

WEATHER FORECAST - Clearing weather; colder; decreasing northwest winds. Maximum, 51; minimum, 45. River, 3.5; Rainfall, .45; atmosphere, cloudy; wind, northwest.

The Oregon Statesman

HAWLEY HALTS TAX LOWERING CREDIT BILLS

Treasury Surplus Will Be Applied to Reduction of Public Debt

MINORITY IDEA REJECTED

Benefits to Be Felt by All Taxpayers Instead of Those Limited to Paying Income Tax Assessments

WASHINGTON, Dec. 11.—(AP)—Thumbs were turned down by the republican membership of the house ways and means committee today on all tax reduction legislation including President Coolidge's tax credit plan, for the present session.

As a result, by a strictly party vote, the committee adopted a motion by Representative Hawley, of Oregon, ranking republican, to table all revenue proposals. It carried after brief but sharp debate had brought out that the president's suggestion would be the only one among those to be tucked away into a legislative pigeon-hole.

This means that, under existing law, the treasury surplus will be applied to reduction of the public debt at the end of the fiscal year, June 30.

Such disposition was recommended by the president as alternative for tax credit. In his message to congress he estimated the surplus at \$383,000,000 while democrats have placed it at \$500,000,000.

It is to action on the Hawley motion another clear cut party line. Representative Gartner, of Texas, ranking minority on the committee, to hold hearings on the \$385,000,000 democratic tax reduction bill.

Gartner, author of the proposal, precipitated the discussion, urging the commission first to take up his bill, drafted with approval of all democratic leaders. He then vainly sought to use the president's proposal as a vehicle to bring the subject of tax revision before the committee.

After the meeting Chairman Green issued a statement asserting the republican committee members felt the surplus best could be used to reduction of the national debt, rather than for a credit.

"They recognize that there is much to be said in favor of this proposal," he said, "but of necessity the benefit of this reduction would be limited to income taxpayers."

FLAX ACREAGE BEING SIGNED

FIELD MAN MEETS UNEXPECTED DEMAND FOR CONTRACTS

Folk County to Double Amount, Farmers Plan for Rotation of Crops

The signing up of the flax acreage for the state flax plant for next year is going to be an easy and pleasant task. Col. W. B. Britram, field man for the state and the Oregon Linen Mills, Inc., is finding a rather unexpected demand for acreage on the part of farmers for contracts to grow flax.

Polk county will easily double her acreage of this year.

What Col. Britram calls the Aurora district is asking for a large increase over this year. In that section Butteville had two contracts for this year and asks for eight for next year. Bicksburg had one this year, and wants nine for next year. St. Paul had two, and will sign for eight; and rather large tracts, with good land to grow flax.

St. Angel will more than double her acreage of this year.

A Very Good Sign

Practically every farmer who is applying for flax acreage proposes to follow a rotation scheme, which it is the wish of the state to have followed. Nearly every grower will apply fertilizer next year.

It is likely that there will have to be some rejections, or cutting down of acreage, before the planting season arrives. The indications are that there will be more acreage offered than the state can accept—more than the state flax plant has the facilities to handle though there is likely to be a considerable increase capacity, through the addition of new machinery and equipment.

LOCATE GRAVEL BOUNDARY LINE

COMPANY TO PAY STATE ROYALTY FOR SOME SAND

Survey of 1890 Used Largely, Complaints Made to State Land Board

In accordance with recommendations made by the state engineering department, the state land board entered into a contract with the Ross Island Sand and Gravel company for the locating of a new boundary line in the Willamette river yesterday.

The contract settles the controversy involving the various sand and gravel operators in Portland. The new line being along the 1890 survey with a few minor changes, and the Ross Island Sand and Gravel company shall pay royalty on all sand and gravel removed from the river outside the new boundaries.

"In reaching our conclusions," read the report of the state engineer to the land board, "we conferred with the representatives of the Ross Island Sand and Gravel company, members of your board and others. We felt it was of mutual advantage to agree upon straight lines as far as practical, in order that in dredging these locations the line could be indicated by dolphins and the state would be able to keep close account of the material for which the state is entitled to pay.

