SEVENTY-SECOND YEAR

SALEM, OREGON, TUESDAY MORNING, FEBRUARY 27, 1823.

PRICE FIVE CENTS

NEW SUBSIDY PLANS SAID

Promised.

OFFICIALS RECOGNIZE THAT END IS NOT FAR

Quick and Thorough Liquidation Is Expected: Nothing Yet Divulged.

WASHINGTON, Feb. 26 .- The administration shipping bill was kept alive in the senate today by further debate, but executive day morning for Seattle; where officials, recognizing the end to they will meet students of the be near, began formulation of University of Washington. plans for dealing with the government's war impelled merchant marine venture without the aid

of the legislation. Chairman Lasker of the shipping board conferred with Presfdent Harding, then met with the other members of the board and afterward announced that the policy of the administration would be worked out and made before the end of the week. He declined to give any indication of the plans under consideration beyond saying they were of a "startling novel" na-

Would Vacate Business

Hopeful until last week that the shipping bill would be en acted, administration officials have given no indication of what President Harding in making his inal appeal for passage of the legislation in course of his address to congress, February 7 aid that if the legislative branch refused to approve the shipping bill or submit an alternative "the executive branch of the government may proceed as best it can to end the losses in liquidaion and humiliation."

Inasmuch as the president has eclared one of the prime puroses of the bill to be to get the government out of the shipping business, it was generally believed today that the administration's policy contemplated quick and thorough liquidation.

BELIEVE TEUTONS

Intimation Received by the French That Germany Would Negotiate.

PARIS, Feb. 26 .- (By the Associated Press.) - The French government has received intima-tions of a vague and indirect na-ture that the German government ure that the German government desires to negotiate a settlement of the reparations issue, it was declared in responsible quarters here today.

The most important of these suggestions appears to have been made through M. Dubois, a Swiss financier who came to Paris last week avowedly charged with a mission as a friendly neutral to sound Premier Poincare as to the possibility of opening conversations for a reparations agree-

Premier Poincare's reply to every suggestion is understood to have been that the German government must come out into the open and talk plainly and directly with the reparations commison or the allied governments, and that efforts made through outside private persons or even deutral governments, could not, under the circumstances, be the basis for negotiations.

THE WEATHER

OREGON: Tuesday, fair,

LOCAL WEATHER (Monday) Maximum temperature, 54. Minimum temperature, 30. River, 5.0 feet, falling. Rainfall, none. Atmosphere, clear. Wind, north.

SEES CHAOTIC BIG MERGER CHICAGO MAN CONDITIONS

Political and Economic Situation in America to Grow Worse, Belief.

WALLA WALLA, Wash., Feb. 26 .- Predictions of approaching Policy of Administration to chaotic political and economic Made Public Before conditions in America were made this morning in Whitman college End of Week-Surprise chapel by Jasper Kane, of the University of Chicago, chosen by the National Students' Forum to inoduce here three European students to the campuses of the leading American universities and colleges.

In introducing Piet Roest of Holland, Jorgen Holck of Germany and Hans Tiesler of Denmark Mr. Kane told of the European conditions and warned Americans in their present state of happiness against circumstances which are shaping events in such a way that this continent may soon be in the identical throes of

The three students leave Tues-

ed for Olcott: Prosecution Claims Nine More.

PORTLAND, Ore., Feb. 26 .- In the trial of W. H. Emrick, charged with responsibility for the counting in favor of Charles Hall of ballots which had cast for Ben W. Olcott for the Republican nomination for governor in the primary election of last May, 31 voters of the precincts wherein the frauds complaints on Armour and comon the British debt settlement are alleged to have occurred testifled today that they had voted for pany, J. Ogden Armour and Mor-Olcott. At the hour for adjournment the prosecution announced that it would produce enough simflar witnesses when court reconvenes tomorrow to show that at least 40 votes were cast for Olcott.

The record of the tally sheet as turned in by Emrick showed a total of only 31 for Olcott, The prosecution charges that at least nine ness. more votes were cast for Olcott but tallied for Hall.

Testimony Opposed

Attorneys for Emrick, chief of the counting board in the precinct changed after it left Emrick's custoday. They opposed the admis-LOOK FOR PEACE today. They opposed the admission of testimony by voters as to how they had voted on the ground that it would violate the sanctity of the ballot but the court overruled their objection, holding that the voters might be summoned and that those of them who choose to testify willingly as to the idenity of the candidate they had favored, could do so.

