

The Weather - OREGON - Rain in west; snows and rains east of Cascades; increasing southeast and south winds. Max. 43; Min. 40; River 14.1 rising; Rainfall .11; Atmosphere clear; Wind south.

The Oregon Statesman

Forty Pages Today Part Five Page 1 to 8 Annual News Section

SEVENTY-FOURTH YEAR

SALEM, OREGON, THURSDAY MORNING, JANUARY 1, 1925

PRICE TEN CENTS

PROSPERITY IS INDICATED FOR ENTIRE STATE

Optimistic Attitude Taken By Industrial Life for 1925 Declares Commissioner Marshall

BUILDING CONSTRUCTION WILL GAIN 15 PER CENT

Specialized Farming Is Trend; Mines are Active and Railroads Being Built

An optimistic feeling prevades the industrial life of Oregon and employers generally are confident that 1925 will be a prosperous year, according to William Marshall, member of the state industrial accident commission, who bases his assertions upon today's indications that there will be a greater demand for skilled labor in the next twelve months than was required this year.

Building to Increase "It is conservatively estimated that building construction will be greater by 15 percent in 1925 in Portland than during 1924," Mr. Marshall said. "It is safe to say that this ratio of increase will prevail throughout the state. It is also expected that building craftsmen will have increased opportunities of employment but it is anticipated that there will be enough mechanics within the state to take care of the building program."

ORDER PROBE OF DRY UNIT

Open Investigation Is Decided Upon By Senate Committee After Debate

WASHINGTON, Dec. 31.—Open investigation of the prohibition unit which formed the basis for a heated disagreement between the administration and the senate at the last session was decided upon today by the senate committee under the chairmanship of Senator Couzens, republican, Michigan. The decision was reached after the committee had heard from both its own investigators and officials of the international revenue bureau and the prohibition enforcement division. A definite date for beginning the hearings was not fixed, but it probably will be at a time not more than two weeks distant.

MAY all the best wishes of the year befall you and yours for 1925. HAPPY NEW YEAR

MUSIC FAILS TO SOOTHE BREASTS OF CITY POLICE

Seven-Piece Orchestra Unable to Play "How Dry I Am" Because They Weren't

A total of \$110 was collected from members of a pre-New Year party which was staged at 415 North Twenty-third early Wednesday morning and nipped in the bud by Officer Wiles, Edwards, Davis and Wright.

Varied charges of drunkenness and disorderly conduct were filed against the Bennie Johnson orchestra, comprising six men and two women, who were staging the impromptu performance.

After pleading guilty to charges filed against them, Bennie Johnson, the leader of the orchestra, A. Klein and Virgil White were each fined \$20 by Judge Poulsen.

Fines of \$10 each were assessed against G. B. Griffith, M. McDonald, Marvel Elford, Mrs. W. J. Wilson and Mrs. R. E. Jones.

Four empty bottles and two empty jugs were brought to the station at the same time the party was lodged in the city jail early yesterday morning. It was claimed by the party that the empty containers had been left there by someone else. Evidence, however, contrary to this statement, was introduced, and the charges of drunkenness was pressed against the three men.

Evidence gathered by the police officials stated that the house belonged to Glen Daugherty, who had loaned them a key during the absence of his wife.

CERTIFICATES MAILED TODAY

Adjusted Service Certificates, Representing \$750,000,000 Sent Out

WASHINGTON, Dec. 31.—Approximately 600,000 adjusted service certificates, representing \$750,000,000 as part of the bonus voted for World War veterans by congress, were placed in the mail at midnight tonight by the veterans' bureau. Promptly as the New Year began more than 250 sacks of mail were moved from the post-office to the railroad station. Under the law the certificates were not to be issued before January 1. By arrangements with the post-office department a postal-branch was established at the bureau and as each certificate was completed it was addressed, stamped and the stamp cancelled ready for the train.

Thirty thousand checks for amounts of \$50 or less, representing the cash payment for soldiers who served only a short period, have been prepared at the bureau, but these, under the law, are not to be mailed out until March 1.

In mailing the insurance certificates, the only preference was made to those veterans who have died since applying for the bonus. These total not more than 700, and beneficiaries of these soldiers may receive payment immediately. The certificates, properly indorsed, together with proof of death of the soldier, must be returned to the veterans' bureau before payment is made. Payments on any other certificates are not to be made before March 1.

