

ADMITS MANY REPORTS LIES

Ex-agent of Burns and Thiel Agencies Tells of Wall Street Explosion.

CHICAGO, Feb. 14.—(By The Associated Press).—Albert Berlin, alias Albert Balanow, confessed spy and agent provocateur, admitted today under cross examination by O. L. Smith, assistant attorney general of Michigan, that many of his reports, while an agent of the Burns and Thiel detective agencies, were lies.

Balanow, in a deposition being taken by Frank P. Walsh, attorney for 22 alleged communists being tried in Michigan, had pictured the communist and communist-labor parties and the I. W. W. organization as being virtually controlled by the two detective agencies and operated as sidelines for extracting money from banking and business agencies.

Reports Lies, Admits

He charged that he and other agents provocateur of the two detective agencies organized labor unions and radical organizations and directed their activity in order that the detectives might arrest deluded radicals who followed their lead.

His admission that many of his reports were lies came when Attorney Smith questioned him about a report he sent from Milwaukee detailing an alleged meeting with one "Lechovetsky," supposed to be a dangerous representative of the soviet government.

The examination disclosed he had furnished the report to John L. Garrity, then chief of police of Chicago and the Thiel agency and collected salary and expenses from both.

Wall Street Affair Told

The Milwaukee report, which the witness admitted was false, concerned the Wall Street bomb explosion. On direct examination he testified that Michael Flannigan, vice president of the Thiel agency, told him the day after the explosion on September 16, 1920, to go to the Stag hotel at Milwaukee and register under the name of "A. B. Rosenberg" and there write a report alleging he had met a radical named "Lechovetsky," a soviet representative in this country, and that Lechovetsky had told him that some 30 Russian leaders had recently held two meetings and planned various bomb explosions, assassinations and armed revolt.

Flannigan, he swore, told him to mail a copy of the report to Chief of Police Garrity.

Flannigan also gave him a list of alleged communist party members, he said, and told him to mail it to Garrity, who would have it photographed and then mail it on to Isaac E. Ferguson of the Workers' Defense committee, so that Ferguson's office could be raided and the list would be found there as evidence to be used in convicting.

Story Is Weird

Today's story by Balanow was as weird as that he told yesterday and Monday. He pictured Allan O. Meyers, of the Burns agency as proposing to send him to Russia to kill Lenin and Trotsky, by putting poison, to be obtained from the Burns agents in Poland, in their drinking water. He swore Arthur Proctor, secretary here of the Communist party, was on the payroll of both the police department and the Thiel agency and kept his records as secretary in the police station vault. He declared Roscoe T. Simms, negro organizer of the American Federation of Labor; Leon Green, one of the organizers of the Seattle strike and other well known labor and radical leaders, were really detectives in disguise.

Assault Threatened

A diversion was created during the hearing when Leon Green appeared and had to be ordered out.

CATARRH OF THE STOMACH

YOU CAN'T ENJOY LIFE with a sore, sour, bloated stomach. Food does not nourish. Instead it is a source of misery, causing pain, belching, dizziness and headaches.

The person with a bad stomach should be satisfied with nothing less than permanent, lasting relief. The right remedy will act upon the lining of the stomach, catch the blood, aid in casting out the catarrhal poisons and strengthen every bodily function. The large number of people who have successfully used Dr. Hartman's famous medicine, recommended for all catarrhal conditions, offer the strongest possible endorsement for

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PRINCESS TO WED OBSCURE CAPTAIN.



Yolanda, eldest daughter of King Victor Emmanuel and Queen Helens of Italy, will wed Count Calvi di Bergolo, an officer of cavalry who served with distinction in the world war, Court gossip at various times have reported that the royal beauty was engaged to the Prince of Wales, Crown Prince of Belgium and Prince Nicholas of Rumania.

after he had threatened to assault Balanow on the witness stand.

