

The Oregon Statesman

Weather forecast: Fair; gentle variable winds. Maximum temperature yesterday 60, minimum 29, river 1.9, rainfall none, atmosphere clear, wind southeast.

The gentleman who insists that "all suffering is in the mind" never ran his toe into the end of the chair rocker as he galloped from bed to answer the telephone call for a wrong number.—Philadelphia Bulletin.

SEVENTY-SEVENTH YEAR

SALEM, OREGON, SATURDAY MORNING, FEBRUARY 18, 1928

PRICE FIVE CENTS

SENTIMENT ALL OPPOSED TO \$3 AUTO TAX BILL

Lively Meeting At YMCA Forum Shows General Opposition To Plan

ROAD PROGRAM PERILED

Thirty-Four and a Half Million in Bonds to be Taken Care of, Pointed Out by State Treasurer Kay

The Salem Y. M. C. A. forum had a star performance last night in the basement room given over to such meetings. The subject was the proposed \$3 license fee. There were about 25 speakers in all, mostly making five minute talks. They were all against the \$3 fee proposition, though Rich L. Reiman took the negative. In order to draw the fire of the speakers who opposed that proposition, Mr. Reiman is actually not in favor of the \$3 proposition, but he does favor a radical rearrangement of the auto license fees under the present law.

Some Outstanding Talks

State Treasurer T. B. Kay showed what a disastrous thing it would be for the state to adopt the \$3 idea. It would wreck the program for good roads in this state. It would leave the thirty-four and a half million dollars of road bonds in the air. The state could not tax itself enough to pay the interest on the outstanding bonds and meet the principal of the maturing annual serial issues, because of the \$3 license proposition would amount to a vote for repudiation.

Mr. Kay read official figures showing that the average cost in license fees and gas taxes for each passenger car owner in Oregon is \$40.02 annually, under the present law. In Washington the average is \$26.33, for the same, plus property tax on automobiles. In California it is \$32.68. So the auto owners of Oregon, in their better system of roads, which they are paying for through their license fees, are getting better values on the average than the auto owners of our two neighboring states are enjoying.

Besides this, said Mr. Kay, the \$3 license fee would be very unfair in that many car owners who pay no other taxes at all outside of their car licenses would be getting the benefit of our \$100,000,000.

BIDS ON BRICK CAUSE MUDDLE

SALEM FIRM REALLY LOW BUT OFFICIALS ERR

Fail to Figure on Cartage From Tracks to Dormitory Site, Shown

"Contract for construction boys new dormitory Chemawa will probably be awarded to United Material company, San Francisco, private wire from Washington, D. C. says. Their bid was \$4,600. Salem Brick and Tile bid was \$4,800. In response to telegrams from Salem urging local bid, officials bureau of Indian affairs say no other course open than to accept low bid."

The above FYI (for your information) dispatch came to The Statesman last night over the Associated Press wire.

There Is Controversy

The contract is not for the construction of the dormitory. It is for the brick for that dormitory. It is for 297,000 brick. The bidders were the Salem Brick & Tile company, Salem, and the San Francisco firm named above in the wire.

The bids show that the Salem price for the brick delivered by truck on the job is approximately 5 cents a thousand below the California bid. The Salem bid was accepted by Superintendent Lipps of Chemawa school, on the basis of price, quality, service and low breakage due to short haul. The bricks are needed at once, and San Francisco is a long way from Salem.

The Salem protests may possibly cause an investigation at Washington that will give the contract to the Salem bidder. It is evident that the Washington authorities have made some mistake in comparing the bids. The California bid is for the brick delivered at Chemawa on the cars. It will cost at least \$2 a thousand to get the brick from the cars to the job.

COOKING SCHOOL REACHES CLOSE

MANY HOUSEWIVES AIDED BY METHODS DEMONSTRATED

Cake Mixing and Baking Are Features of Last Day; Receipts Useful

After a successful four-day session, the cooking school which has been conducted at the armory in connection with the Better Homes exposition, under the auspices of the Vollmer-Clearwater company, the H. L. Stiff Furniture company, the Willamette Grocery company and The Statesman Publishing company closed yesterday afternoon.

Mrs. H. M. Cummins and Miss Ethel A. Murdoch, the two capable demonstrators whom the sponsoring firms were fortunate enough to secure for the four days have given many valuable hints in meal preparation and time saving to the interested women who have been present each day.

The capability of these two women combined with their friendly manner and engaging personalities has won for them many friends in Salem. The school has been conducted in the armory, the scene of varied and interesting displays which have been arranged by local firms in observance of Better Homes Week. The exposition will continue open until this evening although cooking school closed yesterday afternoon.

