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SPECIAL WILLAMETTE VALLEY NEWS SERVICE

The Daily Capital Journal

Weather Report
Oregon: Tonight and Wednesday fair; cooler east portion, southwesterly winds.

FORTY-SECOND YEAR NO. 112. SALEM, OREGON, TUESDAY, MAY 27, 1919. PRICE TWO CENTS. ON TRAINS AND NEWS STANDS—FIVE CENTS

AMERICAN FLYERS FIRST TO CROSS ATLANTIC

NC-4 Reaches Lisbon at 4:20

Big Navy Plane Covers 800 Miles From Azores Without Single Mishap.

Ponta Delgada, Azores, May 27.—(United Press.)—The American seaplane NC-4 has arrived at Lisbon, wireless reports to the naval officials here stated late today.

New York, May 27.—The Atlantic has been bridged by an aircraft. A dispatch from Ponta Delgada late today, filed by W. R. Hargraves, United Press staff correspondent, stated that the American seaplane NC-4 had reached Lisbon, Portugal, on the European mainland after a flight from Ponta Delgada on the next to final leg of her flight to England.

The NC-4 left Trepassey, Newfoundland, more than a week ago. She was the only one of three American naval seaplanes which attempted the feat to reach European shores.

The NC-4 is commanded by Lieutenant Commander U. S. N. In addition she carried a crew of four men.

She left Ponta Delgada at 8:18 o'clock this morning, New York time. The flash reporting consummation of the pioneer venture showed today's 8800 mile leg from Ponta Delgada to Lisbon had been covered in about ten hours and at the rate of approximately 80 nautical miles, or 93 land miles an hour.

By W. A. Hargraves
(United Press staff correspondent).

Ponta Delgada, May 27.—The NC-4 took the air bound for Lisbon at 10:20 a. m. Greenwich time today.

Lieutenant Commander Read and his original crew were in the great seaplane's cockpit when she began her final leg of her flight to the European mainland.

A tremendous cheer went up from the crowds on the shore when the NC-4 taxied to the jumpoff and left the water.

Guns boomed on the shore and bells were ringing in the little Portuguese town.

Weather conditions were excellent. The sky was cloud flecked and a favorable breeze prevailed.

Reports from destroyers stationed between Ponta Delgada and Lisbon indicated perfect weather conditions all along the route.

The start was made after Read and his crew had carefully overhauled the engines for more than an hour.

The NC-4 headed eastward at once.

Austrians Receive Peace Terms Friday

By Fred S. Ferguson
(United Press Staff Correspondent)

Paris, May 27.—The peace terms will be submitted to the Austrian delegates at a formal session at St. Germain Friday noon, it was officially stated today.

Completion of the Austrian treaty is being delayed because Italy is again manifesting a stubborn attitude regarding the Adriatic situation. It is understood the Italian delegates are repeating the tactics they used before their recent temporary withdrawal from the peace conference, intimating they will retire from the sessions once more unless an agreement on their claims to Adriatic territories is reached soon.

The question of responsibility is also offering difficulties.

The Italians, according to advices received here, have occupied the town of Zolika, in Asia Minor, fifty miles south of Smyrna. Should they occupy the nearby harbor, they would be in the position of rivaling Smyrna, it is pointed out.

German delegates at Versailles have declared unofficially they will not ask a further extension of time to discuss the treaty, and that their counter proposals will be ready by Thursday. Printing of their counter proposals is well under way aboard the special train carrying printing equipment, which was brought here from Germany for that purpose.

The actual press work is finished, it is understood, but the binding will take another day.

Count Zuremban, nephew of Count Brockdorff-Rantzau, arrived this morning as an extraordinary courier from Berlin. No announcement of the nature of his mission was made, but it is believed probable he brought instructions from the government.

Congressional Medal Proposed For NC-4 Crew

Washington, May 27.—(United Press.)—Awarding of the congressional medal of honor to Lieutenant Commander Read and the crew of the NC-4 in the event of their successful completion of a trans-Atlantic flight, is proposed by Representative Britton, Illinois.

Chairman Butler has promised speedy action on the resolution in the naval committee and may take it to the house floor as soon as the flyers reach Portugal.

