A study of all the evidence shows that we drove a hard bargain with France in the settlement of her war debt, at the same time giving her most generous terms .-

SEVENTY-SIXTH YEAR

SALEM, OREGON, THURSDAY MORNING, SEPTEMBER 2, 1926

Increased Prosperity During 1927, 1928, 1929 Forecast by Sammons

SURVEY REVEALS TREND

Ample Credit, Confident Merchants and Increased Markets Ready, Rotarians Are Told

Increased prosperity for Oregon in the next two or three years is expected by E. C. Sammons, vice president of the United States National Bank of Portland, who addressed the Rotary club at its weekly luncheon yesterday in the Marion hotel. Mr. Sammons said his bank had just completed a survey of business conditions which had a favorable outlook.

"The earnings of last year indicate that the country is at a peak of prosperity," Mr. Sammons "Banks, railroads, and practically all other industries except the lumber industry made money in 1925.

"Everybody agreed that last year's prosperity would continue for the first six months of this year, but in reality it has excelled last year's record so far and gives indications of continuing to do so for the rest of the year.

"New record were set for postal receipts, bank clearings, automobile sales, and other business barometers for the fiscal year ending in June of this year.

There is great business confidence, ample credit, and the people appear to be sold on the Coolidge economy plan. On the unfavorable side of the picture, however, are big speculation and over production in some lines."

Other aspects that are unfavorable include the Florida crash in which 78 banks failed in Florida, Georgia, and nearby states; the sile situation, and time sales. s last causes an overstimulation of retail demand, according to Mr. Sammons, by the increased in stallment buying.

Big building programs going on all over the state were cited as an example of the confidence capital has in the future prosperity of the state. In his bank's survey. it asked many other banks what their opinion of the future was, Mr. Sammons declared and 63 per cent of them said they were satisfied with prospects for the future.

Increased business for the northwestern lun ermen is in store, Mr. Sammon believed, because in five more years the Southern yellow pine forests will be exhausted. Much of the present depression is due to the large number of lumber substitutes on the market.

CONSCIENCE MONEY SENT DRAFT AND EQUITY SENT FROM RUSSIA RECEIVED

PORTLAND, Sept. 1 .- (AP). Arthur Nagle, who fled to Europe last April to escape arrest on an congressman, will make an inspecindictment charging larceny by tion trip through the district bebailee of \$6,000 from M. Glick- ginning next Monday. He will man, Portland clothier, has sent visit Tillamook, Garibaldi, Astoria, from Riga, Russia, a draft for Toledo, Newport and Corvallis, \$4,000 and has turned over returning to Salem September 17. \$2,000 equity-in a Portland house to Glickman, to cover the amount. leaving on this trip, Mr. and Mrs. Nagle was accused of taking the Hawley will visit Mrs. Hawley's money while engaged in buying sister, Miss Margaret Geisendorfer

INJURED AVIATOR DIES republican senate and house after

bankrupt clothing stocks.

FLIER WON PULTIZER AIR PRIZE IN 1925 CONTEST

WASHINGTON, Sept. 1.—(AP) -Lieutenant Cryus K. Bettis, and Friday; Salem, Saturday, Sunarmy flier injured in a crash in day and Monday; Toledo and Pennsylvania last week, died today at Walter Reed hospital. Lieut. Bettis gained outstand-

ing prominence as a flier by win ning the Pulitzer air race in 1925, at which time he set a record of 248.99 miles an hour.

SPAIN REJECTED SEAT

LEAGUE COMMISSION REFUS-ES PLACE ON COUNCIL

GENEVA, Sept. 1,-(A.P.) The commission at work on plans for the reorganization of the league council today rejected Spain's demand for a permanent the Honjo district, where 43,000 ast in the council. There was no legates did not vote and the were rung and whistless Chinese delegates supported the Spanish claim conditionally upon China being similarly favored.

