

The Weather

Maximum yesterday.....46  
Minimum today.....24

# MEDFORD MAIL TRIBUNE

Predictions

Tonight and tomorrow,  
Probably rain.

Forty-eighth Year.  
Daily—Thirteenth Year.

MEDFORD, OREGON, MONDAY, FEBRUARY 3, 1919

NO. 267

## HINES OPPOSES U.S. OWNERSHIP OF RAIL SYSTEM

Director General Believes in Organization of a Few Big Railroad Companies Subject to Close Government Supervision—Favors 5-Year Extension of Federal Operation.

WASHINGTON, Feb. 3.—Director General Hines, testifying today before the senate's interstate commerce committee, declared he did not believe in government ownership, but in organization of a few big railway companies subject to close government supervision.

"I do not believe there is anything substantial in the argument that a five year extension of government operation would necessarily mean radical reconstructed private ownership with such close government supervision, including government representation on the boards of directors as will give the public and labor all the benefits of government ownership and at the same time will preserve the benefits of private and self interested initiative and will avoid the political difficulties which perhaps are inseparable from government ownership.

**Consolidate Companies**  
"I believe that all of the objects which I think must be achieved in order to obtain a permanent solution can be accomplished through the creation of a comparatively few railroad companies which will have capitalization equal only to the real value of the property and which will have a moderate guaranteed return with the right to participate moderately in any additional profits."

Mr. Hines renewed Mr. McAdoo's recommendation for a five year extension of government control and explained that if this were not done, he believed it would be best for all interests concerned to relinquish government control without waiting for expiration of the 21 month period provided by existing law.

"It seems to be unthinkable," he added "that any suggestion of early relinquishment should be put forward as a leverage for forcing an extension. I think the entire subject ought to be determined by the logic of facts.

**For an Extension**  
"A very strong feeling prevails that this question is being pushed now by the railroad executives because they feel that the 'going' is particularly good and that they had better make private management have while the anti-government ownership gun continues to shine. I do not believe a solution in this spirit is going to satisfy the public."

Mr. Hines presented the following arguments for a five year extension: "It will give advocates of government ownership full opportunity to press their views without being influenced by the temporary reaction against government control.

"It will remove the necessity for undue haste in solving such a big program as the future of the railroads. "It will stabilize employment and wage conditions, permit prosecution of a big program of improvements and extensions, help to take up the slack in employment and materials during the critical period of readjustment.

**Protects Security Holders**  
"It will protect security holders pending an ultimate solution. "It will minimize the danger of making the railroad question a purely partisan issue to be considered in an illogical manner, in the presidential elections."

On the other hand, Mr. Hines said, if this extension were not made, the roads should be relinquished before expiration of the 21 months. He made in substance these explanations:

There is now a reaction from patriotic tension of war times, resulting in a critical and hostile attitude by the public toward government management and this makes control difficult.

Proponents of particular theories of railroad operation are finding in government control under abnormal war

(Continued on Page Six.)

## EIGHT YANKS KILLED IN FRENCH COLLISION

TROYES, France, Feb. 3.—Eight United States soldiers were killed and 30 injured when a troop train conveying American soldiers from Chantonnay to Brest collided with two German locomotives standing in the station at Montiermay, near here. The men were on their way to Brest to take ships for the United States. The dead and injured were taken to Bursur-Aube.

## DEADLOCK OVER OIL BILL BROKEN BY CONFEREES

Fifty Million Acres of Oil, Gas, Coal, Phosphates and Sodium Public Lands May Be Opened for Prospecting Under Leasing and Patent System.

WASHINGTON, Feb. 3.—Long existing controversies in congress over a policy looking to the opening and development of oil, gas and coal lands in western states and Alaska were adjusted today with the reaching of a final agreement by house and senate conferees upon the oil leasing bill.

Under its provisions more than fifty million acres of oil, gas, coal, phosphates and sodium public lands may be opened for prospecting under a leasing and patent system, which according to Senator Pittman, chairman of the senate managers, also will bring about settlements of the dispute over the development of the California and Wyoming naval oil reserves.

