WEATHER.
Probably showers to night and tomorrow; cooler tomorrow.
Temperature for twenty-four hours ending 2 p.m. today: Highest, 76, at noon today. Lowest, 64, at 7 a.m. today.
Full report on page 18.

# The Evening Star.

Member of the Associated Press
The Associated Press is exclusively entitled to the use for republication of all news credited to it or not otherwise credited in this paper and also the local news published herein.
All rights of publication of special dispatches herein are also reserved.

Sworn Net Circulation, Month of August, 1917, Daily Average, 87,529; Sunday, 63,476.

No. 26,797. WASHINGTON, D. C., THURSDAY, SEPTEMBER 6, 1917.—TWENTY-TWO PAGES. ONE CENT IN WASHINGTON AND NEARBY SUBURBS. TWO CENTS ELSEWHERE.

## GERMAN WARSHIPS IN GULF OF RIGA NEW MENACE TO RUSS

### Slavs' Right Flank Endangered and Fears Are Entertained for Fleet's Safety.

### TEUTONS PRESSING ON; CUT FORTY-MILE GAP

**Russian Forces Fall Back Over Melupe River—High Military Officers Believe Petrograd Safe.**

With the appearance of a German fleet in the Gulf of Riga the difficulties of the problem facing the Russians in the operations on their northern front are accentuated. Not only is the safety of their armies concerned, but apprehensions are excited as to what will happen to the Russian fleet if the German naval forces are given full swing in the Baltic. Only submarines so far are operating against the Russian right flank as it fell back along the Gulf of Riga coast. The warships now bid fair to take part in the activities, increasing the troubles of the Russians in the task of keeping their flank protected.

As to actual operations against the Russian fleet, it does not appear to be expected that they will develop until the land campaign has progressed further and it is seen what success the Russians will have in their effort to make a stand on a new line. Moreover, it is a long way overland to Reval, where the Russian warships are supposed to be chiefly congregated. The Riga gulf, however, would offer a favorable base for purely naval operations against Reval if these should be decided upon.

On the forty-mile front of the break in the Russian land lines the Germans are pushing their advantage and have as yet met with no effective resistance. It is declared, however, that the Russian retreat is by no means a rout and that a well defined plan is being carried out in the retrograde movement.

Its success admittedly depends upon the behavior of the Russian troops, whose morale on this front is now reported to be better than the earlier accounts of the retreat seemed to indicate.

**Russians Admit Reverses.**

By the Associated Press.

PETROGRAD, September 6.—It is semi-officially announced that a German fleet has appeared in the Gulf of Riga.

During the last two days the Riga front has been broken on a width of sixty versts. Throughout Tuesday the Germans energetically pursued their offensive, particularly north of Uxkull, in order to cut the Riga-Venen railway.

The Russians are continuing their retreat toward the northeast in the Riga region, crossing the Melupe river, the war office announces.

**Russian Official Report.**

"In the Riga region, north of the Livonian Aa," reads the official statement, "we continued our retirement northeastward, crossing the River Melupe. In the region of the Psokov road and the Livonian Aa our infantry retired to the region of Segevold and Ligat, which is twenty-five versts southwest of Venden.

"Our troops operating in the region east of Riga are continuing to retire under the enemy pressure, reaching the approximate line of Klangsnberg, Moretzberg, Kesiran and Friedrichstadt.

"There were fusillades elsewhere on the front."

**Difficulty in Retreat.**

The retreat of the Russians from Riga over a neck of land a mile and a half wide between Lake Kish and Lake Egel is being accomplished with the greatest difficulty and with the enemy constantly shelling the rear guard. This route is along the Pskoff railway and is the only exit from the cul-de-sac, the German column having moved up from Uxkull direction, cutting off the Russian retreat to the southeast

The civilian head of the war ministry, Boris Savinkoff, has issued a statement saying that the success of the measures which will be taken to check the advance "depend wholly upon the behavior of our troops."

**Discounts Menace to Capital.**

Despite reports of the disgraceful flight of certain elements of Russian defenders of Riga positions, military commentators praise the heroism of certain regiments, among which were some composed of Letts, who fought bravely to stem the tide of retreat; in fact, setting an example for their comrades. The chief of the general staff, Gen. Romanofsky, expresses the opinion that the evacuation constitutes no imminent menace to Petrograd, because the near approach of the rainy season will prevent the enemy from advancing far in the direction of the capital.

