The Oregon Was Matesman

"No Favor Sways Us; No Fear Shall Awe" From First Statesman, March 28, 1851

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Insull-ated Oregon

SECURITY holders in the Central Public Service corpora-tion and some of its affiliates are invited to exchange their debentures notes and stocks for new securities in new companies which appear as reorganized units for this badly extended and badly pyramided and badly conceived holding company. Central Public Service has been Oregon's experience with electric Insull-ation. The public was induced to invest in the securities of this concern, only to find when the day of reckoning came that the capitalization consisted of generously watered hopes, that the managers had hocked a lot of the assets for bank loans, and the value of the stocks of the holding company was virtually all erased in the late process of dehydration.

There is this difference between CPS and its executives and Sam Insull however. When Insull's dream of Napoleonic empire faded he resigned and retired to the St. Helena of a farm. A. E. Peirce, et al., want to hang on to their jobs and their power, and so propose this reorganization which leaves them still in seats of authority and salary.

It is doubtful if in these parts there will be any great haste to exchange bits of paper. Stockholders of old Pepco feel they have been euchered badly on this business of trading securities. The last deal had the blessing of Franklin T. Griffith of Pepco, so employes of this company, their families and friends, and hundreds of others who had confidence in Pepco and its management traded good stock for stock which turned out to be far removed from actual values. These stockholders will look askance at any new deal even though sanctioned by Pres. Griffith; certainly they have no occasion to repose confidence in A. E. Peirce and his financial asso-

At the present time numerous suits are pending seeking return of the stock the plaintiffs were traded out of, on the grounds of fraud and misrepresentation. These people, and those in similar situation will await the outcome of these

be given an airing. From what investigation we have made the holding company has been milking the Portland General Electric company. In 1931 Pepco sold \$7,500,000 worth of notes which are due in 1933. What did it do with this money? Judging from its 1931 balance sheet over \$4,000,000 of it went to its holding company, the Pacific Northwest Public which had been lost through ne-Service company. \$1,339,783.61 went to Seattle Gas company, a "cousin" of Pepco. But what did Pacific Northwest do with the four million? Over a million of it went to buy notes of Central Gas and Electric company, another "cousin" in the CPS family. Pacific Northwest's investment in Pepco mission there was an evident stock increased over three million dollars, but it is hard to want of attention required to keep tell from the report just how this transaction was handled. If Pepco sold its notes to loan Pacific Northwest the proceeds to turn around and buy Pepco stock the deal becomes even more mysterious. It is apparent however that Portland laymen sent him by the home General Electric had no need to sell all or the major portion of this note issue which now causes it grave embarrassment, and endangers the solvency of this fine operating company. Instead the money went to nourish the weak cats in the litter. one time.)

In another respect the holding company seems to be milking Portland General Electric, and that is in dividends. Since before the war, until CPS got hold of the property Pepco paid no common stock dividends, according to reports in investment manuals. In 1930 Pacific Northwest seems to have taken out \$1,134,577.39, leaving a balance in profit and loss of \$480,616.93. In 1931 with net earnings of \$2,366,019.79, dividends of \$2,794,464.20 were paid, reducing the profit and they had a school of 20 pupils. loss surplus to \$58,722.27. In 1931 the depreciation allowance was \$502,650, which does not seem very large for a property with assets capitalized at over \$70,000,000.

The public are gravely concerned in what happens to Portland General Electric and to Central Public Service from two their example to induce the white standpoints: first the former is the chief electric utility operating in Oregon; second the public in Oregon and elsewhere have invested liberally in the securities of these concerns and assuredly have a right to know what equities they possess. The situation calls for opening up the books that the public ly lay members of the mission, may see the way the financial wheels have gone round in this waited upon me to consult and complex interrelationship.

Speaker Garner Accepts

OPEAKER GARNER has formally accepted the democratic nomination for the vice presidency. He did it by mail, which keeps the feet of democratic notables off the grass of his front lawn. The spending of 3c instead of \$3,000 is of course a noteworthy accomplishment in this time of re-

Speaker Garner always has an eye to the main chance. He is not only running for the vice presidency but he is running for reelection as congressman. Since his district is incorrigibly democratic he is sure of the one election. Probably this is the first time in history when a candidate for the presidency or vice presidency ever ran for election to another federal office at the same time.

Speaker Garner also has kept his family on the public payroll. His wife is his secretary and draws a comfortable stipend from the treasury. To her credit be it said that she actually works at the job too. But the remainder of his appropriation for clerk hire Speaker Garner had go to his son who ran a bank in Texas. Cong. Hawley was criticised by the democratic press because part of his clerk hire went to a man in his home town. But Hawley didn't send it to a relative anyway. When the expose came of relatives on the federal payroll Speaker Garner discontinued the allowance!

