

**WEATHER**  
 Cloudy today and Thursday, little change in temperature; Max. Temp. Tuesday 47; Min. 43; river 6.8 feet, rain .01 inch.

**SERVICE**  
 We guarantee our carrier service. If your paper does not arrive by 8:30, call 9101 and a copy will be delivered at once.

## GAIN SHOWN BY SALEM'S BANKS OVER YEAR AGO

### Ratio of Liquid Assets to Liabilities Improved, Statements Reveal

Savings Deposits Increase; Drop in Total due to State Withdrawals

Salem's three banking institutions have not only been little affected in deposits totals by 1931 business recession, but in ratio of liquid assets to liabilities have strengthened their position markedly, analysis made yesterday of the recent bank statements reveals.

Banks individually and as a group have improved their balance sheets until Salem's three institutions rank among the leaders in the state both in the retention of their high deposit totals and the liquidity of their assets. Deposits totaled \$9,304,039 for the three banks as of December 31, 1931, places Salem second only to Portland in the state in the total assets in its banks.

While deposits went down from \$10,804,636 at the close of 1930 to slightly less than ten millions, at the end of 1931, much of this slump, bankers explained yesterday, is accounted for by decline in state funds. A year ago's large quantity of state money was on deposit here pending decision on the 1929 intangibles collection which subsequently were declared illegal and the moneys refunded. This fact together with the necessity for the state to borrow money repeated during 1931 has materially lowered all state balances in local banks.

Bankers yesterday said that ordinary commercial and individual deposits were nearly as large as in 1930.

**Time and Savings Deposits Increase**  
 Time and savings deposits have shown a gain over the point reached (Turn to page 2, col. 4.)

## FRIVOLITY MARKS CHERRIAN DINNER

With the spirit of frivolity reigning, 43 members of the Cherrians staged their 26th annual banquet at the Marion hotel last night, installed new officers and initiated 10 new members. Attending the banquet were four charter members of the organization: F. C. Deckerbach, H. O. White, Hal D. Patton and Frank H. Spahr.

A special guest was George Bushnell, actor, who formerly lived in Salem and played at the old Reed opera house. He told of the city 34 years ago.

King Hixon heads the Cherrians as Gus Bing, succeeding Carl D. Gabrielsen. Other officers are: George Arbuckle, Lord Governor Wood; C. E. Wilson, Chancellor of the Rolls; H. E. Eakin, keeper of the orchards; T. A. Windshar, King's Jester; R. W. Niles, Duke of Lambert; F. G. Myers, Queen Anne's consort; J. H. Kennedy, Archbishop of Seckelville; A. A. Gueffroy, Marquis of Maraschino, and Elmer Dase, Earl of Waldo.

The 10 initiates were: Walter Fuhrer, Gardner Knapp, Howard Hulsey, J. T. Delaney, F. J. Gilbrath, Jack Callahan, H. R. White, Victor P. McNamara, E. V. John and C. W. Faulstich.

The traditional gift to the retiring King Bing this year was a leather jacket.

Music was provided by the orchestras of Bill Brazee and Clarence Wenger.

## CHANG IS WARNED

### TIENTSIN, China, Jan. 5.

(AP)—Chang Hsueh-Liang, deposed governor of Manchuria, whose troops have been driven out of that province by the Japanese, has received an unofficial ultimatum warning him to retire further into North China, it is reliably reported here today.

(AP)—Oliver J. Pierce, formerly postmaster at Brownlee, Ore., pleaded guilty in federal court today to an indictment returned in 1923 charging a shortage of postal funds.

Judge Fee continued the case until tomorrow for sentence.

