

Maximum yesterday 44
Minimum today 40
Precipitation .15

Rain.

FRAME UP, SAYS MRS. ETHERIDGE

Wife of Portland Banker Declares All Charges False—Husband Absconded With Nothing—Blames Portland Newspapers and Jealous Business Rivals—Creditors Form Committee.

MORRIS ARRESTED ON A FEDERAL CHARGE

Portland, Ore., Dec. 29.—Fred S. Morris was arrested here today on a federal warrant technically charging that he aided John L. Etheridge, former president of Morris Brothers, Inc., defunct bond house, in obtaining naturalization papers when Etheridge was not entitled to them.

The warrant according to United States Attorney Lester W. Humphreys, was based on the allegation that Morris, while aiding in Etheridge's naturalization proceedings, concealed knowledge that Etheridge had served terms in New Jersey state prison. Etheridge came to this country from England in 1903.

Portland, Ore., Dec. 29.—Creditors of the defunct bond house of Morris Brothers, Inc., today were taking preliminary steps to protect their interests, and a committee appointed at a meeting last night at which was represented holders of \$300,000 receipts issued for payments on bonds prepared to make a report to an adjourned meeting to be held tomorrow night.

Dr. D. J. Duback, who called last night's meeting and acted as chairman, J. N. Pearce, who acted as secretary, and five other persons of Portland constitute the committee. The meeting declared for unified action in all proceedings throughout the period of liquidation of the bankrupt concern and for criminal action to punish everyone responsible for the present condition of the company, whose former president, John L. Etheridge, is under arrest at Minneapolis.

10 Days for Audit.

W. D. Whitcomb, temporary receiver of the company, today said that ten days or two weeks would be required to complete the audit of the books. He promised to make public from day to day result of the investigation.

District Attorney Walter H. Evans announced that he had found that Morris Brothers, Inc., was under contract to pay Fred S. Morris, who was head of the firm which transferred its interests to Morris Brothers, Inc., more than a year ago, \$500 a month for a period of five years.

Morris took over the affairs when Etheridge departed last Thursday and relinquished them to Whitcomb after bankruptcy proceedings were started.

District Attorney Evans said today that he has found no evidence on which he could act on demands made by investors at the meeting last night that Morris and Mrs. Etheridge be prosecuted in connection with the company's collapse.

Frame-Up Says Wife.

According to reports from Minneapolis.

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CONGRESS REFUSES TO APPROPRIATE CASH TO BACK UP DRY FORCES

WASHINGTON, Dec. 29.—Need of additional funds for prohibition enforcement with wholesale violations reported from many sections, was emphasized by Attorney General Palmer in testimony before the house appropriations committee made public today for the first time. His request for \$300,000 was not included by the committee in framing the sundry civil bill.

Mr. Palmer told the committee that up to September 30, 1920, 17,566 arrests for violations had been made, of which 17,420 cases were arranged for prosecution by the department of justice. He said violations were increasing. The committee also refused to include in the bill a provision to reward citizens for giving secret information regarding liquor smuggling.

ESTIMATE STATE EXPENDITURE IS \$45,456,377.41

SALEM, Ore., Dec. 29.—The budget, or estimate of expenditures for the biennium 1921-1922, for all state activities, as shown by the statements on file with the secretary of state, aggregate \$45,456,377.41.

Of this sum, \$24,717,349.89 will be met by the receipts of the state treasury from sale of bonds for the construction of roads and highways, from license fees, inheritance taxes, corporation licenses, taxes on insurance premiums, insurance licenses, etc.; \$4,786,452.70 will be covered by funds or contributions paid into the state treasury on account of the workmen's compensation law and for vocational education; \$389,862.72 will be paid from moneys which are not paid into the state treasury, but disbursed through other mediums outside of the secretary of state; \$5,752.47 will come from the levies of taxes for the years 1921 and 1922 and being in addition to those taxes authorized by law within the 6 per cent constitutional limitation. The balance of \$9,810,350.63 is covered by the appropriation of moneys from the public treasury within the 6 per cent tax limitation.

