

NO RAIL RATE RAISE

INTERSTATE BOARD HOLDS 15 PER CENT INCREASE FOR RAILS TOO HIGH.

HEAVIER TARIFFS ALLOWED

Opinion Says 1916 Was Most Prosperous Year in History of the Carriers—Commissioner McChard Dissented.

Washington, July 2.—The railroads of the United States lost their fight for a 15 per cent increase in rates. The interstate commerce commission denied their petition. The commission's order was dated June 27. Commissioner McChard dissented.

The commission finds that 1916 was the most prosperous year the railroads ever had.

"It may be assumed," the opinion says, "that they might suffer some abatement of the prosperity of that year without being crippled or in any way incapacitated."

The order sets forth: That the operation of the schedules submitted by the railroads upon which increases were asked "be and hereby are suspended until October 28, 1917."

Exception is made to schedules applying to bituminous coal, coke and iron ore, naming rates in the southern district.

Exception is made to schedules applying to bituminous coal, coke and iron ore, naming increased rates in the eastern district.

All schedules naming increased rates apply interterritorially between districts excepting only those applying to bituminous coal, coke and iron ore between the eastern and southern districts.

That the use of the rates, charges, regulations and practices stated in such suspended schedules be deferred upon interstate traffic until October 28 unless otherwise ordered by the commission.

The commission grants certain increases in coal, iron and coke rates on the basis of equalizing this rate structure. The opinion also recognizes that the roads in the eastern district must have increased revenue beyond what the new coal and iron rates will produce.

The technical terms of the commission's order merely "suspend" the proposed increases to October.

The commission finds that the war has not affected the railroads as disastrously as the first general statement of railroad witnesses might have indicated.

GREECE BREAKS WITH KAISER

Recalls Envoys From Germany, Austria, Turkey and Bulgaria—"State of War" Exists.

Athens, July 2.—The Greek government has broken diplomatic relations with Germany, Austria-Hungary, Bulgaria and Turkey.

Although war has not yet been declared, the Greek government considers that a state of war exists since its advent to power.

Paris, July 2.—Telegraphing from Athens the correspondent of Le Temps says:

"The Greek government has directed its minister to Switzerland, G. Caradja, to communicate to the Greek legations at Berlin, Vienna, Sofia and Constantinople instructing the ministers to break diplomatic relations between the Greek kingdom and the governments of Germany, Austria-Hungary, Bulgaria and Turkey.

"The Greek ministers at these capitals are instructed to leave their posts with their staffs and to place their archives with the Netherlands legations.

"The rupture is based on the incompatibility of maintaining diplomatic relations with governments that are carrying on war in Greek territory."

JAIL MILITANT SUFFRAGISTS

Six Women Who Created Riot in Front of the White House Are Punished.

Washington, June 29.—Six militant suffragists, who created a riot in front of the White House when they displayed banners attacking President Wilson, were sentenced on Wednesday to pay a fine of \$25 each or to spend three days in the workhouse. The fine is the maximum penalty for unlawful assemblage.

The women, in long speeches defending the legality of the picketing, declared the fines to be exorbitant and gave their answers in unmistakable terms.

"We will go to jail first," they said.

Potato Prices Go Down. Chicago, June 29.—Wholesale prices of medium grade potatoes dropped to \$2 a bushel. A week ago they sold at \$3.20.

Three Killed in Du Pont Blast

Trinidad, Colo., July 2.—Three men are dead and a number injured in the explosion of two mills at the Du Pont Powder company plant at Aguilar. More than 120 men said to be employed in the buildings destroyed.

Cut Wheat One Meal, Hoover's Plea

Washington, July 2.—Herbert C. Hoover issued an appeal to housewives to "cut the loaf on the table only when you need it." He added that one wheat-bushel meal per day will save millions of bushels of wheat per week.

SEEING STARS AND STRIPES



London Opinion

U-BOATS SINK 28 SHIPS

WEEKLY REPORT ISSUED IN LONDON SHOWS FALLING OFF.

Liner Mongolia Hit Mine—Passengers and Crew Landed at Bombay—American Vessel Torpedoed.

