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MILLIONS STARVE AS RESULT OF FLOODS IN CHINESE RIVER

Estimated 2,000,000 Victims of China Flood Are in a Pitiable Condition

OTHER MILLIONS ARE HUNGRY AND HOPELESS

No Relief Possible Until Another Crop; Enormous Contributions Must Be Made

Hongkong, July 1.—Foreigners who have visited the flood-stricken West river valley above Canton said here today that in placing the number of destitute Chinese in the district at 2,000,000, when he appealed to the Washington state department for aid, in the name of a committee of American missionaries, United States Consul Cheshire at Canton was more than moderate.

Two million, they explained, might cover the number who are actually starving today. Several times as many more, however, it was declared, are rapidly approaching the starvation line, and as there can be no relief for them until another crop can be harvested, weeks hence, the situation is plainly going to grow worse.

Unless aid is given on an enormous scale, it was reported, the mortality will be appalling.

SECRETARY BLOCKS COMPANY'S GAME

The plans of an enterprising insurance company were ba.... today by Insurance Commissioner ..rguson. The company proposed to issue policies to employers who were not taking the proper precautions of safety around dangerous machinery and also to employers who deliberately jeopardized the lives of certain employes. The company proposed to insure these employers against suits for damages by injured employes.

Mr. Ferguson wrote the company that if they should continue to write policies in opposition to his ruling that he would revoke their charter.

Mr. Ferguson's letter in part follows:

"In examining the propositions which you place before the employers of the state, I feel that I must take exceptions to some of the conditions set forth in your plan 'A.' The sections to which I refer are the ones indicated as A2, relating to claims for damage under Section 22, and the one indicated as No. 3, relating to claims for damages on account of the failure of the employer to comply with the provisions of Section 25 of the Workmen's Compensation Act.

"I agree fully with the expressed opinion of the Attorney General of this state that "any contract wherein one person agrees to save another harmless against such other's unlawful or criminal acts or breach of duty is void and unenforcible as being contrary to public policy.'

"The claims against which you propose to protect employers under paragraphs 2 and 3 of your proposed plan 'A' would be due to acts on the part of the assured which are a crime under the provisions of our law. I therefore feel that such contract would be illegal and am not willing that any company may issue such a contract in this territory. Should I find any company issuing a contract containing these provisions in this territory, I shall feel it my duty to penalize such company.

Yours respectfully,
J. W. FERGUSON,
Insurance Commissioner.

REWARD OFFERED FOR LOST RANGER

Twelve Hundred Dollars Will Be Paid for Knowledge of Fate of Louis Margolin.

San Francisco, July 1.—A reward of $1,000 has been offered for information concerning the fate of Louis Margolin, a member of the United States forest service, who disappeared in the Sierra national forest June 19. The reward was offered by L. N. Margolin, a hat manufacturer of New York City, and a brother of the missing man. The forest service also offered $200 for the recovery of Margolin's body.

The day Margolin disappeared he had started from a forest ranger camp on Dinkey creek for another camp on Patterson mountain, 12 miles away. Soon afterward a terrific storm broke, and it is feared he was drowned.

TO INVESTIGATE LIND.

Washington, July 1.—A resolution demanding an investigation of charges by a New York newspaper that John Lind had advised the Mexican constitutionalists that they could evade the American embargo by shipping arms and ammunition via Cuba, was introduced in the house today by Representative Kahn of California.

SAYS NEITHER ROAD PAYS FOUR PER CENT

Examination Shows Oregon Trunk Cost $110,000 a Mile and Is Bonded for $144,000 Per Mile.

Portland, Ore., July 1.—During a brief cross examination on the part of Attorney C. W. Fulton before Interstate Commerce Commission Examiner Pugh today, Traffic Manager W. D. Skinner of the North Bank road, denied that the Great Northern and the Northern Pacific had built the S. P. & N. for the purpose of holding the mouth-of-river situation and keeping their influence on the side of Puget Sound.

Skinner was the second witness on the stand for the railroads, who are resisting the effort of Astoria to secure common point terminal rates such as Seattle and Tacoma and Portland ports on Grays and Willapa harbors now enjoy. He analyzed the whole subject of rate making and why what appears an inconsistently low rate for certain long distance hauls is caused by the crossfire of competition between Washington and Oregon lines.

