WEATHER FORECAST: Rain; mild temperature, southerly gales on the coast. Maximum yesterday, 57; minimum, 38; river, 9.7 and rising; rainfall, 1.59; atmosphere, cloudy; wind, south.

The Oregon Statesman

According to John J. Leary, a high au thority on labor matters, in the New York World, communist "borings from within have cost the New York needle trade unto \$30,000,000 in the last year. In lat circles as elsewhere, learning is sor expensive but worth it.-Boston Transcrip

SEVENTY-SIXTH YEAR

SALEM, OREGON, WEDNESDAY MORNING, FEBRUARY 2, 1927

Patterson to Make Proposals on Tax Problem at Joint Session

REDISTRIBUTION

Bill Amending Old Law Relative to Salary Flying Classed as Wolf in Sheep's Clothing by German

"Watchful waiting" has been the policy adopted by the legisthe past few days; but his will be brought to an end under the name of "G. Baker." today when Governor Patterson reads his special message to a aint session of the senate and by Hassell. louse this afternoon. Yesterday he general routine affairs were taken care of, but there was conthe governor would propose as a solution to the financial problem of the state. No hint as to the contents of this message have been forthcoming, and none will probably be given out until he opens his address today.

It was intimated by those in close touch with the situation that house and started to spade up the one proposal will be relative to the redistrubitnon of the tax burden, and another will be concernthe tithing of self sustaining boards into the general fund as a means of meeting the financial emergency. He will no doubt touch on various other proposals which have been made so far this victims were uncovered.

In the meantime the work coninges to pile up in the house and before being cast into the narrow he representatives face many grave. hours of hard labor before they will be able to adjourn.

that the children had been thrown in first and that the mother had Things are moving too slowly been buried on top of them. The in the house to suit Speaker Carin, who attempted to stir the only 15 days left, and the quota

are very few bills read; chird reading, and Mr. Carkin has repeatedly asked the commit-tees to harry with the bills in their

The raising of salaries seems to be about the greatest bone of contention so far in the house. Mr. Lewis' resolution number 13 met with the ill-fate usually accompanying that number.

The resolution provides that, uested that no calary raises shall take effect during the term to which the officer is elected, and economy being mainly stressed in (Continued on page 2.)

RIVERS RISING OVER ALL STATE

WILLAMETTE FLOOD STAGE EXPECTED IN FEW DAYS

Parts of Portland Inundated as Creeks Overflow; Trains Held Up

Following an all day downpour in which 1.59 inches of rain tell, the deluge ceased here for a short lime last night, only to resume again at 11 o'clock.

The Willamette river last night was rapidly rising, and had reached nearly 10 feet above normal at a late hour.

PORTLAND, Feb. 1-(AP)-A heavy downpour of rain, melting snows in the mountains and turning sluggish creeks into raging of the Pacific northwest. Unusually heavy rain in Portland caused several floods within the city limits with considerable damage as a result. Train service on the Marshfield branch of the Southern Pacific was held up over night because of the storm and damage

of slides. Rain tomorrow and Thursday was forecast tonight. The total rainfall here during the 24 hours ending at five o'clock this after noon was 1.27 inches, bringing the excess since September 1 to 8.65

There was a strong possibility that the Willamette river here will reach a flood stage within the nextew days, the weather forecast Melting snow in the mounand heavy warm rains are sing the Willamette and its utaries to rise.

Flood warnings have been is ied for the Santiam at Jefferson A decided rise in the Umpqua was expected at Reedsport result of high tides and a steady fall of rain. Snowfall in the mountains surrounding the the heaviest of the winter to be the heaviest of with warm weather and rain meltag the blanket in the lower alti-

Continued on page 4.)

position of the bodies was exactly members up a little yesterday by as Hassell declared they would be warning them that there were found. Only the bones were left. FLAMING' DRESS SHOWN

Startling Plaids and Gorgeous Colors in Men's Fashions

PORTLAND, Feb. 1-(AP)-"Flaming youth" will take on an entirely new significance if the startling fancy plaids-block and over-plaid designs in young men's suits—assume the popularity the merchant tailors of the Pacific coast declare they will. A gorgeous array of color, ranging from navy blue to the browns and tans -cedar shades they call them-and up the scale to the more brilliant hues, marks the advent of a new epoch for the men of the land, the tailors declare. The addisplayed here at the annual Pa- spatch adds. cific coast convention.

The assembly formally opened today with Mayor George L. Baker giving the address of welcome President John Straub of Sacra-mento read the annual message.

