

GOOD MORNING!
The Oregon Statesman wants to start the day off right for you with good service. If the paper is missing telephone 560 and you'll be promptly supplied with a copy.

The Oregon Statesman

WEATHER
Fair today; Continued cold; Gentle northwest wind. Max. temperature Monday 57; Min. 18; River St. Clear; No rain; Wind north.

SEVENTY-EIGHTH YEAR, NO. 274 Salem, Oregon, Tuesday Morning, February 12, 1929 PRICE FIVE CENTS

DEFENDANT IN KEYES TRIAL ADDS DETAILS

Six More Persons, Including Three Former Deputies, Now Involved

Ben Getzoff Relates Inside Story of "Fixing" in Julian Cases

LOS ANGELES, Feb. 11.—(AP)—District Attorney Byron Fitts said tonight that Ben Getzoff, in confessing the part he played as a go-between for former district attorney Asa Keyes and alleged criminals, had furnished information upon which grand jury indictments would be asked against six persons not involved in the bribery trial finished last week, and which concerned the seven original defendants in it.

"Getzoff is a very sick man," Fitts said, "he was only able to hit the high spots today. Most of the time he spent relating facts concerning the 'fixing' of the Julian Petroleum fraud case, for which he, Keyes and Ed Rosenberg have been convicted of bribery. He enumerated gifts up to \$151,000 given to Keyes and two prominent politicians."

Prominent Lawyer and Two Politicians Involved
Those involved are three former deputies under Keyes, a prominent attorney and two politicians, well known in Los Angeles, Fitts said.

Corroborating evidence is being sought, and Fitts expects to lay the whole matter before the grand jury Friday. Indictments may follow immediately, he said.

A. I. Laaker, millionaire, who was convicted on five counts of violation of the corporate securities act last month, is under indictment with Keyes, Getzoff, Charles Reimer and Dave Getzoff, for conspiracy to bribe.

Threats Made To Do Away With Witness
"Getzoff's confession has not been signed as yet. We are holding him under guard, as threats have been made against him. A further statement will be taken," Fitts said.

Laaker was questioned but Fitts refused to say what information he had given. Dave Getzoff and Mr. Getzoff appeared at the district attorney's office late in the day. Fitts said that they had delivered important documentary evidence corroborating statements Getzoff had made.

"No other cases than the Julian 'fixing' and the Laaker case have been investigated today," Fitts said.

DRY LEAGUE HEAD LODGED IN PRISON

INDIANAPOLIS, Ind., Feb. 11.—(AP)—E. S. Shumaker, superintendent of the Indiana Anti-Saloon league, was taken to the state penitentiary at Joliet, Ill., today to begin serving a 90-day sentence imposed upon him by the Indiana supreme court on a charge of contempt.

Shumaker left the city in the custody of George Winkler, Marion county sheriff and reached the farm late today. It was his second entrance into the penal institution. He went there last October to begin serving his sentence granted pardon by Ed Jackson, but on the day of his arrival was then governor. He paid the fine of \$2250 which had been imposed and was released.

Arthur L. Gillion, former attorney general who had instituted the contempt charge immediately filed a motion with the supreme court asking that Shumaker be recommitted. He contended that the governor had no authority to interfere with the contempt sentence which the supreme court had imposed. The supreme court granted this motion and ordered Shumaker sent back to the farm. A writ of habeas corpus, which, if made out of the custody of the granted, would have taken Shumaker out.

All Churchmen Must Register Order Declares

MEXICO CITY, Feb. 11.—(AP)—Demand that all Catholic priests living in Mexico send to the government within 15 days their addresses was made in a public announcement by Acting-Secretary of Interior Canales tonight.

Harlan Lambasted By Ex-Governor in Phone Rate Probe

Hall of Representatives Crowded for Hearing on Portland Home Rule Request; City's Expert Replies to Oswald West

INJECTING bitter, stinging personal charges into the now famous "Phone fight," Oswald West, former governor of Oregon, created a sensation at the public hearing on house bill 378, held before the house judiciary committee Monday night.

With an audience that packed the lower house hall, with his victim, Kenneth Harlan, Washington rate expert present, and with the city council of Portland intact before him, Mr. West played out right and left, and before he had ended his 90 minute talk, not even the Multnomah delegation had been spared.

Both opponents and proponents of H. B. 378, which proposes "home rule" for Portland in regulation of telephone franchises, had a half dozen or more champions ready to take up the battle. Charges and counter charges flew thick and fast throughout the evening with those backing the bill charging inefficiency on the part of the public service commission, and those opposing the bill attacking Mr. Harlan and others who desired the "home rule."