C. H. George, statistician for the S. P. & S. company, was the first witness put on the stand for the defendant companies. He submitted official reports to show that since ... was built the Spokane, Portland and Seattle has never earned enough to pay for the four per cent on its bonded debt. He declared the Oregon Trunk has never even made operating expenses.

On cross-examination Senator Fulton developed the fact that while the road cost $110,000 per mile to build, it is bonded at $144,000, upon which the revenues are relied to pay interest.

Traffic Manager Skinner was put on the stand to explain why the rates now in effect were put there and the theory on which the defendant roads feel justified in standing fast against any reduction of the Astoria rates. He said the territory traversed by his line is largely arid and unproductive. He declared this fact has repeatedly been considered by interstate and state commissions in granting it immunity from rate reductions for which numerous parties have contended.

ATTORNEY FIXES THE VALUE OF HIS CLIENT

Advises Wife to Settle for $2000, as That Is All Her Husband's Affections Are Worth.

Los Angeles, Cal., July 1.—In an attempt to prove that a conspiracy existed to secure money from Mrs. Ida Morgan, defendant in a $50,000 alienation suit brought by Mrs. Orris Budd of Long Beach, attorneys for Mrs. Morgan read in court today a letter alleged to have been written to Mrs. Budd by Louis N. Whealton, an attorney who is mayor of Long Beach.

The letter is said to have been written in reply to a telegram from Mrs. Budd in which she expressed doubt of the loyalty of Robert Lithgow, a private detective who kept a diary of events at Mrs. Morgan's mine at Cima, where the woman and Mrs. Budd's husband had known each other. It reassured Mrs. Budd that Lithgow was dependable. A part of the letter read:

"We want a settlement. The largest damages ever given in such a case was only $2000. Get what you can, but it will be wise to get $10,000 in a settlement than to fight. Budd is not worth that much, I am afraid, in the eyes of a jury."

Whealton was on the stand during the morning session.

JURY DUTY SHIRKED FOR BASEBALL FIELD

Portland, Ore., July 1.—Brought before Circuit Judge Davis on a bench warrant because he failed to appear for jury duty, Manager Walter McCredie of the Portland Coast league team was granted a week's respite providing the Beavers take six of the eight games with Hap Hogan's Venetians this week.

"I just gotta be on the firing line," McCredie plaintively told his honor.

"If that's the case, go forth to battle and bring home the persimmons," Judge Davis told him, "but return next week and do your duty."

ALBANIANS REBEL AGAINST NEW KING

Rome, July 1.—News was received here today that Albanian insurgents wiped out a force of government troops Sunday which had been sent against them by William of Wied, the new king, and were concentrating for a fresh attack on Durazzo, the capital.

FLAMES DESTROY MANY FINE AUTOS—DAMAGE IS $35,000

Fremont Hotel and Rees & Elgin Garage Are Among Buildings Destroyed

PRESSING PARLORS GO AND MANY SUITS BURN

Inflammable Material Makes Terrific Blaze But Firemen Heroically Control It

Property damage as a result of the fire that gutted the Fremont hotel building, owned by George F. Rodgers, at the corner of Ferry and High streets, early this morning, is estimated this afternoon to approximate $35,000, although it is impossible to give any exact figures until the insurance men have viewed the damage and the owners can check up their losses. Prompt action on the part of the fire department, in spite of a false alarm that took them in an opposite direction from the fire, confined the blaze to the hotel and saved the adjacent buildings.

George Rodgers, on whom the loss will fall the heaviest, estimates his damage to be about $15,000, which is not covered by insurance. As a stroke of bad luck, he had allowed his insurance on the building to lapse recently. Little insurance was carried by the other tenants of the building. Among the other heavy losers are Mrs. H. W. Harding, who conducted the Fremont hotel, and the Rees & Elgin auto garage, the proprietors of which lost three new automobiles, a large number of tires and machine fixtures. Their loss will approximate $4,000.

Many Shops Burn.

