

**BARGAIN PERIOD**  
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**THE WEATHER**

Cloudy, probably rain today, cloudy Wednesday; Max. Temp. Monday 56, Min. 41, river -3.3 feet, cloudy, south wind.

EIGHTY-FIRST YEAR

Salem, Oregon, Tuesday Morning, October 13, 1931

No. 171

## South Silver Creek Falls to be Bought By State for Park

Will add to Site now Owned; Work to Start Soon

Early Start on Wilson River Also Planned At Board Meets

PORTLAND, Ore., Oct. 12 (AP)—The state highway commission today authorized the engineering department to begin at once a recheck of the old survey of the Wilson River road.

Retracing of the survey lines anticipated, the commission indicated, that unemployed men will be put to work in Washington and Tillamook counties at an early date and will be kept at clearing work as long as the weather permits efficient operation.

The commission authorized Sam Boardman, its park engineer, to purchase the large south falls of Silver creek at the recently acquired Silver Creek Falls state park east of Salem.

The south fall is near the main highway and will be purchased together with 100 acres of camp grounds and timber for \$10,000. This action virtually completes the plans for the state park there.

The commission, on the motion of Commissioner Spaulding, approved the employment of several men in the park to build trails to show off the beauties of the park.

The commission also directed Boardman to negotiate for the purchase of about 20 acres of timber adjacent to Bradley park on the Lower Columbia River highway. Logging operations are to start in that vicinity soon, it was said.

J. M. Devers, highway commission attorney and special agent on unemployment, presented a report showing probably 15,000 unemployed men outside of Multnomah county or five months this winter. On this basis, Devers estimated, probably 45,000 residents of the state are looking to the highway construction program to provide relief.

The commission decided to hold a special meeting October 22 to receive Devers' completed report and to outline definite relief policies.

Small bridge projects, aggregating \$190,000 in cost, were approved by the commission. They included: Reconstruction of the Pacific highway bridge across Cow creek in Josephine county, \$30,000. Reconstruction of the south approach of Pacific highway crossing of Southern Pacific railroad at Comstock, Douglas county, \$20,000.

Bridge one mile south of Monroe, West Side Pacific highway, Benton county, replacement and grade widening, \$15,300. Siletz River bridge, Oregon coast highway, Lincoln county, timber draw rest, \$5,200.

**Edison Weakens Further, Death Is Likely Soon**  
WEST ORANGE, N. J., Oct. 12 (AP)—The stupor which has closed over Thomas A. Edison became more pronounced today as the aged inventor lay in a state of coma which his physician said would precede death.

Mr. Edison, said Dr. Hubert S. Howe, is "definitely falling from day to day, but it is a very gradual loss."

## Linfield Picks New President, Dr. E. Anderson

PORTLAND, Ore., Oct. 12 (AP)—Dr. Elam J. Anderson, now head of the American school in Shanghai, China, was elected president of Linfield college, of McMinnville, Ore., at a meeting of the college board of trustees here today.

Dr. Anderson's salary was fixed at \$5000. He will be allowed \$750 traveling expenses from Shanghai to McMinnville and will occupy the president's residence rent free.

Dr. Anderson succeeds Dr. J. W. Riley, who resigned early this year. Professor W. R. Frerichs, acting president, will continue in that capacity until Dr. Anderson arrives early next August.

## ARREST NEGRO IN MURDER CASE

Family of Four Found With Heads Battered; Clue Points to Jones

BERLIN, Md., Oct. 12 (AP)—A farmer, his wife and their two daughters were found dead in their beds in their farm house near here late today their heads battered by an ax and the bodies saturated with coal oil.

A negro farm hand, Orphan Jones, 60, who was discharged Saturday after an argument was arrested a few miles away and held for questioning.

The dead are Green Davis, 55, his wife, Elizabeth, 15, and Mary Lee, 13.

The negro, according to officers, had \$70 in his pockets when arrested at Ocean City and a pocketbook and several rings identified by friends as the property of the Davis family.

The body of the farmer and his wife were found in one bed on the same floor.

Several burned rags were located beside the bed of the man and wife to which the officers pointed as evidence that the perpetrator of the crime had sought to destroy evidence by burning the house and contents.

An ax believed to have been used to batter the four to death was found on a back porch.

