

LOWER TAXES HELD LIKELY DURING 1932

Unofficial Estimates Indicate Reduction in County of 3.5 Mills.

LA GRANDE TAXES MAY DROP 5 MILLS

County Court Will Meet On Saturday, Dec. 19 to Determine the Official Tax Levy.

Unofficial estimates today indicated that both Union county and La Grande taxpayers will enjoy reduced taxation next year, largely because of the removal of the state property tax for next year by Gov. Julius L. Meier and the general reductions in school, city and county budgets.

Indications are that the county and state tax will total 15.5 mills in the county, representing a decrease of 3.5 mills from 1931, or about \$3.50 per \$100 in taxes. The elementary school tax of 1.73 mills is the only remaining state property tax imposed and the county tax amounts to approximately 13.73 mills.

The reduction comes in spite of a heavy reduction in property valuation, which has decreased for the county from \$23,858,449 to \$22,083,691, representing a loss of \$1,774,808.

La Grander Expect Cut
In La Grande, working on the basis that the city's assessed valuation will show but little change because of new construction, etc., it is possible that an even further reduction will be enjoyed, due to about a \$10,000 cut in the city budget and nearly a \$3,000 cut in the school district budget. Local taxpayers are hopeful that the reduction within the city limits may amount to as much as five mills, or \$5 on a \$100 basis.

These unofficial estimates are based on advance state figures and a certain amount of conjecture, as the division of public utility valuations has not been completed.

The county court will determine the official tax levy at an adjourned meeting on Saturday, Dec. 19.

GIVE PROGRAM FOR CONCERT THIS EVENING

Plans for the second, "Winter Chautauque" concert to be given at the Central Church of Christ are all completed, and Rev. Paul De F. Mortimore, pastor of the church, states that there is much interest being expressed in the concert, indicating that a large crowd will be in attendance. He stresses the fact that there is no admission charge or offering taken at these concerts, the program being furnished by local talent and the Church of Christ giving the use of its building. "A most cordial invitation is extended to all to hear the program, which follows:

Selection, "Gems From the Opera" By the Christian Church Orchestra
Baritone solo, "The Road to Mandalay" Kermit Ragin
Piano solo, "By Miss Mildred Spencer" Violin solo, "By Miss Jennie Nielsen" Reading, "By Mrs. Stella Huffman" Clarinet solo, "Miss Grace Skully" Whistling solo, "Gypsy Love Song" Mrs. Manley M. Arant

Helms Maintains Thursday's Gains

Amos "Spud" Helms, critically ill at the Grande Bonde hospital, was reported to be in about the same condition this morning as late yesterday, when a slight improvement was noted. He spent a somewhat restless night, but improved this morning, regaining any ground that might have been lost during the night.

Friends are more hopeful today that he will weather the crisis.

WEATHER FORECAST

Oregon: Generally cloudy tonight and Saturday; cold; moderate changeable winds offshore.

WEATHER TODAY

7 a. m.—19 above.
Minimum: 19 above.
Condition: Cloudy.

WEATHER YESTERDAY

Maximum 26; minimum 16 above.
Condition: Cloudy; snow one and a half inches, precipitation .08 of an inch. Range—10 degrees.

WEATHER DEC. 11, 1936

Maximum 47; minimum 22 above.
Condition: Partly cloudy. Range—25 degrees.

Prison Warden Seriously Hurt In Break Today

Thomas B. White in Leavenworth Hospital—Operation Being Performed to Save His Arm.

LEAVENWORTH, Kan., Dec. 11 (AP)—Warden Thomas B. White of the Leavenworth federal penitentiary was brought to a hospital here today, wounded following his abduction from the prison by six armed convicts.

Physicians refused to reveal the extent of his injuries.

White was reported in a serious condition at the Cushing memorial hospital. It was said an operation was being performed in an attempt to save his left arm, which was shattered by a shotgun charge which also inflicted a wound in the chest.

The warden was struck in the arm with a shotgun charge when he wrestled with one of his captors as they attempted to force him into the third motor car they had stolen in their flight from the prison.

Leaving Warden White lying on the ground the convicts drove west on highway No. 92, the Leavenworth road.

