PRICE: FIVE CENTS

STATEMENT FOR SOLONS

Excess of \$819,376.22 in Budget Estimate Over Visible Revenues is Less Than at Last Session

EASIER SAILING IS LIKELY FOR ASSEMBLY

Figures Are Reviewed for Benefit of Legislators Coming to Salem

The budget, or estimate of exnditures for the biennium 1921. 1922, for all state activities as shown by the statements on file with Sam A. Kozer, secretary of state, aggregate \$45,456,377,41. Of this sum \$24,717,340.89 will be met by the receipts of the tate treasury from sale of bonds or the construction of roads and ighways, from license fees, inritance taxes, corporation liinsurance licenses. 14,786,452.70 will be covered by the workmen's compensation law vocational education: moneys which are not paid into he state treasury but disbursed brough other mediums outside of the secretary of state; \$5,752,-170,47 will come from the levies taxes for the years 1921 and 1922 and being in addition to e taxes authorized by law within the 6 per cent constituional limitation. The balance of 19,810,350,63 is covered by the a simple brown dress and was ublic treasury within the 6 per cheered wildly. nt limitation. Of this latter nder existing laws authorizing egates, annual appropriation of mon- munist, I came anyway." age levy upon the taxable proof \$6.892,229.75 to be pro d for by appropriations

a 31st legislative assembly. To meet this total of \$9,810,-50.63 is available the proceeds ears 1921 and 1922, aggregating Zetkin advised the congress. ectively\$3,394,846.56 and \$3. 96.537.35, and the receipts from arious sources credited to the fund and applicable to payment of general governital expenses estimated at \$1,-

unts to be appropriated, is an nated cash balance in the genral fund of \$325,000, leaving of total estimate of requireints for all state activities for years 1921 and 1922 unprod for, \$819,376.22, contingire making appropriations corvarious activities for the bi-

The excess of the estimates for 1919-1920 biennial period the visible revenues was \$1,-7,214.84, yet the 1919 legisropriations, by judicious curlment, within the visible rev- German frontier. lues for the biennium, having uced many of the estimates, nd in some cases eliminating m entirely where they were relested for some special proposed

The total amount the 1919 leg lature was asked to cover by appropriations aggregat-4 \$6,319,044.03 against a cornding item coming before 31st legislative assembly of

6,892,229.75. If the state expenditures are rouped, or classified, in accordee with the classification of the deral census bureau, it is found at the estimates for 1921-1922 ssification are included the exses of the legislature, the exeand departments; the supreme ourt, supreme court library, the orneys, the primary and general lection expenses and the capitol

The estimates for protection to ms and property aggregate 6.584,165.02. Under these clasflications are included the bankcorporation, insurance and its, the board of accountancy rchitect examiners and engineer examiners; the state fire man motor vehicle registrations industrial accicommission, state board of industrial welfare and child are commissions: the child laboard and the bureau of la-

PRISONER SAYS HE **KNEW ETHERIDGE** SIBLEY FELLOW INMATE IN

NEW JERSEY PRISON Salem Convict Tells Authorities of

Acquaintance Formed . While Two Were Doing Time

Elmer Sibley, who is serving a erm in the Oregon state penitentiary for forgery, yesterday informed prison authorities that he was acquainted with John L. Etheridge when the two were prisoners in the New Jersey state

Etheridge, absconding head of

the bankrupt bond firm of Morris Brothers, Inc., of Portland, is in jail at Minneapolis where he was arrested while fleeing eastward with his wife from Portland. · Sibley is known to have done time in eastern prisons. He was received from Multnomah county October 28, 1919, to serve two years, was later paroled, violated his parole and was returned to

CLARA ZETKIN

Appears in Socialist Congress, Makes Fiery Speech and Vanishes

TOURS, France, Dec. 28 .-Clara Zetkin, member of the German reichstag and of the execuunds or contributions paid into live committee of the third in the firm for bonds of the city he state treasury on account of ternationale, whose passport, it of Edmonton, Alberta, Can. is alleged, the French refused to 589,806.72 will be paid from vise, came suddenly into the hall where the French Socialist conthe session became bedlam. M. Brossard, secretary of the French socialist party, who was speaking, escorted the woman to the plat-

Clara Zetkin is a white haired

"but like a good com-

1164,945,21 is provided for by locked and the telephone and teltisting laws authorizing the ap- egraph wires in the hall disconnected and no one was allowed lie treasury, which appropria- to leave the building. She then are based upon an annual | continued her speech, denouncing ty of the state, leaving the Reynaudels of all nations." She also denounced the moderates and all those seeking to form an internationale in opposition to Mos-

"Split your party to achieve more precious unity," Madam

"I urge you to split from your party all social natriots and form ble of discipline, vigorous action and the emancipation of the proletariat.

family as those who destroyed the cried, referring to the Polish warfare against Moscow which was carried on with allied aid.