Housed under the same roof were a large number of shops. Among them were the Shaw pressing parlors, the loss of which will amount to about $450; the Excelsior motorcycle garage conducted by Morse & Ramsden, whose loss consisted chiefly in several bicycles, oils and fixtures; the Rees & Elgin auto garage, in which were stored seven autos, all destroyed; the paint shop of the Hutchins Paint company, whose loss is estimated to run $1,500 above $600 insurance; a store room of R. R. Jones, contractor, whose loss has not been ascertained; the French laundry, loss unknown at present; a vulcanizing shop, in which was an auto belonging to Mr. Rodgers, a tinshop belonging to A. L. Fraser, and the Threska Hat Works, $1,000.

With the exception of the engines of the motorcycles and the autos and the machinery of the tinshop, which escaped fiercest of the heat, everything in the building is a total loss. Nothing is left of the furniture of the lodging house but soaked bedding and scraps of twisted iron bedsteads. In the ashes of the autos are the auto engines, while brick chimneys and charred posts loom up from a tangled mass of blackened and twisted rods. Where yesterday was a busy hive of business today is a confused heap of blackened ruins.

Insurance Too High.

It is said that the reason little insurance was carried by the tenants was because of the high percentage required by the insuring companies, the rate being as high as 10 per cent of the property covered by the underwriters. It was recognized that the building was old, dry as tinder and a regular fire trap. It was also noted and censure given for allowing a hotel and auto garage to be housed under the same roof, when the latter store so much combustible stuff as gasoline and prestolite.

The Fremont hotel was formerly a livery stable conducted by W. S. Low and was remodeled only last year by Mr. Rodgers into its semi-modern shape. The ground floor, on account of its use as garages, was soaked with oils and extremely inflammable so that when it caught last night about 11:45 o'clock in a few minutes it was practically past saving. The flames raced from one place to another with such rapidity that six streams of water had little or no effect in the way of checking them.

There was short shift given to the occupants of the hotel and they barely escaped being caught in their rooms and burned. As it was one man was reported to have been trapped but the finally escaped by climbing onto the shed next Skipton's barn and jumping to the ground. Flying glass caused a few minor cuts among the fleeing hotel guests, but no one was seriously hurt.

Good Work Done.

On account of the excellent work done by the fire department in their hopeless struggle against the fire that was consuming the main structure, the flames were confined to that building alone, and the stables and feed barn of Skipton on the west was not even scorched. The new auto pumper was

(Continued from page 3.)

OREGON BOYS JOIN SHIP.

Portland, Ore., June 1.—Two hundred members of the Oregon naval militia left by special train over the O. W. R. & N. this morning for Tacoma, where they will go aboard the first-class cruiser Milwaukee this afternoon to begin the annual cruise.

From Tacoma the Milwaukee will proceed to Seattle, where divisions of the Washington naval militia will be taken aboard tonight, and by tomorrow morning the warship will be well out to sea on the trip to Honolulu.

TENNIS AND BASEBALL SWIMMING AND GYM

These Are the Things Just Now Most in Vogue at the Y. M. C. A.—Ladies Use the Tanks.

Physical Director Gingrich of the Salem Y. M. C. A. and Paul Wallace were attending to the surveying of the tennis courts on the Willamette university campus preparatory to the laying of the last layer of bithulithic topping that will put the finishing touches to the courts. The crushed rock that has been put on is being rolled today and the proper grade being made. After the top dressing has been laid and rolled, it will be ready for playing as soon as it gets cold and is marked. Should the new courts not be ready for a day or two, play may go on on the clay courts just west of the new ones.

The baseball team of the Salem Y. M. C. A. was out for its first practice yesterday afternoon on the baseball diamond on the campus of Willamette university. In spite of the fact that only five men showed up for practice the session was a good one. It is expected that the next time the new aggregation practices that a full team will be on hand. The Salem association is confident that it has the makings of a first-class ball-tossing aggregation in its midst and will make every effort to bring out and develop the talent.