Burdick Explains Work of Commission
The great night opened with a brief statement by Representative Burdick in favor of the bill. He talked briefly on the work of the special commission appointed at the last session of the legislature to investigate the telephone utilities, and pointed out that this "home rule" bill covered one of their major recommendations. Full credit for the work of the commission was given to Col. A. E. Clark of Portland, who acted as chairman of the investigating body.

Briefly, the bill provides that the Portland city council shall have power to bargain with the Pacific Telephone and Telegraph company over the city franchise, which includes levying of rates. A second section provides that the city can appeal to the public service commission to assist in adjusting matters if the council sees fit.

In explaining why he, a representative of five central Oregon counties, should sponsor the home rule bill for Portland, Burdick said he was one of the sponsors of the telephone resolution of two years ago, and was appointed on the committee and read its report, signed by Clark and four representatives and the attorney general.

Burdick said he knew when he introduced the bill that confusion would result and he tried to anticipate the moves of the opposition. He expected, he told, to see a number of amendments, and came other pieces of legislation which in his judgment meant "the end of the world."

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3 KILLED WHEN BIG PACKER BLOWS UP

HERCULES, Cal., Feb. 11.—(AP)—Three men lost their lives here today when a gelatin packer in the Hercules power plant exploded with a roar that was heard for 20 miles. A fourth man was hurt 30 feet by the blast but escaped with minor injuries.

Those killed were packing gelatin into cartridges when the explosion occurred. They were Amancio Freitas, 31, foreman of the crew, Andrew B. Christianson, 28, and Chris Anderson, 44, all of Hercules. Emil Johnson, also of Hercules, was cut and bruised when the concussion catapulted him from his truck, 200 feet away from the packing plant.

The blast came shortly before noon. Windows in Richmond, Pinole, Antioch, Rodeo, Olema and other sections of Berkeley were shattered while the country for 20 miles around was shaken. Officials of the plant were unable to determine the cause of the fatal explosion as nothing but a few shattered boards and other wreckage remained of the packing shed. It was thought, however, that a case of the explosive slipped from the hands of one of the workmen and blew up.

200 Men and One Plane Seek Vet Lost in Woods

ROSEBURG, Ore., Feb. 11.—(AP)—Two hundred men and an airplane fanned today to find any trace of Ike Galbreath, World war veteran, missing since January 26, in the wild Wilson creek when he left to gather yew wood.

American legion members throughout the day continued to beat the bush for the missing man, while an airplane overhead circled over a wide area in an effort to spot him. The search will be continued.

Talk Declared Real Specialty For California

SAN FRANCISCO, Feb. 11.—(AP)—California does a lot of talking. State railroad commission statistics released today reveal that there are 1,375,000 telephones in the state, 33 to every hundred people. Of the 19,000,000 telephones in the country, California has 6.4 per cent, the figures show.

TUG OVERTURNS ANTWERP, Feb. 11.—(AP)—One of ten tug attempting to float the stranded French steamer Kerguelen in the Roadstead here capsized and sank tonight. Five men were drowned.

PROBE OF CITY BY COMMISSION WATER ORDERED

Copper and Simpson Retained by State Board; Report Due Within 15 Days

Investigation Made at Service Commissions Volition; Public Hearing Likely

The public service commission Monday employed the local engineering firm of Copper and Simpson to investigate the condition of the water furnished by the Oregon-Washington Water Service company to its patrons in Salem.

The engineers have been asked to file a report with the commission within 15 days. Members of the public service commission said they had undertaken an investigation of the water here on their own motion and not at the request of anyone. The purpose was largely that of determining what could be done to obtain a more satisfactory supply for general use, but the more serious factor was the dilemma faced by local canneries, which might be headquartered in the coming season unless better water could be obtained.

It is probable that a public hearing on the water situation will be called by the commission after the engineers' report is filed. It was stated, although this will depend on whether the report shows such a hearing to be warranted.

The commission had already made a partial investigation prior to employing the engineers.

COLDEST WEATHER IN CENTURY IS FELT

Skaters Cross Sea From Denmark to Sweden; Rhine Is Bridged by Ice

BERLIN, Feb. 11.—(AP)—Life fought desperately to maintain itself in much of Europe today under rigors of winter weather which broke century old records for low temperatures. Many died in the cities while huge snow drifts in the mountains prevented knowledge of what was going on in the country.

