罗马克里克斯特人,但不是一个大型,他们是一个大型,这种人们是一个大型,这种人们是一个大型的一种。

WEATHER

## UEFICIT, SEEN

Appropriation Will be Gone In November at Rate Of Present Cost

Salary Reduction or cut in Number of Firemen to Prove Necessary

By STEPHEN C. MERGLER

Unless retrenchments are made in expenditures of the fire de-partment, Salem toward the end of this year will be without funds for fire protection, the quarterly report of City Bookkeeper Alfred Mundt reveals.

The greatest drain on the fire funds has come in the item of salary expense. Although the 1932 burget called for either reduction of the number of firemen employes from 45 to 40, or reductions in salaries, neither has

Firemen's salaries during the first three menths of this year have amounted to \$18,179.72, leaving a budget balance of \$47,-340.28. At this rate, no money will remain for firemen's wages

during the last week and a half of November and all of December. If salary expenditures are to balance the budget appropriation at the end of the year, the month-ly outlay must be reduced from the present \$6659.90 to \$5037.69 or \$1022.21 per month. Firemen Voted for Reduction in Force

When the new budget was made up, all firemen voted by ballot against salary reductions and in favor of cutting down by five the number of men in the department. The council fire department committee, of which W. H. Dancy is chairman, however, has deferred action on the matter while the expenditures have piled

up above the pro-rated amount. Of the two methods of reducing ed that of salary reduction will be invoked. Action one way or the other is imperative upon the council since no other source of funds will be available for fire

protection purposes. Cutting down by even five mem pers of men employed, would cripple the department, it is said. The result would have to be abandoned of one of the substations, which action probably would not be stood for by the residents of that particular district. The central and three substations already are at minimum manpower to operate the equipment, it

Matter Coming up At Next Meeting

This matter will be brought up at next Monday's council meeting. The fire committee has not yet come to a decision as to the preferred course of action but exects to have a recommendation to make by Monday.

Other expenses of the fire department also loom large when it s considered that but one-fourth of the year has passed. For the item listed as expense, which includes gasoline, oil and repairs for the trucks, laundry and insurance, \$2700 was appropriated and \$991.87 already has been paid out. This expense, however, is not subject to pro-rating by month, since it varies according

to the number of fires occurring. Of the \$8000 appropriation for fire hydrants, \$1916.59 has been

ALBERT IN AFRICA

NAIROBI, British East Africa, Mar. 30-(AP)-King Albert of the Belgians landed at Butiaba. the vote was questioned and a Ugands, on the eastern shore of poll of the convention by coun-Lake Albert, today in a flight to ties carried the resolution, 286 to the Belgian Congo.

Seek to Return Lindbergh Baby To His Parents; Claim Contact



Reported in communication with the kidnapers of Baby Lindbergh these prominent residents of Norfolk, Va., are said to be acting for Col. Lindbergh in negotiating for the child's return: (Left) The Rev. H. Dodson Peacock, (right) Rear Admiral Guy Burrage, retired, and (lower) John H. Curtis. An agent for the abductors is said to have asked the three to act as go-betweens.

## SOLON THEIR WOES

To Visit Strike Area Reaches Capital

WASHINGTON, March 30 from their long hours in busses, upward of 60 of the eastern col-lege students who were expelled from the Kentucky mine fields tonight reached the capital, a handful remaining and the others

returning to New York. Rob F. Hall, of Columbia university, leader of the party, said their complaint of rough handling in Kentucky would be laid tomorrow before Senator Costigan (D. Colo.), and other senators.

Costigan is co-author with Senator Cutting (R., N. M.), of a resolution for a senatorian inquiry into conditions in Harlan and Bell countes, where the students sought to make an investigation of their own.

# BACKS ROOSEVELT

PORTLAND, Maine, March 30 (AP)—An instructed delegation for Governor Franklin D. Roosevelt of New York and a platform plank calling for resubmition of the 18th amendment to the people were voted by the Maine state democratic convention today.

Instruction of the 12 delegates to the national convention to vote for the New York governor as the party's presidential nominee, subject to the unit rule, brought out the only decided break in the party's ranks,

On a standing vote the resolution for instruction was lost, but

to give his time to that office

if he is nominated and elected.

