New Era Hill to Canby Will

Distance and Curves

Traffic Survey Indicates 20

Feet Wide Enough for

Stretch to North: Staff

PORTLAND, Ore., Nov. 19.— AP)—Employes of the Oregon

state highway department today

of their salaries to the state unem-

of four months. The offer was ac-

The commission also voted two

to one to reject Commissioner

harles K. Spaulding's demand

for a 10 to 16 per cent permanent

cut in the salaries of the depart-

ed he would continue his fight for

ployes' voluntary contribution was

Chairman J. C. Ainsworth de-

fended the present salary schedule

and pointed out the work of the

year. He said there had been an

The 10 per cent contribution, it

was calculated, will amount to

The commission authorized two

ighway projects for use in the

emergency relief program of the

nighway department. One was the

realignment of the Pacific high-

way from the crest of the hill

above New Era to Canby, a change

which Roy A. Klein, state high-

way engineer, said would save

1700 feet in distance and would

eliminate several dangerous

curves. The other was the realign-

ment of four and one-half miles of

The Dalles - California highway

Klein presented studies of traf-

fic counts and costs in connection

with improvements to the Pacific

costs during the year.

about \$20,000 a month.

New Era Section of

Highway Realigned

north of Redmond.

Will Give Part of pay

Be Construction Project.

Commission Decides: Cuts

SUDDENLY, WAS

Former Washington Justice Known Locally as son Of Early Governor

Attended Private School in Salem, Then Willamette and State University

Word was received by Miss Mary Chadwick, 402 North Capitol street of the sudden death Thursday afternoon of her brother Stephen J. Chadwick, a prominent attorney of Seattle and former chief justice of the Washington state supreme court. His death was very sudden, following an operation for an intestinal ailment which developed only this week. He fell quietly asleep

in death after being operated on.

The news came as a great shock to Miss Chadwick for her brother and several members of his family stopped here only last Saturday on their return from the national Eastern Star convention of which Mrs. Chadwick was the head. At that time he seemed in his usual good health and spirits. He and Mrs. Chadwick did not remain over night but continued their journey after a brief visit with his sister. However his daughters, Mrs. Maury and Mrs. Karr, with Mr. Maury, remained to spend Sunday with their aunt, Judge Chadwick visited in Salem early in September when Mrs. Chadwick paid a visit to the Jeff rson lodge of the Eastern Star.

Spent Boyhood in Salem; W. U. Grad

the city will remember Steve Chadwick for here he grew up as cast the Ruehmann girl's descripboy, attended college, and then left to seek and achieve fame and honor in the then territory and now state of Washington.
He was the son of honored pioneer parents, Hon. Stephen F. Chadwick, his father, served as secretary of state from 1870 to 1877, becoming governor on the resignation of Gov. L. F. Grover, and serving for 18 months in this office. The old family home on North Capitol is still occupied by Miss Mary Chadwick.

Stephen J. Chadwick was born in Roseburg, Ore., April 28, 1863. The family had first lo cated in Scottsburg, but on the decline of that once promising port, removed to Roseburg. At the age of eight he came with his parents to Salem when his father assumed the office of secretary of state.

He attended a school here It was housed in a building back of the Episcopal church. It was sity, Miss Boise going along as a teacher and young Chadwick going as pupil. He attended Wilin 1873; clerked in a store; attended the University of Oregon; read law in the offices of Judge B. F. Bonham, now deceased, and Judge William Ramsey now of McMinnville. He graduated from Willamette law school along with Mark C. Fullerton and Whitney C. Boise, both of whom recently passed away.

1885 and went with Mark Fulgaged in the law practice. In work before noon. 1890 he became superior judge (Turn to page 2, col. 1)

Notable Jurist Recalled Here



STEPHEN J. CHADWICK

Lucile Ruehmann, 17, Last Seen in Morning; may Have Gone South

dison street, ran away from home yesterday morning, her mother North 18th street. eported to city police. The last seen of the girl by her mother was at 8 o'clock, when she set out apparently for Parrish junior high school where she was an eighth

grade pupil. The police believe the girl, in company with another, left for Eugene by bus at 1:30 o'clock yesterday afternoon with the intention of eventually going to Bathe second girl was not learned. No explanation was made for