NOT BUE TO MAN

Coroner's Jury Finds Collapse Due to Morphine, Exposure, Freezing,

SHENANDOAH, Ia., Feb. 26 .caused the death of Miss Katherine Lukeshavac, nurse, who was found dead in an automobile near here on the morning of February 16, according to the coroner's jury at the conclusion of the inquest held here this afternoon.

Charles McMahon, Miss Lukeshavas' companion, who has been held in the county jail at Clarin- trict teachers, so the bill was lately sent to stations throughout da since the death, was released from custody and it is thought the

tempt to explain the presence of all teachers and automatically last night for Grants Pass where morphine in the nurse's vital or- abolishes county institutes. gans, examined by chemists at the University of Iowa. It was point- teachers be affected there would ed out unofficially, however, that be much confusion, it is said, as Miss Lukeshavac had just recov- to the place of holding the instiered from an attack of influenza tutes. For years it has been cusand may have taken the narcotic tomary to hold them at the county

at a stimulant. hands and feet frozen.

Consolidation of Armour and Morris Brothers Companies.

MORE BUSINESS IN

Case Expected to Reach Supreme Court for Final Determination.

WASHINGTON, Feb. 26 .- Another battle was begun today by the government against what it claims would be a monopoly in in-dustry when Secretary Wallace of the agriculture department took steps to prevent Armour and company from acquiring the business of Morris and company.

Consummation of the consolidation would result in the largest meat packing enterprise in the history of the country with annual sales more than \$1,000,000,000. F. Edson White, president of Armour and company, declaring the present administration had proclaimed itself in "less government in business and more busi-Thirty-one Testify They Vot- ness in government," said that his company heartily subscribed to that slogan and was willing -to meet the issue involved speedily and without fear of the result.

> Complaints Served supreme court for determination. Secretary Wallace, proceeding under authority given him in the ris and company, charging them ing into a written agreement for the sale of Morris and company.

would be eliminated entirely as a competitor in the packing busi A hearing was set for Monday, April 2, in Washington before the secretary of agriculture at which the packing companies specified will be required to show cause why an order should not be issued where the fraud was alleged to against the consolidation. Such have occurred contended that if an order would be subject to ap-

TO BE NO MORE

lative Enactment,

Oregon will have no more ounty teachers' institutes. This s not generally realized throughout the state, says J. A. Churchill, state superintendent of schools. but it is the effect of the Strayer senate bill No. 202 which has

been signed by Governor Pierce. The bill as originally introducofficials in Portland prior to the street. legislative session, called at the According to Chief W. W. Birtinstance of The Dalles district.

When the bill came to the at- of going to Honolulu. Last Sattention of Superintentient Church- urday Mr. Mitchell complained to ill he could see no reason for ex- police that his roadster had been empting only the first class dis- stolen. Dispatches were immedamended to include teachers in western Oregon with the result second and third class districts that on Monday the fugitives were and union high school districts, apprehended. The coroner's jury made not at- so that the measure now affects

Should only first class district seat, and most of the county seat McMahon says he and the nurse districts are of the first class.

the purpose.

NEW CAUSES OF CHICAGO FIRE FOUND

Liquor Drinkers Linked With Mrs. O'Leary's Cows, Says Strong Prohibitionist.

CHICAGO, Feb. 26 .- A new Monopoly of Industry Seen in causes of the great Chicago fire likes American institutions and the story in the current issue of them again. the Union Signal, official publication of the WCTU.

GOVERNMENT IS NEED of one Mrs. O'Leary, related to mental department dealing with him that liquor drinkers in a naturalization, has asked Attorney saloon in the district consumed General Daugherty if there is not so many egg nogs that the saloon a way in which she can be divested keeper's milk supply had become forever of her citizenship. In the exhausted. The saloon keeper past the dancer's right to enter then went to Mrs. O'Leary and the United States has been chalshe was induced to milk her cow lenged because of her radical utand the animal kicked over the terances but on very occasion she lantern which, tradition says, has been able to establish her stastarted the fire.

Declares Self Innocent of All Charges Made.

