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**EIGHTY-SECOND YEAR**

## ELECTRIC RATE CASE OF VITAL INTEREST HERE

Portland G. E. Must Meet Whatever Rate Fixed For Northwestern  
But Salem and Other Towns Outside of Portland May not Profit

**By C. A. SPRAGUE**  
Salem has taken little interest in the electric energy rate in the Northwestern Electric rate case in progress before Public Service Commissioner Thomas, but there are factors involved in this case which may be of great importance to Salem.

The Northwestern Electric supplies electric energy to a portion of the city of Portland and environs, and to various points in Washington. The commissioner is now engaged in fixing a valuation on its properties for rate-making purposes.

The presumption is that when the hearing is concluded a rate reduction will be ordered. The amount of this reduction will depend not so much on final figures on plant valuation, because the figures of the commissioner and the company are not very far apart; but on the allocation of plant investment to Washington and to Oregon.

The Northwestern has a large proportion of its plant in Washington, but derives the larger share of its income in Oregon, in part because of the fact that Washington is industrial, serving the Crown-Willamette plant at Camas. The commissioner has to decide whether to allocate the generating property in Washington on the basis of kilowatt hours consumed in each state, or on the basis of income produced in each state, which is a difficult question.

**G. E. Must Meet Rate Decided On**  
But whatever rate reduction may be ordered, and in view of the present depression reducing even utility earnings, the reduction cannot be very large, the Portland General Electric company will be forced to meet the competitive rate in Portland. Otherwise it would lose customers to the Northwestern. Hitherto the rate cases have all been directed against Peppo, a Portland Northwestern had to meet the competitive rate.

The question which concerns Salem is this: If Peppo meets the rate cut in Portland will it extend the same reduction to the outlying territory? At present Salem is intervening to have the rate between here and Portland enjoy the same electric rates as Portland. If Portland is made a separate rate district, then the outlying territory would be on a higher rate base. This would be worked to the disadvantage of the outlying area. Salem would be penalized and industrial plants located here would have to pay more for power than if located in Portland, giving the Salem plants competitive disadvantage.

Thus the Northwestern rate case via the Portland General Electric company is of direct concern to Salem. This city has for a long time been on the same rate structure as Portland, and so have other towns in the county served by the Portland concern. The case is now in its final stages but not too late for Salem interests to intervene to the extent of arguing that the interests of Salem and surrounding territory be adequately protected and the outside area continued under the Portland rate structure.

## LABOR EXCHANGE IS UNION COUNTY PLAN

LA GRANDE, Ore., July 21—(AP)—The Union county labor exchange plan suggested by Hiram T. Smith, maintenance engineer of the state highway department, is being considered.

The plan provides for a central exchange warehouse and the issuance of "labor certificates" instead of money as payment for labor. Fuel and food may be purchased with the certificates. The certificates would be issued in various denominations, each bill backed by its face value in labor or produce.

Farmers expect to use this system in harvesting their grain. They will turn in a certain percentage of their produce for labor certificates, pay their employees with these certificates and the employees in turn may purchase supplies from the exchange warehouse.

It is expected the plan will be in operation early next week.

**LOST HUNTER RETURNS**  
ROSEBURG, Ore., July 21—(AP)—Paul Saxman of Scottsburg, who became lost in the woods Monday while hunting, found his way out Wednesday evening, emerging on the Umpqua highway two miles below his own cabin.

## Wobbly Leaves Note Threatening to Blow Up Bakery in Salem

Given Food but not Just What he Wanted; Illustrated Letter Shoved Beneath Door; Yoncalla Case Eyed

**A MEMBER** of the I. W. W., angered because he was not extended the bakery on a silver platter when he asked for something to eat early this week, is believed by police officers to be the author of a threatening note found Wednesday morning by the boy who opens the bakery.

