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SPECIAL WILLAMETTE VAL-
LEY NEWS SERVICE

The Daily Capital Journal

FORTY-FIRST YEAR—NO. 124

SALEM, OREGON, SATURDAY, MAY 25, 1918

PRICE TWO CENTS

ON TRAINS AND NEWS
STANDS—FIVE CENTS

TODAY'S
WEATHER
Oregon: Tonight
and Sunday fair;
heavy frost in the
interior in the
morning; moderate
north westerly
winds.

CONGRESS WOULD DELAY REVENUE BILL UNTIL FALL

Leaders of Both Political
Parties Afraid to Face
Issue at Polls

NEW BILL TO BE READY BY FIRST OF NEXT YEAR

Six Billion Dollars Are Wanted
From Incomes and Ex-
cess Profits

By L. C. Martin
(United Press Staff Correspondent)

Washington, May 25.—A new move
backed by both democratic and repu-
blican leaders to postpone a revenue bill
until after the fall elections was
announced today. The house ways
and means committee meeting at noon
decided on a plan whereby congressional
leaders would get together with Sec-
retary McAdoo and try to agree on a postponement. Scat-
ter members indicate President Wilson
knows of the move and is favorably
disposed to it. They also declared that
if a compromise were effected they
would have a revenue bill ready soon
after the first of next year.

The tax bill "back" has been passed
to President Wilson.
Secretary McAdoo declares there must
be a revenue bill this session. Congress
says there must not. Today the presi-
dent is expected to decide the question.
Having taken a firm position behind
McAdoo, the president was swept by
a heavy fire of opposition argument
from Senator Simmons last night and
forced to hold up a decision until he
had seen McAdoo again today. He also
will confer again with Simmons and
Chairman Kitchin of the house ways
and means committee, who yesterday
gave up all hope of avoiding a tax bill
this session and prepared to begin work
on the measure next week.
If the president orders the bill,
the wealth conspirators plan to come
into their own. The world has been passed
that there must be no limit to the taxes
on war profits, swollen incomes and
luxuries.
Representative Kitchin, who declares
congress and not the treasury will write
the bill, said it will add from three
to four billions to the nation's revenue
making a tax total of seven to eight
(Continued on page four)

FIFTY-THREE AMERICANS LOST WITH BRITISH TRANSPORT

Moldavia Was Submerged In English Channel Thurs- day Morning

Washington, May 25.—Fifty three
men, all members of Company B, Fifty
Eighth Infantry, Fourth division, were
reported lost in the sinking of the Brit-
ish transport Moldavia, the war de-
partment reported today.

There was a total of 482 American
soldiers on the vessel, who all were a
part of the 58th infantry.

The names follow:
Corporals Fred Chappell, Philadelphia,
Roy H. Shenk, Lancaster, Pa.
Privates Oscar O. Armstrong, Bridge-
port, Okla.
Andrew Blackwell, Hominy, Okla.
George D. Bousalis, Fargo, N. D.
Clyde E. Bosley, North Troy, Vt.
Erwin W. Bosley, North Troy, Vt.
Leslie C. Bracken, Royaltown, Minn.
Walter C. Bracken, St. Cloud, Minn.
William A. Brown, Hoytsville, Utah.
George N. Buchanan, Manette, Wash.
Emil Bueher, El Centro, Cal.
Joseph P. Callan, Milwaukee, Wis.
Fred D. Canwell, Fall River, Mass.
Louis V. Castro, San Jose, Cal.
Edwin L. Clausing, Crafton, Wis.
Virgil C. Cook, Hobart, Okla.
William J. Craft, Port Washington,
Wisconsin.
Ezra D. Diel, New York City.
Hermon W. Dirks, Braunfels, Texas.
Conrad Eckel, West Allis, Wis.
Fred Gerhardt, Chicago.
Edward L. Gerl, Manitowoc, Wis.
Rudwald Gottschewig, Ridgeon, Pa.
Wis.
Guisepppe Graci, Licati, Italy.
Charles F. Hacker, Millville, Cal.
Theodore Hodges, Mount Carmel,
Utah.
Clem Johnson, Martin's Mill, Texas.
Isador M. Knisp, St. Paul, Minn.
John Kobus, Missouri avenue, South
Milwaukee, Wis.
Henry C. Lading, Strausberg, Ill.
John S. Larsen, Chicago.

