FOUNDED

EIGHTY-FIRST YEAR

Salem, Oregon, Sunday Morning, December 6, 1931

Stockholders to Gather in Portland Monday, Vote On Reorganizing

Opposition to Officers is Reported Widespread; Outcome Uncertain

STATESMAN TO CARRY SPECIAL STORY ABOUT STOCKHOLDER'S MEET

Because of the widespread interest locally in the affairs of The Empire Holding corporation The Statesman Tuesday morning will carry a complete story on the stockholders' meeting. This gathering will start at 3 o'clock Monday afternoon in Portland in the Empire's office, Terminal Sales building. The gathering is expected to bring many oral protests from stockholders who have been heavy losers in Empire's securities. A fight for control of the corporation is also to be waged, the present officers being opposed in their demand for retention in office, by Dr. R. W. Clancy, secretary of the company, and the only officer who invested more than \$2000 in cash in the concern. Clancy's personal investment to date has been \$10,000 in cash, \$15,000 in

By SHELDON F. SACKETT Affairs of the Empire Holding corporation will again be exhumed, this time for stockholders' gaze, when the special meeting called in Portland at 3 p.m. tomorrow gets under way. Whether the now defunct financial body will be inspected, mourned and laid to a long rest or whether Dr. R. W. Clancy or the Coshow, Fetty, Keller, Adams and Stockman mourners can breathe the

day indicated that stockholders item for health work, there is litfrom all parts of the state were the prospect for discussion of the coming to the meeting and that other provisions of the budget. Clancy apparently would control (Turn to page 2, col. 1)

## HULET CRITICAL OF FARM BOARD SETUP

The federal farm board has built its organization from the top down instead of from the yesterday of any concerted move bottom up. Too little attention has been paid to those cooperative organizations owned and controlled by producers in fact as well as

These were the views expressed by Charles C. Hulet, master of the Oregon state grange and chairman of the national grange agricultural committee, Saturday upon his return from Washington, where he was called to appear before Senator McNary's agricultural committee.

Hulet testified that there should be prompt investigation by congress of the federal farm Man is Held on board, and if congress moves for the investigation it should cover the entire scope of the board ac-

Mr. and Mrs. Hulet were delegates from the Oregon grange at the national grange convention in was called to Washington.

substance, the report Hulet pre- arrested in a Gresham store on a sented as chairman of the agri- charge of burglary and was lodgcultural committee, and included ed in the county jail here. in the convention action a special resolution on the marketing act, Deardorff and Ed Johnson, Greshwhich urges congress to amend at am marshal, said two men who, the coming session to provide with Haines, had broken into the three important features.

FRENCH RIDERS WIN NEW YORK, Dec. 5-(AP)-The French team of Alfred Letourner and Marcel Guimbretiere Prince Nicholas won New York's 51st six day bicycle race at Madison Square Garden tonight.

#### A Legacy of Feud and Love

In the border countrymen settle matters of women, freedom and money with guns and fists. It was there that Ted Radcliffe, Yale halfback, inherited a tumultous legacy of feud and love. Read "The Gay Bandit of the Border," Tom Gill's romance of the west, beginning Friday, December 11, in The Statesman.

#### He'll be Governor of Oregon Monday When Meier Goes Away



WILLARD L. MARKS

Navigation, Word From

Federal Engineer

Major Oscar O. Kuentz, district

engineer war department, Port-

proceed with a survey to determ-

lamette river.

ship on the river.

ine the cost and advisability of

factors which will be considered

view persons and concerns who

chamber of commerce Monday

ness houses, manufacturers and

concerns which use the waterway

names of about 75 individuals

and concerns that use the river.

After long effort, one survey of

the Willamette was made but the

(Turn to page 2, col. 1)

JAPAN REPORTED

TOKYO, Dec. 6-(Sunday)-

AP)-A Rengo dispatch from

Mukden today said there was an

unconfirmed report from a Chi-

nese source at Peiping that Gen-

eral Honjo, Japanese commander

in Manchuria, had served final

withdraw his Chinese troops west

There was no confirmation of

The Mukden dispatch said the

leposed governor of Manchuria

had been warned to withdraw his

troops on the ground that mass-

ing of Chinese east of Chinchow

signified an aggressive attitude

The dispatch appeared to have

been consored and several son-

tences deleted, which was taken

here as an indication that it had

been referred to military head-

quarters for approval before it

Attire, Noticed

PARIS, Dec. 5 .- (AP) -- Wear-

ing new shawl and loin cloth,

ference in London, arrived here

today and was cheered by a large

Madeline Slade, his disciple,

whose weaving ability was re-

PHILADELPHIA, Dec. 5. -

innings in the night session of the

ship tournament tonight.

sponsible for his new clothing.

