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# The Oregon Statesman

National Thrift Week  
January 17 to 23  
Seven Big Days

SEVENTY-THIRD YEAR

SALEM, OREGON, SATURDAY MORNING, JANUARY 12, 1924

PRICE FIVE CENTS

## SON EXPLAINS WORK FATHER HAD IN BANK

Myron Sinclair, Under Sentence at Walla Walla Prison, Tells on Stand What Senator Did

## DEFENDANT DENIES ALL KNOWLEDGE OF FRAUD

Defense Will Rest its Case This Morning—May Go to Jury Tonight

CHEHALIS, Wash., Jan. 11.—

Myron Sinclair, who is serving a term in the state penitentiary at Walla Walla for the part he played in the wrecking of the Southwestern Washington State bank at Ilwaco and son of Senator P. L. Sinclair, who is being tried on a charge of making misstatement of the bank's condition, was the second main witness during the trial today in the defense of his father.

Myron Sinclair testified that he organized the ill-fated Ilwaco bank in 1911; that three-fourths of the capital stock of \$10,000 was subscribed by himself; that the remainder was disposed of to citizens of Ilwaco, and that the money with which he financed his share of the bank was borrowed from the Scandinavian-American bank of Tacoma, also now defunct.

The witness declared that his father, Senator Sinclair, moved to Ilwaco in 1913, having charge of the bank from May of that year until May, 1919, while he himself was working in Seattle. During this period, he stated, his father often criticized him as to the bank's operation.

**Duties Explained**  
Attorneys for the state asked Myron Sinclair what his father's duties were in the bank. The son asserted that his father "waited in the window, posted the general ledger, issued some drafts and engaged in other general work around the institution, often making out the daily balance statements."

Earlier in the day Senator Sinclair occupied the stand. He admitted on the stand signing the alleged false statement of June 30, 1923, declaring:

"I did not read it over and did not know it was false. I did not know my own account was overdrawn as my boy, Myron, looked after my account, nor did I know that anything was wrong with the bank accounts."

Senator Sinclair also testified that he never audited the books of the bank, declaring "that is the business of the state."

On the stand this afternoon Myron Sinclair admitted that he himself made out the statement of the bank's condition on April 3, 1923, and that "the statement was not a true one." He declared on the stand that his father was not aware of its falsity. The witness also admitted that he made out the statement of June 30, 1923, signed it and took it to the other bank directors for their signatures. He said that he alone swore to the statement before a notary.

**Time Given**  
The witness explained his manipulation of the bank's books to deceive the state examiners. These manipulations, he said, covered a period of five or six years.

The younger Sinclair stated that he was usually warned when an examiner was coming, but declared that the examiners themselves had no knowledge of these warnings. Occasionally, he testified, he was "surprised" by an examiner, in which event it "kept him hopping." He stated that he often juggled his father's account.

The early part of the afternoon was taken up with the cross-examination of Senator Sinclair. The trial today was marked by numerous verbal tilts between opposing attorneys and on several occasions

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## THE WEATHER

OREGON: Generally fair Saturday; moderate easterly winds.

## LOCAL WEATHER (Friday)

Maximum temperature, 46. Minimum temperature, 35. Rainfall, none. River, 6.5 feet, rising. Atmosphere, partly cloudy. Wind, north.

## PRISONERS, JUDGES BREAK BREAD OVER THE BANQUET TABLE

Two Convicts Among Speakers at Penitentiary Banquet Last Night and Another Presides—Governor Pleads With Men to Make Good—Many Inmates Found to be Ex-service Men.

More than 400 inmates of the state prison and 100 county judges, commissioners and their wives broke bread together at the penitentiary dining room last night at a banquet, unique in the annals of Oregon. Pathos, humor and human interest prevailed throughout the evening, which was thoroughly enjoyed by the visitors and inmates. Addresses were made by state officials, prominent men and by two inmates of the penitentiary. A majority of the visitors remarked upon the average youthfulness of the prisoners.

### Yesterday in Congress

The house used time for debate in the interior appropriation bill to discuss prohibition.