Many of the older residents of Miss Ruchmann's disappearance. Radio stations last night broad-(Turn to page 2, col. 7)

PHILADELPHIA, Nov. 19 (AP)-An explosion, said by pobombing late tonight caused extensive damage to a fashionable Chestnut Hill section within a block of the home of Marquis A. Ferrante, Italian consul general. The blast shattered windows over a wide area and rocked sev-

eral homes in the St. Martin's section. No one was injured. ister, Dino Grandi, on his arrival he was wanted. which was taught by Miss Lizzie in this city, said "as soon as I Boise, an aunt of R. P. Boise, heard that explosion I knew it

was meant for me." Police guarded the consul's a private school which was later home all day today to thwart any merged with Willamette univer- outbreaks against him by antifascists.

Roads Virtually Halted by Rains

Yesterday's rains brought emergency road work to a virtual standstill. The 25 men who have tries will arrive this morning. been working on the Pacific He was admitted to the bar in highway south of Salem were not sent out to the job and those on lerton to Colfax, Whitman coun- the Polk county project west of ty, Washington territory and en- Rickreall were forced to stop

As far as is now known, the for Whitman county. In 1908 he men who were on shift last week was elected to the supreme court will be put to work again next where he had as a colleague his Monday, Sim Phillips, agent for friend and former partner Ful- the U. S. employment bureau,

Three Slayers Convicted Cruelty Charge is Filed Elderly man is Killed Revaluation is Sought

EUGENE, Ore., Nov. 19-(AP) -Three men, tried in connection with the death of Daniel Castro, Mexican railroad employe, were convicted by a circuit court jury

here today. Miguel Marrero was convicted of first degree murder and the jury recommended life imprisonment. Chauncey Guymon was convicted of second degree murder and Harvey Shirey was convicted of manslaughter. They will be sentenced Monday.

Castro was shot and killed when he came upon the three men in the act of robbing two of his

CLAIM DOG SLAIN PORTLAND, Ore., Nov. 19 .-(AP)-W. E. Colvin, Forest Grove laundryman-farmer, was budget committee tonight aparrested today by A. L. Cross, proved the expenditure of \$3500 state officer at the Oregon Hu- for re-evaluation of all property

Three witnesses told Cross, he said, they saw Colvin turn out of his lane of traffic to run over

FALLS UNDER ENGINE / KLAMATH FALLS, Ore., Nov. 19-(AP)-A 75-year-old man, identified by the name Erickson, was killed beneath a Southern Pacific switch engine here tenight. Police, who said he had been released from jail this morning after being held on a charge of crunkenness, expressed the opinion he fell off the engine or deliberately threw himself under the

KLAMATH PLANS PROBE KLAMATH FALLS, Ore., Nov. 19-(AP)-The Klamath county charge of in the county. Five thousand dol-

Car Crashes Freight Train and he's Recognized As Wanted man

Later Admits Part in Local Burglary Attempt; car Theft Figures too

Light last night was shed on a ourglary attempt here on November 1 and Roy Earl Wiltfong, alias Roy E. McBride, 22, 1290 Oak street, came to grief in three

In the first place, he and his vife both were injured when their automobile crashed into a freight train at 7 o'clock at North Commercial and Union streets. In the second place, he subsequently was arrested by city police and held for department of

justice officials, And in the third place, the pohim that he was one of the persons who on the night of November 1 attempted to break into Lucile Ruehmann, 17, 1675 Ma- the house of Carol White, Statesman linotype operator, at 1550

Mrs. Wiltfong, suffering from a broken kneecap and badly cut head, was taken by Salem ambulance to a local hospital. Her husband received cuts and bruises bout the head and hands.

The housebreaking attempt on November 1 was frustrated when one of White's neighbors, who had been called to the door by the men and became suspicious of said. kersfield, Calif. The identity of their actions, called the police. After smashing a window lock on White's house, the would - be burglars escaped the approaching officers. The police, however, took the car the men left behind. The machine, which bore Wash-

be a stolen one. Wilfong last night had on his person pictures identical with ones found in the stolen car. City police who last night arrested the man, stated that his car was not equipped with windshield swipe, as required by law. It also was reported he was driving at a high speed at the time of the accident. His car, lice to have been an anti-fascist an old, light touring, was heavily damaged.

