

FRANCHISE FOR GARBAGE GOES TO LOCAL FIRM

Exclusive Feature Expected To Draw Veto From Mayor Gregory

Saving of \$6400 Expense on Incinerator is Chief Argument in Favor

An exclusive franchise for garbage disposal within the city of Salem was granted last night by the city council to the Sanitary Service company of this city but the franchise awaits the approval of the mayor and there is every indication that Mayor Gregory will veto the franchise.

Alderman F. E. Kuhn led the fight for the franchise on the ground that it would relieve the city of \$5,400 of expense incurred from year to year in operating the present incinerator. He pointed out that rates for garbage disposal provided for in the new franchise were no higher than those now existing.

Alderman F. E. Needham said he saw no reason for the adoption of this franchise by the council when a previously introduced exclusive franchise with \$2,000 net a year given to the city had been rejected. Needham said he understood the incinerator cost \$40,000. The other franchise would have paid the city five per cent on this investment and relieved the municipality of all operating charges, he said.

Mayor Gregory opposed the motion, speaking from his desk as presiding officer. He said the exclusive franchise for the garbage was objectionable to him. In the ordinance, rates for garbage disposal are set up which the company is not allowed to exceed. Responsibility for the care and operation of the incinerator, without cost to the municipality is assumed by the Sanitary Service company which agrees to furnish bond for the performance of its contract.

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Alley Issue Causes Council Flareup as Delay Charge Hurled

Vandevort Says Someone's Blocking Progress; Hughes Says it is Failure to put up Bond; Arms Wave Vigorously

ALLEYS—by roads in the city's street program—almost raised a furore in city council meeting last night when Investigator Vandevort and Street Chairman Hughes engaged in heated controversy over the propriety of grading an alley between North Cottage and Church streets.

Vandevort, all hot and bothered over the city's failure to grade the alley, had demanded that Street Commissioner Low get busy and do the job or be called on the carpet at next council meeting to explain his neglect of duty.

Hughes, usually voting with the Vandevort clique, protested to the aldermen that Low was not to be called on the carpet for the property owners adjacent to the alley had not put up a cash deposit for graving the road—a requirement of the council before grading is done.

Alderman Patton also defended Low, declaring Vandevort had it in for the commissioner for merely doing his official duty.

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EMPLOYMENT, TAXATION MORE GET ATTENTION

City Council on Record for Cooperation in Meier Economy Program

Vacations for Employees so Others may Have Jobs Also Considered

Salem's city council devoted a considerable part of its extended bi-weekly session Monday night to a consideration of the current problems of taxation and unemployment.

The first issue was raised when Alderman Earl Patton introduced a resolution commending Governor Julius L. Meier for his efforts to create lower taxes for local taxing bodies. The resolution, which received a straggling affirmative vote, placed the council on record as favorable to the governor's move and pledged the council to cooperate with the governor in reducing taxes wherever possible.

Alderman Watson Townsend then suggested that Salem's municipal income was 24 per cent derived from direct taxes on property whereas other cities derived as much as 48 per cent of their municipal revenue from sources other than direct taxes.

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U. S. Offers Proposal on Debt Parley

WASHINGTON, July 20—(AP)—Concrete proposals by the American government to relieve Germany's economic stress were approved tonight by President Hoover and placed in the hands of Secretary Stimson for submission to the interested powers.

Acting Secretary Castle of the state department, said they were in the nature of "suggestions." He declined to comment further on them. The proposals will be submitted to the London ministers' conference at tomorrow's session.

The acting secretary disclosed the existence of the suggestions after the chief executive talked by trans-Atlantic telephone with the secretary in London. Present when the call occurred were acting Secretaries Castle and Mills of the state and treasury departments, Ambassador Dawes and Senator Morrow, republican of New Jersey.

FIGURE IN MOONEY CASE NEAR DEATH

Pioneer Cattleman Noted As Key Witness who Identified Pair

BAKER, Ore., July 20—(AP)—Frank C. Oxman, key witness against Thomas J. Mooney, convicted of murder in connection with the 1918 preparation day parade in San Francisco, is near death at his home in Durkee, near here.

Dr. W. A. Tiedman, Baker physician who has been attending Oxman, said today he expected Oxman's death at any moment. The pioneer cattleman's condition is so grave, Dr. Tiedman said, that his two sons, whose names were not known here, have been called home.

Oxman, appearing as a state witness in the trial of Mooney, testified he saw Mooney and Warren K. Billings at Stuart and Market streets, the scene of the bombing, that he was suspicious of them and that he copied their automobile license number.