"The engineers and your committee, with W. G. Brown, representing the Ross Island Sand and Gravel company, straight lines on the south end of the property which we believe are as nearly accurate as is possible to make them, based on the 1890 survey.

"The engineers also have drawn a straight line across the north end of the high water channel between Ross and East Islands, 200 feet south from the harbor line, which encloses as much ground as is embraced in the regular ship-inlet at the north end of this high water channel.

"Owing to the condition of the river it has not been practical to survey the present low water line surrounding this property. It is also possible that this line has, to some extent at least, been changed by dredging. The Ross Island Sand and Gravel company is ready to agree with your board that if the lines indicated are adopted that they will enter into an agreement that this shall not prejudice the rights of either party, but that should your board wish to survey this low water line it may do so and that when such survey is made such further action by either party may be taken as conditions at the time may warrant without prejudice by reason of this present settlement."

Investigation of the operations of the Ross Island Sand & Gravel company was ordered by the state land board, after complaints had been filed by other operators that the corporation complained of was operating on state property without paying royalty to the state. It was charged that this was unfair competition.

SMITH HAS HARD LUCK

Unlucky Day for Supervisor of Pasadena Schools

PASADENA, Cal., Dec. 11.—(AP)—This was hard luck day for Earl R. Smith, attendance supervisor of Pasadena schools. He started to lunch and his car broke down. He cracked his head on the door while climbing out of the car. He slammed the door and broke the glass. He went to lunch and broke a tooth while eating oysters. He discovered he had bitten into a pearl—and had bitten it in two.

SEVEN CONVICTS ESCAPE

Deputy Sheriff Brutally Assaulted by Prisoners

ST. LOUIS, Mo., Dec. 11.—(AP)—Seven prisoners in the St. Louis county jail at Clayton, a suburb held on various charges including murder and robbery, escaped late today after brutally assaulting Deputy Sheriff Rudy Baumer, acting deputy. He was knocked unconscious by a blow on the head.

YESTERDAY IN WASHINGTON

Prosecution and defense rested in the Fall-Doherty oil trial. Prospects of tax legislation by congress received a definite setback. President Coolidge asked congress for \$175,000,000 to finance tax refunds.

SEAMAN HERO OF EXPLOSION ABOARD SHIP

New York Harbor Gets Shock as Explosion Rips Oil Carrier Apart

TWO SERIOUSLY INJURED

Hundreds of Families Living in Tenements Along Waterfront Flee From Homes Fearing Munition Discharge

NEW YORK, Dec. 11.—(AP)—A series of explosions aboard the oil tanker Agwisun, anchored in Battermillk channel, off Brooklyn, tonight shook New York harbor. Two men were seriously injured and taken to a hospital. Fifteen men of the crew of 35 were on board the vessel at the time, but due to the alertness of Thor Brage, oiler, they all escaped. A few received injuries.

After the first explosion Brage flung a line to a tug 30 feet away and the men aboard the Agwisun climbed over hand to safety before a second explosion came which twisted the steel plates of the fore part of the vessel apart.

Algot Johnston, machinist on the boat, received a fracture of the leg. Joan Walters, a shipyard worker, who was about 10 blocks from the scene of the explosion, also suffered a broken leg when thrown by the blast. Both men, residents of Brooklyn, were taken to the Long Island College hospital.

Windows were broken within a half mile radius of the scene.

Hundreds of families living in tenements along the waterfront fled from their homes fearing that munitions explosion had occurred.

All the tanks of the ship had been emptied of oil when the explosion occurred and were being cleaned preparatory to refueling. It is believed that the explosion was of gas accumulated in them from the acid used in cleaning.

About an hour after the explosion the Agwisun sank.

DISTRICT BONDS SIGNED

State officials yesterday signed \$53,000 of Oregon district interest bonds which were issued recently to care for the interest due on securities voted by the various irrigation districts.

