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The Oregon Statesman

FOUNDED 1851

Salem, Oregon, Thursday Morning, February 26, 1931

THE WEATHER
Unsettled with occasional rains today and Friday, continued cool; Max. Temp. Wednesday 51, Min. 36, river 2.2 feet, rain .11 inch.

EIGHTIETH YEAR

No. 288

DAVIS ASSERTS NO PART TAKEN ON SUGAR RATE

If he is Senator Meant in Charges They're not True he States

Gives no Reason for Belief He is Target; Urges Complete Probe

WASHINGTON, Feb. 25—(AP)—Senator Davis of Pennsylvania went voluntarily before the senate committee today to deny vigorously, if they were aimed at him, published charges that a senator had received \$100,000 or more from a sugar company interested in obtaining a high sugar tariff.

He gave no reason for assuming he was the senator involved. The former secretary of labor was the only witness before the committee which was rejuvenated today to inquire into the reports.

He called them "a contemptible lie" if aimed at him, and said he had never lobbied for or against a sugar tariff or received money for doing so.

Owns Stock in By-Products Firm

Questioned by Chairman Caraway, Davis said he subscribed for \$50,000 or \$100,000 of stock in the Celotex company, which makes boards from sugar cane, but he did not even know whether the company wanted a high or low sugar tariff.

The former cabinet officer, who was not in the senate when the tariff bill was up, said he had a business acquaintance with B. G. Dahlbert, president of the company, but had not discussed a sugar tariff with him.

The Pennsylvania senator urged the committee to inquire fully into the accusation "in behalf of the citizens of the state of Pennsylvania, our nation, my family and myself."

STRANGE MURDER CASE UNCOVERED

RAHWAY, N. J., Feb. 25.—(AP)—The queer story of Ira Jensen, odd job man who said he shook hands with a corpse when invited to meet "the girl friend" one dark night, was strengthened today by the identification of the nude body of a woman found in a Virginia ticket and by the arrest of William Fraser at Raleigh, N. C.

The woman was Mrs. Phoebe Quick Strader, 32, former hair dresser and the "girl friend" of Jensen's story. Luxury-loving, she had tired of her drab life with an unemployed husband and when jobs were offered from a commodious apartment, she announced she was "through for good."

That was on February 16. She was never seen again alive in Rahway.

When he was arrested today at Raleigh authorities accused Fraser of killing the woman, driving about the country with her body and finally pitching it into a woods near Bowling Green, Va., he denied the charges.

The accused man, prominent in a small way in Rahway's civic affairs, two years ago inherited \$25,000 and promptly quit work. Recently, his money gone, he was forced to take a factory job.

Calendars Still Cluttered With Scores of Bills

Small chance that the legislature would adjourn this weekend appeared late yesterday when both the senate and the house ended their deliberations with scores of bills yet in committee and calendars loaded with unfinished business.

A grist of major legislation still confronted both houses. Included was the administration's state police bill, the question of licensing chain stores, the excise and intangibles tax proposals, the Crawford-Bailey bill for grouping of state revenues, as well as major appropriations bills just coming out of the ways and means committee.

The calendar of the two houses today contains over 100 bills.

Oregon Answer Filed in Action Over Lake Beds

WASHINGTON, D. C., Feb. 25.—(AP)—I. H. Van Winkle, attorney general, on behalf of the state of Oregon, today filed an answer in the United States supreme court to a suit brought by the government claiming title to the beds of Malheur, Harney and Mud lakes.

The answer asked the court to set aside President Roosevelt's proclamation creating the Malheur reservation and to prevent the United States from ever asserting claim to the land.

Fired Upon by Political Foes



Precautions for the safety of King Zog I, 36-year-old self-made monarch of Albania, have been redoubled as police investigated an unsuccessful attempt against his life.

The king's adjutant received one of the twelve bullets intended for the monarch and was killed instantly.

Pros and cons of proposed additional regulation and taxation for billboard operators in Salem were heard Wednesday night at the city hall when Aldermen Olson, Hughes and O'Hara sat as representatives of the council.

Representatives of several billboard companies operating in the city all declared they were willing to abide by any reasonable rules laid down by the council but each group protested against regulations which would discriminate against their business.

They pointed out that billboard advertising firms had been leaders in insisting on clean, attractive copy in their advertising as well as attractive boards on which the signs and advertising posters were displayed.

Gregory, mentioning the meeting, said he felt billboards menaced the attractiveness of the city. He also expressed opposition to cigarette advertising and said many complaints had come to him about this type of billboard display.

