

VACATION TIME

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EIGHTY-FIRST YEAR

ROUTE CHANGE FOR BUS LINE GETS REFUSAL

Council Responds to Views Expressed in N. Salem Group's Petition

Question of Sidetracking Exclusive Feature of Franchise Faced

The city council heard Recorder Mark Poulson last night read a vigorous petition signed by 35 North Salem residents protesting any change in bus lines, listened to Alderman Wilkinson speak against his own relocation ordinance of the North Salem bus lines and promptly gave the alderman a hearty majority when he moved the changes asked by the transportation company be tabled.

As a result the route in North Salem agreed upon in the five-year franchise granted the bus lines in 1930 stands and the public utility committee has the petition before it, which asks further that competitive lines be allowed to serve Salem residents under an old supreme court decision which forbids the city granting exclusive franchises.

The disposition of the bus line matter, like the other affairs before the council Monday night, was done in a hurry, the 14 aldermen being plainly anxious to get away from the rather stuffy council chambers. In an hour's time a rather heavy docket of business had been hurried through to completion.

Want Traffic Law Uniform With State

A move to make the city's traffic laws conform to those of the state was instituted by Alderman Olson in an ordinance providing that penalties for drunken drivers be 30 days in jail and a fine of \$500. The ordinance goes to committee for consideration. It resulted from the conflict of laws which was apparent in the recent Hogan case where Hogan was tried under the city ordinance and his penalty lessened.

The question of an exclusive franchise for garbage disposal within the city again showed itself, this time in an ordinance which would give the Sanitary Service company a five-year exclusive permit to handle garbage disposal. The company agrees to accept prevailing rates and to modify these at the council's demand. Care of the incinerator without cost to the taxpayers is agreed upon in the ordinance, which was referred to committee.