Director Haines estimated today that from now on about 20,000 certificates will be mailed daily. A day force of about 300 clerks and a night staff of 100 are handling the job.

DATE OF OFFICE TAKEN BY GIESY

Incumbent Is First Mayor to Succeed Himself for Great Many Years

Mayor John B. Giesy took his oath of office for his second term Wednesday, the first mayor to succeed himself in a great many years, so many, in fact, that Judge Peter H. D'Arcy, who was called out of bed last night, was unable to recollect the name of the last mayor to be so honored. Judge D'Arcy was mayor in the early days. Oath of office was also taken yesterday by Martin Poulsen, city recorder and police judge, and C. O. Rice, city treasurer.

Heads of other departments, such as chief of police, chief of the fire department, and the recently elected city officers and aldermen will not be sworn in until after they are duly elected at the first meeting of the city council this month.

CHURCHILL IS CRITICIZED BY SCHOOL BODY

Association Adopts Resolution Disapproving of State Superintendent's Normal School Policy

PLAN HELD MAKESHIFT BY SCHOOL ASSOCIATION

Oregon State Teachers' Conference Closes Session With Speeches

PORTLAND, Or., Dec. 31.—A resolution, which, in effect, criticized J. A. Churchill, state superintendent of public instruction for sponsoring a branch normal plan rather than insisting on a comprehensive normal school program, was adopted by principals and superintendents at the culmination of long argument at the closing session of the Oregon State Teachers' association today.

Mr. Churchill's plan for 10 or more normal courses to be carried on in connection with high schools was termed by the school men an inadequate makeshift, although it had been carried as a provision of a conference resolution earlier in the session.

Action followed a disagreement as to policy between Mr. Churchill and J. S. Landers, president of the Oregon Normal school and was a criticism of the state superintendent's action insofar as it carried with it the expression that the branch normal plan would be fatal to any hopes for a new normal school in eastern Oregon or southern Oregon or to increased appropriations for equipment at Monmouth.

Many of the delegates left for their homes at the close of the convention after a day of departmental conferences and speeches. The last meeting was held in the afternoon, with Chaplain John W. Beard, representing the American legion, Miss Mabel Carney of Columbia university, New York, and Thomas W. Butches, president of the Kansas state teachers' college, as speakers.

Formality of confirming the new officers recently chosen was carried through and the following were installed: Cornelia J. Spencer, Portland, president; J. S. Landers, Monmouth, vice president; Susanne Homes-Carter, Jacksonville; H. E. Inlow, Pendleton, ad George Hug Salem, executive committee.

MURDER CASES TO BE ARGUED SOON

Covell and Peare Hearings Before Supreme Court Set for This Month

Two cases involving the lives of inmates of the state penitentiary, both of whom are from Coos county and under sentence of death for murder, have been placed on the supreme court calendar for this month, Arthur S. Benson, clerk of the supreme court, said yesterday.

The first of these is that of Arthur Covell, who is charged with killing his sister-in-law, Ebba Covell, at Bandon on September 3, 1923. Arguments on appeal will be heard January 13. The other case is that of L. W. Peare, of Coquille, who is charged with killing his wife and neighbor, James Culver, on December 27, 1922, a little more than two years ago. At the time of the murder Peare evidently ran amok; records show he killed several barnyard fowl at the same time. Arguments for this case are set for January 20.

Covell is an astrologer and paralytic from the waist down. Implicated with him was Elton Covell, a nephew, about 17 years old, who is serving a life sentence at the state prison for the same crime. Records at the supreme court show that Peare was tried for the slaying of Culver and not his wife.

FRENCH DRINKING SEEMS ON DECLINE DEALERS WORRYING

1924 Figures Show One Gallon Per Week for Each Man, Woman, and Child

PARIS, Dec. 31.—The people of Paris, during the year ended Oct. 1, drank 10,000,000 fewer liters of wine than they consumed in the previous 12 months, but even so the 1924 figures provided a gallon a week for every man, woman and child in the city. And these figures do not include beer. Wine merchants, however, are not down-hearted. They look to a cold winter to stimulate the demand, and they are ready to sell champagne to the foreign visitors who are coming to Paris in increasing numbers.

DIN SUPPLANTS GIN SAN FRANCISCO, Dec. 31.—Din, rather than gin, featured the more obvious aspects of the celebration here of the debut of 1925.