London, June 29.—Twenty-one British vessels of more than 1,000 tons each and seven under 1,000 tons were sunk by mines or submarines last week, according to the weekly statement of losses issued on Wednesday by the admiralty.

No fishing vessels met with disaster. The aggregate number of vessels flying the British flag destroyed by mines or submarines last week shows a net falling off of four, as compared with the losses reported the previous week, which numbered 32—27 of more than 1,000 tons and five in the smaller division.

In the larger category a decrease of six vessels is shown, while among the smaller craft an increase of two vessels is indicated.

Bombay, India, June 29.—The Peninsular and Oriental liner Mongolia struck a mine off Bombay on June 23.

London, June 29.—The American sailing ship Galena, 1,048 tons, was sunk by submarine bombs on June 25. There were no casualties.

The Galena was sunk off Ushant Island (off the coast of France, 23 miles northwest of Brest). Fifteen survivors were taken to Brest.

BIG CHICAGO BANK FAILS

Private Institution of Graham & Sons Closes Doors—Has Deposits of \$5,000,000.

Chicago, July 2.—The private bank of Graham & Sons, 659 West Madison street, closed its doors on Friday, and two hours later detectives from State's Attorney Hoyne's office broke in the door with fire axes and took possession of the place.

An involuntary petition in bankruptcy was filed in the federal district court later on behalf of William Shale, who made a claim of \$3,000.

The bank is the one of which the late Andrew J. Graham was president. It was considered one of the strongest banks in Illinois. Estimates of the deposits ran as high as \$5,000,000.

Heavy investment of the bank's funds in real estate bonds that could not easily be transformed into money is said to have embarrassed the bank.

DAIRY AND POULTRY MEN AID

Representatives of Association Agree to Put Industries Under Supervision of Food Administration.

Chicago, June 29.—Representatives of the country's chief dairy and poultry associations, after a conference here with Herbert C. Hoover, voted to put their industries under the supervision of the food administration and named George E. Haskell of Chicago to serve as a volunteer aid to Mr. Hoover in charge of a dairy and poultry division.

Mysterious Disease Kills Many.

Cape Girardeau, Mo., June 30.—Seventeen children are dead and 29 ill, four of them seriously, from a mysterious malady which has swept the village of Oron near here. The disease has baffled every doctor.

New Army Flying Record.

Newport News, Va., June 30.—What is believed to be a new army flying record was established when Captain Bartholf and Lieutenant Stevens flew from Hampton Roads to Mineola, N. Y., in 4 hours and 15 minutes.

DRAFT BOARDS NAMED

PRESIDENT APPOINTS LOCAL BODIES NAMED BY GOVERNORS.

White House Report Says That Men Will Be Selected for Army and War Work.

Washington, June 28.—President Wilson on Tuesday appointed the local boards named by the governors to hear exemption claims on the first draft, by which 650,000 are to be selected for the army.

The Rules governing exemptions have not yet been issued, but will be soon, as the work of selecting the army may be begun next week.

In a great majority of the cases the personnel of the board shows that President Wilson followed the suggestions of army officials that city and county officials be utilized.

The president, however, had asked the governors of the various states to nominate candidates for the boards, and it may be assumed that the boards as announced have the approval, not only of the president, but of the state executive.

The 24 states in which committees are complete, with those exceptions, are: Washington, West Virginia, Utah, Georgia, Kentucky, Mississippi, Minnesota, Nevada, Montana, Nebraska, New York and Pennsylvania.

Information emanating from the White House during the last two days indicates the draft will be much heavier than had been suspected. Instead of merely picking men for the army, many will be drafted for other war work.

CANADIANS DRIVE ON LENS

Dominion Troops Gain on Two-Mile Front—Within Mile of City's Center—Take German Front Line.

Canadian Army Headquarters in France, June 30.—Under a protecting concentration of artillery fire Canadian troops on Thursday stormed and captured the German front line before Avion, a suburb of Lens. By this advance the British line has been carried forward to within one mile of the center of Lens.

The attack was made along a two-mile front. On the extreme left Nova Scotians pushed their way up the Lens-Arras road to the village of Leuenvette.

MANY PERSONS FLEE FLOOD

Town of Rock Creek, Ore., Reported Swept Away—Fifty-Foot Dam Gives Way.