## WAR THREATS MADE IN CHINA AGAINST JAPAN

Chiang Demands Settlement On Just Basis as Only Chance for Peace

Japan Replies It's Merely Effort to Force Action By League and U.S.

(By the Associated Press) A threat of war was made by the president of China Monday on the eve of consideration by the League of Nations council in Geneva today of the Manchurian controversy between Japan and China. An unofficial conference of Chinese and Japanese in Tokyo also considered the situation.

President Chiang Kai-Shek threatened war against Japan unless the league obtained a "just settlement" for China. The Chinese president charged Japanese troops were occupying Manchuria without justification.

Chiang's statement was not taken seriously in Japan where a foreign office spokesman said it was merely an effort to force the league and the United States to intervene in Manchuria.

Japan Claims It's Nobody's Business. The foreign office spokesman said that the matter was understood in official quarters that the American government was awaiting action by the league today before taking any new steps to end hostility. Information on the league sessions is expected in Washington today in time for consideration at the cabinet meeting.

No reports of the further fighting in Manchuria were received during the last 24 hours.

## LAUGHARY RESIGNS AS CREAMERY HEAD

MONMOUTH, Oct. 12.—F. S. Laughary, president of the Monmouth Cooperative creamery association since its inception 16 years ago, has resigned, stating that he feels such action is a duty to himself. During his incumbency, the business has grown from small beginnings to a large enterprise that extends the tendrils of its trade throughout Polk county, and also into north Benton and south Yamhill counties.

The business this year, 1931, will exceed, he forecasts, that of any previous year of its history. In May an output of 65,000 pounds of butter broke all previous records; and this September a production of 31,000 pounds of butter overtopped the record for the same month in 1930.

The Monmouth warehouse was purchased a few years ago from private ownership and placed under supervision of the creamery association.

Mr. Laughary is a well known farmer and dairyman of the Elkins section southwest of Monmouth. His son, Tom Laughary, is field man for the American Jersey cattle club with headquarters in New York; and another son, Frank, Jr., manages a milk distributing plant in Los Angeles.

F. E. Murdock is manager of the Monmouth Cooperative creamery; directors are: Thomas H. Gentile, Ed Rogers, Claude Boothby, E. W. Staats and Ralph Dodson. John Loy of Buena Vista, vice-president, will fill Mr. Laughary's unexpired term until the regular election in January.

The junior board of the directors, which met last night, will enter a team of 10 boys in the "enrollment" campaign this year to assist the senior members. The juniors chosen for this team last night are James Selton, president of the board, Del Wirtz, Tom Billingsley, David Hoff, Harry Moshier, Phil Brownell, Donald Pence, Fletcher Johnson and Bob Parker.

## Mobilizing Millions in Program To Restore Credit on Big Scale



Mobilizing to combat the "destructive forces" threatening the nation's economic structure, New York's foremost bankers, led by these three men, pledged liberal cooperation with the government's relief measures. This trio is already busy planning its work to help administer the \$500,000,000 Hoover credit plan. Charles D. Mitchell (right) is head of the mammoth National City Bank of New York; Albert H. Wiggin (left) is a governing executive of the huge Chase National bank of New York and Thomas W. Lamont (below) is one of the most influential Morgan partners.

## GRID LIGHTS HERE TESTED, APPROVED

New Bleachers Also put up At Sweetland Field For Friday Game

The new lights on Sweetland field were tested Monday night between 7 and 8:30 o'clock by the constructors. The crowd of observers, attracted by the brilliance of the lights, was well pleased by the prospect of night games as it appeared that the players would be plainly visible.

The lights also disclosed a new tier of bleachers at the east end of the field where 100 persons can easily be seated. A similar set of bleachers will be built at the west end.

The posts for the lights here are much higher than those at O. S. C. or U. of O. and several of the football men who played there were on the Willamette field Monday night, and expressed the view that the lights here seemed more even and the glare less with no loss in lighting power.

Shadows in the middle of the field were negligible and it appears that the players will be seen as easily as in the daytime. A lightorange colored ball is recommended for use rather than the ghost ball of white which was formerly employed.

## ENROLLMENT FOR Y. M. C. A. STARTS

The annual Y. M. C. A. membership "enrollment" will get under way tomorrow night at 6:30 o'clock when the 100 workers will gather at the association building for a kick-off dinner to learn final details of the program and hear two prominent leaders in the national movement. Harry Stone, secretary of the Portland association, has been added to the speaker list. C. F. Coykendall of New York will deliver the main address.

