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SEVENTY-THIRD YEAR

SALEM, OREGON, FRIDAY MORNING, FEBRUARY 29, 1924

PRICE FIVE CENTS

HOUSE MAY RATIFY TAX COMPROMISE

Final Vote Is Expected on Revenue Measure Today—Longworth Claims Insurgents are Safe

RESULT MAY DEPEND UPON NUMBER ABSENT

Telephone, Telegraph and Imposts are Removed By Amendment

WASHINGTON, Feb. 28.—While the revenue bill was being rushed through another onslaught of amendments in the house today, reaching a point where a final vote is possible tomorrow, republican organization leaders continued negotiations with the insurgents which brought predictions that the democratic income rate schedule would be replaced by a compromise.

Republicans lowered the proposed Longworth compromise normal rate to make a 5 per cent rate apply on incomes between \$4000 and \$8000 instead of 6 per cent on all above \$4000 on the basis of which insurgent leaders indicated an agreement was possible.

A last minute fire in the insurgent group, however, resulted in new conference which will be continued tomorrow morning. A majority of the 17 insurgents who voted for the democratic income schedule amendment are expected by republican leaders, however, to support the compromise.

Democratic leaders insisted tonight that the 203 members of their party who voted for the Garner schedule before would be in line tomorrow. If some of the insurgents who supported them be fore again vote for the Garner amendment, the decision would appear to hinge on the number of republican absentees. On the previous vote the republican organization force polled 196 votes to 222 by the opposition.

In completing consideration of the excise tax section today, reductions involving \$23,000,000 loss in revenue were voted on the automobile taxes, the 3 per cent tax on automobile trucks and wagons, the chassis of which sells for \$1000 or less, being repealed and the 5 per cent tax on automobile tires, parts and accessories being cut in half.

The stamp tax on drafts or checks and promissory notes, amounting to 2 cents for each \$100 value, also was repealed, while the 8 per cent tax on each pack of playing cards was increased to 10 cents. Several other amendments seeking to impose new special taxes, or cut further those in the bill were defeated, including an attempt of Representative Fairchild, republican, New York, to eliminate entirely the 5 per cent tax on jewelry. All articles selling for less than \$40 and watches selling for less than \$60 had been exempted from the tax by action of the committee.

Phone Tax Repealed
The total miscellaneous tax reductions allowed as a result of committee and house action now involves about \$120,000,000 in revenue. Completion of reading of the section gave automatic approval of the ways-and-means committee action in repealing the tax on telegraph and telephone messages, on soft drink beverages and on numerous other articles.

The Mellon provision for a board of tax appeals came under fire and some sections of it went over until tomorrow. The committee's action in giving the president power of appointment of members of the board instead of the secretary of the treasury was approved although an amendment was adopted making senate ratification.

(Continued on page 4)

THE WEATHER

OREGON: Fair except rain near the coast; moderate winds, mostly southerly.

LOCAL WEATHER (Thursday)
Maximum temperature, 57.
Minimum temperature, 39.
River, 4.7; rising.
Rainfall, .05.
Atmosphere, cloudy.
Wind, southwest, 18.

DAUGHERTY RETAINS GEORGE CHAMBERLAIN TO REPRESENT HIM

Former Oregon Senator and Cleveland Attorney Will Take Care of Cabinet Members' Interests in Impending Inquiry Before Senate—Message to Willis Conveys Information.

CHICAGO, Feb. 28.—Attorney General Harry M. Daugherty on leaving Chicago for Florida tonight announced that he had retained George E. Chamberlain, former United States Senator from Oregon and Paul Howland, Cleveland attorney, to represent his personal interests in the senate oil investigation.

Mr. Daugherty's statement in the form of a telegram to Senator Frank B. Willis, requested Senator Willis to again advise the senate that he had not opposed the passage of the Wheeler resolution which comes up for consideration in the senate tomorrow.