Even though the youth of the city has the broad and long Willamette river in which to wash off the dust and grime of the streets and cool the heated blood of the summer-time, the Y. M. C. A. swimming pool is a popular place each and every day in the week. With competent instructors on hand to give lessons when needed and the danger of accidents reduced to a minimum, the pool is a magnet that draws on an average of 25 boys between the ages of 10 and 16 years per day.

Every day the tank is busy from 4:30 in the afternoon until 8 o'clock with senior boys and businessmen. The older men find enjoyment and recreation in the late afternoon splashing about in the pool when they have not the time to go out to the river.

On Wednesday nights the girls of the city have their turn at the swimming business and make use of it in large numbers. The younger members of the fair sex use the pool from 6:30 in the afternoon until 7 o'clock. Older girls from 13 to 18 use the pool from 7 until 7:45, while still an older class use it from 7:45 until 8:30 o'clock.

About 50 young women of the city are taking advantage of this opportunity to enjoy a swim. Over 65 girls have been taught to swim and others given advanced instruction about taking care of themselves in the water. It is believed that the work of the association in this line is invaluable and that it will prove itself many times over.

The ladies gym class at the Y. M. C. A. has been discontinued until September on account of the warm weather. On an average of 40 to 50 young women attended these classes during the winter.

BUGGY AND AUTOMOBILE GET IN A TANGLE

An auto driven by F. E. Mangus, of Salem, and a single buggy driven by Mrs. Branson, who resides on a farm five miles east of this city, collided today at the corner of State and Liberty streets, but the only damage was a badly bent axle on the buggy. The auto had been following the buggy around the corner, and in front of the Barr Jewelry store stood an auto which Mrs. Branson, in driving around, swung her horse and rig in front of the auto and the rear mud guard hit the front wheel of the buggy.

No one was hurt in the least, and Mr. Mangus immediately ordered the buggy sent to the shop to be repaired at his own expense.

A desirable thing to know is how best to sweeten the bitters of life with mirth.

The Weather

Fair tonight and Thursday; northerly winds.

AUSTRIAN TROOPS CONTROL SITUATION BUT TROUBLE BREWS

Boy Who Killed the Prince and Wife Denies Having Any Accomplices

SERVIANS SUBDUED BUT NOT CONQUERED

Police Believe There Was a Plot to Assassinate Couple, Despite All the Denials

Budapest, July 1.—Austrian troops had gained the upper hand today in the various provinces in which pro-Servian and anti-Servian disorders broke out following the assassination Sunday of Archduke Francis Ferdinand and his wife, the Duchess of Hohenburg.

The fire starting during yesterday's rioting at Mostar, capital of Herzegovina province, was extinguished, the Croats who invaded the Servian quarter were driven back into their own section of the city and cavalry was patrolling the streets. Serajevo was still under martial law. If a Servian revolt had been planned in Bosnia and Herzegovina, it seemed to have been stamped out for the time being.

The Servian population was in an ugly temper, however, and predictions of future trouble, and especially of more assassinations, were freely made.

Gavrio Prinzip, who killed the archduke and his wife, and Nadeljo Cabrinovitch, who made a similar but unsuccessful attempt, both denied that they had accomplices or that they knew one another. The police were not convinced, however, and more arrests were expected.

"A study of anarchist literature convinces me," said Prinzip, "that we cannot do a greater service to our fellow men than by assassinating rulers."

War Is Probable.

Berlin, July 1.—War between Austria and Servia was feared here today as a result of the assassination of Archduke Francis Ferdinand of Austria by Gavrio Prinzip, a Servian student, at Serajevo Sunday.

Servia, of course, could resist Austria for hardly a day, but Russia is supposed to be its protector. Should the czar be drawn into the controversy, it was agreed here that nobody could tell where or when the trouble would stop.

Many were saying that fears, expressed when the archduke was killed, of a disturbance of Europe's peace through his death, seemed likely to be speedily justified.

Austria officialdom unquestionably was convinced that a widespread plot was behind Francis Ferdinand's assassination, and that it originated in Servia. A note said to have been sent from Vienna to Belgrade, demanding the conspirators' punishment, was interpreted in Servia as reflecting on the nation. The people were furious.