With the mahatma was Miss

crowd at the railway station.

was forwarded to Tokyo.

Gandhi Has New

such an ultimatum at Japanese

of Chinchow immediately.

against the Japanese.

ULTIMATUM FRUM

With this survey in view, the

# TONNAGE SURVEY OF

Health Appropriation Only Data Wanted for Survey of Moot Point, Indicated; Old Amount Asked

Final adoption of the tentative spark of life into the "vast" cor- 1932 city budget will be the most poration remains a matter of important item before the city council tomorrow night. Reports from Portland yester- from the much discussed \$6000

During the fortnight which has either six or nine feet in the Wila majority of the proxies. A group followed the first and second readof 100 Medford stockholders have ings of the budget, many local orgone en masse to Clancy in his ganizations have passed resolufight to purge the company of its tions asking the council to restore in the survey will be the river group of officers whose aggregate the item to \$8000 where it was traffic which might develop salaries annually are \$42,500 and placed several years ago. Advo- thereby. Representatives of the from Roseburg, also an Empire cates of putting the health work district office will call to interstronghold, came word Saturday on the \$8000 basis point out that that shareholders there would op- the cost of the service to the city pose the continuance of the Em- was not increased in formed years when other departments received substantial gains. To decrease the | will mail out letters to all busiitem now, when other departments are being restored to the position of two years ago would for shipments. The chamber has be unfair, advocates of the health supplied Major Kuentz with

unit appropriation argue. The election of a committee on committees in the council is scheduled for Monday Bight. Present members are Alderman Chris J. Kowitz, W. H. Dancy and V. E. Kuhn. There was no indication

to replace these men. Prior to the closing years of Mayor T. A. Livesley's administration, all committees were named by the mayor. When opposition to Livesley developed in the council, sufficient strength was found by the insurgents to take the committee naming power away from the mayor. It is not thought that Mayor P. M. Gregory has sufficient strength to demand that the council restore this former prerogative of the mayor to him.

#### Gresham Store Burglary Count

PORTLAND, Dec. 5 .-- (AP)-A man who gave his name as George Madison, Wisconsin, before he A. Haines, 37, and who said he was a member of the Denver. The national grange adopted, in Colo., police force in 1919, was

The arresting officers, Walter store, escaped in an automobile. Haines refused to tell who they were or give further information about himself.

#### Still Married; No Annullment | Mahatma Gandhi on his way home to India after the round table con-

BUCHAREST, Rumania, Dec. -(AP)-The morganic marriage of Prince Nicholas, brother of King Carol and Mme. Jana Lucia Deletj had not been annulled tonight.

A report published abroad that the Rumanian supreme court had promulgated an annulment of the marriage was found to be incor- (AP)-Andrew Ponzi, of Philarect, although a decree of annul- delphia, defeated Robert Lindment is expected within a few blom, of Seattle, 125 to 2, in 12

King Carol has left Bucharest world's pocket billiard championfor a week-end hunting trip.

Will Become Oregon Chief Monday Morning When Meier Goes Away

Plans no Radical Changes In Policy in Absence Of Elected Leader

At 7 o'clock Monday morning, when the Cascade limited crosses the Oregon line into California, Oregon will have a new governor. He will be Willard L. Marks, Albany lawyer and president of the inflated balloon, his ears, which Oregon senate in the 1931 term. had flapped so eagerly at the first For a period of four weeks he smell of liquor, hung tike the sails tinies while the present governor could shake him from his remorsemakes merry with his children ful stupor. It seemed evident that and grandchildren on a holiday he would welcome an acute case vacation trip to San Francisco.

