

BIENNIAL WILL END WITH HUGE STATE DEFICIT

Cause Different This Time,
Hinging on Poor Guess
As to tax income

Budget Director and Meier
Busy Lopping off all
Loose Outgo Items

By SHELDON F. SACKETT
Old Man Oregon is now prepared to join with Uncle Samuel and Mr. Municipality in the current chorus of complaint about governmental deficits, shrieking revenues, crying need for economies and imperative demand for budget balancing.

Unless all omens are wrong, the state of Oregon deficit which has been a considerable "trifle" of three million dollars for several years, is almost certain to have increased at least \$1,000,000 when the end of 1932 is reached.

Oregon has had deficits before but the financial illness has been caused by one thing: over-spending by the legislature of the money raised by direct and indirect taxation and since the direct taxation was a prior claim against each of the 36 counties raising the money, the state knew to a dollar how much it would raise by property tax.

Revenue Shortage
Cause of Deficit
The current deficit is a deficit, true enough, but the causes are somewhat different. The legislative appropriations of 1931 for that year and 1932 were slightly more than the budgeted income by taxes, but vetoes, referendum and reduction of costs will hold the actual expenditures below the estimated revenues.

As the half-year mark approaches it is now certain that the \$3,500,000 estimate for income taxes which include excise and intangible levies, is going to be at least \$1,300,000 too high; the state tax commission feels certain that \$2,200,000 will cover all income to the state from this source.

Bonus Army's Ranks Thinned but Leader Seeks New Recruits

Disappointed, Many go Home But Part of
Exodus is for Purpose of Bringing new
Groups; "150,000 by Fall" Made Slogan

WASHINGTON, June 18.—(AP)—A call for recruits to fill widening gaps in their ranks and swell their numbers to 150,000 was issued tonight by leaders of the veterans army, disappointed and disgruntled by the senate's defeat of the bonus measure.

PEDESTRIAN HURT AND DRIVER HELD

Mrs. Donald Middleton has
Severe Injuries; First
Case for new law

Struck by an automobile as she was walking in a pedestrian lane at Court and Liberty streets yesterday afternoon, Mrs. Donald Middleton, 25, of 705 North Liberty street, suffered severe injuries to the head and possibly other injuries, which could not be determined last night.

The driver of the automobile, Mrs. Nellie E. Dorrance, of 532 North High street, was arrested by city police on a charge of failure to give right-of-way to a pedestrian. She was cited to appear in municipal court on Monday, then released on her own recognizance.

RELIEF WORK WILL BE TOPIC MONDAY

State - Wide Conference at
Portland is Called by
Governor Meier

Mobilization of Oregon's resources to stamp out human suffering in this state in the winter of 1932-33 will be thoroughly discussed and planned for at a special conference to be held tomorrow in Portland at the call of Governor Julius L. Meier.

PIONEERS TO MEET IN MARION SQUARE

The annual "Pioneer" picnic will be observed in Salem today at Marion Square. This for the past number of years back has been one of the outstanding meetings of the year for a large number of those early settlers who laid the foundation for Oregon and Salem.

REPARATIONS AGREEMENT IS DRAFTED AT LAUSANNE

LAUSANNE, Switzerland, June 18.—(AP)—A final reparations settlement, without any guarantee from the United States that war debts would be cancelled or revised, was being prepared today by the great powers represented at the Lausanne conference.

GRANGE FAVORS CHANGE IN LAW ON SCHOOL BUS

Abolition of State Budget
Office and Others is
Another Proposal

State Convention Closed In
Early Hours Saturday;
View Many Issues

SILVERTON, June 18.—(Special)—Opposition to the high school transportation act was expressed by the Grange in the final session here early this morning.

The same resolution advocated that the lower school boards should be subject to recall. Opposition to compulsory military training was reaffirmed and the executive committee of the Grange was urged to use "every means possible" to secure adoption of the voluntary system of military training.

PERRY DENIES HE IS BACKING FRATS

Sharp denial of any report that
his candidacy was sponsored out
of sympathy for the secret or-
ganizations in the high school

Sharp denial of any report that his candidacy was sponsored out of sympathy for the secret organizations in the high school was made yesterday by Kenneth Perry who is one of the candidates at tomorrow's school election.

