

\$38,500 OF CITY BONDS ARE RETIRED

In Addition \$23,773.71 Improvement Bond Interest Paid in Year.

REPORT MADE BY OFFICIAL TODAY

City Water System Valued at \$476,400 and Sewer System is Listed at \$126,000.

Receipts for the budget year of Feb. 1, 1931, to Dec. 31, 1931, for the city of La Grande amounted to a total of \$268,996.26, according to the annual report of Recorder-Treasurer J. H. Stearns made public today. The total money paid out during the year amounted to \$247,411.87, leaving a balance of \$21,584.39 on hand Jan. 1.

The financial statement of the city shows \$347,046.05 due the city in improvement bonds. On the other side of the ledger, improvement bonds outstanding amount to \$429,791.87 and general bonds, payable from taxes, total \$348,000.

\$38,500 Bonds Retired
During the year \$28,000 principal and \$39,773.71 interest were paid out on improvement bonds, and \$10,500 principal was paid out on general bonds, reducing the general bonds from \$358,500 to the present figure. The report follows:

Telephone franchise	2,337.23
Powder bond	25,000.00
Fernites	235.00
Imp. bond sinking fund	47,646.41
Improvement interest	13,531.89
Special interest taxes	13,827.09
To retire bonds taxes	20,722.27
Fines	1,862.00
Found fees	11.00
Water rents	60,337.54
Sale of wood	544.65
Licenses	3,347.95
Miscellaneous	978.38
Dog licenses	519.00
General Accts. taxes	59,776.26
Road fund	2,651.43
Sale of imp. bonds	16,267.58
Total	\$ 268,996.26
Disbursements	\$ 118,837.59
Gen. warrants	3,011.35
Gen. warrant interest	3,011.35

(Continued on Page Eight)

COUNTRY CLUB DIRECTORS TO BE ELECTED

The annual country club meeting will be held Tuesday evening, Jan. 19, at the chamber of commerce offices. It was announced today.

Six directors are to be elected at the meeting. Those whose terms expire are F. L. Meyers, C. W. Blinger, H. E. Dixon, C. M. Bohnenkamp, H. A. Zurbick and Paul Meyers. The younger Mr. Meyers was appointed secretary recently to fill the unexpired term of Mr. B. B. Bly, who moved from La Grande. Directors whose terms expire in 1933 are A. J. Stange, G. L. Larison, F. E. Lutzer and C. H. Reynolds. Those whose terms expire in 1934 are H. N. Ashby, L. K. Kinzel, Herman Siegrist, W. C. Perkins and William Siegrist.

In announcing the meeting, President Reynolds urges that all attend. He also points out that members played golf during every month of 1931 and that some were out last Sunday. He expects the membership to show a gain during the early part of this year over the corresponding period in 1931.

Postal Clerk Held For Mail Robbery

LOWELL, Mass., Jan. 9 (AP)—A postal clerk and a truck driver were arrested today by postal inspectors and ordered held in connection with the robbery on Dec. 31 of two mail pouches, one containing \$100,000 in currency and the other valuable registered mail.

Legalized beer to aid the farmer, help employment and restore an industry yielding revenue to the government was urged today before a senate committee.

Representative William E. Hull, Republican, Illinois, and Senator Hiram Bingham, Republican, Connecticut, advocated four per cent brew.

Naval officers today continued to urge the need for larger fleets before a senate committee. Rear Admiral Mark A. Bristol, asserting this country's sea force "is not an up-to-date modern navy."

B. F. Irvine Speaks At Chamber Dinner
PENDINGTON, Ore., Jan. 9 (AP)—Declaring the next war will be a terrible struggle of science devising horrible means of exterminating the human race, B. F. Irvine, editor of the Journal, addressed the chamber of commerce on war prevention here last night at the annual election and banquet meeting.

Marvin Fell and Berkeley Davis were re-elected president and vice president.