LONGVIEW SPAN GETS APPROVAL

SEN. McNARY LOSES FIGHT AGAINST MEASURE

Bill Would Authorize Engineers to Build Bridge and Collect Tolls

WASHINGTON, Dec. 11.—(AP)—The senate concluded its first real controversial legislative task of the session—whether to allow construction of a bridge across the Columbia river between Longview, Wash., and Rainier, Ore.—by approving the measure today after almost two days of wrangling and sending it to the house.

Quorum calls followed each other rapidly as Senator Jones, republican, and Dill, democrat, Washington, sounded the merits of the proposal and Senator McNary, Oregon, dwelt at length on the calamity which he said construction of the bridge might bring by blocking traffic between Portland and the sea.

When opposing senators had finished answering and assailing each other, the senate, without even the formality of a record vote, calmly approved the bill and then got into a fight as to what to consider next, the majority.

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PORTLAND WANTS STATE BUILDING

LEGISLATIVE APPROPRIATION TO CAUSE DISPUTE

Rose City Claims Need for Extension Offices of State Departments

Following the recent agitation for the erection of a new state office building to accommodate the increasing state departments, boards and commissions, reports were received here yesterday that in event the proposed new structure is approved by the next legislature an effort would be made to have it located in the city of Portland.

It was argued that in locating the proposed new building in Portland it would provide accommodations for the state game commission, state fish commission, state historical society, state welfare commission and a large number of other departments which are now housed in privately owned structures.

Persons favorable to having the proposed new building located in Portland also contended that such a move would provide branch offices for the state insurance commission, state corporation commission, state superintendent of banks and other departments.

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SCHOOL OFFICERS PRAISE TURNER

ASPINWALL ELECTED PRESIDENT AT COUNTY MEET

Take Action About Transportation of Pupils and Payment for Directors

Resolutions were passed in the meeting of the Marion county school officers yesterday afternoon for several legislative acts benefiting the district schools of the county.

The two most important improvements voted on were concerning transportation of pupils and paying of district school directors. At the present time a director of a district is not allowed under any circumstance to accept money for work done in interest of the schools, which in some cases of repairing of buildings and other material aid rendered, either forces the school to go without repairs or else the district is forced to pay excessively for the work. The directors being in a position to assist if compensated for time lost at their regular work.

Also at the present time a district cannot vote funds for transporting high school pupils into other district schools or any distance without being forced to pro-

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POLICE WRANGLE OVER RADIO MAN

ORMISTON'S CUSTODIAN'S REPORT HIM WILLING CAPTIVE

Los Angeles District Attorney Reported Due in Chicago Today

CHICAGO, Dec. 11.—(AP)—While Kenneth Ormiston rested today in a suite afforded by his captors from the journey which followed his detection at Harrisburg, Pa., officials of Chicago and Cook county bickered over the disposition of the unarrested prisoner.

The former radio operator, charged in California with subornation of perjury and conspiracy to obstruct justice in connection with the Almece McPherson case, eluded with complete success all newspaper men except these whose guest he is, and apparently was undisturbed by the asperities which he aroused between the chief of police and the state's attorney.

The latter official, Robert E. Crowe, telephoned today to Chief of Police Morgan A. Collins, said that he understood that Ormiston had been brought to Chicago last night in the company of Harry Donnelly, a city detective and directed that

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EVIDENCE ENDS IN CONSPIRACY TRIAL OF FALL

Conclusion Comes Four Years to the Day of Signing of Oil Leases

NOTED SINGER TESTIFIES

Counsel Agree Jury Must Convict or Acquit Both Although in Case of Conviction Penalty May Vary

WASHINGTON, Dec. 11.—(AP)—Four years to the day from the signing of the celebrated Elk Hills naval oil reserve lease, presentation of evidence was concluded today in the criminal conspiracy trial of Edward L. Doheny, veteran California oil man, and Albert B. Fall, former secretary of the interior, which grew out of that transaction.

Twelve hours of argument evenly divided between prosecution and defense counsel, remain before the jury's charge to file into its quarters late Tuesday or early Wednesday to write the verdict which will terminate the first criminal trial born of the senate's senatorial inquiry into the oil leasing policies of the Harding administration.