The danger of a descent upon the coast nearer to Petrograd is also discounted in official circle, for like reasons, and the additional difficulty the enemy would find in maintaining communication with a detached force.

Gen. Alexieff, former commander in chief, says that Petrograd was not threatened by the fall of Riga. The greater danger, he added, was on the Rumanian front.

Gen. Vassilkovski, commander of the Petrograd military district, agrees with Gen. Alexieff. He declares the fall of Riga is of moral but not strategic importance, and gives assurance that the Petrograd garrison is in good spirits, well disciplined and confident of the safety of the capital.

**Newspapers Are Gloomier.**

The newspapers take a gloomier view of the situation. Russky Invalid, the least pessimistic in its expressions, finds nothing definitely hopeless in the situation "if our troops have not forgotten that they are Russians and if some brilliant officers are found among them who are ready to do their duty."

Special committees from the regiments of the Petrograd garrison have been appointed to work out a plan for the defense of the capital.

**Knew Russian Positions.**

The military organ of the Riga front is of the opinion that the Germans were able to cross the Dvina because they knew absolutely the positions of all the Russian battery emplacements and thus were able to silence the guns.

Military circles say that it is im-

(Continued on Second Page.)

## DESPERATE BATTLE IN GORIZIA REGION

### Italian Campaign Pushed in Face of Vast Austrian Concentrations.

### SAN GABRIELE DOOMED

The Italian campaign for Trieste is being vigorously pushed in the face of vast concentrations of Austrian infantry and artillery, and Gen. Cadorna continues to report progress.

It seems that the unofficial reports of the capture of San Gabriele by the Italians were premature, judging from the latest advices from the front, but the ultimate reduction of this last remaining stronghold of the Austrians in the Gorizia hills is accounted a certainty by the military writers in view of the steady Italian progress through the protecting works.

ROME, September 6.—The desperate battle for possession of vital positions in the district northeast of Gorizia on the Austra-Italian front is continuing, according to today's war office statement. The Italians yesterday took more than 500 additional prisoners.

**Italian Official Report.**

The statement reads:

"The struggle continues northeast of Gorizia. Yesterday we captured twenty-six officers and more than 500 men.

"On the Carso repeated attacks by the enemy south of the Brestovizza valley were broken up by our firm resistance and prompt counter attacks. We made about 200 prisoners.

"Enemy batteries and troops in the Baza valley, at Tolmino, to the east of the Chiapovano valley, in the Voiscizza region and on the reverse of the Hermada were very effectively bombarded by our aviators.

"On the Trentino front parties of our Arditi destroyed the enemy's advanced posts near Baone-Chiese and emplacements in the Zurez region, east of Lake Garda."

**Battle Is Fierce One.**

UDINE, Italy, September 6.—The Austrian command has succeeded in concentrating again such numbers of fresh troops and artillery removed from the Russo-Rumanian and Balkan fronts that the battle is raging again more fiercely than ever before, especially east of Gorizia and northwest of the Hermadain, the Carso area.

The Austrians still are in possession of what is called the sentinel of Gorizia. Monte San Gabriele, which dominates both the Isonzo valley and the southern part of the Bainsizza plateau, but all the surrounding supports of this stronghold are gradually falling into the hands of the Italians so that the network of fortifications which the enemy had spread along this section is little by little being destroyed.

(Unofficial reports through London said that Monte San Gabriele had been captured by the Italians.)

**Austrians Attack Desperately.**

In the Hermada sector the Austrians have gathered the flower of their force, considering it the advance guard of Trieste. Thus their counter attack around the village of Selo was very desperate. The Italians offered a strenuous defense along the Brestovizza valley.

Attacks and counter attacks followed in close succession, the troops being engaged in a stubborn battle throughout the day. Several fortified positions frequently changed hands, but the Italians finally remained masters of the situation and wrested from the enemy a few additional positions, which they already have strongly fortified.

**Fight for San Gabriele.**

LONDON, September 6.—Details of the Italian attack on Monte San Gabriele on Monday, sent by Austrian correspondents at the front, and transmitted by the Central News correspondent at Amsterdam, state that the mountain on that day was continually exposed to a violent artillery fire, which at times assumed the intensity of drum fire.

At 6 o'clock Tuesday morning the Italian infantry began a furious attack, the mountain being enveloped in dense clouds of smoke and dust.