GERMAN ARMS DECIDED

Ambassadors Settle Last Detail Of Versailles Treaty

PARIS, Feb. 1 .- (AP)-The last important question pending between Germany and France under the Versailles treaty not otherwise disposed of was settled today when an agreement was reached between the German experts and the ambassador's council relative to dismantling fortifications in the region of Koenigsberg.

This agreement has ended a controversy that lasted since allied control of military affairs in Germany began in 1920. It brings torrents, has precipitated a near- to a termination the work of the flood condition in many sections inter-allied military control mission in Germany and reduces the activities of the ambassadors council to minor odds and ends of the treaty of Versailles.

YESTERDAY IN WASHINGTON

(By The Associated Press.) Ford tax hearings were resumed

The senate finance committee approved the alien property bill.

Construction of three cruisers opposed by President Coolidge, was approved by the senate.

Senate republican leaders staved off a vote on a resolution advo-

The senate voted to delay the shift of immigration quotas to national origin dasis.

Bootleggers invading congressional offices were denounced by Representative Johnson of Ken-

The administration's Nicaraguan-Mexican policy was endorsed y

PRUNPORT VALUE COURT UPHOLDS SHOWS INCREASE

SPECIAL MEETING PLANNED TO BOOST NEW INDUSTRY

Vick Reports 30 Stockholders Company And Wants To Double Number

Several of the business me have begun to appreciate the value of Prunport as an industry to Salem, and for that reason are backing the meeting to he held at the chamber of commerce Thursday night at 8 o'clock, according to George F. Vick, chair- preme court here yesterday. man of the chamber agricultural

"Prunport will be of huge importance to the prune market, in marketed as bottled products.

port can do for the prune industry, circuit court. I can cite what happened to the orange industry in California.
They had a hard time marketing the small oranges, until they conceived the idea of making a drink from orange juice. Now there are five different orange juice drinks on the market. "I think that Prunport is a bet

drinks, and will have more sucas many out to the meeting Thurs- set aside or vacate these rates. day night as possible. We now pany here, and want to double the

number. Even if one has no money

ter drink than these orange juice

to invest, we want him to come to the meeting anyway, as we want information as much as is one of the most serious prob-R. L. Holsclaw, president of the Prunport company, has issued a prospectus concerning the new

product. This prospectus says in

part: "Upon the completion of its present plans the company will have in addition to its present bottling plant, syrup manufacturing equipment adequate to manufacture 100 gallons per eight hour shift, giving a possible capacity of 300 gallons every 24 hours.

'During the past four winter months, the low tide of the beverage business, more than 700 cases or 16,000 bottles were sold in Sa-

Patients at Michigan Univer-sity Saved From Plames

ANN ARBOR, Mich., Feb. 1.-University of Michigan here were ly destroyed the institution. The patients, mostly convalescent, were removed to a new hospital

at the university. stitution.

MUD PIES

RAILROAD RATES

PUBLIC SERVICE COMMISSION ORDER HELD JUST

Circuit Tribunal Affirmed in Rail " Case Decree of Marion County

The opinion was written by Justice Rand in a suit brought by the Oregon-Washington Railroad & Navigation company and other carspite of the fact that it is only a riers operating in the state to set five cent drink," Mr. Vick said, aside the order of the public ser-I predict that in five years 50 vice commission. The opinion of per cent of our prunes will be Justice Rand affirmed the decree of Judges Percy R. Kelly and L. "As an example of what Prun- H. McMahan of the Marion county

"It is impossible to say to what extent, if at all," reads the opinion, "the earnings of the carriers has been decreased through the putting into effect of the new rates. Outside of the traffic over branch lines, most of the grain a rate less than that fixed generally by the commission. There is, treaty. therefore, nothing in the record For this reason we want to get, which would entitle this court to

"The year 1922 was not a good year for railway carriers. Since that time, however, there has been some improvement in the railway business. The inability of railway carriers to earn adequate revenues ems which now confronts the American people, but relief to the railroads, if it comes at all, must come through legislation and not through judicial action.

"If these or any other rates, are found to be inadequate for the services rendered, it will become the duty of the commission, upon a proper showing, to make such hanges in the rate as the exigenies of the case may require."

as the result of disbarment pro- elimination of British adminisceedings filed against him by the tration of zones in China, and to Multnomah County Bar associa-FIRE WRECKS HOSPITAL tice of his profession. The court instructed to agree to the relin-held that the conduct of the defendant did not warrant disbar- of the control the British exercise ment, but that less drastic action in numerous concession districts would serve a better purpose.

