

# EVENTS OF THE DAY

## Newsy Items Gathered from All Parts of the World.

### PREPARED FOR THE BUSY READER

Less Important but Not Less Interesting Happenings from Points Outside the State.

Five men and 68 horses were burned to death in a Duluth fire.

The millionaire son of Cyrus Field is clerk in a lodging house.

Harriman is ill and has gone to Vienna to consult a physician.

New York is experiencing a record breaking cold wave for June.

President Reyes, of Colombia, has resigned rather than face a revolution.

Taft may visit President Diaz this fall. The two presidents plan to meet at the border.

A burglar in Prussia has secured damages because he broke a leg while robbing a house.

One of the trials of Indian railway men is set forth in a report telling of a train striking a wild elephant.

Cuba refuses to assume a share of the Spanish debt incurred when the islands gained their independence.

A new dirigible balloon built in France has made two successful flights, each time carrying nine passengers.

The French budget for 1910 shows a deficit of \$21,800,000.

A prospector has been shot in the mountains of Arizona by Mexicans.

The government is investigating the charges that meat inspectors are lax in their duties.

In his closing address to the jury in the Calhoun case Heney talked 12 hours and was still not tired.

A steamer has just arrived at Seattle from Alaska with six and a half tons of gold, valued at \$3,200,000.

Japanese, who claim to be agents for the Tokio government, are endeavoring to secure oil lands in California.

Hawaiian Japanese have preferred charges against the sheriff who made the recent raids, alleging burglary.

Chicago surgeons have successfully grafted a section of bone from the leg of a lamb into the right leg of a man.

By a traffic agreement between the Milwaukee and Harriman roads the former can enter Portland on the O. R. & N. lines.

The largest amphitheater in the world is to be erected at Chicago. The huge structure will have seats for 45,000 and with the site will cost \$3,000,000.

Morse, the convicted bank wrecker, says he will repay every dollar he owes.

Cardinal Gibbons warns women to be careful about taking up woman suffrage.

An amendment to the Illinois primary law may restore Harrison to power in Chicago.

The Japanese government treats the Hawaiian incident lightly and puts the blame on agitators.

A British steamer was fired on by a Russian warship for approaching too near the czar's yacht.

Ten persons in Austria took shelter from a storm in a barn and it was struck by lightning and all killed.

Los Angeles police declare that thousands of young girls have been shanghaied from Pacific coast cities and taken to China to live a life of slavery.

As a result of the observance of the battle of Bunker Hill, 65 persons were treated at hospitals for injuries and as many more received treatment at home. Fireworks and toy pistols were the cause.

The first victim of excessive heat for this year was reported from El Centro, Cal.

After six months of hard work under eight fathoms of water six bags of first-class mail have been recovered from the wreck of the Panama steamship Finance.

A feud at Meadville, Miss., resulted in two deaths and two fatal injuries.

Two big Eastern steel plants have ordered a 10 per cent increase in wages of employees.

Two Missouri towns were wrecked by a tornado and three persons killed and a score injured.

California wholesale people are making a desperate effort to secure the Klamath Falls trade.

An eminent Holland physician says American physicians give too much of their time to politics.

Governor Hadley, of Missouri, has signed a bill prohibiting the marriage of Caucasians with Chinese, Japanese or other Asiatics.

Paris papers have started an attack on the United States Steel corporation.

Hundreds of arrests have been made at Monterey, Mex., in connection with a dynamiting plot.

A Cincinnati woman who married a thief to reform him has been fatally shot by her husband.

## JURY DISAGREES.

Unable to Reach Verdict in Calhoun Case at San Francisco.

San Francisco, June 21.—Terminating in a disagreement of the jury, with ten men determined on acquittal and two steadfastly resolved upon conviction, the trial of Patrick Calhoun, president of the United Railroads, came to an end at 12 o'clock yesterday. Five months and a week had elapsed since the wealthy streetcar magnate made his first appearance in court to answer to the charge of offering a bribe of \$4,000 to a supervisor to obtain a privilege for his corporation, and a period of 24 hours had been consumed in fruitless deliberation.

Not until each juror had pronounced as hopeless the prospect of a verdict was the order for their liberation made by Judge William P. Lawlor. Prosecution and defense gave assent to the discharge and the proceeding ended within 15 minutes.