Five men were drowned at Antwerp when a tug capsized. The channel steamer Ville de Liege sank off Dover, England, with mails and cargo. The passengers were carried ashore in lifeboats. In almost solid ice by Trosser spray.

Transportation of all kinds was seriously deranged and in some cases resulted in suffering where ships and trains were ice and snow bound.

The river Rhine presented the most unusual sight of an ice bridge from bank to bank at the famous Lorelei rock. Skaters have crossed the frozen sea from Denmark to Sweden. The cold was general in the same extreme degree over all Europe except the countries in the lower southwest.

WILLAMETTE TO END DRIVE IN HOME CITY

The Salem campaign is the center of activity at the office for raising the Willamette university endowment. Solicitations in outlying parts of the state has largely been completed, and the closing days of February will be devoted largely to solicitation in Salem and Portland. The national campaign in Salem will open Monday.

Thomas B. Kay addressed the chamber of commerce Monday, stressing the money value of Willamette university to the city of Salem. On Sunday special brief talks were given in 15 churches. A speaker will present the needs of the university at each of the service clubs this week.

Monday In Washington

The senate debated the Caraway bill to regulate cotton and grain futures trading. The senate ratified a treaty with China, granting it autonomy in tariff matters. A resolution asking the federal reserve board to propose corrective legislation on speculative loans was adopted by the senate.

President Coolidge nominated Arthur Batcheller and Cyril N. Jansky, Jr., as members of the federal radio commission.

INSURANCE TAX PROPOSED FOR ADDED INCOME

Levies on Tobacco and Intangibles Also to be Asked B New Bills

Revenue to Pay Increasing Expenses Sought by State Legislature

Three tax measures, designed to raise \$1,600,000 annually and dispose of the state deficit, have been drafted and will be introduced in the house today.

The measures are: 1. Tax on intangibles. 2. Sales tax on tobacco. 3. Increasing gross tax on insurance premiums.

Introduction of these three measures will be the outcome of the growing demand for some source of revenue to lift the deficit and all answer the unpopular levy of the income tax. Senator Ed Miller is writing the general sales tax measure.

Of the three proposed bills to meet the deficit, in a period of two or three years, the tax on tobacco is estimated to raise \$1,000,000.

The tax on intangibles is in reality an income tax aimed at holders of many bonds on which no tax is paid. In the tentative draft of the tax on intangibles, an exemption of \$200 on income is allowed. Considering that securities yield about five per cent, the \$200 would mean exemption from income of \$4,000 so that holders of securities in excess of \$4,000 would have to pay the tax. The present estimate is that the intangibles will yield \$500,000 a year.

Regarding the excise tax measure, the state tax commission has revised its first estimate to read that it will raise approximately \$750,000. The money from the excise tax is not a deficiency proposition, but is for property relief and one of the recommendations of the property tax relief commission.

In the excise bill insurance is exempted, but the lawmakers are searching for means to reduce the deficit have decided to increase the present gross tax on insurance premiums 2.25 to 2.65 per cent which will raise \$100,000 a year.

In the house there is criticism of the general sales tax of Senator Miller. This measure is to levy a tax on one mill on wholesale and retail, three mills on amusements and five mills on tobacco. There is to be a \$5,000 exemption.

TWO POLICE SHOT BY PAIR OF BANDITS

SAN FRANCISCO, Feb. 11.—(AP)—Two bandits held up a branch office of the Western Union Telegraph company in the Mission district here tonight, shot two police officers who were waiting in the place on an advance tip, took the officers' weapons from them and escaped. The policemen were only slightly wounded.

The policemen, George Brown and Mike Conway, were in the rear of the office when the bandits entered and commanded Miss Margaret McNeil, the clerk, to turn over the cash. Armed by a noise from the rear, the intruders dashed back and shot Brown in the hand and Conway in the leg. Then taking the weapons of the injured policemen they ran to the curb without waiting to take the cash, and escaped in an automobile driven by a woman.