WEATHER FORECAST
Oregon: Fair in the east and cloudy in the west portion tonight and Sunday; cooler tonight; moderate changeable winds offshore.
For the week: Changeable weather in Oregon; Washington and Idaho with occasional periods of rain or snow; temperature normal.

WEATHER TODAY
7 a. m.—34 above.
Minimum: 31 above.
Condition: Cloudy.

WEATHER YESTERDAY
Maximum 43, minimum 30 above.
Condition: Partly cloudy, rain 49 of an inch. Range—13 degrees.

WEATHER JAN. 9, 1931
Maximum 27, minimum 14 above.
Condition: Cloudy, traces of snow, precipitation .01 of inch. Range—13 degrees.

ATTACKED



Secretary Hyde Defends Hoover In Speech Today

Cabinet Member Declares United States is Better Off Than Other Countries of World.

NEW YORK, Jan. 9 (AP)—Secretary of Agriculture Hyde predicted the reelection of President Hoover in an address today before the Woman's National Republican club at which Mrs. Hoover was a guest.

Already the skies are clearing, he declared. "Soon it may be said that the rock upon which the tempest spent its force was the faith and courage of Herbert Hoover, and next November when the regions of our fellow citizens march to the polls the universal answer to the question 'who but Hoover?' will be 'none but Hoover.'"

Hyde defended the leadership of President Hoover, asserting that the United States relatively was better off than other countries of the world and declared that the president might be "overwhelmed in defeat" in his efforts to avoid national disintegration "but that he would go down fighting, not for himself but for the welfare of his country."

Refers to Foreign Loans
Secretary Hyde, referring to the foreign loans said:

"Our Democratic friends, in their anxiety to make political thunder from the difficult and delicate economic and international problems which grow out of these reparations debts, should pause long enough to remember that it was Woodrow Wilson, William O. McAdoo and Carter Glass, and not Herbert Hoover, who made these loans, nearly two billion of them, after the war closed and with a legal right to do so, and all of them were made without any provision whatever for the method or time of repayment."

"If the president has thus far been unable to restore the world, it might

(Continued on Page Eight)

TIGERS DEFEAT COVE FIVE 29-18

La Grande Basketball Quintet to Tackle Enterprise Here Tonight

A last-period rally, with Lyman Stoddard, Cove Burnett and Torrence all taking part in the scoring, enabled the Tigers to pull away from a hard-fighting Cove quintet last night to win 29 to 18.

During the earlier stages of the basketball game, played at the L. D. S. Recreational hall, Cove was distinctly threatening, holding a 7 to 3 lead at one time. If time found the Tigers barely one field goal in lead.

Tonight at 8:30 o'clock the Tigers will meet one of the strongest teams in this district in the Enterprise Savages. A preliminary game between the sophomore and freshman class teams will begin at 7:30. Last night the seniors defeated the juniors 26 to 15 in a class contest, the first event of the double header.

Even Scoring
Scoring was well divided in the "main event" with Stoddard, Tiger forward, and Richards, Cove center, tying with seven each. Burnett was second with six and Darrell Weiner and Lyman scored five each.

In spite of a well directed Cove offensive, the Blue and White de-

(Continued on Page Two)

STILES LIQUOR CASE TRIAL TO BEGIN JAN. 15

PORTLAND, Jan. 9 (AP)—John Hamell pleaded not guilty in federal court here today to a charge of transportation and possession in Union county and will stand trial.

Trial of Webster C. Stiles and Daniel O'Connell on charges of manufacture, possession of a still and possession of liquor near La Grande was set for January 15, after the two entered pleas of not guilty. This is the date set for the trial of Pearl Stanley Stiles on a liquor indictment returned some time ago. The latter appeared yesterday to answer to another indictment returned Thursday, charging possession and transportation at La Grande. He pleaded not guilty and this case also was set for January 15.

Portland, Ore., Jan. 9 (AP)—The Democratic party in Oregon opened the 1932 political campaign in spirited fashion here last night with oratory and announcement of candidacies at the annual Jackson day dinner.