After ordering the discharge of the jury Judge Lawlor drew his chair to the edge of the platform nearest the jury box and addressed to the 12 men some informal remarks severely criticizing the laws and usages that made possible the expenditure of three months in the empanel of a jury and congratulating and thanking them upon their worth as citizens.

He declared the courts were utterly helpless to prevent such occurrences and recommended that the legislature be influenced by the people to make alteration in the laws that governed court procedure in the empanelment of jurors. Under the orders of the court the attorneys will be expected to fix a date for another trial upon the same indictment at this morning's session of court.

"I am ready to try this case again and I will go ahead tomorrow if necessary," said Mr. Heney an hour after the adjournment.

In a long statement issued by Mr. Calhoun last night he said:

"Of course I am disappointed at the failure of the jury to acquit me of unbiased charges that have been brought against me. I should have liked my vindication by the jury to have been absolute."

## FIFTEEN ARE DEAD.

Bad Collision on Trolley Road Injures Twenty-five Others.

Chesterton, Ind., June 21.—Fifteen are dead and 25 injured as a result of a wreck on the South Shore Electric railway, two and a half miles west of here last night. Nine bodies have been recovered and more are expected to be found in the wreckage in the tops of the wrecked cars.

A westbound car was coming at high speed down a long hill and at the foot met an eastbound car also going at a terrific speed.

It is estimated that at least seven bodies are still under the debris. The motorman on the westbound car, who was killed, was pinned between the two vestibules of the cars and could not be plainly seen and his position was such as to make escape impossible.

Most of the passengers on the eastbound car were returning from the Crown Point automobile races.

It is believed that the motorman of the east bound car must have seen the onrushing west bound car, as he had thrown off his power and brought the car to a standstill before being struck.

## WORK TO BE RUSHED.

Construction to Start Within 30 Days on Deschutes Road.

Portland, June 21.—Barring unexpected delays in securing a continuous right of way, bids for the construction of the Deschutes line into Central Oregon will be asked by Harriman within 30 days. The only obstacle that prevents the immediate construction of the Central Oregon road is the adjustment of right of way questions with power companies operating on the Deschutes river. The railroad company has already secured rights of way to 70 per cent of the 120 miles to be traversed by the proposed road. An early and satisfactory adjustment of pending rights of way problems covering the remainder of the distance is believed more than probable without resorting to condemnation proceedings in the courts.

## Celebrate Poltava Fight.

St. Petersburg, June 21.—The whole country is watching with interest the preparations for the Poltava bicentenary celebrations, which will extend over four days and be in the nature of a great patriotic military pageant. M. Mazurovsky, the battle painter, and Count Mouraviev, also an artist historian, will prepare the scenes, re-enacting on the spot the battle fought 200 years ago. Part of the troops present will represent the Swedish army. The culminating scene will be based on Kutchubey's picture.

## Heavy Gold Output Expected.

Seattle, June 21.—The gold diggings in the neighborhood of Fairbanks, Alaska, will yield \$12,000,000 during the present year, according to a report received today by a Seattle bank. This bank expects to handle about \$6,500,000. All the conditions favor the miners—the weather, water supply and rich run of gravel. Development of the quartz ledges, whose breaking up furnished the placer gold, is just beginning.

## British Cruiser Smashed.

London, June 21.—The British cruiser Sappho, which was reported last night in a collision off Dungeness, arrived in Dover this morning in a sinking condition. A number of tugs and lifeboats were in attendance. An attempt is being made to beach the cruiser.

# ADVICE TO CONGRESS

## Taft Favors Corporation Tax and Income Tax.

### AMENDMENT TO CONSTITUTION

Urges Senate to Adopt Provision as House Has Already Done in Tariff Bill.

Washington, June 17.—President Taft yesterday sent the following message to congress:

"To the Senate and House of Representatives—It is the constitutional duty of the president, from time to time, to present to the consideration of congress such measures as he shall judge necessary and expedient.

"In my inaugural address, immediately preceding this present extraordinary session of congress, I invited attention to the necessity for a revision of the tariff at this session, and stated the principles upon which I thought the revision should be effected. I referred to the then rapidly increasing deficit, and pointed out the obligation on the part of the framers of the tariff bill to arrange duties so as to secure an adequate income, and suggested that if it was not possible to do so by import duties, new kinds of taxation must be adopted, and among them I recommended a graduated inheritance tax as correct in principle and as certain and easy of collection.