MASONS ACCEPT TEMPLE DEDICATION SERVICES HELD

AT EUGENE MEETING EUGENE, Ore., Sept. 1 .- (AP.) -Eugene Masons dedicated their ered in Portland, be purchased by new \$150,000 temple today. The Multnomah county, has been made ceremonies began during the aft- by Joseph H. W. Beveridge, counernoon and continued until late to- ty clerk. night. E. H. Sensenich, of Portland, grand master, was the prin- tem of about 50 per cent would ciple speaker. Hundreds of be made in each precinct where lodgemen from all over the state the machines are used, Mr. Bevwere in attendance.

Prune Crop Waste Large, Yet Output Will Be Good

Crop Harvested, Shipped, Canned and Dried Will Prove Large, Perhaps Largest Ever Turned Out in Salem District: Waste Unavoidable

There has been a big loss in the prune crop; in many orchards it has been as high as 40 per cent. Due largely to the rains and to the drop. Some growers, unable to handle the prunes on the ground, have disced them in for fertilizer. The drop was worse in orchards on the low lands, and in old and more or less neglected orchards, than in the new plantings \$2,000,000 SET AS LOSS reported that the crew had ceased and those having good care.

But, with all this, there will be a large tonnage of prunes in this district; the largest ever picked, and dried and canned.

CAMBRIDGE, Mass. - Antonio

riage license bureau here, the other day, fully prepared to apply for and receive the State's formal consent to his wedding with Eleans—uh—er, that

paused. He couldn't think of his bride's last name. The face was fa-miliar but, for the life of him, he couldn't recall the name. . . . He went into conference with Eleana and

finally the matter was straightened

out. Anyway, Eleana won't have much use for that last name of hers any

CIVIC PRIDE

VINCENNES, Ind. — Ingenuity in boosting cities throughout this fair land is becoming nothing less than

magnificent. This city, for instance, is in the throes of preparing for its own

Sesqui-Centennial as the threshhold city of the great northwest territory. And congress is being asked for an appropriation. . . Some cities promote bathing beauty pageants to focus pub-

lic attention on them; others indulge in murders, flower festivals, baby pa

rades, speed cops, tallest buildings, low-est subways, and slowest street cars. This thing of civic pride may someday lead a city to do something drastic— say, something such as eliminating stums. But the trouble with that is

that it doesn't make particularly nifty publicity. And what is civic pride without publicity?

GOETHE

CHICAGO. - There's a street on the

north side named Goethe. A scholar ly compilation of street car conduc

tor's pronunciation of the name reveals that it is known as Gerty. Goity

Go-ecthey, Gaty, Gerthe and Goothy street. . . A move is under way to have street cars skip that stop.

DISTRICT TOUR PLANNED

CONGRESSMAN IS PLANNING

TRIP THROUGH DISTRICT

for the fall campaign to elect a

The schedule for the trip is as

nesday: Corvallis, Thursday; Sa-

FOR 1,000,000 DEAD

demolished by shock and flame.

were rung and whistles blown.

50 PER CENT, CLAIM

PORTLAND, Sept. 1.—(AP).

idge stated.

he completes the trip.

lem, Friday.

W. C. Hawley, United States

more. She's got a new one

is-Eleana.

FERRIT I

Antonio stuttered and

If there had been no rain, and no drop, the waste would, in many sections, have been as large, on account of the shortage of drying

There was positively not enough drying space to take care of the prunes that would have had to go to the dryers, even with a very long and favorable picking season. If every prune could have been picked and taken care of, this district would have had a sure enough bumper crop.

At the Packing Plants The Paulus plant is putting hrough 3000 bushels of prunes a day-counting both canning and try to get a night crew at once, for a night shift in the canning department. This plant is also grading 75,000 to 100,000 pounds bomes damaged. of prunes a day, and will speed for shipping has also begun there. \$125 worth of oil every 24 hours. to take care of a larger volume of prunes in the dryer. The plant | cedes. has a \$500 a day payroll. Is running only on orders. Most of the pear contracts, which were mostly said, by benefit to crops. The local, were over delivered, but even so the surplus was sold in advance. The plant must turn out on advance orders. Mr. Paulus weeks yet. He says most of the routed their trains. damaged fruit has been in old having indifferent care.

and in the saving of the fruit in good condition. The Hunt cannery is running 24 hours a day, on pears and prunes, with some evergreen lackberries. Good prunes for canning will not last much longer; though prunes for drying will persist for some time yet.