On the other hand, Austrians were enraged by the open assertion in Servian newspapers that the assassination was provoked by Austrian oppression of its Servian subjects.

Investigation at Serajevo showed that the most elaborate plans were made to kill the archduke.

Aside from the successful attempt made by Prinzip, and the failure of Nadeljo Cabrinovitch, bombs were found planted under the table at which the archduke was dined and in the chimney of his wife's room at Ilije, a Serajevo suburb, which the couple were to have visited. Several powerful bombs were aslo found in possession of a Servian woman arrested at Serajevo as a suspect.

Finally the railroad by which the archduke and his wife were to have left Serajevo, it was discovered, was mined in several places.

TO HEAR DEMURRERS.

On Thursday and Friday of this week Judge Percy R. Kelly will be present in the court room of department No. 1 of the circuit court to hear motions and demurrers and to transact other business in preparation for the opening of the regular July term of court which begins July 6.

HAITIEN REBEL IS LEADER REPORTED DEAD

Washington, July 1.—Captain Eberle of the American cruiser Washington reported to the navy department today that General Theodore, Haitien rebel leader, and fifty of his men had been killed in a battle near the dominican frontier.

THE DARIUS GREEN ACT.

St. Petersburg, July 1.—Captain Bojaroglo, an army aviator, was killed today at Peskoff by the fall of his monoplane.

TROUBLE IN PANAMA.

Panama, July 1.—Government officials were considering today the advisability of asking for American troops to prevent threatened disturbances here during Sunday's election. The situation was regarded as extremely serious, and it was believed that outbreaks were certain.

SOUTHERN PACIFIC TO BALLAST TRACK

Will Place Crushed Rock on Main Line From Portland to Springfield at Cost of $150,000.

Eugene, July 1.—The Southern Pacific company is preparing to place crushed rock ballast along its line from Portland to Springfield Junction, the work to begin at once and continue until the fall of 1915 according to a statement made last night by D. W. Campbell, assistant general manager of the Southern Pacific company, who with Supt. F. L. Burkhalter yesterday completed inspection of the Woodburn-Springfield branch of the Southern Pacific.

Upwards of $150,000 will be spent yet this year on the reballasting work, said Mr. Campbell, and the work next year will cost considerably in excess of that sum. The company's huge rock crushing plant at Black Butte, California, is now being dismantled, and will be moved to Marion, near Salem, where the company has acquired a suitable rock quarry. Mr. Campbell expects the first of the machinery very soon, but says it will require six weeks at least to put in the sidings, bunkers and other equipment needed to handle the rock in the large quantities that will be required. It is expected that work will be under way in time to resurface the line from Oregon City to Salem yet this fall, and next spring the rest of the distance to Springfield Junction will be undertaken.

Springfield Shops.

Expectation of heavy freight traffic the length of the Willamette valley, with the probability that the through traffic to California will be diverted over the Natron-Klamath Falls cutoff is given by Mr. Campbell as the reason for the improvement. He added that plans for extensive shops at Springfield had been hampered by stringency of the money market. "We did not buy all that land for farming purposes," he concluded.

P. E. & E. Extensions.

Asked as to the prospects for an early electrification of the upper valley lines of the P., E. & E., President Strahorn said: "I am still hammering away at our people in the east and hope to carry out our plans in the not distant future. The plan of further electrifying our lines has never been abandoned and they will be carried out just as soon as money is more plentiful." Mr. Strahorn said that he is well satisfied with the business of the electric trains on the McMinnville loop, which was the first unit to be electrified, and that there are now 46 cars being used on that portion of the system for the passenger traffic, which seems to be increasing steadily.

T. L. Billingsley, superintendene of the P., E. & E. accompanied the president of the road to this city from Salem.

BASEBALL TODAY.

American.

At Philadelphia—Boston-Priladelphia game postponed; rain.

At Cleveland— St. Louis-Cleveland game postponed; rain.

At Detroit— Chicago-Detroit game postponed; rain.

Federal.

At Pittsburg — Baltimore-Pittsburg game postponed; rain.

At Indianapolis—Chicago-Indianapolis game postponed; rain.

National.

At New York—Brooklyn-New York game postponed; rain.

