

CIRCULATION  
Average for June, 1922—  
Sunday only 5926  
Daily and Sunday 5518  
Average for six months ending June 30,  
1922—  
Sunday only 5826  
Daily and Sunday 5434

# The Oregon Statesman

IN THE CITY OF SALEM  
and elsewhere in  
Marion and Polk Counties  
Nearly everybody reads  
The Oregon Statesman  
THE HOME NEWSPAPER

SEVENTY-SECOND YEAR SALEM, OREGON, WEDNESDAY MORNING, AUGUST 2, 1922 PRICE: FIVE CENTS

## RAIL STRIKE WILL CONTINUE

### TENSION HIGH AS KLAN QUIZ COMES TO END

All Testimony Submitted to Grand Jury in Ku Klux Klan Investigation in Jacksonville.

### REPORTED THAT NAMES FURNISHED JURORS

Report of Findings Expected Within Twenty-Four Hours—Slueths Testify

MEDFORD, Or., Aug. 1.—After remaining in executive session all afternoon, the special grand jury making an investigation of alleged Ku Klux Klan activities in Jackson county, adjourned until tomorrow. The jury report probably will be submitted some time tomorrow.

Immediately after return from lunch the jury began secret consideration of the evidence. Shortly before 5 o'clock the balliff was instructed to call ex-County Judge Touvelle, presumably for information concerning Hank Johnson, one of the victims.

JACKSONVILLE, Or., Aug. 1.—At ten minutes before 12 today the last witness who will figure in the special grand jury investigating the Ku Klux Klan activities in Jackson county emerged from the secrecy of the courtroom, leaving behind the mass of testimony which will be the basis for the jury's report—the nature of which nobody feels certain.

Completing its probe in Medford, the grand jury, headed by Rawley Moore, assisting Deputy Attorney General Lilleqvist in the inquiry, came to Jacksonville early this morning to examine the remaining witnesses. Practically all of those on the missing list have appeared before the body, although Paul Wright, wanted as a witness, was out of the city this morning.

**Tension Is High**

It was learned, however, that members of the grand jury feel confident that all testimony of any consequence has been gleaned from those who appeared in connection with the cases considered in the probe.

Although outward calm prevails both in Medford and Jacksonville, the tension actually felt cannot be concealed; rumors are continually afloat regarding the testimony before the jury, and of that body's probable action.

One witness, rumor insisted, had told the examiners of a field near Central Point where the first meeting of the Klan was held in this part of the state; another maintained that a list of 303 Klan members had been reported to the grand jury.

**Slueths Are Heard**

Detectives Phillips and Tackaberry, who appeared before the jury as witnesses in connection with activities in Portland, returned to the metropolis last night.

A unique situation adds interest to the probe in Jacksonville. Upstairs in the court house is the grand jury; downstairs is the election board on Saturday's recall balloting, in which the Klan issue was outstanding. Sheriff Terrill, who retained office as a result of the election, today received a congratulatory message from Ole Nelson, Clatsop county sheriff, who has been threatened with recall proceedings.

Report of the jury is expected late this afternoon or tomorrow morning. Meanwhile, arguments over probable indictments are the talk of the town.

**Many Are Heard**

County Judge George A. Gardner was among the witnesses called before the body.

Two witnesses for whom subpoenas have been issued, but not served, are Joe J. McMahon, state traffic officer, and Paul Wright, a mining man. McMahon is reported to be in the Willamette valley and Wright in the Abbott Butte country.

Among the witnesses before the

### 3 VOTES GAINED BY OLCOTT FIRST DAY OF BALLOT RECOUNT

Governor Ben W. Olcott, named as contestee in the election contest proceedings filed recently on behalf of Charles Hall, defeated candidate for the Republican nomination for governor at the primary contests last May, emerged with a net gain of three votes over Mr. Hall in the first day's recounting of the ballots in Marion county.

When the circuit court recessed last night the ballots in 20 of the 49 Marion county precincts contested by the plaintiff in the action had been counted, while recounting of the ballots in 10 other precincts had been waived by the contestant's attorneys.

