



FRENCH CHILD GETTING AN AMERICAN HAIR CUT—This American barber attached to a regiment of engineers in France, is giving his little French customer a real old fashioned American hair cut. Who knows perhaps the tonsorial artist may receive a fanc tip? Copyright, Committee on Public Information, from Underwood & Underwood

ITALIAN VICTORY MEANS LOWER AUSTRIAN MORALE

German Political Leaders Are Again Talking Peace As Consequence

New York, July 3.—Italy's defeat of Austria means more than merely raising the morale of the allies and lowering that of the enemy. By driving the Austrians back across the Piave, the chance of Austro-German domination of the plains of northern Italy almost disappears. This section of the country is the great industrial portion of Italy. Two-thirds of that country's horse-power and industrial population are in this region, the domination of which by the enemy would greatly imperil the future of Italy, both during and after the war. Had the enemy forces been successful, Italy would have been more dependent than ever; thus aggregating the scarcity against which France and Britain are now contending. Italy has not only retrieved the disaster of last October, which hastened unity of the allies, but the blow thus administered may materially aid in forcing Austria out of the war. German political leaders are again talking peace by indirect means, and the evidences multiply that both Germany and Austria are groaning bitterly under burdens of war. Peace, however, is not in sight, for the simple reason that Germany is not by any means ready to submit to such terms as the allies are determined upon enforcing. The certainty that Germany must submit, willingly or unwillingly, to just penalties for the fearful crimes she has perpetrated is made doubly sure by the irresistible military forces which this country is now sending across to France. Before the winter begins there will be an American army of two millions over there fighting qualities of which have already been proved. German scorn at American efforts will soon turn into fear as the millions of spirited and trained fighting men reach their destination. The tide has already turned and is rising more strongly in favor of the allies each day. Another German drive is expected soon at the western front, but the allies express full confidence in their ability to meet it. Some ground may be lost, but this is not material, the significant thing being that each drive shows increasing German exhaustion; while the American army will soon be at the front in sufficient force to hasten and insure victory.

ports of wheat alone fell \$30,000,000 though flour increased \$16,000,000 and rye and barley \$8,000,000. In the same month meat products were exported to the value of \$111,000,000, an increase of \$65,000,000, while mineral exports rose to \$32,000,000, a gain of \$10,000,000. General business continues large in volume, though some lines are depressed by war, especially the building trades; while others are stimulated, notably the steel industry. The latter settled down to the new fixed price regime, which assures another three months of profit and activity. The steel industry must be recognized as the backbone of the war. It is not only providing all the guns, munitions, ships, railroads, etc. essential to winning the war; but the handsome profits obtained from steel production are proving one of the most prolific and substantial sources of revenue through the medium of excess profits taxes. The strongest nations are ultimately those with the largest resources in coal and iron amply utilized; and in these respects the United States has an enormous lead of the entire world. Congress is occupied in drafting a new revenue bill. To tax justly, and draw the largest amount of revenue possible, without drying up the sources of revenue or impairing the country's industries, is a problem requiring all the foresight and skill available. As a result of taxation and price fixing, a number of dividends (out of which new capital is largely derived) have been reduced; and in the July list of payments aggregating \$119,000,000 a year ago, the total this year will be only \$100,000,000, the decrease being entirely in industrial issues. Large payments, however, will be made on account of government disbursements. Fluctuations on the stock exchange were confined within relatively narrow limits, the greatest activity being in a few industrial specialties. Monetary conditions inevitably impose some restrictions on speculative activity, but in spite of this factor and the uncertainties of war the outlook is generally favorable to the maintenance of values. In cases where prices have risen to any extent, profit taking is of course to be anticipated, though the undercurrent of confidence has good foundations and remains unshaken. HENRY CLEWS.

You Can't Rub It Away; Rheumatism is in the Blood

Liniments Will Never Cure. If you are afflicted with Rheumatism, why waste time with liniments, lotions and other local applications that never did cure Rheumatism, and never will? Do not try to rub the pain away, for you will never succeed. Try the sensible plan of finding the cause of the pain, and go after that. Remove the cause, and there can be no pain. You will never be rid of Rheumatism until you cleanse your blood of the germs that cause the disease. S. S. S. has never had an equal as a blood purifier and scores of sufferers say that it has cleansed their blood of Rheumatism, and removed all trace of the disease from their system. Get a bottle of S. S. S. at your drug store, and get on the right treatment to-day. If you want special medical advice, you can obtain it free by addressing Medical Director, 23 Swift Laboratory, Atlanta, Ga.



OUR FIRST AMERICAN ACE, LT. Douglas Campbell—Lt. Douglas Campbell of California, goes down in history as being the first American Ace in the American flying corps. Lt. Campbell shot down a German biplane on the American front, making his fifth victory to be officially confirmed. Copyright, Kadel & Herbert.

Mt. Angel News Items.

