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The Oregon Statesman

FOUNDED 1851

Salem, Oregon, Friday Morning, November 6, 1931

THE WEATHER

Fair today and Saturday but unsettled with light rains. Max. Temp. Thursday 64, Min. 33, river 1.6 feet, southwest wind.

ENIGMA-FIRST YEAR

No. 192

FOUR DIE WHEN ANTI-AIRCRAFT GUN EXPLODES

One of Victims is Officer; Four More Likely to Succumb, Word

No Inkling of Cause to be Given out Prior to Naval Inquiry

SAN PEDRO, Cal., Nov. 5 (AP)—Explosion of a five inch anti-aircraft gun on the U. S. S. Colorado caused the death of one officer and three enlisted men, the possible fatal injury of two officers and two enlisted men and serious injury to five other men, seamen first class, in firing practice this afternoon off the Pacific coast 45 miles northwest of here.

Navy headquarters at Washington had been notified long before the accident became known here and little official information was available at the harbor. Admiral Richard H. Leigh said no statement would be made regarding the cause of the explosion until after an official inquiry scheduled for tomorrow morning aboard the Colorado. The vessel came into the harbor tonight at 8:15 p.m. and the victims of the blast were taken off.

The dead: Lieut. Ralph F. Bradford, Jr., Pontiac, Ill.

Lewis A. Clark, seaman, second class, Los Gatos, Calif. Maurice G. Hawkins, seaman, first class, Hastings, Mich. J. J. Schurr, seaman, first class, St. Louis.

The possibly fatally injured: Lieut. Winston I. Quattlebaum, of Kentucky, who entered the service from Texas.

Ensign John B. Huntley, appointed to Annapolis from Ohio. R. O. Duff, seaman, first class. G. E. Swift, seaman, first class. Others injured, all seamen, first class, H. J. Hinton, J. R. Kowalski, C. V. Stover, R. E. Lut, W. J. Duval.

All of the dead and injured were members of the Colorado crew except Schurr, who was on leave from the U. S. S. Oklahoma and was visiting a friend aboard the Colorado.

While the radio officer aboard the U. S. S. Maryland was receiving messages of the Colorado tragedy late this afternoon, Capt. J. J. Plummer, gun captain in No. 3 turret of the Maryland, was critically injured and was laid in a dying condition. Captain Plummer was training a squad of recruits on gun operations, and had descended into the pit to describe the workings of the gun.

SEEK TO RECOVER ON SCHWAB'S BOND

Suit to recover on the bond against larceny or embezzlement of Zeno Schwab of the Aurora State bank was started in circuit court here yesterday against the National Surety company. A. A. Schramm as state bank examiner and liquidator of the insolvent bank is the plaintiff. Complaint sets forth that the surety company executed \$10,000 bond to cover loss which the bank might sustain through wrongful action of Schwab, and that the last payment covered period from October 26, 1930, to October 26, 1931.

Pitched Battle Spoils Manchuria Peace Hope

TOKYO, Nov. 5.—(Friday).—(AP)—Government circles announced today that Japanese troops will not advance further toward Anganchi and Taitshar, unless forces of the Chinese general, Mah Chan-Shan, continue to harass Japanese now besieging Taitshar and other points a few miles north of the Nonni river bridge.

TOKYO, Nov. 5.—(AP)—Hopes of early peace in Manchuria were blasted today by a battle between Japanese and Chinese troops for possession of a dynamite-wrecked bridge.

The Japanese rushed reinforcements to the scene, where the Tamon-Anganchi railway crosses the Nonni river, and further fighting was in prospect.

The war office here announced today that an unidentified number of Chinese soldiers were killed and many wounded, and said "positive and effective measures" were decided upon by the

Tusko Popular Now With Many Offering To Buy Plant's Pet

Price is \$500 and Purchaser Must Promise big Elephant Won't be Killed; Local man Successful Bidder at \$200

HARDLY had Harry Plant, matchmaker and armory custodian, acquired the 10-ton Tusko here yesterday morning when offers to sell or lease the country's largest elephant began to come in. Plant was sole and successful bidder for the big captive yesterday morning at the state fairgrounds when Sheriff Oscar D. Bower auctioned him. Plant bid \$200.

PLAN OF CREATING EMPLOYMENT TOLD

Wood Cutting, Pruning and Improvement Work for City Suggestions

A four-point plan for creating employment for needy Salem men last night was formulated by members of the Community Service committee who met at the chamber of commerce. Under the plan it is hoped to give part-time work to the unemployed, thus relieving charitable organizations of a portion of their burden which is expected to become heavy this winter.