LOG OF THE NC-4

Left Ponta Del Gada at 6:18 a. m. Washington time.
Passed station ship one at 7:13.
Station ship two at 7:58.
Passed station ship four at 8:54.
Passed station ship five at 9:55.
Passed station ship six at 10:05.
Passed station seven at 10:40.
Passed station eight at 11:16.
Passed station nine at 12:18 p. m.
Passed station number 10 (no record).
Passed station number 11, at 1:10 p. m.
Passed station 12 at 2:05 p. m.
Passed station 13 at 2:38 p. m.
Passed station 14 at 3:16 p. m.
Arrived Lisbon at 4:20 p. m.

STATUS OF GOVERNOR STILL UNDECIDED BY COURT; OPINION HELD

Decision Reached In Olcott Case, But Withheld Until Supplementary Brief Can Be Presented.

The long-anticipated opinion in the friendly suit of Olcott vs. Hoff, regarding the status of the former as governor and secretary of state, did not appear at the supreme court this morning, and the interest and curiosity of an entire state will be held up for at least another week. It is known, however, that an opinion has been written and that the court concurs; but one of the justices has delayed the opinion for the purpose of presenting a supplementary brief dealing with certain obscure phases of the issue. Should the decision be handed down next Tuesday, and as is generally expected, the contention is supported that Governor Olcott is entitled to serve out the entire term of Governor Withycombe, the announcement of the appointment of a secretary of state will be made without delay. And it is also generally accepted that the appointment will fall to Deputy Sam Kozer, the most logical candidate in the field.

Only a brief list of opinions was presented by the supreme court this morning, the only one of importance being that of Fritz Kirchoff as administrator of the estate of Samuel Kunkel vs. Bernstein & Solis, attorneys, of Portland. This is appealed from Multnomah county, by G. R. Bagley as judge. The case grows out of the settlement of the estate of Daniel Kunkel, deceased, who in his will left a large share of his estate of about \$100,000 to Samuel Kunkel. There followed a contest on the part of other heirs as to the disposition of the property and the law firm of Bernstein & Solis were retained by Kunkel. Two matters were finally adjusted and the claims of the attorneys accepted. But following the death of Samuel Kunkel, his heirs and executors brought suit against the law firm for the return of \$7,500 in fees, charging that they had not only been exorbitant in their charges, but that they had misadvised the aged and feeble testator into actions which would be to their financial advantage. They claimed that \$1500 would have been ample compensation for the service rendered.

Justice Harris in reviewing the case, at length, dealt with the ethics and equity of the relations between attorney and client, pointing to the fact that the amount of compensation could not justly be gauged entirely by the time required or labor performed. Account must be taken of the extent of benefit derived by the client, as well as the learning and genius on the part of the attorney. In this case the annuity of the testator, was at stake and therefore a large fee was warranted. He held that the decree of the lower court should be reversed and the case dismissed.

Other opinions handed down were as follows:

Cora E. Puffer vs. O. V. Badley, appellant, appeal from Multnomah county; action for money received by the defendant for the use of the plaintiff. Opinion by Justice Benson. Judge C. U. Gantenbein affirmed.

John H. Guntley vs. Northern Pacific

(Continued on page six)

Abe Martin.

COMING SURE



A gypsy woman died here today at the age of 103, and that's another argument against corsets. Ever' thing sets on its own bottom but a strawberry box.

(Continued on page seven)

VACATION OF STREET REQUESTED BY PAPER MILL BACKERS, GIVEN

Council Officially Sanctions Use Of Highway End By Spaulding Company for Power Plant.

The foot of Trade street and the streets and alleys already occupied by the Spaulding Logging Co. were officially vacated to the company by the city council, last evening, for the purpose of erecting a paper mill. It is estimated that when the mill is completed, it will represent an outlay of \$500,000.

An amendment to the original ordinance was voted which provided that construction on the mill must begin by November 1 of this year and that the mill must be in operation within one year.

In return for the vacation of the streets and alleys needed for connecting the Spaulding holdings and that of the paper mill, the city will be deemed as the water front extending from the south side of Court street up to the Marion-Polk county bridge and also the water front on Bellevue street.

Work Begins at Once.

At the time F. W. Ledbetter visited Salem, in company with the builder of paper making machinery, it was positively stated that work would begin on preparing the land for the paper mill as soon as the necessary streets were vacated.

This will include the removal of the office of the Salem Water, Light and Power company at the corner of South Commercial and Ferry streets, as this corner will be located the main plant, extending 80 feet on Commercial and 200 feet on Trade. That part of the old flouring mill known as the elevator, just west of the water company's office, will be moved west to the track of the Oregon Electric.

The Farmer's warehouse will not be moved from its present location. Between this and the Spaulding plant will be located the boiler house supplying power for both mills. The pulp plant and other buildings will be erected on the property owned by the paper mill building.