The note, which threatened to "blow the place up if you don't come through in 24 hours," was profusely illustrated with a drawing of a lead pipe, inside of which was dynamite and a fuse, all carefully labeled.

Officer George Edwards and Sergeant Jack Cutler, who investigated, found that an I. W. W. had sought food at the bakery Monday, and became disgruntled because the employee who offered him foodstuffs did not give everything the man sought.

"The 'wobbly' at that time is said to have told the bakeryman, 'Well, it won't be long until we come and take it.'"

Manager Madsen of the bakery and his employees have been in the habit of giving food to many who stop there for "handouts," but as far as Madsen can recall the incident Monday was the first time anyone had made a threat, so he believes this man responsible for the note.

**ROSEBURG, July 21.**—Investigation of alleged attempts against the life and property of W. C. Cooley, of Yoncalla, was started today. Cooley's barn was destroyed by fire, said to have been incendiary, early Wednesday morning.

Three weeks ago Cooley escaped serious injury or death by discharging a quantity of dynamite had been wired to the truck he was to drive on a road job. The dynamite had been wired to the machine in such a manner it would have been detonated by switching on the ignition.

## ANOTHER FIREMAN FIGHTS DISMISSAL

Lewis Questions Ruling of Civil Service Board on Olson's Seniority

**R. O. Lewis**, also known as Rollin O. Lewis, dismissed from the fire department service July 15, after the civil service commission reinstated John A. Olson, yesterday filed petition in which he claims that Olson was erroneously reinstated, and asks for an investigation and hearing on the matter.

Lewis declares the only reason he was released from the department was reduction of personnel by eight men as economy measure voted by the city council and reinstatement of Olson on July 14.

Lewis says further that he served as a hansom and truckman continuously from May 26, 1930, to July 13, 1931, and up to the time that Olson filed his petition for hearing on his dismissal, Olson and everyone else in the department conceded that he, Lewis, by virtue of continuous service was entitled to remain on, as he was issued badge No. 28, denoting seniority.

The petition states that Olson did not serve in the department continuously, though he entered the service before Lewis, but that he resigned February 1, 1931, and returned June 20, 1931. Upon Olson's return, he was issued badge No. 31, and Lewis held badge No. 29.

Lewis says that last January 6, he was issued badge No. 28, and Olson given badge No. 30. (Turn to page 2, col. 2)

## Oregon Briefs

**V.F.W. Convention On Wet Crusaders Unite**  
Canby Lad Hurt Badly  
Noted Novelist Visits

**RIVER TRIP SLATED**  
EUGENE, Ore., July 21—(AP)—The annual convention of the Oregon Veterans was opened here today. The Veterans were entertained at luncheon by the Veterans and women of the Eugene Active club and by the senior and junior chambers of commerce.

The annual banquet was held tonight. Tomorrow a trip up the McKenzie river is scheduled.

**TOM LIVESLEY ONE**  
PORTLAND, Ore., July 21—(AP)—An Oregon unit of the Crusaders, an organization of men seeking repeal of the 18th amendment, has been formed with C. F. Adams, Portland banker, as state commander.

Authority for formation of the unit was received today from Fred G. Clark of Cleveland, national commander.

Adams has appointed a committee to represent the crusaders. Members include T. A. Livesley, of Salem.

"Our first purpose is to seek repeal of the state prohibition law," Adams said.

**NECK BONE BROKEN**  
CANBY, Ore., July 15—(AP)—George Nelson, 14, fractured a bone in his neck last night when he slipped on a springboard at a pool in the Mola's river, fell into the river and struck his head on the bottom. He was taken to a hospital at Oregon City where physicians said his condition was serious.

**WRIGHT AT KLAMATH**  
KLAMATH FALLS, Ore., July 15—(AP)—Harold Bell Wright, novelist, and Mrs. Wright passed through Klamath Falls this week en route to Yakima to visit friends. They planned to stop at Bend.