Oxman subsequently was arrested on a charge by F. E. Rigall, of Grayville, Ill., that Oxman had tried to induce him to give false testimony against Mooney. Oxman did not testify against Billings who also was convicted of murder in connection with the bombing.

GERMANY WILL WITHDRAW ITS LOAN REQUEST

So Bruening Decides After MacDonald Viewpoint Outlined to him

LONDON, July 21—(Tuesday)—(AP)—Germany decided early this morning, unless something new develops today, to withdraw its plea for a \$25,000,000 loan for Germany and to ask for the present, only a continuation of the present short term credits estimated at \$125,000,000.

The German chancellor's decision was made on the advice of Prime Minister MacDonald. It would stand, he said, unless entirely new viewpoints developed out of today's sessions of the seven-power conference and any reference to a \$25,000,000 loan will not be made until later, at least.

The situation, as the British prime minister is said to have presented it, is as follows: The only country which Germany may get a long-term large loan at present is France. France, at the present status of Franco-German relations, can not make such a loan unless political and financial guarantees are given by Germany such as the German chancellor, in view of the strained situation at home, could not give.

Premier Laval, he said, understands Chancellor Bruening's position fully, but at the same time he can not let up on the conditions. Germany's problem, therefore, (Turn to page 2, col. 3)

OVERHANGING LIMBS ORDINANCE DELAYED

An ordinance to require property owners to trim trees and shrubs in their parking strips to a height that will not obstruct the vision of motorists, proposed by the Salem park board, which was to have been brought up at the city council meeting last night, was either overlooked or purposely held for consideration at a later meeting.

The resolution submitted by the park board to Mark Paulsen, city recorder, yesterday, made request for four provisions in the proposed ordinance: 1, that all trees extending into the street must be pruned of limbs to a point eight feet above the sidewalk or curb level; 2, that shrubs within 50 feet of street corners be trimmed to a height not to exceed four feet; 3, that 10 days' notice be given the property owners to carry out these orders; 4, that services of the city police be employed to report failure to comply with the notice.

It is believed that the proposed ordinance would be effective in preventing many of the automobile accidents at intersections, by making the approach of vehicles visible.

Salem Linen Mills Firm is Organized With Veatch Chief

Repeal of Bone Dry Law Sought By Hop Growers

Long-awaited legal organization of the Salem Linen Mills, successor to the Oregon Linen company, was completed in Portland yesterday with the election of John G. Veatch of Portland as president. F. J. Gilbraith as vice-president and general manager, and J. B. Meek of Portland as secretary and treasurer. The authorized stock of the new concern is 600 shares of no-par common voting certificates of which 100 are to go to preferred stock holders in the original company.

To make possible the organization of the new concern, \$50,000 has been subscribed for 200 shares of common stock in the company and about \$50,000 of outstanding unfunded debts of the Oregon Linen company have been paid through the issuance of additional bonds against the company's plant here. When the final transfer of stock certificates is made here before Friday of this week, outstanding bonded indebtedness of the Salem Linen Mills will be \$150,000 but there will be no current liabilities and net quick assets will be \$80,000.

Some Payments On Bonds Yet Awaited
F. J. Gilbraith, newly elected manager who will continue as manager of the Miles Linen company here, said late last night that payment of subscriptions for Oregon Linen company and the small amount of the bonds was the only remaining step to a formal transfer of all the stock.

He said he would leave Friday night for the east to be gone for a month. The first step in his visit being the securing of new looms for the mill here, he will also contact eastern customers. Gilbraith said the Salem Linen mills was already overhauling some of the old looms in the plant here with the view of utilizing them. The majority of the old looms, he stated, will be scrapped.

Gilbraith said the newly organized company already had numerous orders for crum and for towing to be used in Pacific coast markets. Thirty-six people are already at work in the plant of the former Oregon Linen company and the number will be steadily increased as new looms are added. Gilbraith said he expected the total number of employed people to reach 100 when the mill was going in full capacity. The weekly payroll now is nearly \$1000.

Veatch and Meier Heavy Subscribers
Reorganization of the mill marks a period of more than six (Turn to page 2, col. 3)

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WELL CONTINUES TO BURN; EIGHT DEAD

Biggest Gusher in Michigan Disaster Scene; Chief Owner may Recover

MOUNT PLEASANT, Mich., July 20—(AP)—The death toll remained at eight tonight in Michigan's first major oil field disaster, while the greatest well yet brought in in this field continued to burn unchecked.