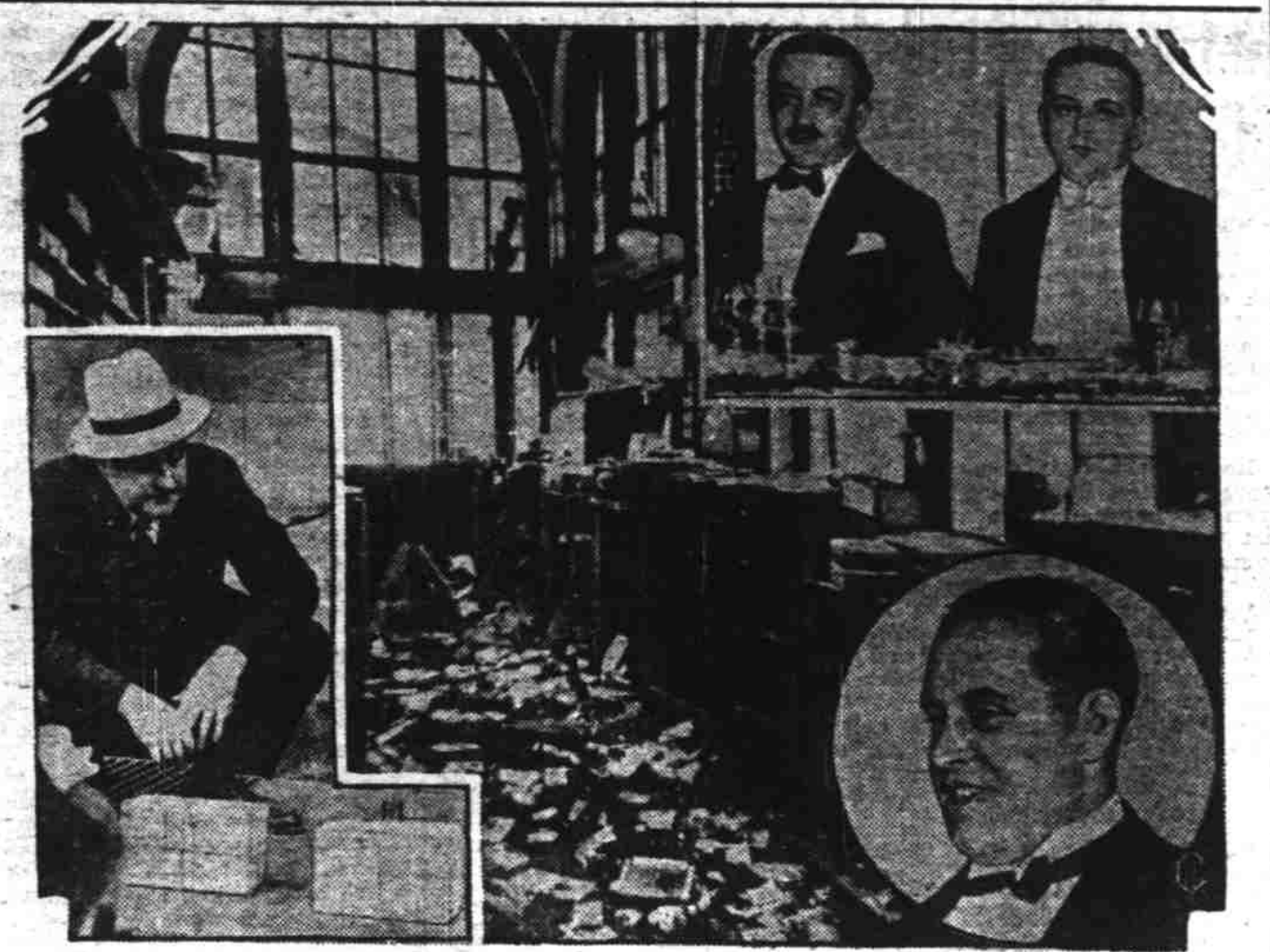
Pierce was the proprietor of a small general store at Brownlee and operated the postoffice in connection with the store. Postal funds were not segregated from private enterprise money and a shortage of \$3609.45 resulted, records showed.

## Slayers of Six Officers Suicide as Posse Nears

HOUSTON, Texas, Jan. 5.—(AP)—Two Missouri slayers sought throughout the southwest nearly three days and finally cornered today in a little cottage where they sought to hide, shot each other, or themselves, to death while a posse outside fired at the house and tossed tear gas bombs through the windows.

Harry and Jennings Young, brothers, members of a band which slew six peace officers near Springfield, Mo., last Saturday, heard the hammering of officers on the door of the cottage and, while the fumes from tear gas bombs were gathering about their heads, one of them shouted above the din: "We are dead; come on and get us."