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To report on their progress in the first morning of the "enrollment" the teams of workers will meet at the "Y" on Thursday noon for luncheon. Y. M. C. A. officials are hoping to complete the 1931 campaign within one week, this year.

## ACTION DEMANDED ON WATER ISSUES

Building Congress to Urge Decision by Council, Get Work Going

Rumblings from a municipal water storm cloud which may swoop down on the city councilmen next Monday night were heard at the forum meeting of the Salem chapter of the Oregon Building Congress last night. The builders demanded a resolution at the council meeting demanding that definite action be taken on the water question.

The first rumble was sounded by the Erlon contract number of the congress council, when he jumped up following the speaking program and declared that action was needed in the Salem water situation. "The bonds we are holding are held invalid," he said. "The thing to do is try again. The council should either decide to go ahead or tell the water company we're not going to take the plant, and let them go ahead with their improvements."

Although the builders were not arguing to whether, or not they should advocate a municipal water system, they were unanimous in demanding the council take action on the problem. Erlon said repeatedly that he favored a gravity mountain water system both for health and fire protection, and because it would give employment to hundreds of men. The group talked of attending the council meeting in a body to back up their resolution.

Following a musical program arranged by Robert Hutchison, two members of the Portland chapter of the congress addressed the forum group on problems of the building industry.

Frederick S. Cook, of McCracken-Ripley company, Portland building material dealers, compared the building with the farming industry, declaring that what the workmen, contractors and dealers need is to stop being individualists and cooperate with one another. Speaking of the depression, he said, "I really believe that the (Turn to page 2, col. 1)

## Bruening Faces Tough Job When Reichstag Opens

BERLIN, Oct. 12 (AP)—The Reichstag will reopen tomorrow, presenting Chancellor Heinrich Brüning the most difficult task he has encountered during his stormy career as head of the Reich.

Nobody will know with certainty until the ballots are counted whether the legislative body will again approve his leadership.

## REPAYMENT ON INTANGIBLES TO START AT ONCE

Refund of \$894,458 to be Made Since tax is Ruled Illegal

General Fund Depletion to Mean Necessity for Borrowing, Word

Refunding of payments made for 1929 intangibles taxes will be started here today or tomorrow, Secretary of State Hoss announced yesterday following word from Washington, D. C., that the United States supreme court had refused to review the case of Redfield against ex-Governor Norblad, thus sustaining the state supreme court in its declaration that the 1929 intangibles tax was illegal.

The state tax commission, in order to cut down interest payments, had already prepared lists of the 9,000 taxpayers and these lists will be used by Hoss' department in sending out warrants. He estimated yesterday that a week would be required for the work. The total refunds will amount to \$894,458.35, together with \$28,000 in interest which dates January 1, 1931, under the provisions of a refunding law passed at the last session of the state legislature.

The law under attack was enacted at the 1929 legislative session as a part of a general tax program designed to relieve property assessments. Individual payments ranging from a few cents to more than \$5000. This money was credited to the general fund of the state, and under the law, was to be applied toward reducing the property tax.

Double Taxation Theory is Upheld. Three suits subsequently were filed attacking the constitutionality of the law on the ground that it was discriminatory and double taxation. On October 24, 1930, the Oregon state supreme court handed down an opinion in the Redfield case, in which it (Turn to page 2, col. 1)

## FIREMEN WILL HELP SANTA CLAUS AGAIN

Annual Task of Rebuilding Toys for Children of Needy is Started

It may seem an early date to talk of Santa Claus and Christmas. But one who has been the happy witness of the joy of a small boy or girl reaching out eagerly, eyes popping almost unbelievably for a much desired wagon or doll, will agree with Salem firemen that right now is none too early for them to begin their annual mission of rebuilding and refurbishing toys for children of parents who cannot afford to give their little ones any Christmas.

The Salem branch of Santa Claus' factory at the East Fire station Thursday will be put in order for a season of unusual activity, turning out a product for which there will be no worry about overproduction—toys.