And when the smoke had cleared away it was found that Walter M. Pierce, former governor and present committeeman, is a candidate for congress in the second district; Francis Galloway of The Dalles, likewise, is after the toga of Representative Butler; William A. Deitzel, who two years ago ran Representative Hawley a good race, will attempt it this year with promises of increased support, and Hugh McClean, of Marshfield, will be in the race against Hawley too, as an advocate of the repeal of the 18th amendment.

The meeting constituted probably

(Continued on Page Two)

CHICAGO GETS DEMOCRATIC CONVENTION

Mayor Anton Cermak Raises Bid to \$200,000 at Washington Caucus

NO ACTION TAKEN ON LIQUOR ISSUE

Raskob Strikes Forth at Rumors of Anti-Roosevelt Alliance — Smith Remains Possibility.

WASHINGTON, Jan. 9 (AP)—The Democrats will convene in Chicago in June to nominate their presidential candidate.

The Illinois city was chosen by the national committee today with the result uncertain to the last minute.

Mayor Anton Cermak had raised the Chicago bid to \$200,000 to meet a similar one by Atlantic City.

Kansas City and San Francisco bid \$150,000 each.

June 27 was selected as the date for the convention to meet. The Republican convention there June 14.

The Democratic date was contained in a resolution on call introduced by Vice Chairman Byrd. This resolution also contained a plan whereby the membership of the convention would be increased by 54 votes to take care of the 27 new delegates coming as a result of congressional reapportionment.

Nothing To Lose
Under this resolution, none of the states which lose congressmen will lose representation in the national convention but those that gain in congress will gain in the convention.

Stories of a "Smith-Raskob-Shouse" alliance after nomination of Franklin D. Roosevelt for president, were scathingly denied today by John J. Raskob, chairman of the national committee.

The committee referred the chairman's proposal for a prohibition referendum to the convention without recommendation.

Raskob made the Roosevelt declaration amid applause. He read a newspaper story saying the "Smith-Raskob-Shouse" group was behind a candidate in opposition to one supposed to be favored by the Roosevelt forces.

"There seems to be," he said, "a

(Continued on Page Eight)

GERMANY NOT ABLE TO PAY, BRITISH HEAR

BERLIN, Jan. 9 (AP)—Chancellor Bruening has informed Great Britain that when the Lausanne reparations conference convenes Germany will tell the world that her ability to pay reparations is at an end.

He told Sir Horace Rumbold, the British ambassador, that not only for the present but for an indefinite time to come Germany will be unable to pay.

The German delegation to the Lausanne meeting also will argue, he said, that so long as the present reparations policy continues, economic recovery for Germany and the world will be impossible.

New Ballot Will Appear Next May

SALEM, Jan. 9 (AP)—All voters in Oregon, for the first time in the history of the state primary law, will be given an opportunity to vote at the primary elections next May. It was announced by Secretary of State Hal E. Hosk today. The non-partisan judiciary act passed by the last legislature makes this possible, Hosk said.

Oregon heretofore has provided only primary elections for the two major parties, Republicans and Democrats, eliminating from the primaries all those registered under any other party.

Positions for the Oregon supreme court and for circuit judges over the state, will be elected on the non-partisan ballot beginning this year. This requires an extra ballot at the primaries, and all registered voters are entitled to this ballot. The ballots will also be given with the Democratic and Republican nominating ballots.

Democratic Party Opens Its 1932 Campaign at Jackson Day Dinner

the greatest gathering of Democratic men and women ever united in a Jacksonian communion in Oregon.

Blames G.O.P. Tariff
Stephen F. Chadwick, of Seattle, principal speaker of the evening, laid much of the blame of the present day to the tariff policy on the Republican party and particularly to the Smoot-Hawley act now in force. These, he contended, have grown from the revenue acts of the past to prohibitory walls which have provoked retaliatory tariffs in 25 of the nations of the world.