## MEXICAN BOAT SINKS, 200 SOLDIERS DROWN

### Government Vessel, With Horses and Equipment, Capsizes in Sudden Squall.

LOS ANGELES, Cal., September 6.—Acording to a telegram received here, 200 Mexican soldiers were drowned last night in the Gulf of California as a result of the sinking of a Mexican government vessel.

Acording to the meager advices received the soldiers were from the Guaymas garrisons and were being transported by barge with a number of horses and a quantity of military equipment from Point Isabella to La Bolsa, Sonora.

The barge was in tow of a government tug.

A sudden squall is said to have capsized the barge, which was reported to be one of the number originally constructed for river work and unstable in a running sea.

Carranza officials at border points last night disclaimed any definite information of the disaster, but stated it was probably a correct report. They said that barges have been used frequently for transport work lately. They also said that a troop movement of this character described was known to have been ordered.

The report said the squall which caused capsizing of the barge prevented the tug from rendering assistance to the struggling men.

## SLOW WORK ON JURY.

### Nine Tentatively Selected to Try Rev. Kelly for Murder.

RED OAK, Iowa, September 6.—When the trial of the Rev. Lin George J. Kelly, charged with murder in connection with the Villisca ax slayings of 1912, was resumed in the district court here today, it was predicted that final selection of a jury would be completed by Saturday night.

Fifteen veniremen were examined yesterday to obtain nine tentative jurors. Counsel expected the list would be completed today ready for the exercise of the first peremtory challenges. The defense and prosecution each has ten peremptory challenges

## HOUSE BILL WOULD ADD FIVE BILLIONS TO U. S. WAR CHEST

### Greatest Budget in History Reported Out by the Appropriations Committee.

### $7,500,000 IS PROVIDED FOR NAVAL GUN FACTORY

**Total of $3,775,979,370 for Immediate Purchase of Guns and Equipment.**

The greatest war appropriation bill ever written, carrying $4,810,979,370, of which $3,775,979,370 is in cash to be spent immediately, was presented to the House today by the committee on appropriations. It is the answer to the request of the Army and Navy for money and munitions of war, and appropriates in single items for cannon, ammunition, ships and all the enormous panoply of field and sea campaigns more than it has cost to run the entire government for a whole year in times of peace.

**Provides for New Contracts.**

Besides allowing the expenditure of $3,775,979,370 in cash, the bill permits the government to make contracts to the extent of $1,035,000,000. Most of this latter huge sum is for artillery, machine guns and ammunition. In effect, the bill tells the War Department to go ahead and make contracts for these necessary items and when the work is started to return to Congress and get the cash.

Much of the money is to be spent in Washington.

Chief among these items is the proposed expenditure of $7,500,000 at the navy yard—$5,000,000 for enlarging the plant and $2,500,000 for tools and machinery.

This means the government intends to operate as large a gun factory in Washington as it is possible to build in time to be of use in the war.

**Explained by Secretary Daniels.**

The entire project is thus explained, in a statement to the committee by Secretary of the Navy Daniels:

"Contracts for guns, mounts and other ordnance supplies are becoming increasingly difficult to place. A large amount of money in advance has been allotted for the construction of shops that after the present emergency will theoretically become part of the Navy's property, although, due to the scattered locations, it will not be practicable to utilize them to the fullest extent in the Navy's activities. Funds expended in an extension to the Washington gun factory would result in quicker return of manufactured ordnance material at a decidedly less cost and give a permanent installation of great value to the Navy. Had not the Navy possessed the present factory, the supply of all ordnance material would be so much less efficient than it is at present that the matter would have undoubtedly been forced to public notice. The bureau of ordnance can order direct and obtain material from this factory, and this alone. The matter of additional guns and mounts is most urgent, demands being made by our own and other governments for such equipment.

"The naval gun factory, possessing as it does a complete organization and a large working force, is readily adapted to increasing its facilities for delivery of guns, mounts and other munitions. To develop any other source is not only expensive, but involves a matter of long delay. It is, therefore, considered to the best interests of the government to increase at once the capacity of the Washington navy yard for guns, mounts, torpedoes, mines, telescopes, sights, optical instruments and miscellaneous ordnance supplies. For this purpose it is proposed to construct the necessary buildings, craneways, storage and handling facilities at an estimated cost complete of $5,000,000, with the necessary machinery to cost $2,500,000 additional. An appropriation of $7,500,000 for this purpose is earnestly recommended.