Mrs. Joseph Gates, wife of a farmer, reported that her daughter, Elizabeth Gates, and son, John, had been taken prisoner by the convicts after they had terrorized the Gates home.

Shortly afterward, she said Warden White and the girl decided to attempt

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Gas Corporation Cuts Rates Here Effective Dec. 13

On Dec. 13, La Grande natural gas rates will be reduced from 2 percent to 28 percent, depending upon the quantity of gas the individual consumer uses. In another column of the Observer is another announcement of this reduction.

This substantial gas rate reduction is announced as a practical "holiday greeting" to all classes of local consumers. The Natural Gas Corporation of Oregon now offers a monthly saving to all present gas users and seeks to make natural gas an even more economical fuel for everyone in this community.

The following is the official announcement of lower gas rates for La Grande: It was received today from the home office of the Natural Gas Corporation of Oregon, which is controlled and managed by Standard Oil Company of California.

"The local office of the Natural Gas Corporation of Oregon announces the filing of new rate schedules covering gas service in this community and calls attention to the marked reduction in the cost of this desirable fuel.

"The Natural Gas Corporation of Oregon, although having served this community for a comparatively short while, has found a ready response to its modern service and is very happy to make further reduction which will allow many more people to take advantage of the comfort and convenience of gas service.

The new rates are effective as of Dec. 13, and will apply to all classes of customers."

Basketball Game Time Is Changed To 8:30 Saturday

When the Tigers lineup in the L. D. S. Recreational hall here Saturday night against the North Powder high school basketball team in the opening game of the season, Coach Ira Woodie expects to have Torrence and Burnett at guard positions, Corey at center, Lyman at one forward and either M. Baxter or L. Stoddard at the other forward position.

Others who expect to see action in the game are Feuerhelm, G. Fox, Munsel, Workman, Kimmell, Geborn, Webb, Hyde, Irwin, V. Stoddard, R. DeBole, Stitt, Andrews and Inlow. This represents practically the complete lineup.

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Sugar Price Today Lowest Since 1914

SAN FRANCISCO, Dec. 11 (AP)—The lowest sugar prices since 1914 were announced today by western refiners. The new price was \$4.20 a hundred pounds—a drop of 20c.

Major Loney Will
Speak At Meetings

Field Major Andrew Loney Sr., of the Salvation Army, who has been in La Grande for some time with his son, Director Loney of the La Grande band, will conduct the services tomorrow and Sunday at the Salvation Army hall. Mr. Loney is a favorite in local Army circles and a large attendance is anticipated.

Among the subjects Mr. Loney may speak upon are: "Thinking White," "Love Story and Fight," "Pioneer Days and Martyrs I Have Known," "Wells," "Four Armies of Earth and Heaven," "Holy Ghost Fire" and "Travelogue of a Soul."

The public is invited to attend the weekend services.

Major Loney is at present en route from Spokane to California. The weekend services here will include meetings both nights, and possibly a Holiness meeting next Tuesday. His subject Sunday evening will be "The Highway to Hell" and Saturday night he will speak on "Modern Miracles."

HEADS VETS



She's the first woman to head an organization of disabled veterans. Helen Evans O'Neill, above, of Washington, herself disabled during the World war, is pictured after her appointment as commander of the Edith Nourse Rogers Disabled American Veterans' post.

HAIL SPEAKS AT EAGLES SESSION

Legislation to Aid Present Condition of Business is Held Necessary.

Revolution of the ballot? There are two ways of combating the present and future economic depression, and the United States is on the verge of the former unless legislation is passed which will insure the working man against unemployment. D. D. Hall, deputy grand worthy president of the Eagles lodge, declared in an address presented at a public meeting at the Eagles hall last night at 8 o'clock. Legislation has been passed by the United States congress insuring the capitalist a legitimate return on his investment in railroads, banks, shipping and manufacturing, and Mr. Hall asks why such laws cannot be passed in favor of the working class, in which he includes all men who earn their living by their head or hands.

