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## GIGANTIC BOMB PLOT ADMITTED BY GERMANS

### Lieutenant Fay, Under Arrest Confesses, and Says the German Secret Service Indorsed His Plans—Authorities Will Push Cases In Effort to Stop the Widespread Activity of German Agents and Sympathizers, and Rid the Country of Them

New York, Oct. 26.—The federal government today took charge of the gigantic bomb plot in which Robert Fay, former German army lieutenant, confessed he planned to blow up ships bound for allied ports.

Fay and his brother-in-law, Walter Scholtz, were turned over to federal authorities on representations of Chief Flynn of the United States secret service.

"The government's interest will be best served if the court turns them over to us immediately," Flynn told Magistrate Rander at Washawken. "The matter is one of grave importance."

The men were to be arraigned this afternoon before a United States commissioner in New York.

alleged conspirator refused to waive his rights. He will have a hearing before the federal district court of New Jersey.

The court proceedings lasted only a few minutes. Flynn served Fay and Scholtz with warrants charging violation of the federal statutes in attempts to destroy ships at sea. They were then taken to New York.

### FOUR UNDER ARREST

New York, Oct. 26.—Police and secret service men drew their net tighter today in the most recent German anti-shiping plot, in which five men already are either held or sought. They implicated Fay, but merely scratched the surface and that further arrests might be expected at any time.

The most startling overnight development was the search for Max Breitung, a relative of Edward N. Breitung, a millionaire shipping and mining man, and purchaser of the Dacia, which later France seized doubting the validity of its transfer to the American flag, under war time conditions.

What part he played in the plot to which Robert Fay former German army lieutenant, confessed, was not divulged. Authorities felt, however, that Fay's story of making clever actions, timed to explode by sea water action when attached to a ship propeller had been well substantiated.

The men held thus far are: Robert Fay, former German lieutenant; Walter L. Scholtz, his brother-in-law; Paul Daech, Cologne university graduate; Dr. Herbert Kienzle, watch company employe, charged with being the purchaser of the deadly explosive Fay planned to use in his bombs.

Breitung Is Wanted.

Acid and chlorate of potash in big quantities have been unearthed following Fay's revelations.

The chlorate of potash, it is understood was purchased with money furnished by Fay and Breitung. Paul Siebs, of the German army, has turned state's witness and will tell of the alleged purchases for the two men, according to information filed by Chief Flynn of the United States secret service.

Between now and November 4, when the cases are set for trial, the authorities hope to be able to apprehend Breitung and several others. They will claim that the German secret service indorsed his plans, for upon this will rest largely any action of the American government toward Germany.

There was an inclination today to push the cases to the limit, in view of



Th' ole-fashioned husband who had slip away an' go t' Uncle Tom's Cabin on t' sly now has a son who thers his wife t' a musical show. If thers such a thing as a nerve tonic I know some folks who must swim in it.

## TALKS WITH KAISER

By Carl W. Ackerson.  
(United Press Staff Correspondent.)  
Berlin, Oct. 26.—The whole German-American situation was discussed today by the American Ambassador Gerard and the Kaiser.

From Gerard's attitude afterward, it was believed that the one hour conference was very satisfactory.

The ambassador mailed a report of it to President Wilson.

The conference occurred at Potsdam, and Gerard was accompanied by Foreign Secretary Von Jagow.

## MAY START ANOTHER ROW WITH GERMANY

### New Laws Will Be Passed to Make Punishment in Such Case More Severe

Washington, Oct. 26.—Sharp representations to Germany, with a demand for an explanation, loomed today as a possible result of the admitted conspiracy on the part of Robert Fay, German army man, to blow up ships bound to allied ports.

The situation was pregnant with the possibility of another diplomatic difficulty, in view of Fay's statement to New York officers that the German secret service had approved his plan.

Fay's statement, too, that he was well supplied with funds to carry out his work will be investigated. Should it prove that these came from the German government, a sharp protest, with a demand for disavowal of Germany's assistance in the plan, will follow, officials said.

Will Make It Fit Crime.

"In view of the present inadequate punishment for such violations of neutrality, Attorney General Gregory intends to ask congress to enact new ones, to replace or revise the laws, which have gone unaltered since 1812. Punishment, however, can be given the men for their part in a 'malicious attack upon a vessel within the maritime jurisdiction of the United States,' under the criminal code. But this government desires to make such violations of neutrality punishable by such a heavy sentence that other plotters will be deterred.

Fay's occupation of Captain Boy-ed and Captain von Papen of the German embassy will be further probed.