**What Work Includes.**

"The proposed work includes the construction of a large six-story machine shop for mines, mounts and torpedoes, a five-story pattern and woodworking shop, an extension to the power plant, a new brass foundry, an extension of the steel forging plant, an optical shop, range-finder towers, administration building, quarters for enlisted personnel under instruction and the extension of the yard service system to supply adequately these new structures.

"With the accomplishment of the extensions contemplated, ample manufacturing facilities will be provided for the manufacture of from three hundred to nine hundred torpedoes per annum, at least three thousand mines per month, a large increase in the manufacture of guns, mounts and other ordnance accessories and the manufacture and repair of the larger part of the optical work for the entire naval establishment. The present output of the torpedoes at the Washington navy yard is approximately one hundred per annum. No mines are manufactured and only a small part of the naval optical work is now done. It is thus apparent that the expenditure of these funds is amply warranted as an evident and urgent military necessity. Capt. Willard, the acting superintendent of the naval gun factory, estimates that after improvements requested have been completed, with the plant working at full capacity, the annual saving in cost of ordnance materials would very nearly equal the first cost of the improvements. On this basis alone the expenditure would appear to be amply justified, while on the basis of military necessity for the purpose of increasing the country's output capacity and affording production for ordnance material that cannot be produced elsewhere the project would seem to be an urgent need."

**Enormous Increase in Work.**

The War Department's appropriation for $24,973,832 contains one item of $4,261,232 for clerical services of extra character, showing the enormous increase in the work of the department. For contingent expenses, office extras and stationery, $700,000 is appropriated. Every arsenal and munitions plant under the department's jurisdiction receives appropriations ranging from $30,000 for the San Antonio, Tex., arsenal to $1,420,000 for the Rock Island, Ill., establishment. For additional proving grounds $3,000,000 is appropriated, and for terminal facilities at any armory or arsenal, wherever needed, the department is given $10,000,000.

**Submarine Base at Panama.**

Panama canal fortifications, which are in an advanced state of perfection already, will be further strengthened by

(Continued on Eleventh Page.)

SHERLOCK MICHAELIS.

## SERVED ON THE EMDEN; HAS HAD ENOUGH OF WAR

**Member of Crew of German Raider Asks Exemption From the Army Draft.**

MEMPHIS, September 6.—Frederick Nelson, who claims to have been a member of the crew of the German raider Emden, and who has been drafted for the new National Army from Lauderdale county, Tenn., today asked the district board of appeals for west Tennessee to exempt him from service in the United States.

Nelson informed the board he left Germany ten days before the outbreak of the world war in August, 1914, as a member of the crew of the Emden. After war was declared Nelson did his bit on the raider when it terrorized shipping on the seven seas.

While the cruiser was coaling in a Porto Rican port he was given shore leave and overstayed his leave. When he returned to the dock the Emden had departed.

Nelson worked his way to New Orleans and thence drifted north to Lauderdale county, where he is employed as a farm laborer. His was one of the first numbers drawn in the selective draft. Nelson in his claim for exemption pleads agricultural pursuits as a basis for his discharge from army service.

## BILL FOR ARMORY HERE APPEARS IN HOUSE AGAIN

**Representative Dyer Reintroduces Measure Carrying an Appropriation of $1,750,000.**

Another effort to authorize the building of a new and adequate armory for the National Guard of the District of Columbia was started today by Representative Dyer of Missouri, who reintroduced his bill of last year. The bill provides for an armory to cost $1,750,000, to be erected on the north side of the reservation between 12th street and 14th street and facing B street north.

The armory project has had the complete approval of Congress for several years past, but has always been unfortunate in being tied up with other projects not so meritorious. For that reason the House and Senate committees on buildings and grounds have approved the armory bill, but the House and Senate have never simultaneously agreed as to the omnibus bills in which this item has been buried.

Representative Dyer now proposes the bill as a separate measure and hopes to get it through the House without its being tied up to any other project.

## PRESIDENT NOT UNWILLING CONGRESS SHALL ADJOURN

Several letters have been written by President Wilson to members of Congress indorsing the view that it would be a fine thing if Congress were to finish its work in the near future and the members return to their districts to shed "full light" on the war and its objects.

Administration officials said today they were hopeful Congress might finish about October 1, after passing the war revenue bill, the new credit bill and soldiers' and sailors' insurance legislation.

The President, however, is not expected to exert any pressure to bring about an adjournment.