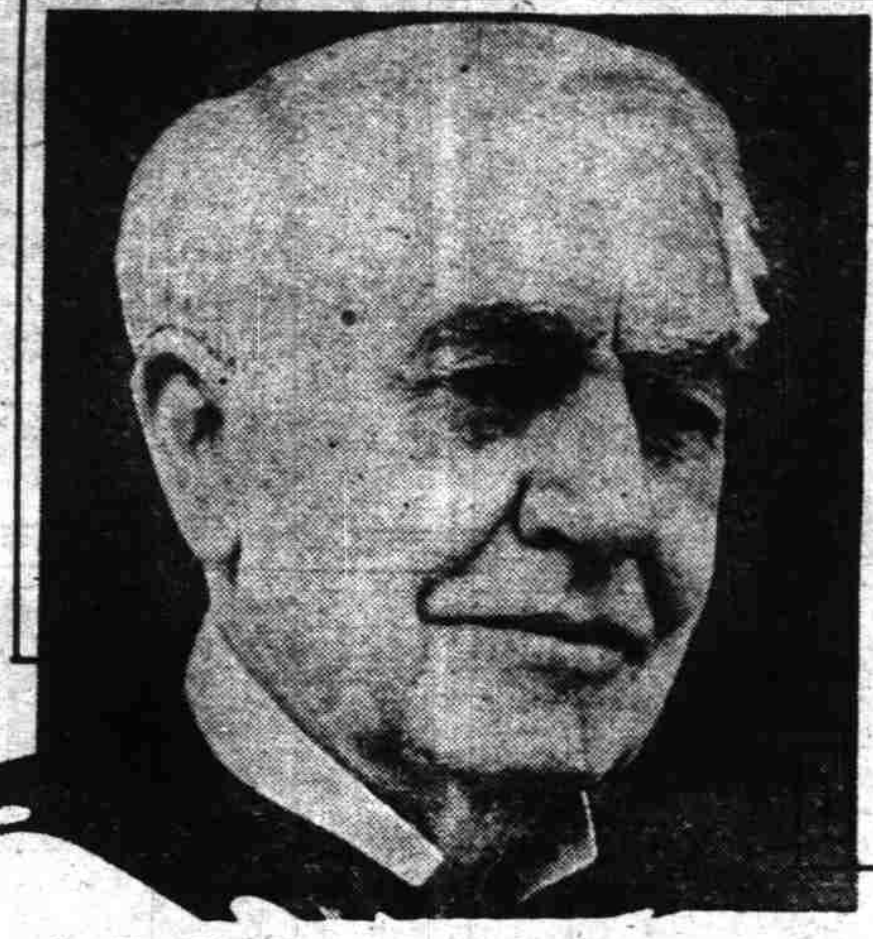
EDISON GIVES BRIEF SPEECH OVER RADIO

FORT MYERS, Fla., Feb. 11.—(AP)—Thomas A. Edison, speaking over a coast to coast hookup of 26 stations on his 82nd birthday, made in a brief radio talk tonight from his winter estate here.

Mr. Edison said: "Ladies and gentlemen: This is Thomas A. Edison speaking from Fort Myers, Fla. This has been such an eventful day, with so many kind messages from so many friendly people, that I find it difficult to express my heartfelt thanks. I am still working hard, and I ask you to accept my efforts as proof of my affection, instead of words. I wish I could invite all of you to have some birthday cake, but unfortunately we can't eat by radio—just yet. I'll have to work on that problem. Well, good-night, everybody. Thank you and good luck."

The "Edison hour" broadcast from WJZ, New York and associated stations was opened by Mr. Edison's son, Charles Edison, president of Thomas A. Edison, Inc.

82 But Hard at Work



President-Elect Hoover left off fishing, Henry Ford dropped his work on airplanes and Henry Firestone taboed the tire business Monday to join with Thomas Edison in his 82nd anniversary.

LABEL APPROVED FOR CONVICTS' PRODUCTS

House Puts Measure to Stamp Prison-Produced Articles To Senate

Convict made goods shipped into Oregon and offered for sale five years hence, must be labeled to indicate that they are so made if the senate and the governor concur in the house of representatives' approval of H. B. 230, by Anderson and Henderson. Such goods will also be subject to the state board of health's regulation as to fumigation.

Representative Henderson explained that this bill was introduced following the passage by congress of permissive legislation, and was intended to rid Oregon manufacturers from the necessity of competing with contractors of prison labor who have amassed great quantities of goods made in this cheap fashion.

In many states cheap clothing is made under this system, whereby the convict produced \$6 worth of goods a day, the state getting \$1.50 for the goods and the contractor one-half while the contractor profits enormously.

The federal law does not go into effect until January 19, 1934. Goods made at the Oregon prison will not be affected.

Secret Session Held in School Combining Bills

Two bills that involve the possible future of the principal educational institutions of the state were taken up by the senate educational committee in executive session Monday night. They are Senator Schulmerich's bill providing the creation of a board of regents to have full control and management of the University of Oregon and Oregon State college, and Senator Bell's bill for merging the two schools into one big institution.