\$28 GONE 38 YEARS

(AP)-The anti-hoarding cam-

paign had nothing to do with it but \$28 in currency were

back in circulation today after

The money, in silver certif-

icates of \$1 and \$2 denomina-

tions, was found in a bank

vault by Harold Baldwin, Princeville banker, while he

was looking over some old pa-pers. It was returned to George

O'Neil of Bend who had put it in an envelope and placed it in the bank vault 33 years ago and then forgotten it.

88 years of idleness.

BEND, Ore., March 80 -

Job Relief Levy Planned **Beyers Hands Resignation** "Hoarded" Money is Found Auto Kills Lad Aged Six

WOULD RAISE \$750,000

**Oregon** 

Briefs

PORTLAND, Ore., March 30-(AP)-Multnomah county commissioners decided today to place on the May primary ballot a proposal to levy a special tax to raise \$750,000 for relief of the county's indigent unemployed.

The commissioner also asked in a petition to the state highway commission that the commission rescind its decision to abandon the emergency employment pro-

RUNS FOR OFFICE ROSEBURG, Ore., March 39-(AP)—David Lee Beyers, principal of the Sutherlin schools, said

## PROGRESS LACKING IN PEACE PARLEYS

Group Refused Permission Chinese Hope of Agreement Waning: Japanese Major Wipes out 'Disgrace'

> SHANGHAI, March 30-(AP) Peace negotiations approached a crisis tonight after a sharp skirmish between Japanese and Chinesee forces at Chiawangmiao.

Chinese and Japanese military leaders still were far apart on truce terms. Chinese newspapers predicted that the conference would collapse. A Chinese spokesman said the parleys might reach a critical stage tomorrow, when they are to be resumed without definite recommendations for either side to be discussed.

A Japanese officer, meanwhile, sought to wipe out in traditional fashion — by suicide — what he considered the dishonor he had brought upon the army by allowing himself to be captured. Major Noboru Kuga was cap-

tured by the Chinese during the fighting around Kiangwan. Reeased today, he went back immediately to the scene of his capture and ended his life, leaving a note of explanation.

The Japanese said the Chinese were driven to the south side of Soochow creek in the skirmish at Chiawanghiao. The Chinese had built defenses along the north side. The Japanese objected on the ground that the Chinese were overstepping the limits of an ultimatum served on them

# ATHLETIC CONTROL

SEATTLE, Mar. 30-(AP)-The board of control of the assoclated students of the University of Washington tonight approved an amendment to its charter turn- Arlie G. Walker at Dallas. A numing control of the organization ber of subpoenas to witnesses for over to President M. Lyle Spencer. the state were issued here this The vote was 13 to 3, the alumni voting against the plan while the student and faculty members

voted for it. The amendment will be submitted to President Spencer tomorrow and if he is willing to accept the responsibility, it will be laid before the board of regents April 5. If the regents approve it the

Prof. H. Harry McIntyre, facul- weight. y member of the board, told the of the athletic program."

### Conspiracy For Defeat of Bank Bill is Claimed

WASHINGTON, March 30 AP) -Senator Glass announced today he would seek a senatorial investigation of what he describ-ed as a "conspiracy" of "stimulat-ed propaganda" against the bank-ing revision bill which bears his

## Claim Spirit Of Salwt is Own Painter

At Delay Reason

**Negotiations Paying Their** Own Expenses; Give Out few Details

NORFOLG, Va., March 30— (AP)—Rear Admiral Guy H. Burrage, retired, said tonight he tober 10, Salwt's spirit entered would not be serving as a nego- Lofgrin's studio, complained the tiator for return of the infant son artist was too slow and the spirit on Colonel and Mrs. Clarles A. had but five minutes to spare. Lindbergh unless he was "satisfled" he and his associates are spirit selzed a brush in each hand dealing with the kidnapers of and with a single stroke completthe Lindbergh baby.

"I wouldn't have gone into the case." Admiral Burrage said, "and I wouldn't be in now unless I was satisfied that we were dealing with the abductors of the Lindbergh baby."

Admiral Burrage, speaking for himself and the very Rev. H. Dobson-Peacock and John Hughes Curtis, the other negotiators, told a conference of newspapermen he could not give an approximation Funds to Keep Station in of the time that would be required to bring the negotiations to a suc-

cessful conclusion. "If there is failure in the Nor-folk negotiations the kidnappers, and they alone, will know why,'
the naval officer said.

Asked for a possible reason for delay in their negotiations, he re-"You might say the kidnapers are afraid to go to Colonel Lindbergh with the child. That's a reasonable answer."