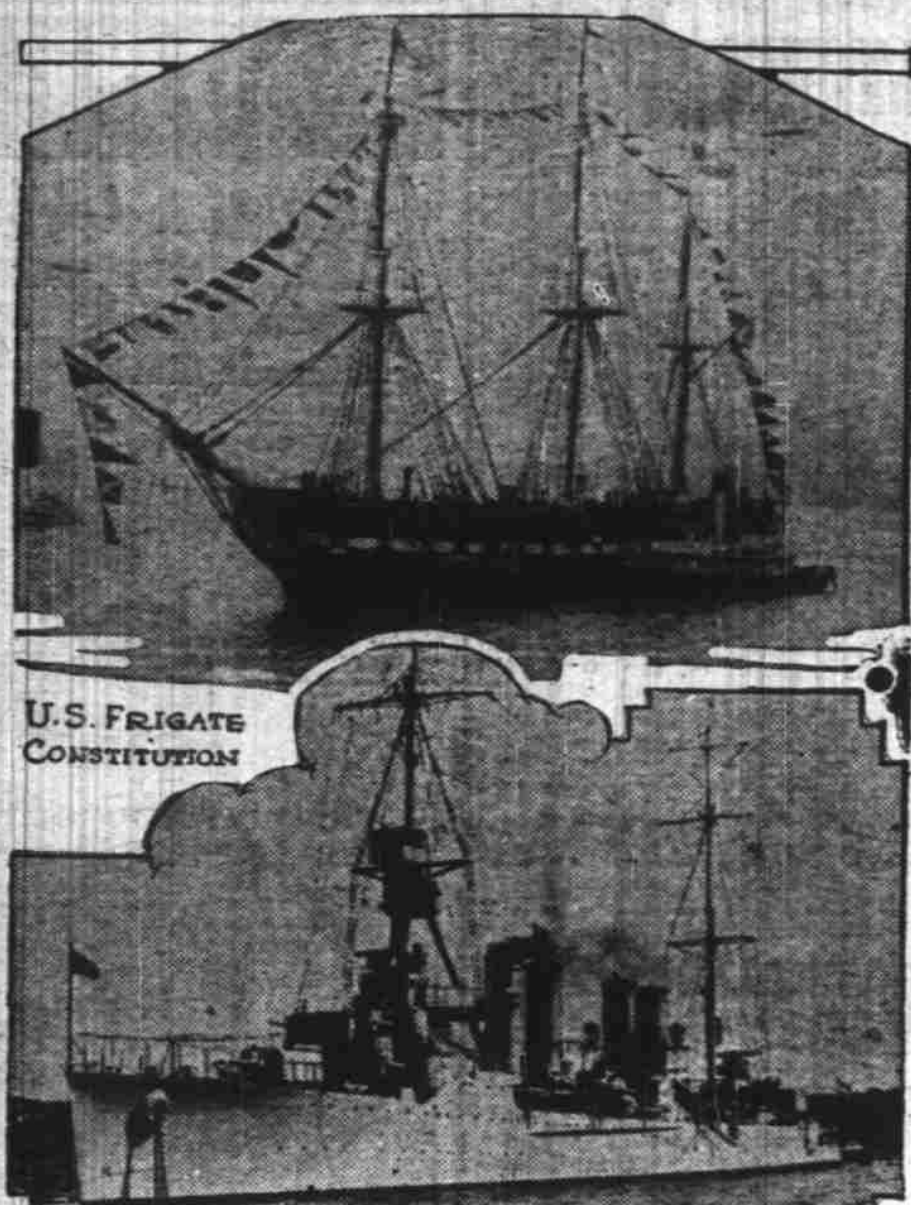
On Tax is Voted

The council, after brief debate, passed a resolution remitting the 12 per cent penalty for street improvement delinquency upon property owned by Mattie A. Parrish. Instead a 5 per cent charge on the delinquent taxes is accepted, Mrs. Parrish agreeing to pay the \$666.14 original assessment together with \$733.45 in interest which has accumulated since 1913.

Alderman W. H. Dancy, while admittedly for collection of the tax, raised the question of precedent in cutting down the payments. Several of the aldermen and Mayor Gregory expressed themselves as favorable to collecting the money by cutting down the 12 per cent penalty.

Alderman Hal Patton said a number of delinquent assessments were long past due and might be outlawed. The council authorized City Attorney Trindle to file suits of foreclosure in such instances. Trindle explaining that the suits (Turn to page 2, col. 1)

Gallant Old "Constitution" to Make Long Delayed Tour of U. S.



U. S. S. MEMPHIS

Completely reconditioned from truck to keel, the U. S. Frigate Constitution is all set for the start of her triumphant tour of the nation she served so well on that historic day in 1812 when she forever routed the bogy of British supremacy on the seas by defeating in "one half hour" the English warship Guerriere. It is interesting to compare the Constitution as a fighting craft with her modern sister the U. S. S. Memphis, which boasts 90,000 horse power, giving her a speed of 33.7 knots against the Constitution's 600 (estimated) horse power and 13.5 knots. For armor the modern cruiser uses 2 inches of steel, while the frigate carries 2 1/4 inches of solid oak. Then there is the armament, a point where the Constitution is a poor second, for although she carried 30 long 24-pounders and 22 32-pound carronades her range with these weapons was only 1,200 yards. The Memphis, on the other hand, carries only 12 6-inch and 4 3-inch guns but she has a range of 23,000 yards. The Constitution was launched in 1797 at a cost of \$802,719 and had a complement of 475 crew and fighting men. The Memphis, launched in 1924, cost \$25,000,000 and is manned by 424.

FIRST CONCERT OF YEAR IS TONIGHT

Eva Roberts Soloist; Will Start Twice-a-Week Routine July 14

The first regular concert for the season of the Salem municipal band will be held at Willson park beginning at 8 o'clock. Eva Roberts will be soloist. No concert will be held Friday night, July 10, but beginning the following week the regular schedule of programs Tuesday and Friday nights will be followed, announces the director, Oscar Steinhilber.

The band will be in Seattle to participate in events there Thursday in connection with the national Elks' convention. The program for tonight's concert is as follows:

The Merry American March... Wheeler
Selection "Milla Modiste"... Hubert
"Blue Danube" Waltz... Strauss
Popular numbers
a. "You're Simply Delish".
b. "Far You"
c. "Little Spanish Dancer"
Overture "Morning, Noon and Night" (Turn to page 2, col. 1)

SALEM BANKS IN STRONG POSITION

Cash Sets new High Mark; Loans Lower; Deposits Greater Than 1929

Salem's three banks are in remarkably strong position judging from the facts revealed from the call of June 30.