"I will adopt the view that I am holding office in lieu of Governor Meier and will thus feel cies," Senator Marks told The Statesman last night in a special over. interview. "I think it would be improper under the circumstances to formulate any policies although there may be decisions required which I shall not hesitate to give. I presume that most of my duties during the rest of the month will be largely routine matters. Will Be Here For

Any Needed Action Marks will come to the capitol Monday morning and will be here each work day during the governor's absence except when affairs at the capitol do not require his personal attention, Senator Marks Walton, Governor Meier's

vesterday centered around the Hoss should arise. Investigations now pending may come to a head land office has written the chamber of commerce here saying that on the opposite positions these fund. his office has been authorized to two men customarily have taken. Holman in the three months of Governor Meier's absence has carproviding a channel depth of ried on as though he were the lone remaining representative of the Bull Frog party at the cap-He says one of the principal

> Marks indicated clearly yesterday that he intended to hire or (Turn to page 2, col. 1)

## HUGHES DENIES HE MISSED MEETINGS

Alderman S. A. Hughes yesterday declared that he had attended meetings of the city council light committee every time the body had been called together in in denying reports earlier in the week that Chairman F. L. Wilkerson had been unable to assemble both of his committeemen at

George W. Averett, third committeemen averred he had been excused from attending.

For the past three weeks, Chairman Wilkerson has been endeavoring to convene his committee together with officials of the Portland General Electric to negotiate a new power contract for the city. Electricity for street lighting is being paid for at high rates set forth in a contract made several years ago but now exnotice on Chang Hsueh-Liang to pired.

## Tusko on the Wagon; Vows

PORTLAND, Dec. 5. — Poor Tusko! He awoke this morning sadder but much wiser elephant, from all appearances caring little whether he lived or passed on to the happy hunting ground of indiscreet pachyderms. He seemed to be trying to recite the age-old vow-"Never again!"

Awakening after the slumber that followed a 10-gailon whiskey jag, Tusko showed no disposition to toss bales of hay playfully about; and even the wooden tub that had held his elephant-size toddy had no attraction for him. He poked an inquisitive trunk into its depths, then tossed it disgustedly to one side. Had he the power of speech, he would probably have asked for a tub of ice water or several dozen aspirins.

His eyes were bloodshot, his 10 tons of flesh sagged like an will preside over the state's des- of a becalmed schooner. Nothing of double pneumonia rather than his present condition.

Even polished apples, 50 boxes of which had been donated by a constrained to carry on his poli- grocery company, failed to buoy his spirits. Yes, Tusko had a hang-

Kettles on Street; Need of Christmas Cheer Fund Is Greatest Ever

Salvation Army bassles were said he would expect Miss Beat- on the street yesterday for the first time this year, the advent secretary, to keep him informed | marking the start of the annual at his home in Albany regarding Statesman-Salvation Army Good Will Fund campaign for mas. Receipts for the first day were \$23.99.

The kettles will be out each question of Marks' position if fur- day from now on until Christmas. ther disputes in the state board of and all funds placed in them will control between State Treasurer be used to aid the needy and un-Holman and Secretary of State fortunate at Christmas time. In addition to the kettles, the Army is following the usual custom, and force Marks to take a stand and asking for donations for the Donations should be sent to

> Statesman office, from where they will be turned over to Adjutant E. Parsons, in charge here. The goal for the Good Will fund this year has been placed at \$1500. This is \$500 less than last year, but with the money the Army hopes to distribute cheer to a considerable more people body.

the Army headquarters or to The

Baskets Held Out Over Long Period Not that the Army is proud of the larger number. It is a case of the number of needy increasing, (Turn to page 2, col. 5)

than last year.

#### Wayne Kantola Quits Hospital; Recovers Fully

Wayne Kantola, Salem youth self through the head with a revolver last month, has been reeffects, other than weakened con- ger. dition, as a result of his wound.

bre revolver entered the youth's and David Burnstine, all of New right temple and emerged high York. Four Clevelanders were on the left side of the head. Be- third by half a point. They were cause the bullet actually pierced Edward C. Wolfe, Henry P. Jacthe brain, the physician consid- ger, Omar Mueller and Sam Gugers his recovery a phenomenon. genheim.

# 'NeverAgain' SESSION OPENS

Powell, Keech and Jones Official Consultants Of County Court\_

Large Crowd Equipped for Argument Expected as Levy Considered

The annual, painful major operation performed upon Marion county's budget will get under way tomorrow at 10 a. m. at the courthouse, Surgeons Siegmund, Smith and Porter being assisted by Keith Powell, Woodburn banker, George Keech, Stayton canneryman and T. B. Jones, Salem farmer, who Saturday were designated by the county court as official consultants.

Quasi-official onlookers, each charged with seeing that the budget is pared down to the last bone with every unnecessary organ thrown into the surgery wastebucket, will be Henry Zorn, Custer E. Ross and Louis Lachmund. These three are members of the Marion county tax reduction, equalization and conservation group appointed last summer by Governor Julius L. Meier.