STORM DESTROYS NEWPORT WHARF

NWPORT, Ore., Dec. 29.—The wharf of the Newport Lumber company collapsed today with more than 200,000 feet of lumber. If the gale now blowing increases the wharf may be a total loss. Adjoining property is in danger of being battered down by the wreckage surging against it and some buildings are being vacated.

SEN. CHAMBERLAIN'S CONDITION IS WORSE

WASHINGTON, Dec. 29.—Because of an unfavorable turn in the condition of Senator Chamberlain of Oregon, who had an operation performed last week, a second operation planned today was postponed. A sudden and unexpected rise in the senator's temperature occurred last night, but it was somewhat reduced today.

REDUCE SUNDRY CIVIL BILL BY OVER ONE HALF

Republican House Committee Slashes Expense Estimate to Tatters—Nearly Half Million Cut Off—Total Only \$383,611,292.

WASHINGTON, Dec. 29.—The sundry civil bill, carrying a total of \$383,611,292 or \$429,914,192 less than was asked by the government department was reported today by the house appropriations committee. It was the first of the big supply measures for the next fiscal year to be completed and its total was \$2,257,544 less than the amount appropriated for similar purposes this year.

Indicating a desire to put government expenditures on a pre-war basis, the committee, first taking care of men disabled by war, set aside only \$160,611,292 for actual sundry civil expenses of the government, which was only \$30,000,000 more than the total amount appropriated for 1916. Fleet Fund Reduced.

The largest single reduction, \$147,000,000 applies to the shipping board emergency fleet corporation, the bill providing that the organization shall be supported entirely out of various sources of income. Request for the department of justice for \$300,000 for enforcement of the national prohibition act was eliminated entirely. The sum of \$15,000 was appropriated, however, for suppressing liquor traffic in Alaska.

Other principal slashes in the amounts asked by the government departments included: War risk insurance \$87,000,000; vocational education \$23,000,000; military posts, \$9,423,815; national cemeteries \$19,000,000; flood control Mississippi river, \$3,350,000; nitrate plants \$10,000,000; Panama canal \$7,187,255; immigration service \$2,567,589; employment service \$1,384,991; reclamation service, \$5,809,000; public health service \$4,347,000; armories and arsenals \$4,238,000; public buildings \$3,789,400; bureau of mines \$2,112,000 and department of justice 1,989,204.

Aid Disabled Soldiers. The bill includes \$223,000,000 on account of military and naval compensation for death or disability of soldiers, sailors and marines, medical, surgical and hospital treatment of beneficiaries of the bureau of war risk insurance and vocational rehabilitation of soldiers, sailors and marines, all growing out of the world war.

The principal increases over this year's appropriations were \$17,802,000 for the reclamation service; \$1,231,000 for national home for disabled volunteer soldiers; \$1,000,000 for light houses and beacons and \$516,200 for the government printing office.

WILLOWS SHAKEN BY SHARP QUAKE

WILLOWS, Cal., Dec. 29.—An earthquake shock so severe that it aroused all inhabitants of the town, occurred here at 2:15 this morning. So far as has been reported no damage resulted. The earth shock was apparently not felt in other nearby towns as telephone messages to Chico, Woodlands, Sacramento and Redding failed to reveal any record of shocks there.

TIN CAN TOURISTS HOLD A CONVENTION

TAMPA, Fla., Dec. 29.—The annual convention of the Tin Can Tourists of the World opened here today with 2,000 persons attending and Vice Royal Tin Can Opener G. M. Tremaine of Fredonia, N. Y., presided. The convention will be in session four days.