Counsel for Governor Olcott said it was likely that the recounting of the votes in Marion county would be completed by tonight or Thursday.

Probably the outstanding feature in yesterday's recounting of the ballots was the accuracy of the election boards in preparing their tally sheets.

**Mt. Angel Vote Regular**

In the East Mt. Angel precinct, where Governor Olcott received 281 votes as against no votes for Mr. Hall the contestant had charged 75 irregularities. These included the charges that 21 votes had been erroneously counted for Governor Olcott, that six ballots cast for Mr. Hall were rejected, that seven Republican ballots by non-Republicans were cast for Mr. Olcott and that the votes tallied for Governor Olcott aggregated 14 in excess of the number of ballots cast. Further charges were made by the contestant that in this precinct there were 13 votes for Governor Olcott on Democratic ballots and that 14 of the voters changed their party affiliations at the polls in bad faith.

**One Thrown Out**

The recount in this precinct showed no irregularities, with the exception of one ballot for Governor Olcott which was rejected by the court on the grounds that it had not been properly marked by the voter. In the West Mt. Angel precinct the contestant charged a total of 48 irregularities. These included the charges that 21 ballots had been counted erroneously for Governor Olcott, that seven ballots cast for Mr. Hall were rejected and that there were eight Republican ballots cast by non-Republicans for Governor Olcott. It also was alleged that there were five votes cast for Governor Olcott on Democratic ballots, that seven voters had changed their party affiliations at the polls in bad faith. The recount in this precinct gave Olcott a gain of one vote over Mr. Hall.

**Hall Loses, Olcott Gains**

In the East Gervais precinct, where the contestant had alleged 10 irregularities Governor Olcott gained one vote and Mr. Hall lost one vote. In Salem precinct No. 2 where the contestant charged 20 irregularities Mr. Hall and Governor Olcott gained one vote each. In Salem precinct No. 4, where 18 irregularities were alleged, Mr. Hall and Mr. Olcott each lost one vote.

Salem precinct No. 5, where 14 irregularities were charged, showed a loss of one vote for Mr. Hall, while in Salem precinct No. 6 Mr. Hall lost two votes and Governor Olcott one vote. A total of 23 irregularities was charged by the contestant in the latter precinct. In Salem precinct No. 7 where the contestant alleged 31 irregularities, Governor Olcott lost one vote.

**Most Precincts Agree**

Precincts in which the tally sheets of primary election agreed with the result of the recount included Champoug, Horeb, Englewood, Fairfield, West Gervais, McKee, Mill City, Monitor, Salem precinct No. 1, Salem precinct No. 9 and Salem precinct No. 10.

With the first day's recount of the ballots showing few irregularities and the majority of these favorable to Governor Olcott, attorneys for the contestee have expressed the opinion that several of the charges preferred by the contestant have been practically eliminated from consideration.

**Foundation Lacking**

These attorneys declared that the accuracy of the tally sheets of the election, when compared with the results of the first day's recount of the votes, had proved beyond a doubt that there was no foundation for the allegations of erroneous counting. The recount as far as Marion county is concerned, has also shown that in no instances have any of Mr.

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### SENATOR REED FACES DEFEAT IN PRIMARIES

Breckenridge Long is Leading by 2,855 Votes Over Incumbent in Missouri Election.

### ANTI-KLAN CANDIDATE LEADING IN OKLAHOMA

J. C. Walton Farmer-Labor Leader, Has Safe Margin Over K. K. K. Choice

ST. LOUIS, Aug. 2 (By the Associated Press)—Senator James A. Reed took the lead from Breckenridge Long in the Democratic primary for United States senator at 3 o'clock this morning. Additional precincts from Kansas City and St. Louis, the Reed strongholds, put the senator 7,565 ahead.

Returns from 2,232 out of 3,848 precincts in the state gave Reed 132,780 and Long 125,195.

ST. LOUIS, Aug. 2.—Breckenridge Long is leading Senator James A. Reed in the race for the Democratic senatorial nomination by 2,855 votes, with more than half of the state reporting. Returns from 1,983 precincts out of 3,848 give Long 115,556 and Reed 112,701, while Robert I. Young has 4,901.