CARL BYERS IS HELD INELIGIBLE

Salem High Gets Back at Independence—Player Boxed for Money

Affidavits that Carl Byers, a member of the Independence high school basketball team, had received money for boxing at the Salem armory last year under the name of "Kid" Byers, placing him in the class of professional athletes and ineligible for interscholastic contests were signed yesterday by H. R. (Rufe) White. This brings the basketball situation into greater difficulties for Independence protested the ineligibility of Grant Fallin of Salem on the ground that he was playing five years, and as a result all games played by Salem this year were declared forfeited. With Byers on the ineligible list, Independence will find itself in the same boat as Salem, as neither can claim the district championship.

That he was reversing his decision regarding the right of Salem to claim the district basketball championship was the word received from Martin V. Nelson, of Astoria, secretary of the Oregon State Interscholastic Athletic association, who left the matter of the district championship up to the district to decide before March 8. In view of this opinion it is possible that Salem may yet be able to compete in the state tournament.

SALEM FAMILY IS IN DIRE DISTRESS

Illness and Poverty Join at One Home—Assistance Is Needed

Circumstances over which it had no control have placed one Salem family in a position where it must accept charity, according to Mrs. John A. Carson, head of the Associated Charities, who is asking for groceries, clothing and money for the purchase of shoes for the children. "The case is unusual, she declares, and that the family has managed to go through the winter and to provide for the necessities of life. Relatives have aided to the extent of their resources, but unless outside aid is received the family will suffer.

During the winter measles visited the family, which consists of the parents and six children, the oldest of whom is 10. A short time ago the father became sick and was ordered to bed. A physician visited the bed-ridden man yesterday and told him he would have to remain in bed for two more weeks and that he should not work for another month.

Mrs. Carson says the family is deserving, does not want its identity known, and lives in a small, but clean home in an obscure portion of the city. Contributions are needed immediately and should be left at the Red Cross headquarters on State.

LAFOLLETTE WITHDRAWS

BISMARCK, N. D., Feb. 28.—Senator Robert M. LaFollette of Wisconsin has directed withdrawal of his name from the North Dakota presidential primary March 18.

NEW CHAPTERS ADDED TO OIL INVESTIGATION

Mysterious Personages are Named, Apricots, Peaches and Duck Referred to in Wire Messages

CURTIS AND UNDERWOOD MENTIONED IN REPORTS

Lenroot Makes Dramatic Defense of Committee on Floor of Senate

WASHINGTON, Feb. 28.—Another engrossing chapter crammed with mystery and personal emotion was added to the public records today by the senate oil investigators.

The characters in the story included such mysterious personages as "apricots," "peaches" and "the duck" referred to in code messages exchanged between Edward McLean publisher of the Washington Post and his employees, during his visit to Florida. Among the more striking passages in the chapter was a dramatic appearance of Chairman Lenroot on the senate floor to explain and defend his committee's course and to announce that he would be glad to be relieved of the pressing duties of the chairmanship.

New Names Added

As the day's story was unfolded, new names were brought into the inquiry, including those of Senators Curtis of Kansas, the assistant republican leader and Underwood of Alabama, a candidate for the democratic presidential nomination whose influence was sought in an effort to keep McLean off the witness stand.

Additional witnesses were summoned among them A. Mitchell Palmer, attorney general in the Wilson administration who acted for a time as counsel for McLean in communications with the local committee. The writing of more interesting chapters was arranged for by the investigators in their decision to have brought before them additional telegrams exchanged between McLean and others as well as messages that may have been sent to Albert B. Fall, Z. W. Zevely, counsel for Harry F. Sinclair and E. L. Doheny.

Tax Returns Asked

As the investigators pushed their work forward, others in the senate laid the groundwork for further excursions by them into the affairs of Doheny and Sinclair, and for investigation of charges that millions of dollars of the profits of oil companies have been diverted from the federal treasury.

Senator McKellar, Democrat, Tennessee, introduced a resolution asking President Coolidge to forward to the oil committee the income tax returns of Sinclair and Doheny for examination as to possible further payments to Fall.

Inquiry into the charge that oil companies have escaped taxation under the discoveries clause of the tax law was proposed by Senator King, Democrat, Utah. He asked that the resolution lie over while that of Senator McKellar went over on objection by Senator Moses, Republican, New Hampshire. Owen J. Roberts, of special government counsel states that unless unforeseen delay was encountered, legal proceedings in the oil case would be started early next week.

