

## FORBES IS INDICTED BY GRAND JURY

Former Director of Veterans Bureau and Thompson Charged With Bribery—Report Filed

### MUCH GRAFT UNCOVERED OUTSIDE JURISDICTION

Permits for Liquor Were Obtained by Other Than Attorneys for Money

CHICAGO, Feb. 29.—(By The Associated Press)—Colonel Charles R. Forbes, former director of the United States Veterans' bureau and John W. Thompson, contractor of Chicago and St. Louis were named in four indictments returned today by the federal grand jury which has spent a month investigating charges of waste, graft and debauchery in connection with Col. Forbes' administration.

Forbes and Thompson were named jointly in two indictments charging conspiracy to commit bribery and offenses against the government and conspiracy to defraud the United States government. Forbes was named alone in the third indictment on a charge of accepting a bribe and Thompson in a fourth charging that he had indirectly given a bribe.

Report Filed  
In a special report which accompanied the indictments the grand jury indicated that other sensational developments involving alleged graft had been uncovered, but because they were not within the jurisdiction of the court had not been pursued.

"We do not feel," the special report said, "that it would serve the best interests of the government for this jury at this time to make public the details of these transactions. This jury feels that it will suffice to report that they involve:

"1—Speculation by one or more officials of the government wherein it has been asserted that official information was used for purposes of speculation;

"2—That certain sums of money were paid to two members in congress;

"3—That possession of the file of one of the departments for about a month was had by persons having no official connection with such department;

"4—That money was accepted by certain individuals (not attorneys) for the purpose of obtaining clemency for prisoners through their intimacy with officials;

"5—That money was collected by certain individuals (not attorneys) for obtaining through such intimacy permits for intoxicating liquors."

The indictments charged that Forbes while director of the Veterans' bureau received a bribe of \$5000 and certain additional emoluments on agreement to award contracts for government work to the contracting firm of Thompson & Black, of which Thompson and James W. Black, deceased, were the heads.

The contracts were to be awarded. It was charged in connection with the building and equipping of hospitals for soldiers for which the government appropriated \$12,000,000. Charles F. Cramer, former general counsel for the bureau who committed suicide after investigation of the department was proposed, was named in the indictments as having accepted a promise from Thompson and others of \$100,000 in return for his approval of the contracts.

Ellis Mortimer of Philadelphia, who appeared before the senate committee which investigated the veterans bureau and made bribery charges and who also appeared before the grand jury was named

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## DAUGHERTY PROBE DELAYED; VIOLENT SESSION IS HELD

Action Forced Over Until Today—Row Unprecedented for Exchange of Bitter Personalities and Insinuations of Misconduct—Officials from White House Down Charged

WASHINGTON, Feb. 29.—The row over Attorney General Daugherty plunged the senate into a violent session today—almost unprecedented for the exchanges of bitter personalities and insinuations of misconduct. As a result, action was forced over until tomorrow on the proposal for an investigation of Mr. Daugherty's official record.

The storm which broke about the investigation resolution of Senator Wheeler, democrat, Montana, swept over all boundaries of senate rules and decorum.

There were charges and counter charges of attempts to "pack" the investigating committee; there were attacks upon numerous officials, present and past, from the White House down and upon the personal conduct and affiliations of presidential candidates and senators.

### CHARITY CALL TO BE SOUNDED

Effort Being Made to Assist Needy Families Until Work Opens Up

In order to bridge the gap between the end of winter and the opening of the fruit-picking seasons, the Associated Charities is putting on a final campaign for supplies to assist needy families who have managed to weather the winter but who are now short of funds and supplies and who will suffer unless their condition is relieved at once.

Sunday morning all Salem churches will sound a call for supplies. Each church will handle its own donations and will arrange for their accumulation and delivery. The First Presbyterian church has already announced that it will receive its donations Thursday night. Other churches are expected to state the time and place.

The greatest need at present is for bedding, cooking utensils, clothing, vegetables and some actual cash.

### BIG DECREASE IN TAX LEVY

Tax Rolls are Turned Over to Sheriff By the County Assessor

A decrease of more than \$50,000 is shown in the tax levy for Marion county according to the tax rolls turned over by the sheriff by the county assessor. The total tax for the county is \$1,610,127.62. The levy for 1923 is \$1,076 as against 009 for the previous year.

The valuation for 1923 was \$43,120,134 as against a valuation of \$42,209,019, or an increase of \$911,115.

The total amount to be raised for state, county, county school and library, high school tuition fund and county road, being purely county taxes as distinguished from special taxes is \$1,009,595.67. These same taxes for the preceding year, amounted to \$1,106,958.38. This is a decrease in the present roll of \$97,362.21 for the general county levy.