(Capital Journal Special Service)
Mt. Angel, July 3.—Mr. Rice, Mr. Skirvin and Dr. Barnum drove to Portland yesterday morning. Dr. Barnum is attending the dentists convention and will not return until after the 4th.
Miss Josephine Stadler has returned from a shopping trip in Portland. Having completed her year's work at the academy, Miss Mary Maurer has returned to her home at Chehalis, Wash.
Many people of this vicinity are picking berries and especially the children are enthusiastic about it. The Terhaar and Uphoff families are helping near Gorvais where they are doing their best to save the berry crop.
Mrs. Fred Schwab and children have gone to Seaview, Wash., where Mrs. Schwab is visiting her sister. Herman Kemper returned this week to his family in Nebraska.
The J. J. Keber family motored to Vancouver Wednesday.
Mrs. John Ebner made a hurried business trip to Portland Monday.
Camp Lewis and the Puget Sound country in general, seem to be the Mecca for motorists this summer. The Charlie Walker family returned last

PULLMAN COMPANY IN FEDERAL CONTROL

Over Twenty-One Million Dollars Pay Increase Award Employees

Washington, July 3.—The Pullman company will be operated under federal control, the railroad administration announced today.
In the ruling today it was specified that inasmuch as the character of their employment forbids Pullman conductors, porters and maids, will not benefit by the basic eight hour day recently extended to railroad workers.
At the same time the 19,000 employees in these services were extended wage increases of \$21,750,000 a year, including back pay from January 1.
Plans not Ready
Chicago, July 3.—Plans for operation under government control are not ready for announcement, it was said at the general offices of the Pullman company here today. The order has been expected ever since the government took over the railroads.
week from a long tour of that country and tell of a delightful time at American Lake, where their brother, Frank, is stationed. Mr. and Mrs. George May and son, Karl, will leave this afternoon for Tacoma, Seattle and other points of interest, and the Nick Mickel family and J. J. Keber and his family are also planning to go in the near future.
Mr. and Mrs. Eugene Ast have returned from their wedding trip.
Karl Keber is visiting his relatives in Portland.
Rose Donnelly left Thursday for her home in Clay Center, Neb.
Mr. Matthews of Powers, who has been visiting the Amblers, will return to his home tomorrow.

MRS. BRADLEY SAYS IT SAVED HER LIFE

"I Can Hardly Find Words to Express My Gratitude for Tanlac," She Says

"I have not only gotten back all the weight I lost while sick, but I am actually heavier now than I have ever been," said Mrs. Lucy Bradley, residing at 7329 E. Avenue, Seattle, Wash., recently, in one of the most remarkable statements yet published in connection with the Master Medicine in this vicinity.
"I had suffered from stomach trouble," continued Mrs. Bradley, "until I was scarcely more than a frame of skin and bones. One day about three years ago, after eating some strawberries, I was taken with an attack of acute indigestion, and was down in bed for some time unable to move. Beginning from that time my stomach was in such a bad fix that everything I ate would ferment, causing gas, shortness of breath and fearful pain. There was a pain right through my heart that couldn't have hurt much worse if I had been stuck a knife, and several times I thought I would surely die. I just kept losing weight and got so weak I couldn't walk across the room. I was forbidden to eat anything except liquid. I tried drinking sweet milk and even that was like poison to me. I suffered a great deal with pains in my back and hardly knew what sleep was.
We were living in St. Louis at this time, and a friend of ours had gotten such splendid results from Tanlac that my husband begged me to take it. I refused for a time, as I had no faith in it to help me, but I kept getting worse and my husband insisted. So I consented to try it and when he brought me my first bottle I weighed only one hundred and ten pounds and was almost frantic with suffering. Now I can hardly find words to express, for I really don't believe I would be here today if it hadn't been for Tanlac. Soon after I started taking it I began to feel better. It was the very thing for me and it wasn't long until I could eat just any and everything I wanted without it hurting me, and my appetite was so big I could hardly eat enough. Well, that has been a good while ago and from that time until now I have never suffered a particle with my stomach, shortness of breath or pain of any kind. I sleep like a child every night and am strong and healthy in every way. I now weigh one hundred and fifty-six pounds—making a gain of forty-six pounds—I tell everybody that I know that Tanlac is the finest medicine in the world and I certainly have the best of reasons for saying so.
Tanlac is sold in Hubbard by Hubbard Drug Co., in Mt. Angel by Ben Gooch, in Gervais by John Kelly, in Turner by H. P. Cornelius, in Woodburn by Lynn H. Shorey, in Salem by Dr. S. C. Stone, in Silverton by Geo. A. Steinhilber, and in Gates by Mrs. J. P. McCurdy. (Adv.)

POTATOES MAY BE MADE PROUD

HUH—HAVE I FOLLOWED MY INSTRUCTIONS RIGHT ???

THE MEAT CHOPPER IS USED FOR PREPARING VEGETABLES FOR DRYING

Don't let your vegetables reproach you for not having followed directions properly in traveling the road to drying. Get the book from the National War Garden Commission, Washington, for 2 cents postage.

Classified Ads—The Journal's kind—get results. Phone 81.