## Where Bomb Blast Killed Three



The interior view of the post office at Easton, Pa., shows the havoc caused by the explosion of one of the seven bombs mailed there and intended to wipe out that many Fascist sympathizers in America. Two postal clerks died and two were maimed by the blast. Later, while being examined by an explosives expert, Charles V. Weaver (left inset), a second bomb exploded, seriously injuring Weaver so that he died later. Top inset shows Italo Falbo (right), Italian newspaper editor, to whom one of the packages was addressed, and Emanuele Grazi, Consul-General to New York from Italy, another intended victim. Lower inset is Generoso Pope, wealthy New York publisher, whose address was also on one of the death gifts. The remaining packages were for other Fascist supporters.

## SPECIAL SHOW FOR CHILDREN IS URGED

### Matinee Problem Crops up Again; Club Women Seek Change

Special matinee programs for children at local theatres Saturday afternoon was an objective set forth by representatives of various Salem women's organizations here yesterday at a meeting held in the afternoon in the chamber of commerce rooms. Presiding at the gathering was Mrs. Mark McCallister, chairman of the motion picture council which is composed of representatives from various organizations in the city.

Groups represented at the meeting aside from the Salem Woman's club, whose delegate was Mrs. McCallister, were the Salem Heights Woman's club, the American Association of University Women, the Leslie Parent-Teachers association, the Y. W. C. A., and the W. C. T. U.

Cooperation of the parents is to be asked in seeing to it that enough children attend a matinee performance to be completely sold. It was suggested that there was a witness to the accident, yesterday found the man, Harold Hastings, 434 South 16th street. They had no report last night of Hastings' version of the train-automobile collision.

## Randall Yet Unconscious After Crash

Frank M. Randall, 32, night elevator man at the Masonic building, who on Monday night was critically injured when an automobile in which he was riding was struck by the Southern Pacific Shasta at the Mission street crossing, still had a chance to live but had not regained complete consciousness, the attending physician reported last night.

The physician was unable to determine definitely if the deaf man had suffered hemorrhage of the brain but was led to believe not by the fact that he showed no signs of paralysis. Examination yesterday revealed that Randall had received concussion of the brain, in addition to serious scalp lacerations and many body bruises.

Yesterday morning Randall was a trifle improved over the night before and seemed partially conscious. Because of his deafness, it was difficult to determine if he was conscious enough to understand what the physician said to him. The physician predicted that the actual condition of the man could better be determined today.

City police, who believed that there was a witness to the accident, yesterday found the man, Harold Hastings, 434 South 16th street. They had no report last night of Hastings' version of the train-automobile collision.

## RAILROAD PENSION GROUP IS FORMED

### Local Branch Association To aid in Program for Retirement Fund

A Salem branch of the Railroad Employees National Pension association, incorporated, was organized last night at the Salem Chamber of Commerce by J. H. Dougherty of Seattle, national organizer for Oregon and Washington.

Jim Freble, operator on the Oregon Electric was named chairman; George H. Miller, operator at the Southern Pacific passenger station was named vice-chairman; A. Earl Luther, cashier at the Southern Pacific freight depot was named secretary; and Mrs. Mabelle Rutherford, operator at the Oregon Electric passenger depot, was named treasurer.

The Salem branch will take in territory as far south as Jefferson, as far north as Woodburn. (Turn to page 2, col. 1)

## JAPANESE ADVANCE INTO CHINA PROPER

PEIPING, China, Jan. 5.—(AP)—A Japanese unit of 1000 men has advanced 44 miles down the Chinchow-Mukden railroad from Chinchow and clashed with the Chinese at Ninguanchow, where the Kuomin (Chinese) news agency reported today.

Ninguanchow is about half way between Chinchow and Shanhaiwan, in China proper. The belief was expressed the Japanese column intended to go as far as Shanhaiwan where there already is a Japanese garrison.

Marshal Chang Hsueh-Liang has called a meeting of the principal military commanders of north China, apparently for the purpose of forming a northern military bloc virtually independent of the Nanking government, Peiping newspaper said.

The meeting, the papers declared, is to be held at Peiping next week.

## Ex-Postmaster Pleads Guilty To Old Charge

PORTLAND, Ore., Jan. 5.—(AP)—Oliver J. Pierce, formerly postmaster at Brownlee, Ore., pleaded guilty in federal court today to an indictment returned in 1923 charging a shortage of postal funds.

