

The Oregon Statesman

SALEM, OREGON, TUESDAY MORNING, JANUARY 25, 1927

WEATHER FORECAST: Rain west and snows east portion; somewhat warmer; fresh southeast winds on coast. Maximum yesterday, 33; minimum, 29; river, 5.9 and falling; rainfall, .28; atmosphere, cloudy; wind, northwest.

The New York Times says that European nations are getting tired of having Americans tell them to "put their house in order." Then why don't they do it?

SEVENTY-SIXTH YEAR

PRICE FIVE CENTS

\$900,000 CUT FROM BUDGETS BY COMMITTEE

State Engineer Appropriation Allowed; Girls' School Fund Increased

UNIT RULE APPROVED

Plan to Make Board of Health and Public Service Commission Self-Supporting; Other Reductions

The joint ways and means committee continued their cutting work last night and when the adjournment came they had lopped off \$900,000 from the budget proposed by the state budget commission. This budget had been prepared several weeks ago by the commission and submitted to the ways and means committee for their investigation and approval. From all indications the various budgets will be cut some more when the bills are introduced which will make the state board of health and public service commission self supporting. The state board of health had asked for an appropriation of approximately \$75,000 for the current biennium, but this was reduced recently by the ways and means committee to \$40,000. It was suggested that this activity probably could be made self supporting through the adoption of a fee and tax system. A small tax would be levied on premiums of life insurance corporations operating in the state, while fees would be charged by the department for water examinations and other activities.

Two bills for the support of the public service commission were submitted to the ways and means committee tonight. One of these bills provided for a tax on public utilities, while the other authorized collection of fees for certain activities of the department. It was estimated that the tax bill would raise \$70,000 during the biennium, while the fee collected under the other bill would raise approximately \$20,000. At the request of Senator Strayer it was decided to defer action until the bills could be amended so as to

BROWNING TRIAL SCENE CHANGED

HEARING TODAY WILL BE WHERE PEACHES WANTS IT

Real Estate Dealer Closes Case in 35 Minutes, Alleging Desertion

CARMEL, N. Y., Jan. 24.—The first act of Edward W. Browning's separation trial suit against his wife, the former Frances (Peaches) Heenan, closed here today with the case deserted and all the property men bound south for a new "opening" at White Plains, N. Y., to which Justice Seeger ordered it transferred. The main street of Carmel, which at 10 o'clock in the morning was black with automobiles, sleighs, photographers, reporters and farmers, was tonight a single ribbon of beaten snow, with nobody on it.

At White Plains, however, technical men were busy installing wire loops, phone and telegraph circuits, for the continuing army of press representatives. And the court room there is scheduled to open at 10 o'clock, when for the second time Supreme Court Justice Seeger will conduct the trial, this time in the town and jurisdiction preferred by Mrs. Browning.

In 35 minutes today, Mr. Browning, 51 year old New York real estate man and plaintiff, ended his case, charging that the high school girl he married 20 miles east of here in April 20, 1926, willfully abandoned him in October, the same year. She is now 16.

He used two witnesses, his chauffeur, Edward P. Carney, and his secretary, John T. Gorman, and did not personally take the stand.

Carney testified that he moved Mrs. Browning's trunks from Mr. Browning's Kew Gardens home on Long Island, to the home of Mrs. Browning's mother, Mrs. Catherine Heenan.

He said the move was ordered by Mrs. Heenan, from whom he took orders, although employed by Browning, although employed by Browning.

He told of a telephone conversation on which Browning called to him to "listen in," when Mrs. Heenan is said to have declared her daughter "through" with the real estate man. Both Mrs. Browning and her mother had likewise said they were through, "sick and tired" and "would

DEDUCT \$23,608 MARION'S CLAIM

OREGON'S SHARE OF LAND GRANT FUND \$1,349,891

Courts May Be Called Upon to Decide Whether State Entitled to Share

According to a report compiled by the state commission here yesterday Marion county would have deducted from her claim on the Oregon and California land grant funds an amount totaling \$23,608.

The state of Oregon's share of the Oregon & California land grant refund would aggregate approximately \$1,349,891, which would be deducted from the claims presented by the various counties entitled to participate in the distribution. Of the total amount of the tax refund that would be received by the state Douglas county would contribute \$312,168. Jackson county would contribute \$250,443 and Lane county \$228,460.

Amounts that would be deducted from the aggregate claims of other counties for the benefit of the state, for Douglas county \$55,430, Clackamas \$85,024, Columbia \$36,795, Coos \$76,090, Curry \$56,229, Josephine \$92,615, Klamath \$22,040, Lincoln \$43,651, Linn \$48,988, Marion \$23,608, Multnomah \$12,189, Polk \$61,070, Tillamook \$7,301, Washington \$13,377, and Yamhill \$13,801.