COLD WEATHER BRINGS GRIEF

Ice and Snow Cost Accident Commission \$25,000; Falls are Numerous

Accidents traced directly to the cold weather during the last two weeks is expected to cost the state accident commission between \$25,000 and \$30,000, it was estimated yesterday. Of the fatal accidents, one occurred to an auto truck driver in Portland when his machine skidded on the icy pavement while coming down a steep grade and another worker was drowned at Albany while attempting to keep a spillway at a power plant free from the ice. There were also other fatal accidents in which weather conditions were important factors.

Falls resulting from snow and ice conditions caused the greatest number of accidents. Included in this group were workmen who slipped from logs, from wood planks and boards and on floors covered with ice.

One workman was incapacitated when a large icicle struck his foot and another was injured by a fall while breaking an ice jam in an irrigated canal. A number of cases of frozen fingers and toes were also reported and in one instance a worker, while disabled from a previous injury, fell on the ice and re-fractured two ribs.

The accidents reported to the commission do not include the vast number of accidents which occurred to persons not coming under the attention of the commission. At least one of these was fatal, that of a small boy being killed in Salem while coasting in the southern part of the city a little more than a week ago. Several local people were also injured by falls, of whom the greater portion were women engaged in Christmas shopping.

WILL NOT PRESS BILL

WASHINGTON, Dec. 31.—With senators pressing their efforts to bring together representatives of railroad labor and the railroads on compromise legislation on wage disputes, supporters of the Howell-Barkley bill, to abolish the railroad labor board have decided to abandon their efforts to press the measure in the house next Monday.

MIDNIGHT WEDDING HELD AS BELLS RING WELCOME TO NEW YEAR'S ARRIVAL

Wedding bells mingled with the chime of New Year bells as 1925 was welcomed to Salem last night as the first wedding of the year was held at the Colonial Dame Tea Shoppe at midnight when Miss Clella Curtis became the bride of Richard Fish. The ceremony was performed by Rev. R. L. Putnam, pastor of the Court Street Christian church. Miss Nellie Curtis, sister of the bride, was bridesmaid and Tom Allen was best man. Only immediate relatives were present for the wedding, which was marked by simplicity. The bridegroom's parents, Mr. and Mrs. L. C. Priem, were present. Following a wedding supper the young couple left on a motor trip to Seattle, where they will spend their honeymoon. Noise and jollification, featuring tin horns, paper caps and confetti kept a big crowd at the armory in good humor, where the Veterans of Foreign Wars were staging a benefit dance. Other

PUMP EXPLOSION RUINS CLOTHING WORN BY QUARTET

Sediment From Filtered Gasoline Sprays Men and Women; Damage Made Good

Sediment from filtered gasoline liberally sprayed Mr. and Mrs. Fred Bigler and Mr. and Mrs. George Eicht when a safety valve of the pressure tank at the Great Western garage on North High blew open. All members of the party received considerable damage to their clothing and slight personal injuries.

Damages were settled out of court yesterday by the garage owners, who agreed to buy new clothing to replace the articles ruined by the explosion. The accident occurred Tuesday night.

There is no city ordinance relative to neglecting gasoline pumps and it is said to be a common practice to leave the safety valve open while the pumps are in action.

DEBT TENSION IS NOW EASED

Uncertainty Removed By Official Information From US Ambassador

WASHINGTON, Dec. 31.—The Washington government was in possession tonight of official information transmitted by Ambassador Herrick in Paris after his conversation with Premier Herriot and M. Clementel, French finance minister, which obviously removed much of the uncertainty that has characterized discussions of the Franco-American war debt.

Ambassador Herrick's report eased tension in quarters where debt interest predominated but from none of the administration officials was any word forthcoming concerning the contents of the Paris cables, nor would state department officials admit even the receipt of such reports. Inquiries there were met with flat statements that the subject of Mr. Herrick's report was not one that could be commented upon. Unofficial advice from Paris reciting the statement of M. Clementel to Ambassador Herrick in which the French minister recognized the obligation of his government to the United States and declared its intention to honor the debt, were received by administration leaders with no little satisfaction.

The statement that Ambassador Herrick had transmitted M. Clementel's remarks to Secretary Hughes, however, produced only a reiteration of the department's decision "not to comment."

CAPITAL WELCOMES 1925

WASHINGTON, Dec. 31.—The year 1925, arriving in Washington tonight, received a hilarious welcome from the city's population but found the capital's most distinguished resident, Calvin Coolidge, sound asleep.

