

SEVENTY-FOURTH YEAR

SALEM, OREGON, SUNDAY MORNING, JUNE 22, 1924

PRICE FIVE CENTS.

TUG OF WAR AT CONVENTION TO DECIDE WINNER

McAdoo and Governor Smith to Wage Fierce Fight for Democratic Presidential Nomination

RIVAL CAMPS ISSUE CLAIMS OF VICTORY

Partisans of Dozen Favorite Sons Watch Struggle With Keen Interest

NEW YORK, June 21.—The fight for the democratic presidential nomination has become a resolute tug of war between the supporters of McAdoo and Smith, with partisans of a dozen favorite sons looking on with an apparent air of grim satisfaction over the prospect.

Three days before the national convention begins in Madison Square garden the McAdoo and Smith camps both are making unqualified claims of a victory already won; but none the less the groups of pledged delegates who hold the whip hand are besieged by scouts and outrunners from the two contesting groups as they arrive in numbers to swell the convention crowds already here.

The activities of the field forces of the two leading candidates today cast into shadow every other feature of the big quadrennial show of the democrats. The Ku Klux Klan issue which promises the most bitter and spectacular contests to be waged over platform policies, was thrown for the moment into the background and all the other jealousies and disputes that always characterize the final pre-convention period were all but obliterated from the scene.

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There is a complete realization, of course, that the plan question and some other problems before the convention are submerged but temporarily. They are expected later on to kindle into flame with the rivalries they have created and to add many a colorful moment to the convention before it is over. But for today and probably for two or three days, or a week to come the delegates and their leaders are figuring the much more personal and human grapple of two outstanding democrats to the greatest honor the party can bestow.

In its nature the scrap over the plan must proceed up to a certain point without much outward manifestation. At the present stage it is an under-cover issue, to be discussed quietly; but no less gravely by party counselors in the seclusion of their conference rooms. It is no less because of this quality, however, and when time and consultation have crystallized opinions, the fireworks are expected to begin.

With the Smith-McAdoo fight it is different. The time for the fireworks already is here and the political sky over Manhattan is illumined tonight with a display of pyrotechnics that long has been in the process of careful preparation. The contest has become a struggle match in its intensity the most celebrated in party history and with the added modern qualities of feverish haste and perfect organization. Distributed everywhere, the missionaries for Smith and McAdoo are carrying their gospels into every nook and corner where delegates are to be found.

There are handshakes and welcoming smiles for the unfrustrated as they step from their tarins; candidatorial literature, badges and souvenirs are thrust upon them as they pass through the lobbies of their hotels and slipped under their doors; their cars are

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THE WEATHER

OREGON: Generally cloudy Sunday; moderate westerly winds.

LOCAL WEATHER (Saturday) Maximum temperature, 83. Minimum temperature, 48. Rainfall, none. River, .05; falling. Atmosphere, part cloudy. Wind, west.

RHODE ISLAND SENATE BREACH STILL WIDENS

Democrats at Loss to Continue Business Without Missing Republicans

PROVIDENCE, R. I., June 21.—(By the Associated Press.)—The breach in the ranks of the state senate, created yesterday when its republican members left the senate, was still unhealed today.

The senate was in recess until next Tuesday and the deserted democrats throughout the day gathered in little groups to discuss ways and means of getting the republicans back again.

Leaders of both parties declared there was little hope of peace. As the result of a conference today at the invitation of the Providence chamber of commerce between representatives of civic and business organizations of the state, a committee was appointed to seek conferences with both parties, to endeavor to alleviate the present situation.

2000 ATTEND GREAT PICNIC

Sunday Schools of Marion County Spend Enjoyable Day in Salem

Nearly 2000 men, women and children participated in the annual Marion county Sunday school picnic held at the fair grounds Saturday, where the main program of the day was given.

A few minutes after the scheduled time the long parade got under way, headed by the band from the boys' training school. A feature of the parade this year was the barring of marchers, all those taking place riding in automobiles of floats. A counter-march was also an innovation. Following the completion of the parade picnics were in order.

