

# Business In West Improving; La Grande No Exception

La Grande Is The Gateway to Wallowa, "The Switzerland of America"

# La Grande Evening Observer

Only Newspaper Printed in La Grande Covering Union and Wallowa Counties

VOLUME 32 EASTERN OREGON'S LEADING NEWSPAPER LA GRANDE, OREGON, FRIDAY, JANUARY 5, 1934 MEMBER ASSOCIATED PRESS NUMBER 101

# HOUSE PASSES LIQUOR TAX BILL

## SCHUPPEL SEES GOOD YEAR AHEAD

Insurance Company Head Completes Personal Survey of West.

## SITUATION BETTER IN EVERY STATE

La Grande's Improvement Ranks High in the List; This District to Continue Gains.

Fresh from a 5,000-mile trip that extended from the Mexican border to the Canadian line and eastward to the Rocky mountains, W. C. Schuppel, executive vice president of the Oregon Mutual Life Insurance Co., and first vice president of the Portland chamber of commerce, told an Oregon representatives' today that everywhere he found business conditions definitely improved. La Grande is no exception; in fact, Mr. Schuppel believes conditions here are better proportionately than in a majority of other sections in the west.

Nominal head of one of the outstanding insurance companies in the United States, and intimately versed in the economic life of the Pacific northwest and the west in general, Mr. Schuppel's statement bears weight. It is not hearsay but an actual recital of conditions as they really exist.

"We are very much encouraged over the present situation," said Mr. Schuppel, who is here attending a two day sales conference of the Smith agency of his company, "and we believe President Roosevelt and his plans are going to prove effective to a great degree, and we say this without regard to politics — this is no time for political talk, anyhow."

La Grande's business improvement, and La Grande's winter weather, by the way, both were agreeable surprises to Mr. Schuppel. "La Grande has made one of the best records of any district in this territory," he said, "proving that local conditions must be favorable. Another thing of importance here is that, as people again find time for vacations, this

(Continued on Page Five)

## First Team Gets \$50 To Aid Area Hit By Floods

A team composed of Mrs. H. S. Brown and Mrs. L. Denham is the first to report their canvass in the city-wide project to secure La Grande's quota toward the Red Cross call for flood relief as completed. Their district comprised a part of the business section, and business people and firms contributed around \$50. This is considered very good response, but an additional \$75 is needed to fully subscribe La Grande's quota for the assistance of the stricken areas and other teams have been at work over the city today.

## CLEAR WEATHER PREDICTED HERE

Fair weather, absent so much this winter in spite of the mild, spring like season, is beginning to return to the Grande Ronde valley. Yesterday was partly cloudy and this morning found the sky more clear than cloudy. The weather forecast for tonight, Saturday and Sunday calls for fair weather in Eastern Oregon, with colder temperatures tonight. Last night's minimum was 39 above and Thursday's maximum was 49. Rainfall amounted to .07 of an inch during the 24-hour period ending at 7 a. m. today.

## FEWER FAMILIES ARE ON THE RELIEF LIST

According to the report of the Union county relief committee for the year just passed, the time when the most families needed aid was in March, 1933, when it was necessary to help 665 of them. Since March last year, the number of families in distress each month steadily decreased to a low mark of 159 in September. Then the total jumped to 239 in October, but dropped back to 160 in November and then climbed to 204 in December. During the first half of 1933 fam-

## WILL ROGERS says:

BEVERLY HILLS, Cal., Jan. 4 — Mr. Roosevelt proposed in his speech that the NRA and a lot of these other government-regulated business entities would be made permanent. Well, that was a terrible blow to some business men. They had figured they would only be required to be honest by the government till the emergency was over.

The papers today tell of a little country in the Pyrenees mountains that has six army officers and only six plain soldiers. Well, that strikes us as being mighty comical, yet we got 120 million people and 60 million hold government jobs. Yours,

Will Rogers

## FOUR OFFICIALS REAPPOINTED AT COURT SESSION

Reappointment of county officers was completed yesterday by the county court in its January session held in the office of County Judge U. G. Couch. Dr. C. L. Gilstrap and Dr. W. K. Ross were appointed continuing physicians and the former also was named secretary of the county board; S. B. Morgan, county road master, was named county engineer, and Charles R. Logan, of The Dalles, was appointed county auditor, each having served in the same capacity last year.