Mrs. Cummins and Miss Murdoch have demonstrated the preparation of practical and palatable dishes in the modern kitchen which included attractive and up-to-date furniture from the H. L. Stiff Furniture company.

Those who have heard it said that the kitchen is slowly but surely going out of existence to be replaced by an alcove hardly large enough to turn around in would certainly have doubted the truth of such an observation if they had been present at the cooking school either Tuesday, Wednesday, Thursday, or Friday afternoon for a large assemblage of women, completely engrossed in the intricacies of food preparation enjoyed the demonstration in each day.

Cake mixing and baking occupied the attention of the 450 women in the audience as well as that of Mrs. Cummins and Miss Murdoch yesterday afternoon.

Mrs. Cummins displayed an attractive "Checkerboard Cake" which she had made earlier in the day. She was unable to mix and bake another for the pleasure of her audience because of lack of time. The recipe for this unusual cake which is sure to make your guests exclaim with pleasure and receive enthusiastic greeting from

ROBBERY ATTEMPT FAILS

One Bandit Killed and Another Injured in Gun Fight

PELL, Wash., Feb. 17.—(AP)—One bank robber, George Allen, was killed and his companion, Robert Stevens, was wounded on the calf of his right leg at 11:30 o'clock today when they held up the Peell state bank here. Three thousand dollars in currency, gold, silver and nickels which was taken was recovered when Allen and Stevens were brought to bay 20 minutes after the robbery while attempting to make their getaway into the brush at Peell automobile park, a quarter of a mile east of town. Viser, Peell butcher, with a 25-20 Viser, Peell butcher, with a 25-20 rifle. He was hit three times. Stevens, who had been wounded in a street battle with Cashier E. Lee Dunlap of the bank, immediately surrendered.

The sudden downfall of the robbers is attributed to the fact that in their eagerness to make their escape safely, Allen tore loose a burglar alarm wire to prevent Dunlap and others in the bank whom they had tied up in the vault giving the alarm.

MURDER SUSPECT TAKEN

Eugene Police Nab "Blackie" Mathews, Wanted in Idaho

EUGENE, Feb. 17.—(AP)—Walter Mathews, alias "Blackie" Mathews, wanted in Burley, Idaho, in connection with the murder there of John J. Terry, taxicab driver, was arrested in a pool hall here tonight by police officers. He offered no resistance when taken and was not armed.

The arrest was made on the information of a former acquaintance who went to the police station to complain that Mathews had stolen a gun from him some time ago. Tonight was the first time he had seen Mathews since. When he told police the name, it was linked up with a poster from the Idaho town and the informant led police to the place where he knew Mathews to be.

TRIO BURGLARY SUSPECTS HELD IN COUNTY JAIL

Men Under \$5000 Bail Each, Woman \$3000; Waters Store Entered Here

SUSPECT OTHER CRIMES

Quantity of Merchandise Found in Auto When Group Arrested at McMinnville; Stayton Post-office Robbed

Fred Taylor, Wallace Crews and Marie Crews reposed in the county jail last night following their arrest early yesterday morning at McMinnville for robbery committed at the George E. Waters wholesale tobacco establishment at Salem.

Officers declared that a large quantity of loot, including money and valuables from the safe and cigars and tobacco from the stock, was found in the car in which the three were speeding through McMinnville when arrested.

Arrest at McMinnville

The arrest at McMinnville was made at about 3 a. m. yesterday, the robbery having taken place shortly after midnight.

The trio appeared in justice court here yesterday afternoon and asked time in which to consult an attorney. Their request was granted by Justice of the Peace Brazier Small. Bail for the two men was fixed at \$5000 each and for the woman, who claims to be the wife of one of the men, at \$3,000. Failing to furnish their bail money, all three were lodged in the county jail.

That there is strong possibility that the three arrested yesterday have some connection with the recent robbery of the safe at Bligh's

PEACE OVERTURES MADE

Conflict Between Sandino and United States May End

MANAGUA, Nicaragua, Feb. 17.—(AP)—Communications said to deal with terms of peace have been exchanged between Augusto Sandino, rebel leader and Rear Admiral David S. Sellers, commander of the United States special service squadron who arrived at Corinto yesterday.

Letters said to include peace terms written by Admiral Sellers for Sandino and dropped by airplane over Sandino's positions were received by the rebel chief. Sandino replied to the letters, giving the terms under which he would lay down his arms, but the terms have not been given.

