

TRUCK DRIVERS SELLING GOODS WILL BE TAXED

Outsiders Must pay \$25 for Privilege, Ordinance Passed Requires

Building Inspector Handed Additional Duties of Collecting Fees

The city council, with five of its 14 members absent, lumbered through an hour and one-half of routine business last night before adjournment but short one of the duller sessions of the season. Controversial matters including the question of a municipally owned water system and the censorship of all gang movies slumbered in committees and were not discussed.

Mayor Watson Townsend furnished the highlight of the meeting with his report on new sources of revenue for the city. "Our committee has found that Salem has many sources of untapped municipal revenue," Townsend reported. "Other cities are getting considerable sums where we get nothing and thus are relieving the burden on real property."

Sees Possibilities Of New Revenue Townsend recommended as an initial step in securing new revenues that (1) the city building inspector also be made a license collector with power to secure the collection of more licenses already required by ordinance and (2) that wholesale and retail sellers, including out-of-town truck drivers who sell goods in Salem, be subjected to taxation.

Before the meeting was ended Townsend saw through third reading and passage a bill, putting a \$25 annual tax on all trucks from out of the city selling goods in Salem and annual tax of \$100 on any firm engaging in the business of bill collecting. He also fathered a bill which passed, designating the city building inspector as collector of all new and old licenses levied by the city.

By unanimous vote the council requested the sewer committee to have the disposal of sewage from the Hickory street sewer made more satisfactory. The proposal of City Engineer Rogers is to have a channel dug through an island in the river in North Salem which will allow a current to enter the stagnant water where the sewer now enters. Sixteen property holders in North Salem, with Mrs. Sophie Weber as spokesman, urged that the sewer be improved.

At Fairgrounds Request for the use of all the equipment in the North Salem fire station during the state fair next month was made by James Preble, representing Max Gehlhar, director of agriculture. Preble explained that curtailed appropriations for the fire made it impossible to hire special firemen as in former years.

Alderman W. H. Dancy, chairman of the fire committee, objected to removing the equipment to the fairgrounds. He said the North Salem station stood ready to give the same protection to the fairgrounds as to any district in the city. He also said that the small truck in the downtown station could be loaned to the fair board during the nine-day show. Dancy said that more care with cigarettes and cigars, especially in the bars at the fairgrounds, would greatly curtail the fire.

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Logging Plans Rumored Lightning Starts Fires Mystery Blast Puzzles Painter is too 'Clever'

SOME thought it was an earthquake. Others a giant explosion and still others a by-product of an electric storm in progress in the mountains at the time. No blast was reported in the vicinity.

FIXES UP LICENSE ALBANY, Ore., Aug. 17.—(AP)—One of the too many court here today by Frank Reed, logger, against H. H. Horack and Albert H. Eichenberger, police detectives. Reed charged false arrest and assault and battery.

SUES DETECTIVES PORTLAND, Ore., Aug. 17.—(AP)—Suit for \$5000 damages was filed in circuit court here today by Frank Reed, logger, against H. H. Horack and Albert H. Eichenberger, police detectives. Reed charged false arrest and assault and battery.

Guilty Trio Sentenced Without Delay For Murders in Michigan



From the left in top picture, Frank Oliver, Fred Smith and Nathan Blackstone, sentenced to life imprisonment the same day they were arrested for the murder of two young men and two girls near Ypsilanti, Mich. They set fire to the car after the murders. Below, angry crowd outside Ann Arbor jail rushing the car in which the slayers were being removed to the penitentiary.

DECISION LOOMS ON SOLDIER HOME SITE

Reports Eugene is Favored Appear Propaganda • Hawley Avers

A meeting of the veterans' board of the federal government is expected within the next two days at Washington, D. C., according to Congressman W. C. Hawley who said yesterday he had been advised to that effect through his office in the capital. Congressman Hawley said he continued confident that Eugene would be chosen. Recent reports from Washington to the contrary are unaffiliated and are presumably propaganda, the congressman indicated.

Hawley returned over the weekend from Denver, Colorado where he attended a quarterly meeting of the head managers or executive committee of the Woodmen of the World. That organization is in exceptionally sound condition, he stated. A recent audit showed all accounts in good order and interest earnings high.