(AP)—Two hundred patients confined in the old hospital at the ARRANGE DENTAL CLINIC

Supervision of County Unit

Five minutes after the alarm pils, in a portable building which was sounded, officials at police is now located on the grounds of headquarters received a report the old Washington junior high that the fire had gained such school building, has been arranged headway that the building ap-for, it was announced Tuesday peared to be doomed. The uni- from the office of Superintendent Brown, prominent in American versity is located on the outskirts George W. Hug. The dental extension activities at Salem, is visited the city. The hospital is one aminations will be made under vance styles of 1928 are now being ing several eastern cities, the de- of the oldest buildings at the in- the supervision of the Marion county dental unit.

Railroad rates affecting the agricultural products within the state of Oregon, as fixed in orders issued by the public service commission, were upheld in an opinion handed down by the state su-

Lon L. Parker, Portland attoriey, was suspended from the prac-

rescued tonight when fire partial- Examinations to Be Made Under

Establishment of a dental clinic for the Salem public school pu-

Unless Warlike Preparations Cease, No Treaties Will Be Entered

BRITAIN READY TO YIELD

Termination of Negotiations Be tween O'Malley and Eugene Chen Comes as Big Surprise to Watchers

HANKOW, Feb. 1 .- (AP) Great Britian was told today by the Cantonese government that until the British ceased their heavy concentration of troops and warships at Shanghai the nareached the Portland market, at tionalists of China would not enter into negotiations for a new

Plans of the British to land 20,000 soldiers in the international concessions of Shanghai, with dozens of warships floating in the river and war airplanes circling overhead, were held incompatible with moves toward peaceable adjustment of the differences of the two nations as to British influence and holdings in China.

Eugene Chen, foreign minister of the nationalist or Cantonese government, terminated the preiminary discussion with Owen O'Malley, British charge d'affaires, after stating his views in regard to the forthcoming British warlike concentration at Shanghai

The termination of the negotiations by the Cantonese was a sur-Great Britain was pre pared to yield to most of the detice of law for a period of one year | mands by the Cantonese for the elimination of British adminis-tration of zones in China, and to grant other rights sought by the Chinese. It has been authorits. tion. He was accused of wilful Chinese. It has been authoritasecest and misconduct in the prac- tively stated that O'Malley was of Chinese cities.

LONDON, Feb. 1.-(AP)-Bound for China with Major General John Duncan, who will command the land forces in the Far

(Continued on page 4.) TREASURY POST FILLED time for voting on each. Ogden L. Mills of New York Will Be New Under-Secretary

WASHINGTON, Feb. 1 .- (AP) The nomination of Representative Ogden L. Mills of New York to be under secretary of the treas-ury, was confirmed late today by
the senste

The nomination was sent to the senate by the president during the day and was called up out of order without reference to a committee, a courtesy usually extended only to former senators.

the senate.

Mr. Mills will resign immedi-ately from the house of representatives. His term would have expired on March 4, as he decided to become a candidate for gover-nor of New York rather than to seek re-election.

TRAIN HITS DAYTON MAN W. L. Sheard Instantly Killed In Accident At Portland

PORTLAND, Feb. 1.—(AP).— W. L. Sheard, 45, of Dayton, was instantly killed here tonight when a northbound Oregon Electric train crashed into his truck as it stalled on the track. R. L. Cin-namon who was with Sheard, was

According to Dr. Earl Smith, coroner, the truck had been driven 60 feet off the pavement and on to the railroad right of way, where the machine stalled. Cinnamon got out of the car to crank it and as he did so the train came around curve. He jumped and escaped

Ross, deputy coroner, who body at the margue, said he had been drinking.

LEAVES \$5000 IN TRUST

Charncey Bishop Created Fund Some Time Refore His Death

Chauncey Bishop, former Salem leton, left a trust fund of \$5000 to Willamette university, it was learned yesterday. This fund had been created some time ago, with the provision that it was to be turned over to the university upon

and Mrs. C. P. Bishop of this city, took his first collegiate work at Williamette and was prominent in

SALARY QUESTION PASSES SENATE

REJECT IDEA OF CONFERENCE ON INCOME TAXES

Bill Proposes Establishment of State Motor Vehicle Depart-

The question of salary increase

for the legislators of the state is going to rest with the voters at the next general election according to aresolution, which was approved by the senate yesterday. The proposed increase would raise the salaries from \$3 per diem to an amount not to exceed \$10. No egislator would receive more than \$400 for his services during a session. The resolution provided for four pages in the voters' pampb let, which were to be used for argument in favor and in opposition to the increase.