Madame Zetzin arrived late in the afternoon and spoke for half onding with the estimates of an hour. She then left with a small escort of friends. No one else was allowed to leave for 20 minutes to enable her to depart secretly as she had come.

Her visit was unexpected. is believed she came by motor, tive assembly confined its ap- and it is supposed that after leaving the hall she proceeded to the

Plans Perfected for 1925 and Five Million Dollars Will Be Raised

PORTLAND, Dec. 28.- Five million dollars will be raised by been outlining plans for the fair.

company for that amount, and F. and supreme court buildings and E. Beach was authorized to appoint a committee of 15 members ticles of incorporation so that they could be immediately filed and the actual work of financing

Plot to Free Convicts is Nipped in the Bud day.

plot to free convicts in the state He had previously announced he the Oregon national guard, kansas National guard, according all," he replied when asked if he ities at \$7,479 and assets at \$100. day from Seattle at the conclusion agent of Clackamas county since thousands of dollars as well as esto a statement tonight by Gover- would hint as to which side of the Among the creditors named are of his midwinter vacation which July, 1918, has resigned, effective tablishing a precedent for the happy with gifts.

ETHERIDGE

Counsel Seeks to Designate Preferred Creditors of Is Under Arrest

BY-LAWS VESTED VICE PRESIDENT CONTROL

Mrs. Etheridge Holds All of Capital Stock Except Two Shares

PPORTLAND, Dec. 28 .- Portland creditors of the firm of Morris Brothers, Inc., the bond house whose former president, J. L. Etheridge, is under arrest at Minneapolis on charges in connection with his bond operations, tonight held a meeting to conests. Most of them held interim honds as receipts for payments to

Attorney Franklin F. Korell. counsel for several creditors, today made the contention that holders of unsecured interim recress was in progress today and ceipts should be treated as preferred creditors of the company, Prison officials are said to have whose affairs today were in the hands of W. D. Whitcomb, rewas interrupted and the delegates ceiver appointed late yesterday in federal court. As preferred creditors, he said, they would rank ahead of banks which had woman of 60. She was attired in 'made loans to Morris Brothers, Inc., on collateral.

Two deputy sheriffs are en "The French have forbidden route to Minneapolis to bring Attorney Korell today exam-

ined the minute book of the corporation, together with Attorney Wirt Minor, representing the receiver. They acted under a stipulation agreed to before Circuit Judge George Tazwell, in a suit by one of the creditors. Korell cern was incorporated September 6, 1919, for \$500,000.

All of the capital stock except taken by John L. Etheridge and Forbes B. Pratt.

Later the eapitalization was cent preferred stock were auth-

orized to be made at par. The corporation was organized poration's by-laws provided that all power should be vested in a vice president, and no provision was made for a president. Ether-

idge was the vice president. The minutes show further that on October 3, 1919, Etheridge was Russia and the Baltic states late- another. elected president, and the by-laws by have been improving. Several Mr. Harding's selections power from the vice president to consideration. It is said that even of the treasury, however, are ex-

Federal Prohibition

HURYEY, Wis., Dec. 28.-Hurley tonight was quieter and weeks, following the "invasion" here today of 48 federal prohibition enforcement agents from Chicago, who raided 38 saloons

Late today the prisoners, guarded by federal agents, were placed aboard two special coaches at renwood, Mich., across the river from her, and started for Ash- of dwellings opposite the plant tucky, whose name has been a land for arraignment before a and they burned quickly.

