

COMPANY GIVEN 90-DAY LEEWAY

Public Service Group Hands Down Order Following Recent Hearing

(Continued from page 1)
Of Oregon in this case at this time and that jurisdiction of this case should be retained by this commission for the purpose of making such final or further orders as may be reasonable and proper in the premises.

That 90 days from the date of service of this order is a reasonable time in which to comply with said order.

While a copy of the order had not reached President Elliott of the Oregon - Washington Water company last night, he indicated when apprised of the commission's order that he felt his company would not set until pending negotiations for purchase of the plant were carried farther with the city.

He did not state what his company would do in event the proposed arbitration was not proceeded with.

At the hearing held February 18 before the public utility commission, Mr. Elliott testified that the new filter plant, now partially complete, work on which stopped last summer, could be finished within 90 days.

The water company at the time it suspended work, said it would not proceed further to invest its moneys in Salem unless it had some assurance of reasonable return of capital investment should Salem acquire through purchase, or condemnation, the property of the utility.

ARBITRATION PLAN OF COMPANY TOLD

(Continued from page 1)

election of the question of acquiring the water company property at the arbitrated value, with the provision that sufficient bonds be authorized for the purchase of the property.

City Officials
Make no Promise
While considerable discussion was carried on last night by President Elliott, Mayor Gregory and other members of the conference, the city's representatives agreed that no one was willing to make formal comment until the written proposal of Mr. Elliott could be thoroughly weighed.

"I have prepared this matter to expedite the construction of the filter plant and to try to work out a transfer of the property to the city on a basis mutually agreeable," said Mr. Elliott. He asked that the council act early next week, if possible, since he was forced to return to San Francisco by Monday night.

Mayor Gregory said the matter was of such importance that he thought the time suggested entirely too short for a studied decision on the part of the council.

He indicated that he was not at all certain that the present plan in Salem should be purchased and said he hesitated to commit the city to its purchase.

Heretofore the mayor had indicated he would favor arbitration.

Legislative Sidelights

Oregon's 36th Legislative Session Brings Interesting Personages to Salem

ROY SHIELDS, formerly an attorney here, was a legislative visitor Friday. Mr. Shields now is counsel for the Union Pacific railroad in Portland. He has been interested in the intangibles tax case of 1929 and feels that there is strong probability the United States supreme court will fail to take jurisdiction when the case is appealed. His reason is the fact that a new measure will undoubtedly be passed this session to take the place of the 1929 tax and the supreme court has usually refused to assume jurisdiction over cases which it did not deem of sufficient consequence to consume the court's time. The matter having been settled by the legislature, the effect of the law being now retroactive, Mr. Shields opines it will not be considered a moot question by the court.

Senator Staples resents having the judgment of the joint ways and means committee questioned. He didn't hesitate to tell Senator Hall his views when the Coos and Curry members of the committee were rushing through the senate. President Marks came to the defense of the protesting colleague and condemned the senator from Multnomah for taking the view that all other committees would err but the ways and means group was inerrant and to criticize it was less majestic. Senator Burke joined with Senator Marks and said he hoped a number of actions of the ways and means committee would be fought on the floor of the upper house.

In the appropriation bill for the executive department is \$3500 for capital outlay which

tion although he has also stated he would favor a mountain water system for the city. A number of specifications are included in the proposal of the water company president. Among these are included provisions that the arbitrators be engineers, that the city bind itself not to proceed with the appeal of the water purchase charter amendment during the arbitration, that the matter of purchase when submitted to the voters, if defeated, can be resubmitted at the option of the voters.

Battleship to Get Same Sum As 2 Years Ago

The battleship Oregon will receive the same sum provided for that city by the legislature, the house decreed Friday when it defeated the ways and means bill to reduce the appropriation from \$15,000 a year to \$12,500.