Baker, Ore., June 30.—Reports from Haines on Thursday said the town of Rock Creek virtually was swept away when a 50-foot dam at the flooded Killamancue lake, 15 miles west of Haines, gave way. Residents of Haines, which is in the path of the flood, are reported hurrying for high ground. Nearly every building in the town is said to have been destroyed. Communication with the flooded district has been cut off. It is not known whether there has been any loss of life.

Prison for Society Embezzler.

Philadelphia, July 2.—Jesse Williamson II, a social leader, was sentenced to a term of eight to twenty-four years' imprisonment and pay a fine of \$1,000 on indictments charging embezzlement of \$275,000.

Elect Earl's Son to Parliament.

London, July 2.—Lord Stanley, oldest son of the earl of Derby of England, has been elected to parliament for the Abercromby division of Liverpool, to succeed Col. Richard G. Walmesley.

MAKE BIG SACRIFICE

RELINQUISH BIG PAY FOR JOB WITH UNCLE SAM.

LATE NEWS FROM CAPITOL

Items of General Interest Gathered from Reliable Sources Around the State House

Western Newspaper Union News Service. The Fifth regiment band, recruited by Arthur W. Haysel, captain adjutant of the regiment, is the one unit where the members have made a genuine sacrifice to make music for Uncle Sam at \$30 per or thereabouts.

Three-fourths of the men are university men—Some of them highly paid instructors or professors—all of them musicians in the local musical world.

The band has just been reorganized, with twenty-nine new pieces added. Its leaders have been replaced, and many of the old members, it is understood, have been relegated to the side lines.

"Men who have failed to meet qualifications may be transferred to the infantry," says Captain Haysel. "They are still being carried in the headquarters company. They have not been discharged."

There are about seventy men now in the headquarters company, the required quota of which is fifty-nine men.

Federal Authorities Will Aid the State.

Several instances where liquor has been brought into Nebraska in automobiles from neighboring towns in other states have recently been reported to Governor Neville. The governor considers this a violation of the state prohibitory law and if anyone should be caught doing this he will be prosecuted.

Under a recent ruling of Attorney General Reed, it may not be against the law for a person to bring in liquor from another state, although its delivery from one person to another in Nebraska is illegal, no matter where it comes from.

Governor Neville has the promise of federal authorities that after July 1 when the Reed amendment enacted by congress goes into effect, the United States government will have agents in Nebraska to detect and prosecute persons who transport liquor into this state from other states. He believes the practice will stop when Uncle Sam gets busy, if it does not before.

Draft Law Under Federal Control.

Nearly every mail reaching the governor's office brings letters from mothers and fathers asking the governor to prevent their sons being drafted. One mother writes that she had lost her husband, her brother and her father in the civil war, and she could not bear to think of losing her only son. He was over draft age. Governor Neville is answering all letters that the draft law is administered entirely by the federal authorities, and anything which he might say or do would be without avail. The governor is pointing out that the draft law will be carefully administered and those who can best be spared will be taken, while those needed at home will be asked to remain at home in doing their bit here.

Final Registration Reports.

Governor Keith Neville received notice from Marshal Crowder at Washington, D. C., that final official reports on registration under the draft law from Nebraska counties must be in the hands of the officials at Washington by not later than July 7, so that drafting can start immediately after. Governor Neville had previously reported Nebraska's registration, but late arrivals of cards from men out of the state, and in some instances where eligibles failed to register, have swelled the totals in some counties. These cards have been held at the governor's office as they were received, but all of them will now be forwarded to Washington.

Captain George L. Bywade, U. S. Army, Has Been Designated as Examining Officer for the Officers' Training Camp for Nebraska.

He is located at Fort Crook and will receive applications until July 15.

State's Allotment Cut Short.

After Secretary McAdoo of the United States treasury had expressed his great appreciation of the "patriotic and generous action of the state of Nebraska in subscribing for \$500,000 of liberty bonds, it was with much regret that State Treasurer George E. Hall received word from the federal reserve bank at Kansas City that the government has allotted to the state of Nebraska only \$150,000 of bonds and that the remainder of the state's money, \$350,000 already paid, will be returned to the state treasurer.