No charge will be placed against the man in connection with the accident, the police said. After receiving from the department of justice a bulletin askcity police had been on the look-Consul Ferrante, who will wel- ed that he lived here. The bullecome tomorrow his foreign min- tin did not state on what charges

PRODUCE EXHIBITS

SILVERTON, Nov. 19-Entries poured into the Eastman building on West Main street late today for the annual two-day poultry, corn, nut and potato show, and late in the evening every available lot of space was taken. A few more en-On the eve of the opening, much interest in the show was evident

over town. The display promises to be superior to that of last year. Entries last night included: turkeys, 34; geese, 14; rabbits, 13; ducks, 33; chickens, 231; corn, 21 10-ear exhibits and seven singles; nuts, 12 plates and four 10-pound exhibits; potatoes, seven exhibits; pheasants, three. Judging will begin Friday and will be finished sometime during the afternoon. The show is sponsored by the chamber of com-

Mutual Savings Directors Hold Initial Meeting

The initial meeting of the reorganized board of directors of the Mutual Savings and Loan association was held yesterday afternoon at the offices of the company which were moved this week back to the former location on Liberty street. New directors, I. H. Van Winkle and Dr. L. O. Clement, qualified and will serve as directors, replacing representatives of the former controlling company, the Prudential Bancorporation.

It is probable that two additional directors will be elected soon. The board is busy closing its connection with the Prudential organization of Portland and will continue as an independent, locally owned body.

PLAN NEW ATTACK

Scotch terrier, on Canyon road.

Colvin pleaded not guilty when taken before Circuit Judge Mears.

The case was set for November

The case was set for Nove

Oath on 'Actual Money' Paid To Empire Taken in Supreme Court Judge's Offices Here

POSSES TRACKING ASHLAND KILLERS

Trail Turns to Foote Creek Country When Auto Is Wrecked in River

ASHLAND, Ore., Nov. 19-(AP)-Heavily armed posses, assisted by bleodhounds, today attempted trace the movements of two men who last night shot and killed Victor W. Knott, special policeman.

Knott was shot when he and Roy Layman, city policemen stopped in a police car to question the two men. Layman said the strangers fired without warning.

The search centered in Foote creek country after an automobile believed to have been driven by the fugitives was wrecked lice later obtained admission from in the Rogue river following a state policeman's command to the driver to stop. The occupants of the car disappeared in the brush. One revolver was found in the car, another in the river. The trail of the fugitives led in-

to the hills and then separated. The wrecked car was registered to A. W. Reid, Denver, and was reported stolen from the Colorado Springs Motor company, police said.

An army discharge paper found in the automobile have not furnished any tangible clues to the identity of either man, police

Jointly celebrating the 68th an-Gettysburg address and holding their annual meeting, 70 members elected new officers at the Y. M. C. A. Ralph S. Hamilton, former speaker of the Oregon house of "Peace-Time Patriot-

L. C. McShane, of the Sons of Union Veterans, was elected president to succeed Guy R. Stover, ing for the arrest of Whtfong, founder of the organization and president for the past two years. out for him but had not discover- The other officers chosen were: Mrs. Herbert Ostlin of the Daughters of the American Revolution. vice-president; Mrs. Grace C. Mickelson of the Spanish-American War Veterans' auxiliary, secretary, and Mrs. W. P. Watkins of the American Legion auxiliary, treasurer.

Fourteen patriotic organizations are represented in the federation. The next meeting will be held at the call of the president, sometime before Memorial day, at which time plans will be laid for cooperative observance of that

COASTAL STREAMS FLOODED BY RAINS

PORTLAND, Ore., Nov. 19. -(AP) - Oregon coastal streams were overflowing tonight as the result of continued heavy rains, while ice-coated highways made travel hazardous in the uplands. Rain, snow and sleet, swept across the state by a high wind, continued into the night. Little damage was reported. Reports from Marshfield said

the Coquille river had overflowed its banks in the lowlands and valley residents feared a serious flood. Coos river was bank full and was expected to leave its banks unless the rain abates. Shipping along the Oregon coast, however, was delayed but

little by the storms. Telephone and power poles in the vicinity of Newport, Eugene and Florence were toppled by the gale that struck the coast.