Irvine Address Heard. Speaking on "The Chicago Boy Murderers," B. F. Irvine, editor of the Oregon Journal, of Portland, delivered the principal address of the day. His first appeal was to the children and then he delivered his main message to the parents. Mr. Irvine was introduced by John L. Brady. The program was staged in the stadium. Other features of the program were band selections by the boys' training school band, community singing in charge of Edwin Sociolofsky and an explanation of their work, an appeal for support and several songs by six representatives of the older girls' conference. Following this Fred DeVries, president of the county association, announced the list of prize winners in the parade.

Fruitland Captures Prize. Fruitland captured first place for floats, with the Bungalow Christian church second and the

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AUDIT IS MADE OF MONIES IN BONUS OFFICE

Separate Department to Take Care of Foreclosures Soon to Be Necessary, Says Accountant

INSPECTION IS HELD VITALLY NECESSARY

Administration of Act Businesslike—Delinquencies are Totaled

The handling and disposition of foreclosed real estate, under the state bonus and loan act, will soon require an added department, says a report to the executive men's state aid commission by Arch J. Tourtelotte, certified public accountant of Portland, who has completed an audit of the accounts of the department up to May 1.

This, says the report, should be combined at once with a strongly organized inspection department, qualified to exercise rigid supervision of the recommendations of county appraisers with intent to safeguard future acts of the commission in the approval of loans.

Foreclosures Listed. Up to May 1, it is shown, 12 consummated foreclosures had been effected covering a property cost to the state of \$25,113.46. Twenty-four more foreclosures are pending, covering loans and advances aggregating a net total cost to the state of \$64,412.56. In addition 189 other loans show delinquent installments, aggregating \$16,492.58 on loans of \$466,205. Many of these, says the report, will be in process of foreclosure before long, inasmuch as 80 are classified as unlikely to be revived. In all 116 loans are either foreclosed or in prospect for such action.

A digest of transactions made up to May 1 shows the following figures: Initial applications received and validated, 32,393; initial applications received and rejected, 1247; cash bonus paid (average \$223-17), 21,667, or \$4,845,628.07; mortgage loans (average \$2477-67) 5295, or \$13,119,300; bonds issued to date, \$20,000,000.

3000 Applicants Coming. It is estimated that about 3000 qualified applicants who have not heretofore availed themselves of any privilege under the act will exercise their right before June 30, 1927, the last date on which loan applications may be filed. It is estimated that additional bonds required to meet future applications will amount to \$5,171,411.37.

The report states that "while it is yet too early to estimate with

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ROAD MERGER AWAITS ONLY ICC SANCTION

Union of Northern Pacific, Great Northern and Burlington Proposed

ST. PAUL, Minn., June 21.—The merger of the Great Northern, Northern Pacific and Burlington railroads, planned years ago by the late J. J. Hill, now awaits only the action of the interstate commerce commission, Ralph Budd, president of the Great Northern, said tonight.

All testimony in the interstate commerce commission hearings on the consolidation has been completed, final arguments made and all briefs submitted, Mr. Budd said.

It is generally believed in railroad circles in the northwest that the interstate commerce commission favors the consolidation and that a plan of consolidation will be adopted by the commission, Mr. Budd said.

Mr. Budd said that at the public hearings held before the interstate commerce commission in Washington and in the Twin Cities that there was practically no adverse testimony against the view that it would be in the public interest to preserve the existing relations between these properties.

DELEGATES ON SPECIAL TRAIN

Representatives of Pacific Coast Reach Chicago on Way to Convention

CHICAGO, June 21.—A special train bearing delegates from the Pacific coast to the democratic national convention in New York arrived here tonight under the name of the California McAdoo Special. On board were the delegates from California, Oregon, Washington, Idaho, Utah, and Wyoming together with delegates and alternates from Hawaii and the Philippines. The North and South Dakota delegations joined the special before it left here when it carried more than 150 passengers representing a voting strength of more than one hundred.

The train, starting out as the McAdoo special, still carried that designation tonight, those on board declaring that the voting strength is 100 per cent for the former secretary of the treasury. The train came to Chicago stripped clean of its supply of campaign buttons, ribbons and badges claimed by democrats who visited the train at the western towns where stops were made.

The California, Oregon and Washington delegations are instructed through primary elections to vote for McAdoo. John P. Carter, chairman of California delegation, said that the state will give its electoral vote for McAdoo if he is nominated and former Governor James H. Haysley of the Idaho delegation predicted that McAdoo can win the electoral vote of his state, even with a third party candidate in the field.