Garner is well remembered too as the man, who was anxious to locate postoffices in tank towns; and later repudiated his own bill by disclaiming its authorship. Assuredly it is too bad that Garner may not be defeated for both offices e is now running for.

A witness for Mayor Walker tried to explain why his former associate Sherwood had such big bank accounts by saying Sherwood "was the busiest man you could imagine. to have a million things to do. Inch isn't it d that such a busy man would drop out of sight completely with no explanations offered?

The Double Death Warrant!



BITS for BREAKFAST

By R. J. HENDRICKS-

Willamette valley in 1841:

the Willamette river, on a rich near a community entirely opposlose their cause of action.

The whole subject of Central Public Service company, corporation and its or their subsidiaries and affiliates should be given an airing.

From what investigation and its or their subsidiaries and affiliates should be given an airing.

From what investigation in the probability to line forests of least to line forests of least to their practices.

"4. The great difficulty they by a horizontal wheel. The grist would have in enforcing any laws, and defining the limits over which they had control and the discord whole suppose the company.

> "Their fields are well enclosed, and we passed a large one of wheat, which we understood was self-sown by last year's crop, glect. The crop so lost amounted to nearly 1000 bushels, and it is supposed that this year's crop will yield 25 bushels to the acre. About all the premises of this things in repair, and an absence of neatness that I regretted much to witness. (Jason Lee complained at the inefficiency of some of the board. The loss of wheat in 1840 was due to Lee's absence in the Umpqua at harvest time. He could not be in five or more places at

"We had the expectation of getting a sight of the Indians on whom they were inculcating good God; but with the exception of four Indian servants, we saw none since leaving the Catholic mission. On inquiring, I found that some 10 miles distant, at the mill; that there were few adult Indians in the neighborhood; and that their intention and principal hope was to establish a colony, and by settlers to locate near those over whom they trusted to exercise a moral and religious influence.

"A committee of five, principalask my advice relative to the establishment of laws, etc. After hearing attentively all their arguments and reasons for this change. I could see none sufficiently strong to induce the step. No crime appears yet to have been committed, and the persons and he was in time to celebrate the property of settlers are secure. 4th at the Nisqually Methodist Their principal reasons appear to mission — the first west of the me to be, that it would give them more importance in the eyes of others at a distance, and induce settlers to fleck in, thereby raising the value of their farms and

"1. On account of their want of

"3. That any laws they might (Continuing from yesterday:) establish would be a poor substi-

this might occasion in their small

"5. They not being the majority, and the larger part of the population being Catholics, the latter would elect officers of their party, and they would thus place themselves entirely under the control of others.

"6. The unfavorable impressions it would produce at home, from the belief that the missions had admitted that in a community brought together by themselves they had not enough of moral force to control it and prevent crime, and therefore must have recourse to a criminal code. * * *

"From my own observation and the information I had obtained, I was well satisfied that the laws were not needed, and were not desired by the Catholic portion of the settlers. I therefore could not avoid drawing their attention to the fact, that after all the various officers they proposed making were appointed, there would be no subjects for the laws to deal with. I further advised them to wait until the government of the United States should throw its mantle over them. These views, I was afterwards told, determined a postponement of their attentions. (Yes; but not for long. Influences the following year worked for a resumption of the plans; and in fact, the immigration of 1842 changed the American minority to a majority; and that of 1848 to an overwhelming one. Lieut. Wilkes could not at the time have foreseen such changes.)

"Dr. Babeeck and others, myself and officers, were tendered an invitation from the American settlers of the Willamette, to partake of a 4th of July dinner with them, which I was obliged to decline, on account of the various duties that pressed upon us. (But-Rocky mountains, of which more later along.)

"The next day the gentlemen of the mission proposed a ride to stock. I could not view this sub- what they term 'the Mill,' distant ject in such a light, and differed about nine miles, in a southerly with them entirely as to the ne- direction. We passed, on going cessity or policy of adopting the thither, several fine prairies, both high and low. The soil on the higher is of a gravelly and light right, as those wishing for laws nature, while on the lower it is a were, in fact, a small minority of dark loam, intermixed with bluish clay. The prairies are at least one-third greater in extent than the essary even by their own account. forest; they are again seen car-

Wild animal films are coming into popularity, pictures from the heart of Africa or Australia. Wild and barbarous as the jungle is, its scenes are more wholesome than the fetid films of Hollywood lovenests. The sordid sex dramas are losing their appeal in this more sober age.