Conviction would carry for each defendant two years imprisonment, or a fine of \$10,000, or both. Counsel agreed the jury must convict or acquit both although, in the event of a conviction, the penalty may be varied as between the defendants. There is no authority for a prosecution appeal, an acquittal would end the criminal case forever. A conviction likely would be followed by an appeal to the United States supreme court.

The defense ended its case today with dramatic swiftness without calling to the stand the former cabinet member in whose jurisdiction the naval oil reserves were vested by President Harding's executive order of May 31, 1921.

Only two witnesses, Postmaster General Neal and Charles N. Bassett, El Paso, Texas, banker, were called in behalf of Fall. Both testified they knew the defendant to be of good repute for honesty and integrity.

The abrupt termination of the defense case followed announcement by Owen J. Roberts, special government prosecutor, that he had abandoned tentative plans to summon former Secretary of State Hughes for further inquiry concerning the 1921 Pacific war scare which impelled the navy, according to defense testimony, to push its plan for a 4,000,000 barrel oil storage plant at Pearl Harbor. H. H. Doheny, linked with the Pearl Harbor award to Doheny's Pan-American Petroleum and Transport company, in April, 1922, was the Elk Hills, Cal., lease of December 11.

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MELLETT TRIAL STARTS

Jury Locked Up Over Week-End Under Guard

CANTON, Ohio, Dec. 11.—(AP)—After six months' investigation into the murder of Don R. Mellett, Canton editor, the state Monday will lay its case before a jury in the common pleas court of Judge Edwin J. Ditch. Prosecutor C. B. McClintock, in his opening argument, will tell the jury that he seeks to prove that Patrick Eugene McDermott, first of three co-defendants to be tried, was an underworld hirling who joined in the counter attack of organized vice against the editor's crusade.

The defense, counseled by E. L. Mills, James Emsley and Homer C. Durand, will declare that McDermott not only did not kill Mellett, but that he does not know who were the conspirators.

CALGARY STORM CENTER

Snow Driven in Drifts Throughout Manitoba Area

WINNIPEG, Man., Dec. 11.—(AP)—While snow was driven in drifts throughout Manitoba, Alberta and Yukon territory today, rain accompanied a thaw in Saskatchewan. The streets of Regina, Sask., ran with water. Snow continued to fall in Manitoba. Two and a half inches had fallen in Winnipeg by 3 o'clock. The cold wave which followed a warm spell, dropped the thermometer from 54 above to 10 below in Calgary, the vortex of the storm.

The Statesman Christmas Cheer Fund

It is growing each day as young and old decided to associate themselves with Santa Claus in spreading happiness. They realize Santa cannot reach all of the worthy kiddies and so are willing to enter into partnership with him. The cheer crowd grows longer each day as people work for an unselfish Christmas. Being or send your contribution to the Christmas Cheer Fund, editor.

Amount previously acknowledged \$29.00
Check 25.00
Marvin I. Stokes25
Unselfish Boy, No. 2 1.00
Cash50

CHRISTMAS CHEER FUND INCREASING

SANTA CLAUS PARTNERSHIP GROWING DAY BY DAY

Clothes, Food and Bedding Accepted as Part of Christmas Cheer Work

Yesterday another unselfish boy came into The Statesman office and gave of his merriness savings that others might have a little happiness on Christmas day. When he left his face was wreathed in smiles because of the good he was doing. Other contributions came in during the day and so many formed a partnership with Santa Claus to assist him in caring for the worthy kiddies.

Many people have clothing, food and bedding to give away. There are needy families throughout the community, who really appreciate such things. The Christmas Cheer editor has decided to include such contributions on the list and so has made arrangements for all such things to be delivered to the Salvation Army rooms on State street. The Army will see that they are placed where they will do the most good. With the privilege of such added contributions the unselfish spirit of Christmas is growing rapidly.

Another good thing about this spirit of unselfish Christmas is to be found in the fact that some have asked for names of youngsters and will play Santa themselves. This is fine and we wish that more would follow their example.

The time is growing shorter in which to join the cheer crowd.