The state tax commission read the report, "in making the distribution of state taxes for the year 1917, on the rolls of 1916, quite properly took into consideration the forfeiture to the grant lands of the federal government. Therefore the grant counties were charged with a relatively less amount of the state expense and, with this decrease in revenue, other counties were obliged to assume an additional burden.

To illustrate further, if the for-

SWAN'S BILL POSTPONED

Bill for Withholding Salary Increases Shelved for Time

Action on house joint resolution number one, introduced by Representative Swan of Linn county, prohibiting the increase of salaries during the term of legislators voting on them, has been indefinitely postponed.

In a hot session following the negative return of the bill from the committee on resolutions, representative Swan accused members of that committee of purposely shelving his resolution until salary increases could be hurried through both houses of the legislature.

Swan told fellow members to leave his county alone on salary bills, saying that they would raise them themselves, if necessary.

DUNNE OFFERS TOLL BILL

Multnomah Senator Would Repeal Interstate Bridge Toll

Senator Dunne of Multnomah has introduced a bill to repeal tolls of the interstate bridge between Portland and the state of Washington.

The state highway commission, under the bill, is authorized to pay Multnomah county such price or compensation as may be agreed upon between the county commissioners and the state highway commission, for the county's share and title in the structure.

YESTERDAY IN WASHINGTON

The supreme court adjourned until February 21.

Cyrus E. Woods' nomination was rejected by the senate.

Democrats in the house moved to call up their tax reduction bill.

Trial of Albert B. Fall and Harry F. Sinclair was postponed until April 25.

The senate judiciary committee recommended a blanket investigation of federal patronage "sales."

Charles Chaplin's attorneys asked the government to remove its hands upon the movie actor's bank funds.

The house decided not to insist on the Hull amendments to the McFadden branch banking bill.

Acceptance of the American Cyanamid company's new bid for Muske Shoals was proposed by Representative Madden of Illinois.

Prohibition was debated in the senate. Representative McLeod of Michigan asked for investigation of enforcement in the Detroit district.

Bids for ships of the United States and American merchant lines, including the Levathan, were rejected by the shipping board.

Senator Cameron of Arizona requested an inquiry into charges that public lands in the southwest had been fraudulently delivered to private interests.

LEADER STIRS MEXICAN LABOR AGAINST U.S.

"Yankee Imperialism" Object of Tirade Urging Aid to Government

REBELS GROWING ACTIVE

Revolutionists Count Upon "Infamous Cooperation of Oil Companies," Speaker Tells Workmen

MEXICO CITY, Jan. 24.—(AP)—An appeal to Mexican organized labor to rally solidly to the support of the Mexican government and against "Yankee imperialism which seeks any pretext for armed invasion of Mexico and threatens all Latin America," was made by the labor leader, Jose Gutierrez, addressing a mass meeting of workmen under the auspices of the regional Confederation of Mexican Workers today. In the meantime further bandit or rebel attacks are reported in several parts of the republic, while the war department announces additional federal successes in half a dozen engagements with revolutionaries in different sections of the state of Jalisco, where the uprisings are said to have been more serious than elsewhere.

In these combats, the department reports, numerous rebels were killed. Federalists also repulsed a band which attacked Santa Maria, state of Guerrero, inflicting substantial losses. Bandits, who attacked the town of Apasco in the state of Mexico, were dispersed by federalists hastily dispatched from a nearby point.

"They count upon the infamous cooperation of the oil companies," he continued, "who find in Mexico another place where these highwaymen may raise their banner."

FISH COMMISSION LOSES

Federal Court Holds Oregon Body Without Jurisdiction

PORTLAND, Jan. 24.—(AP)—The Oregon fish commission does not have jurisdiction over that part of Puket Island in the Columbia river on which are located the fish traps of George McE., and Eileen White, Federal Judge Bean decided today.

The case is one of the most important that has come up since the Oregon commission began its fight on the traps. The board thought the island is within the state, but the court upheld the plaintiffs.

THE GOLD RUSH



WETJEN GAINS O. HENRY PRIZE

LOCAL AUTHOR SECOND IN OREGON TO GET HONOR

Sea Story Entitled "Command" Brings Much-Sought Award To Salem

The awarding to Albert Richard Wetjen, leading Salem writer, of the O. Henry Memorial award of \$100 announced yesterday for his short story, "Command," brings an O. Henry prize to the state for the second time in the literary history of Oregon.