## RAILROAD CASUALTIES IN 1916.

### 10,001 Killed and 193,722 Injured, I. C. C. Reports.

Ten thousand and one persons were killed in railroad accidents during 1916 and 196,722 were injured, according to a compilation of figures covering the year, made public today by the Interstate Commerce Commission. As usual the greater number were trespassers on railroad property.

Passengers killed numbered 291; injured, 8,008; employes killed, 2,941; injured, 176,922. Other persons, including trespassers, killed and injured numbered 6,769 and 11,791, respectively.

These figures show an increase over 1915 of 1,371 persons killed and 34,835 injured.

## PEACE ADVOCATE REFUSED TALK WITH THE PRESIDENT

Prof. H. W. L. Dana, representing the People's Council of America for Democracy and Terms of Peace, the organization which was not allowed to hold meetings in several western cities last week, was refused an interview with President Wilson today by Secretary Tumulty. Mr. Tumulty told Prof. Dana the President was too busy to see any one from that organization.

## SPEAKER FOR TAX ON "50-50" BASIS

### Head of House Would Have Present Generation Pay for War.

### DEFENDS THE BOND BILL

Champ Clark took the floor of the House today and in plain, old-fashioned speech let it be known that he believed in financing the war on a "50-50 basis."

"I am opposed," he said, "to loading this war debt on succeeding generations. This generation entered into this war and it ought to pay the war debt."

The Speaker answered the arguments of men who had been opposing several of the features of the administration bond bill; among them being the objection of several members to loans made to European governments, which may never repay this country. The Speaker said no real big government had ever failed to pay its debts.

**Madden Sees Ruin for Business.**

Representative Madden of Illinois, replying to the statement by the Speaker that he would finance the war on a "50-50 basis," warned the House that any attempt to levy a tax which would raise one-half of the cost of the war would ruin all business in twenty days.

"Let's see about that," said Champ Clark. "This country is worth two hundred millions and the highest tax yet proposed would not be unreasonable. I would not impose a cruel or unjust tax, but the men of this generation who are not going into this war ought to be willing to contribute their share of the expense. I think a man ought to contribute a dollar as willingly as another man contributes his life.

"Over in England they are levying an excess profit tax of 80 per cent, and, as we seem to be copying them a good deal these days, it might not be a bad idea to copy this tax."

Representative Longworth of Ohio interrupted him to say that England is raising four-fifths of her war money by bonds. Speaker Clark answered immediately:

"Yes, and I am willing to bet the best hat that Stetson ever made those English bonds will never sell at par."

Representative Fordney of Michigan interrupted:

"Mr. Speaker, those bonds are being sold to us at par at this very moment."

"Yes, to us, but to no one else," snapped Speaker Clark.

**Republicans Check Bill's Passage.**

Republicans did everything in their power to modify the power granted Secretary McAdoo in the big bond bill, and yesterday put so many obstacles in the way of quick passage that only a few lines of the bill were read in committee of the whole.

Representative Moore of Pennsylvania and Representative Gillett of Massachusetts offered amendments creating a congressional committee to cooperate with the President on the conduct of the war. They were knocked out on points of order brought by Representative Kitchin of North Carolina, Representative Johnson of Kentucky being the chairman of the committee of the whole. Representative Morgan of Oklahoma and Representative Sloan of Nebraska endeavored to amend the bill so as to define definitely the interest rates on the proposed bonds. The bill gives the Secretary of the Treasury wide latitude in this respect. The House defeated these amendments.

**Seeks Advisory Commission.**

Representative Stafford of Wisconsin made one of the strongest fights against the one-man power contained in the bill when he offered an amendment calling for an advisory commission composed of cabinet members and the Federal Reserve Board chairman. Chairman Kitchin of the ways and means committee took exception to it and made a point of order, which was argued at great length by Representative Stafford, who intimated that the committee had determined to use the "steam roller" on any amendments from the floor.

The point of order was sustained after considerable argument back and forth on both sides. "Uncle Joe" Cannon supported the bill and declared he did not believe in tying the hands of the President in any way at this time.

Representative Moore expressed doubt that some of the money loaned to foreign governments would be returned, and Representative Cooper of Wisconsin brought out the fact that foreign loans are made by the Secretary of the Treasury on the representation of a duly accredited representative of that government.