**Provisions of Bill**  
The principles involved in the bill have been under discussion in congress for four years and have been the subject of constant disagreement between the house and senate and representatives of the various executive departments who would be called upon to administer the act.

Under the agreement the secretary of the interior would have authority to grant a prospecting permit for lands outside of the naval reserves to an applicant for 640 acres located within 10 miles of any producing oil or gas field, or 2,560 acres beyond that distance. Upon discovery of oil the prospector would be permitted to obtain a lease upon one-fourth of this land with a preferential right to lease the remaining unpatented lands embraced within the limits of his permit.

In each case he would pay the government a royalty of not less than one-eighth of the gross value of the oil or gas produced. Prior to obtaining a lease, the prospectors would be required to pay a royalty of 20 per cent. The lease would be for 20 years at a rental of \$1 per acre.

**Open Naval Reserves**  
The house provision affecting naval oil reserves was adopted by the conferees. Under its provisions, upon the surrender of claim of title to land within these areas, the claimant would be given a lease. This provision has been one of the bones of contention in the bill, navy department officials opposing legislation that would permit the opening of the naval oil reserves.

## FOOD CONTROL AID TO PACKERS SAYS LASATER

WASHINGTON, Feb. 3.—Edward C. Lasater, member of the executive committee of the National Livestock Association, and formerly connected with the food administration's meat division, asserted before the house interstate commerce committee today that the food administration and department of agriculture aided the five leading meat packers in obtaining a monopolistic control of the meat industry.

During the last 18 months the food administration has served as a screen behind which the packers have operated illegally against the public's interests, Mr. Lasater said. "Realizing that the practices and policies of the department were harmful to the common welfare I resigned from the office in the meat division," he added.

Asked by committee members what the packers had done under the guise of co-operating with the department, Mr. Lasater said he would answer in detail later. He said the department of agriculture had followed the wishes of the packers in preventing an investigation of the producers at the time the packers themselves were being investigated.

"When the packers were before you," he told the committee, "they said one of the best proofs of the incompleteness of the federal trade commission's report was that it covered only the packing end of the industry. They failed to say they had opposed a complete investigation. Such an investigation would have robbed them of the argument that the producers and not they, were making the big profits on meat."

## CRESPI FAVORS FINANCIAL POOL FOR THE ALLIES

Italian Delegation Submits Plan for Single Financial Front—War Losses and Indemnities to Be Merged and Apportioned Among Nations—Raw Material Distributed.

PARIS, Feb. 3.—Robert Lansing, the American secretary of state, was unanimously elected president of the committee on responsibility for the war, which held its first meeting today at the foreign office.

Premier Venizelos of Greece was before the supreme council of the peace conference this morning and made a statement on the claims of Greece.

Premier Venizelos will continue his presentation of the case of Greece at tomorrow morning's session. The Czech-Slovak delegates will again be heard at tomorrow's session. It was announced.

**PARIS, Feb. 3.—(By Associated Press.)** Proposals for establishment of a single financial front for the allies have been submitted to the entente ministers here, by Signor Crespi member of the Italian delegation according to a statement by him today. After saying that the central powers must compensate the allies for the damage suffered during the war, Signor Crespi said:

"On the other hand, all the allies have suffered immense losses and they must all benefit from the indemnities which the enemy is to pay. Each one should receive in proportion to the effort it has made. Thus smaller states that have spent more than large ones in comparison to their wealth ought to receive larger indemnities in proportion.

**Wants Common Pool**  
"The simplest way to carry out the actual distribution would be to put the entire fund into a common pool, which could be periodically apportioned among the different nations. The fund should be augmented by taxes of a universal character levied on all states, enemy, allied or neutral, the last named having benefited from the sacrifices made by the allies. Such a tax would not weigh more heavily on one state than on another, since it would be universal. It would merely have the effect of raising prices on some certain particular products in all countries alike.

"The enemy should be forced to pay off as soon as possible the allies' debts. The international tax would furnish interest on the rest and a sinking fund for paying it off eventually. In my opinion the enemy ought to be allowed to pay, not only in gold, but in raw materials and finished products. Part of their debt might be covered by bonds which they would take up gradually in exchange for goods.