"The house of representatives has adopted the suggestion and has provided in the bill it passed for the collection of such a tax. In the senate, the action of its finance committee and the course of the debate indicate that it may not agree to this provision, and it is now proposed to make up the deficit by the imposition of a general income tax, in form and substance almost exactly the same character as that which, in the case of Pollock vs. Farmers' Loan & Trust company, 157 U. S. 429, was held by the Supreme court to be a direct tax, and therefore not within the power of the Federal government to impose unless apportioned among the states according to population.

"This new proposal, which I did not discuss in my inaugural address or my message at the opening of the present session, makes it appropriate for me to submit to congress certain additional recommendations.

"The decision of the Supreme court in the income tax cases deprives the national government of a power which, by reason of previous decisions of the court, it was generally supposed the government had. It is undoubtedly a power the national government ought to have. It might be indispensable to the nation's life in great crises.

"Although I have not considered a constitutional amendment as necessary to the exercise of certain phases of this power, a mature consideration has satisfied me that an amendment is the only proper course for its establishment to its full extent. I therefore recommend to the congress that both houses, by a two-thirds vote, shall propose an amendment to the constitution conferring the power to levy an income tax upon the national government without apportionment among the states in proportion to population.

"This course is much to be preferred to the one proposed, of re-enacting a law once judicially declared to be unconstitutional. For congress to assume that the court will reverse itself and to enact legislation on such assumption will not strengthen popular confidence in the stability of the judicial construction of the constitution. It is much wiser policy to accept the constitution and remedy the defect in due and regular course.

"Again, it is clear that by the enactment of the proposed law, the congress will not be bringing money into the treasury to meet the present deficiency, but by putting on the statute book a law already there and never repealed will simply be suggesting to the executive officers of the government their possible duty to invoke litigation.

"If the court should maintain its former view, no tax would be collected at all. If it should ultimately reverse itself, still no taxes would have been collected until after protracted delay.

"It is said the difficulty and delay in securing the approval of three-fourths of the states will destroy all chance of adopting the amendment. Of course,

## Strike in Plate Trade.

Pittsburg, June 17.—More than 10,000 skilled workmen, members of the Amalgamated Association of Iron, Steel and Tin Workers, employed by the American Sheet and Tin Plate company, will quit work June 30, at which time the open shop order of the company becomes effective. Many unskilled workmen will also be affected. The decision to take this action followed a special convention held here. In the Pittsburg district a majority of the mills of American Sheet and Tin Plate company are non-union.

## Illinois Primary Law Invalid.

Springfield, Ill., June 17.—The Supreme court of Illinois today declared unconstitutional the state primary law, and as a result the state is without a legal method of nominating candidates for office. It is thought a special session of the legislature will be called to enact a new law. The decision of the Supreme court is the result of an attack made upon the primary law by candidates defeated in the state primaries last summer.

no one can speak with certainty upon this point, but I have become convinced that a great majority of the people of this country are in favor of vesting the national government with power to levy an income tax.

"Second, the decision in the Pollock case left power in the national government to levy an excise tax which accomplishes the same purpose as a corporation income tax, and is free from certain objections urged to the proposed income tax measure.

"I therefore recommend an amendment to the tariff bill imposing upon all corporations and joint stock companies for profit, except national banks, otherwise taxed, savings banks and building and loan societies, an income tax measured by 2 per cent of the net income of such corporations. This is an excise tax upon the privilege of doing business as an artificial entity and of freedom from a general partnership liability enjoyed by those who own the stock.

"I am informed that a 2 per cent tax of this character would bring into the treasury of the United States not less than \$25,000,000.

"The decision of the Supreme court in the case of the Spreckles Sugar Refining company against McClain seems clearly to establish the fact that such a tax as this is an excise tax upon privilege, and not a direct tax on property, and is within the Federal power without apportionment according to population.

"The tax on net income is preferable to one proportionate to a percentage of the gross receipts, because it is a tax upon success and not failure. It imposes a burden at the source of the income at a time when the employer is well able to pay and when collection is easy.