UNCLE JOE CANNON GIVEN RARE TRIBUTE BY FELLOW SOLONS

WASHINGTON, Dec. 29.—An unusual tribute was paid today by the house of representatives to Representative Joseph G. Cannon of Illinois, who has established a new record for length of service in congress. "Uncle Joe" was all smiles as Champ Clark of Missouri, the democratic leader, and others told of his accomplishments during his long service.

When it came his time to talk Mr. Cannon described the ceremony as a wake. Many big things happened in 1872, the year he was first elected to congress, not the least of which was a violent eruption of Vesuvius, he said. "Speaker Gillett and Mr. Clark were approaching the polls that year," he said, "and Jim Mann, at sixteen was trying to decide whether he would be a farmer or a lawyer. Rainey and Mondell were beginning to figure life in percentages and the ambitions of Claude Kitchin and Nick Longworth at the age of three were centered about their first pants."

GREAT THROGS IN MONTEVIDEO CHEER U. S. SECY.

MONTEVIDEO, Dec. 29.—Great throngs lined the streets of this city late yesterday afternoon to welcome Bainbridge Colby, the American secretary of state. American residents of Montevideo declared it was the most enthusiastic greeting they had seen given any foreign visitor in many years.

The battleship Florida on which Mr. Colby came to South America was met at sea by the cruiser Uruguay, hearing the American minister and representatives of the Uruguayan army and navy. After salutes had been exchanged Mr. Colby and his party were transferred to the cruiser, which brought them to this city.

The crack cavalry regiment of the Uruguayan army was drawn up at the pier where Mr. Colby was greeted by Foreign Minister Buerro. The drive to the palace, where the secretary was received by President Bruum, was a continuous ovation, there being an almost uninterrupted rendition of the Star Spangled Banner, which was played by eight bands stationed at various points. Each band took up the American national hymn as the party drove by.

JAPAN DECLARES VANDERLIP DEAL NATIONAL MENACE

TOKIO, Dec. 29.—(By Associated Press.) Concealment in Kamchatka granted to Washington B. Vanderlip of California, by the Russian government might prove a serious disadvantage to Japan, Viscount Uchida, Japanese foreign minister, told a deputation of the opposition party which visited him today. He pointed out, however, that the United States had not recognized the contract because America had not recognized the soviet government.

The deputation also questioned the ministers of war and navy and both replied that if reports concerning the concessions were true, the situation held a menace to Japan from the viewpoint of defense but declined to express any further opinion in the absence of confirmation of these reports.

FRANCE IS SILENT ON MEXICO RECOGNITION

MEXICO CITY, Dec. 29.—Rumors that France has temporarily dropped the question of recognizing the present government of Mexico, pending the giving of necessary guarantees, were denied in a statement made public last night by the French charge d'affaires. This denial, which was received from Georges Leygues, premier of France, declared France had made no pronouncements regarding the recognition of Mexico.

KELLY AROUSES ENTHUSIASM AT OIL GATHERING

Honestly and Conscientiously Believes There's Oil in the Rogue River Valley—Uryes Loyal Support Oil Boosters in Pioneer Work.

At the regular Wednesday forum meeting of the Chamber of Commerce at the Medford hotel this noon, Judge E. E. Kelly was the principal speaker, and he painted a conservative but hopeful picture of the oil possibilities of the Rogue River valley.

"If the oil prospects brought to the surface in this valley were in Texas, Oklahoma, or any other oil producing sections of the world, I will tell you," said the judge, "that local citizens would never rest until they had been given a sure and intelligent test. Nature put oil in Jackson county, and left its traces on the surface, I would not waste my time fiddling with something I thought was unworthy." "The best sign that the local conditions will amount to something," the judge said, "is that high-brow experts have condemned it. The Burkburnett district in Texas was examined by highbrows, and a decision reached that it would never amount to anything. The next day oil was struck, and a man by the name of Fowler gave \$250,000 to the Baptist church."