**Raw Material Supply**  
"The supply of raw materials is another important question to be considered. If they are furnished to enemy countries at the same time and at the same prices as to the allies, the Austrians and Germans, whose industrial plants have not been destroyed and who are ready to return to a peace basis in their production more rapidly than the allies, would reach foreign markets quicker and under better conditions than would be possible for the allies. This we must avoid at all costs.

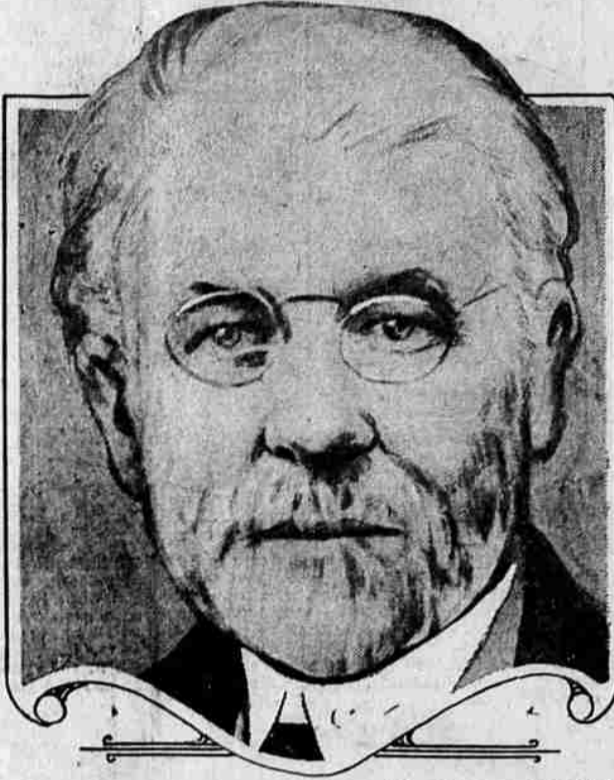
"Another important question involved is that of the length of the working day. A day's labor in Germany before the war was very long. If it continues so now, they will be able to produce more cheaply than we can. Therefore, international laws on this question have become essential.

"Another problem is that of exchange between different nations. To cite an example, my own country, when peace is re-established, will have to import very largely to replenish depleted stocks. This will have a disastrous effect on our money unless the states control exchange. I, therefore, consider that the present state control of import and export trade must continue for some time."

**NON-PARTISAN LEAGUE SOLID FOR TOWNLEY**

ST. PAUL, Minn., Feb. 3.—Non-partisan League headquarters announced today that the members of the league have by a referendum vote, endorsed the re-election of President A. C. Townley. The referendum showed a vote of 98,391 for Townley and 978 against him. He was re-elected at the national convention of the league held here several weeks ago.

## THE PEACEMAKER



This is a composite picture of Wilson, Lloyd George, Clemenceau, Sonnino, Venizelos and Paschitch, the leading statesmen of the world peace congress. The merging of the faces gives the characteristics of a benevolent and scholarly personality. Into its make-up have gone the classic features of Woodrow Wilson, showing the chin, the eyes and the mouth; the broad head of the Welshman, Lloyd George; the bushy brows and wide-spread nostrils of Clemenceau, and his full cheeks; the head of Sonnino, the Italian statesman, registers nearly as broad as that of Lloyd George. To this big four, have been added Venizelos, the Greek premier, and Paschitch, the Serbian; the one distinguished by his sharp, scholarly features, the other by his broad, high forehead, wide-set eyes and patrician countenance. Incidentally, it's these two that add the whiskers. Both wield no small influence in Balkan affairs.

## KIEV CAPTURED BY BOLSHEVISTS; RAILROADS CUT

WARSAW, Jan. 31.—(Via Wireless to Vienna, By the Associated Press.)—Kiev has been taken by the Bolshevik troops, General Petlura's troops partially going over to the enemy.