United States commissioner. tonight, Hurley is laughing over the raid today by federal prohiwith 57 prisoners left for Ashland. Moonshine liquor was sold in Hurley tonight, it was said to corporating the Atlantic-Pacific could be bought by the quart or

De Valera's Seclusion Causes Some Concern

NEW YORK, Dec. 28.-Eamon de Valera, "president of the Irish republic," has caused his secretary considerable embarrassment by failing to "come out of seclusion" the latter asserted here to-

Today the secretary said he had not seen Mr. De Valera since his -Reliable reports of a widespread return here from Worcester, Mass. expected to confer with the "pres-

CONVICTS ATTEMPT BREAK FOR LIBERTY CABINET

SAN QUENTIN GANG AT WALLA WALLA INVOLVED

One Convict Struck by Bullet From Guard's Rifle and Officer Gets Broken Nose

WALLA, WALLA, Wash., Dec. 28.-Five or six convicts at the break tonight as they were being returned from the jute mill to Morris Brothers, Inc. of their cells, attacked Turnkey Joe Which Firm Ex-President Smith, breaking his nose, supposedly with a piece of iron, and were finally driven into their cells to avoid bullets from rifles fired by guards.

J. Williams, convict, serving five to 20 years for robbery, was painfully wounded, a steel rifle bullet striking the iron bar and splintering fragments penetrating his body in 10 or 12 places. He will recover. The men involved are members of the "San Quentin" gang, ex-convicts from San Quentin, who have been hanging together and threatening trouble. Tonight the prison is quiet.

Guard Joe Smith is said to be in a serious condition with the frontal bone in his skull possibly weeks of consideration and con-

In the attack on the guards, Frank Gietzen, a guard was locked in a cell by the prisoners of his most important cabinet apand Jim Henderson, another pointments. guard, was chased around the cell wing by two of the convicts armed with knives which they had made themselves.

Names of four men involved, including Williams, were given out tonight as follows:

Frank Holmes, 10 to 20 years George Kimes, 10 to 20 years for their names were not announced, official family. learned three weeks ago of a plot of the prisoners to escape.

Poles and Russians Negotiations Interrupted by Christmas

Riga, Dec. 28,-The peace negotiations between the Poles and general said the book showed the con- the Russians were interrupted for three days at the Christmasinside the peace conference, which mentioned is a question that even two shares of \$100 each par value it is believed will finish its work. were subscribed for by Mrs. as both sides are interested in pared to answer. Already seve-

winter. trouble is brewing in Letvia, and anced and harmonious cabinet. increased to \$1,000,000, and sales that the bolsheviki already are and other changes are expected of the additional shares in 7 per crossing the borders of the Baltic

cause for any such trouble this ty of food for the population and no internal disturbances are ex- here is far from complete. by a large majority.

Relations between the

Agents Raid Town Factory Town Has Two Million Dollar Fire

WILMINGTON, Del., Dec. 28. Fire which broke out in the plant of the Wilmington Leather company tonight caused damage estimated by James I. Ford, treas-800 men and women

GANGSTER SENTENCED

SAN FRANCISCO, Dec. 28 here early Thanksgiving day. Murphy was sentenced to serve

the term in San Quentin prison. In passing sentence Judge Louis

defendant should be confined until the last day of the maximum provided by law has been paid."

AUTHOR IS BANKRUPT.

NEW YORK, Dec. 28 .- Eugene Development and conservation Development and conservation (Continued on page 3)

Atlantic the "Irish president" David Belasco, producer, \$500 for was spent in southern California January 1. Mr. Scott has accept money loaned, and the Friars club and concluded with a brief visit ed a position as field man for the vegetable.

A month ago it was apparent for the preserving of that money loaned, and the Friars club and concluded with a brief visit ed a position as field man for the him by penitentiary officials.

ANNOUNCED

penitentiary started to make a President-Elect Harding Said to be Seriously Considering Appointments and Names Announced

HUGHES AND HOOVER INCLUDED IN LIST

Many Changes May Be Made Before Final Decision Is Announced

MARION, Ohio, Dec. 28.—After OREGON NUTS sultation, President-elect Harding is nearing a decision on several

It may be said authoritatively that so far no such decision has been made and that any suggestions he may have dropped on the subject have been of a tentative indefinite nature. It is for highway robbery, Seattle; equally certain, however, that in his talks here with leaders in highway robbery. Seattle; Tom many walks of life, he has indi-O. Young, one to 15 years, grand tated clearly what men are uplarceny. Two other men were permost in his mind as he asks

> Those, who have discussed the question with him intimately believe that appointments under the following:

Charles E. Hughes of New York, secretary of state, Charles C. Dawes of Illinois, secretary of the treasury. John W. Weeks of Massachus-

etts, secretary of the navy. Henry Wallace of Iowa, secre-

ary of agriculture. Herbert Hoover of California, secretary of labor. Harry M. Daugherty, attorney