He admitted the possibility the negotiators were following a false hope with the statement that "everybody is sometimes misled," but when asked whether he believed the baby was alive, said: "Unquestionably we wouldn't be working if we thought the baby was dead."

ing their personal expenses in connection with the case, Rear Admiral Burrage said.

He stated Mr. Curtis had not made any contact with a "gobetween" for the kidnapers since Sunday, the day Mr. Curtis re-turned from a \$6-hour trip in connection with the negotiations. Asked if any arrangements had been made with Col. Lindbergh for the payment of a ransom, Burrage replied:

### **GOLDSTEIN TO TAKE** EMPIRE CASE LEAD

The lead in the trial of the Empire Holding company's former officers for allegedly devising a scheme to defraud will be taken by Barnett H. Goldstein, special prosecutor, District Attorney John Carson explained here this week. Carson said his office would cooperate to the full but would let Goldstein lead because he had been doing extensive prosecution of financial cases in Portland. Goldstein is now engaged in the

re-trial of John A. Charlesworth in Portland in connection with alleged misconduct of the Pacific National Syndicate. He expects to be through in time to give considerable additional time to preparing the case against the former officers of the Empire Holding

The first case set for trial is that of the State vs. Frank Keller, which comes up Monday, April 11 at 10 a. m. before Judge week by Sheriff Oscar D. Bower.

## Late Sports

PORTLAND, Ore., Mar. 30-AP)-Ted Thye of Portland restudent body then will vote on the tonight and won an easy victory over Dick Raines, Texas heavy-

Thye, who went into retirement members they didn't know what about a year ago, dropped the was going on "behind the scenes first fall to Raines but won the last two. Raines knocked him to the canvas with rabbit punches and pinned him with a body press in 10 minutes. They won the second in 18 minutes with a shoulder butt and the third in three minutes with a wristlock.
Thye weighed 195 pounds,

KANSAS CITY, Mar. 80.—
(AP)—Everett Marshall, La
Junta, Colo., won two out of
three falls from Joe Savoldi, of
Three Oaks, Mich., here tonight. Marshall weighed 220
pounds and Savoldi 205:

(AP)—David Lee Beyers, principal of the Sutherlin schools, said today he has submitted his resignation to the school board to the school board to the present school year.

The board of education last fall recommended, after a hearting on charges of dimproper conduct on Beyers part, that he reduced much on Beyers part, that he reduced the resignation.

The board of education last fall recommended after a hearting on charges of dimproper conduct on Beyers part, that he reduced a sign. Xesterday the board asked for he reduced the resignation.

The proper conduct on Beyers principal to the school board to the school board to the school board to the school board to the present school year.

The board of education last fall recommended, after a hearting on charges of dimproper conduct on Beyers part, that he reduced the sign. Xesterday the board asked they have allowed the school bearing in the source of which a score of businers in the school beard to the school beard to the present school year.

The board of education last fall recommended after a hearting commended after a hearting commended after a hearting commended after a hearting commended after a hearting line they have allowed. Topkok was allowed. Topko

SEATTLE, March 30—(AP)— Whether Danial Salwt, founder and leader until his death of the Seventh Elect Church of Israel, returned in spirit and painted his Satisfied Trio is Dealing With Kidnapers; Hints Seattle artist will be decided by the Washington courts.

Lofgrin today filed suit again

the church for \$50 for a likeness of the bearded leader which he said he painted from a photograph of Salwt. The church officers have refus-

ed payment, Lofgrin said, saying that Salwt appeared in spirit and did the painting himself.

A tract issued by the church officers sets forth that on last Oc-Thereupon, the tract added the

ed the likeness.

Operation Until July May be Advanced

Funds appropriating \$6000 for in the period April 1 to June 30, will probably be contributed by various state departments, it was agreed here yesterday at a conference of various department heads. In return the departments will use KOAC for broadcasting news. The decision was agreed upon at a meeting held at the executive offices with Governor Meier and President Kerr of Oregon State college outlining the

Dr. Kerr explained that because station on a 12 hours basis, the operating funds had been exhausted and there would be a deficit of \$6000 by the last of June. After July 1 the costs of operating the station will be taken care of by the state board of higher education, Kerr declared,

After voting to maintain the station, the state department heads appointed a committee of three to work out some plan whereby the necessary funds may be raised. Members of the committee are Max Gehlar, director of the state agricultural depart ment; C. A. Howard, state superintendent of schools, and Charles r. Early, chairman of the state industrial accident commission. Reports at the meeting showed that the state college radio station has been used for more than year by the state ferestry department and state fire marshal's

Kerr said that a recent survey showed that 76 per cent of the radios in Oregon are within 75 miles or Corvallis. He also submitted figures showing that within two days the college received 2800 letters from 28 counties asking that the station be retained.