The Ukraine government has been moved from Kiev to Winnitza. Railway communication with Kiev is cut off at Kovel, where there is a body of German troops attempting to keep order among disorderly Germans retreating from Ukraine.

The Czech-Slovaks are bitterly denounced here because of recent events in the Duchy of Teschen. Lieutenant Reginald Foster of the American army, representing the peace commission, is reported to have asked Dr. T. G. Masaryk, president of Czechoslovakia if the allies had given permission for the Czechs to attack the Poles. Dr. Masaryk is said to have replied in the negative, but is reported to have added that the territory is necessary for development of Czechoslovakia.

It is rumored the Czech-Slovaks planned to get control of Polish oil lands in Central Galicia and it is alleged they have already made a bargain with this object in view, with the Ruthenians.

The cold wave here has resulted in the deaths of hundreds, especially babies who were frozen to death while being transported on railways. (This probably refers to refugees fleeing from Warsaw to escape from the advancing Bolsheviks.)

Telegraph lines and railways in the direction of Vienna were cut by the Czech-Slovaks last Thursday.

**TROOPS MAINTAIN ORDER IN GLASGOW**

LONDON, Feb. 3.—The presence of large bodies of troops in Glasgow is believed to insure continuance of order here, but at Belfast the second week of the strike begins with increased uneasiness, although there are no signs of any disposition on the part of the men to resort to further violence.

For eight days Belfast has been using candles for lighting and most of the public services have been at a standstill. The curtailment of the fuel supply is causing considerable suffering.

**2000 TROOPS LANDED UPON THE SUSQUEHANNA**

NEWPORT NEWS, Va., Feb. 3.—Two thousand troops, including 553 sick and wounded, were landed here today from the transport Susquehanna, which sailed from St. Nazaire, January 17. Casual companies aboard included one from Idaho.

## POLES AND CZECHS EACH WANT TO OWN COAL FIELDS

PARIS, Feb. 3.—(By the Associated Press.)—The allied commission which leaves for Poland next Saturday to adjust controversies between the Poles and Czechoslovaks over the Teschen coal fields has been able to arrange a truce between the two nationalities only pending the arrival of the commission and personal examination by it of the situation.

The arrangement prescribes the sections where the Poles and Czechs are to exercise civil administration and military occupation and regulates the operation and disposition of the output of the mines.

Title to the Duchy of Teschen is involved in the controversy. This duchy was formerly a part of the crownlands of Austria-Silesia and has a population of less than 500,000. It is about the size of Rhode Island. It is valuable because the coal it produces is the only coal within the boundaries of either Poland or Czechoslovakia which will coke, and it is regarded as indispensable to the manufacturing interests of each state.

The Czechs' claim rests on suzerainty exercised over the country by the kings of Bohemia in the fourteenth century and the fact that coking coal is more essential to them than the Poles. They point out that the railroad running through the district is the only connecting link between two sections of Czechoslovakia.

The Poles, on the other hand, hold that the section should be divided along ethnological lines. This system would give them control.

**MONARCHISTS LOSE BATTLE IN PORTUGAL**

MADRID, Feb. 3.—In a skirmish Thursday between Portuguese republicans and monarchist forces, the monarchists were defeated with the loss of 50 killed and 200 wounded. The town of Chaves is still held by the republicans, who are reported to be marching on Oporto, the monarchist stronghold.

PARIS, Feb. 3.—Portuguese monarchist troops are retreating toward Estarreja, with the intention of falling back to Oporto, following their defeat at Agueda, in the province of Beira. The royalists are reported to have lost heavily.

## SEATTLE UNIONS VOTE GENERAL STRIKE THURSDAY

Every Union Man to Walk Out as Sympathetic Move to Help Striking Shipyard Workers Get Dollar an Hour—Leaders Hope to Spread Strike to Other Cities.

SEATTLE, Feb. 3.—Every union man in Seattle will walk out on a general strike at 10 a. m. next Thursday, according to an announcement issued today by a publicity committee which was named at a meeting yesterday of representatives of 110 unions.