Hat in Ring as Court Aspirant

Definitely tossing his hat into the ring for the 1932 primaries, A. Heater, who resides northeast of Stayton, Thursday declared himself a candidate for the office of county commissioner subject to the republican voters. The office is at present filled by John Porter of Silverton, who is expected to be a candidate to succeed himself though he has given out no statement, eruelty after he allegedly drove lars had been requested for that LONDON, Nov. 29—(Friday) except that he has served as the state corporation commission

Super - Sales Methods PLAN CAMPAIGN TO Of Company are Observed

Friendship is Entering Wedge; Success Remarkable

By SHELDON F. SACKETT THE Statesman thus far has revealed the general outlines of the Empire Holding company's plans. It has shown how Chief Justice O. P. Coshow, I. F. Fetty, Jay Stockman, W. R. Adams and Frank J. Keller, Jr., each swore to the purchase "for actual money" of \$20,000 of Empire stock individually. The Statesman has quoted in detail from the uniformly laudatory letters which accompanied the "subscriptions" of these men and the cores of other business and professional leaders in the state who became Empire Holding company shareholders.

While the conception of the Empire Holding company may be attributed to Frank J. Keller, Jr., former Salt Lake City, Denver, Los Angeles, Montana, and elsewhere promoter, the actual birth of the company undoubtedly took place in the offices of Chief Justice Oliver P. Coshow in the state supreme court in Salem. Here it was on November 14, 1930, that Coshow, and his associates, subscribed to the all-inclusive and binding oath which was to form the cornerstone for the financial structure Empire was to raise. Oath Was Taken in

Coshow's Office Here Miss Winifred Graham, notary public and secretary to C. A. Howard, state superintendent of pubic instruction, was called to Justice Coshow's office to witness the campaign, the Community Service ily in the sub-zero weather ial affidavit to the oath required smaller offices and business niversary of Abraham Lincoln's by the state corporation commis- houses. Representatives of the orof the Salem Federated Patriotic she was greeted by Justice Coshsocieties last night banqueted and ow himself who proceeded first getting monthly donations from to introduce her to Fetty, Stockmar and the other Empire builders. Then Justice Coshow, accordrepresentatives, addressed the ing to Miss Graham, personally read aloud the oath which followed the statement of Fetty, Feller, Stockman, Adams and Coshow, wherein each man was set forth as the "owner" of 200 shares of Empire Holding company stock 'paid for in actual money' in the sum of \$20,000 each. Following the reading of the oath by Coshow, the chief justice of the state supreme court raised his hand, asked his associates to do likewise, and according to Miss Graham's testimony, the men jointly took the oath which The States-

man herewith again reprints: We, the undersigned, being first duly sworn, each for himself deposes and says: That the undersigned are the duly elected, qualified and acting officers and directors of the within-named company, as indicated below; that we are familiar with the conduct of its business and affairs, and that we have investigated and know its financial condition; that we are fully qualified and competent to testify as to the truth of the facts called for by this blank; that we have carefor by this blank; that we have carefully examined all statements and answers in the within statement and exswers in the winin statement at each and all of the representations made are true, and that no material fact in answer to the several questions has been omitted; and we further say that there are no agreements, understandings or contracts, either verbal or written, ex-press or implied, by which any one has received, or is to receive, directly or indirectly, any consideration in any manner whatever for the sale of the company's securities, or for its promotion, except as specified in this application and the exhibits attached

With the subsequent issuance by Corporation Commissioner Mark McCallister of a permit for the Empire Holding company to sell \$2,500,000 of its capital stock in Oregon by December 10, 1931, the company was nearly

ready to begin its operations. Every "vast" financial organzation must have substantial offices and the Empire was no exception. In the Terminal Sales building at Portland a substantial part of the fifth floor of the structure was leased by the Empire