NEWS ODDITIES

WASHINGTON, June 21.—The foot and mouth disease in California has been eradicated almost completely, department of agriculture officials announced today.

COLUMBUS, Ohio, June 21.—Twenty-one persons in Ohio have died during the last 22 hours due to the excessive heat or in seeking relief from the torrid weather, according to a list of fatalities compiled here today.

ROME, June 21.—Signora Lucia Sarto Boschini, a sister of the late Pope Pius X, died today.

WASHINGTON, June 21.—The treasury will be ready July 1 to refund more than \$16,000,000 overpaid in income taxes March 15 as a result of the subsequent 25 per cent reduction granted by congress.

YAKIMA, June 21.—Members of the executive board of the Yakima Valley Guernsey breeders' association today went on record as opposed to all stock shows in the state for this year on account of the foot and mouth disease.

NEW YORK, June 21.—The process of "drying up New York for the democratic convention" got under way today with 46 raids in different sections of the city and the seizure of liquor valued at several thousands of dollars.

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WEST NEW YORK RECOVERS FROM STORM RAVAGES

Visitation of Most Severe Tempest in Years Leaves Ruin in its Wake

BUFFALO, N. Y., June 21.—Western New York tonight was recovering from its most severe visitation by gale and lightning in recent years. Prostrate trees strewn many thoroughfares, blackened ruins dotted many towns and villages and linemen were striving to restore disrupted wire communication.

Lightning caused a score of fires in Buffalo and the 68 miles an hour gale blew down telephone poles and trees.

At Rochester, the storm caused the death of Mrs. Francis La Blanche from fright.

The storm today took a toll of one life in eastern New York, and caused great damage to growing crops and property. Losses of barns and dwellings by fire after having been struck by lightning were reported from numerous places, and in many instances, there were losses of livestock, hay and grain.

Glen McRae, at South Columbia, was killed when struck by lightning while in his home.

PREMIERS CONFER ON WORLD PEACE

Herriot of France and Macdonald of England Holding Conference

LONDON, June 21.—(By The Associated Press.)—New ways to peace understanding in Europe with the experts report on reparations figuring prominently, are being discussed at Chequers Court tonight by the British prime minister, Ramsay MacDonald, and the French premier, Edouard Herriot.

The head of the French government arrived this afternoon to begin again the personal negotiations among the allied premiers which were interrupted when M. Poincare was defeated.

In private confidential talks tonight and tomorrow, the two premiers will survey the whole range of European affairs since the armistice, exchange views on the experts' proposals and territory to decide how they are to be made effective.

M. Herriot will return to London tomorrow and proceed to Brussels Monday for a conference similar to that with Mr. Macdonald, after which the date for the new allied conference will be announced. It probably will be held the middle of July.

Mr. Macdonald hopes to insure privacy and informal discussions, which he insists must characterize his first meeting with M. Herriot.

When Mr. Macdonald learned that French correspondents planned to accompany M. Herriot he reiterated the private and confidential nature of the meeting. M. Herriot, on arriving in England, gave the following brief message to the British people:

"I have the greatest faith in the Anglo-French entente and have worked for with all my heart. A rapprochement between our two countries has done much in the past and it is absolutely essential both now and in the future for the peace of the world."

SMALL RIOT IS STAGED AT PRISON

Convicts in Solitary Protest Against Punishment After Misbehavior

Prisoners at the state penitentiary who are in solitary confinement and in the "bull pen" because of their recent attempted wholesale delivery by burrowing under the walls, staged a demonstration Friday night about 10 o'clock as a protest against solitary incarceration. It is thought they were aided by some other prisoners.

For a time the prison was something of a bedlam with the yelling of the prisoners and the throwing of tobacco cans. Six window panes were broken by the cans.

WEATHER FOR THE WEEK WASHINGTON, June 21.—Weather outlook for the week beginning Monday: Pacific states—Generally fair except occasional local rains in Washington and northern Oregon.