Balanow swore that Roscoe T. Simms had been elected secretary of the "Workers' Defense League" to raise funds to defend radicals arrested in 1920 raids because he and Karl Brockmiller, another Thiel agent, nominated him for the post on orders from Cooney. He declared that Simms, as secretary, conducted campaigns to raise funds for the defense and spread propaganda attacking the prosecution under Cooney's orders, although the Thiel agency, which employed Cooney, had been retained by MacLay Hoyne, state's attorney, to make the raids and gather the evidence.

HOUSE PASSES INCOME TAX BILL

(Continued from page 1)

argued that such amendments should be made by friends, not enemies, of the principle of an income tax. The administration expenses of house bill 350, if passed would be about \$40,000 to \$50,000 per year, he said.

Small Business Hit

One of the principal arguments presented against the passage of the bill, and that argued most forcibly by Representative Kay, was that small business enterprises and the proprietors of such enterprises would be unfairly taxed under this bill, and capital would be discouraged from coming to the state to engage in business, if such a tax was imposed. It is particularly unfortunate at this time, Kay said, for the state on the verge of a great industrial development, to place any barriers in the way of attracting capital to this state rather than to Washington, California or other western states.

Representative Carlin, who has been active in the preparation of income tax bills and who introduced the original bill upon which the measure passed yesterday, was framed, explained the provisions of the act and pointed to the fact that the bill, while not perfect possibly, was the result of extended efforts on the part of a number of members and Dr. James Gilbert of the University of Oregon, and would prove under trial to be workable, fair and easily administered.

Representative Woodward made the objection to this bill that it did not sufficiently ease the burden of taxation which the farmer and other owners of real property today is forced to pay, which was answered by Representative Wheeler with "We try to pay 85 per cent now, and we'd just as soon take on the extra 15."

Severance Tax Bill Is Indefinitely Postponed

The Watson-Blowers severance tax bill was indefinitely postponed yesterday in an unfavorable report from the committee on assessment and taxation.

The bill provided a tax of 3 per cent on the gross market value of oils and gases and two per cent on timber and other natural resources and natural deposits.

Among those who appeared before the committee to oppose the passage of the measure were Pat Gallagher of Harney county, C. C. Hindman of Portland, C. L. Starr of Portland and Senator Maslady. The basis of opposition was that timber has always paid its full share of all state and district taxes, that a severance tax is unfair since it is an added tax at the time of severance after the owner has paid a property tax during a long period, and double taxation since the timber pays an ad valorem tax at present.

Loiret

By MARGUERITE GLEESON

S. T. VALENTINE'S DAY

was the inspiration for a number of informal affairs. Mr. and Mrs. E. A. Colony and Mr. and Mrs. William Hamilton were hosts last night at a pretty Valentine dinner party at which covers for 19 were placed.

Valentine favors with quantities of red carnations were used on the pretty dinner table. Valentine stunts occupied the after dinner hours and later the guests played a game of hearts.

The guests invited were Dr. and Mrs. John Evans, Mr. and Mrs. C. E. Bates, Mr. and Mrs. W. S. Geer, Dr. and Mrs. Dick Ross, Dr. and Mrs. Phil Newmeyer and Mrs. Beulah Mills.

One of the pretty Valentine parties was that sponsored by the Business and Professional Woman's club last night at the Elite hall. Progressive five hundred was played during the evening and it was a most successful affair.

Mrs. Susan Varty was chairman of the committee on arrangements. The party was a benefit for the club which will be used toward defraying the local share of the expenses of the national convention which will be held in Portland in the summer.

Oregon will sometime erect a monument to Dr. Owens-Adair who is doing such valiant work for the future of the race within this state, according to Fred Lockley, who spoke Tuesday night before the Salem Arts league.

Miss Cornelia Marvin, state librarian, is one of the big figures in Salem and Oregon, he said, and the state library is the biggest work carried on here.

"Plots—what they are and how to get them" was the subject of Mr. Lockley's address to the league members. He suggested places where plots might be found and told of some of the odd places in which he had found material for stories. He advised telling the story and then stopping.