Judge Kelly described Burkburnett as "a wide place in the road before oil was discovered," and Wichita Falls as "not quite as respectable as Tolo." He reviewed the prosperity that had come to those cities as a result of the oil development.

He said that he honestly and conscientiously believed there was oil in the Rogue River valley. "Wildcatting is a pretty serious business," Christopher Columbus was the first wildcat, and you all know he came near being heaved overboard. There are some people here who want to throw the Christophers overboard," the judge concluded amid laughter.

The judge concluded his remarks with a plea for intelligent development and support, and aroused considerable enthusiasm by his talk. The meeting was the largest in point of attendance ever held by the forum, 104 people being present.

A new song, "There is Oil in the Soil of the Valley" to the tune of "There's a Girl in the Heart of Maryland," was presented for the first time.

Emil Mohr, ye host of the Medford hotel, made a short and snappy address between songs.

AMERICAN LAD MAY MARRY PRINCESS

ATHENS, Dec. 29.—William Leeds, son of Princess Anastasia, may marry Princess Olga, daughter of Prince Nicholas, and niece of King Constantine. It is rumored in court circles. Prince Nicholas is a brother of Prince Christopher, the husband of Princess Anastasia.

COLLEGIANS DEBATE ON COLLAPSE CAPITALISM

NEW YORK, Dec. 29.—Delegates from many colleges were here for the twelfth annual convention of the inter-collegiate conference on labor and radical movements. Sessions will continue until tomorrow night. "Is capitalism collapsing?" is the question for debate at the main session tonight. Morris Hillquit, social leader, and Scott Searns, former professor at the University of Pennsylvania, will defend the affirmative and Dr. Talcott Williams and Joseph Henry Cohen will speak for the negative.

ANOTHER BIG STORM IS EN ROUTE TO OREGON

SAN FRANCISCO, Dec. 29.—Storm warnings were displayed throughout Washington and Oregon today with a storm moving from the north Pacific it was announced by the weather bureau here. Strong southerly gales will sweep the two northern coast states, it is predicted.

OREGON FARMERS FOR A STATE-WIDE WHEAT POOL NEXT 5 YEARS

PENDLETON, Ore., Dec. 29.—A tentative contract calling for a state-wide wheat pool for five years was presented today to eleven representatives of state farmers organizations meeting here. They plan to revise and present it next month to the State Farm Bureau federation convention at Portland and to the State Farmers union and the Grange. A steady flow of wheat to market to prevent a flood in any time and fluctuation in price is the avowed purpose of the move.

Walter M. Pierce of LaGrande, Ore., and George A. Mansfield, Medford, Ore., president of the State Farm Bureau are among the leaders here.

DEMONSTRATION FOR VENIZELOS DISTURBS KING

ATHENS, Dec. 28.—(By the Associated Press.) Disorders arose today at the church of St. Theodore during services in honor of the name day of former Premier Venizelos. It was alleged that officers in the Greek army threatened the priest conducting the ceremony. Two persons were arrested, but were soon released.

The newspaper Paris today in a full front page editorial declared that Greece was enduring her Calvary, and that M. Venizelos would "surely return."

Some alarm has been shown by the cabinet over the fact that 20,000 of General Wrangell's anti-bolshevik troops, which were landed at Gallipoli, have spread into Thrace. It is declared these men are pillaging the country for food.

King Constantine is suffering a slight illness, having taken cold. Princess Anastasia, wife of Prince Christopher, who has been under orders not to receive newspaper correspondents, is now permitted to do so. There have been reports that she has been virtually a prisoner, but they have been disproved.

Prince George, who will soon be married to Princess Elizabeth of Rumania, plans a trip to Paris to buy his bride's jewels.

ATHENS, Dec. 28.—Madame Manos, widow of the late King Alexander has not the status of royalty, but is personally on friendly terms with members of the Greek ruling house. Princess Anastasia, wife of Prince Christopher, is recognized as a Greek princess.