Reports show that 7,000,000 people in the United States are unemployed and thousands of them are in bread lines and sleeping in the parks in the large cities, the speaker said, while their children are suffering from hunger and privation, and every man out of work represents a fraction of three persons, making a total of 22 millions who are suffering.

In former economic crises in the United States, the men who were unemployed in the cities could move west where they were given free land and became the present aristocracy of the soil, he said. But now there are no more frontiers, and a man who loses his job in the east moves west to find the situation the same, he believes.

In 1860 in the United States, Lincoln declared that a nation half slave and half free could not endure and he called for volunteers to enforce the doctrine of freedom.

"Can a nation half employed and

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CHAS. NIBLEY, OF SALT LAKE CITY, PASSES

SALT LAKE CITY, Dec. 11 (AP)—Charles Wilson Nibley, second counselor in the presidency of the Latter Day Saints church, died in his apartment at 12:33 p. m., E. S. T. today after a lingering illness. He was 82 years of age.

The children include: Mrs. Alice Nibley Smoot, Washington, D. C. and J. O. Nibley, Portland, Ore.

In 1880, Mr. Nibley was associated in organizing the Oregon Lumber company of Baker City, Ore., and a year later the Sumpter Valley Railroad company of which he became vice president. Afterwards he was president of the Payette Valley railroad in Idaho and was one of the founders of the La Grande Sugar company of La Grande, Ore.

Elks Pay Tribute To Dead Members

Local Elks who have passed away during the last year, leaving their fellow lodge members to "carry on" the work of the order, were honored last night at the annual memorial services held at 7:30 at the Elks temple. H. E. Coolidge, past exalted ruler, delivered the address of the evening, and R. J. Green, who holds the same title, delivered the eulogy in which he evaluated the life and accomplishments of each of the "absent brothers."

People through all time have worshipped something, Mr. Coolidge stated in his address. Forms and creeds have differed and in modern times they have become more complicated with the inception of science, yet they all revert back to faith when stripped of their ceremonies. In times of material prosperity faith is forgotten while when distress falls, the people turn back to faith.

Impressive ritualistic exercises opened and closed the meeting, and Mrs. Sherwood Williams played the "Funeral March" as the meeting opened. Musical selections were furnished by E. E. Hurley and Mrs. Floyd Sherwood. Prayer was offered by the lodge chaplain.

ATTITUDE OF AMERICA MADE CLEAR TODAY

Ultimate Solution of Manchurian Trouble Between China, Japan.

LEAGUE'S ACTION HELD GRATIFYING

Japanese Cabinet, Headed By Premier Wakatsuki, Resigns Because of Criticism.

WASHINGTON, Dec. 11 (AP)—The United States is still insistent that the "ultimate solution" of Manchurian troubles lies in Chinese and Japanese agreement.

The government, Secretary Stimson said in a formal statement, will continue to follow "with solicitude" all developments in the situation, and is gratified at adoption of the League of Nations resolution for neutral inquiry, but:

"The ultimate solution of the Manchurian problem must be worked out by some process of agreement between China and Japan themselves. This country is concerned that the methods employed in this settlement shall, in harmony with the obligations of the treaties to which we are parties, be made in a way which shall not endanger the peace of the world and that the result shall not be a result of military pressure."

Stimson contended that adoption of the league council's resolution to set up a neutral inquiry commission in no way constitutes endorsement of any action taken in Manchuria.

JAPANESE CABINET RESIGNS

TOKYO, Dec. 11 (AP)—The Japanese cabinet, headed by Premier Baron Reijiro Wakatsuki, resigned today as a result of criticism of its policy on foreign affairs and its financial policy.

The resignation of the cabinet, which was followed immediately by preparations for forming its successor.

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Henry Van Duzer Held Portland's "First Citizen"

PORTLAND, Dec. 11 (AP)—Henry Brooks Van Duzer is Portland's "first citizen" for 1931.

This formal designation, made each year, was awarded Van Duzer because of his work as chairman of the state highway commission by the Portland city board.

Each year the board confers the title upon the citizen who in its opinion has performed the most outstanding civic accomplishments. Van Duzer was placed in nomination by a secret committee of the board and unanimously elected at the luncheon meeting today.