The Northwest cannery is running full handed on pears. through with prunes.

The Oregon Packing company running full handed on pears and prunes and blackberries. That is, the 12th street plant. The 13th street plant is on beans and cucumbers, as usual.

The Pacific Fruit (cooperative) West Salem, is running strong on pears and prunes, with a few lackberries. Quit receiving new consignments of pears on Tuesday.

(Continued on page 2.)

Trains Blocked, Roads Crippled as Rivers Rise During Downpour

Galesburg, Peoria, Chicago Report Flood Damage as Dispatchers Re - Route Many Trains

CHICAGO, Ill., Sept. 1 .- (By associated Press.) -Floods, riding in the wake of four to eight inches of rainfall which swept central Illinois and Iowa yesterday, halted industry, blocked rafiroads, drowned stock and dam-graded in the near future. Mr. aged roads over much of the area.

were the hardest hit, each city reporting damage approximating a million dollars. At Galesburg. the yards of two railroads, a pavdrying. Is short of help. Will ing brick company, light and power firms and the city water works were under water, merchants' basements were flooded and many

The Santa Fe railroad estimated up to 200,000 pounds a day, if its Galesburg loss at \$100,000. enough help can be had. Packing | merchants' losses were placed at a similar figure, the Chicago, Bur-The plant is getting a car of cans lington & Quincy computed dama day. They are running the age to the extent of \$50,000 and plant to full capacity, for the first the Illinois Light & Power comtime it was ever so run. Burning pany said damage to machinery and operations would reach \$100. bringing the 250 horse power | 000. Residence losses were placed boiler to full capacity. If it had at another \$100,000. The water more capacity, it would be used, works loss could not be figured, officials said, until the water re-

Damage by rainfall in Iowa was offset, the weather bureau heaviest fall, at Carroll, was 4.2 inches and the Coon River went out of its banks, inundating 3000 cases of prunes a day till foundations of several homes, and the end of next week, to catch up causing some loss of live stock. expects prune picking to last two the Great Western railroads re-

Rivers were rising rapidly toorchards, or those on poor soil, or night on northwest Iowa, where The the rain reached its height today young orchards have generally and several bridges were out. done very well in point of yield There was no loss of life.

SPANISH TRAIN WRECKED 24 PASSENGERS AND CREW KILLED, 50 INJURED

BARCOLIA, Spain, Sept. 1. (AP). - Twenty-four passengers, all Spanjards, and the entire crew of a mail train are known to have been killed and about 50 injured early today when a mail train CASH BOXES DISAPPEAR DURbound for Valencia was wrecked.

ENGINEERS APPROVE DAM SAME COMMISSION APPLICA-TION SATISFACTORY

WASHINGTON, Sept. 1 .-- Army tion by the Oregon state game bert river, near Scappoose.

36 BLOCKS YET TO BE PAVED BY CITY CREW

CITY STREET COMMISSIONER ISSUES STATEMENT

Year's Program Will Be Completed by October, Says Walter Low

Thirty-six blocks remain to be paved by the city paving crew this year, according to a statement made yesterday by Walter Low, city street commissioner. He work Wednesday because of the rain on Tuesday, but expects to start again this morning provided theer is no more rafn.

Mr. Low expects to finish his program easily this fall, as he believes there will be plenty of fair weather in September and in October. Last year the crew worked until late in October, and he sees no reason why it cannot do so this

Ten blocks are already graded. include two blocks on South Liberty street, two on South Saginaw. one on John, three on South Cottage, and two on South Winter.

