in the cash outgo from the treasury. The prediction is made that the present high monthly disbursements likely will continue un-

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Plans for a campaign to advertise Pendleton as a desirable home town for eastern Oregon farmers and others with a view to bringing more new people here were presented to the Commercial Club last evening and received with enthusiasm.

The suggestion made by the publicity committee is based on the fact that there is a tendency on the part of farmers to move to town and that steps should be taken to encourage the move by giving these people information about the town and any other assistance possible. It was repre-

Corp. Linebaugh, Wounded, Asks for News of His Dog



"What has become of my little dog?" asks Corporal Jesse Linebaugh, former troop D man, now in battery D, 148th Field Artillery, who was wounded in the arm during the last days of fighting in France. Corporal Linebaugh is the son of Mr. and Mrs. G. W. Linebaugh and a brother of Mrs. Hartman Long of this city. He has been through much of the heavy fighting and says it makes a man "think of home and mother." He had not seen many of the Pendleton boys lately but had word of Carl McGinnis who was all right at that time.

MAYOR STAYS SILENT AS TO APPOINTMENTS

With the drawing near of the first of the year the matter as to whom will fall the plums to be distributed by Mayor-elect J. L. Vaughan does not seem to worry that official. At least this is the impression received when questioning the executive who after the first of the month becomes mayor in fact, dropping the "acting" from his title. Mr. Vaughan smiles and says "nothing doing yet. There is plenty of time between now and the first of the year."

There also seems to be a great dearth of rumors floating about the street from which to make a guess on the probable appointments. The appointive power rests with the mayor, with concurrence by the council, for the office of fire chief, city physician, city attorney, and street committee, while the police judge and recorder and chief of police are appointed by the council.

There is a report going the rounds that Henry J. Taylor is a candidate for president of the council. The same report says it is thought this honor will go to Joseph Ell as he will be the oldest member of the new council in point of service.

DON SAUNDERS IN PRESIDENT'S CONVOY

A Pendleton boy is on one of the three destroyers which accompanied President Wilson's ship, the George Washington, when it sailed for France this morning.

The Pendleton representative is Don Saunders, formerly employed in Alexander's Department Store, and who enlisted in the navy a year ago last May. He was machinist's mate aboard the destroyer Wickler, one of the three destroyers which will make the trip. Don won't be seasick as this is his tenth trip across the water.

sent that an attractive folder be sent to prospective newcomers and that some advertising in outside papers and on sign boards would serve to get Pendleton before the people in a desirable way. At the same time local reality men are to be urged to cooperate in every way possible and local homeowners will be asked to keep the club secretary informed of any people who may contemplate moving to town so that he can get in touch with them.

Pendleton's good schools, water system, well improved streets, splendid winter climate, accessibility and general cordial spirit are set forth as among the inducements that may be set forth in a campaign for more people. The members of the publicity committee for the association are E. H. Aldrich, C. L. Owen, Fred Earl, J. S. Beckwith, C. G. Matlock and Harry Chambers.

WHISTLING YANK ARMY MARCHING NEAR COBLENZ

Treves Workmen, Soldiers Council Cautions Against Overcharging Americans.

NO HOSTILITY EXCEPT "FACES" OF CHILDREN

Columns Open to Permit Discharged Foe Soldiers to Pass.

BY WEBB MILLER. (United Press Staff Correspondent.) WITH THE AMERICANS IN PRUSSIA, Dec. 4.—The American army marching up the Moselle valley, has arrived in less than forty miles of Coblenz, reaching the towns of Wittlich and Berncastel. The towns of Dapfeln, Elsenheim and Steinberg, have also been occupied. Inhabitants of occupied territory have displayed merely sullen indifference so far. There are no signs of hostility except minor manifestations on the part of children who "made faces."

Proclamation Issued. "The workmen and soldiers council at Treves issued a proclamation warning the people not to overcharge the Americans. Several hotels and federal buildings have been taken over by the Americans. The Yanks in Treves are ignoring the people to a large extent, keeping closely to themselves. During the march through Treves and Betburg the doughboys whistled and sang merrily. Marching columns were obligingly opened several times to permit discharged German soldiers to pass. Despite hard-fighting stores from Germany regarding the shortage of food, portions of Rheinish Prussia the Americans have occupied do not seem to be suffering severely. Unquestionably there is a shortage and some of the poor are starving, but the masses are not suffering by any means.