Senator James E. Watson of Indiana announced he would not seek the Republican presidential nomination.

Director Hines announced a general reorganization of the administrative machinery of the veterans' bureau.

Agricultural committees of both senate and house heard pleas for help for the farmers.

A senate sub-committee, headed by Senator Borah, was named to conduct hearings on Russian recognition.

The house foreign affairs committee postponed indefinitely action on a resolution to prohibit sale of war material to foreign governments.

Chairman Smith of the senate interstate commerce commission issued a statement urging cooperation to reduce excessive freight rates.

Administration leaders began plans looking to the creation of an agency to deal with offers for Muscle Shoals.

Republican house leaders dealing with the tax legislation conferred on the question of what changes should be made in the Mellon bill to assure its passage.

## FARMERS BANQUET AT REDUCED RATES

150 Union County Agriculturists Demonstrate Great Spread in Prices

IMBLER, Ore., Jan. 11.—One hundred and fifty Union county farmers last night sat down at a banquet at a meeting here, and the meal cost them just 16 cents apiece. Nearly everything on the tables was the product of the farm, and the cost a plate was computed at the price the farmer was paid for the products, plus the labor cost of preparing the food.

During the speeches after the banquet, the same menu that had just been enjoyed was computed at Portland restaurant prices and amounted to \$1.55 a plate—a difference of \$1.39 a plate between the farm price and the Portland retail price.

## Eugene Boy's Case to Be Investigated by Jury

EUGENE, Jan. 11.—Whitney Palmer, 17, was bound over to the grand jury today on a charge of killing Ralph Lammers, 20, whose death occurred at a Eugene hospital last night two hours after he had been attacked by Palmer with a knife during a quarrel at Cottage Grove. This action of the Cottage Grove justice of the peace, was taken following the coroner's inquest.

## SCOUT COURSES PLANNED

SEATTLE, Jan. 11.—Announcement has been made here that two scout courses will be given here with J. Q. Arbuthnot as instructor.

## WOMEN'S CLUBS PLAN MEETING FOR INDIANS

Money Due From Government Will Be Considered by Northwest Groups

ROSEBURG, Ore., Jan. 11.—Indians from all parts of Oregon are to meet in Roseburg on January 26 with representatives of the Federation of Women's club of California, Oregon and Washington. It was announced here today.

The women have become interested in the claim of the Indian tribes of western Oregon, that the government still owes \$12,500,000 for lands lying west of the Cascades and south from the Columbia river to the Rogue river, which were procured under the treaty of 1855, and plans will be made at the coming meeting to obtain further recognition of the Indians' claims.

Women, it is stated, have been instrumental in aiding the California Indians in obtaining their money on a similar claim. Representatives of all of the western Oregon tribes are being urged to attend the meeting and it is expected that there will be a large number of them here.

## SALEM HIGH WINS FROM DEAF TEAM

Score Is 36 to 19—Washington Junior Wins From McKinley Five

Salem high school defeated the deaf school basketball game by a 36 to 19 score last night, making the third consecutive victory for the red and black this season. The game was rough particularly in the last half.

Salem ran up 18 points against the deaf team's 4 in the first half. Drager, basket-shooting center, did not register in the first half, but came back and dropped in a flock of goals early in the second period. The deaf school players came back strong after the rest and annexed a total of 15 more points. Tyler and Hudson, of the deaf school, made nearly all of their scores.

In a hard fought game Friday afternoon the Washington junior high nosed out the McKinley quintet by a score of 13 to 11, after the losers had maintained a lead for a greater portion of the contest.

Line-ups for last night's game were: Salem—Ellis, Hansen, Fallin and Kitchen, forwards; Drager, center; Patterson, captain, Ashby and Gerold, guards.

## CONVICTS GIVE UP MUTINY ATTEMPTS

Dynamite Exploded in Mine Does Property Damage Yet Unestimated

ALDRICH, Ala., Jan. 11.—Mutiny of sixty three convicts at the Thomas-Weller coal mine which began this morning after three of their number had been punished by Warden J. M. Jernigan, came to an end late tonight when the convicts surrendered to guards and came out of the pits where they had been firmly entrenched and had set off dynamite to fight off authorities, according to a Birmingham Age-Herald staff correspondent's dispatch.