The issue was debated with proponents of the higher appropriation appealing to the patriotism of members. The first roll call showed the bill failing to pass by one vote, whereupon Representative Harvey Wells, Spanish-American war veteran, in which conflict the Oregon played a prominent part, requested those who voted for the reduction to change their vote. The majority of those voting aye then changed their vote in compliance with this request.

covers moneys already spent in the refurbishing of the executive chambers.

Governor Meier told business leaders from Portland who came to his office Friday to oppose pending tax increases that these men, like himself, should take more interest in political affairs. He said the complex interests of the people would be better understood and furthermore, that the administration of state's affairs would be improved if more business leaders concerned themselves with government.

A protesting editor in the person of Rodney Alden of the Woodburn Independent made his appearance again at the capitol Friday. Alden has been keeping a close tab on the number of the clerks and stenographers employed and their relationship to attaches of both houses. Several have been his criticisms of certain newsmen who brought their wives and families to the state-house and the number of lucrative jobs that those of the members themselves, were provided for the "home folks."

A desultory check of the house Friday afternoon showed only 23 of the 85 day stenographers, who number 60 in toto, present. Of the 23 not one was busy. After a few letters are answered, the girls have a fine day, chatting in the hall, primping in the stenographer's work rooms or looking on while a lengthy debate is in progress.

Charles Bollinger, business manager of the Oregon City Enterprise, looked things over Friday. He signs checks now that E. E. Brodie is representing the flag in Finland. Bollinger's March assignment is to work with Harry B. Carridge, Enterprise editor, on a new issue of "Who's Who in Oregon," a Brodie compendium of two years ago.

Joe Dunne broke down Friday and confessed that it took 265 pounds of full measure to match his weight when he climbed on a busy pair of scales. For this reason, he was not allowed to compete in the Multnomah county cripplies. The senator's wishes did not prevail.

Mickey Mouse NOTES

M.M.C.
What's the matter with you, boys? We don't want only girls to sing in the contest every Saturday. Last week not one boy sang any of the songs that were listed and so the prizes went to Rita Mae Hill, first, and Leone Goff, second.

M.M.C.
This Saturday the songs for the contest are, "Sing Song Girl," Betty Coed," "My Baby Just Cares for Me," and "When It's Springtime in the Rockies."

M.M.C.
Remember that there's prizes for the boys also, so let's have plenty of boys entered this Saturday.

M.M.C.
Our own orchestra plays on the stage Saturday, so let's all turn out to see them.

M.M.C.
Marjorie Woum was elected color bearer and Bill De Sousa was elected sergeant-at-arms at the matinee last Saturday.

M.M.C.
Doors open at 10:30 for our matinee tomorrow.

M.M.C.
The name was "High Kick Dance," and that's exactly what Joyce Chambers, from Barbara Barnes school of dance did, last Saturday on the stage.

M.M.C.
The program will be headed by the Mickey Mouse club serial, "Spell of the Circus." A cartoon comedy, novelty reels, contests and the feature picture, "Dumbbells in Bermuda," make up the balance of the program.

FINANCE PLAN WILL BE TOLD

Oregon Linen Mills to be Reorganized, Word to Stockholders Here

(Continued from page 1)
will on certain conditions take over the assets and liabilities and management of the present corporation and put in ample capital for the continuous operation of the mill. This plan contemplates the issuing of stock in the new corporation for shares of preferred stock in the old Oregon Linen Mills.

"This is the only plan that has been presented that will insure the reopening of the mill and immediate operation and employment of labor. The parties making this proposal represent they will put the mill into operation within thirty days after acceptance of their proposition. Under existing conditions, the only hope of saving anything for the present stockholders of the Oregon Linen Mills and should receive your prompt and careful consideration."

"A meeting of the stockholders will be called within the next few days for the consideration of this plan. We trust you will respond promptly, either by filling out and mailing in your proxy or making arrangements to attend the meeting. This matter seems to be of almost imperative importance to each stockholder of the Oregon Linen Mills."