Urging city industries to provide work for at least a short time each week, paying such wages as they can afford, is the first point of the plan. The committee expressed the opinion that a number of local plants, some of them now not running, could provide this sort of employment.

Arranging for jobs of cutting wood, clearing land and pruning orchards is the second point. Sites for the woodcutting already are available and landowners have said they would hire men to clear their properties if the cost were not too high.

Encouraging property owners to have odd jobs done by needy men each week is the third point. The committee will make its plea on the proposition that there is work to be done and that

EMPIRE COMPANY GIVES UP PERMIT

The Empire Holding company of Portland will voluntarily surrender its permit to sell \$5,000,000 worth of stock in the State of Oregon it was learned here late yesterday. The corporation granted a stock selling permit two years ago and was to have formed the holding corporation through which subsidiary companies selling fire, life, indemnity and automobile insurance were to have been chartered.

O. P. Coshov, former justice of the state supreme court, is president of the concern. Sam A. Kiser, former secretary of state, has been affiliated with the company. The decision on the part of the company to ask for suspension of its certificate to sell stock followed a conference between James Mott, corporation commissioner, and officials of the holding company. Stock to the total amount of \$800,000 has already been sold and collections totalling \$174,000 have been made on these sales.

The original permit was issued by Mark D. McCallister, corporation commissioner under the previous administrations at the statehouse.

Mott was said to have indicated plans for reorganization of the Empire Holding company were being considered by his office with the view of conserving such assets of the concern as were left. He said he expected to have a comparatively short time.

Observers agreed the fight in the fog last night and today over the Nonni river bridge destroyed what few hopes remained for success of the League of Nations plan for a return to normal conditions in Manchuria by November 18. The immediate cause of today's battle, after which the two armies dug in on either side of the river, was not quite clear. The Chinese troops were those of General Mah Chan-Shan, supporter of the absent nationalist governor, Wan Fu-Lin.

CANAL SURVEYS OF WILLAMETTE ALREADY BEGUN

One Crew of Engineers at Eugene, Three Others Will Start Soon

Area to be Flooded by dam Construction, Nature Of Terrain Eyed

PORTLAND, Ore., Nov. 5.—(AP)—The preliminary survey of the Willamette river, looking toward ultimate canalization of the stream, is now underway by the U. S. army engineers, Major O. O. Kuentz, district engineer, announced today.

One of the four survey parties which will work on the river has been dispatched to Eugene and the other three will be sent out as soon as they can be organized. Each party consists of nine men.

The work will start at Eugene and will be concluded at the Ross Island bridge in Portland. The survey is expected to cost \$53,600. Decision to undertake it was made October 22 by the war department.

Major Kuentz said the work will consist mainly of preparation of topography charts indicating the extent of lands that would be overflowed by construction of necessary dams, and drillings to determine the nature of under-surface bearings for the foundations of these dams and locks. Naturally, the district engineer said, much thought will be given to location of the dams so as little as possible of the valuable land will be flooded.

The survey is expected to require six months. Funds will be requested as the work progresses. Investigations will be made at 6, 8 and 9-foot depths and it will be necessary to proceed as far as the Ross Island bridge to reach deep water.

As soon as the survey is completed it will be forwarded to Colonel T. Robbins, division engineer at San Francisco, who will base his report to the war department on the information developed.

FIVE KILLED WHEN AIRPLANE CRASHES

CAMDEN, N. J., Nov. 5.—(AP)—Crashing to earth on a golf course as it attempted to land at a nearby airport, a Washington bound airplane crashed early today, burst into flames, killing five persons. The plane had left Newark at 5:48 p.m.

Those killed, all burned beyond recognition, were Floyd Cox, Washington pilot; Elmer Smith, Washington; Vernon L. Leas, Washington; George B. Taylor, Washington; and Francis M. Ehle, Riverton, N. J., president of the International Resistant company, of Philadelphia.

The plane, a high speed Lockheed Vega monoplane owned by the New York-Philadelphia-Washington Airways corporation, apparently was gliding to a safe landing when it suddenly nosed to the ground. Motorists on a highway and attendants of the airport hurried to the scene but were unable to rescue any of the passengers because of the intense heat. Firemen extinguished the flames.

Shingle Mill at Milwaukie Burns With Heavy Loss

MILWAUKIE, Ore., Nov. 5.—(AP)—Fire destroyed the Milwaukie Lumber & Shingle company's one-story mill here tonight. S. C. Tevis, president, estimated the loss at \$15,000. The mill was operated electrically and Tevis said he believed a short circuit started the fire. The mill was closed down last Tuesday to await a supply of logs, Tevis said.