**REV. JOHNSON DIES**  
PORTLAND, Ore., July 21—(AP)—The Rev. Levi Johnson, 73, for 20 years superintendent of the men's resort of the First Presbyterian church, died at his home here today. He had been in ill health for several months.

## PETITION THEFT CHARGES FACED BY C. BROWNELL

Took Merger Signatures, is Macpherson Complaint; Broker is Silent

Whole Transaction Will be Revealed at Hearing Says Albany man

**PORTLAND, Ore., July 21**—(AP)—Cyril G. Brownell, Portland insurance broker, and formerly a member of the state legislature, was arrested at his home here today on a warrant charging him with the theft of 20,500 Zorn-MacPherson bill petition signatures here the night of July 4.

Brownell later was released to his attorney, John Collier. District Judge Hendrickson set bail at \$2500 but the amount later was reduced to \$2000. Brownell was given until Monday to raise the sum.

Authorities said Brownell was the man named by Robert Tallman, night watchman, as one of the three men who stole the petitions. When Tallman first reported the matter to police he told a fanciful story of having been held up by three masked men, two of them armed.

**Other Parties to Robbery Unknown**  
Under continuous questioning, however, Tallman admitted his story was a hoax and that the removal of the petitions had been prearranged. He named Brownell as one of the men who took the petitions but authorities said today the other two men still were unknown to them.

Brownell was questioned today by newspapermen, refused to discuss the case.

The warrant for Brownell's arrest was issued on complaint of Hector MacPherson, of Albany, formerly a professor of sociology at Oregon State college, said:

(Turn to page 2, col. 4)

## Hoover Signs Relief Bill; Funds Ready

WASHINGTON, July 21—(AP)—President Hoover signed into law today the gigantic federal relief plan that masses \$3,800,000,000 in one offer for invigorating business, including employment and relieving human distress.

His approval came five days after the \$2,122,000,000 bill that nearly doubles resources of the reconstruction finance corporation and opens its purse to needy states, emerged from a last hour congressional snarl.

The president's signature, attached without ceremony or public comment, makes the relief act immediately effective. This means: Operating funds of the reconstruction corporation are increased from \$2,000,000,000 to \$3,800,000,000.

\$300,000,000 is available for advances to states for unemployment relief; \$1,500,000,000 is on tap for public construction, and self liquidating private loans, and the financing of agriculture through credit corporations; \$120,000,000 is available for advances to states under the federal aid highway law; \$18,000,000 will go to roads and trails in the national parks and forests; \$188,224,000 is available for public building and waterway improvement when the condition of the treasury permits; Federal reserve banks may discount eligible paper for individuals and corporations.

## DeGrace Trial Nearing Climax

PORTLAND, Ore., July 21—(AP)—Evidence and final arguments were completed today in the trial of C. A. DeGrace, vice-president of the Prudential Bank corporation, accused of devising a scheme to defraud in the sale of securities. Circuit Judge Duffy, at Bend, will give his instructions to the jury tomorrow.

## PTOMAINE STRIKES 350 ON BOAT TRIP

WASHINGTON, July 21—(AP)—Approximately 350 persons were stricken with ptomaine poisoning today while on an outing down the Potomac river.

Only one—a 76-year-old man—was in a serious condition, which was complicated by a heart ailment.

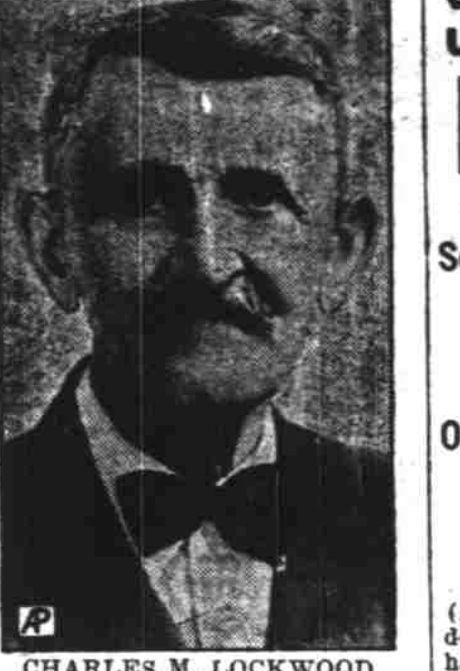
Washington hospitals were swamped with the victims, rushed there in ambulance, fire apparatus, taxis and private automobiles as soon as the Charles McCalister, an excursion boat, docked late this afternoon from a resort point opposite Mt. Vernon.