### COMPROMISE TAX BILL IS ADOPTED

WASHINGTON, Feb. 29.—A comparison of income rate schedules involved in tax fight in the house follows:

The Longworth compromise, which was adopted on final passage of the bill, provides:

Normal rates of 2 per cent on net incomes not in excess of \$1,000; 5 per cent on net incomes over \$4,000, and not in excess of \$8,000, and 6 per cent above that amount.

Surtax rates 25 per cent less than those in the existing law on the same brackets, starting at 1 1/2 per cent on the amount of income in excess of \$10,000 up to \$12,000.

## DARING RESCUE ACCOMPLISHED BY SHIP CREW

Norwegian Steamer Sent Men Ashore With Rope—Other Men Followed

VICTORIA, B. C., Feb. 29.—The crew of the Norwegian steamer Tatjana which was driven on the rocks near Pachena point, on the west coast of Vancouver island shortly after midnight Tuesday, crawled to safety to a barren rock through icy waters hand over hand along a rope, members of the crew related when they reached here today, by the steamship Armenieres.

Anxiety reigned on the Tatjana as she was leaking badly, the sailors said, and it was thought that she might slip into deep water any minute. Early in the morning Captain Molvig gave orders to make ready to get ashore. Seaman Samsing volunteered to swim to shore. A rope was tied around his waist and he jumped overboard and after a long struggle reached a rock near the ship's bow. The heavy seas threatened several times to dash him against the rocks.

For more than five hours the battle raged, amid frequent outbursts from crowded galleries despite repeated warnings and threats from the chair. The senate recessed tonight with the debate in full swing, but with adoption of the investigation resolution in prospect tomorrow after another hectic period of discussion.

Most of today's battlefied was the attorney general's official records in various matters, including the oil scandal. Many old charges were repeated and one new accusation was made by Senator Heflin, democrat, Alabama, who declared the attorney general had written a letter seeking to protect from his "unidentified republican national committeeman of the west."

Senator Heflin said he had seen a letter to a western district attorney saying that any favors to the committee would be appreciated and adding that "he is our man."

Senator Wheeler, charging the attorney general with seeking to "intimidate" senators, added that President Coolidge lacked "stamina" to call upon Mr. Daugherty for his resignation.

Mr. Daugherty was defended by Senator Willis, republican, Ohio, who asserted that the attorney general would be vindicated completely if given an impartial trial. The Ohio senator was the only republican to speak in Mr. Daugherty's behalf but Senator Bruce, democrat, Maryland, while expressing the opinion that Mr. Daugherty was not qualified for his position, said it was yet to be proved that he was not an honorable man.

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## LABORITE TALKS AT CHURCH MEETING

Says Labor Against Church Because it is for Capital

PITTSBURGH, Pa., Feb. 29.—Labor does not think very much of the church because the church does not think very much of labor, delegates to the council of cities of the Methodist Episcopal church were told tonight by Warren S. Stone of Cleveland, president of the National Brotherhood of Locomotive Engineers.

Trouble between labor and capital usually finds the influence of the church on the side of capital, said Mr. Stone, adding "and this is easily explained when you realize that they depend upon capital for their support and not upon contributions from the workers."

"The Protestant church, as such has lost its touch with the common people. The working man is no longer welcome in many of our Protestant churches. The reverse is true of the Catholic church. No matter how lowly his position in the social scale, no matter how ragged he may be, in the doors of the church always open to him."

"We are largely to blame for this," declared Mr. Stone, "because ministers are kept busy preparing sermons and have no time for the week day problems that

### FORBES NOTIFIED

WASHINGTON, Feb. 29.—Col. Charles Forbes, former director of the veterans' bureau received word here of his indictment in Chicago and immediately went in to conference with James S. Easby-Smith his counsel.

## MODIFICATION OF EMBARGO IS BEING SOUGHT

Chicken Men of California Want to Ship Day Old Chickens

OAKLAND, Cal., Feb. 29.—The state department of agriculture moved today to obtain a modification of the embargoes placed by other states against California cattle, small livestock, dairy products and other goods as a result of the foot and mouth epidemic in central California on the showing that the epidemic is subsiding and strict measures have appreciably contracted the area of infection. Some of the embargoes were said to be unduly strict.

Little squads moved among a number of herds in Contra Costa and Alameda counties today, destroying all infected cattle and swine. When this work is done it is believed the epidemic will have been virtually stamped out.

Petaluma chicken raisers, who are now in the midst of their season for shipping newborn chicks, have sent out a widespread appeal that existing embargoes against such shipments be removed as the care exercised in the shipments makes contagion impossible.

## DUAL RADIO DEBATE HEARD OVER NATION

Bok Peace Plan Declined to Entire Continent—Salem "Listens in"

PORTLAND, Feb. 29.—To an invisible audience that spanned the continent, debaters of the University of Oregon and the University of California spoke tonight, declaiming their views on the Bok peace plan.