The principal loss was in machinery.

Watch for Sunday Statesman The Sunday Statesman bristles with live features and complete news coverage. Full reports of all the football games including Pacific coast games. Garden page; Farm page. Special for next Sunday: "Filmed Literature," by D. H. Talmadge, sage of Salem; Salem School System, special articles by representatives of Salem schools. Colored comics; Polly and Her Pals; Popeye; two pages black and white comics.

Three Loan Associations Placed in Mott's Charge

MUTUAL, LOCAL FIRM TO SEVER ALL RELATIONS

A. A. Lee and Other Officers In Salem Resume Full Control, Stated

Association in Good Shape Says Commissioner on Investigation Basis

Complete and immediate severing of all relations between the Mutual Savings and Loan association of Salem and the Prudential Bank corporation, Portland, is to follow the taking over of the three Portland associations controlled by that group, State Corporation Commissioner Mott announced late yesterday.

At the same time he issued a statement to the public that the local association was in good shape, according to his investigation, and that he considered its local officers fully competent to manage the association's affairs. As a result the Mutual Savings and Loan association here will resume operation under full control of A. A. Lee, secretary and manager, J. L. Ingrey, assistant secretary, and E. M. Page, second vice-president of the company under the existing organization. Directors Carl H. Johnston, J. V. Whipp, L. Jenks and J. H. Kelley, all of Portland and Swastland, are all of the local officers. The Prudential Bank corporation will be asked to resign. T. M. Hicks, local director, is to retain his position.

Mott said that his reason for not interfering further in the local company's affairs or with the confidence in the local officers, their proved experience in the savings and loan field and the successful record of operations they possessed had been high since it was acquired by the Prudential

HAWLEY TO DEPART FOR CAPITAL TODAY

Congressman and Mrs. W. C. Hawley are scheduled to leave Salem today this afternoon bound for Washington, D. C., and the coming session of congress. The congressman and his wife will go east by way of California, stopping there for several business engagements.

Congressman Hawley will preside at the republican caucus here called in Washington, Monday, November 29, one week before the opening of congress. While the present political situation points to a democratic speaker, the caucus may yet be charged with the duty of selecting a speaker if death of some member within the next month. In any event, the party will be thoroughly organized.

Yesterday the congressman spent in finishing odds and ends of work connected with various local problems in the first congressional district which he has represented continuously since March 4, 1907.

Porter to Pay Fine; 60 Days Jail Suspended

SILVERTON, Nov. 5.—Allan Porter, who Wednesday pleaded guilty to the charge of interfering with an officer who was making an arrest, was fined \$25 and costs in municipal court today. He was also sentenced to spend 60 days in jail, but this sentence was suspended on condition that young Porter leave town and stay away for six months.

Porter interfered while police were attempting to arrest William Vesnier and L. Vesnier early Sunday morning after their automobile had crashed into a parked car and knocked down Officer Kennedy, who was working on the tires which had been deflated in a Halloween prank.

MINING "DEAN" DIES LOS ANGELES, Nov. 5.—(AP)—John B. Treadwell, 84, known as the dean of California mining engineers, died at a hospital here today.

Surveys Started for Widening of Pacific Highway to New Era

Spaulding Confers With Engineers; Proposal Is Made to lay Wide Strip on one Side, not two Shoulders

ENGINEERS from the state highway commission are now surveying the Pacific highway south from New Era in Clackamas county and preliminary work to secure needed right-of-way for widening and straightening the highway will be undertaken soon, it was announced yesterday at the highway department's offices here.

Senator C. K. Spaulding, original proponent of a wider-straighter road from Salem to Portland, held an extended conference with Roy Klein, state highway engineer, the two men going over details of the proposed improvement.

While Senator Spaulding's resolution adopted by the commission in October here calls for the addition of a five-foot concrete shoulder to either side of the existing highway, some of the engineers in the highway department lean towards the widening of the road by the addition of a ten-foot concrete strip on one side. With the resurfacing of the present 16-foot highway and of the two two-foot shoulders, the completed road would be 30 feet in width.

The engineers pointed out in the conference with Spaulding that such a road would permit the addition of another ten-foot shoulder as traffic demanded it and the completion eventually of a 40-foot road between Salem and Portland. These engineers claim the strip on one side is perfectly feasible and that traffic can be well handled. The road leading to the interstate bridge on the Columbia is cited as an example. On the estimated cost of \$1,500,000 in purchasing right-of-way and widening the road between New Era and Salem, from \$30,000 to \$50,000 can be saved by the widening on one side only, highway engineers claim.