Kowitz to Pick Campaign Group With Much Care

Appointment of a new executive
committee of ten to serve
with Chris J. Kowitz, newly elec-
ted chairman of the county elec-
tion board, will be held up for a few days, Kowitz announced yesterday.

Prices of Tires To Rise Monday Due to New Tax

Tire dealers announced Saturday that present prices on tires, which are the latest in history, will remain unchanged until Monday night, when the excise tax will be added.

Friesen Denies Liquor Charges

DALLAS, June 18.—Henry Friesen, North Dallas service station operator who was recently indicted on three liquor charges, pleaded not guilty to all three charges Friday.

Pound is Against School Activities

That Dr. B. F. Pound is absolutely opposed to secret societies in the high school was the declaration made on his behalf by the national guard at Camp Clatsop over the telephone however he authorized the expression of his attitude on this question which has become one of the issues of the directors' race in tomorrow's election.

Nurse Board Head Replies To Ridehalgh

PORTLAND, June 18.—(AP)—Miss Jane Gavin, executive secretary of the state board of examination and registration of graduate nurses, today answered the criticism of W. W. Ridehalgh, investigator for the state board of control, concerning an expense voucher a member of the board submitted.

SCHOOL ELECTION SET FOR MONDAY

Polls Open 2 to 7 P. M. at
W. C. T. U. Hall; Much
Interest Shown

With the annual school district election looming up only a day away, backers of the four candidates are sitting on the seats of the uneasy and wondering whom the voters will choose.

The interest of the voting public, however, is a matter which cannot be determined until tomorrow when the polls close. The recent flareup of public feeling over the secret society situation in the high school may serve as an impetus to many citizens who otherwise would not take the trouble to vote.

DALLAS VOTERS TO EYE SCHOOL ISSUES

DALLAS, June 18.—(Special)—The annual school election for District No. 2, consisting of Dallas and adjacent territory to the west will be held Monday, June 20 in the junior high school building between 2 and 7 p. m.

The purpose of the election is to vote on the proposed budget for 1932-33 and to elect two members to the school board. C. L. Crider and Dr. A. B. Starbuck are the two members whose terms expire this year.

Unemployment Relieved With 460 Provided Jobs

Like a safety valve, the U. S. Y. M. C. A. Employment office last week released the heavy pressure of unemployment in the St. Louis vicinity when it received calls for 472 laborers.

The results of the election will be announced at the annual school meeting to be held at the senior high school at 8 o'clock. At this time W. H. Burghardt, school director, will make his annual report. Formal canvass of the vote will be made at next regular school board meeting, June 28.

HOOPER TO AVOID ACTIVE CAMPAIGN

Party Leaders to Carry on
Fight While he Works
At Regular Duties

WASHINGTON, June 18.—(AP)—Seeking to divorce from the White House the political details of the coming presidential campaign, President Hoover announced today he would withdraw from the active drive for his reelection with the exception of a few major speeches.

HOOPER TO AVOID ACTIVE CAMPAIGN

In a brief statement handed to newspapermen, the president asserted "My undivided attention must be given to the duties of my office." The chief executive added that in order to gain this end, republican campaign headquarters would be removed from the capital to Chicago and New York.

CONGRESS EAR END OF LABORS FOR THIS TERM

Adjournment This Week is
Forecast; Economy and
Relief Issues Faced

Two Billion Dollar Scheme
For Providing Work is
Up Before Senate

WASHINGTON, June 18.—(AP)—With the bonus bill out of the way and adjournment next week with easy reach, congress got a running start today on its last major legislative worries — unemployment relief and government economy.

The senate opened debate on the controversial \$2,000,000,000 democratic unemployment relief bill, which its sponsors claim will provide work for the jobless and set new blood running through the nation's industrial veins.

In the house, the conference report on the badly battered national economy bill was presented, preparatory to consideration Monday, when a settlement of the disputed governmental pay cut controversy may be reached.