Before legality of the merger is late today on a charge of intoxi- creek near Croydon, Pa., where Fadden said, "to enact a law that finally declared, several months cation in a public place, namely the body of Lillian was found in will provide intermediary credits are expected to elapse and in all Main street this city, November a tree stump hole. Croydon is for the agricultural interests of probability the case will reach the 22 last. He pleaded not guilty in 20 miles north of this city. Justice Taylor's court.

probably after the Bray trial, sion. which will be of a week's dura-The complaints said transfer was tion, and Word was released on to be made on or before February his own recognizance. 28 and that Morris and company

Alleges Frame-Up

"I am innocent of this charge, which has been trumped up against me in an effort to prejudice my testimony in the klan cases," said Word as he departed from the justice court, "and similar charges will be preferred pathetic story of the kidnaping against me in two other town in and assault led to Morgan's areral cases and with the same pur- covered tonight from her experi-The record was wrong it had been peal to the United States circuit pose in view. I'll come out all ence. She led a party of searchers

hanging episode by a band of managed to make her way home. masked men. Two other true bills charge him with assault with a dangerous weapon and extor-

County Teachers' Conven- TWO BOYS TAKEN AT GRANTS PASS Vice-president of Seattle National Charged Jointly

Norman Hastings and Everett Vanderhoof Accused of Stealing Car.

ed proposed to exempt teachers in Vanderhoof, both of this city. districts of the first class from about 16 and 18 years old respecthe requirement of attending the tively, were arrested in Grants Morphine, exposure and freezing institutes. This was in accord Pass yesterday on a charge of with the sense of a meeting of stealing an automobile belonging first class districts teachers and to L. P. Mitchell of 1272 State

chet both boys had often talked

Constable Walter DeLong left both boys are being held.

MILL MAN INDICTED

ISADORA MAY LOSE PRIZED CITIZENSHIP

Secretary Davis of Naturalization Department Wants Rights Taken Away.

WASHINGTON, Feb. 26 .- If version of some of the underlying Isadora Duncan, the dancer, disof 1871 was given to the world American ways as much as she today. A. Major, declared to be pretends, she may soon be rea long time prohibitionist, told lieved of ever bothering about

In view of remarks attributed to her recently as she was sailing Mr. Major says a man living from New York for Europe, Secren the neighborhood of the home tary Davis, head of the governtus as a citizen.

Word, Important Witness, Kidnaper of Two Small Girls Leads Detectives to Hiding Place of Body.

MEDFORD, Ore., Feb. 26-Tom PHILADELPHIA, Feb. 26 .-Word of Portland, department of Wylie Morgan, the prisoner held justice agent and chief investiga- in connection with the kidnaping tor into the Jackson county night Sunday of 6-year-old Lillian Gilriding cases, which will start to- more and her 5-year-old sister, morrow, with the trial of Dr. Dorothy, confessed tonight and

Inasmuch as County Prosecutor the house of her parents, Mr. and who are engaged in the production Rawles Moore will be busy in cir- Mrs. Robert Gilmore, in the Kenpackers and stockyards act, served cuit court in the night riding sington district. Beyond stating the warehousing and orderly marcases, and Word is an important that he had kidnaped the children keting organizations. witness in them, it was agreed in and thrown Lillian's body on the court that the case will be tried bank of the creek after having aswith violation of the act by enter. at the first long break which saulted both, the police withheld comes in the circuit court trials, the details of Morgan's confes-

> Crowd Threatening Shortly after the searching party returned to the city a large crowd surrounded the station where Morgan was placed, and for a time it was feared an attempt would be made to storm the building. The police, however, soon dispersed the crowds.

Little Dorothy Gilmore, whose which I have been working on fed- rest yesterday had practically reduring the day to an ice-covered Dr. Bray will be tried on the in- pond at Torresdale avenue and dictment returned against him Bridge street, where she said charging riot in connection with Morgan had put her out of his the J. F. Hale kidnaping and motor car and from where she

TRIAL EMPANELED

in Indictment.

SEATTLE, Feb. 26 .- A jury vember, 1922, county grand jury residue to the federal governwith retaining collateral of the ment." Frank Waterhouse company to secure a note for \$18,474.01 af-

ter the note had been paid. was dismissed January 29 by Superior Judge J. T. Ronald but the demurrer of Truax, however, was not sustained.

In a statement to the jury today. Deputy Prosecuting Attorney Ed Colvin said the state would Measure Expected by Execprove Truax had obtained the checks in payment of the note by 'bunco" and that he had no intention of turning the collateral over to the Waterhouse company though the note had been paid.