Deposits are slightly lower than a year ago but markedly above the prosperous year of 1929.

Cash in the three banks is at the highest figure in local history and fully 70 per cent higher than in 1929.

Secondary reserves of the banks are high, being only slightly less than a year ago, while commercial loans and discounts have been reduced upwards of \$1,300,000 since two years ago (Turn to page 2, col. 5)

Trotzky Avers Rule of Stalin Not Socialism

CRACOW, Poland, July 6.—(AP)—Leon Trotzky, exiled from Russia, today renewed his war with Joseph Stalin by demanding abolition of Stalin's "bureaucratic dictatorship" of the soviet republic.

Writing in the Cracow Daily Courier, Trotzky declared that scarcely 5 per cent of Russia's millions are inspired by socialist doctrine or apply those doctrines to their lives. To pretend that the nation has entered into an era of socialism is to deride socialism, he said.

Police Bested In Gun Battle With Four Men

SEATTLE, Wash., July 6.—(AP)—Four men in a maroon sedan escaped here tonight after a running gun fight which lasted for a mile in the north end of the city with three policemen in a prowl car in pursuit.

The police lost the race when a bullet broke their windshield and grazed the ear of Patrolman A. J. Hill. The men were suspected of being involved in recent robberies here.

Bull Tramples Lad Badly Hurt

EUGENE, Ore., July 6.—(AP)—Harold Clark, of Creswell, was in a local hospital today recovering from injuries suffered when a bull trampled him.

Clark was leading the animal when it started butting him. He clung to the ring in its nose and saved himself more serious injury.

FRANCE MAKES TEXT OF DEBT ACCORD KNOWN

Payments by Germany Will Be Invested in Bonds, Agreement Reads

Ten Installments Starting in 1933 to be Basis of Resumption

PARIS, July 6.—(AP)—The text of the war debt moratorium accord, approved today by France and the United States, was given out today by the French government. It follows:

"After exchanges of views the French government states that it is in agreement with the United States on the essential principle of President Hoover's proposal and on the following propositions which will be expressed thus:

"First—The payment of inter-governmental debts is postponed from July 1, 1931, to June 30, 1932.

"Second—However, the reich will pay the amount of the unconditional annuity.

"The French government agrees insofar as it is concerned, that the payments thus made by the reich shall be placed by the Bank for International Settlements in bonds guaranteed by the German railroads.

"Third—The suspended payments shall be subject to interest in accordance with the conditions suggested by the American government, payable in 10 annual installments beginning with July 1, 1933.

"Fourth—The same conditions shall apply to the bonds to be used by the German railways.

Export of funds for the purpose of financing the railroads.

On the three points which it is recognized do not concern the United States government, the French government makes the following declaration:

"(A) Concerted action by the principal central banks through the intermediary of the Bank for International Settlements shall be organized for the benefit of European countries which find themselves particularly stricken by the present suspension of payments.

"(B) A previous understanding must be arrived at between France and the World Bank for International Settlements so that France will only be called upon to complete the guarantee of payments for in the case of a moratorium under the Young plan by monthly payments equal to the needs of the World Bank and as a result of payments effectively transferred to Germany.

"(C) Concerning payments in (Turn to page 2, col. 3)

CELEBRATION WILL BE ANNUAL EVENT

Success of First Venture Followed by Decision To Continue Plan

Agreement to continue the celebration of the July 4 anniversary each year in Salem heretofore was made yesterday by the American Legion commission which conducted the observance of the day here Saturday. The attendance was so large and the approval of the crowd so manifest, the legion men were agreed that the annual celebration was justified. Before this year, there has been no celebration in Salem since 1919.

While a final check of receipts and expenses had not been completed last night, it appeared certain that the celebration was a balanced expenditure by income with Saturday's celebration. J. T. Delaney, general chairman, met with all the committeemen last night and went over all the bills which had been presented. The total was estimated at fully \$2500. The general admission receipts were slightly more than \$1800 and concessions within the grounds augmented this sum considerably.

SALEM SWELTERS BUT CROPS HELPED

"We are getting ours now" was the verdict of sweltering citizens of Salem on Monday when the thermometer registered 91 at the airport, 100 in certain downtown districts.