Alderman O'Hara, sitting in with Aldermen Olson and Hughes, members of the building regulation committee, said after the meeting that his ordinance increasing fees for billboard companies from \$50 to \$500 annually, might be somewhat reduced in amount collected. In company with the two other councilmen, O'Hara said the time had come when a uniform policy to billboards should be adopted by the council with provisions made that signs not be erected in too large groups, that the signs be set back a uniform distance from the sidewalks and that increased fees be received.

Pioneer Takes His Own Life

VANCOUVER, Wash., Feb. 25.—(AP)—James Stangler, 75, pioneer resident of Clarke county, shot and killed himself with a rifle at his home about seven miles north of here today, the county coroner said.

Stangler was said to have been dependent over ill health.

The Legislative Calendar

SENATE TODAY
Third reading, senate bills 333, 334, 335, 336, 338, 339, 104, 310, 309, 308, 285, 328, 327, 73, 126, 342, 322, 218, 222, 329, 243, 249, 203, 320.

Third reading, house bills 120, 125, 99, 139, 317, 320, 204, 323, 43, 322, 322, 160, 301, 341, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 369, 376, 10, 150, 96, 276, 296, 307, 309, 334, 324, 335, 336, 103, 107, 337, 305, 215, 134, 115, 326, 273, 354, 335, 326, 387, 333, 378, 379, 388, 390.

Special order, 10 a. m., senate bill 170, state police bill.

Special order, 10:30 a. m., house bill 77, man public service commission bill.

HOUSE YESTERDAY
Approved \$75,000 appropriation for new roof and five sprinkling systems at state penitentiary.

Turned down 60-day probation period for juvenile delinquents.

Approved new code for control of small-loan businesses.

PORTLAND REDS HURL THREATS, MAKE DEMANDS

2500 March on City Hall, and Send Delegation Before Council

Indicted Communist Says Group Ready to "Take" Relief if Denied

PORTLAND, Ore., Feb. 25.—(AP)—Twenty-five hundred alleged communists and unemployed marched on the city hall here today and sent a delegation to the city council to present their demands.

The delegation, which included two women, asked the council to raise \$1,500,000 for relief, reduce the police force, give them free use of the auditorium, abolish vagrancy laws and secure release of 13 alleged communists under arrest for violation of the criminal syndicalism law.

"If we don't get relief we will have to go out and take it," Fred Walker, alleged communist organizer, told the council. Walker is under indictment for violation of the criminal syndicalism law and at liberty under \$2500 bail.

Mayor George L. Baker advised Walker to "watch your step."

Senator Bailey noted that one of the women, who said she wanted work so she could feed her children, told the council Walker and other communist leaders had misled her and said she was in error in associating with communists.

STATE POLICE UP IN SENATE TODAY

By special senate order, the Eddy bill providing a state constabulary to replace existing means of handling game, fish, fire, prohibition and traffic law enforcement, will come up for debate at 10 a. m. this morning.

The bill was carried over from yesterday when Senator Eddy passed the firework with an extended plea that the measure be adopted, first, as one of state economy, and second, as a means of securing more efficient enforcement of the laws of Oregon.

Senator Bailey noted that the bill he held up for a day, indicating thereby that Governor Meier, who is a staunch supporter of the measure, wanted additional time to rally support for it.

The bill came out of committee with four members adverse to its passage and only Senator Eddy in favor of its approval.

Substantial amendments have been made to the bill, allowing the fish and game commissions more power in the selection of members of the constabulary in an effort to placate the forces which have opposed the bill.

Copco Request Is Delayed For Further Parley

Decision on the special bill to enable the California-Oregon Power company to construct a power plant on the Klamath river was postponed until the house utilities committee may confer with the state engineer and the attorney general. A second hearing on the bill was held last night when Kenneth Harlan appeared in opposition. He argued that the bill granted vested rights which were unwarranted. Senator Jay Upton in whose district the plant would be located directed the attorney to make up the bill.

The committee is expected to meet today with the state officials and decide what report to make on the bill.

Forest Grove Calls Pastor



WARD IS INVITED TO COLLEGE TOWN

May end six Year Service At First Congregational Church in Salem

Rev. Charles E. Ward, pastor of the First Congregational church, told congregation members at the midweek service last night that he had received a call to the pastorate of the College Congregational church at Forest Grove.

He indicated that his resignation would be submitted to the church membership at an early date, with request that it be accepted.