The administration is stirred by the frequency with which these plots have come to light in recent months. Among the cases have been the plans of Austrian Ambassador Dumba and Austrian Consul General von Nuber of New York to cripple American munitions plants, discovery of Germans possessing photographs of American fortifications, efforts of Professor Holt, Cornell man, to destroy ships and to kill J. P. Morgan, and explosions and fires in various plants, believed to be traceable

## GOMPERS FURNISHES INSIDE INFORMATION

### Tells President of German Activity In Trying to Cripple Munition Plants

Washington, Oct. 26.—Concealing the real purpose of his visit behind the statement that it concerned labor legislation, President Gompers of the American Federation of Labor, laid before President Wilson today details of the now gigantic plot of German agents to tie up munition manufacture.

Asked pointblank about the plot, Gompers answered:

"I cannot tell you anything further than that I talked with the president regarding legislation and labor matters."

From another source, however, it was learned that Gompers not only gave the president information regarding the plot of Robert Fay, German army man, but also told of widespread activities of pro-German agents to effect walk-outs in large munitions plants.

Gompers said that labor in the coming congress will ask for legislation bearing on industrial education, vocational training, conservation of human life.

"The president listened closely," he said. "But I did not comment aside from expressing appreciation for my having these matters before him."

He showed the executive a mass of correspondence passing between labor organizations in the United States and Europe. The president was particularly interested in these, Gompers said.

Gompers is leaving Saturday for San Francisco to attend the A. F. of L. convention.

## LOOKS LIKE ATTACK ON SERBIA MIGHT FAIL

### German Advance Very Slow Owing to Fierce Resistance; Move of Allies Secret

By J. W. T. Mason.  
(Written for the United Press.)  
New York, Oct. 26.—After three weeks of offensive action, the Austrians are about a fifth of the way to Nish, and about a seventh of the way to Belgrade. Field Marshal von Mackensen's main advance is about 11-14 miles daily, whereas he made his reputation in May by progressing six miles daily from Dubnjace to Przemysl in a fortnight. The difference in his advance is due not only to the great tenacity of the Serbs' resistance, but also to a more difficult country, and the fact that the Serbs have better equipment.

It is more probable that the Serbians can hold out longer than the five days which the allies have asked them to, than that the allies will be able to send their major force to Nish within that time.

The movement of the allies in the Balkans are secret. Probably, however, the British have not yet sent any men into Serbia while the French have been able to throw a small force against the Bulgarians.

There is no doubt that the Bulgarians, theoretically at least, will be in extreme danger if the allies can strike southern Serbia soon. In fact, disaster may well overtake them.

Snake in Bananas.

Portland, Or., Oct. 26.—A brilliant-colored South American snake, 3 1/2 feet long, which crawled from a bunch of bananas in the commission district, is on exhibition here today.

Johany Cole, a wholesale house employe, stung the snake with a stick before it could be captured.

## \$1900 CUT FROM BUDGET AND THEN ADDED ON AGAIN

### Tax Budget of \$174,600 As Proposed Is Adopted By City Council

## STREET DEPARTMENT GETS AMOUNT "SAVED"

### City Attorney Reduced \$300 and Fire Department Cut To \$13,000

After quibbling, whittling and pruning through 29 items of the proposed city budget and loping off \$1900 the city council added the \$1900 to Item No. 30 and the gigantic struggle for economy ended where it had begun, the proposed budget total of \$174,600 for next year remaining as it was in the beginning and requiring a 14 mill tax.

The city attorney's salary remains as it was last year, \$1200, and three hundred dollars was eliminated from this appropriation. The fire department asked for \$14,600 and this was cut to an even \$13,000.

The street department proved to be the most expensive department on the city budget as it receives a total of \$29,066.75 to spend next year. The city charter provides that the street fund must be supplied from a tax levy of 1 1/2 mills and it was found that this would produce but \$17,550 so a deficiency which amounted to \$9,600.75, and then this amount was raised by the addition of the \$1900 lopped off of the other departments until it totaled \$11,506.75 which with the \$17,550 will make \$29,066.75 for the uses of the street committee next year.

The police department secured a total of \$7,600 which includes \$1200 for the salary of the chief, \$600 for the police matron and \$5800 for the salaries of the patrolmen. This provides six officers at \$900 a year for salaries or \$5400 and \$400 more for extra police and specials during celebrations and the state fair in Salem.

The \$14,500 sought by the fire department included three new regulars and eliminated seven call men but the council decided in favor of the call men and against the three new regulars. An item of \$500 for vacations for the regular firemen during the summer was also cut out.