Judge Fee continued the case until tomorrow for sentence.

Pierce was the proprietor of a small general store at Brownlee and operated the postoffice in connection with the store. Postal funds were not segregated from private enterprise money and a shortage of \$3609.45 resulted, records showed.

## No Business in Marcola Court

EUGENE, Ore., Jan. 5.—(AP)—The Oregon law requires justices of the peace to prepare a monthly report of fees collected. W. H. Sullivan, Marcola justice, submitted his today.

The motto of the justice court at Marcola is peace on earth, good will to men—and no business.

## ELEVEN CITIES IN COUNTY CUT 1931 TAX LEVY

### Three Have Raised; Millage For all Taxing Bodies Now Announced

Stayton, Sublimity, Also Hubbard Increase Tax, Report Reveals

Eleven cities in Marion county have lowered the 1931 tax levy from the 1930 mark, while only three have raised. The towns which have raised are Hubbard, Stayton and Sublimity, according to County Assessor Oscar Steelhammer's report.

Also 52 of the county school districts have lowered the millage while 24 have raised. The 1931 figures will be used for 1932 taxes.

Hubbard has raised its levy from 37 mills to 105, Stayton from 77 to 84 and Sublimity from 70 to 74.

Salem was among the towns which lowered the levy, decreasing the amount by 10 mills.

Road levies of one cent were made for road districts 12 and 36.

The complete report issued by Assessor Steelhammer follows:

City	1931	1930
Aumsville	.0123	.0118
Aurora	.0045	.0066
Donald	.0149	.0189
Gervais	.0432	.0185
Hubbard	.0105	.0097
Jefferson	.0075	.0151
Mt. Angel	.0108	.0133
Salem	.0219	.0220
Scotts Mills	.0110	.0135
Silverton	.0130	.0132
Stayton	.0084	.0077
St. Paul	.0074	.0070
Sublimity	.0076	.0177
Turner	.0050	.0050
Woodburn	.0131	.0152

Road Districts	Levy
12	.0100
36	.0100
Total State and County Levy in Non High School Districts	.0223

## FARMER UNION MAY BUY COOPERATIVELY

Plans for cooperative buying of oil and petroleum products by members of the Farmers Unions of Marion, Polk, Linn and Yamhill counties were partially formulated at a joint committee meeting held Tuesday morning at Dallas, according to E. A. Rhoten, Salem, who was in attendance.

A committee composed of R. O. Dodson, Dallas, chairman, R. W. Hog, Salem, and J. C. Scenic, Ballston, was instructed to prepare articles of incorporation and plan for installation of the station, which probably will be at Derry, near Rickreall.

Further plans will be made at a meeting at Dallas Jan. 20, when the matter will be closed, and contract let. Several oil companies have shown interest in the cooperative move.

Farmers will save about two cents over the present price delivered on the farm, it is said.

## LIGHT EARTHQUAKE NOTED AT SEATTLE

SEATTLE, Jan. 5.—(AP)—For the second time in six days, a slight earthquake was felt here at 3:13 p. m. today. A serious quake has never been recorded in this state, but University of Washington authorities said more than two or three slight tremors in an entire year are unusual.

Pictures swayed and dishes rattled throughout the city but no serious damage was reported. The university seismograph recorded the tremor lasting about 30 seconds.

A similar local disturbance was recorded at 7:25 a. m. December 31. On that occasion most downtown buildings and stores were practically empty. The quake today, however, caused much excitement in the downtown district.

## Mistrial Occurs In Beckley Case; Juror Collapses

ROSEBURG, Ore., Jan. 5.—(AP)—A mistrial of the Cecil Beckley murder case was declared today after E. O. Lehman, Oakland farmer-jury, collapsed in the jury room and was taken to a hospital. Physicians attributed his collapse to the strain of the past week.

The case had been given to the jury late Monday evening.

District Attorney Guy Gordon said he intended to try the case a third time.

## General Roundup of Nationalist Leaders In India is Ordered

### Sharp Action Started to Counteract Menace to British Rule; "Congress" Outlawed, All aid to it is Forbidden

BOMBAY, Jan. 6.—(Wednesday)—(AP)—The British government began a sweeping roundup of India's nationalist leaders today under extraordinary powers to meet the menace to its rule over the country.