Attorneys for the defense de- signed the income tax bill, house store, is in a serious condition as clared at the time the \$18,474.01 bill No. 350, which he estimates a result of falling down a stair- if the latter is "attacked" by the note was paid, the Waterhouse will produce a revenue of \$1,- way yesterday while carrying a PORTLAND, Feb. 26 .- George company also owed the bank ap- 500,000 a year and serve to de- heavy trunk. He received a frac- loff, soviet representative here in Neilson, mill man of Medford, Or., proximately \$100,000 and that as crease the state tax levy from 9 1/2 ture at the base of the skull, a was indicted here today by the the company was at that time mills to about 8 mills. Other de- fractured jaw and a fractured federal grand jury, charged with seeking bankruptcy, the collateral creases possible from enactments wrist. The accident happened at and Russia and Turkey with the were automobile riding when the The bill does not abolish the use of the mails to defraud. It of the note which was paid was of the recent legislature he be- 677 South Commercial street. other oriental nations," he decar stalled and they fell asleep. local or zone institute and these was said that the operations retained by the bank as additional lieves will bring the levy under 8 The trunk fell upon him. Nine hours later he awoke and will continue to be held, and which led to the indictment were security for the \$100,000 owed.

found the nurse dead and his own county funds are preserved for in connection with an oil land. Examination of witnesses will Governor Pierce believes the E. E. Fisher. He has a chance Europe and which the powers de begin tomorrow morning.

IS EXPECTED

House Contemplates Vote Not Later Than Wednes-Favorable.

TWELVE BANKS OF CREDIT PROVIDED

Creation of Corporations Is Provided for-May Rediscount Paper.

WASHINGTON, Feb. 26 .-Farm Credits legislation over which there has been a row in congress for more than two weeks treme cold weather and the fact is to be taken up tomorrow in that other cars were waiting to the house under plans contem- be served, the purchaser did not plating a vote not later than Wednesday. Passage by the house was forecast by leaders who same man had occasion to stop believed there would be compara- at the same garage. In making tively little difficulty in adjusting change the garageman added "and the differences with the senate.

Major provisions of the two senate measures, the Lenroot-Anderson and Capper bills, are incorporated in the bill as reported from the house banking committee. The formal report on the legislation was delayed but Chairman McFadden issued a statement explaining its principal purposes.

Twelve Banks Created

"This legislation is an endeavor the United States. By agricul-The child's body was taken to tural is meant all of those people of agricultural products including

> "Specifically, this bill provides for the creation of 12 distinct intermediate credit banks, which are to be managed and in the control of the federal farm loan board. Each is to have a capacity of \$5,000,000 or a total of \$60,-000,000 which is to be subscribed by the secretary of the treasury, and the stock is to become the property of the United States. Provision also is made for the proper pictures. creation of corporations with a minimum capitalization of \$250,- of the society, admitted the pic-000,000 to deal in agricultural paper having a maturity of six months or more and a further know not what they do," depicted provision for the organization of Mr. Anderson, state superintenrediscount corporations with a capacity of \$1,000,000 or more to resting Christ for changing water rediscount such paper for the into wine. Critics previously had loaning corporations.

Government Reimbursed

"These intermediate credit anks can issue defentures up to riage feast. \$600,000,000 in addition to their capital stock of \$60,000,000. It will be noted in this respect that this intermediary credit institution the picture showed no irreverance provides equal capital for agricul- toward Christ, and no disrespect ural interests almost double of to Bryan, Volstead and Anderson, the amount that was called for He declared that setting Christ during the operations of the war

finance corporation. "Provision is made for the reimbursement of the government by the application of one-half of the net annual earnings so that ul- claimed responsibility for the pictimately the government should ture, saying that his society was be fully reimbursed for its capital obliged to hang every picture subconsisting of six men and six wo- stock subscription, while still own- mitted with a \$10 fee, provided men was empaneled here this af- ing the banks with the same origternoon for the trial in superior inal capital and a surplus of 100 court of Perry B. Truax, vice per cent. After this has been ac- on the stand the picture was sacpresident of the Seattle National complished the bill provides that religious. bank, charged jointly with the 10 per cent of the net earnings go bank in an indictment by the No- annualy to the surplus and the until March 12.

ecure a note for \$18,474.01 af-er the note had been paid. The charge against the bank INCOME TAX BILL

uutive to Produce \$1,-500,000 Annually,

income tax is constitutional.

SALEM ALSO HAS MAN WHO IS ON LEVEL

Gasoline Buyer Unexpectedly Gets Nickle in Change He Had Forgotten.

SILVERTON, Or., Feb. 26 .-(Special to The Statesman.)-Salem also lays claim to an "honest man." Although he isn't a \$2,-000 diamond returner, like the day - Senate Is Believed Portland phenomenia, this is likely because such opportunity has never presented itself. Following the Portland man's advice "that it pays to be honest, but it doesn't pay to advertise the fact," names are not mentioned, and it is quite enough to say that the Salem man is a young garage man in the neighborhool of the state fair grounds.