The rest of the paving for the season includes eight blocks of Cross street, five on South 14th, six on Lee, three on Mission, two on Madison, two on South, and three on Myrtle. Four other blocks on Myrtle will not be paved this year, according to Mr. Low.

McKINLEY MAY SURVIVE ILLINOIS SENATOR SHOWS IMPROVEMENT

MARTINSVILLE, Ind., Sept. 1 -(A.P.)--Rallying today from a emi-conscious state, Senator Wm. B. McKinley of Illinois, critically Il here, showed such improvement that his physicians were hopeful that he might survive the present attack of sciatic rheumatism. Early today the senator, who is

AUDIENCES ENTERTAINED BY

"CANNED" MUSIC

his family.

SAN FRANCISCO, Sept. 1 .and Marin, and the managers were a trip to Crater Lake. attempting to keep their houses going with "canned" music and BOYS TO GET BADGES volunteer help.

THIEVES GET GOOD HAUL

CLERK'S ABSENCE

PORTLAND, Ore., Sept. (AP.)—Checks totaling \$1,190 ngineers today approved applica- stepped from the room for a momcommission for a dam across Bil- that two cash boxes had been stolen

ON INCOME TAX

Convention Will Seek Higher Compensation for In-

OFFICERS NAMED TODAY

Conference With Employers Is Planned to Work Out Concrete Proposals for Legislative Action

KLAMATH FALLS, Ore., Sept. -(By Associated Press.)-The first rift in the harmonious atmosphere surrounding the 24th annual convention of the State and the rest are expected to be Federation of Labor occurred today when the convention turned Low stated. The 10 graded blocks down the recommendation of the committee on law and legislation to take no action on the Dennis

The resolution, if enacted by the state-legislature, makes it impossible for the state of Oregon to have a state income tax on inheritance for 14 years.

C. M. Rynerson, chairman of the committee, explained to the convention that inasmuch as the resolution did not directly affect the federation of labor, the committee had decided to recommend hat no action be taken. Delegates jumped to the floor,

opposing Rynerson's report and after a fight on the floor of the convention which lasted for several hours, the convention decided to place the federation on record as opposing the resolution.

unamiously as favoring a compulsory rather than a voluntary, state compensation law, and a revolution there. President Chahigher rate of compensation to inmorro, above, contends Mexico is 70 years old, regained conscious- jured workmen.

ness and talked with members of egislative board to call a confer-The Chicago & Northwestern and THEATRE HELP STRIKES to coming to a common agreement mitted.

The convention will close to-Tomorrow mornmorrow noon. (A.P.) — Theater musicians, stage ing federation officers for the enhands, motion picture operators suing year will be nominated and and other union workers of stage- the 1927 convention city selected. land were on strike today in four Last night the 200 delegates were central California counties-San banqueted by the local labor coun-Francisco. Alameda, San Mateo cil. Friday they will be taken on

LIFE SAVING AWARDS TO BE GIVEN SWIMMERS

Junior swimming and life savng badges will be awarded this week to boys who successfully passed the required tests at the YMCA summer camp. To obtain a and \$200 in cash were stolen from life saving badge a boy must bring the safe of the Roberts Motor a 10-pound bag from the bottom company here today. The cashier of water seven feet deep, disrobe had just opened the safe and in the water, demonstrate four releases on land and two in water, ent and discovered on her return tow a body 20 feet and show the method for resuscitating drowned limited to the alleged irregular ex-

> To obtain the junior swimming badge a boy must swim 100 yards, any style, in one minute and 55 seconds, swim 50 feet on his back in one minute and 25 seconds, and

> The boys who passed the swimming test are Norman Winslow,

re William Baga, John Mock, Paul Lewis, William Hawley, Julian Smith, Richard Devers, John Bone, Wesley Heise, Joe Hershberger and Fred Matchman.