Change Headed to Reserve Basis Congressman Hawley said a small part of the insurance of the W. O. W. was still on the assessment basis with many assessments being levied each month as was necessary. Under state laws most of the policies have been forced into the reserve basis and

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GANGSTERS' BODIES IN QUARRY, REPORT

Diver may Find Explanation Of Disappearance, is Report to Roche

CHICAGO, Aug. 17.—(AP)—Patrick Roche, chief investigator for the state's attorney, said tonight he had received information that the bodies of several mysteriously missing gangsters were at the bottom of a water filled rock quarry, 100 feet deep, near Chicago.

Roche said he was considering sending divers into the quarry. Information about the supposed secret buying place was obtained, Roche said, through an underworld source he considers reliable.

"The quarry is 100 feet deep and filled with cold water from springs in the bottom," he said. "We are sending a diver to the place tomorrow to obtain an estimate on the cost of making a complete search."

Among the suspected gangsters who have disappeared in recent months, Roche pointed out, are Leo Mongrove, reputed lieutenant of George (Bugs) Moran, the former north side gang leader and Tommy Abbott, who was reported to have been kidnapped by rival liquor runner.

CHARGES BY SMITH DEEMED INAPPROPRIATE CHICAGO, Aug. 17.—(AP)—Julius Rosenwald's attorney today characterized as "a stale afterthought" Frank L. Smith's charges in an open letter that Rosenwald had offered him 18,000 shares of Sears-Roebuck stock as an inducement to abandon his campaign for the United States senate in 1926.

"The community knows Mr. Rosenwald; it also knows Frank Smith," the attorney, Leo F. Wormser, said.

The alleged refusal of Frank L. Smith, Illinois senator-elect in 1926, to accept a \$550,000 bribe from Julius Rosenwald, philanthropist, did not enter into Smith's ineligibility to the senate, according to an announcement made here Monday by Senator McNary.

Senator McNary was a member of the congressional committee that refused Smith a seat in the United States senate because of alleged excessive campaign expenditures.

LEGION LEADER RURLS RETORT AT FOUNDATION

Organization not in Favor Of Pensions, O'Neil Says in Reply

Carnegie Investigator not Well Informed; Loans Held Well Used

PORTLAND, Ore., Aug. 17.—(AP)—"For historical accuracy this section will occupy a niche which is unique in annals of post-war congressional activity."

In that statement made here tonight, Ralph T. O'Neil, national commander of the American Legion, gave his reply to the section labeled, "Patriotism, Pensions and Politics," in the 25th annual report of President Emeritus Henry S. Pritchett of the Carnegie foundation for the advancement of teaching.

Pritchett said, in that section of the report issued last night, American Legion leaders had served "plain notice of a raid on the treasury." During the war it was assumed, he said, that insurance would prevent pensions raids on the treasury in behalf of veterans such as followed the civil war.

"The section is replete with misinformation and the conclusions are based on false conclusions and utterances," O'Neil declared.

"The report denounces world pensions yet the author has not taken the time nor the trouble to investigate and find out that the American Legion has never sponsored pension legislation."

"Someone has given the doctor a wrong cue," O'Neil said definite information gathered by the Legion shows that, except in rare instances, veterans asking for loans on their adjusted service certificates have been greatly in need.

"The loans are from the veterans reserve fund which is an asset that belongs to the veterans and is held in trust for them by the treasury department," he said.

JAPAN EAGER FOR LINDBERGH VISIT TOKYO, Aug. 17.—(AP)—The flying Lindberghs were just around the corner tonight from their vacation land of Japan, waiting at Petropavlovsk on the southeast shore of Kamchatka peninsula for thunderstorms to wear themselves out on the Kurile Islands and make themselves to the open Pacific.

Colonel Charles A. Lindbergh and his wife, Anne, dubbed "The Little Blue Goose" by the Eskimo women at Atlatvik because of her flying abilities, had hoped to fly tomorrow the 697 miles from Petropavlovsk to Nemuro, on Hokkaido island 613 miles north of here, but the storms and reports of fog further north deterred them.

Interviews with the fliers in the Russian town, a center for the mining and fishing industries, indicated they were in good spirits and enthusiastic over their trip, which thus far has taken them across the North American continent to the northern tip of Alaska and down across the ice-cluttered Bering sea to Siberia.