Doctors estimated at least 150 would need to remain in the hospitals overnight. Meanwhile, all was confusion as police tried to trace relatives. Some had gone to one hospital, some to another.

About 1200 persons were on the excursion, organized by two Washington dairies. Nearly half of them became ill from eating the ordinance picnic fare of salads, sandwiches and the like.

Some 20 or 30 were unconscious when the boat docked.

## Last Man Club Has Last Meet



CHARLES M. LOCKWOOD

## LAST MAN DRINKS TO HIS COMRADES

Water This Time; Does not Expect "Reunion" Will Be Held any More

**PONTIAC, Mich., July 21**—(AP)—A windstorm, sweeping down on scores of boaters who had sought refuge from the heat on Pontiac lake, swamped an undetermined number of small boats tonight and reports of missing persons indicated that ten persons drowned.

Attempts to drag the lake were halted by darkness, with electric lines disrupted by the storm, after one body had been recovered. The search will be resumed tomorrow.

An automobile in which five Detroit negroes came to the lake this afternoon was found unclaimed late tonight and its occupants were believed to have gone down in the storm. Four Pontiac negroes had not returned to their homes from the lake.

**Five Boats Still Unaccounted For**  
Witnesses said they saw four persons, believed to be negroes, drowning in the water shortly after the storm hit. Two small boats were found battered to driftwood against a dam. Five boats were unaccounted for.

The storm, coming at the close of a hot, sultry day with a maximum temperature of 93 degrees, cast up waves five or six feet high. It was accompanied by hail and a blinding rain. Telephone wires, as well as electric lines, were torn down.

Most of the boaters made their way to shore. Boat livermen said some of the persons on the lake made for the nearest shore and abandoned their craft there as they fled the storm.

The body recovered was that of William Burns, about 28, Detroit. The missing negroes were not identified.

Lockwood said the annual trip here from his home at Chamberlain, S. D., is becoming harder each time and this year's meeting will probably be the last. He expects to live many more years, asserting "I wouldn't be surprised if I celebrate my 100th birthday, not a bit."

The Last Man's club was organized on the anniversary of the first battle of Bull Run in which members of the club, soldiers with Company B, first Minnesota Infantry, fought—and ran when Union forces were routed.

## TEN DROWN AS SEVERE STORM HITS SUDDENLY

Scores Seeking Relief From Heat Endangered, Most Make way Ashore

One Body Recovered, Lake Will be Dragged for Further Victims

STILLWATER, Minn., July 21—(AP)—A toast—probably his last—to 33 fighting former comrades of Civil War days, men with whom he rallied around an old bottle of wine at dozens of annual reunions, was the tribute paid tonight by the "last man" of the Last Man's club.

The last man, Captain Charles Lockwood, 83, was the only one left of the club organized 47 years ago with one object, that the last survivor should drink a toast in wine to the others when for the first time he should be alone.

Lockwood fulfilled that pledge two years ago with wine but tonight he substituted water as he raised his glass and repeated a poem ending:

"To my comrades all, goodbye."

Before him, amid flowers stood the bottle of old Burgundy, which he kept in a bank vault between reunions.

Lockwood said the annual trip here from his home at Chamberlain, S. D., is becoming harder each time and this year's meeting will probably be the last. He expects to live many more years, asserting "I wouldn't be surprised if I celebrate my 100th birthday, not a bit."