Gompers Makes Demand

Organized labor's demand for "an absolutely thorough" investigation of the oil scandal was voiced by Samuel Gompers, president of the American Federation of Labor in a statement issued tonight from federation headquarters.

Senate discussion of the oil scandal was precipitated by Senator Heflin, Democrat, Alabama, who referred to published accounts of the visit of Chairman Lenroot to Mr. Fall at his hotel here before the former interior secretary sent his statement to the committee that McLean had loaned him \$100,000.

The Alabama senators charge that such "secret conferences" between republican senators and those under suspicion were impeding the oil inquiry, brought a statement from Senator Lenroot concerning the visit to Fall. Senator Smoot confirmed the statement given by Senator Lenroot and dramatically told the senate he had never done a thing in all his life he was not perfectly willing "for every soul to know."

PORTLAND, Or., Feb. 28.—Another step toward completing the Roosevelt highway was taken when the commission awarded a contract to grade and surface the section between Glasgow and Hauser in Coos county.

THURSDAY IN WASHINGTON

Bids on the shipping board fleet were asked on slightly modified terms.

Forty members of the house announced they would each introduce a 2.75 per cent beer bill.

The senate immigration committee agreed on the consensus of 1910 and a two per cent quota law for an immigration basis.

Virtual agreement was reached between republican leaders and insurgents for the Longworth compromise to replace the Democratic income rates in the tax bill.

President Coolidge attended the plating on view at the library of congress of the originals of the Declaration of Independence and the constitution of the United States.

Chairman Lenroot of the senate oil committee informed the senate that the oil lease cases would be instituted in the courts "very soon."

Senator McKellar, Democrat, Tennessee introduced a resolution proposing an inquiry into the income tax returns of E. L. Doheny and Harry F. Sinclair.

The senate postponed until tomorrow consideration of the resolution of Senator Wheeler, Democrat, Montana, for an investigation of the administration of Attorney General Daugherty.

The senate oil committee summoned A. Mitchell Palmer, made public more telegrams to and from Edward B. McLean and heard Karl C. Schuyler of Denver testify in connection with Teapot Dome.

Senator Edwards, Democrat, New Jersey, assailed the prohibition bureau in an address dealing with the shooting of Senator Greene of Vermont and was answered by Senator Willis, Republican, Ohio, and others.

SCOUT COUNCIL HEARS REPORTS

Budget Drive Getting Good Start, Haga Reports at Dinner Last Night

Reports of the condition of the Boy Scout budget drive in the four counties of Marion, Polk, Linn and Benton were heard at a dinner of the Salem Boy Scout council at the Gray Belle last night. The reports were made by K. L. Haga. An excellent response to the cause of Boy Scouting is being made in Linn county, Mr. Haga said, and preparatory progress in Polk county is very satisfactory. The drive there has not yet started. Plans for the continuation of the drive in Marion county were also perfected.

The executive board of the four-county council will meet at Corvallis Saturday night. Officers and heads of departments of the four counties are eligible to attend, totaling 23 persons.

Boys' Sunday at Evans' Bible Class at Theatre

It will be boys' Sunday at the John J. Evans Bible class at the Bligh theatre Sunday morning between 9:45 o'clock and 10:45 o'clock, and every man who attends is requested to bring some boy who otherwise would not be in a Sunday school.

Mr. Evans, teacher of the class, has selected "The Boy in the Temple" as his topic and will touch upon such features as "Is our educational system wrong? Where is the trouble? and Are Men to Blame?" This problem will be discussed as a result of a recent series of tests covering three years and costing \$100,000 which showed that a "great majority" of boys and girls say "It is not wrong to steal from one who has secured his wealth dishonestly"; "Stupidity is a greater sin than deceit"; "Cheating a railroad is not so much a sin as cheating a person"; "and if a storekeeper gives you too much it is all right to keep it because he would probably do the same if you paid him too much."

The questions naturally raised as a result of these tests have aroused considerable attention and are being discussed in various parts of the country.