While the plans of the reorganization have not been made public they are understood to include a scaling down of the capital which has been sustained the past five years. The remaining portion of the bond issue, some \$60,000, will be sold, and additional shares of stock of the new company issued for cash. Skilled management is promised for the new organization. The present weaving equipment will be largely junked, and 12 new automatic looms purchased.

The Oregon Linen mills was financed through popular sales of stock in 1925. Not sufficient stock was sold to provide adequately for the financing, and bonds were issued up to some \$90,000. The company experienced difficulties due to its being new, to its lack of experienced management, and to the attempt to operate with second-hand looms. The spinning plant is entirely modern and this has been operated more or less steadily on spinning yarn. Sack twine was also produced at the mill.

With the completion of the reorganization the mill will be reopened and aggressive sales policy adopted to sell the product which will consist of crasses and similar grades of linen goods.

CANNERY COMPANY TO OPERATE HERE

(1 of 2nd story paragraph)
Murdoch Co., operated it under lease in 1929. Last year it was idle. The new firm leases the property with option to buy it later. The present owner is E. L. McCauley.

The office at the cannery will be opened right after the first of March. Plans for the season have already been well advanced, including arrangements for working organization and obtaining supplies.

Both the men are well known in local business circles, are young and aggressive, and full of enthusiasm for their new venture. In discussing the matter yesterday Hillman said: "We feel safe in starting a new venture at this time although general business has been depressed and the canning business along with other lines, because we believe things are now at the bottom. The cannery is in good shape, ready to go when the season opens in early summer. We have made good selling connections, and hope to put up a high quality pack which will win and hold steady customers for our brand. The operation will afford a new outlet for Salem-grown fruits and berries, helping to dispose of local production in the outside markets."

RIVER'S END

Last Times Today
CONSTANCE BENNETT
ERICH VON STROHEIM
In
"3
FACES EAST"
GRAND

The Call Board

By OLIVE M. DOAK

WARNER'S ELSINORE
Today—Marion Davies in "The Bachelor Father."
WARNER'S CAPITOL
Today—Kay Francis in "Passion Flower."

GRAND
Today—Charles Bickford in "River's End."
HOLLYWOOD
Today—Hoot Gibson in "The Concentration Kid."

Tonight at 11:30 o'clock there will be presented to that part of the Salem theatre public fortunate enough to be at the Capitol theatre's audience at that time, "Viennese Nights," a play with a charming story, lovely music and photography to thrill the artistic sense of any lover of that art.

Plus these attributes is the additional one of technical color which is yet clearly defined, and astonishingly realistic. In fact it has the very best technical color that I have seen in any pictures so far.

And the acting is something to talk about afterward and to thoroughly enjoy while watching the development of the plot. There are so many small parts and in these parts you will find finished actors who fit so exactly the character presented that one glues one's eyes to the screen in order not to lose a thing that is going on.

For instance, a group of people enter a box at a theatre. To the right of Vivienne Segal is a man whom you were fortunate enough to be informed was Bela Lugosi, the actor who made the role of Dracula a famous stage role and later took the part in the play of the same name on the screen. He is distinguished enough looking to make one wonder, but his name does not appear in the cast. Look for him, for you will have a chance to see him in his famous work in "Dracula" at one of the Warner Brothers theatres soon.

Jean Hersholt, as the cobbler father of Vivienne Segal, is a character not to be forgotten in this play. Alexander Gray, too, does very pleasing work. His voice is a satisfaction to hear, either speaking or singing.

It is hard to give a tip on this play, it is so good as to plot, it is one of those satisfying pictures which start in the past and bring people, or children of those people up to our modern age.

Both Walter Pidgeon and Vivienne Segal have been seldom seen on the screen to date, but from the work each did in "Viennese Nights" they have many appearances ahead of them. Vivienne Segal and Hal Roach did especially interesting work in keeping true to character, even though that required them to start in the picture as youths and complete the picture in age.

With perfect sincerity and pleasure I can recommend "Viennese Nights" to those people looking for a pleasant entertainment. It will be seen at the Capitol tonight at 11:30 and for four days beginning Sunday.