Offices must also be well enconced. The Empire's furnishings were to be in harmony with the large-scale operations of the concern. First, a deep plush green carpet was purchased for all the offices. Then private rooms were provided for the "modest and prudently paid" officers and directors. Each official was given leeway in choosing the color design that city, visited the capital in of his furniture; some took red, some green, some blue. All the appointments of the office were in harmony. The walnut desks in Deschutes county for the curand chairs matched beautifully. The davenports provided each in- ly \$160,000 less than in 1930. dividual officer were in keeping This situation was attributed with the color scheme. Nor were these davenports the inexpensive, large mills in the Bend district forbidding type sometimes used in have not paid this year's taxes. Heater has never been a can-didate for public office before furniture and fixtures furnished taxes was declared to be due to out of his way deliberately to run purpose by committees from the —(AP)—A Tokyo dispatch to the school director in his district. He er on his audit, shows that the inover Sandy, a 3-year-old imported taxpayers' league and the grange. London Daily Mail today said was born in the place which he itial price of each davenport was assessments were increased more larger this year than in the past, highway and overturned. The budget committee refused there were indications the Japan- now owns and has lived there all between \$400 and \$500. The than 100 per cent last year.

BACK OLEO EXCISE

Dairy Executive Group has Meeting Here: Vote on Issue Next Year

Plans for a thorough campaign n support of the oleomargarine excise tax law enacted at the last legislature were laid at a meeting of the executive committee watching the dairy interests in connection with the oleo law.

The campaign planned by the group yesterday, including representatives of granges and farmers' unions, will be built to combat rumored large expenditures of money by the margarine in-

Operation of the excise tax of 10 cents is hell up now, pending referendum on the law. Vote of the people on the matter will be taken at the next election, and it is this vote which the group in session yesterday is laying plans to secure in support of continuance of the tax.

Max Gehlhar, state agricultural chief, and J. D. Mickle sat in with the group yesterday in an advisory capacity. George Fullenweider of Carlton was chairman. Several counties of the state were represented at the session.

its charity fund signatures of the original officers finance committee this morning and directors and to make notar- will mail pledge cards to the sioner on the application to sell ganization will confer with the stock. Miss Graham reports that heads of the larger industries and businesses to lay out plans for employes. William McGilchrist Jr. and George L. Arbuckle of Community Service will interview superintendents of the schools in effort

> day was informed that employes tillerymen from the Russian borof the Ladd and Bush bank will month for four months plan 100 per cent. This contribution will amount to approximately \$350 a

month, it was stated. Returns on the letters mailed Monday requesting appointment in each office, business and other organization of a lieutenant to assist with the solicitation and collection of funds have been received in goodly number, according to T. A. Windishar, finance chairman. He is urging every person pledging the day's pay a month to remit at once for November because funds are badly needed at this time.

Silverton Sends Big Consignment Flour to Orient

SILVERTON, Nov. 19-Two thousand barrels of flour have left the Fischer Flouring mills of Silverton for the government of Mill Putting Out China, according to the officials of the local flouring mill.

This completes the first part of the order which came through the Farmer's National Grain corporation and the Chicago Grain Stabilization corporation.

next spring for the local concern. six hours a day for sometime.

through" with tax money were re-

vealed to Rufus C. Holman, state

state tax commission Thursday

merchant and school director in

It was pointed out at the con-

ference that collections in taxes

rent year aggregate approximate-

partly to the fact that the two

search of a possible solution.

Bend Schools in Serious

Perplexities which follow re- | condition in the Bend school dis-

when a delegation of Bend citi- district during the fiscal school

zens headed by C. L. Mannheimer, year. The state treasurer was re-

fixed by law.

the counties.

Nanking Government Gives Support to Mah; Chiang Goes to Manchuria

To Probe Situation

(By the Associated Press) Japanese airplanes bombed and troops of General Mah Chan-Shan at Hailun, Manchuria, today, said dispatches of the Rengo (Japanese) and Reuters (British) news

agencies. Reuters said 3000 Chinese were innihilated. American, British, French and

Polish military attaches of the Tokyo embassies will start for conditions on invitation of the Japanese army, Tokyo announced. Nations proposal to send an in-

structed. ize his shattered Chinese army at Koshan, 80 miles northeast of en out by the victories Japanese.

new Heilungkiang provincial govsalary reduction and said the em-Japan informed the League of made only "to get away from the Nations that she would not evacuproposition of a real cut in pay." ate Manchuria until a new treaty been negotiated between her

Chinese civilians fled out of the staff members had been increasd area of the Chinese Eastern railnearly 50 per cent during the past The refugees suffered heavactual reduction in the operation

Moscow that serious complications will result if soviet troops are sent into North Manchuria.