The report mentioned "H. B. Van Duzer has earned and won the utmost confidence, gratitude and affection, not only of the people of his home city, Portland, which is so vitally affected by the development of our highway system, but by all the people of the grand state of Oregon."

Van Duzer was first appointed to the highway commission in 1923 by Governor Pierce, and served under Governors Pierce, Patterson, Norblad and Meier. Under his regime the commission authorized expenditure of \$106,000,000. Construction was started on 1650 miles of highway and the general highway system increased from 2000 to 4000 miles.

Movie Operator Is Sought For Murder

NEW CANEY, Tex., Dec. 11 (AP)—A 22-year-old motion picture projection machine operator was sought today as the suspected slayer of two members of an itinerant minstrel show, a man and a woman.

Shrieks of a starving parrot, rising above the slapping of the canvas walls of the "L. H. Brownlee Mobile Minstrels" tent, led to the discovery of the bodies late yesterday.

Congressional Democrats To Submit New Tax Increase Program Tuesday

WASHINGTON, Dec. 11 (AP)—Congressional Democrats held informal discussions today on the formation of a tax increase program designed to distribute the burden of government costs evenly.

The party leaders next Tuesday will put their proposals on paper. They now expect to propose an increase in the surtaxes, a raise in the income taxes in the higher brackets, a gift tax, and to advocate a bond issue to take care of some of the treasury's deficit.

The treasury reported today the deficit for the first five months and nine days of the 1932 fiscal year amounted to \$925,345,000, which is \$5,000,000 more than for the entire fiscal year of 1931.

With the prospective deficit of \$2-

WATSON ASKS THAT EUROPE REDUCE ARMS

Demands Cut in Return For Revision of War Debts Hoover Favors

SIDES WITH BORAH IN SENATE ACTION

Ratification of Moratorium Proposal Not Expected By Tuesday, When Payments Due.

WASHINGTON, Dec. 11 (AP)—Alarmed at the uprising against President Hoover's suggestion for reconsideration of the war debts, Undersecretary Mills of the treasury today arranged a conference with leaders of both parties in congress to go over the situation tomorrow.

By Francis M. Stephenson
WASHINGTON, Dec. 11 (AP)—Reduction in European armament was demanded today by Senator Watson, of Indiana, the Republican leader, in return for the revision of the war debts suggested by President Hoover.

"Our people will never be satisfied to scale down the war debts, much less to forgive them, unless Europe shows some disposition to reduce her armament," Watson said.

Senator Watson's stand, coupled with the opposition of Chairman Borah of the senate foreign relations committee, is expected to check early action on the president's proposal for revival of the war debts commission.

It is the obvious intention of the congressional leaders to hold up this

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WHITE HOUSE RECEPTION IS BRIGHT EVENT

WASHINGTON, Dec. 11 (AP)—A parade of brilliantly arrayed diplomats from all corners of the earth filed past the president and Mrs. Hoover last night in the annual White House reception to the corps of foreign envoys.

It is the one event in Washington at which each year masculine glitter and gold rival the color and jewels of magnificently gowned women. Through the formal blue room filed the envoys and their wives, attaches and secretaries and many other guests, shaking hands with the chief executive and his wife, then disgorge into a larger chamber, where the scarlet-coated marine band played.

Shortly after 10 o'clock the line was ended, the Hoover's marched into the east room, chatted a bit with some of the notables there, then went upstairs, leaving their guests to dance until 11.

Olive Clark Day Guilty, Says Jury

LOS ANGELES, Dec. 11 (AP)—Two hours of deliberation were required by a jury in superior court last night to return a verdict of guilty against Olive Clark Day, alleged operator of a "Hollywood girl market," on a charge of contributing to the delinquency of a minor, Clarence Fisher, 17.

As a result of the conviction, Mrs. Day faces a possible penalty of a \$1000 fine or two years' imprisonment in the county jail, or both. Through her attorney, the woman made a motion for a new trial.

Oregon Student Is Scholarship Winner

SEATTLE, Dec. 11 (AP)—Two Washington students, and one each from Oregon and Montana have been awarded scholarships, the northwest district Rhodes scholarship committee announced Thursday.