Meanwhile, Japan is excited over the coming visit.

Lightning Adds Fire Perils in Inland Empire SPOKANE, Aug. 17.—(AP)—Fleet fires on far-flung fronts roared around Inland Empire towns tonight, destroying farm homes and endangering human life, while from the skies thunder bolt firebrands were being rocketed into as yet untouched timber.

Some residents of Troy in north central Idaho, a vacant residence, was burned, but the wind died down early tonight.

Residents of Forest, a tiny hamlet on Craig mountain, southwest of Troy, trenched their town as another fire gnawed at the outskirts. One building, a vacant residence, was burned, but the wind died down early tonight.

China Starts Move Toward Buying Grain

WASHINGTON, Aug. 17.—(AP)—The Chinese government today began negotiations toward the purchase of farm board wheat for the relief of flood sufferers in the Yangtze river valley.

An informal inquiry was addressed to the state department to learn the amount of wheat available on credit terms. No definite proposition was included either as to terms or quantity.

The communication, forwarded by the American consulate at Nanking, was sent on to the farm board. The board controls more than 100,000,000 bushels of wheat.

Meanwhile two more rejections of its cotton destruction plan were received by the board. They came from the governors of Arkansas and Oklahoma who submitted counter proposals to the suggestions of plowing under every third row of standing cotton as a means of reducing supplies and increasing prices.

At least seven of the fourteen governors have rejected the plan. Six have offered other proposals to accomplish the same purpose.

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RAINIER CLIMBED BY CHEMEKETANS Nine Reach Summit and see Neighboring Peaks; Ascent Strenuous

The supreme test of mountain climbers in the northwest, Mt. Rainier, was successfully passed Sunday by nine Chemeketans, while three others got as far as Camp Comfort at the 12,800 foot level, and several went no further than Muir cabin, the overnight camp, according to Robert Kendall, Willamette university student who was one of the party.

The party started at 1 a. m. Sunday from Muir cabin, which they reached Saturday night, traveling at first by the light of electric torches, and were at the summit of the 14,000 foot peak by 8:30. After 45 minutes spent at the top, Columbia crest, the group descended to Paradise valley, arriving at 3:30.

Several peaks in the Cascade range were seen from the summit, although visibility was not the best. The Salem mountaineers reported the climb was very strenuous, particularly since only a few hours sleep were taken that night.

Those negotiating the goal included: Guskie Nodura, Robert Kendall, Esther Lyle, Edith Clement, Gladys Miller, Dick Upton, Harry Barley, Art Boesch, Homer McCallan, Walter Robinson, Mr. Varney, Portland, and Irving Langton, Tacoma. Douglas Wainwright, a Paradise park guide, led the party in their ascent.

Bessie Smith, Lillian Block and Dr. Leo Lewis reached Camp Comfort, the stopping point for many hikers who begin the grueling climb.

The trip was the big event of the Chemeketans' annual outing, which ends Saturday.

Dempsey Files Divorce Suit; Cruelty Charge RENO, Nev., Aug. 17.—(AP)—His six year romance with Estelle Taylor blasted, Jack Dempsey, former heavyweight champion of the world, filed suit here today for divorce from his actress wife.

The complaint, filed after a complete breakdown of negotiations whereby Miss Taylor sought to have Dempsey buy back for her her \$100,000 house he gave her as a wedding gift, charged mental cruelty, and did not go into detail.

LOS ANGELES, Aug. 17.—(AP)—Estelle Taylor, motion picture actress, today instructed her attorney to file in the Los Angeles courts a suit for divorce against Jack Dempsey, former heavyweight champion, almost immediately after she received word that Dempsey had instituted a divorce action at Reno, Nev.

OIL PRICES TO RISE AS TEXAS OUTPUT HALTED

National Guard on Duty to See That Production Ceases at Once

Similar Moves in Oklahoma and Kansas to Have Effect, Forecast

KILGORE, Tex., Aug. 17.—(AP)—Higher prices for midcontinent crude and possible stabilization of the American petroleum industry were predicted by oil executives tonight as the great east Texas producing area, placed under martial law by Governor Ross S. Sterling, ceased to gush its demoralizing flood of oil.