## LUNDBOHM TO COME ON MISSION TO U. S.

**Change in Commercial Policy of Sweden Indicated—More Independent of Germany.**

STOCKHOLM, September 6.—Hjalmar Lundbohm has been appointed to undertake a special mission to the United States. The appointment is looked upon as significant of a change in Sweden's commercial policy.

Before the war Swedish iron ore was to a considerable extent exported to the United States, and Lundbohm's mission it is understood, will undertake to reopen this traffic, which will cause a decrease in the quantity of iron ore sent to Germany.

Not only the general situation, the result of the commercial policy of the entente nations toward Sweden, causes her to seek relief, but Germany is no longer able to export sufficient coal for Sweden's demands and forces Sweden to try to compensate her iron ore against American coal. This step, it is believed, will add to her independence of commercial relations with Germany.

## COURT ASKED TO HALT LABOR UNION ACTIVITIES

**Bakery Salesman Says Organization Refuses Membership and Seeks His Dismissal.**

A fight to prevent labor unions from refusing a man membership in an organization and then procuring his discharge from a "closed shop" industry was begun in the District Supreme Court today by George Schnebel, a bakery wagon driver, who asks an injunction against the officers and members of the Bakery Salesmen's Local Union No. 33, and against John G. Meinberg, his employer. Justice McCoy ordered a preliminary hearing September 20.

Schnebel alleges that he has been employed as a driver and salesman in the District for fifteen years and that he entered the employ of Meinberg last year. He then applied to the union for membership and inclosed $15 for his initiation fee.

Yesterday he says he received notice from James L. Considine, secretary of the union, that his application had been unanimously rejected and his $15 was returned. The plaintiff also alleges that the other members of the union employed by Meinberg have been notified that unless he is discharged they will be called on to walk out.

As a result of this situation Schnebel says he has been told by his employer that he will be discharged shortly, though there is no complaint as to his ability or the character of his service. He says he believes that he was refused membership in the union on an objection made by the Brewery Workers' Union, which was dissatisfied because he at one time worked for a firm rated as "unfair" by the brewery workers. Attorneys Maddox & Gatley represent the plaintiff.

## POINCARE AND HIS WAR AIDS VISIT PERSHING

PARIS, September 6.—President Poincare, Paul Painleve, the secretary of war, and Gen. Petain, the French commander-in-chief, visited the headquarters of the American army today. They were received by Maj. Gen. Pershing, commander of the American forces, with whom they inspected the training camp.

By the Associated Press.

AMERICAN FIELD HEADQUARTERS IN FRANCE, September 6.—President Poincare reviewed the American troops today. He said he had selected this date because it was a double anniversary—of the birth of Lafayette and of the beginning of the battle of the Marne, in which the forces of freedom threw back the onslaught of autocracy.

The President congrtulated Gen. Pershing on the splendid showing of the American troops and that events were drawing France and America ever closer together.

**Green Sea Turtle Replaces Beef.**

NEW YORK, September 6.—Green sea turtle, prepared in a number of different ways, is the latest addition to the long list of meats now being offered to the public as a substitute for beef. Following the suggestions to conserve the beef supply, the chefs of a number of uptown hotels have added several dishes made of green turtle to their menus. A four-year-old turtle weighs about 240 pounds, and they range in weight from 50 to 300 pounds for market use.

## TAXES ON INCOMES UP IN THE SENATE

### High Tax Men Decisively Defeated Over Charges on War Profits.

### FINAL VOTE DUE FRIDAY

Senate consideration of the income tax section in the war revenue bill began today, following yesterday's rout of the forces advocating higher levies on war excess profits. All of their proposals were beaten, the Senate voting, 72 to 7, to retain the finance committee's compromise provision for a total levy of $1,286,000,000, an increase of $1,060,000,000 over the present taxes.

The action virtually ends the fight over war profits taxation, although it is subject to review when the bill comes up for passage. So far, however, there has been no indication that the contest would be renewed.

Debate on the income tax section opened today under an agreement for a final vote tomorrow. The section, as rewritten by the committee, is designed to raise $850,000,000 from incomes, $360,000,000 from corporations and the balance from individuals.

**Two Amendments Ready.**

High tax senators were ready to make a determined fight for further taxation of incomes. Senators La Follette and Hollis had prepared amendments to raise the individual levy to approximately $650,000,000 and $557,000,000, respectively.

Defeat of all such proposals was seen today by the leaders as a result of the Senate's action on war profits taxation.