# DECLARED DOOMED

WASHINGTON, March 30 -AP)-A warning that administration approval for the army ngineers' report he characterized as "dooming" the Columbia basin project will cost the republican party many votes next fall was issued in a statement today by Re presentative Horr (R., Wash.) the report is a great disappointment to the Pacific northwest, he said.

"In my opinion, these recom mendations will be followed, Horr said, "and outside of perfunctory hearings before committees in both houses of congress which will be held in an effort to protect certain congressmen and senators so they may have an opturned to the wrestling mat here portunity of extending their re-tonight and won an easy victory marks and filling the record in behalf of the project, little will be ccomplished.

"I take it the administration will permit this to be done. But I personally am not fooled as to the ultimate result. The Columbia basin project is doomed, unless the administration makes a request in behalf of the project which I feel will not be forthcoming."

### Shaw Sets One Record, is Out After Another

**Total Approved Taxation is** Now \$743,500,000 of **Needed Billion** 

First Class Letter to Cost Three Cents, Expected To Yield big sum

By CECIL B. DICKSON WASHINGTON, Mar. 30—(AP) Docilely following party leaders the house drove hard today to complete the billion dellar revenue bill by Friday. It voted new taxes to produce \$293,500,000... Inspired by Speaker Garner yeserday in his appeal for a bill to balance the budget, the members

brought the total approved to \$743,500,000. Strong resistance to the ways and means committee proposal to increase first class postage from two to three cents, to yield an additional \$135,000,000, melted before the demands of former leaders of the opposition for revenue to meet the prospective \$1,241,-090,000 treasury deficit for 1933. Approval is Given

By 147 to 68 Vote This is the biggest item among the substitutes for the defeated \$600,000,000 sales tax provision It was approved, 147 to 63.

The second largest proposition continuing the operation of KOAC to levy a tax of one-fourth of one per cent on the value of the stock transactions for a yield of \$75,-000,000, will be the first to receive action tomorrow.

Fulfilling his promise yesterday that he would take an active part in the bill's consideration, Garner took the floor again today and successfully brought through to approval the compromise proposal on consolidated and affiliated returns which imposes a fifteen per cent rate, including a penalty of federal regulations placing the 13 1/2 levy on single corporate in-

To Be Provided The new proposal is expected to rield \$18,000,000, while the one-

half per cent increase in the single corporate tax is estimated to bring in \$5,000,000. Before Garner addressed the louse yesterday there was \$180 .-500,000 in the measure. Levies to bring in \$169,500,00 were voted yesterday. In addition to the \$293,500.000 voted today there

remains \$241,000,000 to be acted upon. Other proposals are to be submitted by the ways and means committee.

WASHINGTON, March 30 (AP)-Establishment of a merchant airship service was proposed today by Senator McNary (R.,

Operation would be by private interests, the government's support coming through mail contracts to be awarded when service over any proposed foreign route is considered necessary by the postmaster general and the secretimes. taries of war, navy and commerce. McNary explained the measure was intended to aid aerial devel-opment along the lines of the merchant marine and promote air transportation in fereign com-

Representative Johnson (R., Wash.) ranking member of the house immigration committee, today introduced a bill to exclude 'alien international communists.'

### Crew Coach Has Offer to Move

SEATTLE, Mar. 30-(AP)-Al Ulbrickson, University of Washington crew coach, admitted here tonight that he had an attractive offer from another major school, after Prof. H. McIntyre, faculty member of the university board of control, had told the organisation that Washington the handling of large-scale financ-faced the possibility of losing ing operations. Spaulding was a two of its mentors unless finan-member of the Newberg council cial difficulties are solved in the when that city acquired the water

Restaurant man Arrested for Possession, Place Closed At Same Time but not by Police Action; State and City Officers Cooperate in two Raids; 100-Gallon Still Seized on South Commercial

Francis Krebs Arrested as Attendant of Distillery of Large Capacity; Both men Held Will Have Hearings In Justice Court Today; Long-Planned Move Made by Forces of law Without Slip-up

NOMBINING forces, city and state police last evening wooped down on the apartments over Mother O'Leary's restaurant, 362 State street, and on a house at 2327 South Coommercial street. Two arrests resulted.