Vithalbhai Patel, former president of the Indian legislative assembly, and others prominent in the outlawed nationalist congress, were arrested by police who moved quickly from place to place.

The government previously had extended to four important cities, and to the entire Madras presidency its repressive ordinances outlawing the all-India national congress party led by the jailed Mahatma Gandhi, forbidding all contributions to its funds and prohibition demonstrations and peaceful picketing.

Among those taken into custody were K. F. Narayan and Nagindas Master president and vice-president respectively of the local congress executive committee. Harijan is a prominent member of the Frasee sect.

Bombay, Calcutta, New Delhi and Ajmer, Rajputana, are among the cities affected by extension of the government's stringent measures.

## LETTERS SUPPORT FAIR'S SECRETARY

### Governor has Report From Agricultural Board, Contents Secret

No indication of what action Governor Meier may take in the controversy involving Max Gehlhar, director of the state agricultural department, and Mrs. E. B. Shultz Wilson, since 1924 secretary of the Oregon state fair, will be forthcoming for several days, it was indicated Tuesday.

Governor Meier admitted that he had received a letter from the state agricultural board, but he refused to divulge its contents. This letter was said to have contained parts of a report prepared by Gehlhar, in connection with the receipts and disbursements of the 1931 state fair.

Gehlhar has alleged that the costs of the fair were excessive, and that Mrs. Wilson was responsible for the deficit. Mrs. Wilson has charged that any losses resulting from the 1931 fair were due to entertainment novelties introduced by Gehlhar.

Reports here Tuesday indicated that the breach between Gehlhar and Mrs. Wilson has been widening for several months, and that Gehlhar will demand her retirement for the "good of the fair". Mrs. Wilson has indicated that she will not resign, and that the entire controversy will be referred to Governor Meier for consideration.

It was said that letters already have arrived at the executive department urging the retention of Mrs. Wilson. Other letters from exhibitors, night horse show participants, and prominent business men were said to be in preparation, and will arrive here within the next few days. These letters also will favor Mrs. Wilson.

## FARMER ENDS OWN LIFE WITH POISON

### Strychnine Bought to Kill Gophers Used by Green, Linn County Man

STAYTON, Jan. 5.—(Special)—George Green, aged about 55, took his own life this afternoon about 5 o'clock at his home just across the Santiam river from Stayton in Linn county.

He was seen by neighbors staggering about the yard. They rushed to his assistance, getting him into the house, where a physician was called.

He admitted to the doctor that he had intentionally taken the strychnine having had in mind for several months for killing gophers. He gave as his reason for the act, domestic and financial difficulties.

The Linn county coroner was notified, but since Green had made a statement to the doctor and W. A. Weddie, deputy Linn county coroner, was nearby, the Linn county man asked that Mr. Weddie be called, as no inquest was necessary.

About five years ago Green bought the J. P. Kearns place a mile from Stayton. He made many improvements on the property. Later he rented it to Joe Barry. He returned this fall and again took up his residence there.

He was well liked and respected by all who knew him.

He is survived by his widow.

## LENZ AND LIGGETT GAIN MORE POINTS

By TOM O'NEIL  
 NEW YORK, Jan. 5.—(AP)—Big cards enabled Sidney S. Lenz and Commander Winfield Liggett, Jr., to take 2,650 points off the lead of Ely Culbertson, aside in the great contract bridge match tonight.

With only 13 rubbers left in the 150 rubber series the plus of Culbertson became 14,175. He has won 73 rubbers to 84 for Lenz.

Of eight rubbers played Culbertson had a new partner for one session, Michael Gottlieb, won only two.

Lenz made no prediction about the outcome of the match, which will end Friday night, but he felt pleased that the plus of the rubbers played by Liggett, who succeeded Oswald Jacoby, as his partner, had increased to 2,655.

Officials of the Plumber's union said such a reduction should help to stimulate business, not only in this line, but in business generally.

Not only did they accept the wage cut but the plumbers said they would furnish material at cost plus 10 per cent, compared with 17 and 20 per cent formerly. About 60 plumbers in 17 shops are involved.