Just a few more days and "teacher" will step to the front door and ring the little handbell that summons Susie and Maude and Lee and Carl from their summer's holiday.

A Wenatchee barber decided to cut prices of haircuts; so a bomb was dropped in his place of business. Chicago dry cleaning methods are being adapted to the apple country!

Portland has had its fall opening-two weeks before summer's closing.

Washington apple growers have adopted a scale of 15c an hour to archard labor. That's getting back to pre-war days all right—

Mrs. Berry worked nearly 10 minntes trying to release herself toars.

A new clock has appeared in one of the Hartman windows.

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peted with the most luxuriant growth of flowers, of the richest tints of red, yellow and blue, ex-tending in places a distance of 18 to 20 miles. The timber we saw consisted of the live (?) and white oak, cedar, pine, and fir.

"We reached 'the Mill' by noon, "The lands of the Methodist mis-sion are situated on the banks of would not be disposed to settle and sawmill on the borders of an extensive prairie. They are both under the same roof, and worked which they are situated being a very small one, emptying into the Willamette.

> "We found here two good log houses, and about 20 lay members, mechanics, of the mission under Mr. Raymond (W. W. Raymond of the Lausanne party), who is the principal at the mills. There are, besides, about 25 Indian boys, who, I was told, were not in a condition to be visited or inspected. Those whom I saw were nearly grown up, ragged and halfclothed, lounging about under the trees. Their appearance was anything but pleasing and satisfactory; and I must own that I was greatly disappointed, for I had been led to expect that order and neatness would have been found among them, considering the strong force of missionaries there. (It is strange that Lieut, Wilkes saw "two good log houses" and missed seeing, or mentioning, the fine Lee house near "the Mill," which by that time must have been completed, or nearly so, or at least well under way; that is, the first dwelling (except the log houses) erected in what became Salem; still standing, at the present 969 Broadway. Sir George Simpson, governor of the Hudson's Bay company, found it finished November 20, 1841, and called it a mansion.)

"From the number of persons about the premises, this little spot had the air and stir of a new secular settlement; and I understood that it is intended to be the permanent location of the mission. being considered more healthy than the bank of the Willamette." (Continued on Tuesday.)

"Are you anxious for fail to come or do you dread the close of summer?" Statesman reporters inquired yesterday.

Roland Wirt, Paper Boy; "I like summer better. I like it, no school, swimming, a lotta rea-

Pete Little, Farmer: "It doesn't make much difference-all about the same to me."

Mrs. U. Ullmick, House Wifer "I hate to see the fall come-we have seemingly had fall-time all

"I always have liked the fall. It is so pretty."

I hought

"No one can think of God ade- mine. quately. To think of Him at all | A popular type of motion pio- ties are most numerous nights and

cong bitano . or his speed cor of action action of .

Patricia that there would be no over her if the girls could prevent it.

> out, "I'll send my maid over to pack your things and Ben can fetch them tonight. Who was the stunning sheik you were talking with on the wet veranda when we drove "Jack Laurence." "Not the Jack Laurence!" "The."

the emotion he awakened, blos-

somed to love under another's kiss. Jack, claiming he is the one Pat

CHAPTER NINETEEN

whispered Mary Lou, her round

He crossed to them. Patricia in-

Mary Lou, seeing his face change,

face glowing.

"Where on earth did you mee him and when? I didn't see him around yesterday. Hotel pick-up? If so, you're swift. Or he is."

blue eyes. "Beach pick-up. He's the ness. Pretty much of a mess, life! tramp I told you about yesterday Oh, what the hell! Make the best who quoted Browning and explain-of it — Hey, you fe male, let's For once "the gang" was never the gang w ed a marvelous opers to me and step. This is good. Hot stuff. . . bored. Even the men quit talking gave me a campfire lunch by the So it went. They got second hand side of the road, or rather the sea. life from Jack and made the best it was; what beasts all men and You said I'd gone sun-mad and of it... women were under the thin shell made him up. I thought so myself. Laurence was a queer duck. Did- of civilization; and that animal But there he is, no longer a tramp, n't want the reporters to get wind gratification was all there was.

but guest of an expensive hotel, of his return. Most fellows who'd As for Patricia, despite the torfor him. So he must be real."

with her racing pulses. Warren every day in spite of the rain, flashing smile, passed them over, looked up as if about to speak, but made up a tale of dark Cuban in dissatisfied till he found her.