The Oregon debaters were at radio station KGW, the Oregonian, Astoria and those of California at station KLV, the Tribune, Oakland.

It was the first intercollegiate debate ever held by radio. The Californians took the affirmative and the Oregonians the negative on the subject: "Resolved, that the Bok peace plan should be adopted."

At station KGW a powerful receiving set, as well as the transmitting set, was used. The small gathering of persons in the radio room and the Oregon debaters were able to hear quite clearly what the California debaters were saying in Oakland. Rebuttals were formulated and broadcast on the basis of the primary arguments as received over the radio.

Decision as to the winning team is to be made by vote of radio listeners in the two states who heard the debate and will be announced March 9. The debaters were Joseph A. Frazier and Walter A. Malcolm for Oregon and Harold Chernish and Raymond Sanders for California.

Many Salem radio fans were among those getting inside dope on the Bok peace plan last night. Many reported to The Statesman that both stations were easily picked up and the debater speeches easily heard.

## LINEN AND FLAX MILL PLANNED HERE

T. B. Kay Confers With Manager of Portland Chamber of Commerce

PORTLAND, Ore., Feb. 29.—T. B. Kay of Salem and Colonel W. B. Bartram, linen and flax expert of Toronto, Canada, were in conference here today with W. D. B. Dodson, manager of the Portland chamber of commerce and made a request that a committee of business men be appointed to lend encouragement to tentative plans for the establishment of a linen and flax mill at Salem, according to Dodson.

"The appointment of the committee was asked in order that conditions may be studied to see if there is foundation for establishment of a linen mill," said Mr. Dodson after the meeting. "The committee is to ascertain whether conditions in flax production are sufficiently stable to warrant establishment of a factory."

Mr. Dodson added that action in naming the committee would probably be taken by the chamber next week.

## FRIDAY IN WASHINGTON

Plans were announced for taking up next week in the house the bill for leasing Muscle Shoals to Henry Ford.

An increase in tariff rates on wheat as a result of the tariff commission's investigation was forecast at the White House.

After five hours of bitter debate the senate recessed until tomorrow without voting on the resolution to investigate the administration of Attorney General Daugherty.

It was announced Attorney General Daugherty would be retained on the list of Coolidge delegates at large from Ohio regardless of the fight being made on him in Washington.

The senate asked that income tax returns of a number of individuals and corporations connected with the oil inquiry be opened to investigation by the oil committee.

The senate oil committee questioned A. Mitchell Palmer about his relations as attorney for Edward B. McLean and further examined Karl C. Schuyler of Denver about leases of Teapot Dome territory.

It was said at the White House that special government counsel would be appointed to inquire into the validity of title held by the Standard Oil company of California to sections of naval oil reserves.

The state department received reports that the American consulate at Ceiba, Honduras had been fired upon by revolutionists and a detachment of marines from the cruiser Denver had been landed to act as consulate guards.

## RULING IS MADE ON INSURANCE CO.

Continental Life Not Allowed to Alter its Policies in Oregon

Policies carrying deferred dividends written in Oregon by the Continental Life Insurance company with headquarters at St. Louis, Mo., shall not be changed or disturbed, according to an agreement reached at a meeting of state insurance commissioner and their deputies held at the Multnomah hotel in Portland yesterday.

The action taken at the meeting was reported here last night upon the return of Will Moore, state insurance commissioner, who represented the Oregon department. Mr. Moore said that the Continental Life Insurance company had requested to change or transfer its policies written in this state so as to eliminate the deferred dividend feature. He declared that the Missouri insurance department had been notified that this would not be allowed.

In attendance at the meeting were H. O. Fishback, insurance commissioner of the state of Washington; J. O. Rummens, chief deputy to Mr. Fishback; R. E. Daly, deputy insurance commissioner for the state of Missouri; Harry B. Smith, director of insurance for the state of Idaho; George P. Porter, auditor and ex-officio insurance commissioner of the state of Montana, and Mr. Moore.

House leaders admit that the bill undoubtedly will be altered in important particulars by the senate. The decisive record vote by which the Mellon rates were rejected today, however, makes it certain, they say.

## MONTANA WINS

MISSOULA, Mont., Feb. 29.—Distinctly outplaying the University of Idaho Vandals throughout the fray except for a few minutes in the second half and outfighting the visitors all the way, University of Montana's Grizzlies earned a 36 to 17 triumph in a conference basketball game tonight, the first of a series closing the season here.

"These classes are not rough," Mr. Boardman said. "Boxing is one of the best physical exercises and we do not engage in any prize fight stuff. We box and that is all. No man is too old to learn to defend himself."

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