Examining Officers for Training Camp

To provide officers for the drafted forces of the national army, the war department has adopted the policy of commissioning all new officers of the line (infantry, cavalry, field and coast (artillery) purely on the basis of demonstrated ability after three months' observation and training in the officers' training camps. Thus, the appointment of officers of the new armies will be made entirely on merit and free from all personal or other influences.

HOLDING BACK FUNDS

County Treasurers Fail to Send Remittances for May Taxes.

Seven county treasurers in Nebraska failed to send remittances of May taxes to the state treasurer during the month of June, and interest will be charged against them from June 25. The delinquent officials are those of Cedar, Clay, Cuming, Garden, Keya Paha, Phelps and Valley counties. These county treasurers are holding back funds due the state notwithstanding the decision of the Nebraska supreme court rendered over a year ago which says they must obey the requirement made by State Treasurer Hall for monthly remittances. Mr. Hall allows the county officials up to the 25th of each month to get into his hands the moneys they collected for the state during the month preceding.

To Protect Food Against Fire

Ho with large food storage plants throughout the United States are to be given increased protection against fire as one of the most important war measures now being undertaken in this country, was explained to a dozen state officers, of Nebraska by W. H. Sage, chairman of the Chicago advisory committee for the national board of fire underwriters, at a conference held in the governor's office Wednesday morning.

The entire Chicago committee, which has been asked to organize sixteen western states for the conservation of foodstuffs with especial reference to their possible destruction by fire, was in Lincoln for the purpose of putting a field force to work in Nebraska.

State authorities say that they will co-operate in every way possible with the inspectors. The state council of defense has stated that it will do everything in its power to enforce the recommendations of the insurance men. They will be clothed by the fire commissioner with every power of state officers. With such co-operation the work that they will be able to do will be of inestimable value to the country.

Farm Hand Shortage a Menace

Farm hands to help put up the month hay crop of western Nebraska are the big need as a war measure this month, according to William F. Shaw, manager of several thousand acres in southern Cherry county. He conferred with the Nebraska council of defense on the question.

Lack of help lost a large tonnage of hay in that vicinity last year, Mr. Shaw says. With the war on, ranchers owe it to their country to produce as much live stock as possible, he says, and this cannot be done if the hay crop for feed is not conserved to its fullest extent.

Hired men get from \$35 to \$60 a month and board. They can reach Shaw's vicinity by mail through Brownlee, Neb., and by rail through Theford, Thomas county. Haying begins the middle of July.

Wouldn't Send Liquor Back.

Food Commissioner Murschel received a small vial in the mails several days ago, containing a liquid which the sender, a public official in one of the counties of the state, asked to have analyzed. A request was made that the vial and its contents be returned. Upon chemical examination, it developed that the fluid was 93 per cent alcohol. Under the prohibitory law its shipment would be illegal, and the food commissioner therefore declined to return it, but a certificate attesting its composition has been sent.

The Nebraska National guard is 3,000 men short, according to a statement by Adjutant General Hall, in an appeal for recruits. Under the new provisions of the war department's requirements for national guard organizations, Nebraska is authorized to maintain three regiments, and the adjutant general is confident that the new unit, the sixth, can be mustered into service in a very short time.

To take the new Sixth regiment along with the other two Nebraska regiments July 15, to a centralization camp in the south is the new program of Adjutant General Phil Hall. He is wiring over the state to have the new companies ready for muster at once. The plan is endorsed by Provost General Crowder at Washington.

The state's intervention in the Omaha strike situation is the first of its kind in history, and either strikers or employers violating the restraining order issued can be held for treason and punished accordingly.

Foreign Languages no Longer Required

Foreign languages will no longer be required of men students who wish to enter the college of agriculture, it was decided at a recent meeting of the board of regents, who approved the action of the faculty to this effect. This does not reduce the standard of entrance requirements, but it permits the offering of a larger variety of subjects to fulfill the entrance requirements, making them such that graduates of well-equipped rural high schools may enter the college of agriculture with full entrance credit.