The Evening Observer and the Elgin Recorder were named as the official county newspapers.

The petition filed by J. A. Nice et al. to create a rogent control district was found by the court to be insufficient to warrant action.

The bond of Daisy Nelson constable, was approved. A deed to the McShain road off Cove avenue was submitted by James M. McShain and accepted by the court.

## NAME FITZGERALD AS CHAIRMAN OF U. P. COMMITTEE

J. E. "Ed" Fitzgerald was named chairman of the finance committee of the Union Pacific Old Timers' celebration to be held in La Grande July 20 and 21 to commemorate the coming of the railroad to La Grande in 1884.

(Continued on Page Five)

## APPLICATIONS FOR PENSIONS ARE RECEIVED

Between 75 and 80 Seeking Old Age Benefits; Maximum is \$30 a Month

Between 75 and 80 applications already have been received by the county commission, which also is acting in the capacity of the Union county old age pension committee, and action will be taken in the near future on alloting the funds for pensions, Judge U. G. Couch, county judge, said today.

An appropriation of \$20,000 has been made, the money to be raised by taxation, but the amount of money available for old age pensions will depend entirely on the tax collections.

Money expended in the form of old age pensions must be raised by a tax on property, state law provides, therefore the amount of the appropriation that actually will be dispensed by the pension commissioners is highly problematical.

The maximum pension is \$30 a month, but the amount to be allowed an individual pensioner, if any, is left to the discretion of the old age pension commission.

## Boise College Quintet Plays E. O. N. Tonight

La Grande's first game of intercollegiate basketball this year will be played tonight at 8 p. m. at the D. S. Recreation hall, with the Eastern Oregon Normal's untried quintet taking on the more experienced Boise Junior college team from Idaho.

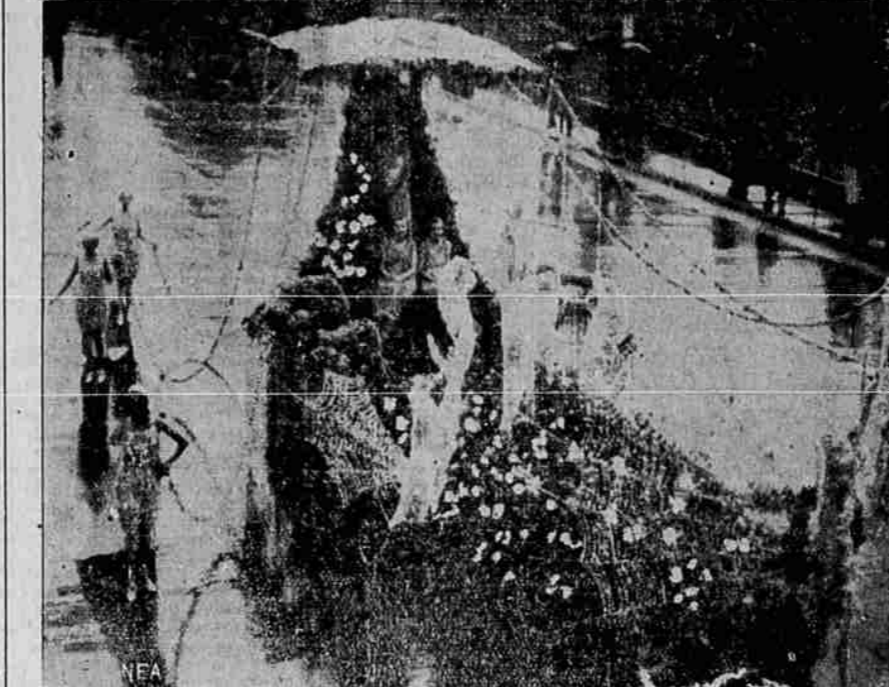
Coach Bob Quinn, shuffling his men about today in an effort to figure out what combination might be most effective, was still somewhat stumped as to a starting lineup. However, he had tentatively picked Conklin to begin the game at center, Halverson at forward, and Peterson and Beers at guard positions. The other forward probably will be either McCully or Baxter. Four others are

## KNOWLES GOES TO ENTERPRISE COURTHOUSE IS REDECORATED

Circuit Judge J. W. Knowles and H. R. Hannan, court reporter, went to Enterprise today to hold motion day there. They expect to return this evening.