Four years ago another Oregon author, Edison Marshall, received the O. Henry prize for his story, "The Heart of Little Shikara."

Mr. Wetjen's prize-winning story is included in the O. Henry Anthology for 1926. It is a sea story with character delineation dominant. Mr. Wetjen, in one year, appeared in three distinct anthologies of "best stories." He was featured in 1926 not only in the O. Henry collection, but in the Wells' and in the O'Brien anthologies as well.

Mr. Wetjen's letter from Harry Maule, editor-in-chief, is as follows: "Dear Wetjen: I'm pleased to tell you that the O. Henry Memorial committee, of which, as a representative of the publishers of the book, I am a member, has awarded you the special prize of \$100, for the best short-story, namely, your story 'Command' which, as you know, is included in the 1926 volume. It gives me great pleasure to enclose herewith our check with my congratulations and those of the other members of the O. Henry Memorial committee. The dinner at which the announcement of the prizes was made was held last night and some flattering things about your story was said by Dr. Williams on a brilliant gathering of some 350 people.

With all good wishes, I am, —HARRY MAULE, Editor-in-chief."

TIMBER INQUEST ASKED

Investigation of Concession in Malheur Forest Requested

WASHINGTON, Jan. 24.—(AP)—Immediate investigation of charges of fraud in negotiations which culminated more than three years ago in the Herrick Lumber company's concessions on approximately 900 million feet of timber in the Bear valley section of the Malheur national forest, Oregon, was asked today in a resolution offered by Senator Cameron, republican, Arizona, in behalf of Senator Standfield, republican, Oregon.

The resolution was referred without discussion to the public lands committee.

It recited, also, that the Oregon legislature and county court of Grant county, Oregon, recently had passed resolutions urging congressional inquiry into the negotiations which led to the Herrick contract in June, 1923.

FINISH OF COLD WAVE PREDICTED

WARMER WEATHER FOR ALL OREGON FORECAST TODAY

Temperature in Salem Again Falls Below Freezing, With Icy Streets

Chill again descended on Salem last night, and the streets, wet with slush from snow that melted under the influence of yesterday's warm rains, again became iced-coated. The cold spell is believed only temporary, however, and warmer weather is forecast for today.

Snow, that fell Saturday night, and that became ice coated under Sunday night's silver thaw, ran off the streets in miniature rivers all day yesterday, with rain and a temperature of 33 degrees to help it along.

At a late hour last night the temperature had fallen to 30 degrees, with little more drop expected.

PORTLAND, Jan. 24.—(AP)—With the thermometer just touching the 30 degree mark at 4:30 p. m., Portland people brightened up a bit today in realization that warmer weather is in store and that a week of below freezing weather had been broken.

"Somewhat warmer—probably rains—generally unsettled," is the weather man's prediction for tomorrow. Ten inches of snow blanketed the city tonight.

A coating of clear ice formed early in the day over everything exposed in some sections of the city, and wires sagged menacingly. Stage lines have been forced to suspend operation on the upper Columbia highway, but it is believed schedules will be resumed tomorrow afternoon. Stages in the immediate vicinity of Portland are operating on near-schedule time and all lines running south are moving traffic without difficulty. Railroads leading out of Portland had no difficulty in maintaining schedules.

Due to inclement weather, the Portland boxing commission has postponed a fight between Ad Canada and Tuffy Wing from tomorrow night until January 31.

EUGENE, Jan. 24.—(AP)—All traces of winter weather have disappeared in the Eugene section of the Willamette valley. Rain has been falling for two days and the temperature today and Sunday was like that of spring.

AGE LIMIT LET ALONE

House Defeats Measure to Prohibit Driving Cars by Minors

The house of representatives yesterday defeated a measure to raise the minimum age limit for motor vehicle drivers from 16 to 18 years, giving as reason that minor children in many rural districts are compelled by necessity to drive trucks.

Sponsors of the measure said it was intended to raise morals by preventing joy riding of children.

"If we want to discipline children," said Representative Longorgan, "we can do it better with a hickory switch than with this bill."

FLASHES LIGHT UP SKY

Pyrotechnic Display Caused by Work Engine Trolley

Greenish-purple flashes which lit up the sky in the vicinity of North Front street, intermittently for an hour or more Monday night, drew general attention and caused a number of inquiries to be telephoned to the Statesman office. Some of them indicated fear that a big conflagration was in progress in northwest Salem. The pyrotechnic display, it was reported, was caused by the trolley pole of an S. P. electrical switch engine, breaking circuit with the trolley wire at intervals because of ice on the wire. No damage was done.