David S. Williams, of Portland, senior at University of Oregon where he is majoring in mathematics, was the Oregon winner. William H. Sweet, Centralia, and Albert H. Garretson, Tacoma, were the Washington winners, and Harold Fitzgerald, won in Montana.

GANDHI LEAVES SWITZERLAND

VILLENEUVE, Switzerland, Dec. 11 (AP)—Mahatma Gandhi today said good-bye to his friend, Romain Rolland, and started for Rome on the way back to Bombay.

If he is invited, members of his party said, he will visit Pope Pius and Premier Mussolini. On Sunday he leaves Rome for Brindisi where he will embark for India, travelling by steamer and reaching Bombay Dec. 29.

J. A. R. MEMBER DIES

PHILADELPHIA, Dec. 11 (AP)—One by one, as the years pass, the Grand Army of the Republic nears the vanishing point. With the death of James Alfred Clark, 88 years old, the Admiral DuPont post G. A. R. has ceased to exist.

000,000,000 THIS YEAR, and the Democrats opposed to a general sales tax, the administration's tax program undoubtedly will undergo considerable revision if it is not entirely supplanted by the new congress.

The powerful Michigan delegation, generally administration supporters, is opposed to the Hoover-Mellon tax proposed on automobile sales. Representative Treadway, of Massachusetts, a Republican on the ways and means committee that drafts revenue-raising legislation, opposes levying income tax on small salary and wage earners, as proposed by the administration.

Speaker Garner said "there is plenty of time to work out this tax program, and we are going to do it

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FLOOR LEADER



Representative Henry T. Rainey, above, of Illinois, is the Democratic floor leader of the house.

EXPECT RAILWAY UNIONS TO BALK

Unofficial Report Says Wage Reduction Not Acceptable to Labor.

CHICAGO, Dec. 11 (AP)—An unofficial report emanating from the executive committee room today indicated a recommendation was forthcoming that railway labor would refuse to accept wage reductions at this time and offer instead a compromise.

It was understood the committee of 84 had adopted the report and was preparing to submit it to the general conference.

Official announcement was withheld until after the entire conference had acted on the matter, but it was learned the report suggested that the railroads be asked to name a committee to go over with the men both the wage cuts and unemployment relief problems. If the roads declined to enter such a compromise conference it was then recommended that the men flatly refuse to accept any wage reductions.

SPLAUDING FOR RIGHT-OF-WAY 60 FEET WIDE

OREGON CITY, Dec. 11 (AP)—A sixty-foot right-of-way between Salem and Oregon City would, in the opinion of Charles K. Spaulding, member of the state highway commission, meet all traffic requirements between the two points, and provide an adequate four-lane highway.

This was Spaulding's declaration at a Kiwanis club meeting here Thursday.

He said a 100-foot right-of-way at the present time between the capitol city and this community "would be a crime." The commissioner believes a three-lane highway with concrete shoulders probably will meet all requirements for several years.

He stressed the need for improvement of the present east side Pacific highway, remarking that unless this route is widened between Salem and Oregon City agitation for another highway from Salem to Portland via Hillsboro will increase.

Spaulding resumed his attack on the personnel of the state engineering department.

Germany Not Likely To Be Able to Pay

BASEL, Switzerland, Dec. 11 (AP)—Information from quarters close to the Young plan advisory committee led to a belief tonight that Germany will be declared unable to make conditional payments which form about two-thirds of the total reparations payments.

Tacoma Medic Urges More Advertising

SPOKANE, Dec. 11 (AP)—Dr. Horace Whiteacre, president of the Washington State Medical association, told Spokane physicians and surgeons last night that newspaper advertising was the "only effective means of combatting the inroads of mental disease, osteopathy, patent medicines, and cures of various kinds being offered the public."

Addressing the Spokane County Medical society, Dr. Whiteacre said an advertising program must be adopted to "win back the confidence of the public and acquaint them with proper medical service."

Seasonal Weather Due This Weekend

PORTLAND, Dec. 11 (AP)—Cloudy weather and seasonal temperatures were predicted for Oregon over the weekend.