> Some time ago (it was during the recent cold spell) a Silverton man on leaving Salem found he was running low on gasoline. He stopped at the above mentioned garage and was served by a man who at that time was a total stranger to him. Due to the exwait for the nickle he knew he had coming. Two weeks later the here is the nickel you ran away from last time."

Jouett P. Bray, was arrested here led the detectives to a spot on a on the part of congress;" Mr. Mc- Picture Depicting American Statesman With Christ in Legal Controversy.

> wich Village moved today to Jef- tary of labor, "for the purpose ferson market court where it was providing an adequate supply of decided that a painting by J. suitable field labor for the basic Francis Kaufman, "The Marriage agricultural industries of the terat Cana of Galilee"-portraying ritory without which the territory Christ with William J. Bryan, A. cannot continue to exist as an Am-J. Volstead and William H. An- erican commonwealth." derson-might hang for at least two weeks at the Waldorf Astoria exhibit of the Society of Independent Artists, while lawyers thrashed out the question of whether its display violated the penal statute pertaining to im-

Abraham Baylinson, secretary ture, bearing the inscription, "Father, forgive them for they dent of the anti-saloon league, aridentified a figure clutching Christ by the shoulder as Volstead, while Bryan shown overturning a jug of wine at the mar-

Declared Nothing New The secretary said he believed among contemporary figures was nothing new and cited examples

among the Veronese. Baylinson, who was served with a summons Saturday night, dis-

the painting was not lewd. Detectives, however, declared

The court adjourned the case

WALTER FISHER. BADLY INJURED

Receives Broken Skull and Jaw While Carrying Trunk Downstairs.

Walter Fisher, operator of parcel delivery service with head-Governor Pierce yesterday quarters at the Commercial book

Resolution Sees Need o Supply of Field Workers: Chinese Also Allowed Entrance.

MEASURE DECLARED TO BE DIABOLICAL

Political Control of American Colony Declared to Be at Stake.

WASHINGTON, Feb. 26 .- A resolution proposing temporary admission to the Hawkiian Islands of alien labor, including Chinese, otherwise barred under the immigration laws, was reported today by the house immigration committee. At the same time Chairman Johnson of the commit tee who opposed the measure, infroduced a resolution authorizing members of the committee re-alected to the next congress to investigate Hawaiian needs.

Introduced in July The resolution reported today was introduced in July, 1921, by the late Delegate Kalainanaole of

Hawaii. Chairman Johnson, whose home is in Washington, and other members of the committee from the Pacific coast states, as well as Representative Box, Democrat, Texas, said they would submit minority reports.

Representative Shaw, Republican, Illinois, drafted the majority report which said the purpose of the resolution was to permit a restricted immigration of aliens un-NEW YORK, Feb. 26 .- Green- der the supervision of the sec

> See Political Control Asserting that the practical control of the labor supply in Hawall, was in the hands of Japanese nationals and American offizens of Japanese descent born in the territory, Mr. Shaw declared that political control of this Am-

erican colonial possession was at The report charged that Japanese on the islands had financed the only opposition to the resolution which he said had been voiced by the American federation of la-

bor organizations in Honolulu. Characterizing the proposal as 'diabolical" Representative Box, in a statement charged that the sugar interests dominated Hawaii and were "responsible" for the influx of orientals for 50 years with a resulting destruction of the Ha-

waiian race. "If you want to Americanize the islands, dumping 40,000 Chinese coolies there is not a good way to do it," he said.

Assailant of Young Girl Pleads Guilty in Court

SPOKANE, Wash., Feb. 26 .-Clarence Willis, aged 26, believed to have been partially identified as the assailant of the O'Hare family near Olympia last September pleaded guilty before Superior Court Judge H. E. Oswald late today to attempted criminal assault on a five-year-old girl in

this city last week. He was immediately sentenced by Judge Oswald to the maximum penalty for his crime, five to 10 years at the state penitentiary and payment of a \$1000 fins.

Willis will be taken to Olympia for further identification as the assailant of the O'Hare family. Should his identification there be established, he will be tried in that city on more serious charges, local officials announced.

Russia Will Go to Aid of Turkey, Says Soviet

CONSTANTINOPLE, Feb. 26 .-(By the Associated Press)-Russia will go to the aid of Turkey western powers, declares M. Oraa published interview. The alliance between Turkey

clared, "may be said to constitute Mr. Fisher is a brother of Dr. a grouping which is alarming to