"Another merit of this tax is the Federal supervision which must be exercised in order to make the law effective over the annual accounts and business transactions of all corporations. While the faculty of assuming a corporate form has been of the utmost utility in the business world, it is also true that substantially all of the abuses and all of the evils which have aroused the public to the necessity of reform will be made possible by the use of this very faculty.

"If now, by a perfectly legitimate and effective system of taxation, we are incidentally able to possess the government and the stockholders and the public of the knowledge of the real business transactions and the gains and profits of every corporation in the country, we have made a long step toward that supervisory control of corporations which may prevent a further abuse of power.

"I recommend then, first, the adoption of a joint resolution by two-thirds of both houses, proposing to the states an amendment to the constitution granting to the Federal government the right to levy and collect an income tax, without apportionment among the states, according to population; and second, the enactment as part of the pending revenue measure, either as a substitute for or an addition to, the inheritance tax, of an excise tax upon all corporations, measured by 2 per cent of their net income."

## OFFERED HUMAN SACRIFICE.

Russian Police Probe Sect That Worships Blood-Stained Idol.

St. Petersburg, June 16.—Dispatches from Perm, European Russia, say the local police have begun an investigation into the sect of the Crimson God, the members of which are accused of human sacrifices and other horrible practices.

Repeated disappearances of persons in the district where the sect dwells throw suspicion on the organization, which worships a red wooden idol, colored, it is said, with human blood.

The police have located a secret grave containing the mutilated body of a man supposed to have been sacrificed, and they expect to find others.

The rural region, of which Perm is the center, is a breeding ground for many fanatical cults. It is a meeting place for the pagan tribes of Asia, as well as of persons who flee from Russia on account of religious persecution. Refugees of this type have lived for centuries in the dense forests of the district, and their beliefs have developed along the most fanatical lines.

## Tax Unearned Increase.

Berlin, June 16.—The reichstag re-assembled today. Among the official communications laid before the house was one from the government concerning the proposal to tax the unearned increment in real estate values. The government has decided that it is inexpedient to do this for imperial purposes, inasmuch as there are seemingly unsurmountable difficulties in the way of an equitable adjustment of the taxes on city and county values, but it approves as just the taxing of the unearned increment for local purposes.

## Aid for Castro Feared.

Bufo, N. C., June 15.—The revenue cutter Pimlico hunted off this coast today for the steamer Nanticoke, suspected of filibustering intentions against Venezuela. The Treasury department's activities were invoked because of persistent rumors that friends of ex-President Castro were planning a hostile expedition against the Gomez government. It is alleged 10,000 stands of arms had been shipped from Belgium to America for this purpose.

## Hadley Turns Down Fair.

Kansas City, June 17.—Governor Hadley today vetoed the bill providing for an expenditure of \$20,000 for a Missouri exhibit at the Seattle fair. The governor said the state needed the money more for educating its citizens and for the poor.

# OREGON STATE ITEMS OF INTEREST

## NEW LAWS OPERATIVE.

Important Measures Passed by Special Session of Legislature.

Salem—The laws passed by the special session of the legislature and not bearing the emergency clause became effective Tuesday morning, June 15. These include some important enactments, notably Chapter 2, "An act to provide hotels and lodging houses with fire escapes, ropes and other appliances;" chapter 5, "An act requiring the doors of public buildings to open outward;" chapter 6, "An act to provide for codifying the laws of the state of Oregon;" chapter 9, "An act to appropriate money for the Eastern Oregon Agricultural Experiment station;" chapter 10, "An act for the protection of ducks;" chapter 11, "An act to prohibit hunting of deer, limiting the number killed and prohibiting the sale thereof;" chapter 12, "An act to prohibit the use of fire, flashlights, etc., on duck ponds;" chapter 13, "An act to provide for the protection of elk and to prohibit the sale of same."

Chapter 1 makes an appropriation for the expenses of the special session; chapter 3 is the asylum appropriation bill, which carries the emergency clause; chapter 4 is the higher curricula board act, which also carries the emergency clause; chapter 7 is an act to reimburse George H. Small for land purchased by him and canceled by the state; chapter 8 is an act to appropriate money for improvements at the insane asylum, penitentiary and other state institutions, and went into effect immediately under the operation of the emergency clause.

## DELEGATES ARE NAMED.

Governor Selects Citizens to Attend Trans-Mississippi Congress.