The figures include returns from 273 out of 389 precincts in Jackson county (including Kansas City) and 147 out of 618 in St. Louis.

Breckenridge Long declared shortly before midnight he was confident he had been nominated but that the race was closer than he had anticipated.

When a newspaper man suggested it would be decided by 5000 to 8000 votes, Mr. Long said: "I think I will win by more than that."

St. Louis, with its 618 precincts remained unheard from at 11 o'clock, four hours after the polls closed, while only sixty-five of

### STEEL POLES ARE BOUGHT

Electric Light Company Prepares for Further Extension Locally

The electric light company has received a shipment of galvanized steel pole extensions to use on the power line on North Front street as far north as the State school for the Deaf, more than a mile. Extra line service is to be installed through the use of these extensions.

The steel brackets are to be bolted upright to the top of the pole now in use, making the poles six feet higher and are built and braced so that three 60,000-volt lines can be carried parallel on a single cross-arm, instead of in the inverted A-shape as they are now carried. A fourth 11,000 volt line for local service can be carried on the pole proper, giving the pole line a wide range of carrying capacity.

**Concrete Work Done**

Most of the concrete for the new boiler room has been poured, and the erection of steel for the boiler house was begun yesterday. A crew of boilermen is working over the water tubes for the giant boilers, and concrete men are setting the forms for the last of the engine room foundations. The work has not gone quite as rapidly as had been expected, but the tremendous job of removing the old foundations was something that could not be anticipated nor avoided. Now that destructive part is done, and the new work will go forward with speed.

### Portland Man Dies from Injuries in Thresher

CONDON, Or., Aug. 1.—W. H. Colwell, 66, of Portland, died at a local hospital today as the result of injuries suffered when he was caught in the cylinder of a horse-drawn combine on the ranch of Frank Lewis at Milk-loab, 20 miles from Condon.

### M. OBENCHAIN JURY FAILS TO REACH VERDICT

Second Attempt to Convict Woman of Kennedy Murder Fails After Four Days Deliberations.

### MAJORITY SAID TO BE FOR ACQUITTAL

Panel of Five Men and Seven Women Discharged—Defendant is Disappointed

LOS ANGELES, Aug. 1.—The jury in the second trial of Mrs. Madalynne Obenchain for the murder of J. Belton Kennedy reported today to Judge John W. Shenk it was unable to agree upon a verdict and was discharged.

The jury on its final ballot showed a majority for acquittal. One juror later said the vote was 8 to 4 while another gave it as 9 to 3.

Two members protested against being discharged when Judge John W. Shenk called them into court at 5 o'clock. Foreman M. O. Paddock said there was "not a chance for agreement." James M. Rhoades, secretary of the Glendale chamber of commerce, who led the defense forces in the jury room and another juror rose to protest but the judge refused to hear them.

**Jury Out 97 Hours.**

"I am convinced that no useful purpose can be served by keeping you in session any longer," he declared. He referred to the fact they had been out 97 hours and said he believed that if a conscientious verdict could not be reached in that time it never would be. The jurors were thanked and discharged from further service. Seven women and five men comprised the jury.

Rhoades and several other members of the jury complained both in court and out that foreman Paddock had refused to permit a full discussion of the evidence. "We were subjected to

### 5-CENT MINIMUM ON LOGANS IS PROPOSED BY LOCAL COMPANY

"Start the 1923 loganberry crop for a minimum of 5 cents," is the slogan that Fred Drager, of the Drager Fruit company, intends to introduce in time to make it operative for 1923.

"The farmers last year and this year sold their berries below a fair cost of production plus even the slightest margin of profit," said Mr. Drager.

"They can't continue to do this. They must have enough to make berry farming profitable. All the talk of the government loaning money to the farmer is bunk, for a permanent solution. What he wants most is a market for his stuff that will pay him a decent profit."

**Paying Price Imperative**

"We'll start the move to make a 5-cent minimum for logans, giving him a market for his produce at a price that pays. We'll be as glad as he is if the price goes higher, but a 5-cent minimum ought to be established.