Just how many needy boys and girls will be made the happiest of the happy next Christmas will depend upon one thing: whether or not Salem fathers and mothers and the more fortunate boys and girls, will rally to the support of this greatest of joy-giving industries. The "factory" is stocked with tools, the firemen ready to begin work. But without (Turn to page 2, col. 5)

## Test Suit to Stop Real Property Tax Collection Planned

Salem General Hospital Given Highest Rating

PORTLAND, Ore., Oct. 12 (AP)—Dr. Franklin H. Martin, director-general of the American College of Surgeons, revealed at the opening session of the 21st annual clinical congress of surgeons in New York City that 17 Oregon hospitals have been approved by the college.

The list includes the Eugene and Pacific Christian hospitals in Eugene and the Salem General hospital, Salem. Nine Portland hospitals are included.

## CHAIN STORE TAX LAW IS APPROVED

Dissenting Minority Gains Converts, now Rules in Supreme Court

WASHINGTON, Oct. 12 (AP)—Three of the close decisions which revealed a new and fundamental division of supreme court opinion will stand unaltered.

The tribunal today declined to reconsider its verdicts sustaining the Indiana chain store tax and withholding citizenship from two aliens who would not agree to bear arms in time of war. Each was settled last term by a five-to-four division.

These cases, with four others also settled by five-four decisions, showed that the old dissenting minority of Associate Justices Holmes, Brandeis and Stone was receiving reinforcement from Chief Justice Hughes and Associate Justice Roberts.

At the same time, Associate Justices Vandevanter, Sutherland, McReynolds and Butler, who with the late Chief Justice Taft and Associate Justice Sanford had formed the old court majority, were found rendering dissenting opinions.

The Indiana tax, a special assessment levied against chain stores, had been attacked as discriminatory. The court upheld it by a majority consisting of Chief Justice Hughes and Associate Justices Holmes, Brandeis, Stone and Roberts.

## HOPE OF PEACE IN ORIENT BRIGHTENS

WASHINGTON, Oct. 12 (AP)—With Japan any China showing a disposition to substitute words for bullets in their Manchurian dispute the American government tonight looked forward to an early and peaceful settlement.

A report late in the day from Tokyo that Chinese officials had undertaken to arrange for settlement of their difficulties by direct negotiation was seen as the most hopeful sign since the trouble began.

The development came as the neutral nations were preparing to play their trump card to prevent war—concerted action under the Kellogg-Briand pact.

## Equalization League of County Will Lead Fight

Unfair Distribution of Burden Will be Basis Cited

The Marion County Tax Equalization league yesterday approved its preliminary action taken recently when it proposed to file a test suit, enjoining the state from collection of taxes on real property until the state can show that such taxes are levied equally. The tax suit committee chairman, A. A. Geer, was authorized to proceed with the suit, when the league met here Monday afternoon on the chamber of commerce rooms.

The league members hold that it is contrary to the constitution, which calls for just and equal distribution of the tax burden, for real property to carry 86 per cent of the taxes, in view of real property representing but 26 per cent of the wealth.

The meeting yesterday was a lively session, with keen interest evident. Nearly every one of the 50 taxpayers present expressing sentiments on the various questions which came up.

Positions of Zorn, the league's chairman, and the county group, were discussed. Some discussion revolved about the position of Henry Zorn, organizer and president of the Marion county league, as both members of the state tax league and the county group.

The league which met yesterday is county-wide in scope, and is a different organization from the one formed last summer when Governor Meier named representatives to a statewide group from each of 36 counties.

Members expressed hope that both bodies would work toward the same end and voted that Mr. Zorn be privileged to use his own pleasure as to whether or not he retains his position as a Marion county representative on the state tax reduction league. Mr. Zorn is one of the largest taxpayers in this county, and consequently had put into effect the county league before the state group was organized.

Group Will Confer With County Court. On Monday of the assembly, the county league will send a committee of five to confer with the county court on matters of economy. Ed Porter, Silvertown, is chairman of this group. Other members are L. S. Lambert, Stanton, W. H. Stevens, Gervais, W. A. Jones, Macleay, and A. A. Geer, Macleay.

The league went on record as urging all other county units to continue their efforts to equalize taxes. A number of units have already been organized, and others are being formed.

The league will meet once each month at the chamber of commerce rooms, the next one to be held Monday afternoon, Nov. 9. W. H. Stevens is secretary.