An unusually large crowd is expected to be at the court room when the surgeons begin their work. Onlookers are not banned from comments and especial attack and defense is expected on such mott items as county roads, county high school tuition, county bus transportation and the county health unit appropriation. Place to Operate

Is Still Problem While the county court has rewhack down the 1932 budget to the marrow, the three surgeons heads and wondering just how the operation could be accomplished somewhat embarassed for road peals for work are mounting.

The budget, as adopted Monday, must be published and 20 days must elapse before a final vote is taken by the county court which is the ultimate tax levying

#### Four Horsemen Are Beaten in Bridge Tourney

PHILADELPHIA, Dec. 5 nosing out the well known "four horsemen" to win the National last event on the week's program.

The team is composed of Com-He apparently is suffering no ill Norman Newman and George Un- the first of next year.

They won 46 of 76 matches, according to the attending physi- one more than the "four horsemen," P. Hal Sims of Deal, N. J. The bullet from the heavy cali- Willard S. Karn, Oswald Jacoby

# COUNTY BUDGET Assessed Valuations For County Increase **Despite Land Slump**

#### Rumor Iverson Slayer Caught; Officers Deny

SILVERTON, Dec. 5-A rumor started Thursday afternoon at Silverton which had gained such momentum by Saturday morning that country districts were calling Silverton residents to verifiy it, was to the effect that the murderer of H. J. Iverson, who was killed May 2 while on duty as night patrolman at Silverton, was captured.

deny the story that there was slightly in 1931, the total assess anything new for publication. It ment roll for the county is \$40.0 is generally believed at Silverton, 705 higher than in 1930. A dehowever, that either new clues tailed statement on the 1931 ashave been discovered or that something in regard to old clues has by The Statesman from the state been confirmed.

Nomination: to Oppose Willis C. Hawley

Emmett Howard of Eugene, for several terms a member of the lower house of the state legislature, will be a candidate for the office of representative in congress from the first congressional district at the republican pripeatedly expressed its desire to mary election next May: This was announced definitely by Howard

Howard declared that he re- the information on the various cently completed a careful sur- districts for public release. The vey of the congressional district, state's information on assessment without killing the patient, Sieg- and had received considerable enmund Smith, and Porter each couragement. He indicated that erty assessed, a table of which is pointed out that a \$10,000 to he would issue a formal statement printed herewith. \$15,000 increase impends for within the next two or three Marion county's care of the in- weeks. During his legislative sersane, a \$24,000 increase may be vice, Howard was a member of on the 1931 assessed value due to asked for high school tuition the roads and highways commit- the 41/2 mill reduction in state while repeal of the market road tee and was honored with many one-mill tax will leave the county other important committee assignments. He always has been an work funds. At the same time ap- ardent advocate of improved high-

Willis C. Hawley of Salem, republican incumbent, also has an- proximately 37 per cent of all the nounced that he will seek reelection. Hawley has served as a member of the lower house of congress for many years, and has been honored with some of the most cherished committee appointments. Among these important assignments was the chairmanship of the powerful ways and means committee.

Other persons prominently mentioned in connection with the congressional race in the first district are C. C. Hulet, master of the Oregon state grange; James W. (AP)-A 'team of New Yorkers Mott, state corporation commisupset predictions in the National sioner; ex-Governor Norblad of bridge tournament tonight by Astoria; Edward Bailey of Junc- ships committee as candidates tion City and W. A. Delzell of Salem. Bailey and Delzell are demwho is believed to have shot him- Contract team championship, the ocrats. Hulet, in a statement issued here recently, said he had from the United States naval acabeen urged to enter the contest, leased from the hospital and is mander Winfield Liggett, Jr., and that he probably would make able to be about the city again. Mrs. Elizabeth B. Banfield, Mrs. some definite statement before

#### Hotel Men Vote For Referendum On Prohibition

PORTLAND, Ore., Dec. 5-(AP)-The Oregon State Hotel association in annual convention here today adopted a resolution favoring a referendum of the 18th

The association in another resolution said "the commendation college; Maurice Ostomel, Reed and approval of this association college; and Floyd Odell, Linfield. is extended to Governor Meier and his administration for their atti- Higher School tude toward public affairs."