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HOT TEXT FIGHT COMING

Bill Being Planned to Furnish Free School Books

One of the spirited fights of the next legislature probably will center on a bill now being prepared by an Eastern Oregon legislator providing for free textbooks for the school children of Oregon. In event the bill is approved by the legislature the textbooks would be printed in the state printing office and distributed through the state educational department.

Reports received here indicated that the sponsor of the bill has not yet determined definitely the amount of money it would cost to print the textbooks, nor the expense that would be entailed in equipping the state printing plant to handle the undertaking. It was said that these figures were being assembled.

ELECTION OF OFFICERS

Nominating Committee Appointed to Report

The annual election of officers of the Salem business men's league will be Thursday, December 22, at 8 o'clock in the chamber of commerce rooms. A nominating committee has been appointed by G. E. McAfee, president. The chamber of commerce annual election is scheduled for Monday, December 20.

The president of the business men's league, and the King Bing of the Cherrians will automatically become directors of the chamber, as these two organizations are auxiliaries of the chamber.

The Cherrian election is scheduled for Tuesday, December 14.

"Red Robin" and "Fine Manners"

had big houses at the Elsinore yesterday. And satisfied ones. Wonderful presentations. Last times today.

TEXTBOOK ROW DEVELOPS NEW RAMIFICATION

Kozer and Turner Decide Not to Fight Against Court Injunction

PIERCE STANDS ALONE

Signatures of All Education Board Members Needed to Make State Contracts with Publishers Valid

A new ramification in the state text book problem loomed yesterday as a result of an action taken by R. R. Turner, superintendent of public instruction, and Sam Kozer, secretary of state. Mr. Turner and Mr. Kozer represent the majority members of the board, while Governor Pierce, the third member, is opposed to their present action. They requested the attorney general not to appear for them in the injunction suit now pending in Multnomah county. Also, the attorney general was asked not to show cause why the injunction suit should not be made permanent. This injunction suit is at present temporary and restrains the board of education from signing contracts with publishers of books adopted at the meeting of the textbook commission.

Attorneys said the refusal of two members of the board of education to appear in court would mean that the temporary injunction would become permanent, and that the signing of any contracts for text books for the next six year period necessarily would have to be deferred until remedial legislation is enacted at the 1927 session of the legislature.

The suit to obtain the state board of education from entering into contracts with the publishers for textbooks adopted at the November meeting of the state textbooks adopted at the November meeting of the state textbook commission, was filed by P. J. Gallagher, Portland Attorney, on behalf of David L. Graham, taxpayer and school patron of Malheur county. It was alleged in the complaint that the text-book commission was not legally constituted, and that samples of text-books up for adoption at the recent annual meeting, were not in the hands of members of the commission 60 days prior to the adoption.

Mr. Kozer's letter to the attorney.

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CENTRAL OREGON STRUCK BY WIND

NEAR BLIZZARD DESCENDS ON DESCHUTES COUNTY

Power Service Intermittent at the Dalles During Rain Downpour

BEND, Ore., Dec. 11.—(AP)—Central Oregon tonight was in the grip of a storm of wind-driven snow which has whitened the mid-state country. The near blizzard, the first real storm of winter in central Oregon followed in the wake of a high wind which whipped over the Deschutes country last night and this morning. The gale of last night, which reached a velocity of 60 miles an hour in places, felled a great many trees in the pine forest of the Deschutes basin.

THE DALLES, Ore., Dec. 11.—(AP)—High winds and rains were experienced last night and today with little storm damage reported. Power service was intermittent early this morning. No slides of consequence were reported on highways extending from The Dalles.

EUGENE, Ore., Dec. 11.—(AP)—Intermittent showers that had been falling today, ceased at 9 o'clock tonight, after threatening to break a two-year snowless record when a chill northwest wind sprang up but brought only clearing skies. Heavy snowfall is reported from the high levels in the Cascade mountains.

WALLA, WALLA, Wash., Dec. 11.—(AP)—Walla Walla got only a nip of the tempest which has been sweeping sections of the state, the maximum velocity in the city being 13 miles an hour today. This is heavier than usual and outside the city the wind blew harder. A drop in temperature was predicted for tonight.