LATEST NEWS OF THE STATE

SALEM, Ore., Dec. 29.—Governor Ben W. Gelett today announced the appointment of Dr. J. K. Locke of Portland as a member of the state board of medical examiners to fill the unexpired term of Dr. Frank W. Wood, resigned. Dr. Locke's term as a member of the board will expire February 28, 1922.

PORTLAND, Ore., Dec. 29.—Walter E. Cnoklis was elected president of the 1921 Rose Festival auxiliary and nine members of the board of directors were chosen last night.

PORTLAND, Ore., Dec. 29.—Delegates from every county in Oregon and from all the cities of the state, which have teachers' organizations, gathered for the opening of the twelfth annual session of the state teachers' association.

OHIO STATE DRILLS BY MOONLIGHT BEARS TEAR THROUGH SCRUB LINE

PASADENA, Cal., Dec. 29.—Practice by moonlight, it developed today is the latest resort of John Wilce, head coach of Ohio state's football squad, to get his men into condition for their game here New Year's day with the University of California. Just where Coach Wilce took his men last night was not divulged, but it was believed to have been Boyard field, at the University of Southern California, in Los Angeles. At any rate, Elmer C. Henderson, U. S. C. coach, was in on the secret and he said today the Buckeyes were put through two hours of the "hardest kind of signal practice." "They stopped only three times during the entire two hours," said Henderson said, "so don't worry about their not lasting sixty minutes in any man's climate."

D'ANNUNZIO SURRENDERS TO CAVIGLIA

Dramatic Coup d'Etat of Mad Paet Is Over—Even Deprived of Negotiative Powers—Fiume's Mayor to Be Spokesman for Besieged City—Terrific Fighting Precedes Surrender.

Fiume, Dec. 29.—(By the Associated Press.)—Gabriele d'Annunzio early today surrendered all his powers to the Fiume communal council. General Caviglia commander of the regular Italian forces will arrange the conditions of peace with a delegation of the council today.

Fiume, Dec. 29.—(By the Associated Press.)—The truce was arranged during the night and will continue until the conclusion of the conference. Mayor Riccardo Gigante of Fiume and Captain Hostventuri in whose hands d'Annunzio placed the defense of the city, will be the spokesmen for Fiume, d'Annunzio apparently being ignored.

ROME, Dec. 28.—D'Annunzio's legationnaire at Fiume set fire to a powder magazine in the Racina valley, southeast of the city last night, according to a report from Albania. The explosion, which occurred toward midnight, set fire to the woods surrounding Fiume to the east and great clouds of black smoke rolled down over the city.

Italian regular troops surrounding Fiume, continued to advance west and north of the city yesterday, while on the eastern side the situation was unchanged. The fiercest fighting occurred west of Fiume, where Alpini advancing from Castra reached the public gardens. When they had forced their way that far they found all the houses surrounding the gardens had been transformed into machine gun nests from which a terrific fire was poured upon them.

An armored car advanced against the regulars and inflicted heavy losses. The Alpini throwing themselves on the ground and continuing the struggle for some time. Major Dambara, in command of the Alpini, rode through the gardens on horseback and rushed toward the car, but was wounded twice and his horse was shot dead. When the fire ceased Major Dambara was able to struggle toward the car and upon entering it found three dead legionnaires and two seriously wounded commisioned officers.

Shoot to Kill. Wounded regulars have been taken in motor berries to Trieste and Gorizia, where special hospitals were organized. The number of men taken to these hospitals increased hourly. The regulars found themselves handicapped in their fight against the legionnaires. They were armed only with rifles while the d'Annunzian troops used hand grenades and machine guns and besides had laid mines everywhere so that at every step the government soldiers were in danger of being blown up. Two houses in Fiume have already been destroyed by mines.

The wounded men say the regular troops were ordered not to fire unless absolutely obliged to do so, while the legionnaires have taken every advantage to inflict the heaviest possible losses upon their assailants.