News of Rev. Ward's call to the Pacific university town came as a surprise to the church members, and the general sentiment was that the local church should not allow him to leave. It is considered likely, however, that if the pastor would like to accept the call, the congregation, when the resignation is placed officially before that body, will release him here.

Resigned Once But It Wasn't Accepted

Rev. Ward, who will end six year work here in May and who is one of the oldest protestant ministers here in point of service, resigned his charge here two years ago to take up work as pastor-at-large for the state conference, but his membership would not accept the resignation.

The Forest Grove pastorate has been vacant since the first of the year, but formal call to a new pastor was not voted until last Thursday night.

In case he goes to Forest Grove, Rev. Ward will be returning to his college town and will serve five years at Park church, Toledo, Ohio, and next a three years' pastorate at Ashabula, Ohio. He came to Salem from Ashabula nearly six years ago.

Active in Civic Work Locally

Rev. Ward has been active not only in ministerial circles here, but in the work of the Young Men's Christian association and the Lions club. He is also a member of the chamber of commerce.

He served as president of the Salem Ministerial association for two years. He has been president of the Pacific university alumni for two years since his return to Oregon.

Since his return to Oregon he has been moderator of the state conference of his church, and is now serving his fourth year on the state conference board of directors and this year is serving his second term as president of that board.

Rev. Ward has done much work in the church here, being organist of the church and also taking charge of the primary department of the Sunday school. The Wards have three children, all boys: Billie, Donald and Charles.

Full Name May Go in Records, Not Headlines

DETROIT, Feb. 25.—(AP)—"What is your name?" asked Ted Madden, federal naturalization examiner, of a prospective candidate for citizenship.

"My nickname," the candidate replied, "is Vazil Ferencesik."

"But your full name will have to go into the official records," Madden explained.

"All right," Vazil said with a sigh, "my real name is Vazil Raako Ferraravocencoscucagearmocicoul. I'll spell it for you."

Samuel Hill Better Portland, Ore., Feb. 25.—(AP)—Samuel Hill, widely known railroad builder, continued to gain strength at a hospital here tonight. He has been critically ill for more than a week.

NOTE FOR FIRE PROTECTION AT OREGON PRISON

House Passes Appropriation Of \$75,000 for Roof, Sprinkler System

Opposition Based on Claim Buildings Will Have To be Replaced

Appropriation of \$75,000 for a new roof and a modern fire protection sprinkling system for the state penitentiary was approved by the house yesterday by 46 to 14 vote. Opposition to the appropriation came from members who thought it unwise to add anything to the capital investment in the institution which will eventually be replaced by a modern structure.

Supporters of the bill claimed that the growing flax industry increased the fire menace at the institution and pointed out the unfair responsibility which would be placed on the board of control in case of a catastrophe.

The child welfare commission lost by a 35 to 25 vote on the Lee bill which created a 60-day period of probation and investigation between the time children are found delinquent by a county judge and the day they are actually committed to an institution.

Mrs. Lee led the fight for the passage of the bill, the discussion of the measure taking more than an hour.

Loan Businesses To be Regulated

Representative Bronaugh led a successful house campaign for the passage of his bill which places the regulation of small loan businesses in the state under the supervision of the state banking department. Annual reports from all licensees as well as regular inspection are required, misleading advertising is prohibited and maximum fees of three per cent a month on loans are allowed, as recommended by the Russell Sage foundation which has investigated the small loan situation throughout the nation.

The house passed the anti-trust measure, which is a move to eliminate price discrimination; the commission study conditions in the state, and the narcotics sale restriction. A move to reconsider the fish wheel provision in the Columbia river was expected to be made in the house, while the session Saturday night was devoted to resolution seeking to end intemperance.

CAPONE IN COURT; CONTEMPT CHARGE

CHICAGO, Feb. 25.—(AP)—Al Capone, who is in the federal court today and calmly listened to the government's case intended to show he was in contempt for failure to appear before a grand jury in March, 1929.

The action came after two days discussion on the floor in which only two opponents of confirmation participated. They were Senators Brookhart of Iowa and Frazer of North Dakota, both republicans, who criticized financiers' former activities in Wall street and his service on government boards.

Friends of Meyer decided no defense was necessary and they made no speeches.

Only four republicans and seven democrats voted against confirmation. Twenty-nine democrats joined 42 republicans and the one Farmer-Labor senator, Shipstead, Minnesota, for confirmation.