"If the farmer can't get that he can't be expected to keep on in the business. He'll have to go into some other kind of crop that will pay. Of course, no one firm could force such a price alone, but for the sake of the growers and the packers and the pickers, it ought to be easy to agree on that basis, and simply refuse to supply the market at a lower price. Berries will sell from the Willamette valley district at 5 cents or better if we agree to make no sales on a lower price basis."

**Estimates Are Many**

Various kinds of estimates have been made as to what is the low-

### HARDING'S PLAN FOR STRIKE SETTLEMENT REFUSED BY ROAD HEADS; SITUATION IS SERIOUS

#### ALL CHICAGO WALKS WHEN CARS STRIKE

Street Car and Elevated Tie-up Fails to Bother Throgs—Autos Help

CHICAGO, Aug. 1.—With 25,000 street car and elevated road employes on strike, paralyzing all electric transportation for the third time in the city's history, all of Chicago motored or walked today, assuming the appearance of a country fair or a holiday.

While men and women, old and young, crowded the pavements and store corners, everything from baby's co-cart and grandpa's wheel chair to the latest thing in automobiles crowded the streets and moved the crowds with amazing facility and with little inconvenience.

**Autos Triumph**

It was the automobile's great triumph, according to the traffic policemen, who expressed a growing wonder as the day wore on at the ease with which the motor fleets had met and apparently solved the tremendous problem of moving hundreds of thousands of persons to and from their work.

With the street cars out of the way and a system of one way traffic signs installed through the "loop," the police reported less than the usual congestion.

**Motors Carry Half Million**

It was estimated that more than 150,000 motor vehicles were brought into service and that with the help of the steam roads and "shank's mare," they carried the 540,000 persons usually transported by the elevated roads and the 2,000,000 daily patrons of the surface lines.

No steps toward a settlement had been made by either side tonight although the executives of the roads indicated their willingness to resume negotiations.

### BOUND OVER FOR LARCENY

Addlehart and Schurman Accused of Stealing Automobile Accessories

With the arrest of Glenn Addlehart, 21 years old, and Jack Schurman, 20, yesterday on charges of grand larceny, the police believe they have in custody the two men who have stripped many automobiles of accessories in and around Salem during the past few weeks.

Both men were bound over to the grand jury yesterday when arraigned before G. E. Unruh, in justice court.

Addlehart was arrested at 2 o'clock yesterday morning near Commercial and State streets by Chief of Police Moffitt when the officer discovered two bottles of liquor in the man's possession. He was placed in the city jail, but examination of his car is said to have divulged an alleged stolen motor.

Further investigation at the man's home yesterday morning uncovered two tires and other accessories said to have been stolen.

Schurman was then taken in custody at noon yesterday and is said to have made a confession to Chief Moffitt in which he is alleged to have admitted that the two men had been carrying on their operations in Dallas, Jefferson, Albany, Salem and Silverton for some time. It was their game to work these towns, stealing tires and other accessories and taking them to other places and disposing of them, the police say.

Addlehart has refused to make any statement concerning the alleged thefts. He is said to have been in trouble with the police on one other occasion on a bad check charge.

Both men are held in the county jail.

WASHINGTON, Aug. 1.—(By The Associated Press)—President Harding had the rail strike problem back on his hands tonight as a result of the refusal of the railway executives, at their meeting in New York, to accept the administration settlement plan so far as the seniority issue is concerned. There was no indication at the White House as to what move, if any, the government planned to make in the situation. It was considered probable that Mr. Harding would study carefully the text of the executives reply and that expected from the labor leaders meeting in Chicago, before reaching a decision.

The tone of the replies and the circumstances under which they were made, it was indicated at the White House, undoubtedly would guide Mr. Harding to some extent and there was another intimation that publicity could not always be helpful in the difficult and delicate negotiations into which the administration has been drawn by the industrial situation.