Commissioner Spaulding is known to be opposed to the department's plan, holding fast for the plan originally proposed in his resolution.

Willamette Rooters See 35 Reasons why Badgers Should not win

Willamette university students held a pep parade from Waller hall on the campus to the heart of town and then back to the football field last night to create interest in the Badger-Bearcat football game which will be played on Sweetland field tonight at 8 o'clock.

The university band led the serpentine down State street, heralding the football game which promises to be the best home game of the season.

The largest number of students to turn out for a rally here yet were on hand and considerable excitement was stirred up in the business district.

Tonight's game has vied with Tusko and Manchuria for new value from the first of the week and now with many rumors of confidence plus emanating from Eiden Jenks' camp and with a number of the Bearcat stars on the injured list, tonight's contest and the likely score is under discussion everywhere.

The university band has acquired more precision in its playing and will have new selections to offer tonight. Plans are already being considered to send the entire band to Whitman for the Thanksgiving day football game.

Following the rally last night, the students gathered in front of the grandstand at Sweetland field to give yells for the team. Coach Roy E. "Spec" Koene "had a sore throat," so Assistant Coach Howard Maple was the speaker of the occasion. Maple did not predict victory for the Bearcats, but pointed to 35 reasons (inside of football uniforms) why Pacific should not win.

To complete the evening's program, a jamboree was held at the Willamette gymnasium where the band played and a general get-together was held. The football men joined the group as soon as they completed their practice.

DEDICATE TEMPLE BEND, Ore., Nov. 5.—(AP)—Bend's new I. O. O. F. temple will be dedicated here Saturday. The temple was constructed by volunteer labor.

FIRMS SOLVENT BUT CONDITIONS CAUSING SLUMP

Callahan put in Control of Businesses; no Plan to Liquidate, Stated

Withdrawals Also Blamed On Difficulties Other Loan Groups Face

The Prudential Savings & Loan association, the Federal Union Savings & Loan association and the Union Savings & Loan association, all Portland concerns with total assets of \$4,340,981 late yesterday were placed in the hands of State Corporation Commissioner Mott for operation. Mott promptly announced that J. H. Callahan, superintendent of the savings and loan department in his office, would take charge of the affairs of the companies Friday, November 6, and would continue to operate them pending a time when general business conditions made a return of the three associations to their stockholders feasible.

Directors and officers of the three associations voluntarily resigned control to the corporation commissioner and issued a resolution dated November 5, in which they ascribed their action to "general business conditions and particularly the liquidation of several savings and loan associations." These conditions, the statement read, "have caused a temporary abnormal demand for withdrawals which, due to the permanent nature of our investments, are in excess of available income."

All Firms Solvent, Mott's Opinion In assuming control of the associations, Mott stated here late yesterday that he considered all the firms solvent but unable to pay all shareholders in full on their investment. He said he had no idea of liquidating any of the associations but intended rather to operate them under his supervision with an idea of harboring all assets of the three groups.

Mott said he thought there had been no "owners' whatever from the assets of the associations but he did blame the former owners for extravagant and unsound business policies which had increased expenses of the associations beyond the earnings, thus impairing the obligation of shareholders if the practice continued.

Mott's statement follows: "In assuming the duties imposed upon him by this provision of the 1931 statute it is not the intention of the corporation commissioner to liquidate any of the three associations which he is now taking over, but to operate them on the basis of the most rigid economy and solely in the interest of the investors, who are the real owners of these associations. An exhaustive examination of these companies, which has been recently completed by this department, shows that while they have been impaired by a long, continued program of over-expansion and by extravagant methods of operation, they are still solvent and that it is entirely possible through strict economy and the operation of the shareholders, to restore the associations to a sound condition.

"It is estimated that the associations involved in this action have been operated by the corporation department at an expense not exceeding one half of the cost of operation under their management by the Prudential Bancorporation, and the department hopes within a reasonable time to

Tragedy Opens A New Life For Heroine

The big plane swerved, banked dizzyly—and fell! Two girl passengers met destiny head-on. One, a gangster's sweetheart, fleeing the old life, had thrust at her an amazing opportunity! Her chance friend and confidante, the society girl with wealth and breeding, met death!

To find out what happened after that tragic prelude to love and drama, read "MASQUERADE" By FAITH BALDWIN (Author of "Make-Believe") Beginning Today in The Statesman