A new fall of snow covered several Oregon points last night and continued today.

Burns and Baker were subjected to a minimum temperature of two degrees above zero.

LOW TEMPERATURES

SAN FRANCISCO, Dec. 11 (AP)—Unusually low temperatures today brought snow to Mt. Tamalpais, Kings mountain, Mt. Diablo and Mt. Hamilton, in the San Francisco bay region, the U. S. weather bureau reported here.

FEWER ACCIDENTS

SALEM, Dec. 11 (AP)—Accidents during the past week resulting from industrial activities totaled 367, the lowest number over a seven-day period for more than a year. It was reported today by the industrial accident commission. No fatalities resulted during the week.

Tornado Strikes Near Texarkana; Two Are Killed

Several Injured by Early Morning Storm—Two Children Blown From Beds to Nearby Field.

TEXARKANA, Ark., Dec. 11 (AP)—Two persons were killed, three seriously injured and several others were slightly hurt in a tornado which struck north of here at 2:30 a. m. today.

The dead: J. E. Hardin, 50, and Mrs. Vera C. Perry, 32.

Those seriously injured were: Mrs. J. E. Hardin, Francis Hardin, Harvey L. Perry, husband of dead woman, Anna L. Hardin, 8, and Mrs. S. O. Campbell were less seriously hurt.

The storm, accompanied by a terrific downpour, struck about a mile north of Texarkana, demolishing the Hardin and Perry homes and killing Hardin instantly. Mrs. Perry died two hours later at a hospital. The Campbell family lived with the Hardins.

Blown Into Field
The two Hardin children were found in a field, having been blown from their bed. Their father was found under the wreckage of the home. The storm left a trail of broken fences and demolished out-buildings.

About a mile northeast of the Perry and Hardin homes, the storm hit a negro log cabin and a church. A negro, his wife and seven small children were found in the cabin wreckage, but all had escaped with minor injuries. The church was demolished.

Bluffing Gains, Loses in Bridge Tourney Contest

By Tom O'Neill
NEW YORK, Dec. 11 (AP)—In sensational contract bridge peepers with poker, Mr. and Mrs. Ely Culbertson gained 260 points on Sidney S. Lenz and Oswald Jacoby today. The third session of the marathon test of rival systems ended in the wee sma' hours with Lenz and Jacoby plus 1815 in contrast to 2075 at the start of the session.

At one time during play lasting more than six hours the lead was only 415. The Culbertsons' minus might have gone about 3000 but for a brainy informative double by Mrs. Culbertson on the last hand of the session, the 100th hand of the match.

Thursday Rubbers Even
Six rubbers were played in the session, each side winning three and making the rubbers of the series stand: Lenz and Jacoby 10; Culbertsons 6. Lenz thought the Culbertsons had must the better cards in the third session. Their aces and kings totaled 55 to 49 for the "official" pair. Lenz was free in criticism of Culbertson as slow.

The Culbertsons were more enthusiastic than ever over their system with specific examples, among them:

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Seek Pension For George Walthers

WASHINGTON, Dec. 11 (AP)—Two bills springing from prohibition were among the first to come today to the desk of Speaker Garner.

The senate was not in session.

Representative Martin, an Oregon Democrat, sought a \$150 monthly pension for George Charles Walthers, who was wounded by a prohibition agent in 1923 near Underwood, Washington.

Representative Blanton, Democrat, Texas, called for abrogation of diplomatic immunity for the liquor laws.

Goes to Chair On 26th Anniversary

OSHSING, N. Y., Dec. 11 (AP)—Rudolph Durringer's 26th birthday was his last.

The paunchy truck driver was electrocuted in Sing Sing last night for the murder of Virginia Brannan, dance hall girl.

Five minutes after he entered the death chamber with the Rev. Anthony Peterson, Protestant chaplain, he was dead.

It was Durringer's birthday yesterday. He received a box of cigars which he passed around to the 23 inmates of the death house.

Those who "smoked on Durringer" included Francis Crowder, doomed slayer of a Nassau county policeman. He was in the taxi cab party on which Miss Brannan was shot dead.

Wheat Today

CHIC