Shortly after 11 o'clock the convicts allowed a group of guards to go below. They announced they were ready to "give up" and forthwith were escorted out of the mine.

MONTEVALLO, Ala., Jan. 11.—(By the Associated Press).—Sixty three striking convict miners at the Aldrich mine near here who mutinied this morning and entrenched themselves in the pits of the seized mine throughout the day came out shortly after 11 o'clock tonight and surrendered to the guards.

Officials of the mine could not say what property damage was done by dynamite the convicts exploded in the mine, but an investigating crew will be sent in later.

The convicts surrendered after officials had entered the mine and asked them to cease their struggle. No deaths or serious injuries were reported.

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## GUARD OFFICER GIVEN GERMAN-MADE INSIGNIA

Multnomah Commander Finds Famous Legend Stamped on New Headpiece

PORTLAND, Jan. 11.—About 30 days ago, a general order was issued to the Oregon national guard requiring all officers to purchase new gold or gilt insignia, in line with war department orders relative to the regular army. Heretofore only bronze had been the rule in the American army since the Mexican border hostilities. The new insignia arrived and an attempt to distribute it was made tonight.

Captain Hiram U. Welch, commanding officer of troops in Multnomah county, was the first to make his choice of several grades of brass insignia on display. As he was examining his assortment, with mild interest, he suddenly stiffened and an exclamation escaped.

Stamped on the back of the coat of arms of the United States which he was about to fasten to the front of his cap was the legend:

"Made in Germany."  
When the news spread that all of the insignia bore a similar stamp, every officer of the guard declined to wear the offending ornament. All of the present guard officers saw service in the army of the United States during the world war.

## M'ADOO ENDORSES GERMAN RELIEF

Says American People Cannot Be Indifferent to Sufferings of Berlin

LOS ANGELES, Jan. 11.—Americans cannot be indifferent to the sufferings of the German people, nor are they "willing that Germany shall be destroyed," William G. McAduo, war time secretary of the treasury, told delegates to the Pacific southwest theological conference here tonight in urging generous public response to the nation wide campaign for German child relief.

"We have no enmity against the German people," said Mr. McAduo. "The war is over; let us have peace and friendship. The great cry of the world today is for the restoration of good will and peace between nations and for the opportunity once more to enjoy life and liberty and to pursue happiness."

"The American people are not willing that Germany shall be destroyed. She is an essential member of the family of nations. She is a necessary part of Christian civilization and we must, as a great, magnanimous Christian people, help alleviate the suffering of her children and of her people and do all that is in our power to give them the largest opportunity for a healthful and prosperous existence."

"I am glad that an effort is being made by the generous and humane people of America to succor these people in their agony and I esteem it a privilege to do my humble part in this noble work."

## WHEAT GROWERS TO MEET IN PENDLETON

Business Men and Growers to Be Invited to Meet Together January 19

PENDLETON, Or., Jan. 11.—A decision to call a meeting of wheat growers and business men from all over Oregon for the purpose of forming an organization to support the Wallace plan for the marketing of wheat was made here today in a meeting of representatives of the Umatilla county farm bureau and the Pendleton Commercial association at the state meeting will be held in Pendleton January 19.

Preliminary plans for the meeting were made freely and were brought to a definite conclusion today at the second session of the joint committee. Under the plans worked out, letters are to be sent to all commercial organizations in the eastern part of the state and to farmers' organizations throughout the whole state, asking that representatives be appointed to attend.

It is planned to form a state organization patterned after the Washington export commission league to promote legislation under which export wheat may be sold on a bounty plan so that farmers may make a profit on their domestic wheat.

## MELLON PLAN TO BE CHANGED SAY LEADERS

Republican Members of Ways and Means Committee Hold Conference With Longworth on Bill

## COMPROMISES ARE DEEMED NECESSARY

Essential Features of Administration Plan Probably to Be Kept

WASHINGTON, Jan. 11.—Realizing that modifications probably must be made in the Mellon tax bill if it is to command a majority in the house, Republican members of the ways and means committee discussed the question today with Representative Longworth, the party leader.