2 DEFENDANTS FOUND GUILTY

VERDICT RETURNED AGAINST WHEELER, OLMSTEAD

Misapplication of Funds Proved in Sensational Trial; Appeal Possible

PORTLAND, Feb. 17.—(AP)—Emery Olmstead, former president of the Northwestern National bank now defunct, and J. E. Wheeler, former president of the McCormick Lumber company, were convicted in federal court here today on each of 22 counts of an indictment charging specific misapplication of funds of the Northwestern National. A sealed verdict arrived at 1:15 a. m., was read at the opening of court today. The jury had deliberated for 10 hours. The decision was reached on the 15 ballot.

The two defendants were acquitted on the first count of the indictment, which charged conspiracy to defraud the bank in the manner set forth in the 22 counts.

Under the law, the maximum penalty on each of the 22 counts on which Olmstead and Wheeler were convicted, five years in a federal prison, or a fine of \$5,000, or both. The defendants were given 10 days in which to move for a new trial and 30 days in which to file a bill of exceptions upon which to predicate an appeal to the circuit court.

(Continued on page 4)

MOORES FILES PETITION

Announces Candidacy For Seat in State Legislature

A. N. Moores of Salem Friday filed with the secretary of state here his declaration of candidacy for the republican nomination for one of the four seats in the house of representatives for the first representative district.

"A sound, economical and business-like administration of public affairs," is the slogan adopted by Mr. Moores.

Charles Z. Randall of Pendleton has filed for the republican nomination for the office of district attorney of Umatilla county.

Mr. Randall requests that the following slogan be printed after his name on the ballot: "Justice without animosity. Experience applied to the discharge of public duty."

DOESN'T ASK VERY MUCH

Young Lad Sends Ambitious Request to Secretary Davis

WASHINGTON, Feb. 17.—(AP)—Secretary of War Davis, who every now and then receives a letter asking for a pup or a baby, got one today which exemplified the martial spirit of young America. "Dear Uncle Sam: Please send me 10 battleships and one destroyer," read the letter in a child's handwriting. It was postmarked Mt. Vernon, N. Y.

THREE INDICTED LARCENY CHARGE

TRUE BILLS RETURNED AGAINST FIRM'S OFFICERS

Affairs of Defunct Brokerage House to be Probed Before Federal Court

PORTLAND, Feb. 17.—(AP)—Indictments charging larceny by bailee were returned today by the Multnomah grand jury against James P. Cooke, Charles S. Goodwin and Howard F. Philpot, officers of the bankrupt Overbeck & Cooke brokerage house which failed January 31.

The three men surrendered themselves through their attorneys and posted bond. The specific charge against the three brokers grew out of the alleged conversion of 40 shares of Crown Willamette Pulp and Paper company stock which had been left with the firm by J. L. Shepard. The indictment charges the three men with converting this stock, valued at approximately \$4,000 to their own use. The date of the alleged crime is given as January 31, the day on which the firm closed its doors.

No statements were made by the accused men and they could not be reached by telephone tonight. All are in the city, however, their attorneys said.

A statement to the effect that the indictments were but an opening wedge in a general investigation of the affairs of the wrecked firm was made tonight by Stanley Myers, district attorney.

HOWARD OFF TO BOSTON

State Superintendent to Attend National Meeting

Charles A. Howard, state superintendent of schools, will leave today for Boston where he will attend a meeting of the National Education association.

At a meeting of the national committee on research and secondary education, Mr. Howard will represent the northwest association of secondary and higher education. He also will represent the northwest association at a meeting of the officers of five regional standardization associations.

On Saturday, February 25, the superintendents will be guests of Henry Ford and the Massachusetts department of education at Sudbury Inn, the scene of Longfellow's "Tales of a Wayside Inn." This property recently was purchased by Mr. Ford.

RESIGNATION ACCEPTED

Argentine Ambassador to Washington, Havana, Quits

BUENOS AIRES, Feb. 17.—(AP)—The Argentine government has accepted the resignation of Honorio Pueyrredon, an ambassador at Washington and also as president of the Argentine delegation to the Pan-American conference at Havana.

CROWD SWEEP BY HUGE WAVE 7 PERSONS DIE

Early Reports of Many Deaths Disputed By Later Announcements

ACTS OF HEROISM MANY

Accident Occurs Late Yesterday; Believed All Persons Rescued From Water by Other Craft Close at Hand

SAN FRANCISCO, Feb. 18.—(AP)—Seven persons are missing from the 20 or more swept overboard from the ferry boat Peralta, said a statement issued shortly after midnight by an official of the Key System Transit company.