#### Laundry Holdup Is Successful;

TACOMA, Wash., Dec. 5-(AP) -Flourishing a revolver, a middle aged bandit held up the Tacoma laundry here tonight and made a clean getaway with between \$1,200 and \$1500 in cash. "Keep quiet until I start my

car," was the warning given three employes who had stood with raised arms while the bandit scooped up the contents of the

#### Albany College Gets Loan Fund

ALBANY, Ore., Dec. 5-(AP) -Albany college officials have students has been established by a donation from Dr. George J. Russell, New York City, who de-

The college now has 11 loan

Gain Accounted for in Marked Advance of The Utilities

No. 218

#### Total is \$49,114,541 As Basis for tax Levy of 1932

Although Marion county's assessed valuation on land, improvements to land, city lots and im-Authorities have continued to provements to lots, dropped sessment was obtained yesterday, tax commission.

The gain in total assessed value, which represents three-tenths of one per cent over the 1930 figures, is accounted for in the marked increase in the valuations on utilities. These went up from the \$7,350,796 total of 1930 to \$8. 189,841 in 1931, due principally to extensive improvements made by the Portland General Electric company, the Pacific Telephone & Eugene Legislator Seeking Telegraph company, and the Portland Gas & Coke company.

The total assessment roll for 1931, on which the 1932 city, school district, road district and state levies will be made, is \$49,-114,541. The total for 1930 was \$48,993,736. Figures for City

Not Yet Segregated The figures obtained by The Statesman did not indicate the exact assessed value of Salem for 1931, this iformation being yet in he hands of Assessor Oscar Steel hammer, who has not yet prepared

Savings in direct taxation to the taxpayers of Marion county taxation will be \$221,014, or 11 per cent of the entire tax roll levied for collection this year, Salem's savings due to the 4 1/2 mill

reduction in state taxation will be \$81,775 since this city pays ap-(Turn to page 2, col. 5)

## SCHOENI, WILLIAMS RHODES CANDIDATES

PORTLAND, Ore., Dec. 5 AP)-Ensign Walter P. Schoeni and David C. Williams, both of Portland, were selected today by the Oregon state Rhodes scholarfrom Oregon.

Ensign Schoeni, son of Mr. and Mrs. John F. Schoeni, graduated demy at Annapolis last June. He was captain of the Academy's crew in his senior year. He was given leave from the U. S. S. Tennessee, stationed at San Pedro, Calif., to take the examina-

Williams is a graduate of the University of Oregon, majoring in Mathematics. He is the son of Mr. and Mrs. D. L. Williams.

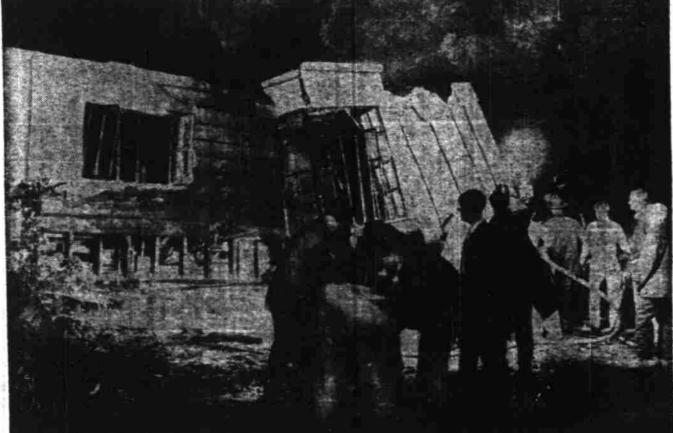
There were nine other students who took part in the examinations: J. W. Halderman, George E. Harrington, Wallace Campbell and R. Tallmadge Hall, all from the University of Oregon; Clarence Poor, Willamette university; William Cogagan, Oregon State

## Board to Meet

The state board of higher edu-cation will hold an all-day session here tomorrow, according to an-Loot Extensive councement by Dr. E. E. Lindsay, secretary of the board. A large number of important matters are scheduled for consideration. Lindsay said that the presidents of several of the institutions of higher learning would attend the meeting.



# Scores Injured While Watching Fire



One person was killed outright and one more died later, and over 50 were injured when a terrific gas livered the baccalaureate sermon explosion blew the roof off this house while a crowd stood by watching the firemen fight the fire here last June. which caused the blast, The catastrophe occurred Thursday afternoon at Berkeley, Cal. Men are shown in this picture removing victims from the scene. Many were buried by flaming debris.