Papa Popowicz Popped in Jail For Popping Jr.

CHICAGO, Feb. 25.—(AP)—It all started when Pop Popowicz popped Popowicz, Jr., in the nose.

"Don't spank my child," shouted Mother Popowicz today, when her husband took son John upon his knee.

"Ok"—whereupon Pop laid aside his razor strop and popped junior square on the nose.

"Police," shouted Mother Popowicz and lo! the police soon arrived and popped Pop Popowicz in the jail.

Higher Education's Full Request Given Committee Approval

Sixteen Members of Ways and Means Group Vote for Appropriation of \$1,231,173; Other Revenues Said Lower

Sixteen of the 20 members of the joint ways and means committee of the legislature Wednesday night voted to approve an appropriation of \$1,231,173, as requested by the state board of higher education, for the support of the University of Oregon, Oregon State college and the three normal schools.

Senator Burke moved that this entire appropriation be eliminated, and that the institutions be compelled to operate under revenues of \$4,862,300 derived from millage taxes and continuing appropriations.

Voting for this motion were Senators Burke, Spaulding, Strayer and Swift. Upon defeat of this motion Senator Burke moved that the state appropriation be reduced \$500,000. Representative Angell, presiding, ruled this motion out of order.

The motion to allow the entire appropriation of \$1,231,173, which includes a capital outlay expenditure of \$50,000 for the construction of a training school at the eastern Oregon State normal, was made by Senator Staples, Senator Strayer, in commenting upon the budget request of the higher board of education, declared that it was in the case of a "champagne appetite and a beer income."

Shows Income of Schools Decreased

E. C. Sammons of Portland, member of the board of higher education, submitted figures to the committee showing that the (Turn to page 2, col. 5)

EMPLOYEES WOULD PURCHASE WORLD

NEW YORK, Feb. 25.—(AP)—Employees of the New York World—3000 of them their spokesman said—raised a united protest in surrogate court today against sale of the Scripps-Howard interests of the newspaper on which they earn their livelihood.

So Paul Block, publisher of seven newspapers from Brooklyn to Los Angeles, made what he called "a better offer" than that of Roy Howard and his group and announced if the three sons of Joseph Pulitzer would sell the New York World to him he would give the employees 45 days in which to buy it from him at the same terms.

And Surrogate James A. Foley deferred until tomorrow morning his decision as to whether it is legally possible under the rigid Pulitzer will, for the sons to dispose of the Morning, Evening and Sunday World.

What began late yesterday as a perfunctory action to merge the World papers with the New York Telegram and supposedly to unite his plan in one newspaper, was called the World-Telegram, became today an impassioned hearing at which the men who work on the World pleaded for a chance to continue on a cooperative basis as a newspaper. "With traditions of the press and the traditions of Joseph Pulitzer."

O'LEARY CHANGES HIS PLEA; GUILTY

On the eve of his trial in the Marion county circuit court on a charge of larceny by bailer, Richard "Dick" O'Leary, former Salem restaurant owner, came into court yesterday afternoon and changed his plea to guilty. Sentence will be pronounced by Judge L. H. McMahan Saturday morning at 10 o'clock.

O'Leary is held here on two counts, and what will happen on the other charge is not yet known. The other charge involves passing checks without sufficient funds.

The case was scheduled to come up for trial this morning at 9 o'clock.

SENATE CONFIRMS MEYER SELECTION

WASHINGTON, Feb. 25.—(AP)—The long-contested nomination of Eugene Meyer of New York to be governor of the federal reserve board was confirmed by the senate today, 72 to 11.

The action came after two days discussion on the floor in which only two opponents of confirmation participated. They were Senators Brookhart of Iowa and Frazer of North Dakota, both republicans, who criticized financiers' former activities in Wall street and his service on government boards.

Friends of Meyer decided no defense was necessary and they made no speeches.

Only four republicans and seven democrats voted against confirmation. Twenty-nine democrats joined 42 republicans and the one Farmer-Labor senator, Shipstead, Minnesota, for confirmation.

Generous Response Is Made to Appeal For Aid to Family

A very generous response has been made to the appeal for help for the S. J. Smith family, which was burned out last week. Otto E. Hunt, who discovered the fire, has since undertaken administration of needed relief for the family, which consists of the parents and seven children. Through The Statesman an appeal was made for food, furnishings and clothing, to be left at either the Four Corners garage or the local Salvation Army.