## PLUMBERS DECIDE CUT ISN'T ENOUGH

SPOKANE, Wash., Jan. 5.—(AP)—Asked to accept a wage reduction from \$10 to \$8 a day, master plumbers here went their employers one better today and offered to work for \$5. The offer was accepted.

Not only did they accept the wage cut but the plumbers said they would furnish material at cost plus 10 per cent, compared with 17 and 20 per cent formerly. About 60 plumbers in 17 shops are involved.

Hughes Appointment Not Possible; Not Seeking It

The rumored appointment of Alderman S. A. Hughes as city engineer-street commissioner in event the two departments are consolidated, would be illegal under the state law even after the legal obstacles of electing an alderman to a public office were overcome a proposal of Oregon laws dealing with professional engineering reveals.

Alderman Hughes does not possess a state professional engineer's license. The Oregon laws, 63-1203, provide as follows: "... any person practicing or offering to practice professional engineering in this state shall be required to be registered as hereinafter provided. ... The professional engineer's license is issued by the state board of engineering examiners after the applicant has passed a thorough examination. Before obtaining a license, an applicant must have had either four years college work in engineering and one year's practice of

## Firemen Rescue 12 Trapped by Apartment Fire

PORTLAND, Ore., Jan. 5.—(AP)—Firemen early today carried or helped to safety 12 persons, trapped in their rooms by fire that swept through a four-story brick apartment building, causing damage estimated by Fire Marshal Earl Hoover at \$10,000.

One fireman, Alfred Ogden, was overcome by smoke and was carried from the building unconscious. Hospital attendants said tonight his condition was not critical. None of the residents of the apartment were injured.

## BOARD ORDERS SURVEY OF ALL INSTITUTIONS

### Special Mention is Made of Needs at State's Home For Feeble Minded

### Strict Supervision of all State-Owned Vehicles is Also Provided

Acting under authority of a resolution adopted by the 1931 legislature, the state board of control Tuesday ordered a survey made of all state institutions.

Request for the survey was submitted by Hal E. Hoss, secretary of state who explained that the 1931 legislature adopted a resolution which authorized a survey of the state's custodial institutions, and suggested the employment of Charles Vasaly, superintendent of the Minnesota state reformatories, to assist in the work. The legislature appropriated not to exceed \$500 to defray Mr. Vasaly's expenses in coming to Oregon. Other persons required in conducting the survey would be drafted from the state's present official and operating personnel.

Hoss proposed that Governor Meier select the persons to make the survey, and that they operate under the direction of the board of control.

Problem of Feeble Minded Mentioned

"This committee should be asked to give special attention to the problems of the feeble minded home, with the idea of arranging for more school facilities", Hoss' resolution read. Hoss also suggested a study of segregation problems, with the inmates of the home graded according to their mentalities.

Holman declared that he had been interested in the feeble minded institution for some time, and only recently had ordered Dr. Roy Byrd, superintendent, to prepare a report presenting a true picture of the home and the condition of its inmates. Mrs. L. D. Idleman was requested to prepare a report containing recommendations with relation to educational facilities.

"The proposed survey would cover a period of 10 years in the future, and would deal with every angle of the state institutions. These would include buildings, lands, improvements, care of charges, and personnel. Order Checkup On State-Owned Cars

The board also adopted a resolution offered by Holman providing for closer supervision over the state-owned and privately-owned automobiles operated at public expense.

The preamble of the resolution set out that there are now in the various state departments and institutions in excess of 400 passenger automobiles, 600 trucks and motorcycles and 200 graders, tractors and trailers. These machines, Holman said, were in addition to a large number of privately-owned cars operated on official business by state officers and employees. Holman estimated that the current budget for operating these cars exceeded \$200,000.

Important provisions of the resolution follow:  
 That W. W. Ridehaigh be employed as supervisor of transportation at a salary of \$200 per month (Turn to page 2, col. 7)

## Plan Assist Jobless to be Topic Thursday

Representatives of all service, civic and women's organizations in town are expected to meet tonight at the chamber of commerce Thursday night at 8 o'clock to launch a program to relieve unemployment. The Oregon Building Congress and chamber of commerce jointly are sponsoring the meeting and program, designed primarily to work up interest in building or remodeling.

The organization, as it is now planned, will function chiefly to create and find work for the unemployed, largely through construction.

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