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## 35 JURORS CALLED FOR RIPLEY TRIAL

Ordered to Appear Tuesday For Second Case Over Iverson Slaying

Thirty-five additional jurors comprise a special venire drawn late Thursday by Sheriff Oscar D. Bower and County Clerk U. G. Boyer for the trial of Robert Ripley who comes up in circuit court Tuesday on a first degree murder indictment. Nearly all the members of a panel of 38 jurors drawn for the trial, progress, were excused or are on the trial jury hearing the Poe case.

The list of jurors, summoned for service next Tuesday morning, is:

Henry Geisler, Salem; Helen (Turn to page 2, col. 3)

## SANTIAM CONTRACT MAY BE LET SOON

Although the federal bureau of public roads is ready to let the contract for North Santiam highway construction one important prerequisite is missing, the necessary public funds. This was the information brought back from Portland yesterday by Hedda Swart, county engineer, who was in the city Wednesday to confer with federal road officials.

Swart was advised that a call for North Santiam road bids would be made shortly after President Hoover signed the highway appropriations bill. Information from Washington last night brought news that the president signed the bill Thursday afternoon and thus the funds sought by the road bureau are made available.

Marion county's \$100,000 of match money is on hand and ready to be placed with \$100,000 of the federal government's monies which already have been allotted to grading work on the North Santiam south of White-water creek.

## Oakley Smith is Victim of River

**AMITY, Ore., July 21.**—(AP)—Oakley Smith, 21, of near McMinnville, was drowned last night while swimming in the Yamhill river. His body was recovered today.

He is survived by a brother and his parents, Mr. and Mrs. L. D. Smith of Salem.

## GAMBLING BARGE DOOMED BY FIRE

**SAN PEDRO, Cal., July 21**—(AP)—Wireless reports from four cutters to the coast guard here tonight said that the destruction by fire of the gambling barge Johanna Smith was certain, but it was believed all aboard the craft had been saved.

The cutters wireless at 7:55 p.m. that the flames were so intense they could not approach closely, and that the hull was expected to sink at any moment.

Forty crewmembers and members of the crew, and nearly 50 early dinner guests, were removed from the Johanna Smith by four coast guard vessels and three navy shore boats.

The only casualty was two broken ribs received by E. A. Odette, ship's carpenter, in the rush to the rafts. Several, it was reported, became so panic stricken they were prepared to jump into the ocean with chairs and tables when the rescue craft appeared.

## MANNING TO TELL STORY TODAY OF IVERSON KILLING

State's Case in Dupree Poe Murder Trial Rests Largely On Testimony of Sailor, Confessed Participant; Much Of Detail Evidence Introduced Thursday; Defendant Eyes Each Witness Coolly

**SOMETIME** today Frank Manning, sailor, itinerant and self-confessed participant in the murder of Night Officer Iverson, will take the stand in circuit court here to tell in behalf of the state his account of what took place in Silverton early in the morning of May 2, 1931.

Sitting not more than 15 feet from Manning, as he takes the stand, will be Dupree Poe, accused of first-degree murder and on trial for his life. Poe, said by the state to have been the trigger-man who shot down Iverson in cold blood before the officer could "put 'em up" or pull his revolver, will be coolly, carefully eyeing Manning as Poe has done thus far when each witness took the stand in the murder case which began Wednesday and is filling Judge Wilson's courtroom daily.

On Manning's testimony will hang the prosecution's case, for he was the only direct witness of the slaying, apart from Robert Ripley, who next week comes to trial on a first-degree murder charge. Ripley has talked but not as state's evidence and Poe has studiously avoided any statement since he comprehended the written statement of Manning which he is expected to follow closely in court today. Poe rode in the back seat of the stolen car in which Ripley, Poe and Manning went to Silverton. When the party stopped in a Silverton street, Ripley went over to Iverson to ask him where someone could be found to fix the car. Iverson started with Ripley for the car and when he came up, Poe ordered Iverson to put up his hands. Without giving the officer time to draw his gun, Poe, now in progress, were excused or are on the trial jury hearing the Poe case.