Senator Joseph, author of the resolution, said that while as a general rule he was not in favor of salary increases, he considered the present compensation for legislators rediculously low and not commensurate with the services performed.

"The voters of Oregon are liberal," declared Senator Joseph, "and I am of the opinion that they will approve this resolution."

Senator Butt questioned the constitutionality of such action on the part of the legislature. Senator Joseph replied that the voters and not the legislature would pass on the salary increase.

Under a bill introduced by Senof one per cent would be levied on was held early in the legisla the gross premiums of all fire, while the other meeting was held theft, burglary and accidents insurance corporations operating in one of these meetings a numb the state of Oregon for the benefit of men who desired to testify, but of the policemen nad firemen pension fund. It was estimated that tunity. One of them was a forthe tax would raise approximately \$60,000 annually, and would affect 10 or 12 towns and cities in the charges made against ! the state now having the pension fund.

The money collected from this tax would be remitted to the state his qualifications to continue as treasurer, and later apportioned mong the towns and cities having mittee. He refused. the pension fund system in operation. The apportionment would be

reduce fire waste, crime and acci-

(Continued on page 8.)

M'NARY BILL WINS Effort Made to Link Measure With "and from a statement made by McFadden Bank Proposal

culture committee, who is co- you are attempting to smother this Chairman McNary of the agriauthor of the farm measure, asked investigation, but you will not sucunanimous consent for votes, accepted suggestions for changes of the dates originally proposed and then ran into objections by Sena-

tinue in their present status with no limitation on their discussion but new efforts will be made later to reach an agreement for dispos ing of them.

FLOOD HITS ARKANSAS Vast Area Submerged! Drowned Man Found; 1500 Homeless

LITTLE ROCK, Ark., Feb. 1 .-(AP)—A vast area in Woodruft county, northeast of here, was submerged tonigh while relief organizations provided food and shelter for 1500 persons who field the state of the

the White river. While more than 100,000 acres have been swept by the muddy ment is taking all possible pretide and livestock and remnants cautions to assure them protecof ungathered crops have suffered damage, reports of losses of lives tion. in the White river lowlands have Th been unconfirmed or denied.

The body of Harold Summers, 22, who was drowned near Blythe-ville Sunday night when a row-

CROISAN TAKES OFFICE Salem Man Given Oath as Collect-or of Customs for State

PORTLAND, Feb. 1.—(AP)— E. M. Croisan of Salem today took the path of office as collector of customs for the Oregon district, the 15th official to hold this po-

county, received a recess appointment August 24, 1936, filling the ate confirmed the appointment on with. The prison of the prison of the proper that is proper that

Mr. Croisan was born on a homestead in Marion county and in 1884 was appointed chief deputy Villamette and was prominent in thietics.

No provision as to the purpose or which the fund is to be used 1890. In 1993 he was named as contained in the bequest.

PRICE FIVE CENTS

ities Passed

Senate Resolutions Commit-

tee Hears Ugly Personal-

JOSEPH DEMANDS ACTION

Special Investigation Committee Has Failed to Act, Is Change Made in Asking Ousting of Norblad

The senate resolutions commitee yesterday listened to personalities and hot verbal battles at a meeting to consider a resolution offered by Senator Joseph, asking that Senator Norblad be removed from the special commit tee to probe affairs of the state fish commission. Senator Joseph opened the ar-

gument by a demand for action "on this investigation." "The committee appointed to

probe the fish commission has held only two meetings," the senato ator Dunn a tax of three-fourths declared. "One of these meetings on January 17. There appeared at they were not given an op mer member of the fish commis sion, and was entitled to defend

"I personally asked that Senator Norblad be placed under oath that I might question him regarding member of the investigating com-

"I charge that you, Senator Norblad, represent the fishing inter-

"Where did you get that infor-mation," queried Senator Norblad. directing his question at Senato

from affidavits," retorted Joseph you that you lobbied and recely pay for it. You have a strong ani WASHINGTON, Feb. 1—(AP) mosity against Representate Mott, and you have not allow Unsuccessful efforts were made today in the senate to link the McNary-Haugen bill and the Mc-Fadden branch banking measure in an unanimous consent for a time for voting on each.