Chiang Kai-Shek, president of nounced he was going immediate-

Johnson Thinks Hoover Should Not Run Again

CHICAGO, Nov. 19 - (AP) -United States Senator Hiram W. Johnson said today that President Hoover would have the "undying gratitude of the rank and Coolidge and decided not to become a candidate next year.

ing enroute to Washington said: "The decision of Mr. Coolidge not to become a candidate next year entitles him to the highest praise of the American people. "If Mr. Hoover were to make a like decision he would have the updying gratitude of the rank and file of the republican party.'

Big Rush Order

SILVERTON, Nov. 19-(AP) -The planing mill of the Silver Falls Lumber company is running an eight hour shift for The last of the first part of the several days to fill a rush order order was shipped Thursday. The for 700,000 feet of lumber of eral services for Isaac Dempsey. complete order will mean about shipment to the Atlantic coast. about 65, who died suddenly two weeks' work a month until The crew has been operating but

lieved possible, officials said, for

as being of the opinion that the

reduction of the tax delinquent

penalty from 12 to 3 per cent,

was responsible for the unsatis-

factory tax situation in some of

Members of the state tax com-

RICKREALL, Nov. 19 - Fun-

Quandary; Taxes Unpaid county family, left his house about 10 o'clock Tuesday night to he operated. fusal of large taxpayers to "come trict. It was argued by the visit-He was not seen again until ors that more than \$120,000 about 6:30 this morning when would be required, in addition to his son, Lynn, found his body on

interest obligated by the school attack. He is survived by his widow and three children: Mrs. Mary

the reason that the state treasurer must demand specific securities Newly Married Pair Unhurt as One official expressed himself

Mr. and Mrs. Henry McCollum, while on their wedding journey, narrowly escaped serious injury near Newberg late Wednesday. mission declared that while tax The automobile in which they

Mr. and Mrs. McCollum were Mannheimer declared that the general tax strike in any section able to get out of the car through

Japan Approves Proposal by League for Commission

annihilated a force of Chinese

Manchuria tomorrow to inspect Japan approved a League of vestigating commission into Man- offered to contribute 10 per cent churia, providing conditions in China proper also were investigat- ployment relief fund for a period ed, its delegation at Paris was in-

cepted by the highway commis-General Mah Chan-Shan tried sion by a vote of two to one at a lesperately yesterday to reorganmeeting here. Tsitsihar, from which he was driv-Chinese authorities said General Mah planned to withdraw either ment employes. Spaulding declarto Hailun or Suihwa and set up a

Tokyo dispatched a warning to

China indicated her intention of staying in the fight.

the Nanking government, anly to Manchuria. The Chinese ministry of war announced that Chang Hsueh-Liang had offered all his troops to General Mah to obtain relief funds from the Chan-Shan, Chinese commander in the field. Included in Chang's The Service committee yester- forces, he said, were 10,000 ar-

highway. He said widening the highway from New Era to Salem from the present 16-foot width to 20 feet and bringing it up to modern highway standards would cost \$780,000, while widening to 30 feet would cost \$1,000,000 or file of the republican party" if he followed the lead of Calvin of public roads had made traffie counts and estimated a three-lane road would not be needed before The California senator, paus-

Elton Watkins, attorney, renewed the application of D. E. Lamb and the International Utilities corporation for a permit to lay a gas pipe line along the old Oregen Trail and the Columbia River highway from the eastern boun-(Turn to page 2, col. 5)

SLATED SATURDAY

some time Wednesday night, will be held at the Henkle and Thomas parlors in Dallas Saturday afternoon at 2 o'clock. Burial will be in the new cemetery at Dallas. Mr. Dempsey, resident of this section for more than 40 years and member of a pioneer Polk

funds now available, to care for the sidewalk between the two treasurer, and members of the the salaries, bond retirement and places. Death was due to a heart

quested to consider a loan to the Adams of Falls City and Harry school district. This is not be- and Lynn at Rickreall.

Auto Overturns