The list of jurors, summoned for service next Tuesday morning, is: Henry Geisler, Salem; Helen (Turn to page 2, col. 3)

## More Cheery News Filters In Over Wire

(By The Associated Press)  
June Drake, photographer, producing numerous pictures of the scene of the crime. George Steelhammer told of seeing the slayers' car as it sped from town. Larry Austin and A. W. Klieb, other witnesses of the escape, testified to what they saw while Mrs. Hoagland, telephone operator and Pete Schneider and Carl Schlunder told of their being aroused when Officer Iverson's bullet was discovered.

**Bullet That Killed Iverson Introduced**  
The state introduced a long list of exhibits including the gun Iverson carried, the bullet which killed him, pictures of the scene of the crime and of the dead man's body.

District Attorney Carson, handling the prosecution with the aid of Lyle Page, deputy district attorney, said last night he would put 24 witnesses on the stand before the state's case was ended.

Page, opening the case for the (Turn to page 2, col. 1)

## Senator Burke Joins Plea for Special Session

PORTLAND, Ore., July 21—(AP)—W. E. Burke, state senator from Sherwood, Ore., has joined the ranks of those urging Governor Meter to call a special session of the state legislature for the purpose of reducing automobile license fees and reducing salaries of public officials.

In a letter to the governor, Burke said "Financial conditions are such that thousands are unable to pay for a car license in order to enjoy the privilege of the highways they have helped build."

Burke suggested a \$3 license fee, property tax on the car and a 4 or 5 cent gasoline tax.

## Zook of Ohio Considered For College Chancellor

AKRON, Ohio, July 21—(AP)—An invitation to visit Oregon to discuss the possibility of his becoming chancellor of the higher educational system in that state, has been received by Dr. George Frederick Zook, president of Akron university for seven years, his office here said today.

The invitation was issued by the Oregon state board of higher education. Dr. Zook now is in New York delivering a series of lectures at Columbia university. He told the Associated Press in delivering to him and that he would not comment on the situation until it has been delivered.

Dr. Zook's office here said the communication from Oregon has been forwarded to the president at New York.

President of Akron since 1925, Dr. Zook was for five years prior to that date, chief of the division of higher education of the United States bureau of education. He was born at Fort Scott, Kansas, in 1885, and received his Bachelor of Arts and Master of Arts degree from University of Kansas, and his degree of doctor of philosophy from Cornell.

He was an instructor in modern European history at Cornell, and has been called upon at various times to make surveys of educational systems in several states. Dr. Zook was associated with the committee on public information of the government in 1918 and later was associated director of the section on educational institutions of the treasury department.

He is the author of several books, member of the American Historical association, Phi Kappa Phi and the University club. He is a Methodist.

## Bonus Marchers Must Evacuate U. S. Property

**WASHINGTON, July 21**—(AP)—A sweeping evacuation order directed against the bonus marchers today by the commissioners of the District of Columbia, gave the veterans two weeks to vacate virtually every building and vacant lot now occupied by the army.

By tomorrow night all government buildings occupied within Washington and all private buildings taken by the men without consent of owners must be emptied. By August 1 all tents and rolling kitchens borrowed from the national guard must be returned. By August 4 all public park property must be vacated.

**LEGIONNAIRES SIGN UP**  
PORTLAND, Ore., July 21—(AP)—More than 400 registrations for the national convention of the American Legion to be held here September 12 to 15 have been received in the past two days.

## WOMAN HURT BADLY

WOMEN, Ore., July 21—(AP)—Mrs. Joanna Baxter, 77, of Eugene, was seriously injured tonight when she was hit by a car while crossing Franklin boulevard.