

Government Loss On Railroads to Exceed Estimate

Millions in Under-Maintenance Claims Not Settled And May Be Taken To Court.

Washington, May 10.—Director General Davis of the railroad administration, in a report submitted today to Chairman Good of the house committee on appropriations, estimated that the operating loss to the government during the 26 months of federal control will be approximately \$1,200,000,000 or \$300,000,000 more than former Director General Hines estimated the total loss would be.

This estimated loss applies only to the period of federal control and does not include the payments out of the public treasury on account of the six months guaranty in force following federal control and which will amount to about \$600,000,000.

Claims of railroad companies filed to date with the railroad administration total \$633,708,281. If the claims of the companies which have not yet filed are proportionately the same, it is estimated the grand total will be approximately \$1,250,000,000.

Forty-seven roads had been settled with up to May 1. These roads claimed a total of \$124,040,867, and the claims were settled on the basis of about 40 per cent of the face of the claims, officials said.

Of the total of \$633,708,281 claimed to date in final settlement, \$359,000,000 represents claims for under maintenance, \$183,000,000 for under maintenance of way and \$176,000,000 for under maintenance of equipment. It is estimated that when the carriers have all filed their claims the under maintenance will aggregate between \$700,000,000 and \$800,000,000. In the settlements already made, it was said, but a small percentage of under maintenance claims have been recognized.

Marked differences have arisen between the railroad administration and the carriers as to the liability of the administration for under maintenance. Up to this time, it was said, the companies which have settled have adopted the theory of the administration. The aggregate of these differences is very large, amounting to several hundred million dollars, and officials say it may be necessary to carry the question to the United States supreme court. If the position of the railroads should be sustained the cost to the government would be far in excess of any of the estimates yet made, including that of \$1,200,000,000 by Mr. Davis.

Japs Send Friend of Cabinet Members Here

Tokio, May 10.—Baron Stokichi Uru, a classmate of Secretary of War Weeks and a close friend of Secretary Hughes, left Tokio suddenly today for Washington. He said he was going to America on private business, but it is generally believed that he is going as a special representative of the Japanese government to present Nipponese views on the present unsettled situation.

President Harding. There is an undercurrent of opinion growing here that a certain faction in America is determined to irritate Japan to the point of hostilities which Japan is demanded to avoid short of sacrificing her national honor. The departure of Baron Uru is regarded as significant by official circles.

Says 70 Per Cent of Deaths From Cancer Preventable

Lincoln, May 10.—(Special)—Dr. Palmer Findley of Omaha, told members of the State Medical association today that 70 per cent of the 100 deaths in America from cancer annually could have been prevented by treatment in the early stages. He also declared that cancer was on the increase.

Dr. I. H. Dillon, chief of the state bureau of health, substantiated this statement by presenting figures showing 847 deaths in 1919 from cancer in Nebraska, and 977 in 1920.

Fremont Man Expected to Be Candidate for Senate

Lincoln, May 10.—(Special)—It was reported in political circles here today that L. D. Richards of Fremont would soon announce his candidacy for United States senator, subject to republican primaries.

Dog Hill Paragrafts



Columbus Allsop says he don't care how many of his wife's kinfolks come to see him on Sunday to spend the day, so long as they are inclined to do the right thing by bringing along enough grub to run till the middle of the coming week.

Sidney Hocks fished all up and down Gander creek Friday afternoon without even getting a bite. But he was not to be outdone, so he went off the store on the way home and bought a box of sardines and nobody ever knew the difference.

Poke Eazley says as long as a person has a leak in his roof there is not any need of him owning an almanac to tell him when there is going to be bad weather.

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Evidently He Is Unlucky at Love



He: "Yes, I would much rather make love to a woman than play bridge with her."
She: "Then you don't mind losing."

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Turnover Sales Tax Advocated

Senate Finance Committee Hears Arguments at Revenue Legislation Hearing.

Washington, May 10.—Advantages of a 1 per cent turnover sales tax to the government, the merchant and the small taxpayer were set forth by its advocates at the opening hearing on revenue legislation today before the senate finance committee.

The witnesses were Charles E. Lord, New York, dry goods wholesaler and manufacturer; Hughes Satterlee, representing the Manufacturers' club of Philadelphia, and A. J. Kelly, Pittsburgh, representing the National Association of Real Estate Boards.

Mr. Lord favored a 1 per cent turnover tax yielding \$1,500,000,000, miscellaneous taxes yielding \$1,000,000,000 and income taxes yielding \$5,000,000,000. He said that estimates made on the basis of prices prevailing a few months ago showed that a 1 per cent turnover tax would yield about \$2,000,000,000, but that this has been scaled down to

\$1,500,000,000 as a result of declining prices.