Have Leased Mineral Rights

The state board of educational lands and funds has applications from a number of persons who desire to lease potash, oil and other mineral rights on state lands. The board has executed one lease for potash and one or two for oil rights and it is said the members will continue to make such leases in spite of the fact that the last legislature refused to pass a law authorizing leases of this kind.

MANY NOW BONE DRY

INTOXICANTS BARRED IN TWENTY-THREE STATES.

RUSSIA MAY BE A REPUBLIC

Ministers of Mission Forecast a New Form of Government—Income Tax Revenue Rapidly Increases.

Western Newspaper Union News Service. Washington.—Twenty-three states are now bone dry, midnight of June 30 having been the effective hour of the Reed amendment prohibiting shipment of liquor into any territory where its manufacture or sale is prohibited.

Eleven other states are partially affected by the legislation, which has been hailed by temperance advocates as the greatest single step toward abolition of the liquor traffic in the nation's history. The law bars from prohibition areas, whether states or smaller corporations, all mail matter containing advertisements or solicitations for orders for intoxicants, a provision designed to aid in enforcing the anti-shipment feature by suppressing the activities of mail order houses in dry territory.

Justice and postoffice department officials have made extensive preparations for enforcement of the statute. Ethyl alcohol is regarded by the federal government as an intoxicating liquor within the meaning of the act, but methyl, wood and denatured alcohols are not so regarded. No ruling has been made regarding the status of patent medicines containing alcohol, and that question may be among the first to be passed on by the courts under the legislation.

Income Tax Revenue Increasing.

Washington.—Complete figures for internal revenue receipts for May show an increase of \$118,723,560 over the corresponding month in 1916, a large part of the difference being due to new income taxes.

Corporation and individual income taxes for the month gained more than \$101,000,000 of which corporation taxes totalled \$60,000,000. Receipts from spirits jumped from \$11,993,737 to \$15,864,184. Tobacco netted the treasury \$9,812,584, an increase of nearly \$2,000,000. Revenues from theaters, museums and concert halls decreased nearly one-third. Munition manufacturers contributed \$1,639,604.

RUSSIA TO BE A REPUBLIC

Form of Government Forecast by Members of Mission

Washington.—A Russian republic is forecast by members of the Russian mission in discussing problems facing that country. The constituent assembly, which is expected to open on September 30, will have in its hands the building of the whole new political structure. When the new assembly meets the revolutionary government will pass out of existence and the executive power of the nation during the convention period probably will be delegated either to the government or to a special committee.

The assembly will decide finally on the form of government, both federal and local, with the fundamental laws and the laws of taxation and election. It is expected also to discuss fully the land question.

Land Bank Opens for Business.

Omaha.—The federal land bank has opened its books for subscriptions for federal farm loan bonds. The first bond issue will be approximately \$250,000. Loans have already been arranged to take every dollar of the \$750,000 capitalization of the bank. All excess loans will be cared for by bond issues. Bonds will be issued during the next thirty days as fast as loans are arranged. Applications for \$100,000 of the bonds have already been received at the Omaha land bank. The security offered as a basis for the bond issue is unsurpassed.

Washington.—Constantine J. Smyth, former attorney general of Nebraska and at present special assistant to the attorney general with headquarters in Omaha, has been nominated by President Wilson as chief justice of the District of Columbia court of appeals to succeed Chief Justice Sheppard who recently retired.

Milwaukee.—Fifteen persons met death and at least twice that many were injured, some seriously, when a fifty-ton water tank, erected on the Milwaukee river front, toppled down on the whaleback steamer Christopher Columbus as that vessel was being swung around preparatory to making her return trip with about 400 passengers for Chicago. It was in 1893 that the Christopher Columbus made her initial appearance in fresh water. She was built originally for sight-seeing trips in connection with the Chicago world's fair.

England's War Expenditures

London.—The total national expenditure of the nine weeks from October 8 to December 9, last, was on a daily average of £6,150,000, says a statement in the detail prepared by Andrew Bonar Law, the chancellor of the exchequer for the house of commons. The five weeks from April 1 to May 5, shows the daily average of expenditure was £7,971,000, while for the five weeks from May 6 to June 9 it was £7,532,000. For the ten weeks from April 1 to June 9, the expenditure shows to have averaged £7,752,000.