Old hymns and negro melodies will be sung with Claude Neeley as the soloist of the day. George Hug, superintendent of schools, will preside. It is expected that the brass quartette will also be on the program.

DAUGHERTY'S REFUSAL IRKS REPUBLICANS

Renewed Efforts to Bring About Resignation of Attorney General Considered By Leaders

INQUIRY WOULD LAST MONTHS, IS STATEMENT

Expected That it Will Start Next Week Anyway But Time Undetermined

WASHINGTON, Feb. 28.—Renewed efforts to bring about the resignation of Attorney General Daugherty are under consideration among senate republicans.

Some of the party leaders who have participated in recent negotiations looking to his retirement are not satisfied with the arrangement which permits him to remain in the cabinet until the senate investigation of his administration is concluded. This plan they say, may mean an indefinite delay.

Decision Unsatisfactory

The statement of Mr. Daugherty before he left suddenly yesterday for Chicago was an evident disappointment to these members. Although the general belief is that his resignation will be demanded at the conclusion of the senate inquiry, it is argued by his critics that he ought not to be allowed to remain in office to influence the course of the investigation. The resolution of inquiry is to be adopted tomorrow under a formal agreement entered into late today, giving it exclusive right of way. Its author, Senator Wheeler, democrat, Montana, remained on watch all day, but in the turmoil of other senate affairs was unable to find an opportunity to call it up. Late in the afternoon Senator Robinson of Arkansas, the democratic leader, obtained an unanimous consent agreement for its consideration tomorrow immediately after the usual routine business and it will then be debated continuously until a final vote is taken. The leaders expect comparatively little discussion, and adoption is assured.

In the brief discussion today, Senator Willis, republican, Ohio, recognized as spokesman for Mr. Daugherty, said there was no desire to hamper or delay the Wheeler resolution. He and others will oppose the provision naming Senator Brookhart, Iowa, an insurgent republican to head the investigating committee but it appeared likely that he and the other committee member named by Senator Wheeler would be chosen by a majority vote of the senate.

Inquiry Not Delayed

It is the plan to begin the inquiry next week. Whether Mr. Daugherty will be present is uncertain, since he expects to go from Chicago to Florida. He has requested the privilege of being represented by counsel and Senators have indicated that this probably will be granted but there is no thought of delaying the hearings because of his absence from Washington.

How long the inquiry will take no one will predict, but if it runs the course of most congressional investigations it may take several months. It is this prospect which has led to renewed dissatisfaction with the plan to keep Mr. Daugherty in office until the hearings are concluded.

MAYOR BAKER TO OPEN CAMPAIGN

Portlander's Drive for Senatorial Nomination Will Start in Salem

Mayor George L. Baker of Portland will open his campaign for the republican nomination for United States senator with an address here at the Grand theatre Wednesday night, March 12, beginning at 8 o'clock. This was announced yesterday by O. Z. Bortzmeyer of Portland, Baker's state organizer, who was here making arrangements for the meeting. Bortzmeyer declared the campaign would be waged vigorously, beginning with the Salem meeting. Charles R. Archer, Salem merchant, will preside.

M'NARY SEEKS TO KEEP ENROLLMENT AT INDIAN SCHOOL

Senator Telegraphs Chamber of Commerce to Deprive Alaskan Children of Education and Curtail Attendance at Chemawa—Vigorous Response Made by Local Clubs Yesterday.

Enrollment of the Salem Indian school at Chemawa will be cut nearly one-third and approximately 300 students now attending the institution will be prevented from continuing their education next year if certain legislation now pending in Washington is not blocked.

This situation became known yesterday when United States Senator Charles L. McNary telegraphed the Chamber of Commerce that he needed telegrams from Salem in order to back up the position he has taken in the senate in an effort to prevent the unfavorable legislation from being passed. The necessary support was given by return telegrams.

COTTON GROWERS WANT MARKET AID

South Carolina Governor Says Southern Farmer Needs Help Too

WASHINGTON, Feb. 28.—Financial aid will be sought from the government, Governor Smith, democrat, South Carolina, declared in the senate today, for the holding of cotton from the market if such a step should prove necessary as an offset to attempts he alleged were being made to depress prices in the face of existing shortage.