William F. St. Sure, assistant to the company's vice president, issued the following statement: "According to the best accounts we have of the accident twenty persons were swept overboard and 13 have been rescued. We have nothing further to say at this time because this is all we know. We do not know definitely what caused the accident. We are still investigating."

Boats which cruised the scene of the accident reported that no bodies had been sighted nor had any victims been seen struggling in the water. No reports of missing persons had been received at the police stations. It was believed that had

(Continued on page 2)

2 FLYERS FETED AT N. Y.

Costes and Lebriz Honored By Americans in Big City

NEW YORK, Feb. 17.—(AP)—The French aviators, Lieutenant Commander Joseph Lebriz and Captain Dieudonne Costes at work and at play today won new tributes for their flight from Paris to New York by way of Africa and South America.

Between round receptions in New York Captain Costes visited Mitchell field where he inspected the biplane that has carried him and Lebriz almost 25,000 miles since they left Paris four months ago.

The two air men and William P. McCracken, Jr., assistant secretary of commerce for aeronautics, were guests of honor at a luncheon of the direct air mail group of the advertising club where they were greeted by Captain Rene Fonck, French ace, and Frank T. Courtney, British flier.

In the little time when they are not occupied with welcome engagements, the French aviators are completing plans for their flight to the Pacific coast next week.

A new motor to be installed in their Biplane, the Nungesser-Coll, was aboard the French liner Degrasse, which arrived today.

PERALTA NEWLY BUILT

Description Given of Fast Electric Ferry at Frisco

SAN FRANCISCO, Feb. 17.—(AP)—The fast electric ferry Peralta, which went into a fatal "dip" while crossing San Francisco bay is the newest of the Key system fleet of electrically driven boats. It was built in 1926 at the Moore Shipbuilding company Plant at Oakland. It was propelled by two huge motors which were powered by a steam turbine engine fed by oil. It was equipped with wireless apparatus.

It was powered by screws both fore and aft and presented the same open appearance from either end for speed in approaching the landing aprons.

Reports tonight said the vessel was balanced by a system of water tanks and any failure of the automatic controls to balance the passenger load might have caused the vessel to "dip" as reported by passengers.

ADMIRAL HAS AUTHORITY

Comments Made in Washington Circles On Peace Reports

WASHINGTON, Feb. 17.—(AP)—Although it was said at the navy department today that no official advice had been received from Nicaragua regarding reported peace negotiations between Sandino and Rear Admiral Sellers, it was pointed out that the admiral, in command of the fleet in Central America, had authority to represent the United States in such negotiations.

ASK ARBITRATION AS PEACE MOVE

ABOLISHMENT OF WAR IN NEW WORLD FAVORED

Major Committee Proclaims Principle at Pan-American Conference at Havana

HAVANA, Feb. 17.—(AP)—With the endorsement of the United States, compulsory arbitration was proclaimed today by a major committee of the Pan-American conference to be the key to the maintenance of peace in the western hemisphere and as providing a logical means for the settlement of international disputes.

After a three-hour session today the sub-committee of the committee on public international law agreed unanimously on the report which calls for "an arbitration conciliation conference" in Washington within the next year to draw up a collective Pan-American arbitration convention.

According to the report, the specific duty of the Washington convention would be to discuss the minimum exceptions to compulsory arbitration to which all countries would be expected eventually to agree for the purpose of excluding from such procedure questions involving their independence, sovereignty, domestic affairs and problems affecting third parties not signatory to the convention.

The action in this matter served to a large extent to detract attention from Dr. Honorio Pueyrredon, who yesterday resigned as head of the Argentine delegation. He was reported to be enjoying a much needed rest at a suburban hotel and completing his arrangements to leave Havana for Washington Wednesday.

While he refused to discuss his immediate plans with interviewers it was understood he intended leaving Washington for Buenos Aires with the least possible delay. He would make no comment as to the probable action of the Buenos Aires government on his resignation beyond pointing out that he had insisted his resignation be accepted. Just whom the Argentine republic might place in his stead as ambassador at Washington or which course he planned to follow when once back at Buenos Aires were subjects he avoided.