VOLSTEAD ACT ATTACKED

Wets in Washington Renew Pressure for Law Modification

WASHINGTON, Jan. 24.—(AP)—Renewed pressure for modification of the Volstead act and a demand for another investigation of prohibition enforcement reopened the wet and dry tug-of-war today in both houses of congress.

After a lively discussion on the senate floor of the personal attitude of senators toward the prohibition law, precipitated by Senator Wadsworth, republican, New York, a measure was introduced by Senator Edge, republican, New Jersey, to authorize a national referendum, both on the repeal of the 18th amendment and upon

DUNNE SEEKING LESS TAX LOAD FOR MOTORISTS

Bill Calling for Material Reduction of License Fees Introduced

'HORSEPLAY' CONDEMNED

Senator Says Initiative Measure Calling for \$10 License Fee for Automobiles May Be Originated

Senator Dunne of Multnomah county yesterday introduced a bill in the senate calling for large reduction of motor vehicle license fees, stating at the same time that an initiative measure will be prepared for a future election to make the license fee \$10 for all pleasure vehicles, unless the legislature ceases the practice of adding unjust and unwarranted burdens on the motoring public.

The senator said he introduced the measure as a means of preserving a record to show what will happen in case the continual "horseplay" with rights of motorists is not lessened. He did not introduce it with the idea that it would receive favorable consideration, he said.

"The motorists of Oregon are not opposed to adequate road laws," said Senator Dunne, "but they do object to the present practice of adding continually to their financial burdens. Unless this 'nipping' practice is stopped the bill to which I have referred will go before the voters. I am not making this statement as a threat, but merely to impress upon you senators the dangers attending the present system."

Senator Dunne referred particularly to the alleged action of two lawyer members of the house roads and highways committee who were said to have refused to concur with the senate with relation to the repeal of the so-called peddlers' motor vehicle license tax.

This bill, after passing the senate a few days ago, was sent to the house, where it has since rested in the hands of the roads and highways committee.

The bill was scheduled to come up for consideration in the house tomorrow under the head of special order of business. Senator Dunne urged members of the senate to confer with their colleagues in the house, in hope that the bill to repeal the peddlers' license tax law might be reported out favorably.

The senate, by a vote of 18 to 7, approved over the veto of ex-Governor Pierce, a bill passed at the 1925 session of the legislature, providing for increases in the salaries of the secretary of state, state treasurer and attorney general. The bill provided that the salaries of the secretary of state and state treasurer shall be increased from \$4500 to \$5400 a year, while the salary of the attorney general shall be advanced from \$4000 to \$5000 a year. The house previously approved the bill.

The bill was supported by Senators Banks, Beals, Bell, Butler, Carsner, Davis, Dunn, Dunne.

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TEN MILLS TAX GETS APPROVAL

COMMITTEE FAVORS ASSESSING CORPORATE EXCESSES

Intangibles Would Bring Nearly Half Million Dollars to State

Corporate earnings will pay ten mills instead of the 16 originally provided in the bill introduced recently. This was the provisional agreement reached last night when the tax investigating committee appointed by the last legislature met with Governor Patterson last night.

The purpose of the eight bills fostered by this committee and now under consideration by the legislature is to redistribute the tax burden in this state by collecting state revenues from intangibles such as bonds and other paper, and to collect from corporations on such intangible property as is not now reached by the valorem (according to value) property, and would not be reached by the intangibles tax.

The corporate tax is used in California to produce a considerable part of the state revenues. There is no objection from corporations in California to the tax, the committee found when it made a trip to investigate tax methods used there.

Earl Fisher, tax commissioner for the state, said that he believed the 10 mills, or one per cent rate, on corporate earnings would produce a revenue of about a million dollars. The intangibles tax should produce between a half and three-quarters of a million.

Together the two taxes would meet the deficiency the state now faces nearly a million dollars and would accomplish a further good of levying for the deficiency from wealth that is not now paying.

Mr. Fisher pointed out that 17 states now use the corporate earnings tax and 11 have an income tax. To all practical effect, the corporate earnings tax is an income tax but has not the name. The committee met the objections of Representative R. S. Hamilton of Bend in part by reducing the corporate rate to ten

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DEATH LURKS IN LIQUOR

"Bonded Stuff" Sold in Portland Has Horrible Makeup

PORTLAND, Jan. 24.—(AP)—Blindness and death lurk in many bottles of liquor sold as "high grade moonshine" or "bonded stuff" in Portland these days, for much of the moonshine that is purchased by the best people is nothing but pure denatured alcohol. A. S. Wells, state chemist, declared today from his experience in testing liquor seized by raiders and taken to him for analysis.