Replying to a question by Chairman Penrose as to the reason for general opposition to sales tax on the part of labor and agricultural organizations, Mr. Lord expressed the belief that opposition is chiefly from those who do not understand it.

Discussing the operation of the sales tax in other countries, Mr. Lord said that the French sales tax has not been entirely successful because it has too many classifications, but that the Canadian tax is simpler and works better. The most successful sales tax, he said, is the one in the Philippines after which the scheme generally advocated in this country is patterned.

Tracing the effect of a turnover tax in the case of cotton cloth, Mr. Lord said that he figured that the accumulated tax on seven turnovers between the raw cotton and the finished article would amount to 12 cents on about \$4 worth of cloth.

Aged Cripple Is Murdered By Holdups Who Get \$200

Chicago, May 10.—Frank W. Connelly, a 74-year-old cripple with only one leg, was shot and killed today by two holdup men who escaped with \$200 he had collected from the sale of ice to peddlers. The attack occurred in broad daylight while Connelly was alone on

Daughter of Powder Firm Head Kills Self With Gas

Chicago, May 10.—Miss Marie L. Hawley, whose father is vice president of the General Explosives Powder company, killed herself with gas Saturday as the result of

acute melancholia, a coroner's jury decided today.

She was found dead in the kitchen of her home. Miss Hawley, who was 28 years old was graduated from Washington university, St. Louis.

According to tests made in Europe ball bearings at high speeds have almost as much friction as highly polished and thoroughly lubricated metal surfaces.

Lively Battle On Naval Bill Is Predicted

Senator Borah to Force Disarmament Issue Despite Opposition of Administration.

Washington, May 10.—The \$500,000,000 naval bill may be made the vehicle for a lively discussion of the entire international situation when the measures come up in the senate Thursday.

The question of disarmament is bound to come to a show down, despite President Harding's plea for a free hand, and discussion of this issue, it was stated today, will almost inevitably lead to debate of the administration's decision to resume participation in European councils along with the sidetracking of the Knox peace resolution.

Senator Borah of Idaho has given notice that he will compel the senate to toe the mark on the disarmament issue by moving to suspend the rules to make his amendment for a disarmament conference in order. He issued a statement today in reply to the administration's contention that the disarmament question should be dealt with as a matter of executive policy. He declared that it was a primary concern of congress because of the vast appropriation involved.

"The secretary of the treasury had advised us that we cannot continue to expend money as we are expending it, that to do so means disaster," said Senator Borah. "He has further advised us, as everybody who has studied the situation knows, that there is no way to reduce out tax burdens except through a cut in the army and navy appropriation. This makes the proposition a simple one and particularly a matter for congress to determine. It is the business of congress to make appro-

riations and if taxes are reduced they must be reduced through the action of congress.

"Any suggestion, or any plan, which looks to the curtailment of appropriations is legitimately within the jurisdiction of congress and within the jurisdiction of other departments of the government. The fact that the plan, or suggestion, may incidentally touch our relationship with other nations should not be taken as prohibitive of congress' action. We have no intention whatever of interfering with the executive authority. We simply propose to urge the only plan by which it is possible for congress to reduce these fearful burdens which are now ruining the people of this country."

Helena, Mont., Postmaster Held for Embezzlement

Helena, May 10.—C. H. Fortman, postmaster of Helena, was arrested late Monday on a charge filed by a postoffice inspector. He gave bond in the sum of \$2,000 and will be arraigned before a United States commissioner here tomorrow.

The information laid against Fortman involves five war savings certificates which the postmaster is said to have appropriated to his own use. Mr. Fortman, who was reappointed to a second term a year ago by President Wilson, is a prominent democrat and a pioneer. He made no statement.

Two Gold Prospectors Lose Fortune as They Throw Away Osmiridium

London, May 10.—All that glitters is not gold, but lack of glitter is not a certain test for worthlessness, it was found by gold diggers along the river in Papua, British New Guinea, recently.

While prospecting the men encountered a bluish-gray, flakish substance, which they cast aside as worthless. Two weeks ago, two and one-half pounds of this substance was bought in the city by an American firm for approximately \$2,000 or eight times the value of the same amount of gold.

It was osmiridium, a member of the platinum group of metals, one of the hardest metals known and used for the tipping of fountain pens and for delicate bearings of machinery.

Reds Defeated in Battle With Peasants Is Reported

Copenhagen, May 10.—Russian newspapers have published a wireless dispatch to the bolshevik general staff reporting that soviet troops have suffered a defeat of some consequences during fighting against rebellious Siberian peasant armies, says a Helsinki special received here.