"Jay Walkers" Spared.

The paper making machine, which of itself will cost \$125,000 will extend the entire length of the 200 foot building. It is manufactured in Watertown, N. Y.

Besides taking care of the paper mill, the council last evening voted that a jay walking ordinance was not necessary for a village of the size of Salem. This is due, Councilman West explained, to the general feeling that the streets are wide enough to allow plenty of room for everybody including cars, and also to the fact that such an ordinance would be hard for the police to enforce. The committee that turned down the jay walking ordinance was not opposed to

(By Carl D. Groat)
(United Press Staff Correspondent.)
(Copyright 1919 by the United Press.)

Berlin, May 25.—Chancellor Scheidemann informed the United Press today that Germany's counter proposals to the peace terms will demand immediate admission of Germany to the league of nations.

The counter proposals, the chancellor said, place the needs of France foremost, agree to restoration of destroyed French territory and full reparation to ruined coal mines.

Germany also agrees to respect Belgium's claims, Scheidemann declared. It accepts the limitation of 100,000 for its army in the future and is ready for complete disarmament on land and sea.

"We would other nations will agree to do likewise."

14 Points Are Basis

Scheidemann said Germany's demand for admission to the league of nations... was based on President Wilson's 14 points, especially the points on self-determination and a peace of economic justice.

Germany's terms will be handed the allies soon, he announced.

"We designated the allies' terms as unacceptable in their present form," said Scheidemann. "Now we must use our entire strength and ability in behalf of our counter proposals. They do not seek to remove our hard obligations. They placed foremost the needs of France, which requires rebuilding and alleviation of its war burdens if it is not to become bankrupt. Therefore, we offer unreservedly to rebuild the destroyed territory of northern France and to give full reparation for the output of the coal mines which were destroyed. We go even farther than is assumed we would go. The financial experts of the world will be astounded by that."

"As far as our counter proposals concern Belgium, they are in agreement with President Wilson's program."

Disarmament Accepted.

"We accept the prescribed reduction in disarmament to an army of 100,000; and we are prepared for complete disarmament on land and sea if the other nations will agree to do likewise. We are desirous of freeing France from military cares and burdens."

"We can do all these things only if the means of paying for them through work are provided. If one reads Clemenceau's note, one almost loses hope that it is realized that only he who works can pay."

Regarding Clemenceau's reply to previous German communications, in which the French premier declared Germany would not go hungry even if some of its food producing territories were taken away, it is worth while to be possible to import foodstuffs from them, the chancellor pointed out that Germany could not buy grain and potatoes with paper money of no value outside Germany. He also asserted it would be most difficult to restore German industries when vast quantities of coal must be brought in from outside and when most of the productive territories of the east were torn away from the fatherland without the privilege of self-determination.

Demand Place in League.

"We must withdraw from this deadly circle if the entente desires reparation, and it is with this purpose that our counter proposals are put forward."

(Continued on page two)

HUNS GROW SOLICITOUS OF FRENCH

Chancellor Scheidemann, Outlining Counter Proposals, Says Needs of Devastated Land Put First.

IMMEDIATE ADMISSION INTO LEAGUE DEMANDED

Germany Agrees to Respect Claims of Belgium and Accepts Limitation of Army to 100,000.

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(Continued on page two)

Congressional Flashes

Washington, May 27.—(United Press.)—Abandonment of the big navy program was recommended to the house naval affairs committee today by Secretary of the Navy Daniels.

The United States should show its faith in the league of nations covenant by eliminating the program submitted to the last congress, which would make the American navy second to none, Daniels said.

Washington, May 27.—(United Press.)—The house ways and means committee today ordered a favorable report on the resolution repealing the so-called luxury taxes. No action was taken on bills repealing the tax on soft drinks. Both Democrats and Republicans supported the proposal to end the luxury tax.

TORONTO THREATENED BY GENERAL STRIKE; WINNIPEG UNCHANGED

Toronto Ont., May 27.—(United Press.)—Toronto was threatened today with a general strike.

A special meeting of trades unionists last night placed the power to call a general strike at 10 o'clock Wednesday morning, in the hands of a committee of 13. A statement given out at the close of the meeting declared a 75 per cent vote had been cast in favor of a strike.

Letter carriers did not vote. The vote of the streetcar men was postponed.

The threatened strike would support striking metal workers who demand a 44 hour week and full union recognition. The metal workers yesterday rejected a 48 hour compromise.