How many of No trouble is expected to arise they now are most prominently Etheridge, the two shares being reaching an agreementd uring the ral shifts have been made in his Reports received here are that has worked his way toward a bal-

> before the last decision is made. ident-elect has more than one man under consideration and that pected, as the social democratic regard to most of the cabinet congress held in Riga December posts, decision may be deferred 18-20 took a stand against the for several weeks and the intercommunists and rejected adher- vening periods of deliberation may ence to-the third internationale thange the whole face of the problem and make one guess at

amended to transfer all commercial treaties are under secretary of state and secretary if societ Russia's assurances of pected to be known definitely loyalty proved unreliable no trou- within a few days. At the same ble can be expected this winter. time, he may make public the name of one or two others on of the most important in whom he has definitely decided

Aside from the seven names mentioned, recent gossip about Harding headquarters has urer of the company at \$2,500. these is Joseph Dixon of Montann. 000 and upset plans or employing preminently mentioned for secreunemployment situation in this Hilles of New York, discussed for secretary of commerce or the The intense heat ignited a row treasury, and A. T. Hert of Kensociated with the portfolio of

Train Leaves Track and Engineer Killed

persons were injured when an easthound nassenger train on the

board of prison directors, as aling and rescue crews were sent matter of protection to the public, from Indianapolis. Several of the if for no other reason, that this injured were removed to hospitals

BAKER RETURNS HOME

PORTLAND, Or., Dec. 28 were officially transferred by act-Walter, author and dramatist, ing Mayor C. A. Bigelow to the filed voluntary bankruptcy pro- hands of Mayor George L. Baker ceedings today, placing his liabil- today. The mayor returned to-

SALESMAN RESENTS

GIVES BOOTBLACK A BLACK EYE AND GETS IN COURT

Judge Rules "Fifteen Cents Is Pretty Steep-Sentence Is. Suspended"

NEW YORK, Dec. 28 .- A boot lack who attempted to charge 15 ents for a shine here today apared later in Tombs court with black eye.

Giovanni Bliosi, who wields a flannel rag and a stiff brush in Greenwich street shop, testiied against Harry Worle, a sales-

"He hit me like this," mutterd Giovanni, making a sweeping resture with his arm. "He charged me 15 cents for

shine. That disconcerted me,' testified Wolfe The court looked at Wolfe's boots, then at Bliosi's marred

visage. "You're guilty of disorderly onduct." said the court to Wolfe, But, 15 cents is pretty steep, Sentence is suspended."

IN JEOPARDY

Cherries Also Threatened by Orientals Fruit Men and Senator Busy

Desperate efforts are being made by Senator Charles L. Me- fore the coming season is far advanced. Nary and the Gregon Growers Cooperative association to save the cherry and nut industry of the northwest, which is seriously threatened on account of imports information reaching The Statessuspected of being involved but for advice on the makeup of his from Italy and France, and even man, "that it was apparent that Thinh and Japan.

On account of exchange rates, white cherries in brine are now being sold in New York direct with the increasing demands for very serious consideration include from Italy at 7 cents a pound. To its products, and if the market compete with this price, the cher was to be extended as the excelry grower of the northwest would lence of the commodity warranted

> English walnuts shipped by few buyers know the difference between the Chinese nut and that

grown in the northwest. Association is Active

At a recent meeting of directcongress, urging that in the new there be included protection for operations will mean the develop-

include cherries and nuts in any event, will offer amendment on loor of situation and will do all

can for the growers. Italian money is worth one-eighth the value of American are that lemons are retailing New York city at 15 cents a doz-

France is shipping eight times s many English walnuts into this country as it did one year ago. tue to the low rates of exchange. thina and Japan have increased heir imports of walnuts

The cherry industry which now seriously threatened, is one barrels of cherries in brine. It is of the dehydration plant well into said this business is one of the the fall, and perhaps even into the main outlets of the cherry indus-

Occasion of President's Birthday and King George **Extends Congratulations**

WASHINGTON, Dec. 29-Presa private citizen. All of the mem-William G. McAdoo, Messages of congratulation in-

Great Britain

COUNTY AGENT RESIGNS

CHARGE FOR SHINE KING'S COMPANY TO TREBLE OUTPUT OF LARGE SALEM PLANT

Capitalization Increased From \$3,000,000 to \$10. 000,000 New Unit and Cold Storage Addition Included in Program for Coming Season in This City-Remarkable Story Told of Saving of Onion Crop of Lake Labish Farmers

The King's Food Products company yesterday filed with the state corporation commissioner supplementary articles of incorporation announcing an increase in the capitalization of the concern from \$3,000,000 to \$10,000,000. This is the second increase this year. Coincident with the filing of the papers comes information of plans to enlarge the facilities of the big dehydrating concern, including tremendously increased facilities for the Salem plant.