ROBERT F. INGALLS SEVERELY WOUNDED

Mrs. Robert F. Ingalls, 507 Garden street, received a wire from the war department this morning telling of the severe wounding of her husband, Robert F. Ingalls, in action in France, October 4th.

The wounded man had been a resident of Pendleton about four years before being called to the service June 25th, and was in the employ of George Stankler at the time. He was married last April to Elizabeth Bower of this place.

Private Ingalls landed in France August 17, and went over the top with his company on August 25.

BATTERIES, AIRPLANES, WHISTLES AND CROWDS SEND DEAFENING FAREWELL AS PRESIDENT'S SHIP PUTS OUT TO SEA

NEW YORK, Dec. 4.—President Wilson is on the high seas, on his way to the peace conference. The George Washington passed Sandy Hook heading for France at 11:46 o'clock. New York gave the President a tremendous sendoff. From the time the ship left the pier until it vanished into the Atlantic mist, sirens, cheers and fluttering handkerchiefs made aurore in the first president to go to Europe during his term of office. The dreadnaught Pennsylvania with a fleet of 15 destroyers convoyed the George Washington. Ten destroyers later returned.

NEW YORK, Dec. 4.—With President and Mrs. Wilson standing on the bridge, the steamer George Washington, carrying the President to the peace conference, started this morning from its dock at 10:22. Two airplanes circled overhead and three destroyers took their stations besides the George Washington. A crowd, on the Hoboken side of the North River, was unable to see the ship moving out, but cheered as whistles announced the President was starting his voyage to France.

There were many spectators, cheering and waving of handkerchiefs along the New York side of the river, on the piers.

Batteries Salute. As the George Washington moved out a presidential salute of 21 guns was fired by the steamers own batteries.

As the ship proceeded down the bay the President remained on the bridge, waving his hat and handkerchief in response to an increasing uproar of farewell. The noise of whistles and sirens became deafening. The rising of ships docked along the river was crowded with cheering people. Vessels passing the George Washington blew their whistles like mad, their rails lined with men and women. Airplanes joined in the demonstration, looping the loop and cutting all kinds of capers directly over the president's ship.

Boards at 8 O'clock. Wilson boarded the George Washington at 8 o'clock, his special train arriving at the dock at 7:20. A big crowd was on hand, despite the early hour, but was not permitted to get

TRANSPORT DOCKS IN DEMONSTRATION MIDST

NEW YORK, Dec. 4.—The transport Lapland with homecoming troops, docked here this morning. As she came up the river there was great demonstration of whistles and cheering. The George Washington, with the president aboard awaiting its cast-off, joined in the greeting.

The Lapland carries 2936 American soldiers from England, arriving early this morning. Most of the troops are attached to the aviation branch and have been training in England.

ECHO IS HOPE HELD

The county court informs the committee it has at present only about \$40,000 available and the question will be to raise the remainder, which is about half the amount needed to grade the road to the Morrow county line.

That there is a good chance of securing from the state highway board work of immense value to the county on the road between Pendleton and the Morrow county line via Echo, was made known to the Commercial Club meeting last evening. The state work, however, is said to be contingent on the grading of the road to

Echo by the county court. It is believed the state will grade the road if the county does the grading.

As head of the good roads committee, Pat Lohman brought the subject up last evening. The county court is meeting today and steps were taken to cooperate with west end people in trying to get favorable action from that body. The state board's budget will be made up soon and unless quick action is taken here is a probability of losing out entirely on state money now procurable.

One New Influenza Case Quarantined

One new influenza case is reported as quarantined today. Mrs. Jennie Scott, 601 Post street. This makes a total of 16 cases now under quarantine in the city.