President Hoover began gathering from his departmental heads, in response to a senator inquiry, recommendations for further governmental economies. He obtained from Secretary Mills suggestions for further reductions of \$4,367,000 in treasury funds.

Launch Bourbon Campaign Fight

Leaders Declare
Prohibition Plank was a
"perfect counterfeit of the
style and method of Mr. Hoover

Leaders declared the prohibition plank was a "perfect counterfeit of the style and method of Mr. Hoover" — it can be read by anybody to accord with anybody's idea.

Churches Won't Admit Election Booster Groups

Reports that a group of men
yesterday were planning to
distribute school election leaflets
at Salem churches this morning

Reports that a group of men yesterday were planning to distribute school election leaflets at Salem churches this morning were representatives of First Methodist church brought quick denial from other members of the church. These latter members declared that the church was taking no part in the election.

Lincoln Grounds To Open Monday

The Lincoln playground will open at 1 o'clock Monday, June 20. The director will be Margaret Allen Nelson. A good attendance on Monday is hoped for, since the leader plans to discuss plans for the activities of the coming weeks. There will be a story hour period, and games. The baseball teams will also be organized.

Launch Bourbon Campaign Fight



By J. J. JETT
Chicago, June 18.—(AP)—An attack upon President Hoover and the republican party was made tonight in a radio speech called "hedging on every controversial issue, accurately reflecting pretty much everything that Mr. Hoover has said since his advent in the White House."

HOOPER TO AVOID ACTIVE CAMPAIGN

Party Leaders to Carry on
Fight While he Works
At Regular Duties

WASHINGTON, June 18.—(AP)—Seeking to divorce from the White House the political details of the coming presidential campaign, President Hoover announced today he would withdraw from the active drive for his reelection with the exception of a few major speeches.

Kutner is Held After Crash as Drunken Driver

Following an automobile col-
lision at State and Winter streets
last night, George Kutner, 230
North 23rd street, was arrested
by city police on charges of driv-
ing while under the influence of
intoxicating liquor and of posses-
sion of liquor.

Churches Won't Admit Election Booster Groups

Reports that a group of men
yesterday were planning to
distribute school election leaflets
at Salem churches this morning

Lincoln Grounds To Open Monday

The Lincoln playground will open at 1 o'clock Monday, June 20. The director will be Margaret Allen Nelson. A good attendance on Monday is hoped for, since the leader plans to discuss plans for the activities of the coming weeks. There will be a story hour period, and games. The baseball teams will also be organized.

DIVIDED DEMOS AWAIT OPENING OF CONVENTION

Jouett Shouse Swats Hard
At G. O. P. Platform in
Address Over Radio

Nine Candidates Will Have
Headquarters; Farley
To Appear Today

By CECIL E. DICKSON
Chicago, June 18.—(AP)—An attack upon President Hoover and the republican party was made tonight in a radio speech called "hedging on every controversial issue, accurately reflecting pretty much everything that Mr. Hoover has said since his advent in the White House."

Mr. Shouse is the lone holder of the newly established democratic fort here but tomorrow James A. Farley, the field marshal of Governor Roosevelt of New York, arrives.

Farley will organize the drive of the Roosevelt people to make Senator Walsh of Montana the permanent chairman in the place of Shouse, the choice of Alfred E. Smith for that post.

HOOPER TO AVOID ACTIVE CAMPAIGN

Party Leaders to Carry on
Fight While he Works
At Regular Duties

WASHINGTON, June 18.—(AP)—Seeking to divorce from the White House the political details of the coming presidential campaign, President Hoover announced today he would withdraw from the active drive for his reelection with the exception of a few major speeches.

Churches Won't Admit Election Booster Groups

Reports that a group of men
yesterday were planning to
distribute school election leaflets
at Salem churches this morning

Lincoln Grounds To Open Monday

The Lincoln playground will open at 1 o'clock Monday, June 20. The director will be Margaret Allen Nelson. A good attendance on Monday is hoped for, since the leader plans to discuss plans for the activities of the coming weeks. There will be a story hour period, and games. The baseball teams will also be organized.