Mr. Lockley is a contributor to the Bookman, the American and McClures. He told many interesting stories of Jack London, who he knew intimately.

Mrs. Lockley was in Salem with Mr. Lockley and they were guests of the league for the evening.

Members of the Rappahannock club will meet this afternoon for the regular February meeting with Mrs. James Heltzel. The affair will be a special party for Valentine day.

Hal Hibbard auxiliary will sponsor a tea at the armory this afternoon.

The women's missionary societies of all of the churches of Salem will meet tomorrow for an all-day meeting at the First Christian church.

The Woman's union of the First Congregational church will meet today to finish uncompleted work but the regular Friday meeting has been postponed because of the union meeting at the First Christian church.

Mrs. H. C. Epley will be hostess for the PEO's of chapter G this afternoon at the home of Mrs. O. E. Price.

Miss Helene Swartz became the bride of Crull Orcutt of Ontario yesterday at the Lutheran church. Rev. George E. Kohler officiated at the marriage service, which was read at 3:30. Mr. and Mrs. William Young of Dallas were the attendants.

Nadine Orcutt was ring bearer and Mildred Allison carried flowers. Both were frocked in dainty white organdy. The bride wore blue canton crepe and carried a shower bouquet of white blossoms.

Miss Pansy Nieswander sang "At Dawning," and "O Promise Me." Miss T. Kohler played the wedding march. A reception for

Coming Saturday

MARY PICKFORD

In Her New "Tess of the Storm Country"

Watch for Further Interesting Announcements.

OREGON

CLUB CALENDAR

Tuesday
Rappahannock club, with Mrs. James Heltzel, N. Sumner street.
OAC club, with Miss Dorothy Stenloff.
Chapter G of PEO, with Mrs. O. E. Price.
Hal Hibbard Auxiliary tea.

Friday
Woman's Auxiliary of St. Paul's church.
First Congregational Woman's Union.

Saturday
W. R. C. at hall.

some 40 friends of the bridal couple was held at the home of the bride's sister, Mrs. W. G. Krueger, following the church service. Mr. and Mrs. Crull will make their home in Ontario, Or., where Mr. Crull is a druggist.

Saturday evening Mrs. Bertha Junk Darby's music pupils gave a very pleasant recital at her home on Church street. Two or three were kept away on account of the very stormy weather, living at a distance, but all present did well.

The recital was, with two exceptions, made up of American composers. Miss Irma Keefe, preliminary to her rendition, gave an interpretative talk on MacDowell, and pleased all with her playing.

- Following is the program:
- Duet Clair Hartley, Mrs. Darby
 - March Sontag
 - Morning Glory Gent
 - Wilson Stegmann
 - In Jolly Mood Rowe
 - Clair Hartley
 - Jolly Farmer Schuman
 - Genevieve Mulkey
 - Minuet at Court Heller
 - Pierette Dicks
 - Margaret Nunn
 - Butterfly Band Miller
 - Song, "The Blackbirds" Cramm
 - Mildred Carson
 - Passing Thought Johnson
 - Edna Ellis
 - Dragon Fly Becker
 - Francis Lemery
 - Reverie Bond
 - Indian Love Song and Flute Call Liorance
 - By the Waters of Minnetonka Liorance
 - Lillian Ynam
 - Frolic of the Fireflies Nord
 - Marie Payne
 - Minuet Paderewski
 - To a Wild Rose MacDowell
 - Kenneth McCormick
 - The Witches Dance MacDowell
 - Etude Burlesque Saar
 - Irma Keefe.

MISS HENJUM DIES

SILVERTON, Or., Feb. 14.—(Special to The Statesman).—Miss Uta Henjum died Tuesday afternoon after an illness of several months. Miss Henjum had not been well for a long time but it was not until recently that her condition was considered really critical. Funeral arrangements have not yet been made.

"But ma, Uncle John eats with his knife."
"Hush dear, Uncle John is rich enough to eat with a silver shovel if he prefers to."—Denver Republican.