Nearly a thousand Texas national guardsmen went on duty in four east Texas counties to enforce Governor Sterling's order for a complete shut down of the 16,000 producing oil and gas wells in the area.

No resistance had been met. The larger oil companies closed their wells before the soldiers arrived today to carry out the martial law proclamation issued at 6 a. m.

Think Movement Will Have Effect Leaders of the industry, with few exceptions, expressed the opinion that with the fields of Oklahoma already shut down by Gov. W. H. Murray's martial law edict and curtailment measures impending in Kansas, midcontinent crude prices would climb and there was real hope of stabilizing the market.

E. B. Reeser, president of the American petroleum institute and head of the Barnsdall corporation, said at Tulsa:

"The action of Governors Murray and Sterling will prevent further destruction of property and will enable the authorities of the states to put into effect proper and orderly proration. The stabilization of the petroleum industry will follow the complete and orderly proration of the east Texas field."

DRUM CORPS WILL DETERMINE PLANS Decision as to whether or not the Capitol Post state champion American Legion drum corps will go to Detroit next month to compete for national honors will probably be made Wednesday night at a practice meeting of the group at Olinger field at 8 o'clock.

The matter, according to J. T. Delaney, hinges on the number of corps members who will be able to make the trip. It would be futile, he believes, to enter the rigorous national contest without a full corps of trumpeters and drummers.

If the decision is favorable to going to Detroit, a \$2500 fund will have to be raised locally to meet the state organization's appropriation of the same amount, to finance the journey. Plans are already formulated for going ahead with this campaign, according to Delaney. Putting them into action will depend on the sentiment of the drum corps members for seeking the national championship.

The Capitol Post paradesmen took second place at the national meet at San Antonio, Tex., in 1928 and fifth at the big convention at Louisville, Ky., in 1929.

MERCURY RISES TO TIE SEASON MARK If any person here had an idea the comparatively cool weather of the past eight days was going to last, such foolish ideas were sent flying yesterday, when the thermometer climbed to 84 degrees. It was the hottest day since August 9, when the same temperature prevailed.

Despite an overcast sky, State Forester Lynn Crommiller said late in the day no forest fires had been reported from this section of the valley. The smoky condition was probably the north wind's gift from the heavy fires that have been raging in Washington.

Humidity crept higher yesterday, reaching about 45 degrees.

BENEFIT MATINEE IS SLATED FOR SATURDAY AT ELSINORE Warner Bros. Elsinore theatre has turned over its house for next Saturday afternoon for a benefit in aid of families who are in need of provisions. The admission to the afternoon performance will be by presenting one or more articles of foodstuffs which will be turned over to the Salvation Army and the Associated Charities for distribution.

Special feature performance. Salem drum corps will play; dramatic number of local talent, and regular movie-talkie performance. Show starts at 2 p. m. Plan to attend, or to leave provisions at the Elsinore even if you do not take in the show.

Cuban Revolution is Off Again, on Again And Hot Fight Looms

Crash Injuries Fatal; Charges Involve Driver

PORTLAND, Ore., Aug. 17.—(AP)—Injuries suffered Sunday night when an automobile plowed him under his own parked machine caused the death of E. C. Sumner, 28, at a hospital here tonight.

In charge of involuntary manslaughter was placed against Warren Washburn, 46, alleged driver of the car which struck Sumner. He was first arrested on a charge of driving while drunk.

CITY WILL REVIVE WATER BOND CASE Rehearing Asked by Trindle With Other Attorneys As Intervenor

Petition for rehearing in the case of W. H. Henderson vs. the City of Salem is to be filed Wednesday in the state supreme court, W. H. Trindle, city attorney, announced yesterday. The case concerns the validity of proposed bonds which were to have been issued for a municipal water system under terms of the May 16, 1931, charter amendment.

The court held the charter amendment illegal. Trindle contends to court erred in holding a primary election a special election, where charter amendments cannot be submitted. He also contends that the court erred in holding the petition was not filed 30 days prior to election.

Because of the vital point involved in bond elections generally—whether or not a primary election is a special election—Teal, Winifred, McCulloch and Shuler, (Turn to Page 2, Col. 1)

BUILDING CONGRESS DISCUSSES PROGRAM The board of directors of the Salem Building Congress met last night in the directors' room of the First National bank building to discuss the program which they will follow in the future to encourage building and to mitigate the general depression in the state.