HORNER ARRESTED FOR TRIPLE MURDER AFTER LONG CHASE

People of Kelso Threaten
Lynching If Murderer
Brought Back

Seattle, Wash., May 25.—William
Horner, suspected of the fiendish murder
of Mrs. Fred Bassett and her two
children, was arrested by Sheriff
Claire Ward, of Okanogan county at 10
o'clock Friday night, as the alleged
murderer made his way through the
mountains near Tonasket to his ranch
in Jones valley. The search for Hor-
ner has been carried on unceasingly
since the discovery of the murder vic-
tims Friday night on the Pacific high-
way north of Kelso.

The identification of the dead
woman and her children was made on
Wednesday and since that time the net
has been tightened about Horner daily.
Thursday noon Sheriff Ward telephoned
from Okanogan that Horner
had been seen at Tonasket and had
taken a stage from there to Anacosta.
His capture was reported at one
o'clock this morning to Sheriff Stringer
of Seattle.

Sheriff Ward is on his way to Seattle
with the prisoner. They will arrive
here late tonight, Stringer was in-
formed.
Sheriff Studebaker of Cowlitz county
is in Seattle awaiting the arrival
of Horner at Sheriff Stringer's office.

Threats of Lynching
Kelso, Wash., May 25.—Sheriff Stude-
baker in Seattle was warned today
not to bring William Horner, sus-
pected of the Kelso murders, back to this
county if he wished to avoid a lynching.

L. L. Sewell, the sheriff's business
partner, wired Studebaker that an at-
tack would surely be made to lynch
Horner if he is brought here.
Sparling said feeling against Horner
gradually had grown until it was at
the boiling point.
A man named Schuster, a brother
of Mrs. Fred Bassett, who was killed
with her two children, is here and will
take the bodies to Republic, their
former home, for burial. Schuster, who is
a Seattle train dispatcher, said there
was a singular similarity between the
bullet wounds that killed the three
here and the wound in the head of
Fred Bassett, the woman's husband,
who was killed while on a deer hunt
with Horner in 1914. All the wounds
were just back of the ear. When Bas-
sett was killed Horner was not pro-
secuted because he returned with a story
that Bassett accidentally killed him-
self. Shortly after Bassett was killed,
Horner began living with Mrs. Bas-
sett.

War Savings Stamps are greatest lit-
tle stickers on record. Buy some today
or one, anyway.

RAT N AND MUD OVER WAR FRONT WESTERN FRANCE

Germans Still Concentrate
Forces for Long-Expected
Offensive

ONLY ACTIVITY RAIDS AND ARTILLERY FIRE

Prisoners Taken Recently
Say German Troops Are In
Depressed Spirits

By William Philip Simms
(United Press Staff Correspondent)

With the British Armies in France,
May 24.—(Night)—A drenching rain,
driven by a high westerly wind today
swamped the battlefield and turned
the choking dust into mud.
The situation along the front remains
practically identical with what it has
been for the past fortnight. The Ger-
man concentrations continue opposite
the allies, from the sea to the Oise. I
have heard of but one new division
coming from the east to the west front,
the total remaining practically the same.
With each day, however, the Kaiser's
troops are obtaining more rest, addi-
tional training for their fresh re-
cruits, all of which tends to give them

(Continued on page three)

OVER SIX MILLION IN SALEM BANKS ON MAY 10, 1918

Increase in Two Years Totals
More Than Million and
Half Dollars

When the government sent out the
call to the banks for a statement of
business at close of May 10, 1918,
there was on deposit in the four Salem
banks, \$6,331,079.46.

Two years ago when the May 1 call
came the deposits in the four city
banks amounted to \$4,826,701.71. With-
in the two years time, this shows an
increase in deposits of \$1,504,377.75,
notwithstanding the fact that more
than \$1,000,000 has been paid out by
the banks on the three Liberty loans.
The resources of the four banks in Salem
when the call came May 10, 1918,
totaled \$7,441,246.82, while two years
ago on the May call the amount was
\$5,921,016.89.

According to the published state-
ment on the May 10, 1918 call, the
Ladd & Bush bank had on deposit of
that date the sum of \$3,541,800.68,
while two years ago on the government
call the amount was \$2,670,588.83.
The loans and discounts on this last
call were \$2,056,941.78. Two years
ago the loans and discounts were
\$1,430,161.50. The resources of the
bank have increased from \$3,220,301-
30 on May 1 of two years ago to the
sum of \$4,113,936.52 on the recent
call of May 10, 1918.