National prosperity, Chadwick insisted, demands readjustment of the tariff.

In speaking of prohibition the Seattle attorney declared it is fundamental.

(Continued on Page Two)

Naval Officer, Mother-in-Law Accused Slayers

Woman Socially Prominent Held in Honolulu in "Revenge" Murder — Islands in Uproar.

HONOLULU, Jan. 9 (AP)—Police today charged a naval officer and his socially prominent mother-in-law had sought to avenge with murder a criminal attack upon the officer's wife.

While officials pleaded with a hysterical city for calmness and order, Mrs. Grace Bell Porteus of New York and Washington; Lieutenant Thomas H. Masie, U. S. N., her son-in-law, and E. J. Lord, navy enlisted man, were in custody charged with murder and held at Pearl Harbor, naval base, aboard the receiving ship Alton.

Police searched Mrs. Porteus's house and said they found signs of a struggle, a bedroom door dangling from a twisted hinge, blood stains on the bedroom floor, and one sheet missing.

Body Found Friday
The body of Joseph Kahanahawai, Hawaiian, one of five men awaiting trial for assaulting Mrs. Masie last September, was found late yesterday in an automobile driven by Mrs. Porteus with Lieut. Masie and Lord as passengers. The body was wrapped in a sheet. The Hawaiian had been shot through the heart.

When driven off the road by police, the death car was speeding toward Koko head, where the tides flow rapidly through the channel between the islands of Oahu and Molokai. Police said they had chased the automobile ten miles, and fired several shots in attempts to halt it.

None of the three would make any statement about the matter.

Al Jones, navy enlisted man, was found on guard at the Porteus residence, and was taken into custody. Honolulu police said they found a magazine from a .32 automatic, with one cartridge missing, and a fake summons addressed to Kahanahawai.

It was this summons, police asserted, which lured the young Hawaiian into an automobile from the courtroom where, as one charged with a serious crime and at liberty pending trial, he had gone to make his daily report.

Climax of Series of Events
The playing climaxed a series of events which in the last few months have aroused Honolulu residents deeply. Following the second attack

(Continued on Page Two)

Two Fliers Die When Airplane Dives to Earth

PORTLAND, Ore., Jan. 9 (AP)—D. C. Warren, of Alameda, Cal., and his pilot, Robert Smith, were killed last night when Warren's plane in which they were riding crashed near the St. Helens air base, about 35 miles north of Portland.

The fliers en route from San Francisco to Seattle arrived in Portland last night and after having their plane serviced at the Swan Island airport took off at 10:30 for the Puget Sound city.

At about 11 o'clock H. M. Ross, a farmer residing near the St. Helens air base, heard the plane crossing and re-crossing the river in that vicinity as if it was lost and trying to find its location. Then the ship was heard to crash. Ross summoned the county authorities.

Coroner T. S. White who took charge of the investigation states that as near as he can tell the plane struck a tall snag standing on a logged-off hill in the mountainous country not far from the beacon. The corner, with the result that the plane turned over and crashed. The men were crushed to death seated in their regular places in the ship. The coroner and his aides had great difficulty in freeing the bodies from the wreckage. They were taken to a St. Helens undertaking establishment.

Rattlesnake Has Good Christmas Coiled on Tree!

ESCANABA, Mich., Jan. 9 (AP)—Arbuth Starr found a 16-inch rattlesnake coiled about the trunk of a Christmas tree which was taking down in his room here yesterday.

He said it apparently had been in the tree when he set it up before Christmas and it remained quiescent until disturbed when the tree was being removed.

Driver of Death Car is Sentenced

PORTLAND, Jan. 9 (AP)—Ralph Hinkle, 24, must serve a one-year prison sentence, the result of a wild automobile ride last June during which his car struck and killed Frederick G. Hageman, 83.