## Weather Change Before Gridiron Night Predicted

Salem football fans planning to attend the Willamette-Columbia game here on Friday night are hoping the weather man knows what he is talking about when he informs that the rains may let up on Wednesday. "Rain Tuesday, Wednesday cloudy," he said last night.

Although rain fell off and on all day yesterday, it was so fine and misty that its volume was only .05 of an inch, according to the local weather observer.

## What the Well Dressed Gangster Wears is Told

By RAY BRENNAN  
FEDERAL BUILDING, Chicago, Oct. 12 (AP)—What the well dressed gangster wears, including a \$185 custom made suit and \$275 diamond belt buckle, was brought out in full detail today at Al Capone's trial on income tax evasion charges.

The prosperous gangster is expected to do his Christmas shopping early, extensively and without stint, testimony of a dozen Chicago department store clerks indicated. Capone, for instance, was said by the clerks to have selected such gifts for friends as \$400 silverware sets, \$150 overcoats and \$20 beaded bags by the score.

Capone, clerks said, ordinarily wore about \$700 worth of raiment. His customary dress, according to the testimony, included a \$7.50 shirt with \$1 monogram; \$4.95 tie; \$2 collar; \$135 suit; \$150 overcoat; \$275 belt buckle; \$10 suit of silk underwear; \$20 hat; \$20 shoes and \$2 socks.

Because he usually was busy with pressing affairs—which the prosecutors charge were gambling, liquor and vice—Capone bought his fine quality suits by the half dozens and his expensive shirts in even larger numbers, the clerks said.

It was revealed that Capone started out in life at a rather low position—tending bar in a saloon at Coney Island, New York. That evidence was given by Henry E. Keller of Miami Beach, Fla., who built a boat dock on Capone's winter estate, and often lunched with "Mr. Al."

The trousers of his bodyguard, Phillip D'Andrea, who accompanied Capone to court, every day last week and finally got himself into jail Saturday for carrying a pistol, appeared to perturb the scruffed 260 pound defendant.

## Big Plane Lands At Silvertown as Fog Halts Trip

SILVERTOWN, Oct. 12 (Special)—Turned back by fog around Stayton on its trip southward to California, a tri-motored airplane piloted by Frank Enders landed at the Silvertown airport about 2 o'clock this afternoon.

The passengers, who were reported to be mostly officials of the airways company, were loaded into automobiles, but it was not known whether they were to continue south by that means or by train, or to go back to Portland. The plane took off for Portland about 4 o'clock.

DeGLANE WINNER  
MONTREAL, Que., Oct. 12 (AP)—Henri DeGlane, heavyweight wrestler dropped the first fall of his match with Charlie Strack of Stillwater, Okla., but came back to win the next two and the match.

## BLAST KILLS TWO

WELCH, W. Va., Oct. 12 (AP)—Two men were killed today in a local explosion in the Excelsior mine of the Kingston-Pocahontas Coal company two miles from here.

## FOUR BOB BANK

STONE LAKE, Wis., Oct. 12 (AP)—Four bandits, one of whom apparently was intoxicated, robbed the First National bank of Stone Lake of \$5,000 today.

## Big Football is to be Placed Downtown Today

The final touch in the program of making Salem football conspicuous in anticipation of the Willamette-Columbia game Friday night at 8 o'clock which will be this city's first night gridiron contest and will be the dedicatory event for the lights and other improvements at Sweetland field, will be introduced today when the mammoth football, official ticket office for the game, will be placed at the corner of State and Liberty streets near the First National bank.

Last year there was a football ticket office here for the Willamette-Whitman game, but it was borrowed for the occasion; the one which will go into use today is a home product and will be available for other games later in the season.

Both general admission tickets and reservations may be obtained at this ticket booth.

## Bargain Period Is Extended

To enable new and old Statesman readers a slightly longer period to subscribe to this newspaper, the annual bargain period is to be extended to November 1. Checks, money orders or cash received before that date for three dollars entitles the subscriber to one full year's subscription, by mail, anywhere in the state.

Because of its constantly improving news, feature and editorial service, The Statesman is making steady circulation gains throughout its territory.

It is the only newspaper printed in Salem which brings to rural readers a full wire report received up to the very hour the paper goes to press and then to mail. O'h'r papers, disguising their issues, are forced to pre-date their issues, camouflaging their wire service, which is 12 hours behind the full night A. P. wire furnished The Statesman.