LA FOLLETTE FAVORED FOR THIRD PARTY

Milwaukee's Mayor Would Have Senator Run as Candidate of Entirely New Political Machine

WOULD OPPOSE HIM IF HE RAN INDEPENDENT

Berger and Hoan Tell Socialists He Must Renounce Both of Old Parties

MILWAUKEE, Wis., June 21.—(By The Associated Press.)—A resolution favoring Robert M. La Follette to lead a new third party but showing opposition to him as independent candidate of either of the major parties, was introduced to the platform committee of the state socialist convention here today by Milwaukee's socialist mayor, Daniel Hoan.

Shortly afterward Congressman Victor Berger, socialist from the 51st Wisconsin district in addressing the convention stated that the socialists of this state should be formed, La Follette as independent candidate on a third party ticket, provided they could do so "honestly and fairly," without injury to the movement that the socialist party stands for.

Mayor Hoan explained his resolution to mean that he favored La Follette to lead a new third party but was opposed to him if he ran on an independent republican or as an independent democrat.

"La Follette's platform is not very radical but you cannot resist capitalism in one town alone and succeed in hurting it," said Congressman Berger. "I cannot see why socialism would brush off very easily by my brushing against La Follette. We must get results quickly or be prepared for feudalism."

"La Follette always took great care to hang on to the bandwagon but during the war, he stood firm, even when it was dangerous and I shall never forget that he stood firm."

The convention permanently organized at the afternoon session by making its temporary organization permanent. Four committees were appointed, one platform and policy, one party administration, one labor and one to farmer organizations.

Just before the committee retired to go to work, Chairman Louis A. Arnold called for resolutions to be presented to the platform committee and it was said then that Mayor Hoan presented his resolution relative to La Follette and Congressman Berger, made his address advocating La Follette under certain condition.

STATESMAN REPORTER FLIES IN PORTLAND-MADE PLANE AND GOES INTO REGULAR PAROXYSM OF JOY

Salem shrank to a mere fraction of its present size; the familiar broad thoroughfares mere by-paths, and the lovely Willamette river a creek of no mentionable size. This is not a dismal picture of the future but an effort to describe how the city appeared from an elevation of several thousands of feet Saturday afternoon when a Statesman representative was treated to an aerial "joyride" through the courtesy of Searle N. Shahau, manager, and Art L. Walters, pilot of the "Skylark," Portland-made airplane.

"Salem the beautiful" and the "Beautiful Willamette valley" are familiar slogans, but how appropriate can only be appreciated from a vantage point such as was attained yesterday. Automobile rides around the city leave the impression that there is considerable paving, but when the entire hard-surfacing is spread out below, with the several main arteries leading to other districts dotted black with motor vehicles, the extent of paving leaves a lasting impression.

For 30 minutes the brilliant-hued ship gracefully and steadily soared above the city, the motor roaring and driving the steady breeze back into the faces of the passenger and pilot with so much force that it was hard to take a breath except in the shelter of the cockpit.

Sensationally the trip was a failure and the 10-cent scenic railway or roller-coaster provides more real "thrills" for moving pictures had paved the way with "flights" in the news reels. The "Skylark" rose from the ground and climbed steadily to an elevation of 3,000 feet. There was no pitching movement, no drops or "bumps"—only the exhilarating feeling of flying. There was no particular sensation of speed after the ship had attained a few hundred feet, yet she was traveling close to 75 miles an hour. The motor was throttled down while the pilot explained a few things about his occupation and the handling of the ship. Though sitting behind the passenger his voice could be easily heard. He obligingly banked the ship to give an unobstructed view of the glorious panorama below.

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BOYS' SANITY TO BE PROVED BY ASSOCIATES

Dozen Friends of Loeb and Leopold to Be Placed on Witness Stand

CHICAGO, June 21.—A dozen friends and acquaintances, some of them young women, of Nathan Leopold, Jr., and Richard Loeb, confessed kidnapers and slayers of 13-year old Robert Franks, will probably be placed on the witness stand at the trial in an effort by the state to prove the boys are sane, prosecutors indicated today. The young men and women who associated daily with the "two millionaires' sons," who said they killed for excitement, have been summoned for questioning by the state's attorney, who indicated that he hoped to refute statements of alienists for the defense that the boys are not normal mentally with the recital of their daily activities as told by their youthful companions.

WOMAN KNOWS CACHE OF LOOT

Hiding Place of 2,000,000 Taken in Hold Up May Be Told By Suspect

CHICAGO, June 21.—A woman may know the hiding place of securities and money totaling more than \$2,000,000 obtained by bandits in the holdup of a Chicago, Milwaukee & St. Paul mail train near Chicago ten days ago, federal officers indicated tonight.