Judge Knowles will open the adjourned session of the October term of court next Monday in La Grande.

## FAMED ROSE PARADE STAGED IN RAIN



Old Neptune and his cohorts, depleted in many of the Tournament of Roses "Tales of the Seven Seas," were in their element in Pasadena New Year's day when, despite unprecedented rainfall, the famous floral pageant was held. Photo shows float entered by Long Beach, Cal., which won first prize. A beautiful girl rode in a large pink shell beneath a huge jellyfish canopy, driving three seahorses made of eycamen and white orchids with wings of strung narcissus lilies.

## O. S. C. LIVESTOCK EXPERT TO SPEAK AT MEETING HERE

H. L. Lindgren, of Corvallis, field livestock man from Oregon State college, will explain hog control under the national recovery act and other livestock problems Saturday when the Blue Mountain Livestock association meets in La Grande at the Scajawa Inn, H. G. Avery, county agent, announces. Mr. Lindgren is an authority in his field and is expected to clear up many of the matters which attend the control program.

The regular session of the Blue Mountain association will be held in the afternoon, but arrangements are under way at the present time to have Mr. Lindgren speak at 11 o'clock in the morning.

## CONFERENCE HERE UNDER WAY TODAY

A two-day sales conference of the Smith agency of the Oregon Mutual Life Insurance Co. began in La Grande today and was to continue until late Saturday. Several of the Oregon Mutual officials, including W. C. Schuppel, executive vice president, are here for the conference.

(Continued on Page Three)

## Dan Cupid Is On a Vacation In Union County

Whether Dan Cupid is hibernating or whether the post-Christmas lull is responsible, the marriage license business has been at a standstill since Dec. 24 in Union county. No licenses have been issued by County Clerk G. K. McCormick for 12 days.

## U. S. LEADING WORLD-WIDE IMPROVEMENT

International Labor Office at Geneva Issues Official Statement.

GENEVA, Jan. 5 (AP) — The international labor office said officially today that the United States leads a world-wide improvement in the unemployment situation.

(Continued on Page Six)

## U. S. LEADING WORLD-WIDE IMPROVEMENT

International Labor Office at Geneva Issues Official Statement.

GENEVA, Jan. 5 (AP) — The international labor office said officially today that the United States leads a world-wide improvement in the unemployment situation.

## STRANGE CASE IS CLOSED BY DEATH

McMINNVILLE, Ore., Jan. 5 (AP) — Death in sudden and tragic form last night ended the strange case of Elijah Corbett Sr., prominent Yamhill county resident, who today was to have gone on trial for burglary in the office of the county clerk.

(Continued on Page Two)

## JUST BEFORE PRESSTIME

MILTON COUPLE ARRESTED TO GUARANTEE BONDS SHIP SINKS IN RIVER MORE P. W. A. PROJECTS

DENVER, Jan. 5 (AP) — Mr. and Mrs. Raymond A. Ross, formerly of Milton, Ore., were arrested in Burlington, Colo., on a charge of passing hundreds of counterfeit half dollars in Southern and Eastern Colorado cities.

WASHINGTON, Jan. 5 (AP) — President Roosevelt will propose to congress next week that the government guarantee the principal of the \$2,000,000,000 of agricultural refinancing bonds, which will in effect convert these into government obligations.

THE DALLES, Ore., Jan. 5 (AP) — The stern wheeler Hercules, bound upstream from Portland, struck a submerged rock in the Columbia river at 3-mile rapids and sank today. Early information did not state whether all of the crew of about 12 men was safe.

WASHINGTON, Jan. 5 (AP) — The public works administration today allotted \$11,400,700 for 62 new non-federal projects, which officials said would create 54,587 man months of direct employment.

No Oregon projects were listed in the above according to first reports. Yesterday projects for a school at Corvallis, a gym at Bandon and water works at Drain were approved.

PEIPING, Jan. 5 (AP) — The United States legation informed the Chinese government today that the United States looks to the Chinese government for the full protection of the lives and property of Americans in Fukien.