### SENIORITY IS CHIEF ISSUE

Executives Agree to First Two Proposals—Return of Seniority Refused

NEW YORK, Aug. 1.—(By The Associated Press)—The unanimous refusal of the American association of railway executives to accept President Harding's plan for settlement of the rail shop-crafts strike was contained in the following message, telegraphed to the White House tonight:

"Resolved, (1)—That we accept the first recommendation of the president reading as follows: 'First: Railway managers and workmen are to agree to recognize the validity of all decisions of the railroad labor board and to faithfully carry out such decisions as contemplated by the law with the understanding that this is not intended to preclude any party to a controversy from proceeding by legal action to question the validity of any order of the board on the ground that jurisdiction and authority to make the order was not conferred by the statutes creating the board and defining its authority.'

"Accept Second Proposal

"(2) That we accept the second proposal of the president, reading as follows:

"Second: The carriers will withdraw all lawsuits growing out of the strike, and railroad labor board decisions which have been involved in the strike may be taken in the exercise of recognized rights by either party to the railroad labor board for re-hearing, with the understanding that the strike is first called off, and the representatives of the strikers pledge themselves and the strikers against violence in any form against the men now at work and the property of the carriers, since otherwise it would be impossible to consider the dismissal of injunctions and other legal measures necessary to protect such persons and property from the violence and intimidation of the character resorted in many localities since the strike was called.

**Seniority Is Chief Issue**

"(3) That it is impossible to agree to the first sentence of the third proposal of the president, the whole of which reads as follows:

"Third: All employes on strike to be returned to work and to their former positions with seniority and other rights unimpaired. The representatives of the carriers and the representatives of the organization especially agree that there will be no discrimination by either party against the employes who did or did not strike.

"The railroad executives and managers agree entirely with the president's statement in his letter that it is wholly unthinkable that the railroad labor board can be made a useful agency of the government in maintaining industrial peace in the railroad service unless employes and workers are both prompt and unquestioning in their acceptance of its decisions. I think it is more desirable than I know how to express to have established the unchallenged authority of the railroad

From the government viewpoint the railroad strike is regarded as immediately serious, only because of the existing stoppage of coal production and there have been constant intimations that the administration would be disposed to force a quick settlement of the railroad difficulties in order to cope with the coal shortage, even at the cost of re-establishment of the former control of the railways.

**Thousands Would Be Let Out**

Cabinet members and associates of the president have partly emphasized the contrast between their view of the "seniority issue" and that taken by the railroad executives as announced in public statements. Public statements of railroad heads that the granting of the strikers' demands for a return of full seniority rights would necessitate the discharge of scores of thousands of efficient workers hired to take their places have been flatly denied in informal discussions with newspaper correspondents, said to be exaggerated and otherwise stamped as unreliable. It has been further represented in government quarters that such men as had been hired would not be generally of a character and capacity which would make them suitable as permanent employes.

**Men Would Be Supreme**

That this was the president's view was further indicated by the proposals transmitted to the union and the executive meetings that on the crucial point of seniority rights, the proposals would give the strikers a more complete rehabilitation in the service than was suggested in any of the unofficial summaries made public in advance. The president's view of the situation, it was said, was that the acquisition by the railroad world of the supremacy of the railroad men was the chief object of the government at the moment.

**New Legislation Possible**

The possibility that new legislation would be sought in congress as a result of the strike test of the transportation act which would make the labor board's decisions binding and penalize violations of them by employes or employers, was suggested in official circles today, Chairman Hooper of the railroad labor board, was expected to argue for increases of the board's power before congressional committees when the issue came up. The interstate commerce commission has been in constant touch with the actual status of the strike through its safety inspection division which checks up on the sufficiency of repairs given to locomotives and rolling stock and through the continuous reports made to the commission by a number of men at work in all departments of class 1 roads.

**Shopmen May Accept**

CHICAGO, Aug. 1.—(By The Associated Press.)—Acceptance of President Harding's railroad peace plan by the striking shopmen was principally assured tonight when the strikers' policy committee of 90 adjourned until tomorrow when definite action is expected to be taken.

The decision was learned from union leaders after a four-hour session today, in which the president's suggestions were fully discussed and explained to the committee.

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