The strike is to be called as a sympathetic move to help striking metal trades workers who walked out of the Seattle shipyards recently to press their claims for more pay.

Union leaders hope to extend the general strike to Tacoma and "other localities," the announcement said. Tacoma unions which have voted to go on a general strike February 4, will be asked by the Seattle men to postpone their walkout until February 6.

"Plans are being perfected to feed the strikers and general public," the publicity committee's announcement read. "An executive committee has been named to formulate ways and means of conducting an orderly strike and to bring it to a speedy and favorable conclusion for the workers."

Seattle probably will walk during the strike, the street car men having decided to walk out. Newspapers may have to suspend, as the Typographical union yesterday also voted to go out. The Typographical union has asked its international body to sanction the walk out.

The city will be supplied with light and gas, it was believed, as the gas workers voted not to go out and the electric workers at the municipal plant have asked the central labor council, which has called the strike, to excuse them from walking out.

**Date to Be Approved**  
The strike date was settled at yesterday's meeting. Although the date must be approved by the Central Labor Council, which meets Wednesday night, it was said today by labor leaders that there is no doubt that the central body will approve the date as a majority of the delegates at yesterday's meeting are also members of the central committee.

Labor leaders said today that only a settlement of the demands of the shipyard men can prevent the strike. No move has been made by the Seattle shipyard employers to meet the demands.

In a full page advertisement in a newspaper here today Charles Piez, director-general of the United States shipping board, appealed to the men to return to work.

## SUBMARINES TO BE SCRAPPED BY LEAGUE OF NATIONS

LONDON, Feb. 3.—The abolition of submarines as warships may be decided upon by the League of Nations committee during the coming week, according to the Paris correspondent of the Mail. It is said that this was one of the several understandings which were reached during the conference on Friday between President Wilson and Colonel House, General Smuts and Lord Robert Cecil, and probably will be proposed among the first planks of the platform at the sessions this week, during which it is hoped the league's constitution may be definitely formed.

British and American delegates representing the biggest naval powers are said to have sounded all naval opinion on this point. It was suggested by some that the submarine might be used defensively within the three mile limit of territorial waters, but the overwhelming sentiment was that the U-boat must be abolished outright.

"After scrapping the submarine," the correspondent says, "it is understood that recommendations will be made that the economic weapon take the place of all other weapons in future wars. Respecting disarmament the league will endeavor to work out a scheme by which the armaments of all nations will be gradually curtailed to a point decided upon as being necessary for defense. The league will try to arrange this early enough to insure that the financial savings thus gained will pay the interest on the world's war debt."

**PAVING TRUST ISSUE AT SALEM AWAITS ACTION**

SALEM, Feb. 3.—Whether future highway construction is to be controlled and manipulated by the paving trust is the big issue that will be put squarely up to every legislator for decision this week, and it is anticipated that its presentation on the floor will precipitate a battle royal, for the paving monopoly is not without friends in either house.

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## INTRIGUING TURKS ORDERED ARRESTED

WASHINGTON, Feb. 3.—American Commissioner Heck at Constantinople reported to the state department today the arrest of 35 leading members of the Turkish committee of union and progress. Officials believe the step was taken with the approval of the British and French authorities in Constantinople.

The British and French are endeavoring to eliminate the leaders of the Turkish government who have been intriguing against the allies.

## MEASURE TO MERGE PORTLAND AND COUNTY

SALEM, Feb. 3.—A constitutional amendment consolidating the governments of Multnomah county and the city of Portland, made its appearance here today, and will be presented to the Multnomah delegation during the day by Senator Beaton. The amendment and the resolution submitting it to the electorate was drafted by Judge Frank S. Grant of Portland at the request of a number of organizations favoring a consolidation of the governments, and their agencies.

## BOLSHEVIK REACH AMERICAN PATROLS

ARCHANGEL, Feb. 2.—(By the Associated Press.)—Bolshevik patrols were in touch with American patrols today about 15 miles south of Sredninskaya.

With the exception of widespread patrol activity and heavy shelling on the Volzga railway line, there was comparative quiet yesterday on all sectors.