Bichloride of mercury, hydrochloric acid, formaldehyde, carbolic acid, tannic acid, sleep dip, benzol, camphor, iodine and wood alcohol are among the choice ingredients in much of the moonshine served up to those whose craving for a "kick" will lead them to drink anything that gives them that promise. Not so long ago when a convention was in town, samples of liquor that were taken brought out the fact that it was practically entirely denatured alcohol, Wells said.

LITA TO RENEW FIGHT

Word of Chaplin's Bond Posting Awaited By Wife's Counsel

LOS ANGELES, Jan. 24.—(AP)—Counsel for Lita Grey Chaplin tonight awaited word from New York that Charles Spencer Chaplin had posted a bond to release the government's grip on the film comedian's finances and were preparing to renew their fight to obtain temporary relief for their client, who they reported to be in immediate need of funds.

A difference of opinion was held by counsel for opposing sides in the domestic warfare as to whether the posting of a bond in New York would make local assets of the comedian available from which the receivers could pay alimony ordered by the superior court. The government filed liens both in New York and Los Angeles against the Chaplin interests, both actions covering alleged delinquent taxes over a period of years.

PRIVILEGED TO PROBE

Legislature May Appropriately Funds for Investigations

Attorney General VanWinkle, in a letter to President Corbett of the senate, yesterday held that either house of the legislature has authority to order investigations. It was held that the legislature has authority to appropriate funds for the cost of such investigations.

The attorney general said that the authorities were divided on the question of whether the legislature could compel the attendance of witnesses. He said that in cases of investigations author-

FORGE DESIRE BY NATIONALISTS HEADS IN CHINA

Canton Government Issues Statement Saying Conflict Not Necessary

NEGOTIATION PREFERRED

Liberation of China From Yoke of Foreign Imperialism Aim of Government, Says Recent Notice

HANKOW, Jan. 24.—(AP)—In a sharp declaration to the world at large today the nationalist government stated its view that "liberation of China from the yoke of foreign imperialism need not necessarily involve any armed conflict between China and foreign and foreign powers. For this reason the nationalist government prefers to have all questions outstanding between nationalist China and foreign powers settled by negotiation."

Nationalist China, says the declaration, "is strong and conscious of its power, its ability through economic means to enforce its will on Chinese soil against any power."

The nationalist, or Cantonese, government, which has increased its area in less than a year of conquest and propaganda to include one-half of China, with a population of more than 200,000,000, flatly asserts its ability to take care of Chinese affairs without the aid of any foreign power.

British and other foreign declarations of policy it says, have intimated that the powers "must enter into self-denying ordinances regarding China in order to safeguard her integrity, independence, promote her political development, rehabilitation of her finances." This, says the Cantonese pronouncement, is not true of nationalist China.

LONDON, Jan. 24.—(AP)—All doubts as to the magnitude of the British preparations to deal with possible events in China were cleared tonight when the war office announced the composition of the "Shanghai defense force."

This force will defend the British concession in Shanghai and

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EASTERN STATES SWEEP BY FLOOD

OHIO RIVER RISES INTO CINCINNATI BASEMENTS

Parts of Five Communities Out Off From World; Alaska Stricken

CINCINNATI, Ohio, Jan. 24.—(AP)—The swollen waters of the Ohio river were rising in Cincinnati tonight, with the prospect that it will reach its highest level here sometime tomorrow.

Municipal authorities and relief agencies joined to combat flood damage. The river is expected to reach 59 feet here tomorrow, one foot higher than the crest of 58 feet reached at Pomeroy, Ohio, today.

The flood promises to be the most severe experienced in Cincinnati since 1918. Augmented by backwaters from Mill creek, the river has inundated cellars and basements in the "bottoms." The main business and residential districts will not be affected.

LOUISVILLE, Ky., Jan. 24.—(AP)—Flooded and glaciated, parts of five southern and southwestern states tonight were cut off from outside communication, either by wire or rail, or both.

Arkansas, Kansas, Kentucky, Missouri and Texas bore the brunt of excessive rainfall which sent numerous streams to flood stage, hamstringing highway and railroad traffic.

One death was reported today. Ray Foster, 11 years old, was killed at Springdale, Ark., when he came in contact with an electric wire that had fallen under the weight of an accumulation of sleet.

The panhandle and northern Texas suffered most from ice that followed the rain. Wire communications were disorganized, and work in the panhandle oil field was curtailed. Temperatures tonight ranged from around freezing in the north to warmer in the south with 52 degrees at Brownsville.

Rail and highway traffic was seriously delayed in northwestern and central Arkansas by rivers swollen part of their banks. Heavy rains that have fallen for a week continued today.