Walter L. McClanahan, principal owner of the Stable Number 1, the burning well, was given better than an even chance of recovery. His wife is dead, as are seven other persons, some of whom he had invited to the field to witness what he thought was the end of his "hard luck" streak.

State authorities and officers of Midland county were investigating tonight the origin of the fire which caused serious injuries to eight persons in addition to those fatally burned Saturday night. State geologists said all laws had been complied with in the drilling and were inclined to blame the back-firing track. Others, including Sheriff William N. Day, said a bystander had lighted a cigaret.

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WEEKEND TRAFFIC MIXUPS NUMEROUS

Weekend accidents in the city reported to police were: Ross A. Harris, 761 North Capitol street, and Henry Erickson of Canary, Ore., at intersection of Broadway and Hood streets Saturday night. Harris claims his car was past center of intersection when Erickson, coming from the right, struck his rear wheel. Erickson admits in his report that Harris was past center of intersection, therefore that he had right of way.

Car driven by J. E. Noah of Everett, Wash., struck rear fender of another machine Sunday at corner of North Commercial and Center streets. Cars of R. D. Damon, 2349 Cherry street, and A. Storhour of Yamhill, were involved in an intersection mixup Sunday.

When Jack Paul, 527 Center street, attempted a left turn from Broadway street to Market, yesterday, his machine struck that of Berlie Neal of Urrille, Calif. No one was injured.

Clarence Reedy, a detective, was wounded in the neck. Joe Calio, 23, was killed by a shotgun in the hands of Lieut. E. L. Anderson, who said Calio resisted arrest and attempted to escape. Joseph Lusco, 37, one of seven men arrested, suffered a probably skull fracture. M. P. Wilson, a negro and presumably a bystander, was wounded in the abdomen.

Attendants at a local hospital, to which Mrs. Schukey and baby were taken by an ambulance of the Salem Taxi service, reported that the woman's cuts were only of a minor nature and that the baby was uninjured.

The dog and windshield of the car were demolished.

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FEDERAL OFFICERS WOUNDED IN RAID

KANSAS CITY, July 20—(AP)—Two federal prohibition agents and a city officer were wounded during a raid tonight on north side room suspected of being a main depot of the city liquor trade and one of the men whose arrests were sought was slain.

One of the agents, Curtis S. Burks, married and about 35, was wounded in the abdomen, causing paralysis of his body from the waist down. His condition was critical. The other agent, E. C. Anderson, suffered a glancing bullet wound in the stomach.

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GOVERNOR SILENT ON SESSION PLAN

Governor Meier Monday refused to make any statement as to whether he will call a special session of the Oregon Legislature to consider tax legislation and a reduction of motor vehicle license fees.

The special session was recommended by the executive committee of the Oregon Taxpayers' League, which held a meeting in Portland last Saturday.

Close friends of Governor Meier indicated that he was giving the special session careful consideration, and that it probably would be called to convene in Salem not later than August 24. Local legislators express the opinion that the session would last 30 days.

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Four Who Shave Placed in Stock For Violations

CENTRALIA, Wash., July 20—(AP)—Four of Centralia's shorn and powdered "pioneers" spent an uncomfortable half hour in the stock today after a vigilance committee composed of several citizens started rounding up those who have failed to comply with a city ordinance requiring all male inhabitants to go unshaven until the annual southwest Washington pioneers' picnic August 11 and 12.

Classed as "slackers," and convicted in police court of violating the city ordinance, the four were placed in the stock, there to be ridiculed by their hairy-faced friends and the feminine residents of the city.

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SPANISH WAR VETS ALL FOR ROSEBURG

LA GRANDE, Ore., July 20—(AP)—More than 300 veterans were heretofore for the annual state convention of the Spanish-American War Veterans' association. Among the delegates were a few Idaho veterans.

Judge T. H. Matthias, Columbus, Ohio, national commander, arrived here today. He will speak at the main session tomorrow morning and will leave again Tuesday evening.

The veterans today adopted a resolution unanimously endorsing Roseburg, Ore., as the site for the proposed northwest branch of the national soldiers' home. The resolution was endorsed by Amc. Laster, commander of the Idaho state encampment.

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Major Fires in Northwest Are Under Control

SPOKANE, July 20—(AP)—Big crews today gained control of five large fires on lands of the Blackfoot forest protective association near Missoula, Mont.

One hundred fifty men controlled a bad fire started yesterday near Paradise, Mont., by Sparks from an engine.

Forest officials reported all other fires in the region under control, but not yet safe because of hot weather, the last three days. Five hundred men are guarding trenches around the huge fire in the Clearwater forest in Idaho.

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