Salem—Governor Benson has appointed the following citizens of Oregon delegates to the Trans-Mississippi Development congress, to be held at Denver, August 16 to 21:

H. L. Corbett, E. W. Wright, W. C. McBride, Henry Hahn, A. H. Devres, I. N. Fleischner, J. B. Eddy, Sig Sichel, John F. Carroll, Julius Meier, H. C. Wortman, Edward J. Failing, Portland; W. H. Sheusloff, Clifford W. Brown, Salem; U. S. Laughary, Dallas; Herman Wise, Astoria; John H. Hartog, Eugene; E. L. Smith, Hood River, W. L. Thompson, Pendleton, Walter M. Pierce, La Grande; J. H. Dobbin, Joseph; W. A. Messner, Independence; A. H. Miller, Medford; Alex Martin, Jr., Klamath Falls; F. P. Light, Lakeview; G. A. Barrett, Athens; Jesse Edwards, Newberg; W. H. Raggsdale, Moro; F. A. Soufer, The Dalles; Phillip Knowles, Dufur; Asa B. Thompson, Echo; T. J. Donnelly, Baker City; Herman Rothchild, North Powder; Ger Small, Baker City; Clark Wood, Weston; A. C. Marsters, Roseburg; Warren Freed, Gardiner; W. G. Gilstrap, Eugene; F. W. Walters, Salem; G. V. Johnson, Corvallis; Alex McNair, Tillamook; W. T. Scholfield, Astoria; G. C. Huntley, Oregon City; J. A. LaCoe, Canyon City; T. C. Taylor, Pendleton; L. A. Wright, Union; Walter L. Tooze, Falls City; John D. Olwell, Central Point; Percy R. Kelly, Albany; W. T. Macey, McMinnville; Ed Radcliffe, Langlois; N. Wheelton, The Dalles; Dr. Frank Kistner, Heppner; A. W. Hope, Vale; S. A. Kendall, Roseburg; I. J. Simpson, North Bend; E. H. Flagg, St. Helens; H. L. Truax, Grants Pass; Charles H. Fisher, Eugene.

## New Deaf Mute School.

Salem—The board of trustees of the deaf mute school opened the bids for the erection of new buildings for the institution in North Salem. Southwick & Herrick, of Salem, were the lowest bidders, their price being \$56,844.90, and the concern will be awarded the contract. The other bids went up to over \$79,000. The buildings will be finished by December 1. There will be a main building 172x105, with a white pressed brick front; a dormitory 90x45 and a boiler house 37x37. The new home of the institution is on the Oregon Electric and the company will build a new station near the school.

## College Secures \$50,000.

Albany—Albany college has realized its \$50,000 endowment. Announcement was made by President Crooks at the annual meeting of the board of trustees of the college that the \$25,000 needed in Oregon has all been raised and this insures an additional \$25,000 from the national college board, of the Presbyterian church. Eleven thousand dollars of this amount was subscribed in Albany, \$10,000 in Albany Portland.

## College Catalogue Out.

University of Oregon, Eugene—The University of Oregon catalogue, with announcements for 1909-10, has just been published. It contains a complete synopsis of the work done in the university and of that which is required for entrance; gives a list of the instructors and students, outlines the equipment of the different colleges, and tells of the life of the students in their different branches of activity.

## Strike Reported Near Gates.

Albany—President R. F. Shier, of the Black Eagle Mining & Milling company, has left for the mines near Gates. He reported that he had just received word of a rich strike of copper ore. The ore is a cuprite, consisting of 80 per cent copper, with some gold and silver, and he claims will assay at \$200 per ton.

## FARMERS WANT RAILROAD.

Believe Umatilla County Trolley Line Would Help Shippers.

Pendleton—Believing that with an independent electric railroad extending across the wheat belt of Umatilla county and connecting with the boats on the Upper Columbia river they would be able to sell their wheat to better advantage, the farmers of the county are again talking of building the proposed line. Though no plans have yet been worked out, the proposition is to be fully discussed at a meeting of the County Farmers' union, which is to be held in this city June 26. Two plans for the building of the road have so far been proposed. One is for the farmers to build and operate the line themselves, while the other is to induce someone who is in the railroad building business to construct it. If undertaken, this will be the second co-operative movement fostered by the Farmer union, the building of a string of warehouses in the northern part of the county being the first.