The woman is Louise E. Drafa, of New London, Wis., who says she is the wife of Willis Newton, one of the men indicted for the robbery. She was arrested when she came here immediately after Newton's arrest and secured \$36,000 from safety deposit boxes to give him to buy his freedom.

The money was seized by officers. Indication of the importance which the authorities attached to holding the woman was seen today when it was found that she had been turned over to the federal authorities by the police and had been spirited out of Cook county and to Sycamore, Ill., where she is in jail.

They declared that they are led to believe that the woman drove in her own automobile to Joliet, Ill., where the robbers abandoned mail pouches and an automobile in which they made their escape. The inspectors believe they saw loot divided and it she did not know where it is hidden was at least aware of who now holds it.

REED IN POOR HEALTH

KANSAS CITY, Mo., June 21.—The condition of Senator James A. Reed of Missouri, who is confined to bed in a local hospital suffering from an attack of Arthritis, was "not so good" tonight, his physician reported. The senator was reported better during the day. His condition however, is not considered dangerous.

Fire Destroys Portland Ship Building Plant

PORTLAND, Or., June 21.—Fire of undetermined origin late today caused loss estimated at approximately \$20,000 to the plant of the Portland Shipbuilding company. The plant was virtually destroyed and the river steamer Sarah Dixon which was undergoing repairs at the plant, suffered extensive damage when fire destroyed its superstructure. Three small houses which were adjacent to the plant also were burned. The plant was located on the Willamette river on the Portland waterfront.

SIX DEATHS REPORTED

COLUMBUS, Ohio, June 21.—Six more deaths in the state today resulting from torrid weather brought the total in Ohio to 23.

Columbia Basin Differential Case Before Commerce Commission Examiner Ends Suddenly

WALLA WALLA, Wash., June 21.—The Columbia basin rate case hearing before F. M. Weaver, examiner for the interstate commerce commission, came to an abrupt end at 4 o'clock today after six days of battling over the required elimination of the differential of 10 per cent now favoring Portland freight shipments from the territory south of the Snake river. Dismissal of three witnesses by the Portland defendants of the differential made possible the closing of the case after it seemed probable that the hearing would extend into next week. Attorneys are given until July 25 to file their briefs, after which the case will be considered by the interstate commerce commission.

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RATE HEARING COMES TO AN ABRUPT CLOSE

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CASE TO BE DECIDED BY ENTIRE COMMISSION

Damaging Evidence Is Introduced By Representatives of Puget Sound

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The defendants of the differential called a number of witnesses to the stand today in an effort to bring out that the accusations of the complainants in regard to the existence of a lack of proper competition in the district owing to the operation of the differential is entirely unfounded.

A tense moment in the hearing came when H. W. Collins, Pendleton grain dealer who was testifying in behalf of the Portland intervenors, was confronted with copies of two letters, alleged to have been written by him in 1921, in one of which he is said to have declared that the farmers were objecting because of a buyers' combination and that the farmers might make a "lot of trouble unless somebody is careful."

The other disclosed that he was working with the Kerr-Gifford company, a fact contrary to his previous testimony, according to the counsel for the complainants. Introduction of the letters caused the Portland attorneys to call for a recess in order to confer with their witnesses.

Collins finally admitted he had heard of a combination of Portland dealers but knew nothing of it. He declared the differential now in existence to Portland helped the farmers but admitted that if a parity was established to throw open Sound markets it would also be beneficial. He stated that he preferred to ship flour through Portland but frequently shipped through Seattle at a higher rate because he could get cargo space there, and oriental buyers wanted faster service frequently than Portland ships could give. With equal rates he would ship to both, he declared.

Carl Roe, district manager for the Kerr-Gifford company, with headquarters here, was an important witness for the defendants. He read a long statement to the effect that the differential was beneficial to growers south of the Snake river; that the market was always active; that the growers in that section were in better condition than those north of the Snake, and that Walla Walla and Pendleton farmers obtained the best prices. Competition is so keen now, he asserted, that considering the number of buyers, would not in his opinion be beneficial. He testified that the farmers here received the full benefit of the differential.

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