For the plant located in Salem an immediate trebling of the output is being arranged for by the construction of a new unit, and in addition is planned the construction of a cold storage plant which will permit the operation of the plant well into the fall, perhaps into the winter months, and furnish employment for a larger number of Salem people. The advisability of making these extensions of the Salem

activity of the concern-were discussed recently by President E.A. Clark with the board of directors and he was authorized to have plans prepared for the cold storage addition. The new unit, it is said, will be completed doubtless be-

Program is Ambitions

additional capital would be nocessary to handle the business if the company was to keep pace. goods shall be as well known in market, it was necessary again to business of this year was so large and the call for additional capital was so urgent that it was again determined to add to the capital fund, this time to \$10,-000,000 an amount deemed by the directors and stockholders suffi-

cient for all time. "The demand for the stock is ment of the business of dehydration upon a greater scale than ever before in the history of the country.

Directors Learn of Needs "President E. A. Clark is en-In fact, the remarkable business ited capital has so encouraged the first run and telegraphed cussed with them the advisability of increasing the capacity of the Salem plants and was authorized to proceed with plans for trebling the output. Mr. Clark painted such a remarkable picture of schievement and the company's future, and backed up his argument with such strong evidence of the company's progress and its prospective business, that in addio the construction of a new dehydration unit, he was also authorized to have plans prepared for a large cold storage plant which will permit the operation

ployment for a much larger number of Salam people." President Clark is quoted

winter months, furnishing em-

serve the public than at any Im- in its history. I expect the the season is very far advanced. and also to have the cold storage clant in operation to take care of The show gave the fire right of a considerable portion of this way and closed down. The Salem

year's fruit and vegetable crop. will see vastly increased areas of about a dozen members of Comfruit lands brought into product pany K. O. N. G. of Independence, tion and the development of veg- trying to pall the hose cart or etable growing on a much larger of the mud. It couldn't be scale than now, and the result of until it had been attached to the the prosperity in this region. Our then too late to save the house, treatment of the growers has The fire is believed to have startmade us hundreds of friends, and which has characterized our dealngs in the past. We do not owe a single fruit grower or farmer a ent. We are working for the development of Oregon's agriculturand Miss Margaret Wilson, third al and horticultural resources. worthy interests to make this 'ate known throughout the nation as capable of producing laded one from King George of fruits and

Labish Onions Sayed

A remarkable story is told of how the Salem dehydrating plant bish farmers their onion crops and and entertainment when several

The success of the company in that the Lake Labish farmers 1919 was so phenomenal," says would lose at least \$25,000 be cause there was no market for their Yellow Danvers market was entirely lacking the rains were on, and

The manager of the King's Food Products company heard of receive about 2 cents a pound for The company is ambitious that its the onion district. He found de-Great Britain and continental spair on all sides, and huge English walnuts shipped by Europe, in South America and the China and Japan are now being Orient, as in the United States, sold in the northwest at 7 cents But first, to take of the American ing costs would not be taken care of an the onions apparently des-

tind to rot. Thousand Tons in Bange A careful survey of the situation indicated that there were which would become an absolute loss unless something was done to sliced and put through the dehy-

drated in large quantities The King's Food Products col pany has, had such a brillian year that great preparations are being made for next season's business. The agents of the company already are taking contracts for the delivery of loganberries, prunes and other crops in the Willamette valley.

Salem Boys Valiant, But Can't Save Hogan's House

ground last night and all its con tents were destroyed in spite of heroic work done by Marvin L ompany will be in better position Shepard and Henry Gortmaker of Salem to tow a hose cart to th

fire behind their flivver Shepard and Gortmaker were boys started to the fire in their maker, who succeeded in pulling way toward stabilizing the cart to the fire, but it was ed from a cigarette stub.

Salvation Army to Have Christmas Tree Tonight

Christmas is not yet past in

This for the information of the unfortunate boys and girls of poor families who, on Christmas vegetables of rare day, did not fare as well as the children of more comfortable At the armory tonight at 7:2

o'clock the Salvation Army will