The torrid weather that has been burning the east for several days seems to have hit the west with a vengeance and there is no relief in sight according to local experts.

"That the heat is of immeasurable value to farmers is certain. All crops were in need of warmer weather and the next few days promise to bring many dollars in to the farmers' pockets."

Home Missions Council Elects Yarnes Officer

PORTLAND, Ore., July 6.—(AP)—The Oregon home missions council, in annual meeting here today, elected Dr. D. A. Thompson, syndical executive of the Presbyterian board of national missions, to the office of president. He succeeds Dr. C. H. Harrison, superintendent of the Congregational conference of Oregon.

Dr. T. D. Yarnes, district superintendent in the Methodist Episcopal church, was chosen vice-president. Dr. E. C. Farnham, executive secretary of the Portland council of churches, was re-elected secretary and Dr. O. C. Wright, executive secretary of the Oregon Baptist state convention, was named treasurer.

Stensland May Accept Charge

SILVERTON, July 6.—An invitation has been extended by the Trinity Lutheran church to the Rev. O. P. Stensland of Minnesota, Minn., to become pastor of the local church. The resignation of the Rev. H. L. Foss was accepted several weeks ago. The Rev. Foss was recently elected head of the Lutheran churches for the Pacific slope; his charge extending from Alaska to San Diego. His headquarters will be in Tacoma.

Laura Ingalls To Start East

LOS ANGELES, July 6.—(AP)—With the ambition to be the first woman to span the Atlantic alone, Laura Ingalls, the 100-pound aviatrix of New York and St. Louis is scheduled to leave here Wednesday for New York, the starting point of her proposed trans-oceanic hop.

Moratorium Negotiations Take Month

(By the Associated Press)

Here are some of the high lights of the negotiations leading to the agreement for a one-year moratorium on war debts and reparations.

June 5—German situation discussed at a White House conference.

June 6—Revision of reparations payments asked by the German government.

June 17—Secretary Mellon begins a series of conferences with British government officials, going to Paris eight days later.

June 19—President Hoover announces a way was being sought to aid Germany.

June 20—Suspension of all war debts and reparations payments for one year proposed by President Hoover.

June 21—German government sends official acceptance to Washington.

June 22—England accepts plan.

June 24—State department receives Italy's acceptance.

June 26—Postponement of unconditional payments under the Young plan proposed by France.

July 3—France and United States reach general agreement but some points remained to be ironed out.

July 6—4:41 p.m. (EST) President Hoover announces an accord had been reached with all the important creditor nations, including France.

ALL COUNTRIES ACCEPT HOOVER DEBT VACATION

Moratorium in Effect as of July 1, President Says; is Pleased

Details of Accord Remain To be Worked out by Finance Experts

By C. F. WILLIAMSON

WASHINGTON, July 6.—(AP)—American plan to help the world by helping Germany has been accepted at last by all the important creditor governments.

Obvious relief, President Hoover similarly announced the agreement in principle today for a year's moratorium on intergovernmental debts springing from the world war.

France acceded finally to the United States contentions of what major points had to be respected. Reminding that the terms are subject to the approval of the other interested powers, the president said that under these—while certain payments are to be made by Germany for reparations account—the substance of his proposal "is retained as the sum so paid are immediately returned to Germany."

Details Remain To Be Agreed Upon

The agreement was one in principle, with an understanding that the details would be worked out by financial and technical experts. Solution of details involved in the complexities of the situation will take many weeks, but the president remarked the moratorium was already "in effect morally as of the first of July."

The settlement contemplates a continued payment by Germany during the moratorium year of her unconditional annuities under the Young plan. These sums in turn will be loaned to the German railway which may reloan them to the reich for budgetary uses.

Conditional annuities will be suspended. France, meanwhile, will not be obligated to cover the suspended annuities by depositing a guarantee fund with the Bank for International Settlements.

War debt payments will be suspended. They will be funded over a period of years as will Germany's suspended payments.

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NEWSPAPERS OF ROME CRITICIZE POPE'S LETTER

ROME, July 6.—(AP)—Rome newspapers attacked the pope today on the score of his encyclical issued Saturday. Newspapers vigorously utilized the opportunity afforded by lifted restrictions to criticize the pope for sending the document abroad in what is described as secret manner.