OFFICERS NAMED TO FILL CO. I VACANCIES

J. D. Boyd, captain of Company C in the Umatilla County Guard, was chosen last night as captain of Company I of the Oregon Guard, to succeed S. A. Stubs who recently resigned to leave for Idaho.

Carl Franzen was chosen as first lieutenant, to succeed Brooke Dickson who recently resigned, and F. J. McMoneys will be second lieutenant. The company needs just 15 more members to make the required number complete and enlistments will be in charge of First Sergeant Roark, who will be at Lindgren and Franzen's on Main street, all day Saturday for the purpose of signing up recruits.

Another meeting of the company will be held Saturday night for the purpose of continuing organization plans, and at this time additional appointments will be made, says Captain Boyd.

SCOUT SHIP STRIKES MINE, MANY LOST

ROME, Dec. 4.—The scout ship Rosarolo today struck a mine and sank. Only thirty members of the crew of 142 were saved.

MARION GRAND JURY COMMENTS MURPHY PUTS BLAME ON OTHERS

Warden C. A. Murphy is commended in a report made by the Marion county grand jury, after a long study of penitentiary conditions and blame for trouble at the institution is placed upon the governor and parole officer Keller. Indictments in connection with the parole selling scandal have been returned it is said but they have not been made known yet.

In its report the grand jury said in part: "On the whole, the administration of the present warden has been successful, efficient and economical, insofar as he has had control of affairs. However, there are many matters which he has not been allowed to control, resulting in needless expense, decreased efficiency and, in some instances, injustice to prisoners. "During his incumbency, as well as during the incumbency of Warden Harry P. Minto and J. W. Minto, the

GERMANY NOT UP IN TERMS OF ARMISTICE

Preliminary Conference of Allied Leaders in Complete Accord; Await House

FURTHER OCCUPATION BEING MAPPED OUT

Plan Kaiser's Extradition, Payment of Germany's Indemnities.

LONDON, Dec. 4.—Marshal Foch today notified the German government it is behind in executing the terms of the armistice and will be held responsible for any further delay. He set no time limit within which Germany must comply with the terms, however, as is reported in Berlin dispatches. The Downing street conference, with Premiers Lloyd George, Clemenceau, Orlando, Marshal Foch, Italian Foreign Minister Sonnino, and other allied officials, have ended with complete agreement. No binding decisions were attempted, in the absence of Colonel House. The conference discussed indemnities and the extradition of the former Kaiser.

HOLD INVESTIGATION. LONDON, Dec. 4.—"We shall do all we can to get the allies to agree to demand the former Kaiser's surrender in order that he may stand trial," Bonar Law declared today. "We also propose that an interallied committee shall scientifically determine what Germany will be able to pay in the way of damages."

OCCUPATION MAPPED OUT. LONDON, Dec. 4.—When the occupation of German territory to the west bank of the Rhine is completed the Americans will occupy Coblenz, the French, Metz and the British, Cologne. The Downing street conference decided. The Belgians will occupy the remainder of the northern strip of German territory to the border of Holland.

CECIL COLE FIRST RETURNED SOLDIER

Cecil Cole, first local man to return to Pendleton permanently after service in the army, arrived this morning from Camp Zachary Taylor, where he was attending officers' training school in preparation for overseas service. Cole, who is the son of Mr. and Mrs. Charles Cole of this city, was given an honorable discharge because the end of the war called a halt to the activities of the camp.

Before going into officers' training school, Cole was in the service at Camp Lewis.

THE SEAT OF GOVERNMENT



CHAIRMEN APPOINTED FOR ROLL CALL DRIVE

The Red Cross Christmas roll call campaign opens next week and will not be over until every adult resident of the county who is a loyal American citizen is enrolled as a member of the Red Cross. Over 6000 Red Cross members were enrolled in the drive a year ago, and this number will doubtless be considerably increased this year. At the conference between Chairman J. H. Gwinn, Vice Chairman Mrs. Anna Herrick, and members of the advisory committee last evening, plans were laid for the campaign and a meeting has been called for Saturday afternoon at 2 o'clock at Red Cross headquarters when final arrangements will be made for the drive. The drive in Pendleton this year will be conducted by women as precinct chairmen except in a few