200 DEMAND PROTECTION

Accident in San Francisco Bay Scored by Oakland Pastor

SAN FRANCISCO, Feb. 17.—(AP)—Father E. T. McCarthy pastor of the Church of Our Lady of Lourdes, Oakland, a passenger on the ferry boat Hayward which aided the Peralta victim, gave an eye witness account of the accident. He said:

"Water poured over the boat of the Peralta as if it had dashed from a cataract. People were swept overboard like dummies. Men and women fought like mad. It was eight minutes before a boat was launched from the Hayward and then it appeared as though the deckhands did not even know how to row. The rescue work such as it was, was done almost entirely by the sailors of Goat Island."

"I have a list of 200 names of people who will demand that action be taken by the railroad commission to prevent another such occurrence as this."

LEVIATHAN GETS STUCK

Huge Liner Meets With Mishap While Approaching Port

SOUTHAMPTON, Eng., Feb. 17.—(AP)—Commodore Harold A. Cunningham piloted the United States liner Leviathan safely through many a mine field and submarine zone during the World war, when he was navigating officer of the big ship, but tonight, on his first trip into this port as master, he got stuck on a sand bank.

Although the vessel was in the hands of a Trinity House pilot at the time, Commander Cunningham was in such a state of mind when visited by the newspaper men that he pulled his cap down over his eyes in a hasty fashion and refused to discuss the mishap.

NEW INDUSTRY PROBABLE

Truck Assembling Plant May Be Located Here, Stated

Salem may be selected as the site for a truck assembling plant, R. Randall, of Seattle, a representative of the Oregon-Kenworth company said yesterday. Randall is in the city displaying a truck at Ramseyer Brothers, 544 Ferry street. The firm is new in the trucking business in Oregon and is surveying the field to see where the central plant is to be located. The firm specializes in making trucks to order.

EXTERIOR PLAN STATE BUILDING GETS APPROVAL

Board of Control Will Seek To Have Appeal To U. S. Court Abandoned

COMPROMISE POSSIBLE

Kay Will Go to Portland to Confer With Attorneys For Eastern and Western Lumber Co.; May Avoid Delay

Approval of the exterior plans for the new state office building to be located in Salem, and an announcement that an effort will be made to reach an agreement with Wilson and Reilly, attorneys for the Eastern & Western Lumber company of Portland, whereby the proposed appeal of the office building case to the United States supreme court would be abandoned, were Friday's development in this much involved problem.

The Eastern and Western Lumber company filed suit to restrain the state board of control from borrowing \$600,000 from the state industrial accident commission to erect the building on the grounds that the state has no authority to create a debt in excess of \$50,000. The supreme court, in a four to three decision, held against the lumber company.

Kay Keeps Agreement

State Treasurer Kay, at a meeting of the board of control Friday, announced that he would go to Portland within the next week and confer with the attorneys. He said he would carry a letter from the state industrial accident commissioners approving the proposed investment.

The state treasurer indicated that he would not object to any minor amendments to the law authorizing the loan in case they did not interfere with the plans of the board of control to proceed with the erection of the building.

Will Ask Early Hearing

In event it is not possible to reach an agreement with the attorneys Mr. Kay said he would appeal to Oregon's delegation in congress to have the case advanced on the United States supreme court docket.

The board of control Friday approved the exterior plan of the

(Continued on page 3)

BETTER HOMES SHOW TO CLOSE

"MISS SALEM" WILL BE ANNOUNCED AT 11 P. M.

Florence Miller Leading Last Night With Two Others Close Behind

Tonight is the last time that Salem folk will have an opportunity to witness the attractions at the better homes exposition that has been running at armory this week under auspices of the Salem Realty board, and staged by Bolton and Smith of Tacoma.

Again this evening the feature attraction on the program will be an attractive pretentious style show arranged by M. Buffe Morrison of the French Shop. The many gowns will be shown for the first time and are all the very latest word in elegance for midland.

At 11 o'clock tonight the successful candidate in the "Miss Salem" contest will be announced and car presented by managers of the exposition. First announcement of the vote count was made last night with Florence Miller in the lead. Bessie Blackley and Amanda Wirlitch stood second and third, respectively, at the early evening count.

The largest crowd of the week gathered last night to see the attractive booths arranged by local merchants for the better homes exhibit, and to witness the program of vaudeville, orchestra music by Thomas Brothers, the auction of groceries, merchandise, and moneys, the style show by the Cottage Garden revue by Helen Rodolf.

A number of extra features will be added to the program tonight and furnish delight aplenty to those who had better hurry if they want to see the attractive display of new things to make home better.

Last evening the doorman picked up a lost article that leads him to suspect some of the older generation are taking an interest in these "new fangled" home appliances. It was a silver key, used to wind one of those old-fashioned watches that grandfather displays with pride.