The United States National bank
had on deposit May 10, 1918, the sum
of \$1,490,695.51. Two years ago when
the call came it was \$1,245,399.97. The
loans and discounts and investments
according to the call of May 10, 1918,
were \$1,192,539.97. Two years ago the
bank's loans and discounts and in-
vestments totaled \$934,391.57. The re-
sources of the bank have increased from
\$1,478,824.64 on May 1, 1916 to
\$1,718,718.59 on the recent call of
May 10, 1918. The bank sold Liberty
bonds to the extent of 27 per cent of
its deposits.

The Capital National bank had on
deposit May 10, 1918, according to its
published statement, the sum of
\$941,294.77 while two years ago in May
the government call its deposits were
\$710,451.66. The loans and dis-
counts of the Capital National on May
10, 1918, were \$423,791.82. Two years
ago they were \$451,791.51. The re-
sources of the bank have increased from
\$904,851.99 in May of 1916 to
\$1,194,863.92 on May 10 of this year.
The Salem Bank of Commerce had on
deposit May 10, 1918, the sum of
\$357,378.80 while two years ago on
May call, its statement showed deposits
of \$290,090.25. The loans and dis-
counts of the Salem Bank of Com-
merce as shown by the government
May 10, 1918, call was \$292,682.14,
while two years ago in May they were
\$158,634.25. The resources of the
bank have increased from \$255,938.96
two years ago to the sum of \$414,787.89
as shown by the May 10, 1918, state-
ment.

Discipline Was Perfect
An English Port, May 25.—"I never
saw better discipline," declared Captain
Johnson of the United States infantry
a survivor, in describing today the tor-
pedoing of the transport Moldavia in
the English channel Thursday morning.
"The torpedo struck the Moldavia
forward of the engines on the port
side," Johnson said. "All the troops
were sleeping in bunks in their uniforms."
"There was a loud explosion and the
ship's whistle sounded the alarm. All
assembled on deck alongside the
boats in perfect order. It was just like
the daily boat drill. I never saw better
discipline."
"The Moldavia continued under her
own steam for a time for the purpose of
avoiding a second torpedo.
"The destroyers escorting us circled
about and dropped a number of depth
charges, but no one saw the submarine."
"It is supposed that the force of the
explosion cut off the means of escape
for several men who were on the troop
deck. The survivors lost all their per-
sonal belongings.
(Continued on page four)

War Summary of United Press 1392nd Day of the War; 66th Day of the Big Offensive

American Front—The official com-
munication issued from American head-
quarters last night stated that con-
firmation has been received from
American aviators brought down two
German planes. Tuesday.

Frank J. Taylor cabled from the Lor-
raine front that American negro troops
are holding a sector west of Verdun,
in conjunction with the French.

American Navy—An American
destroyer sank a German submarine
shortly after the U-boat had torpedoed
the British steamer Janina in the
Irish channel, with the loss of 37 lives.
American Army—Fifty-six American
soldiers were still unaccounted for to-
day as a result of the torpedoing of
the British steamer Moldavia in the
English channel Thursday morning.

British Front—Field Marshal Haig
reported enemy shelling in Flanders
yesterday evening and last night and
two successful British raids.

William Philip Simms, cabling from
the British front, stated that the long
drought here been broken by a drenching
rain. This is regarded as distinctly
favorable to the allies.

Russia—A dispatch from Moscow
said that large German forces are re-
ported crossing the province of Kursk
275 miles to the southward—in an ef-
fort to cut the communications south
of Moscow.

Germany, according to a Zurich dis-
patch, has notified the Russian ambas-
sador that the Russian provinces of
Livonia and Esthonia have decided to
secede from Russia and join the Ger-
man empire.
Ireland—Revelations of the Irish re-
volutionary plot, published by the
British last night, which implicated
Sinn Fein leaders and German agents
in plans for a new revolt, have
created widespread discussion among
the various Irish factions.

Jones Would Have Dry Nation During War

Washington, May 25.—Sen-
ator Jones, Washington, today
introduced an amendment to the
emergency agricultural bill mak-
ing the country "bone dry"
during the war. The statement
provides that no beer or wine
shall be manufactured so long
as the war lasts. Penalty for the
violation of the law is made
\$5,000 or two years imprison-
ment.