Molt, and you have not all him to testify. You are not fooling any one, but you are attempting to hold up this investigation. If we are to have an unbiased probe you should retire from the committee. It is apparent that

ceed if I have my way." Senator Norblad, in replying said he "had been goaded enough (Continued on page 2.)

MARINE FORCE READY TO SAIL

WILL AFFORD PROTECTION

TO SHANGHAI RESIDENTS Coolidge Does Not Anticipate Evacuation of City by Americans

WASHINGTON, Feb. 1 .- (AP) their homes before the waters President Coolidge does not anticl-which poured through breaks in pate that it will be necessary for Americans to be evacuated from Shanghai, although the governtion, or, if necessary, transports-

The marines are scheduled to sail Thursday on the transport Chaumont, bound for Asiatic stations. It is expected that detachments will be left at Guam to reboat capsized, was recovered last place marines ordered from there night. Blytheville is experiencing to Manila. They will be held available for use in China it called for by Admiral Williams, commanding American naval forces in

the Orient.

President Coollige is still awaiting some intimation from China that an agreement can be res between the warring Chinese fuc-tions under which negotiations of new treaties with China can be

While no move toward direct sations with the two factions had been made, intimated at the White H

BONES OF FOUR VICTIMS DUG UP HASSELL'S CONFESSION AF-FIRMED BY DISCOVERY The Remains Of A Woman And Three Children Found At Charted Location

WHITTIER, Cal., Feb. 1 .-

Hassell is now awaiting execu-

The Whittier victims are believ-

ed by police to be Mrs. Mary Vo-

gel, formerly of Pittsburgh, Pa., and her three adopted children.

who disappeared from here under

unearthed late today while police

The bones of four persons were

The officers were guided in

In his confession, Hassell

clared he had choked and clubbed

to death a woman with whom he

was living here and then killed the

sleeping children, following an

argument whether he should go

into the army. This happened

shortly after the United States en-

tered the world war. After com-

mitting the murders. Hassell bur-

ied his victims beneath the house

Monday authorities located the

basement. The work had to be

carried on in relays, only one man

being permitted to dig at a time,

his spade into the hard clay late

today, turned up an adult thigh

bone. A few more spadefulls were

removed and the bones of all four

apparently had been dismembered

A cursory examination indicated

The officers reported the bodies

Constable R. B. Way, sinking

When Hassell's chart arrived

mysterious circumstances in 1917

tion in Texas as the result of the

slaying of his wife and eight step-

formerly occupied.

AP)-The confession of George J. Hassell, convicted Texas slayer, Man Chokes Girl at Toledo: n which he admitted the murder here 10 years ago of a family of Thought Perhaps to Be four, was confirmed today by the "Strangler" finding of human bones buried in the cellar of a house which he

> IMPERSONATES CHRIST

Alexander Hill Name of Slayer Meets Girl at Gospel Services; Portland Police Notified

TOLEDO, Or., Feb. 1 .- (AP) were digging beneath the house in which Hassell at one time lived-Because she refused to follow him in his beliefs, Alexander Hill, said to be a religious fanatic, today strangled to death Minnie Washtheir search by a chart prepared ington, 17 year old Indian girl on the Siletz reservation. According to Sheriff Horsefall, Hill confessed to the murder. He is held

in jail here on an open charge. The girl's body was discovered in an abandoned house by Ernest Copeland after Hill had appeared at Copeland's house and informed have 30 stockholders in the comhim that he had "sent the girl because she refused to follow

By humoring the man, Copeland was able to lead him to neighbors where he obtained help in holding Hill until Sheriff Horsefall could be summoned from Toledo. A possible link with the "dark

him

strangler murders in Portland and other Pacific coast cities was seen in the marder here today. Women who had encountered the Portland strangler declared he had strong religious convictions and obsessions bordering at times on the fanatical. Authorities here were getting in touch with Portland police tonight to compare de scriptions.

timber camp here, had been attending gospel services at a church at Siletz, and it was there that he was believed to have first met Minnie Washington. At 6 o'clock this morning he opeared at the home of Ike Wash-

Hill, who was employed at a

(Continued on page 4.) **BROWN MEETS PRESIDENT**

Salem Man and Son Presented to Coolidge at White House PORTLAND, Feb. 1 .- (AP)-Clifford Brown of Salem and his son, Chandier, were presented to

President Coolidge at the White House today by Senator McNary, a Washington despatch to the Morning Oregonian says.