Sentence was pronounced Friday by Circuit Judge Lusk. Hinkle was convicted on an involuntary charge. Although auto deaths have increased tremendously here in the past few years, Hinkle is only the second man to be ordered to prison on such conviction. Two years ago a negro chauffeur received a similar sentence.

DEMOCRATIC VETERANS READY



Three stalwarts of past Democratic battles stand ready to give counsel during the 1932 campaign. James M. Cox (left), Alfred E. Smith (center) and John W. Davis (right), unsuccessful Democratic nominees for the presidency in past three campaigns, spoke at the annual Jackson day dinner in Washington at the Democratic pre-convention session.

They immediately quieted speculation that he might enter politics again. "There is nothing in it," he declared.

Davis has been governor of the Philippines since 1926. He entered cabinet ranks in 1923 when he became assistant secretary of war, later

(Continued on Page Three)

JAPAN MAY ASK FOR CONFERENCE

Movement Reported Under Way to Secure Revision of 9-Power Treaty.

TOKYO, Jan. 9 (AP)—A conference to revise the nine power treaty, which was cited by Secretary of State Stimson in his recent note to Japan on the Manchurian question, may be sought by Japan. It was learned on good authority today.

The purpose, it was said, would be to secure a clearer definition of the term "administrative integrity" as used in the treaty.

A spokesman for the government said that at the time of signing the Kellogg pact the Japanese government should have made a reservation on Manchuria but it neglected to do so.

Cabinet to Remain
The cabinet of Premier Inukai decided to remain in office en bloc today after its resignation, presented after a bomb attack on Emperor Hirohito yesterday, had been discussed last night.

The government's reply to Secretary Stimson's note will be forwarded to Washington late next week, possibly after the arrival of Kenkichi Yoshizawa, former Japanese representative at the League of Nations council, who has been appointed foreign minister in the cabinet of his father-in-law, Premier Inukai. M. Yowishawa is on his way from Paris.

Meanwhile, the foreign office has decided the Stimson note is a formal communication and requires a reply, but the position is being taken that the American secretary of state actually did not invoke the nine-power pact, but simply reminded Japan of her obligations under it.

Note Not Startling
Officials said that after further consideration of the note they determined it contains nothing startling and no threat of drastic measures. It was interpreted as being along the same lines as the Wilson-Bryan notes of 1915 and the note of 1921 regarding Sapporo, that is to say "a matter of record."

Japanese newspapers generally expressed disagreement with the position of the United States in the note, however. The American government, they said, is mistaken in its chief contention in which it denies the legality of the existing Manchurian situation.

"Japan never interfered with China's administrative power in

(Continued on Page Eight)

LOCK BURGLAR IN ROOM; BOTH GET A THRILL

PORTLAND, Jan. 9 (AP)—A. A. Schramm, state superintendent of banks, was awakened at 5 a. m. today by a noise at the door of his hotel room. He arose, locked the door and returned to bed.

He was then in the unusual predicament of having locked a burglar in the room with him.

The burglar, who said he was J. H. Ballard, 29, was in the clothes closet going through Schramm's trousers and vest when Schramm turned the key. Waiting a moment for the victim to go back to sleep, the burglar, who told police he was thoroughly frightened as he had seen a badge on the vest, attempted to slip out of the room. He was obliged to turn the key in the lock, however, and this awakened Schramm a second time.

He bounded to the floor and almost caught the intruder by the coat tails. Ballard was captured by police and hotel employees.

Garage Entered Thursday Night

Sometime Thursday night, according to reports made to the police yesterday, someone entered the Oetting and Hanks garage by using a padlock and keys, saw flashlights, two auto dash locks, a radiator cap, a spot light bracket, one box of tire tape, 20 headlight bulbs and 20 tail light bulbs. Police are investigating the burglary.

Traveling Expense Inquiry Due Next

SALEM, Jan. 9 (AP)—Further surveys of traveling expense of state departments will be made. It was announced today by Secretary of State Hal E. Hosk. Rufus C. Holman, state treasurer, recently completed a survey of automobile costs, resulting in restrictions placed on cars and a reduction in maximum mileage rates from six to five cents per mile for privately owned cars used for state purposes ordered by the state board of control.