Over 200,000 Troops Sent Over In May

Washington, May 25.—More
than 200,000 American soldiers
have been sent to France in
May—in June, May's figures
will be considerably bettered,
members of the senate military
affairs committee were told to-
day at their weekly conference
with the war council.

ALLIES DEPEND ON AMERICAN FORCES Our Soldiers Are Expected to Fill Gaps in Ranks of Armies

By Carl D. Groat,
(United Press Staff Correspondent)

Washington, May 25.—The allies are
leaning almost on America at this
moment to fill the gaps of the March
drive and to furnish replacements for
the coming new smash.
American military men placed this
interpretation today on Lloyd George's
speech, wherein he declared America's
contribution thus far had not been one-
fifth the fighting force Germany
gained by Russia's collapse. President
Wilson is revealed as the chief dictator
in the light of the premier's statement
that the near future represents a
power race between Wilson and Von
Hindenburg.

The president's call for power to
raise an unlimited army is based up-
on the need for a force which will
not only meet but far exceed the German
power. The one million mark is ex-
pected by July 1 and the second mil-
lion this winter.

Abe Martin

"I can't notice no difference since
our state went dry, 'cept I can't think
of as many things," said Pinky Kerr,
"day, Mr. Lemmie-Peters is up in th'
air o'er th' war, but still in th' second
class."

CASUALTY LIST IS LIGHTEST OF WEEK 11 DEAD 12 WOUNDED

None Credited to Pacific
Coast—Captain Hall Known
To Be Prisoner

Washington, May 25.—Twenty three
casualties listed by the war depart-
ment today showed four killed in ac-
tion; four dead of wounds; three from
disease; four severely wounded and
eight slightly wounded.

Lieutenant Albert E. Johnson, Col-
linsville, Conn., died of wounds; Lieu-
tenant Lee H. Knapp, Danbury, N. H.,
died of disease and Captain James
Norman Hall, Tipton, Ind., is miss-
ing, was definitely named as prisoner.

The list follows:
Killed in Action
Corporal Robert E. Kirkman, Chif-
ty, Ky.
Privates Ben Brand, Logan, N. D.
Carl L. Caviness, Charlton, Iowa.
Charles C. Sturdivant, Tipton, Ind.
Died of Wounds
Lieutenant Albert E. Johnson, Col-
linsville, Conn.
Privates Lawrence J. Buten, Quebec
Que.
Tonq Kalensky, Bentleyville, Pa.
Frank J. Smiden, Kingston, Pa.
Died of Disease
Lieutenant Leo Henry Knapp, Dan-
bury, N. H.
Private Willis McFarland, Bulloch-
ville, Ga.
Engineer Louis George Forster, Bal-
timore, Md.
Wounded Slightly
Sergeant Neal Bryn, Luretha, Ky.
Mechanic James F. Myers, Clarks-
burg, W. Va.
Privates Noble H. Ivy, Evansville,
Ind.
Vito Masellis, Ruth, Nev.
Earl H. Moran, Dell Rapids, S. D.
Gottlieb Sackman, Fallon, Mont.
James W. Sampair, New Richmond,
Wis.
Charles B. Sandridge, Bantyn, Tenn.
Wounded Severely
Corporal Daniel Doyle, Syracuse, N.
Y.
Privates Samuel Cash, Milwaukee,
Wis.
Charlie McCury, Chandler, N. C.
Zeb V. Blemmons, Asherville, N. C.

Prisoner
Captain James Norman Hall, Colfax,
Iowa.
OPPOSE PERMANENT PEACE.
Columbus, Ohio, May 24.—Declaring
emphatically against a permanent peace,
the Presbyterian general assembly today
formally pledged the people of its
church to an "ever-increasing effort"
in the war until a decisive victory is
secured.
COLORED TROOPS IN LINE.
By Frank J. Taylor
(United Press Staff Correspondent)
Washington, May 25.—(Night).—American negro
troops are holding a portion of the west
(Continued on page four)