NATIONAL PARKS

America's National Parks and Monuments belong to you. The United States owns and maintains them in their massive, natural beauty and invites you to use them as your vacation land for rest and recreation and recuperation.

You Sing America, Why Not SEE IT?

Rocky Mountain National Park, a scenic wonderland without equal, and Mesa Verde National Park, the Cliff Dwellings in Ancient America, are in Colorado. Plan your vacation to visit these two National Parks this year. Denver, the gateway to 12 National Parks and 32 National Monuments, has a wonderful mountain park system and a FREE AUTO CAMP for motor travelers with free individual campsites, club house, shower baths, mail delivery, wood and water and a popular-price grocery and restaurant for visitors.

Write for FREE VACATION BOOKLET

that tells where to go, what to see and how to visit and enjoy Rocky Mountain National Park, Mesa Verde, Denver's Mountain Parks, the Peak-to-Peak trip, Arapahoe Glacier and Fall River Circle trip. Denver has 252 hotels and over 400 mountain resorts at prices to fit any pocketbook, with numerous short scenic trips by rail, trolley and auto.

DENVER TOURIST BUREAU, 558 17th St., DENVER, COLO.

BANK STATEMENT.

Charter No. 2776 Reserve District No. 19

REPORT OF CONDITION OF THE
MERCHANTS NATIONAL BANK
AT OMAHA, IN THE STATE OF NEBRASKA, AT THE CLOSE OF BUSINESS
ON APRIL 28, 1921.

RESOURCES	
Loans and discounts including rediscounts	\$10,186,757.98
Deduct:	
Notes and bills rediscounted with Federal Reserve Bank	\$1,748,248.70
U. S. Government Securities Owned:	
than Federal Reserve Bank	75,000.00
U. S. Government Securities	1,818,345.70
Overdrafts unsecured	50,000.00
All other U. S. Government Securities	535,808.71
Other Bonds, Stocks, Securities, etc.	183,829.11
Banking House	100,000.00
Real Estate owned other than banking house	6,990.00
Cash in vault	22,910.61
Lawful reserve with Federal Reserve Bank	1,215,868.89
Items with Federal in process of collection	40,000.00
Net amounts due from national banks	720,910.61
Net amounts due from banks, bankers and trust companies in the U. S.	859,875.96
Exchange for clearing houses	185,142.83
Checks on outside banks and other cash items	60,620.77
Redemption fund with U. S. Treasurer and due from U. S. Treasurer	2,500.00
Total	27,011,650.11
LIABILITIES	
Capital stock paid in	\$ 1,000,000.00
Surplus fund	500,000.00
Undivided Profits	549,982.53
Less current expenses, interest and taxes paid	42,286.05
Circulating notes outstanding with other than Federal Reserve Bank	507,725.57
Net amounts due to national banks, bankers and trust Co.	59,000.00
Certified checks outstanding	1,256,442.51
Cashier's checks on own bank outstanding	251,811.94
Demand Deposits:	
Individual deposits subject to check	7,478,008.00
C. of D's. due in less than 30 days	119,990.00
Dividends unpaid	371.00
Time Deposits:	
Other time deposits	359,751.13
Postal savings deposits	10,022.84
Total	10,759,532.50
Bills payable with Federal Reserve Bank	227,980.00
Total	13,145,208.00

State of Nebraska, County of Douglas—s: I, S. S. Kent, Cashier of the above-named bank, do solemnly swear that the above statement is true to the best of my knowledge and belief.
S. S. KENT, Cashier.

Correct—Attest:
G. SAM ROGERS,
FRED G. HAMILTON,
B. H. MELLE, Directors.

Subscribed and sworn before me this 9th day of May, 1921.
(SEAL) CHARLES M. FINA, Notary Public.

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CUSTOM SERVICE WITHOUT THE ANNOYANCE OF A TRY-ON
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CORRECT APPAREL FOR MEN AND WOMEN

\$1 DOWN

DELIVERS ANY NEW PHONOGRAPH TO YOUR HOME

Spring Clearance Sale of New Sample and Used Phonographs at Pre-War Prices

New Phonographs as Low as \$67.50
\$1.00 down, \$1 a week.

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\$1.00 down, \$1.50 a week.

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If you ever expect to buy a phonograph do not fail to call tomorrow. Every one of these phonographs are fully guaranteed by us.

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\$25 Victor, now.....	\$16.00	\$125 Vitrola, now.....	\$57.50
\$75 Columbia Regal.....	\$38.50	\$150 Telatone, now.....	\$9.50

500 Columbia Blue Label Records, former price \$1.00, late song and instrumental hits by the world's foremost artists, 130 retired numbers to select from. Come in and hear them, special price

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