The South Carolina senator called attention to the extent which federal assistance was being sought for wheat growers who, he said, are "suffering from just the reverse of our situation."

"I have been in the fight for them," he said, "and shall expect similar consideration for the south."

SING SING CONVICT STOPS FAST TRAIN

Escape From Road Gang Retaken at San Diego, Ill On Express

OSSINING, N. Y., Feb. 28.—A fast express train on the Santa Fe railway was held up recently by a Sing Sing convict—held up for 40 minutes while a surgeon performed an operation that probably saved the prisoner's life.

William A. McCabe, investigator for the state prison department, told how upon his return from San Diego, Cal., today, with Ralph Smith, the convict, who escaped from a Sing Sing road gang last fall and was arrested again in San Diego. Smith escaped dangerously ill about 50 miles west of Kingman, Ariz., and the conductor of the express wired from Yucca for a surgeon. Dr. W. M. Tassel, McCabe said, met them and performed the operation; while the train, with its wealthy passengers, waited 40 minutes.

THANK YOU, GEORGE

On the occasion of its 73rd birthday the Oregon Statesman has issued a very commendable 40 page "Diversity Edition" devoted to exploiting the resources, and development of Salem and the tributary territory. The agricultural, horticultural, and industrial progress of the community is well set forth in pages replete with information and illustrations. It is in many ways the best of the many special editions issued by the Statesman and provides valuable community publicity.

The "Diversity Edition" however would have been much larger and more complete and a better advertisement of this favored region, had it been better patronized by the industries centering in Salem, industries which the newspapers are constantly boosting and helping to uphold, who call upon them in emergency, and yet who do practically nothing to help create creditable newspapers, and even on a special occasion like this, refuse cooperation in community publicity. This is one reason why Salem is the poorest advertising city in Oregon, for its population.

Only the irrepressible enthusiasm and unquenched optimism of its publisher "Bob" Hendricks, and "Sunny Jim" of Oregon journalism, whose boosting "slogan" pages are his mission in life, would attempt the publication of a Diversity edition in Salem, with its almost certain financial loss occasioned by the indifference and apathy of those he tries so creditably to serve.—Capitol Journal, February 28.

The senator's message said: "The house of representatives has inserted a provision in the interior department bill prohibiting Alaskan children from attending Chemawa after July, 1924. The senate, upon my motion, struck out the provision from the bill and the measure is now in conference. If the provision should be reinserted in the bill it will injure the school at Chemawa and prevent Alaskan children from having educational advantages."

Senator McNary asked for telegrams urging the elimination of the provisions, these being necessary to exhibit in support of his stand.

Organizations, through their presidents, responded to the request made by Senator McNary, and yesterday sent such telegrams as he urged. These were couched in various terms, but were all to the point that Senator McNary should do everything in his power to prevent the provision from being inserted.

Those sending the messages yesterday were Dr. Henry E. Morris, president of the Kiwanis club; R. O. Spelling, president of the Rotary club; Dr. William B. Mott, president of the Lions' club; Judge John H. Scott, president of the Marion-Polk County Realty association; A. N. Falkerson, president of the Marion County Community federation; Mrs. Richard Cartwright, president of the Salem Women's club; Mrs. Seymour Jones, president of the Salem Women's club; William Gahlsdorf, president of the Business Men's league, and Harley O. White, president of the Chamber of Commerce.

Chemawa has an enrollment of approximately 700 Indian children, from all portions of the United States, chiefly the western and southern parts, and from Alaska. At a recent meeting of Alaskan students there were 288, and as several were not present, the number is very close to 300, or nearly one-third of the total enrollment of the institution. The students from Alaska are taking a keen interest in affairs at Washington and are watching the situation carefully, fully recognizing the importance of the pending legislation.

FINAL POSTPONEMENT

LOS ANGELES, Feb. 28.—Legal procrastination reached the end of its tether in Justice Walter Hanby's court today when he granted what he termed the final continuance in the hearing of Horace A. Greer, former chauffeur for Mabel Normand, film actress.