RHEUMATISM CANNOT EXIST

In the human body if you will use Frank's Prescription in fact. It is a shame to suffer with inflammatory, muscular, sciatic or any form of rheumatism. Frank's Prescription DOES NOT depress the heart, it DOES NOT irritate the stomach. It DOES NOT contain any harmful drug or narcotic but positively cures rheumatism and sore throat. DOES IT DO SO? WANT? There is nothing better. It is also an excellent Liver Medicine and the greatest Uric Acid solvent known. Frank's Prescription sells for \$1.75 or 3 for only \$5.00 at Parry's Drug Store, the Retail Druggist, Salem, Or.

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ACCOUNT WASHINGTON'S BIRTHDAY

Portland \$2.25
Dallas \$.90
Albany \$1.15
Eugene \$3.50
San Francisco \$37.60

Corresponding reductions to all points where one way fare is \$41.00 or less.

Sale Dates Feb. 21 and 22
Return Limit Feb. 26th

For further particulars ask ticket agents, Southern Pacific Lines, or

JOHN M. SCOTT
General Passenger Agent
Portland, Oregon

Thirteen House Bills Given Final Passage

The following house bills passed the senate yesterday:

- H. B. 155, McMahan of Marion—Permitting state land board to extend time fore foreclosure of mortgages.
- H. B. 306, Umatilla County Delegation—Appropriating \$10,000 for investigation of hydroelectric and reclamation projects.
- H. B. 22, Bennett—Relating to listing of agricultural and horticultural lands.
- H. B. 318, Woodward—To provide dental inspection in public schools of cities with not less than 25,000 children of school age.
- H. B. 342, Committee on Roads and Highways—Relating to telegraph and telephone poles on public highways.
- H. B. 34, Bailey and Huston—To prevent aliens not eligible to citizenship from holding any interest in real property in the state of Oregon.
- H. B. 339, Committee on Roads and Highways—Authorizing the highway commission to construct snow fences.
- H. B. 341, Committee on Roads and Highways—Authorizing the highway commission to pay claims resulting from highway construction.
- H. B. 340, Committee on Roads and Highways—Authorizing the

highway commission to designate highway routes through incorporated towns.

- H. B. 32, Miller—Making school clerks of districts of the first and second classes custodians of school district funds.
- H. B. 47, Hurlbut—Requiring all appointive officers and public employes in the state to be American citizens and providing penalties for violations.
- H. B. 218, Hammond—Requiring school districts to sell school bonds, notes or warrants at not less than par and accrued interest and to advertise for bids for such sales.
- H. B. 201, Hurd—Creating office of herd inspector for Glatop county.

An early copy of "The Raven" has been sold for \$1000. Which is more money than Edgar Allan Poe ever had in his life.

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Single and Double Size Pure Virgin Wool

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An Immense Shipment Just Received From Our Own Mills

AN OPPORTUNITY for the thrifty housewife to supplement the household bedding needs at Substantial Savings. These Blankets are so-called slightly defective because of minor defects—a small oil spot—dark or slightly off shade warp thread, or other minor imperfection that in no wise affects the wear or warmth. COME IN AND SEE THEM.

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Regular \$15.00, extra heavy, 5 pounds; size 70x82 inches, in colors of gray and fawn. One of our finest.	Per pair \$9.50
The Angelus, regular \$17.50, six pound weight; extra large, 72x84 inch; in colors of gray and fawn. Pair	\$10.50
Regular \$16.50; pink or lemon plaid, all pure Virgin Wool. Size 70x82 inches. Extra weight and quality. Pair	\$12.00

All Pure Virgin Wool Crib Blankets; Regular \$6.00, \$2.95 pair
Regular \$9.00, \$4.75 pair

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Note: Recent advances in all woolen Blankets will reflect an increase of from \$1.00 to \$3.50 on future shipments of all Blankets of the quality quoted above.

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