At the house, they found a 100-gallon still in operation and arrested Francis Krebs, about 24, alleged attendant.

Richard C. O'Leary, the restaurant manaager, in bed with the "flu", was arrested on a charge of possession of intoxicating liquor, in the apartments. He was taken to police headquarters, then transferred to Salem Deaconess hospital. The officers found one-half gallon of whiskey in the apartment, they said.

# PAID HIGH HONORS

of 11/2 per cent above the new Mother Agrees to Burial in operated since last fall. During Of Government

> TACOMA, Wash., March 30.— (AP)—Robert Short's body will ie forever in a Christian cemetery in Shanghai and full military honors will attend his funeral as the young Tacoma aviator is buried with the posthumous rank of colonel, it was revealed today by Mrs. Elizabeth M. Short, mother

of the flier. After long consideration, since the time Bob Short was shot down by Japanese planes and killed in the air raid over Soochow on February 24, Mrs. Short has decided "this is the best way," she

said today.

With her younger son, Edmond Saturday on the President Taft. According to the flier's mother, tentative arrangements for the burial of her son include high honors bestowed by the Chinese government and people, many of whom, both in China and in this country. have flooded her with condolences and pleas to allow her son to be buried in a Christian cemetery in Shanghai. According to the present plans, Short will lie in a tomb of his son on a high

### Doughton Agrees To be Candidate For Water Board

I. M. Doughton, hardware deal er, consented yesterday to become candidate for the Salem water board. While reluctant to get into the race he agreed to serve if elected. Sam Hughes will circulate his petitions today.

Another name mentioned for place on the board was that of C. K. Spaulding, former highway commissioner. Spaulding would not consent to file, but agreed to think the matter over further. Those urging him to enter the race pointed out the need of some one on the board experienced in

150-gallon still north of here

## Kigatelluk, Native, Wins

NOME, Alasks, March 30 — return of 15 hours 47 minutes and anti-soviet conspiracies outside (AP)—A native dog team driver, Kigatelluk, with his animals straining at the harness and their tails in the air after the day's long run, trotted home to victory today in the all-Alaska champion—Kigatelluk's dogs were setting dispatch.

A plot in Italy to assassinate Maxin Gorki, noted Russian author, and one in Germany to kill was slower. Topkok won second place.

Kigatelluk's dogs were setting dispatch.

Coincidentally with O'Leary's arrest, the restaurant was locked up and the windows whitewashed. This was not done under police orders, but was understood to have been brought about by a creditor.

The O'Leary restaurant was opened two months ago, after the manager had sold the New Salem restaurant which he had last summer, O'Leary served an 87-day sentence in the county jail for larceny by bailes. Former Troubles of

O'Leary Recalled Two years ago last New Year's, O'Leary fled the state with the major equipment of the restanrant he had been operating on Court street across from the county court house. Armed with complaints filed by persons to whom O'Leary owed money, pe-lice sought him and finally brought about his arrest in California last spring. He was returned here for trial and con-

Confiscation of the still, which police said had no connection with O'Leary's arrest, was the greatest prohibition enforcement coup scored in this vicinity with-Mrs. Short will leave for Shanghai in the past two years. The 106gallon, finely constructed copper still had an estimated output of around 30 gallons of liquor in six hours. It was equipped with large condenser, double filter and gasoline pressure burner. The liquormanufacturing layout was in the

basement. Contents of Huge Mash Vats Poured Contents of three 200-gallon

ortable mash vats, save for a small quantity held as evidence, was poured down the sewer, along with 20 of the 30 gallons of whiskey confiscated. Three bottles of beer also were taken. The mash was made with cracked

Police did not arrest a woman, whom Krebs said was his wife. They had been living in the main part of the house. No word was available from the district atorney as to whether or not the woman would be brought inte the case. The police had been working toward this capture since March 19.

Both Krebs and O'Leary will

be taken to justice court for preliminary hearings this morning. police said. It is expected the former will be bound over to the rand jury. Two years ago police found a

### Plot to Murder Stalin Reported By Paris Paper

MOSCOW, March 36—(AF)— Paris dispatch to the Tass (Rus-Kigatelluk, Native, Wins sian) news agency today quoted the French communist newspaper L'Humanite as saying Russian "white guards" were plotting against the life of Joseph Stalin and conducting other far flux