INFLUENCE ONLY URGED KNIGHTS OF COLUMBUS TELL COOLIDGE OF MEXICO

PAUL SMITH'S, N. Y., Sept. 1 -(AP.)-The Knights of Colum- bers of the Multnomah County Rebus hopes the Washington gov- publican club. ernment can use its good offices under international law to ameli- it plain that the grand jury has orate conditions in Mexico, but not been called in special session does not ask intervention, James to investigate the U'Ren charges. A. Flahery, supreme knight of the but that they will be probed in order, informed President Coolthe regular order of business.

TRAIN SERVICE STARTED

*KLAMATH FALLS, Sept. 1 .-(A.P.)-Through freight service on the Cascade line between Klamath Falls and Portland was inaugurated loday when the first Steiwer was present, a resolution train arrived here from San Francisco at 5:45 this morning and ing of an independent candidacy left for Portland an hour later.

LIEVED HELD IN ILLINOIS

PEORI, Ills., Sept. 1 .- (AP). Ray Wilson, 23, but who, authori- land grant counties." ties believe, may be the much wanted Hugh D'Autremont, young publicanism and party loyalty derer, was taken into custody by Bert Anderson, who delivered a deputy sheriffs here today.

Gunboats Guard U.S. Interests in Nicaraguan Crisis

HOHOURAS

COMINTO

NICARAGUA

BLUEFIELDS

Two U. S. warships have been

stationed at the Nicaraguan ports

of Bluefields and Corinto (indi-

cated on map above) to protect

American life and property should

serious trouble result from the

violating international agreements

STEIWER EXPENSES WIL

MARION COUNTY GRAND JURY

TO SIFT CHARGES

Scope of Investigations. Will be

Hands of Jury, District

Attorney Says

Investigation by the Marion

treasurer of the Steiwer-for-Sena-

counts certain funds paid to Chas.

E. Henshaw and others, will get

under way here next Tuesday.

While it was at first reported

previous to the primary election.

trict Attorney Carson intimated.

filed the original charges with the

States senator at the primary elec-

ion; Mr. Steiwer, Mr. Lateurette,

The district attorney has made

STANFIELD FILING HIT

JACKSON COUNTY REPUBLI

CANS CONDEMN CANDIDACY

MEDFORD, Sept. 1 .- (AP) .-

At a meeting of the Jackson coun-

ty central committee this after-

States Senator Frederick W

was adopted condemning the fil-

by Senator Robert N. Stanfield.

the resolution, was called upon

for a talk, and after thanking the

committee, said "the passage of

the resolution is significant, as

Jackson county was one of the

strongest supporters of Mr. Stan-

field, and is one of the largest

Loyalty to the principle of re-

were stressed by Mr. Stelwer and

keynote address.

Steiwer, after the passage of

noon at which nominee-far-United

Mr. Hinshaw and certain mem-

jured Workmen

The convention went on record

and lending active aid to the revo-The convention instructed its lutionists.

ence with employers with a view over the law in order that a concrete proposition could be sub- BE AIRED HERE TUESDAY

do a standing dive.

Richard Devers, Ernest Short, Willis Hawley, Louis Hershberger and Phillip Doddridge. Boys passing the life saving test

idge today.

FIRST THROUGH FREIGHT AR RIVES OVER CASCADE LINE

CLAIM MURDERER TAKEN HUGH D'AUTREMONT IS BE

A youth who identified himself as Pacific coast mail bandit and murShortridge Gains Sweeping Victory, Prohibition Battle Continues TWO DRYS VOTED DOWN

(WEEKLY EDITION)

Interest Runs High as Final Battles Hold Fate of Representatives, Two Are Still in Doubt

PAUL SMITH'S, N. Y., Sept. 1. -(AP).-While formal comment was not made, it was said today by officials at the summer White House that the apparent renomination of Senator Shortridge in the California primaries was naturally very gratifying.