SHIP UNDER TOW

LOS ANGELES, Dec. 31.—The fire ravaged Japanese liner Ginyo Maru, which caught fire early yesterday morning off the west coast of Mexico, was proceeding slowly tonight to Manzanillo in tow of the Pacific Mail motorship City of San Francisco.

NEW BUILDING RECORD MADE IN LAST YEAR

Annual Report of City Recorder Shows 444 Permits Issued; Total Investment Is \$1,843,856

CLASS OF STRUCTURES EXCEPTIONALLY HIGH

All Residences, Churches and Business Blocks are Strictly Modern

All previous building records in Salem were smashed this year when the previous high water mark of \$1,235,732, in 1923, was exceeded by nearly \$600,000. Figures for 1924, as completed yesterday by Martin Poulsen city recorder, show a financial outlay of \$1,843,856 for new buildings. The high class of the buildings, including business blocks, churches, homes and manufacturing plants, is notable.

Buildings Are Listed Permits for buildings and structures of the better class issued during the year were to the John Hughes company, hotel and store building, \$40,000; Charles Welles, store building, \$15,000; Curtis Choss residence, \$15,000; F. N. Derby, warehouse, \$15,000; Mrs. Claudius Thayer, residence, \$15,000; T. A. Livesley residence, \$65,000; Unitarian church, \$25,000; J. L. Parrish Junior high school, \$126,000; W. T. Rigdon & Son, mortuary, \$20,000; John J. Roberts, garage, \$12,000; Joseph McAlpine, garage, \$12,000; Otto Klett, store and natatorium, \$22,000; E. Eckerlin, store, \$10,000; John Palmer apartment, \$12,000; H. Pohl & Son store, \$15,000; St. Joseph's parish house hall, \$10,000; Salem Lodge No. 336 Elks temple, \$170,000; Capital Ice & Cold Storage, warehouse and plant, \$20,000; Welder Brothers, laundry, \$15,000.

April Building Month During 1924 there were a total of 444 permits issued amounting to \$1,843,856. The month, (Continued on page 7)

AUTO OWNERS ARE STILL HESITANT

Less Than 40,000 Plates Issued to Date; 1500 Given Out Wednesday

Less than 40,000 of the 1925 automobile license plates had been issued from the motor vehicle division of the secretary of state's office Wednesday, though approximately 1500 plates were received by Marion and Polk county residents during the day. These figures do not include the plates issued from the branch office in Portland. Applications numbering around 2000 are being received in the mail daily. The longest line of the season was formed at the state house yesterday doubling the office door across the lobby and down the hall toward the south entrance of the capitol. Though all other offices at the state house will be closed today, because of New Year's, the issuing of the license plates will be continued and the motor vehicle division will not enjoy a holiday today. The office will open shortly at 8 o'clock this morning.

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Man Believed to Have Lost Life in Willamette Flood

EUGENE, Or., Dec. 31.—Charles Adler, salesman for Stewart & Holmes, Seattle wholesale drug house, is believed to have met death yesterday in the overflow of the Willamette river here. He was returning to Eugene from Coburg, six miles northeast of the city, where he had been taking orders, and his car evidently stalled when he was negotiating a road covered two or three feet deep with flood waters. Sheriff Frank C. Taylor believes Adler stepped out of his car into a ditch on the right hand side of the road and was swept away by the rushing current and drowned. All of the man's papers and order books were found in the car. He could not be located in any of the local hotels tonight.

FAITH IN HUMAN NATURE IS LOST; GOLD LOSES 'TIN'

Suspicious Attitude Results in Mispaid Confidence; \$190 in Cash Gone

Iron bars may not be a prison make but they sometimes break friendships, for when Sam Gold appeared before Martin Poulsen, police judge, Wednesday he found that his fellow cell-mate M. Mason had indeed "done him wrong."

Gold and Mason, in company with two women, were arrested in a local rooming house and charged with various violations of the law. Gold possessed a little more than \$120 in cash when he and Mason "lined up the party." Gold was suspicious that his lady-friend might not be strictly on the level, so turned over two \$50 bills and a \$20 to his pal, with instructions to place the money inside the hatband, as he Gold was wearing a cap.

Upon being arrested and searched at the police station, the money was found in possession of Mason, and the amount credited to him.