## Would Arouse Interest.

Salem—Governor Benson has appointed John H. Lewis, state engineer, Jay Bowerman, president of the state senate, C. N. McArthur, speaker of the house, F. S. Stanley, of the Portland chamber of commerce, and Tom Richardson, of the Portland Commercial club, as an executive committee of five to arouse interest in the National Irrigation congress at Spokane on August 9 to 14. It is the purpose of this committee to interest commercial clubs and other organizations entitled to representation at the congress. Governor Benson will soon announce the names of the twenty honorary delegates from the state at large. Commercial organizations, county courts, incorporated cities and irrigation companies are all entitled to representation. It is the purpose of the executive committee to arouse state wide interest in the Spokane congress to the end that Oregon may have the largest and most representative delegation in attendance. The committee will hold a meeting in a few days when it will organize and adopt plans for its work.

## Thirty Claims Staked.

North Powder—A large deposit of high grade ore, running largely to copper, gold and silver, has been uncovered near here. Thirty claims have been staked off within five miles of town and the location work is being vigorously prosecuted under the direction of George H. Downs, who has cornered the labor market by employing all available men. It is understood here that the enterprise is being backed by Portland people.

## Sumpter Extension Announced.

Sumpter—That the Sumpter Valley railroad will be extended to the Thomas ranch, and perhaps to Susanville, this summer is announced practically officially. The route will not be from Austin to Prairie City, as has been planned for some months, but will be down the middle fork of the John Day river, a distance of 22 or 23 miles.

## Congress Committee Named.

Salem—Governor Benson has appointed C. N. McArthur, State Engineer, Fred S. Stanley, Jay Bowerman and Tom Richardson as a committee to work up enthusiasm for the National Irrigation congress to be held at Spokane from August 9 to 14.

## PORTLAND MARKETS.

Wheat—Bluestem milling, \$1.30@1.35; club, \$1.20@1.22½; valley, \$1.17. Corn—Whole, \$35 per ton; cracked, \$36. Barley—Feed, \$34@35 per ton. Oats—No. 1 white, \$41@42 per ton. Hay—Timothy, Willamette valley, \$17@20 per ton, Eastern Oregon, \$20@23. Fruits—Apples, \$1@2.50 per box; strawberries, \$1@2 per crate; cherries, \$1@1.25 per box; gooseberries, 5¢ per pound. Potatoes—\$2@2.25 per hundred. Vegetables—Asparagus, 75¢@90¢ per dozen; lettuce, head, 25¢ per dozen; onions, 12½@15¢ per dozen; parsley, 35¢ per dozen; peas, 5¢@6¢ per pound; radishes, 15¢ per dozen; rhubarb, 3¢@3½¢ per pound. Butter—City creamery, extras, 26½¢; fancy outside creamery, 25@26½¢; store, 18¢. Butter fat prices average 1½ cents per pound under regular butter prices. Eggs—Oregon ranch, 24@25¢. Poultry—Hens, 14@14½¢; springs, 18@20¢; roosters, 8@9¢; ducks, young, 17@18¢; geese, 10@11¢; turkeys, 18@20¢; squabs, \$2@2.25 per dozen. Pork—Fancy, 10¢ per pound. Veal—Extras, 8@8½¢; ordinary, 7¢; heavy, 6¢. Hops—1909 contracts, 13@14¢; 1908 crop, 9@10¢; 1907 crop, 5@5½¢; 1906 crop, 2@2½¢. Wool—Eastern Oregon, 17@22½¢; valley, fine, 23¢; coarse, 21¢; mohair, choice, 24@25¢. Cattle—Steers, top, \$4.75; fair to good, 4.25@4.50; common, \$4@4.25; cows, top, \$4; fair, \$3.50@3.75; common to medium, \$2.50@3; calves, top, \$5@5.50; heavy, \$3.50@4; bulls and stags, \$2.75@3.25; common to medium, \$2@2.50. Hogs—Best, \$8@8.15; fair to good, \$7.50@7.75; stockers, \$6@6.50; China fats, \$6.75@7. Sheep—Top wethers, \$4; fair to good, \$3.50@3.75; ewes, ¼¢ less on all grades; yearlings, best, \$4.15; fair to good, \$3.75@4; spring lambs, \$4.75@5.25.