By Jim T. Kelbert
(United Press staff correspondent.)
Winnipeg, Man., May 27.—No settlement had been reached today in the general strike that has paralyzed this city for nearly two weeks.

About twenty postal employees returned to work. The military, police and royal northwest mounted police guarded the post office and telephone buildings.

The militia and regulars are kept under arms ready for instant call. There was no disorder and the usual calm prevailed.

After a day of excitement yesterday, which several times threatened to burst into a blaze of violence, the strike settled down to an apparent deadlock again today.

Strike leaders announced themselves determined to stick it out.

The citizens' league, composed of the employers, announced a similar policy. A. J. Andrews, attorney for the league, said the employers will make no concessions and that they were prepared to keep their plants closed until such time as the workers announced their willingness to return.

LIBERTY BOND QUOTATIONS

New York, May 27.—(United Press.)—Liberty bond quotations: 3 1/2's, 99.50, off 1/4; first 4's, 95.00, off .05; second 4's, 94.84. First 4 1/2's, 95.80, up .04; second 4 1/2's, 95.30, up .02; third 4 1/2's, 95.92, up .04. Fourth 4 1/2's, 95.42, up .02. Victory 4 1/2's, 99.92.

Rescuers Surprised

Thurso, where the aviators landed, paid them high honors and gave them

(Continued on page two)

AIR PILOTS HAILED AS WARHEROES

Ovation Given Hawker and Grieve Along Rout to London Equal to Greatest Ever Witnessed.

CROWDS GREET FLYERS AT EVERY WAYSIDE STOP

Commander of Ill-fated Sopwith Describes Details Of Flight From Newfoundland To Mid-Ocean.

London, May 27.—(United Press.)—Harry Hawker and Mackenzie Grieve are proceeding toward London today, cheered all along their route like conquering heroes.

When the aviators who fell into the sea while attempting to fly in a Sopwith plane from Newfoundland to Ireland, arrive in London they are assured of a reception probably the equal of that ever accorded a national hero entering the metropolis.

Dispatches from the north told of the triumphal progress from Thurso, the little town where the aviators landed. There were cheering crowds at all stations in the highlands.

When their train pulled into Inverness, they were greeted by Provost MacDonald.

Crowds Cheer Flyers.

"I'm glad you have lived to fly again," he said. "I hope that now a needed rest you'll win the prize."

After dinner with the provost, Hawker appeared on the balcony of the hotel and thanked the crowd, which blocked the streets, calling for him.

The crowds at Edinburgh, where Hawker arrived this morning, were even more insistent. When Hawker left the train he was seized, elevated to the shoulders of a cluster of men and borne in triumph through the streets to his hotel, while people struggled to shake his hand.

Preparations were started today for an aviation carnival at Hendon air-drome Saturday and Sunday, in honor of Hawker and Grieve. Many famous pilots are expected to do tricks in the air. Hawker will be asked to perform aerial exercises.

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(Continued on page two)

President To Call Economic Congress

(By Robert J. Bender)
(United Press Staff Correspondent.)

Washington, May 27.—President Wilson has under consideration recommendations of plans for conferences to clear up some of America's domestic problems. One of these would involve a call for a national industrial and economic conference, at which a "new bill of rights" would be developed by capital and labor.

Another would involve a get-together conference of indefinite duration, participated in by all constructive leaders in the country—such as capital, labor, suffragists, "anties," socialists, etc.—in an effort to reach a common ground that will end industrial and domestic strife, or at least minimize its possibility.

The first plan is sponsored by labor officials and has been urged by some industrial chiefs. Members of the war labor board who today began the first session of what is expected to be their last meeting, plan to frame a program for consideration at the proposed industrial and economic conference.

As tentatively outlined, this plan would provide voluntary agreement by both sides to a general program elim-

nating compulsory arbitration. The conference would be asked to consider setting up a general industrial court modeled on principles already tested by the war labor board.

President Wilson would appoint presiding officers of the court who would represent the public. Other members would be named by capital and labor.

The second plan—for a gathering of representatives of the many movements now agitating the nation's populace—is admitted by its author to be a unique one, but designed to "convert the many eddies into one current." It has been submitted to suffrage leaders and various "big guns" of the administration with various responses, some favorable. A majority feel that a congress such as this plan involves, however, would get a hodge-podge of delegates and ideas with the possibility of the event becoming ridiculous. The plan has been submitted to the president, however, along with others.

That he will mark his return with some step toward accomplishing a better understanding between capital and labor is felt certain here.