Learning that ball was \$100 for himself and \$10 for his girl companion, Mason got in touch with Chief of Police Frank Minto, and obtained their liberty upon funds provided by Gold and without the latter's knowledge. Gold was later released upon bail furnished by a near-relative.

Wednesday afternoon Gold appeared before Judge Poulsen to learn if Mason had yet appeared. He learned that Mason had not. Gold also told the police judge that he had heard Mason had filled up his gasoline tank and had offered a check, which later proved worthless.

Now both the police and Gold are seeking the missing Mason, who forfeited Gold's money in jumping bail.

MYERS CHANGES WEIGHT BUREAU

Last Act of State Treasurer Places Department Under Spence

Before Jefferson Myers officially retired from the office of state treasurer Wednesday he notified Governor Walter M. Pierce of the transfer of the weights and measures department from the treasury department to the market agent's department and that he had received a receipt for the equipment from C. E. Spence, state market agent.

The question has arisen as to the legality of the transfer before January, 1927 and another question asks whether transfer should not have been made at the time of the death of the late State Treasurer Hoff on March 18.

Legal action may be necessary to interpret the full meaning of the law, which specifies in one place that the department of weights and measures shall remain under the treasury department "during the incumbency of the present state treasurer." O. P. Hoff was treasurer when the law was enacted, the text of that section would make it appear that the transfer should have been made at Hoff's death. In another place the act reads that the transfer is to be made "at the expiration of office" of the present treasurer, whose term, had Mr. Hoff lived, would not have expired until January, 1927.

FIVE IOWA BANKS FORCED TO CLOSE

Failure of Banks Is Laid to Combination of Causes; Money Withdrawn

DES MOINES, Iowa, Dec. 31.—A combination of causes, including uncertainty as to abrogation rights of surety companies guaranteeing deposits, the probable withdrawal of large sums of public money because of failure of banks to obtain depository funds from their public moneys and shaken public confidence was assigned by various officials tonight for the series of bank suspensions in Iowa today. Five banks closed their doors during the day or two of them were turned over to the state banking department, which, it was announced will exert every effort to protect the interests of the depositors. These two were the Commercial Savings and the Mechanics Savings banks here.

CONDITION IN UNITED STATES IS EXCELLENT

Secretary Hoover Declares New Year Finds Whole World on More Solid Economic Foundation

REAL ADVANCE SHOWN IN WORLD STABILITY

1925 Is Faced With Satisfaction; Better Material Conditions Expected

WASHINGTON, Dec. 31.—"The new year finds the economic structure of the world upon more solid foundations than at any time since the war," Secretary Hoover declared in a statement tonight, analyzing the business, industrial and financial situation in the United States and abroad. By the showing of recovery in agricultural price levels, recuperation in Germany based on hopes of reparations settlement, the increase of consuming power at home and abroad and steady moving improvements in international trade and employment of workers, the secretary said, population of this country and the world in general faces a new year of existence with satisfaction and hope of bettered material conditions. Advance Shown "With the exception of a few things of secondary importance," the statement said, "there has been during the past year, a real advance toward social, economic, and political stability throughout the world. The only exceptions are Russia and China, which even before the war contributed less than 3 1/2 per cent of international commerce and of course a part of this continues."

"Generally the world is producing more goods, there is fuller employment, there are higher standards of living, more assurance of economic stability for the future and more promise of peace than we have seen for many years. The world is by no means free from the forces of economic shock, yet the forces today in motion all tend to great promise for the forthcoming year."

"In our own country the outstanding economic development of the year has been very large recovery in agriculture after its two years lag behind the recovery of industry. There are some secondary difficulties still remaining but the prices of all farm products are generally coming toward the general average of commodity prices."

RIVER FALLS REPORTS SAY

Crest of Present Flood Is Reached; Willamette Stands at 14.1 Feet

Though the Willamette river rose 3 of a foot Wednesday and stood at 14.1 feet last night, word from the weather bureau at Portland predicted that the river would begin falling today having reached the crest of the present flood stage. Late reports from other river cities were that at Eugene the river stood at 11 feet, falling; 8.3 feet at Jefferson and falling; and 16.4 feet at Albany, where it was reported slowly rising.

PORTLAND, Dec. 31.—Flood conditions throughout western Oregon occasioned by recent rains and rapid melting of snow, tonight were reported much improved and streams everywhere were falling. Ice which filled the Willamette and Columbia rivers is fast breaking up, and shipping between Portland and the sea was moving without serious difficulty.