The following list shows the amount appropriated for 1916 and the amount of the proposed 1916 budget, as it will be presented at the meeting of the tax payers:

General Fund.	1915.	1916.
Recorder's salary,	\$1200;	\$1200;
Clerk hire,	\$1700;	\$1700;
Treasurer's salary,	\$1000;	\$1000;
City attorney,	\$1500;	\$1500;
Stenographer, city attorney,	\$1915;	\$300;
Marshal's salary,	\$1200;	\$1200;
Salaries, police department,	\$1915;	\$4200;
Expense, city jail,	\$1915;	\$600;
Salaries, and maintenance fire department,	\$12385;	\$13,000;
Health officer,	\$500;	\$500;
Incidental expenses, health officer,	\$500;	\$1915;
Public parks,	\$2000;	\$1915;
Lighting,	\$16500;	\$16,543.50;
Engineering and surveying,	\$1915;	\$3900;
Bond redemption,	\$3862;	\$3758.03;
Public library,	\$5500;	\$5500;
Elections,	\$1500;	\$1500;
Maintenance of public buildings,	\$1500;	\$1500;
Public printing,	\$1500;	\$1000;
Fuel, city hall,	\$600;	\$1915;
Incidental expenses of the city,	\$1915;	\$1500;
Salary, police matron,	\$1915;	\$600;
Salary, police matron O. E. depot,	\$1915;	\$1200;

(Continued from Page Six.)

## STOCK MARKET BOBS AND THEN BOBS MORE

### Market Moves Up and Down and Sometimes Both Ways at Once

(Copyright 1915 by the New York Evening Post.)  
New York, Oct. 26.—Conflicting buying and selling orders in large volume today gave the market a most confused appearance. Like yesterday when the market was driven first one way and then another by the contending influences on enthusiastic buying and selling for profits, so today's market rose and fell in turn, and occasionally moved two ways at the same time.

Once this morning, an especial demonstration of strength caused railroads and automobile issues to be benefited alike, but in the afternoon an especial demonstration of weakness set alone in railroads and automobiles, but also in war shares, was prominent.

There was a downward sweep in the middle of the afternoon, very distinctly significant of the day's backward and forward movements.

Helping the market, there was the publication of foreign commerce returns for the current season.

Each day and week bring figures to demonstrate, emphatically, the amazing transformation that has come over American export trade because of conditions in Europe.

## THE WEATHER

Oregon: Tonight and Wednesday, occasional rain in northwest, unsettled; and probably rain south and east portions; and southwest wind reaching a gale force near the north coast.

## OLDEST ELK IS DEAD

San Diego, Cal., Oct. 26.—Charles C. Clusker, aged 105, known as the oldest Elk in the world, is dead here today.

Clusker, who has lived in San Diego for a number of years, was born March 27, 1810, in Richmond, Ky., and was a life member of San Bernardino lodge of Elks No. 36, which organization will conduct funeral arrangements in conjunction with the local lodge of Elks.

Charley Clusker was cheerful to the last and took this as his motto through a long life: "Never worry; eat hearty; be happy and sleep sound."

## CALIFORNIA TO VOTE ON NINE MEASURES

### Nine Constitutional Amendments All Favored by Governor, to be Voted On

San Francisco, Oct. 26.—Perfect weather combined with a strong finish last night, today led leaders of Governor Johnson's campaign; for his non-partisan bills to provide that a fairly heavy vote would be cast today in the special election to decide the fate of the non-partisan measures and nine proposed constitutional amendments. The governor was confident that the measures would pass. On the other hand members of the joint party commission felt that they had made a strong fight against the Johnson measure designed to eliminate party lines, and expressed optimism.

Proponents of the measures based their hopes on the arguments advanced throughout the campaign that the measures will not affect national party lines. On the other hand, opponents of non-partisanship pointed out that the whole scheme of party organization will be broken down, and waged their fight on this point.

The nine proposed constitutional amendments are: "To make superior court judges' terms 12 years; to eliminate 'short term' judges, elected to fill vacancies; to provide rural credits and colonization system; to authorize legislative revision of the system of depositing public moneys (this proposal is subject to referendum); to require a two thirds majority instead of a majority vote to carry bond elections, proposed by initiative; to give public officials the right to condemn more land than is needed for immediate use; to give legislative power to adopt a new system of taxation; to extend church property tax exemption so that institutions will remain exempt when opened week days for social purposes or religious benefits; to give people in counties under charters more voice in the county government.

## AUSTRIANS MADE GAINS BUT BULGARIANS BEATEN

### Germans and Austrians Drive Serbs Back—Bulgars Reported Beaten By the French at Krivolak and Their Position Thereby Made Dangerous—Fifty Steamers and Lighters Laden With Munitions Assembled for Passage Through Bulgaria to Turkey

Amsterdam, Oct. 26.—Accompanied by incessant fighting, the Austro-German drive in Serbia progresses steadily, according to official report from Vienna.

Southeast of Palanka, 18 miles south of Semendria, the Germans stormed all the Serbian positions, despite a bitter defense and occupied Petrovac, 18 miles east of Palanka.

In the northeastern tip of the country, the Austro-Germans have crossed the Danube near Orsova and advanced into the mountains east of the river at the narrows of Kliasaura.