"Too bad of me to carry you off," attention, or even believed him, to be kissed then tossed aside — murmured Pamela. "His father is "Shut up, Arthur. Your technique forgotten, as if you had no permathe senator from Virginia. Very is rotten. Read a good adventure neacy of charm. You knew if you important people. When did he get tale before you try to get off an-back? And from where?" tale before you try to get off an-leave you humiliated, shattered and

tell you all about it. It's a thrill- defeat. ing tale. I won't spoil it."

HEART STRINGS BY EDWINALD

She named several girls and the The Warren villa, alone, was gagement, Aunt Pam is suspicious. She named se but blames herself for warning Pat men they liked.

that love fades, inferring that her marriage to Jimmie had failed. Savage or Jack Laurence?" Feeling that Pam no longer cares,

Ah, life is nice. . . .

Jack stepped out of an elevator. "Don't tell us that's your date," the personage of the house party. No longer chilling as at first when Ida so crudely demanded to hear everything, he was quite frank about his disappearance. The girls troduced him.

thought his adventures thrilling, way he always singled out one of the girls, singing to her, eyes de"does your name happen by any vied him experiences which, though chance to be-it is! You are Jack obviously gruelling at the time, were no end romantic in retrospect. never chose Patricia for his play-Laurence! I saw you play Yale were no end romantic in retrospect. never chose Patricia for his play-three years ago. Girls, you know Not that they used the taboo word acting. He was too serious about Jack Laurence. Oh, tell us about in their thoughts. Romance was the her, one supposed. But they didn't bunk. But they felt an intangible mind. They were "thrilled" to be sense of allure in hard and primi- singled out by him in any way. caught his arm to her; "Don't an- tive life for which they had not He played the piano too. How he

swer. She's a rude woman."

Jet found a word. They were played! Anything you put before strangely excited and would have him. Jazz if you wanted it. But also Beethoven and Schubert when "Mary Lou's right. It's your afafter his first free statement of the he wanted these. They scorned
fair."
facts, while not curt, he responded classical music; but he had a way against him. It was clear to experiences.

conflict between Jack and Jimmie What?"

"In spots," "Pat, there's no use in your go-ing back to the hotel," Pamela said "Rather."

when Mr. Braithwait's train pulled "Precarious too, eh?" "Oh, extremely precarious . .

With a laugh. "Hungry sometimes?" "Often.

"Brutal fellows to live with?" "Brutal in self defense. More brutalized than brutal, really. . . . Come on, Pat, let's dance this . . ."

with all the girls cutting each had such adventures would be ture of Jimmie's nearness and his other's throats over him, and shouting them from the housetops continued and inexplicable silence, there's no sun or moon to account —lording it over less fortunate she was not insensible to girlish chaps. Her words raced pell-mell in time | Arthur Savage, who came over

sank back, silent. Patricia felt a trigue in which he, Arthur, had thrill of triumph.

It was nice. Oh, nice. It made thrill of triumph. other one." Whereupon Arthur sub- leave you humiliated, shattered and "Til introduce you, and he can sided, his dark face sullen with

How it rained! Three endless

Lovely, young Patricia Braithwait agrees to marry wealthy, middle-aged Harvey Blaine because the father she adores is in financial straits. She hopes, however, that handsome Jack Laurence, a young camper whom she only man she ever wanted to kins her—will rescue her from Blaine. When Jack fails to appear, she turns, is desperation, to Jimmie. She had to know how things stood with him. But she dared not refuse lest Pamela think it strange. . . And Jimmie, the egotistical thing, might think I want to be alone with him. I'll show him. . She named several girls and the Warren villa, alone, was

never dull. Patricia's house party "And who do you want? Arthur was a veritable "godsend" to the entire youth of the colony. Pamela "Oh, Jack. You'll adore him. So was not a novice at entertaining Jimmie and Pat see ne wrong in serious and brilliant, and so gay and saw to it that her restless their "love". Then Jack appears, and boylsh, too. I never knew anybut Pat tells him he is too late—body who knew better how to play." "Quite a paragon, evidently," expert as she was, she thanked the commented Warren, dryly.