With the American Armies in France,
May 21.—(Night)—The official com-
munications issued at American head-
quarters tonight said:
"Confirmation has been received
that American aviators brought down
two German planes May 21. There is
nothing new on any of the sectors oc-
cupied by Americans."
The war department today issued the
following supplement to General Per-
shing's communication:
"On Wednesday afternoon First Lieuten-
ant Walter V. Barney, signal corps
sergeant, Orange N. J., was fatally in-
jured by the accidental fall of an aero-
plane in which they were acting, re-
spectively as pilot and observer. Both
officers died during the night. In the
evening both were decorated with the
cross de guerre, with the palm of excel-
lent, faithful and courageous work in
operations in Europe on April 20 in-
dividual adverse weather conditions was
especially mentioned."
Hostile machines referred to in to-
day's communication were brought down
by Lieutenant Rickenbacher and Lieu-
tenant Buford.
"In the Lorraine on May 21, a host-
ile plane flying over our lines was
disabled and forced to land in its own
territory. There it was destroyed by ar-
tillery fire, adjusted with balloon ob-
servation."

THE BATTLE OF THE EMPEROR

BY HENRY WOOD

NOTE—The following article direct
from the United Press correspondent on
the French front, entitled, "THE BAT-
TLE OF THE EMPEROR" is the most
complete story that it has been possible
to produce up to date of the big bat-
tle still raging on the Western Front
in France. The story is not merely our
correspondent's interpretation of the
battle, but is the most complete resume
of absolute facts established by the
highest official sources on every phase
of the battle from its original concep-
tion by the German High Command, its
plans, preparations and execution, down
to the end of the first month. The ar-
ticle is therefore not only of the highest
news interest, but of the utmost histori-
cal importance.—UNITED PRESS.

By HENRY WOOD.
(United Press Correspondent.)
Dublin, May 25.—Revelation of the
evidence obtained by the British gov-
ernment of a revolutionary movement
in Ireland, which culminated last week
in wholesale arrests of Sinn Fein lead-
ers, caused widest discussion here to-
day.
Radicals bitterly denounce the state-
ment issued by the official press bur-
eau last night as "one sided" and
declare it is a conspiracy.
The evidence purports to link up
the Sinn Fein movement with German
agents, many of whom operated in
America. Count Von Bernstorff, former
ambassador to the United States, is
involved. The statements covered al-
leged revolutionary and pro-German
activities both before and after the
Easter rebellion of 1916.
"It is an expert statement," ad-
vised the Irish Independent, a Nation-
alist organ with Sinn Fein sympathies
and declared it is a conspiracy.
"The accused have not been heard."
It is thus a question of credibility,
upon which British and Irish opinions
may come to widely diverse conclusions.

All sections of the nation have a
profound interest in having the issue
solved clearly and immediately.
"Ireland is not, and never has been
pro-German. No appreciable number
of Nationalists, at whatever how extreme,
want to rid themselves of one domi-
nation to fall possibly under worse."
"The glaring weakness of the gov-
ernment's case is that it rests so large-
ly on the public speech of Sinn Fein
leaders. It is a curious sort of 'conspiracy'
that is proclaimed from the house
tops."
The newspaper declares that what-
ever countenance the extremists here
(Continued on page seven)

Railroad Freight and Fares To Be Increased

Washington, May 25.—In-
creased rates ranging from 15 to
28 per cent on freight traffic
and from 14 to 34 of a cent
a mile on passenger traffic have
been decided upon by Director
General McAdoo, it became
known here late today.
Under the separate headings that fol-
low will be found a complete resume of

AERIAL ACTIVITY ALONG AMERICAN SECTOR OF FRONT

American Aviators Brought
Down Two German Planes
On May 21

TWO OFFICERS KILLED BY ACCIDENTAL FALL

Colored American Troops Are
Now Holding Portion of
Front Line

With the American Armies in France,
May 21.—(Night)—The official com-
munications issued at American head-
quarters tonight said:
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that American aviators brought down
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Colored Troops in Line
By Frank J. Taylor
(United Press Staff Correspondent)
Washington, May 25.—(Night).—American negro
troops are holding a portion of the west

Although the German imperial staff
announced several times during the
months preceding the offensive their
intention to undertake it, it is officially
known that the date had to be postponed
repeatedly, owing to the necessity of
creating a favorable opinion in Ger-
many for the undertaking that must
risk everything. The Pan-Germanist
party, backed by the imperial German
staff, at all times favored the offen-
sive. They were opposed, however, by
a moderate party backed by Minister
of Foreign Affairs Kuhlmann and a
large part of the middle classes, all of
(Continued on page six)