The encyclical is called "a new fact" in official circles and the government was said today to feel that the negotiations had been made "very delicate" by it and to believe progress by diplomats was impossible if the problems at issue between the government and the holy see were heatedly debated in the press of the world.

Pastor Reism Resigns Pulpit

SILVERTON, July 6.—Following the Sunday night services at the Evangelical Lutheran Free church here, the Rev. E. L. Reism, pastor for the past seven years, tendered his resignation to the congregation. The Rev. Reism recently returned from a month's trip to middle west states where he visited two brothers in North Dakota. He is undecided about future plans. He came here from Los Angeles.

Laura Ingalls To Start East

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STRINGER ON TRIAL IN STANFIELD CASE

BAKER, Ore., July 6.—(AP)—Trial of John Stringer, of Welser, Idaho, charged with assault with a dangerous weapon, opened in circuit court here today. Stringer allegedly fired his automobile over Robert N. Stanfield, former United States senator from Oregon, near Hunting last April 22 following a quarrel about a fence.

Stanfield, who was injured seriously, was the first witness. He testified that he and Phil McCabe, Stanfield Feeder company foreman, were repairing a fence when Stringer drove up and, after an argument, cut the wires. Stanfield said he and Stringer picked up rocks and that Stringer threatened to kill him.

The defendant went to his automobile. Stanfield testified, flames had burned over several thousand acres, and were partly under control. Stanfield, Placer county, was judged safe after the flames had been checked, although several small fires still burned on the 25-mile front between Auburn and Forest Hill. The Long valley fire near Burns was still burning, and had destroyed a house, barn and railroad trestle near Pilot Hill.

Thousands Out To Fight Fires In California

SAN FRANCISCO, July 6.—(AP)—The forest fire menace in California was increasing today while federal, state, county and local agencies recruited thousands of workers in an effort to get the flames under control.

In the Tahoe National forest, flames had burned over several thousand acres, and were partly under control. Stanfield, Placer county, was judged safe after the flames had been checked, although several small fires still burned on the 25-mile front between Auburn and Forest Hill. The Long valley fire near Burns was still burning, and had destroyed a house, barn and railroad trestle near Pilot Hill.

Champoeg Development Plan is Launched Here

Systematic development of Champoeg Memorial park as a monument to Oregon pioneers was started yesterday by the state Champoeg advisory committee recently appointed by the governor. The committee favors keeping the park as historical site, barring commercial exploitation and educational programs.

Rufus C. Holman, chairman of the advisory committee, particularly urged that concessions be kept out. Mrs. I. L. Patterson is secretary of the advisory committee.

Holman named two sub-committees which will meet here Thursday to report result of their studies on kind of park desired and ways and means of future development. Mrs. Patterson, chairman, and Mrs. Sexton, Mrs. Jones and Peter D'Arcy were named on the advisory committee. On the ways and means are Senator Spaulding, chairman, aided by Milton Miller, Hal Patton and C. P. Bishop.

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Fire Damages State Hospital, Patients Removed to Safety

Body of Indian Found in Canal, Bicycle Nearby

Blow Torches Blamed For Blaze; Starts On North Side

THE DALLES, Ore., July 6.—(AP)—The body of Frank Rikmas, 15, Indian youth who had been missing a week, was found in the upper basin of Celilo canal today. A bicycle was found near the body, indicating, officers said, the boy had been riding the canal wall.

The body of an unidentified man was found in the Columbia River three miles east of here yesterday. It had been in the water several months. The pockets of the man's clothes contained \$40 but no clues to his identity.

HOSPITAL ADDITION BIDS TURNED DOWN

Plans to be Revised, Board Of Control Decides; May Change Site

All bids for the state tuberculosis hospital addition at Salem were rejected by the state board of control at a short session late Monday. The board ordered plans revised and bids readvertised for the construction of the building. Bids were opened June 30.

Nine general bids were received for the hospital, in addition to several for plumbing, heating and other work. It was estimated the lowest cost of construction according to the bids would total \$39,000. The legislature appropriated \$90,000 for construction and furnishings. The estimate was estimated about \$10,000.