"Oh, quite," agreed Patricia. She no sense an "entertainer," he had really cares for, refuses to give up, and the next day moves to the hotel in which she also is quartered.

felt jubilant—A cruel and beauwithin himself a fathomless well within himself a fathomless well of joy. He did an amaxing number men at each other's throats. . . . of things—out of date things, often, which, nevertheless, were amusing. Like playing the guitar. He said he had picked it up from the Mexicans, Jack Laurence at once became which was "keen". But he decidedly had not picked up the rich mellow voice that filled the room when he sang. And it was "too killing" the time Italian or gypsy swain. He

They hustled him away to play ping pong which they had just deserted in high boredom. He was an expert player and they took turns he made no effort to "dress up" his that ached inside of you. Pat always drifted over to him at these times, as if in a dream, usually "Pretty wild country, I guess. sank down on the bench beside him with a sort of other-world look in her blue eyes. Sometimes he play-"Life in the mountains, hiding ed things which they suspected out with bandits must be quite a were his own, things that hurt se the tears would run down your cheeks, and the men would sneak

out one by one. Then, after he had made you cry, he would stop suddenly, take out his pencil, make some swift marks on a sheet of music and would show you your own picture looking

He really was a scream, So what was that word? - from the They felt cheated. Palm Beach god of something—oh, yes, mercu-was a washout! Just plain blah. Sometimes when he allowed Ah, to see life in the raw! Of the men to draw him into an arguo, you're swift. Or he is."

course it must have been hell to ment you would decide he was in malicious smile lighted Pat's was at least not this informal and he would sketched highbrow. Then

triumph when Jack, entering a room, drawing all eyes with his

(To Be Continued)

1932, by King Features Syndicate. Inc.

Not Much Chance for Fire When Little Eva Ascends to Heaven

By D. H. Talmadge, Sage of Salem

Summer is waning. The records how numerous precedents for this. It has frequently occurred in the past at about this time of the The canneries are working on

ears. Prunes coming up. This accounts for the girls in pink uniforms on the streets. Most of workers wear uniforms in these days. A symbol of advancing civ-The old ocean wave walk on the

liberty street side of the Miller store has been replaced by one that is strictly on the level. Not big news, perhaps, but interesting as the average Aimes McPherson A wandering gentleman was ob

served to pick up a match on Commercial street one day this week. Scratched it to-determine whether or not it was worth saving. Naturally thrifty, that gentleman. It just happens. One of the best

christians I know thinks Deutermomy means something about stuffing birds and animals. Which goes to show that familiarity with the Old Book is not absolutely as-

man bought an automobile with it would result in a perfect heek it. All right. His business, not of a time.

God."—Fosdick.

Otherwise, Uncle Tom's Cabin favor to ourselves to do so, but would not have been the success that it was. I have seen town halls in the old days so packed with the elevator in the courthouse. I folks hungry to witness the demise of Little Eva that many of them of the ups and downs of life are toss. She was doing chores, Mr. Berry had left early in the day. Brey worked nearly 10 min
Berry worked nearly 10 min
Places were fairly soaked with



D. H. TALMADGE

A certain man in Salem had a Much appreciated by folks whose sum of money due him at a cer- eyesight isn't what it once was. tain time. In the interval he gave Also by others. I wonder what out information to the effect that would happen if we were suddenwhen the money arrived he would by deprived of all clocks. A waste pay all his debts and forget his worries. The money came. The only reasonable to suppose that

Family window-shopping par

you must take personality at its best, lift it as far as you can parlance as snufflers. Most of us nights and Sundays. Safety first. reach, and say that is nearest enjoy a comfortable little cry. Take it easy. It is not only a God."—Fosdick.

Otherwise, Uncle Tom's Cabin favor to ourselves to do so, but

for years and years that the feminine feet were attached to the upper part of her, and how. An item here last Sunday at-

tributed the frustration by Alderman Paul Hendricks of a break at the city jail to luck, but it seems that the facts do not quite justify the luck theory. The alderman, who was attending a council meeting at the time, did not just happen to look from the window. His head was resting against the frame of the window, and he had been conscious for some time of a vibration, slight but unmistakable. His first thought was of a possible earthquake, his next that an escape was eing attempted from the jail window on the floor below. Then he looked, with the result as known. The element of luck still enters into the case, but in a lesser degree than before.

Did we have a complete understanding of natural law it is reasonable to presume that we should be subject to no such thing as

DILING CREW AGAIN ON RICKREALL JOB

RICKREALL, Aug. 27 — Mr. and Mrs. Evelyn Hill and Mr. and Mrs. F. A. Vaughan, have moved to Tillamook where they have a gravel hauling contract. The W. A. Cunningham family

has moved to the Woods hop yard near Independence. They expect to be gone for three weeks. Highway oiling crew No. 1 which did some work on the Sa-lem-Dallas highway and near Monmouth and at Holmes Gap in June

is again stationed here putting finishing touches on some of the roads that were not ready when they were here in the spring.

LYONS, Aug. 27-Harley Anierson left this week for Morley's hopyards at Silverton where he is employed as drier. He has work-