Unofficial Bucharest messages said the Serbian troops had withdrawn from the Danube neighborhood and that the Austrians had crossed the river across the island of Odakale. Fifty steamers and lighters, laden with munitions were said to be assembled at Orsova ready to make free passage through Bulgaria to the aid of Turkey.

Valjevo, 25 miles from the Save river and 30 miles east of the Drina, is in Austrian hands. Their cavalry took the town by storm. General Von Kooevics is approaching Arangelovac, 33 miles southeast of Belgrade.

French Beat Bulgars.

"The Bulgarians have taken Negotin and Prohovo in Southern Serbia," said a Sofia statement dated Sunday. It was regarded as possible, however, that the Serbs expelled them later.

Between Zajecar and Kajanevac, the Bulgarians defeated the Serbs. Attacks against Piroz, 25 miles to the southeast, progress favorably.

The Bulgars are across the Timok at many places and are pushing steadily toward a junction with the Austro-Germans.

Defeat of the invaders at Krivolak was reported from French sources. This is about 40 miles from the border where the Nish railroad crosses. French troops were supposed to have aided in overwhelming the enemy, while British troops were said to be coming up. Thus far no British troops have been reported inside of Serbia, though reports have said they were landing at Salonika.

The Krivolak victory may mean a serious threat against other Bulgarian troops operating in that region.

## Russians Are Beaten

Amsterdam, Oct. 26.—Austrian forces are defeating the Russians west of Chortorysk, according to the official statement from Vienna, early today. The Slavs were again driven across the Stry and 1,800 prisoners were taken.

## The Offer Has Lapsed

London, Oct. 26.—Speaking in the house of commons today, Sir Edward Grey, the foreign minister said the allies' offer of the island of Cyprus to Greece for her participation in the war had lapsed because Greece had not seen its way clear to helping Serbia.

## Bulgars Repulsed

Paris, Oct. 26.—Strongly resisting counter attacks, the French retain La Courline in the Champagne, today's official statement said. The French captured a trench north of Massiges. Of the Balkan operations, the statement said: "The Bulgarians were repulsed in the Strumtska region. The statement that they threw the French back on the right bank of the Vardar is false."

## Germans Advancing

Berlin, Oct. 26.—"We have captured from the Serbians the northern slopes of Ruca valley (south of Palanka) also Marcorae Laole and Kucevo," said today's official announcement.

## Claim Italians Fall

Vienna, Oct. 26.—The fourth day of the Italian offensive in the Isonzo was marked with continued failures and heavy Italian losses, the official statement claimed. Unsuccessful attacks were made in the Tyrolean Alps.

## CARRANZA WOULD BUY PEACE FOR COUNTRY

El Paso, Texas, Oct. 26.—General Carranza is trying to buy off his ancient enemy, General Villa and his recent ally, General Obregon, from those who, it is learned today from those who follow him, are not interested in the war. Carranza believes that to end internal warfare justifies any means.

Carranza will offer Villa \$250,000 to leave Mexico immediately, will assure him of amnesty later, and permit him to return and reside in Mexico in safety.

Then he will offer Hippolito Villa and other leaders a liberal sum, if, after including Francisco Villa to leave, they follow him. It is said Carranza will not hesitate to spend \$1,000,000 in this way.

A MEXICAN DREAM.

Brownsville, Texas, Oct. 26.—Held prisoner by the Americans, Chemo Flores has admitted that he participated in the wreck of a train at Olmito near here, and he declared that the Mexican revolution constitute a regularly organized "army" of 500 men divided into companies of from 40 to 60 each.

His object, he said, is to secure "liberty and independence of Texas for the Mexicans." Robbery and looting are secondary objects. Headquarters are at Reynosa.

Other prisoners deny his story.

AMERICANS GETTING OUT.

Washington, Oct. 26.—Fearing a bombardment by General Villa, residents of Agua Prieta today fled across the border to Douglas, Ariz., according to state department advice.

Officials fear that the train, moving 5,000 Carranzistas from Eagle Pass, might be attacked by raiders, so American soldiers are patrolling the railroad.

The state department received an appeal from the mayor of Douglas for protection from bullets across the border in the impending battle.

Defection of several Villa generals to Carranza was officially announced.

WILL NOT STOP RACING.

El Paso, Texas, Oct. 26.—If General Carranza takes Juarez, across the border from here he will not interfere with racing, Consul Garcia said today.

Two hundred horses are expected from San Francisco for the winter meeting, and a special train will leave Lonia Saturday with 150.

Garcia said, however, that Carranza would stop all other gambling aside from bookmaking.

respective areas today, many with rifles ready to repulse trespassers. As the filing time on the land does not roll around until December 23, a long vigil will be necessary for those who plan to stick to the bitter end.

## HAVE SHOTGUN TITLES

Imperial, Cal., Oct. 26.—Hundreds of contestants for claims on a 7,000 acre tract of government land in the Imperial valley are holding down their