The conference lasted several hours, but those who participated declined to disclose what had transpired other than to say "discussion had been general and related solely to procedure." Proposed changes in tax rates, it was said, were not considered, and no decisions were reached.

**Substitute Bill Ready**  
Representative Garner of Texas, ranking Democrat on the committee who has a substitute for the Mellon plan, declared he was convinced that the Republicans were alarmed and were seeking to determine whether they will take a licking in the committee or on the floor.

Mr. Garner said he had reliable information that between 50 and 70 Republican members of the house were ready to swing away from the administration plan to the support of the Democratic proposal, which he pointed out, provides a greater cut in the normal tax rates and a smaller reduction in sur-taxes than has been proposed by the treasury secretary, and calls for increased tax exemption.

**Compromises Necessary**  
Mr. Longworth, who led the fight to have the ways and means committee report a tax bill by February 11, has expressed the opinion that there must be compromises to meet the demands of the various elements of the Republican party.

Some of the party leaders, among them a number of committee members, are of the same belief, although some have taken the position that the essential provisions of the treasury draft should not be disturbed.

Refusal of any considerable number of Republicans in the house to support the administration tax program, party leaders admitted today, might insure the success of the plan sponsored by Mr. Garner and his Democratic colleagues on the ways and means committee. If concessions were made before the bill reaches the floor, it was contended, the Republicans would be more likely to present a front solid enough to defeat amendments offered by the Democrats.

## SALEM GIRL GIVEN OFFICE AT MEET

Louise Nunn of Local High School Elected Secretary of Association

EUGENE, Jan. 11.—Nearly 300 delegates from 103 of the 225 high schools in Oregon were in attendance at the opening sessions of the third annual conference of high school student-body officers and editors and managers held at the University of Oregon today. The officers of girls' leagues in high schools meeting for the first time, formed a permanent state organization.

Officers elected were Avis Nelson, Franklin high school, Portland, president; Nedra Bötton, The Dalles high school, vice president; Louise Nunn, Salem high school, secretary; and Kathleen Carlos, Hood River high school, representative at large. New officers of the student body officers organization and that of the editors and managers will be elected tomorrow.

## JUDGE REFUSES ANNULMENT ON PERJURY CLAIM

Youngsters Who Falsify Age in Vancouver May Not Get Out of Contract

PORTLAND, Or., Jan. 11.—Portland youngsters whose practice it has been to obtain marriage licenses in the state of Washington through swearing falsely that they were of legal age will not be able to secure annulments of those marriages in Oregon hereafter.

Presiding Judge Tazewell of the circuit court today indicated that he would dismiss two annulment suits on the grounds that marriages so contracted are legal in Washington and, therefore must be held binding in this state.

The judge reached this decision after Lida O'Bryon, deputy district attorney had called his attention to a recent case in which the supreme court of Washington held that the fact minors had perjured themselves as to their true ages could not be considered sufficient cause for granting an annulment of the marriage.

## UTAH MURDERER TO FACE FIRING SQUAD

Salt Lake City Man Loses Appeal to Pardon Board—Execution Date Set

SALT LAKE CITY, Jan. 11.—Omer R. Woods, convicted of wife murder must face a firing squad in the Utah state prison on January 18.

This was the decision today of the board of pardons which declined to take any action upon an affidavit he filed last Wednesday with Governor Mabe and the board in which he expressed belief that A. C. Vadney, of Council, Idaho, was one of the two robbers he has always maintained killed Mrs. Woods. A further charge was that attorneys had forged insanity papers in his behalf.

The murder of Mrs. Woods occurred in their apartment home here January 9, 1922. Neighbors reported a fire and when police and firemen battered down a door Woods staggered out and said his wife had been slain by two robbers who knocked him unconscious and also fired his quarters.

Outside of the legal possibility of a reprieve by Governor Mabe, any hope that Woods may entertain for clemency appears to center in a telegram received late today by the state's chief executive from Boise, Idaho, which was signed "Corrillo Rassinis."