## MARKET REACTION TO F. R.'S BUDGET MESSAGE "GOOD"

WASHINGTON, Jan. 5 (AP) — Turning market reaction to President Roosevelt's budget message "very good," Secretary Morgenthau said today the treasury will begin "right soon" on its ten billion dollar financing program.

This tremendous task, as shown by President Roosevelt in his budget message to congress yesterday, involves borrowing by sale of bonds.

Such a procedure is in line with expectations. There has been no reason to expect the administration to use printing-press money, indications constantly pointing against resort to such practice.

In his message, Mr. Roosevelt spoke of the government having "to borrow approximately six billion dollars of new money," meaning money in addition to sums already borrowed. The

(Continued on Page Two)

## AMERICAN WOMAN FLIER IS BURNED

NEVERS, France, Jan. 5 (AP) — Evelyn Frost, the American aviatix, was burned to death today in the crash of an airplane.

Miss Frost, who was piloting the plane, en route to Egypt, collided with high tension wires in a fog. The plane burst into flames and the flier was trapped in the wreckage.

The British flier, Rutledge, who accompanied her, was slightly injured.

## Check Dam Above Montrose Blasted?

LOS ANGELES, Jan. 5 (AP) — An unverified report that a check dam a mile above Montrose containing 100,000 gallons of water was dynamited about midnight New Year's day, precipitating the disaster which lost at least 39 lives, was scrutinized by the sheriff's office today.

## QUICK ACTION ON MEASURE FOR REVENUE

Expected to Bring in \$470,000,000 to the U. S. Treasury.

## ROLL CALL TAKEN; VOTE IS 388 TO 5

Measure Sent to the Senate; \$2 a Gallon Tax to Be Levied on Distilled Spirits.

WASHINGTON, Jan. 5 (AP) — The new liquor tax bill estimated to bring in \$470,000,000 in revenue from spirits, beer and wine was passed today by the house and sent to the senate. The vote was 388 to 5.

More than a score of amendments were offered to change the rates, but all were battered down.

The measure levies a \$2 a gallon tax on distilled spirits on each proof gallon and a proportionate tax at a like rate on all fractional parts of either proof or wine gallon.

Chairman Doughton (D. N. C.), of the ways and means committee, estimated that the liquor tax would return \$300,000,000 on an expected 150,000,000 gallon consumption annually.

The bill provides a flat \$5 a barrel tax on beer of all alcoholic strength, estimated to bring in \$100,000,000. The house voted down an amendment to reduce the beer tax from \$5 to \$2.

Wines levies graduated from 4 cents on that of less than 14 per cent alcoholic content, up to 40 cents a gallon up to 24 per cent. All wines containing more than 24 per cent

(Continued on Page Four)

## 'Plums' Problem To Congressmen; Caucus Talked

WASHINGTON, Jan. 5 (AP) — The possibility of forcing a Democratic caucus on patronage matters today was discussed privately by several members of that party on the house side of Capitol Hill.

Many admittedly are not satisfied with the jobs they have been able to bestow upon constituents. Several stated frankly the replacement of hundreds of Republican office holders with Democrats would measurably increase their own political strength at home.

Taking a hand in the patronage question, the civil service commission in its annual report published today asserted it was convinced the removal of all political consideration from the appointment of postmasters would effect an economy.

The commission went even further to recommend that many other administrative offices which are not policy-determining should also be brought under civil service. Included would be collectors of customs and internal revenue, deputy marshals and most attorneys.

## WAIT TILL THE NEWS GETS TO EUROPE!



## Wheat Today

The price of local cash wheat stood at about 52 cents bulk here today, according to quotations at the Pioneer Flouring Mills. Portland cash 69 1/2 cents.

CHICAGO, Jan. 5 (AP) — Downturns in grain values predominated in the late dealings today.

Portland, Ore., Jan. 5 (AP) — The sale of the first full cargo of wheat to Europe in at least 15 months, was confirmed by the trade here today.

## NEW TYPE CARS ON DISPLAY TOMORROW

By Raymond Crowley NEW YORK, Jan. 5 (AP) — Fiatlast cars . . . tear drop cars . . . snow shoe cars . . . cars that bend their knees . . . cars that shoot ahead as "smoothly as a grape being squeezed out of its skin."