Charge in Wheat Price Is Announced

New York, July 3.—A change in the government price of wheat has been announced by the food administration. The change was necessitated, it was said in a statement issued by the food administration, by the establishment of near freight rates by the railway administration.
The statement follows:
"After consideration of all factors the administration announces the price basis on various markets for the grades of No. 1 Northern Spring, No. 1 Hard Winter, No. 1 Red Winter, No. 1 Durum and No. 1 Hard White as follows:
New York, \$2.39 1/4; Philadelphia, \$2.9; Baltimore, \$2.38 3/4; Newport News, \$2.38 3/4; Duluth, \$2.22 1/2; Minneapolis, \$2.15; New Orleans, \$2.28; Galveston, \$2.21 1/2; Chicago, \$2.26; St. Louis, \$2.24; Kansas City, \$2.18; Omaha, \$2.28; Tacoma, \$2.20; Seattle, \$2.20; Portland, \$2.20; Portland, \$2.20; Astoria, \$2.20; San Francisco, \$2.20; Los Angeles, \$2.20."
Rail Rates Influence Changes
The basis for No. 2 wheat will be 3 cents below No. 1, and the basis for No. 3 wheat, 7 cents below No. 1. Grades below No. 3 will be dealt in on sample.

ITALIANS LAUNCH STRONG OFFENSIVE AGAINST AUSTRIANS

Make Decisive Gain Along Piave On Eight Mile Front

Rome, July 3.—"At the head of the Sante Lorenzo valley we withstood an enemy encounter attack and took 621 prisoners and much material," the war office reported today.
"On the Asiago plateau a French surprise attack in the Zocelle region resulted in prisoners being taken."
London, July 3.—The Italians have undertaken a new offensive effort on the lower Piave, it was learned from an authoritative source today.
Between the old and the new Piave, they advanced from 2,000 to 2,500 yards on an eight mile front, it was stated.
The Piave formerly turned southward at San Dona Di Piave and followed a meandering course to the sea, emptying into the Adriatic at Porto Di Piave Vecchia, nine miles directly south of San Dona Di Piave. This course now forms part of the Sile river. The present Piave channel now runs southeastward from San Dona Di Piave, emptying into the sea at Porto Cortelazzo eight miles northeast of Porto Di Piave Vecchia. Before the recent Austrian offensive the battle line ran directly southward from San Dona Di Piave to Porto Di Piave Vecchia, through a difficult marsh land.
Austrian Version
Vienna, via London, July 3.—"After fighting all day at the mouth of the Piave, the enemy was unable to succeed, except slightly near Chisau Nuova," the war office announced today.
Take Many Prisoners.
Rome, July 3.—"On the lower Piave yesterday we carried out thrusts," the Italian war office announced today.
"Northwest of Monte Grappa, we captured 1,900 prisoners and many machine guns."

EXPLOSION KILLS FIFTY WORKERS IN MUNITIONS PLANT

Sixty Other Persons Are Believed to Have Been Injured at Split Rock

Syracuse, N. Y., July 3.—Sixty dead are at the county morgue, some are believed still in the ruins; more than sixty are injured, of whom ten or fifteen are seriously hurt but their recovery is regarded as doubtful and the property loss is estimated at \$375,000 as the result of the fire and explosion in the T. N. T. plant at Split Rock last night.
Firemen and scores of workers were close to the scene when the blast came. The bodies of one group of fire fighters were hurled high in the air.
According to one workman taken to a local hospital who was employed in the pulverizing plant, the fire started in a vat, heated to a temperature of 135 degrees and then poured into vats close by, kept at the same temperature for a short time when the crystallizing process takes place rapidly.
The heavy crystals then are fed through the pulverizing machine which reduces them to a powder much the same consistency as confectioners' sugar. Until this process has been completed, the danger is very slight, the workman stated and the men in that building were not worried about the fire.
The extreme heat of the blaze which, he said, was caused by a spark from an overheated gear box, may have reduced the partially completed T. N. T. to an explosive condition.
Identification of only sixteen has been made.
That 15 or 20 other deaths will be the final toll of the plant blast was the estimate this afternoon after careful checking over the injured, of whom there are fifty scattered in the city's seven hospitals, when searchers started their work early today in the wreck of the plant only five bodies had been taken from the mass of twisted steel and other debris, but with the break of day and the cooling of the ruins the loss swiftly mounted.
It is believed that fire which raged for several hours before it caused the terrific blast saved the lives of hundreds of men, who were warned away when the danger of an explosion grew.

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Every Time I Eat POST TOASTIES

(MADE OF CORN)
Dad says — "Eat 'em up Bob You're saving wheat for the boys in France"

Big Barrage Guns Are Now Made In U. S.

Washington, July 3.—American-built 155 millimeter howitzers are moving to France supplementing the equipment of General Pershing's troops heretofore obtained from French ordnance factories.
One American firm that never touched ordnance work prior to America's entering the war is turning out these guns at a rate of ten a day from a factory, the site of which was a flourishing cornfield last August.
These facts were disclosed today to newspaper correspondents from Washington, who visited the new army proving ground at Aberdeen, Md.
The howitzers, which are of French design, are of approximately six inch bore and are the heavy barrage guns which support an infantry advance against an entrenched position. The United States soon will be independent of its co-belligerents for guns of this type.

Children Cry FOR FLETCHER'S CASTORIA