The survey started by Hosk was authorized by the last legislature, as a basis of standardizing the practices of various departments.

The recent survey of the feeble-minded home showed that a parole system had been instituted at the institution during the past year, and that corporal punishment is not tolerated.

Wheat Today

CHICAGO, Jan. 9 (AP)—Stock market reactions brought about sudden tumbles in grain prices late today, more than offsetting advances that preceded.

Indications the immediate future would witness heavy shipments of wheat from the southern hemisphere did much also to promote bearish sentiment. Argentina was reported as offering wheat abroad at a decidedly lower level than was quoted by North America.

Wheat closed unsettled 1/2 @ 3/4 c down yesterday's finish, corn 1 @ 1 1/4 c down, oats 1/2 @ 3/4 c off, and provisions varying from 2 cents decline to 10 cents gain.

PORTLAND, July 9 (AP)—Loss of 1 1/2 c bu, was forced in the July wheat on the Portland futures market for the weekend session with no change in the May. On the merchants exchange cash wheat was unchanged. Sales of futures totaled 4000 bu.

Sales of wheat to California by Portland during the last few days have aggregated about 80,000 tons. Of this amount 60,000 tons are reported sold by private dealers while the farmers' national is credited with sales of 20,000 tons. The latter is reported as high protein grain.

DAWES, DAVIS RESIGN POSTS AS OFFICIALS

Former to Return to Business Life—Washington Agog at News.

DAWES WILL ACT AT CONFERENCE

Davis, Governor General of Philippines, Will Be Succeeded By Theodore Roosevelt.

WASHINGTON, Jan. 9 (AP)—Dwight F. Davis resigned today as governor general of the Philippines and his successor will be Theodore Roosevelt, now governor of Porto Rico.

After conferring with President Hoover the governor general said there is no understanding as to when the resignation taken effect.

He plans to leave this country shortly to visit his wife and daughter, Alice, in Paris. The illness of Mrs. Davis was one of the reasons given for his resignation.

Davis confirmed reports of his resignation as he stood beside Secretary Hurley in the White House offices, after a talk with the chief executive.

He immediately quieted speculation that he might enter politics again. "There is nothing in it," he declared.

Davis has been governor of the Philippines since 1926. He entered cabinet ranks in 1923 when he became assistant secretary of war, later

(Continued on Page Three)

JIM REED MAY FLIP HAT INTO RING, BELIEF

SPRINGFIELD, Mo., Jan. 9 (AP)—James A. Reed, former United States senator sounded what was believed by several thousand Missouri Democrats to be his aspirations to the Democratic nomination for president last night.

Making the principal address at the annual Missouri Jackson Day dinner, Reed led slip with a single phrase, the signal for cries of "Jim Reed for president," which rolled through the Shrine mosque here.

"And now, I speak for James A. Reed," he said, introducing a program of remedial measures which he proposed for the nation, a program of seven points, the principal of which was a demand for decentralization of government.

Reed, who has said he would consider it a compliment to have the Missouri delegation support him for the Democratic presidential nomination, was not the usual vitriolic "Roman," as he addressed the Missouri Democracy. He seemed more concerned over economic issues, and treated only briefly of prohibition.

Quimet To Head Walker Cup Team

NEW YORK, Jan. 9 (AP)—Francis Quimet, national amateur golf champion, today was named captain of the 1932 United States Walker Cup team pending decision as to whether the matches would be played this year. The makeup of the women's international team also was announced at the annual meeting of the United States Golf association.

Red Cross Stands Ready To Give Aid

WASHINGTON, Jan. 9 (AP)—Chairman Payne of the Red Cross said today "available resources" will be used by the national organization to help meet relief needs of four current emergencies, including miners' unemployment.

Wheat Today

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