The response was immediate and supplies of food-stuffs, bedding, clothing, as well as cooking utensils and stoves were donated. In addition, Mr. Hunt collected some money for the family.

"All right," Vazil said with a sigh, "my real name is Vazil Raako Ferraravocencoscucagearmocicoul. I'll spell it for you."

Samuel Hill Better Portland, Ore., Feb. 25.—(AP)—Samuel Hill, widely known railroad builder, continued to gain strength at a hospital here tonight. He has been critically ill for more than a week.

TAXATION PLAN REMAINS SAME AFTER HEARING

Only Modification is That No Special Election Will be Called

Farmers Appear at Hearing in Support of Levy on Intangibles

After a session of taxation committees of both houses in the governor's office which lasted until after midnight this morning, the taxation program previously agreed to was reaffirmed except that no special election will be called for the expression of popular verdict. This program in brief is as follows:

1st. Appeal to the U. S. supreme court from the decision of the Oregon court holding the 1929 intangibles act unconstitutional.

2nd. In case the court rules against the state refund to the payors of that tax sums paid plus 6 per cent interest.

3rd. Enactment of excise tax on corporations with rate made 8 per cent instead of 5 per cent. (H. B. 378).

4th. Enactment of new intangibles tax on 1929 and subsequent years, but with interest deduction. (H. B. 379).

Farmers in Favor of Intangibles Tax

The joint session followed a public hearing on the intangibles tax conducted by the senate committee on taxation. Those speaking for the bill were Charles Galton (Turn to page 2, col. 1)

LAME DUCKS LIMP NO MORE, OUTLOOK

WASHINGTON, Feb. 25.—(AP)—An early agreement on the proposed constitutional amendment to abolish the last, or "lame duck," session of congress was predicted tonight as congressional conferees attempted to adjust differences between the house and senate.

It was sent to conference today when the senate rejected the Gifford substitute to the Norris resolution which was adopted overwhelmingly last night by the house. The proposal by Senator Norris, republican, Nebraska, has been approved six times by the senate.

In asking the senate to send the house substitute to conference, Senator Norris said:

"All difficulties can easily be ironed out, I think."

The chief difference between the senate resolution and the house substitute is the provision in the latter limiting the length of second session.

Conferees were appointed by both houses and they planned to hold a 1500 session tomorrow. The senate named Norris and Senators Borah, republican, Idaho, and Walsh, democrat, Montana. The house named Representatives Gifford, Massachusetts, and Perkins, New Jersey, republicans, and Jeffers, Alabama, democrat.

Governor Vetoes Salary Increase

Governor Julius L. Meier yesterday returned his third veto of the session, and his second against salary increases. His veto this time was on the bill which would increase the salary of the assessor of Umatilla county from \$1500 to \$1800 a year.

While his veto was announced the senate was debating action on a bill which would decrease the salaries of all state officials, not set by the constitution, by ten per cent.

Test Case on Governor's Salary is Now Suggested

Whether the governor shall receive \$7500 annually, as provided by statute, or be limited to \$1500 a year, as provided in the state constitution, is of sufficient importance to initiate a proceeding in the state supreme court, according to a legal opinion handed down by the attorney general Wednesday.

The question was referred to the attorney general by Governor Meier. The opinion also involves the secretary of state and state treasurer, who have been drawing an annual salary of \$5400 a year under a statutory provision.

The constitution provides that the salary of the state treasurer shall be \$800 a year, and the secretary of state \$1500 a year.

"A statute is presumed to be valid until it has been declared void by the courts," read the attorney general's opinion.

"Section 1 of Article XIII having fixed the salary of the governor at \$1500, and having expressly provided that he shall receive no fees or perquisites whatever for the performance of his duties, and also having provided that the legislature may fix the compensation of public officers 'if not fixed by this constitution,' it would appear that any act of the legislature attempting to grant the governor a salary in excess of \$1500 per annum violates the constitution."

"However, in the case of the state vs. Cochran, the validity of an act of the legislature, increasing the number of justices of the state supreme court from three to five, was questioned.

"The legislature had provided for five justices of the supreme court. It was contended that this was unconstitutional. The court called attention to the fact that in several places in the constitution the language is used to exclude any action which was not expressly authorized, as for instance, in section 24 of the bill of rights, 'treason against the state shall consist only in levying war against it,' and section 2, article II of the original constitution, which provides that every white male citizen of 21 years, and who has certain other specific qualifications may vote.

"Section 6 of the article provided that (Turn to page 2, col. 1)