Kunciter
William Kunciter of Bethel district died in this city February 27, aged 45 years; brother of Frank Kunciter and Mrs. Mary Zak of St. Helens. Announcement of funeral later by W. T. Rigdon and Son.

HOLLYWOOD

Home of 25c Talks
LAST TIMES TODAY
Special Mickey Mouse Matinee
Starts 1:30 P. M.
Hoot's Latest Talking Western

HOOT GIBSON CONCENTRATING KID

Also
INDIANS ARE COMING!
and "Our Gang" Comedy Fables Comedy and News
COMING SUNDAY
HAROLD LLOYD Feet First

INTANGIBLES FUND RETURN DEFEATED

(Continued from page 1)

Portland industrial leaders called upon Governor Meier and president of the senate and speaker of the house, urging an amendment to the excise tax increase bill to lessen their burden. They protested the measure, already passed by the house, which increases the excise tax from 5 to 8 per cent, as tending to keep other industries from the state, as well as driving them now doing the major portion of their business outside the state to locate in other parts of the country. Protest again the 8 per cent tax on incomes from intangibles was also voiced.

Governor Meier agreed to the extent that he would like to see a tax reduction but emphatically told the delegation that the program as mapped out was the only thing which would prevent this state from being thrown into a "chaotic state, and one facing a tax rebellion by real property owners." Charles V. Galloway of the state tax commission, cited figures to show the small share of the tax burden which would be carried by corporations and intangibles tax owners as compared with that carried by real property owners. He said the hope that the present tax program would relieve the real property owners of some taxation by shifting a portion of the burden, he stated.

The measure was introduced by the administration.

The senate approved, by a vote of 16 to 13, a bill by Representative Bronaugh and Bynon, creating an apartment house landlord's lien on personal property of a tenant.

Senator Crawford said the bill was directed at grasshopper tenants, and would affect more than 700 apartment houses in the city of Portland.

The proposed legislation was branded as vicious by Senator Upton. "You are attempting to place one class of people above all others," said Upton, "which is unfair and discriminatory."

The senate approved a bill introduced by Representative Hamilton appropriating \$25,000 to the American Legion to help defray the cost of the national convention in event it is held in Portland in 1932.

Representative Bynon's bill prohibiting the requirement that teachers shall disclose their religious affiliations when applying for a position or answering a questionnaire was indefinitely postponed.

STATE POLICE USE OF RADIO FAVORED

(Continued from page 1)
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A bill closing part of the McKenzie river to boat fishing carried.
The senate also passed a bill by Representative Lonergan providing for prequalification of bidders on public works. A similar bill was approved at the 1929 legislative session, but was vetoed by the late Governor Patterson.

MICKEY MOUSE CLUB MEETS

TODAY AT 10:30
Bring the gang—Join in the fun—Comedies, Serial, Features and Contests
10c Admits
WARNER BROS. CAPITOL

Tonight at 11:30 p. m. SPECIAL, EXTRA MIDNIGHT SHOW! "Viennese Nights"

Box Office Opens At 11 P. M. THEN Tomorrow... COME LIVE

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MARIE DRESSLER WALLACE BEERY

ALONE
Marie Dressler was marvelous in "Anna Christie," in "Caught Short," in "Let Us Be Gay."
ALONE
Wallace Beery was a riot in "Way for a Sailor" and "The Big House."
TOGETHER
these two stars are unforgettable in a drama of laughter, tears, thrills—
MIN AND BILL
A Metro-Goldwyn-Mayer ALL TALKING PICTURE
STARTS TOMORROW
WARNER BROS. ELSINORE

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Marion DAVIES in The BACHELOR FATHER

WARNER BROS. ELSINORE

SATURDAY SPECIAL AT MACK'S

A REASSORTMENT OF MERCHANDISE has added many new and interesting values to the racks of \$5 \$10
FROCKS and SUITS For those many women who, coming a bit late in our Sale, found the stocks on these racks depleted.
MACK'S
395 North High