Levying of heavy rates of taxation on incomes was opposed by Senator McCumber, who declared he was afraid, if this were done, it would create dissatisfaction among the people and curtail their enthusiasm.

"No matter how patriotic a people is, you can impose on them and dampen their war spirit," he said. "I think we are levying too heavy a tax on the people for the first year. I think we ought to levy a moderate tax on people with moderate incomes and a higher tax on those with larger incomes."

If he were opposed to the war, he said, and wanted to make it unpopular, he would make the tax just as heavy as possible and have it all paid this year.

Senator Smoot of Utah today gave out a statement that the bill would result in raising 35.3 per cent of this year's actual expenditures by taxation. Of $19,015,000,000 already appropriated and in prospect, Senator Smoot stated that but $11,775,000,000 would actually be drawn from the Treasury.

Estimating the pending bill to raise $2,500,000,000, other taxation revenues were calculated to raise a total of $4,158,000,000 by taxes, leaving $7,617,000,000 to be secured by bonds. The Utah senator also pointed out that the tax proportion is much larger than that of the following belligerents: England, 26 per cent; France, 14½ per cent; Germany, 14¾ per cent, and Canada, 8 per cent.

In the final vote yesterday on the excess profits provision of the war tax bill in the Senate the advocates of high taxes on war profits were defeated and the finance committee's compromise was adopted in committee of the whole, subject to a vote in open Senate later. The largest vote the high tax senators were enabled to poll was 29, or twenty short of a majority, on a motion by Senator Johnson of California to increase the graduated scale from 60 to 70 per cent. Only seven senators in the end voted against adoption of the committee's recommendation.

**Provisions of the Section.**

As the section now stands, it provides for an estimated revenue of $1,286,000,000 from excess profits. The committee on finance originally recommended taking $562,000,000 from excess profits, but circumstances later induced it to increase the take-over to $1,060,000,000, which added to the $226,000,000 now raised by the excess profits law, for which this will be a substitute, makes the total of $1,286,000,000 from excess profits of all kinds.

The graduated rates and their estimated revenue yield follows: Twelve per cent on excess profits up to 15 per cent, $100,080,000; 16 per cent between 16 and 25 per cent, $46,080,000; 20 per cent between 25 and 50 per cent, $109,000,000; 25 per cent between 50 and 75 per cent, $101,000,000; 30 per cent between 75 and 100 per cent, $88,200,000; 35 per cent between 100 and 150 per cent, $120,050,000; 40 per cent between 150 and 200 per cent, $102,000,000; 45 per cent between 200 and 25 per cent, $84,150,000; 50 per cent between 250 and 500 per cent, $72,500,000; 60 per cent on profits in excess of 200 per cent, $462,940,000.

**Affects Peace Profits.**

The bill extends the tax to ordinary, normal peace profits in excess of 10 per cent in addition to excessive war profits, reached by graduated rates, amounting to surtaxes, ranging from 12 to 60 per cent. The excess is based upon the net income above $5,000 of corporations, partnerships and individuals in trade or business over the average of 1911, 1912 and 1913—the pre-war standard—with a minimum exemption of 6 per cent of actual invested capital and a maximum exemption of 10 per cent.

## WOULD BAN SMOKING.

### New York Industrial Commission Moves to Reduce Factory Fires.

NEW YORK, September 6.—Suggestions for the reduction of fire hazards from smoking cigars, cigarettes and pipes and wearing celluloid eye shades were received here today by the state industrial commission at its final hearing on fire prevention.

Among the suggestions was one that the regulations prohibiting smoking in factories be extended to twenty-four hours a day, so no employe of a factory could smoke until he had left the building. It was said many fires are caused by workmen lighting cigarettes or cigars as they quit work, carelessly throwing aside lighted matches.

**Declines to Sell Seized Ships.**

PEKING, Monday, September 3 (delayed).—The offer of the allied governments to purchase or charter German ships which were seized by the Chinese authorities on the rupture of relations between Germany and China has been declined by the government. The ships are being turned over to a Chinese syndicate for the ostensible purpose of augmenting China's merchant marine.

**Tuberculosis on Increase.**

COPENHAGEN, September 6.—Vital statistics for the city of Berlin, now published for the months of March, April and May, show a 56 per cent increase in the number of deaths from tuberculosis, as compared with the same months of 1916. The winter months also were highly unfavorable in their showing regarding the spread of tuberculosis and other lung diseases.