First game—	R.	H.	E.
Philadelphia	7	10	3
Boston	2	6	3

Mayer and Dooin; Davis and Gowdy.

Second game—	R.	H.	E.
Philadelphia	5	7	0
Boston	0	5	3

Alexander and Killifer; Rudolph and Gowdy.

	R.	H.	E.
Cincinnati	0	1	2
Chicago	7	11	2

Benton and Clark; Cheney and Bresnahan.

American.

	R.	H.	E.
New York	4	7	0
Washington	7	11	1

McHale and Sweeney; Shaw and Henry.

National.

	R.	H.	E.
Buffalo	5	10	1
Brooklyn	7	11	2

Anderson and Lavegue; Marion and Land.

A HARD-HEARTED MAYOR.

Portland, Ore., July 1.—The warm weather of the last few days bringing out the "see through" skirts by the score, Mayor Albee today ordered the police department to keep all women wearing diaphanous gowns off the streets.

POWERS MAY UNITE IN DASH TO MEXICO WHEN HUERTA QUITS

United States Will Make No Objection to This, in Fact Encourages the Plan

FRENCH AND BRITISH MARINES ARE READY

This Plan Would Show Mexico Her Weakness With Whole World Against Her

Arrangements were said today to have been made for American, British, French and German marines to dash to Mexico City if President Huerta were overthrown, to police the capital until a government could be established.

Small hope was felt that mediation efforts would close the breach between Generals Carranza and Villa.

If they failed to become reconciled it was expected Villa would seize control of the revolution, handle the military campaign himself and put General Angeles in charge of the constitutional civil affairs.

Carranza made major generals of Generals Gonzales and Obregon, respectively east and west coast commanders, so that both nominally ranked Villa.

The two were understood, however, to have vowed allegiance to Villa as did General Natera, whom Carranza tried to put over his head at Zacatecas.

Villa was reported to have telegraphed to President Wilson asking him to raise the embargo which prevents the rebels from importing arms and ammunition from the United States.

General Obregon reported capturing the Guadalajara electric lighting plant and said he was about to attack the city itself.

Rebels were said to have routed 300 federals at Santiago, Lower California, killing 90.

President Huerta was said to be furious because the Niagara Falls conference had failed to result in an agreeent between federals and rebels, to have declared that he would never compromise with the latter and to be planning a guerilla campaign to the last.

The "A. B. C." mediators were in recess, awaiting the next move by the constitutionalists.

Nevertheless, President Wilson was not discouraged. He authorized the statement that "affairs are in as good shape as they can be until the factions can get together."

To this Secretary Bryan added that "mediation is not all over."

Vera Cruz, Mex., July 1.—A dash to Mexico City by American, British, French and Germar marines was predicted here today in the event of the collapse of President Huerta's regime before any other authority has been substituted for it.

This would not be considered intervention, it was said, but simply a necessary step to police the capital until a government was established. The United States was understood to have agreed with the other interested powers as to the desirability of such a course. The military and naval authorities here did not believe the dash would be resisted.

Besides the American fleet, there are three British cruisers, the French cruiser Conde and the German cruiser Dresden, either off or near Vera Cruz, so that the organization of an adequate international expedition into the interior would be a matter of no difficulty.

Practically the entire force of Mexican troops who have hitherto been patrolling the railroad had been withdrawn today into Mexico City.

Wilson Not Alarmed.

Washington, July 1.—President Wilson authorized today the following statement:

"Mexican affairs are in as good shape as they can be until the factions get together."

"Mediation is not all over," supplemented Secretary of State Bryan. "The mediators have not adjourned. There is nothing to announce."

TWO DROWN WHILE POSING FOR THE MOVIES

Canon City, Colo., July 1.—Grace McHugh, a moving picture actress, and Owen Carter, a camera man, were drowned in the Arkansas river near here at noon today. Miss McHugh, mounted, was fording the river during a movie scene, when she was suddenly thrown from her horse. Carter leaped into the water, seized Miss McHugh and swam with her to a sand bank. Both were apparently safe when they suddenly sank and drowned. It is believed the quicksand swallowed them up.