It was not learned definitely what the committee's recommendations on the two bills will be but it was intimated that a new measure is under consideration that will be offered as a substitute.

Youth Kills His Mother With Axe

BOSTON, Feb. 11.—(AP)—James F. Doyle, 23, today killed his mother, Mrs. Mary Doyle, 73, with an axe in their Dorchester home. To police, summoned by neighbors, he said:

Establishment Of Branch Banks To Be Regulated By Schulmerich's Proposal

Branch banks would be established under certain restrictions, if a bill introduced Monday by Senator Schulmerich should become a law. The bill provides that no bank or trust firm may operate a branch establishment outside the county in which the main office of the firm is situated, except in immediately adjoining counties.

No bank or trust company shall establish any branch in any town or city which is outside of the county where the main office of such bank is located unless the population of the town or city where the branch is to be located is less than 2000.

No bank or trust company now existing shall establish any branch until it has filed supplemental articles of incorporation authorizing such bank or trust company to establish branches and accepting all of the provisions of the constitution and laws of the state which now exist or may hereafter be enacted.

Commission of Banks Superintendent Required
Before any branch bank is established the board of directors of such bank or trust company shall make application to the superintendent of banks for permission to establish such branch, and such application shall be filed and published, and shall be investigated and approved or disapproved by the superintendent of banks, and shall be subject to appeal to the state banking board. All branch banks shall have an

BUDGET MAKER NEED DEFENDED BY PATTERSON

Governor Appears Before Ways and Means Committee of Legislature

Representative Kubli Would Combine with Purchasing Department

There is need in Oregon's governmental system for both a state budget director and a state purchasing agent, Governor Patterson declared when he appeared before the joint ways and means committee of the legislature Monday night to answer the attack of Representative K. K. Kubli on the maintenance of these two separate agencies.

"The state purchasing agent," said the governor, "supervises all state expenditures, subject to the approval of the state board of control. As a result of the activities of this department, there have been material savings and the per capita cost of conducting Oregon's institutions is less than that of most other similar institutions in the United States."

Director Will Have Big Task, Claimed
"There is no doubt in my mind that the budget director will be busy, and two years from now he will place before you a statement showing how every cent appropriated by this legislature has been expended."

Governor Patterson told the ways and means committee that because of good business methods and economical practice the per capita cost of conducting the state prison had been reduced \$2.34 during the past biennium, and that the executive department had expended approximately \$7,000 less during the past two years than during the previous biennium. He also spoke of the parole system adopted at the boys training school which made it possible to return to the general fund of the state on January 1 approximately \$48,000.

The governor said that centralization of the state's financial affairs would be a great benefit to the state.

WELL TEST REPORTS HERE NEXT MONTH

New Filtration System Also Under Consideration Says Water Company Head

Operations toward obtaining a more suitable water supply for Salem are under way with a well digger working in the neighborhood of Seventeenth and Madison streets. Reports on the supply of well water will be ready about the middle of March, according to J. W. Helwick of the Oregon-Washington Water Service company.

"Tests of wells in several communities were made before the drilling began," Mr. Helwick said. "The water received at the Oregon Linsen mill is the best according to J. W. Helwick of the Oregon-Washington Water Service company."

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Hicks Will Erect New Store Rooms

Construction of a one story concrete building 52 by 89 feet in dimensions, to house two stores, at 445 to 455 Chemsaketa street, is planned by T. M. Hicks, who Monday took out a permit for this building. H. G. Carl has the contract. The B. and W. parts store will occupy one of the rooms. Mr. Hicks has not yet rented the other. Construction will be completed by March 15, he estimates.

J. Swartz Dies At Age 39; of Pioneer Family

James Swartz, 39, member of an old pioneer Marion county family died in Portland, where he had resided for a number of years, Sunday. He was the son of Mr. and Mrs. Richard L. Swartz, both of whom died in 1923.

The family resided for years on a farm five miles east of Salem in the French Prairie district. Mr. Swartz is survived by his widow, Mrs. Veda M. Swartz and the following brothers and sisters: Miss Kether Swartz and Ralph Swartz, both of Salem, and Simon Swartz, Mrs. Grace O'Neill and Mrs. Belle Goodrich, all of Portland.

Funeral services will be held in Salem Wednesday afternoon at 1:30 o'clock at the Rigdon mortuary under auspices of the 29th lodge.