## HIT TRAITORS HARD, PURPOSE IN FUTURE OF U. S. OFFICIALS

### Yesterday's Many Raids Only First Step in Nation-Wide Campaign.

### LEADERS OF THE I. W. W. TO BE BROUGHT UP SHORT

**Uncle Sam to Remove Gloves in Handling Those Who Preach Sedition and Opposition to War.**

Simultaneous raids yesterday afternoon on headquarters of various organizations in numerous cities where anti-war activities have germinated, marked only the first step of a vigorous nation-wide campaign by the Department of Justice to put down sedition, treason or pro-Germanism in whatever guise they appear.

The extent of this campaign has not been realized by the public, and its details are not to be disclosed, but officials of the Department of Justice today stated that it includes a surveillance of all organizations suspected of cloaking anti-war propaganda, scrutiny of newspapers and magazines, especially of those in foreign tongues, and stenographic reports of pacifist meetings.

**Evidence Is Voluminous.**

Voluminous evidence of this character already has been presented to officials of the department and much of it has been carefully investigated to see whether its sources could be traced back to activities of enemy agents.

Chief Justice J. Harry Covington of the District Supreme Court, assigned by the President to make a personal investigation of labor conditions in the west, had an appointment at the White House for 3:15 o'clock today.

Justice Covington, it was learned, has taken no part in the activities of the Department of Justice. He has not been in communication with the Attorney General's office. Folowing his report to the President he is expected to confer with the Secretary of Labor, though he had made no appointment, it was stated this afternoon at Secretary Wilson's office.

**Rod in Pickle for I. W. W.**

Announcement is expected shortly of a more vigorous policy in regard to the tactics of the Industrial Workers of the World, and of agents working under the guise of that organization. It is understood that the leniency so far shown activities of that body, of certain branches of the socialists and of a few pacifist societies has been because of the desire to draw a distinction between the segments of these organization which represent labor or other bona fide American sentiment and the segments which are formed as a cloak for foreign plotting.

Frank acknowledgement is made by officials of the Department of Justice of the valuable services of various patriotic organizations and defense bodies, some of them newly created since the war, which have been performing a volunteer service of their own in calling attention of department agents to places of meeting and underground efforts to discourage war preparations.

The I. W. W. is, perhaps, the largest single organization which will engage the department's attention in the campaign. From now on, other organizations and individuals whose utterances and activities have given ground for suspicion of disloyalty will be under stricter surveillance than ever, and more drastic measures will be pursued in dealing with them.

**After Soap-Box Orators.**

Included in the classes of persons with whom the department may deal are the so-called soap-box orators of New York and other large cities, writers and publishers, in a few instances, connected with the German language press in this country, so-called conscientious objectors and a large number of individuals not classified, whose activities have led them to be regarded as the active friends of Germany in this country.

For months the department has been collecting a tremendous amount of evidence which can be utilized in prosecutions, in connection with yesterday's seizure of I. W. W. papers and other prosecutions contemplated in the near future.

To curb the activity of citizens and others suspected of disloyal and seditious utterances and activities the department has increased its force of field workers and the forces at disposal of federal marshals and attorneys in the chief cities.

**Reports of Raid Arrive.**

Dispatches containing reports of the documents seized in the nation-wide raid on the various organization headquarters began to pour into the office of William C Fitts, assistant attorney general, who has been in charge of the efforts, extending over a period of nearly two months, to gather evidence of anti-war plots.

Indication that the plotters against the country's war preparations had invaded the east was given by the seizure of papers in Scranton, Pa., and in Philadelphia. So far, it was stated, these were the only eastern activities disclosed, the plotters operating chiefly throughout the middle west and along the Pacific coast.

Though official announcement of the contents of the reports was withheld, it was learned today that government agents already have evidence of a far-reaching program of sabotage and incendiarism, directed principally to the tying up of the nation's manufacturing machinery, destructions of stores of products, and even the destroying by fire of food supplies in storage plants and grain warehouses.

The plan for further procedure contemplates the local prosecution of all cases through United States district attorneys, who will keep closely in touch with Washington in preparing their cases for federal grand juries.

**Justice Covington Arrives.**

Officials at the Department of Justice stated that they had no communication with Chief Justcie J. Harry Covington of the District Supreme Court, who came to Washington yesterday and was prepared to lay a report of his investigations of labor troubles before the President. It was stated that the activities of the department naturally would be in harmony with Justice Covington's efforts, for he is working directly under commission of the President, but his investigations were