## PACIFIC STATES MAKE AGREEMENT

Traffic Courtesies Among States Planned by Automobile Officials

SACRAMENTO, Jan. 11.—An agreement providing for the reciprocal enforcement of motor vehicle regulations and an interchange of "traffic courtesies" among states on the Pacific coast, was reached at a conference here today between Will H. Marsh, chief of the California division of motor vehicles and officials of the automobile departments of Washington and Oregon.

An outstanding feature of the conference was an arrangement permitting California tourists to remain in Oregon and Washington for long periods without securing a license in those states. The California law now permits non-residents to remain in the state six months before registering their cars. Dealers in border towns will be permitted to cross the line to solicit business, although they will not be permitted to extend their activities beyond their immediate environs without securing a license.

Another phase of the agreement provides that the California division shall make an investigation of applicants for licenses of persons living in Washington and Oregon who claim a legal residence in California. This will preclude motor car owners from taking advantage of the lower fees in California, it was said. Cooperation between traffic officers of the different states in apprehending violators of the law, was agreed upon.

## POWER SEEN IN SOCIETY OF JUDGES

President Harvey Vross Compares Organization of County Officials to Underdeveloped Waterfall

## TAX ISSUES DEBATED BY PROMINENT MEN

Local Option for Millage Measures Advocated by C. C. Chapman

Program Today  
8:45—Meet at Chamber of Commerce, inspect Oregon state hospital. Lunch at noon. Speakers: Dr. R. E. Lee Steiner, George Pierce and others.

2:00—"Status of State Highway Construction," Hon. William Doby, chairman of state highway commission. "Future of State Highway Construction in Oregon," including maintenance of present highways, Hon. H. B. Van Duser, Portland, member of the board.

3:00—Road building program in Marion county. Judge W. H. Downing, Salem, committee.

4:00—Report of legislative committee.

4:30—Election and introduction of new officers.

6:00—Banquet at Marion hotel.

Comparing the county judges and commissioners of Oregon to an as yet underdeveloped waterfall, Judge H. E. Cross of Clatsop county urged yesterday that the organization get back of legislation necessary and expedient in the state and recommended that the legislative committee consider what might be done by the association.

F. D. McCully, commissioner from Walla Walla county, is chairman of the legislative committee and the suggestion was made yesterday that after the election of officers this afternoon a permanent legislative committee might be appointed to hold over with the other officers that needs and desires for the various counties and the various county courts might be studied.

The statement was made that few of the legislators coming to each session knew much of the actual needs of their districts and these might be translated by the county courts, and that few know much of the actual workings of their own county government.

Other members of the legislative committee are Jim Smith of Marion county; C. F. Dahlke, Yamhill, and J. M. Schanep, Umatilla.

J. M. King of Jefferson is chairman of the resolutions committee and other members are Selma Pollock, Josephine; J. L. Dodson, Baker, and C. A. Gardner of Jackson.

C. C. Chapman, editor of the Oregon Voter, urged local option in the matter of millage taxes in the counties, said that while the income tax would bring in a million and a quarter to the state treasurer, it would drive away more than that amount in taxable property and inheritance taxes, that the main trouble with the farmers was not high taxes but improper use of their money in the recent time of prosperity when they had bought another car and later bought out their neighbors on borrowed capital, and that the assessments on property were based on the valuation of 1914 which he declared was unfair all around.

Seymour Jones, who was chairman of the now defunct Marion County Tax Conservation and Supervising commission, followed Mr. Chapman. He admitted the assessments were not based on a fair valuation but asserted that if Governor Pierce and the state tax commission should direct the assessors to change the valuations, the governor would be recalled in May—"and we don't want Governor Pierce recalled," which statement was applauded by the judges and commissioners.

Mr. Jones said that Oregon was behind Washington and California in wealth and population factors the income tax was heard about, that the counties would probably vote the millage tax on, local option or otherwise, citing the action of school districts in voting an additional amount and to the protests of county courts where the commission voted off the market road levy.