The group plan to invite the county committee which Governor Meier appointed to meet with them and will seek to combine their efforts in helping to better conditions. The county committee consists of Judge John C. Searmund, E. F. Slade and B. E. Sisson.

Mr. Huston of Portland who has been with the local group of men and assisting them in perfecting their organization has returned to Portland and the Building Congress will now be in full charge of local men.

The next meeting is to be held Monday, August 24.

Mystery Deaths Cause Home to Be Quarantined PORTLAND, Ore., Aug. 17.—(AP)—The state board of health today placed a strict quarantine on the John S. Burke home at Hillsboro as medical authorities sought vainly to determine what many caused the death of his son, Arnold, 12, four hours after he was brought to a local hospital Saturday.

A girl cousin of the boy died of a similar ailment at the home about two weeks ago, and the boy's parents are reported ill.

A poison theory was first advanced, but Dr. Harold B. Meyers of the University of Oregon said he found no trace of poison in an analysis of the boy's stomach content.

Clark Case Near Climax; Goes to Jury Tomorrow LOS ANGELES, Aug. 17.—(AP)—After a day in which David H. Clark completed his testimony, retelling the story of the killing of Charles Crawford and Herbert Spencer, politicians, and recounting schemes of the underworld, the state and defense rested late today in the murder trial of the former deputy district attorney.

Tomorrow final arguments will be made and the case is expected to reach the jury of seven women and five men Wednesday. Upon the jurors will rest the responsibility of determining whether Clark acted in self-defense or committed murder in slaying the men.

Machado's Statement That war is Over Bit Premature

Decisive Battle Soon On South Coast Is Forecast

HAVANA, Aug. 17.—(AP)—Coincident with reports from the interior tonight that 5000 rebel troops were concentrating in Santa Clara province, students circulated bulletins in Havana saying the revolutionary movement would continue despite the capture and imprisonment of former President Maximo G. Maceo, Col. Carlos Mendita and other opposition leaders.

Word reaching the capital tonight reported minor engagements in Santa Clara province today and said a decisive battle was expected in the vicinity of Trinidad on the south coast of Cuba. Among the insurgents assembled in the province were 1500 well armed troops, reports from usually reliable sources said.

Portion of Army Said Deserting Unconfirmed messages said a lieutenant of the Cuban army, whose name was not given, had gone over to the oppositionist side taking 350 soldiers with him. Another unconfirmed report said a boat named the Frederick II had landed on the south coast of Oriente province last night with 500 men, arms and ammunition.

Havana remained quiet under a strict censorship put into effect during the afternoon. Army officers were inspecting reports and an order was issued that news must be submitted to the army chief of staff.

Reports in the city, which were not confirmed, said the reason for the censorship was that the army was expecting serious trouble in Havana shortly.

SANTA CLARA, Cuba, Aug. 17.—(AP)—President Gerardo Machado of Cuba tonight abandoned plans for returning to Havana when indications in this province, the hotbed of the revolution, pointed tonight to the possibility of an imminent conflict between insurgents and loyalists. He had previously announced the rebellion had been quelled.

The presidential train maintained a full head of steam on the siding here, but arrival of Senate President Clemente Vasquez Bello, like the president a native of Santa Clara province, least stirred any apparently authentic information of the president's return would be postponed.

Several brushes between infantry and insurgents occurred over the province today. All roads are carefully watched.

JOSEPH SILENT ON HANEY ASPIRATIONS Bert E. Haney, Portland attorney, may be a candidate for United States senator next year but it so, George W. Joseph, Jr., is not making any advance announcements about it. Joseph was Haney's law partner in the past but denied that he was to manage the Haney campaign as has been suggested unofficially in newspaper circles. "I'm busy with law work and not politics," Joseph commented. He added that Haney was on his vacation.

Haney is a democrat. He achieved national publicity in a fight with President Calvin Coolidge when Haney was a member of the United States shipping board. In recent years he has been a leader in telephone company investigations in Portland. Haney is a member of the law firm which Joseph, senior, headed. He is a close personal and business friend of Governor Julius L. Meier.

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