Governor Rufus C. Holman and Treasurer Julius C. Holman, with William Einig and architects will visit the proposed hospital site near Salem tonight. Holman previously protested the suggested location of the hospital, which resulted in a study of the sites by the board. Hal E. Hoss, third member of the board, was not in Salem Monday.

The board of control also authorized the reconstruction of two dairy barns at the state hospital farm, recently destroyed by fire. Plans and specifications prepared by the agricultural engineering department were approved and bids ordered. The cost of the two buildings is estimated at \$12,000.

DUST STORMS ADD TO FIRE DANGERS

PENDELTON, Ore., July 6.—(AP)—Dust blown out of the northwest last week - Pendleton and vicinity all day Sunday. The temperature reached 85 degrees after climbing to 100 degrees Saturday.

BEND, Ore., July 6.—(AP)—Dust storms and smoke reduced visibility in the Deschutes forest area Sunday from one to six miles. High temperatures and lack of moisture resulted in an order to clear the forest to the public. The order became effective today.

Several small fires in the McKenzie pass were attributed to a careless smoker and a shepherd left a campfire unattended, resulting in the destruction of his outfit.

Korean-Chinese Trouble Breaks Out; Fear Held

TOKYO, July 6.—(AP)—Fears were expressed here tonight that a serious clash of Chinese and Korean in Korea and Manchuria might lead both to demonstrations against Japanese authority in Korea and widespread Chinese attacks upon the half-million Koreans in Manchuria and Kiangsu.

Dispatches to Japanese newspapers here said numerous attempts to turn riots into an anti-Japanese or independence movement were made by Korean mobs which killed three-score Chinese and wounded several hundred others in Korea yesterday.

Corbett Farmer Takes Own Life

PORTLAND, Ore., July 6.—(AP)—Reports from the coroner's office today said John H. Nelson, 53, retired farmer of Corbett, Ore., hanged himself in the woods near his home today. The body was found after his wife, alarmed at his absence, organized a searching party.

His health was believed to have been the motive.

SUICIDE ATTEMPTED

MARSHFIELD, Ore., July 6.—(AP)—Meredith Ward, 18, was in a critical condition in a Myrtle Point hospital today from self-inflicted gunshot wounds, officers said. Friends said he was despondent over a love affair.

Oregon Briefs

GUARDS ARE POSTED

PORTLAND, Ore., July 6.—(AP)—T. H. Sherrard, supervisor of the Mount Hood National Forest, said today 36 forest service patrolmen will be assigned to the job of keeping trespassers out of the closed areas of the forest.

Signs will be posted at the entrance to all trails and roads in the closed portions warning persons who are without permits and who are not officers permanently residing within the forest to stay out.

The patrolmen will have authority to arrest anyone found in the closed area without a permit.

BODY FOUND PINNED

MARSHFIELD, Ore., July 6.—(AP)—The body of John Pearson, 56, missing since last Wednesday, was found Saturday in the woods near Lake-side with a tree across it. Word of the accident was brought here today.

Pearson had been falling trees and it is believed he stumbled and was unable to escape when the timber toppled.

WILL FACE TRIAL

KLAMATH FALLS, Ore., July 6.—(AP)—Ocel Beckley, 41, who shot and killed his wife and step-daughter near Roseburg last Thursday and then attempted to kill himself, was recovering in a

BLAME FIRECRACKER

PENDELTON, Ore., July 6.—(AP)—The wheat crop on the ranch of Bob God, deputy sheriff of Umatilla county, was destroyed by fire Saturday.

It is believed a firecracker started the blaze.

CHILD IS DROWNED

MARSHFIELD, Ore., July 6.—(AP)—Ray Goodrich, 7, fell into the river at Lee Sunday and drowned. He is survived by his mother and seven brothers and sisters. His father was killed in a logging camp accident last year.

REV. GROAT CALLED

COTTAGE GROVE, Ore., July 6.—(AP)—The Rev. Elton G. O. Groat, 91, Baptist minister and organizer of the Cottage Grove Baptist church died at his home here today. His widow and two daughters survive.

The Rev. Mr. Groat was born near Syracuse, N. Y., in January, 1834.

Funeral services will be held here Wednesday afternoon with the Rev. D. E. Baker officiating.