SAN FRANCISCO, Sept. 1 .--AP) .- Governor Friend W. Richardson late tonight continued to cut into the lead rolled up against him by Lieutenant Governor C. C. Young, his opponent in the contest for the republican gubernatorial nomination. In returns from 7542 of 8274 California precincts Young's margin dropped to 11,722, a little more than half the lead he had at noon today.

The vote: Young 304,675; Richrdson 292,953; Goodcell 99,148; McClellan 6,305; Mitchell 3,986; Thomas 4,026.

Most of Richardson's gain was accounted for in a sudden upward rush of his total in Los Angeles county where, for the first time since tabulation of yesterday's ballots began, he moved ahead of Lieutenant Governor Young. A sweeping victory for U. S.

Senator Samuel M. Shortridge was indicated and he was leading his anti-world court opponent, Robert M. Clark for whom Senator Hiram Johnson stumped, by almost 60,-000 votes. The figures: Shortridge 218,390; Clarke 159,317; Representative Walter F. Linberger 78,702.

Contests in four congressional districts where wet candidates bid for support on medification or reeal platforms developed two victories.

In the fourth, Mrs. Florence Prag Kahn, wet, republican incumbent, overwhelmingly defeated a field of candidates who included Mrs. Cecil D. Hamilton, clubwoman, advocate of strict prohibi-

(Continued on page 5.)

county grand jury of charges filed JOHN MINTO RITES HELD by W. S. U'Ren, Portland attorney, that Frederick Steiwer, re-FORMER MARION COUNTY PIOublican nominee for United States NEER LAID TO REST senator, and John Latourette,

PORTLAND, Sept. 1.—(A.P.) tor committee, failed to include in Funeral services for John W. Mintheir primary election expense acto, ex-chief of police and postmaster in Portland, and for many years a prominent citizen of Marion and Multnomah counties, were This was announced by District held yesterday according to rites Attorney John H. Carson yesterof the Masonic order, of which he was a member. Rev. H. M. Ramsey, dean of St. Stephens pro-

that the investigation would be cathedral. officiated. Mr. Minto died Monday at his pense accounts, it was said yestercountry home near Damascus, Or., day that the probe may be exwhere he had been engaged in the tended to include the so-called nursery business since his retirefraudulent "yellow ticket" which ment from public office. He was appeared in Portland a few days 77 years old.

The district attorney was advised, HARTLEY SAYS HE'S BOSS according to reports here, that a number of these tickets were cir-"CAN'T SCARE ME," DECLARES culated at Mt. Angel and in other DEFIANT GOVERNOR Catholic centers in Marion coun-

SEATTLE, Sept. 1 .- (AP) .-The scope of the investigations Governor Hartley told the Exprobably will be left entirely in change club at lunch here today the hands of the grand jury, Dis- that "no son of a gun can scare me. I'm going to run the office Among the witnesses who will of governor so long as I am there be subpoenaed to appear before and nobody is going to scare me

the grand jury are Mr. U'Ren, who off the job.' The governor said he would secretary of state; Robert N. Stan-continue to have his speeches field, who was defeated by Mr. printed at the cost of the state. Steiwer in the contest for United He explained that he did not believe his salary was intended for that purpose.

RAINFALL BREAKS MARK FIVE INCHES RECORDED IN 40 MINUTE PERIOD

CALGARY Sept. 1 .- (AP)-Southern Alberta's rainfall in 36 hours preceding 8 o'clock tonight exceeded the total for the last six years. Five inches of rain fell in the Arrowhead district today in 40 minutes. A large irrigation ditch between Carson and Arrowhead raised 4 feet yesterday, Ditches 15 feet deep were cut in roads by the onrushing water.

GET A FLAG THIS WEEK

The Statesman is making it possible for every home to fly a flag on Labor Day.

By clipping a coupon which appears in this paper every day any reader of The Statesman can get one of these beautiful 3x5 foot flags for only 98 cents.

If you want one of these flags for Labor Day you had better come in today as they are going fast.

WE DON'T WANT TO BELITTLE MR. HOUDINI, BUT-

