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The Oregon Statesman

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WEATHER
Fair today and Friday, no change in temperature; Max. Temp. Wednesday, 61, Min. 42, river -1.4 feet, rain .2 inch, northwest winds.

EIGHTY-SECOND YEAR | Salem, Oregon, Thursday Morning, October 20, 1932 | No. 177

ROOSEVELT NOT FOR BONUS AT PRESENT TIME

Intimates he had Told his Views Before, Hasn't Changed Them any

Beer tax his Panacea for Budget Difficulties; Attacks Incumbent

FORBES FIELD, Pittsburgh, Pa., Oct. 19—(AP)—In a speech assailing fiscal policies of the republican administration and pledging himself to a program of governmental economy, Franklin D. Roosevelt told many thousands of persons in the high tiered grandstands of a baseball park tonight that he did not see how a government could consider anticipating bonus payments until it had a balanced budget with cash in the treasury.

F. D. Roosevelt

The democratic presidential candidate made his bonus statement in the form of an assertion that he had given his views last April and that his mind on the subject had not been changed since.

While resounding cheers rolled across the field to his speaker's stand at second base, the democratic presidential candidate pointed to a beer tax as one method of avoiding new tax increases, accused the republican administration of "concealment and vacillation" which he said had prevented congress from balancing the budget, and said he would exact from every member of his cabinet a two-fold economy pledge.

He said he hoped that it would not be necessary "to increase the present scale of taxes, and I call definite attention to the fact that as soon as the democratic platform pledge is enacted into legislation modifying the Volstead act, a source of new revenue amounting to several hundred millions of dollars a year will be made available toward the balancing of the budget.

"I refer specifically to a federal tax on beer which would be raised through the sale of beer in those states and those states only which by state law allow the sale of beer.

"At the same time I reiterate the simple language of the democratic platform which opposes the return of the saloon."

Mr. Roosevelt recited figures from the report of governmental finances for the first quarter of this fiscal year, said a new deficit was impending and that congress would have its budget balancing work to do over at the next session of congress.

He said that "for my distin-

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32 Scouts Given Advancement at Court of Honor

Thirty-two boy scouts appeared at the court of honor held at the court house last night to receive advancement awards. W. S. Levens presided at the meeting in the place of Justice Belt of the state supreme court.

The room at the courthouse was full of visitors with little standing room remaining. As a program feature boys from the state school for the deaf gave a demonstration of human tower building.

Late Sports

PORTLAND, Oct. 19.—(AP)—Patrick Reilly, of Boston, won two falls out of three to defeat Wallace Muscovitch, of Poland, in the main event of tonight's wrestling card here. Reilly weighed 208 and Muscovitch, 205.

With a flying head scissors the Bostonian took the first fall in 10 minutes. A pin fall climaxing a series of body slams, put Muscovitch even in 10 minutes more. Reilly varied his tactics with a series of right-hand punches to the Polander's jaw, and Muscovitch dropped to the mat with his shoulders touching when the fifth right landed home. Reilly was awarded the fall with the time of three minutes.

Hal Rumbergn, 230, Spokane, and Al Pereira, 223, Portugal, wresteled five rounds to a draw in the semi-windup. Fred Maracci, 178, Scppoose, beat Toby Christensen, 176, Portland, by a fall in the last frame of the three-round preliminary.

SEATTLE, Oct. 19.—(AP)—Scoring two knockdowns, "Dynamite" Jackson, Los Angeles negro heavyweight, was awarded a technical knockout over Frank Van Hee, Seattle, one second before the end of the sixth and final round of a boxing bout here tonight.

Tammany Will Back Roosevelt is Claim Of "Happy Warrior"

Complete Victory in Nation Necessary to put Democratic Principles in Operation, Smith Tells Fellow Members

NEW YORK, Oct. 19—(AP)—Alfred E. Smith told his fellow members of Tammany hall tonight that he knew the loyalty and devotion "of the great democratic organization of this city will be exerted to the last degree in favor of the election of Roosevelt and Garner."

With the smile that won him the sobriquet of the "happy warrior," Smith said "the bright star guiding us into a harbor and haven of repose is complete and full democratic victory in November."

He devoted most of his 45 minute address to a discussion of state and city issues, explaining he would talk of national issues in a speech in Newark, N. J., Monday night, and at the "windup of the campaign" in New York City just before election.

"Complete victory in the nation," he said early in his address, "is necessary to the carrying out of the party declarations of principle . . ."

Cheers that had greeted previous speakers' mention of Governor Roosevelt's name echoed through the Tammany wigwam as Smith referred directly to the man he had fought for the presidential nomination at Chicago.

"I have been privileged in the past — and from a democratic standpoint I think the leaders of the party will still extend me the privilege of speaking on behalf of the rank and file of our great party in this city—to know that the loyalty, the devotion of the great democratic organization of this city will be exerted to the last degree in favor of the election of Roosevelt and Garner."

GRIFFITH DENIES THOMAS CHARGES

Depression all to Blame, Says as Defense of Utility Opened

PORTLAND, Ore., Oct. 19—(AP)—Franklin T. Griffith, president of the Pacific Northwest Public Service company, said today that the misfortunes of owners of Central Public Service corporation stock are merely a part of the general catastrophe that struck the values in corporations of every description throughout the country.

Griffith was the first witness called by the defense, which opened its case today at State Public Utilities Commissioner Charles M. Thomas' hearing into the financial relations of the Portland Utility and its Chicago parent, the Central Public Service corporation.

Oregon residents had invested millions of dollars in C. P. S. stock, in many cases trading Pepco stock (Pacific Northwest Public Service company) for it. Dividends have been stopped on the holding company's stock, while they are still being paid on the Portland company's stock.

Griffith testified that the P. N. P. S. dividends have held up longer than those of its parents and other utilities because heroic measures of economy were instituted.

The Portland utility president specificly denied charges of "mismanagement, manipulation or chicanery" in relations of his company and the Chicago organization.

FURTHER RIOTS IN PRISON REPORTED

TORONTO, Ont., Oct. 20 — (AP) — Reports that rioting had been renewed in the Portsmouth penitentiary at Kingston, Ont., where the 900 prisoners participated in an outbreak Monday, were denied by implication early today by Brig. Gen. D. M. Ormond, superintendent of penitentiaries.

Although officials of the department of justice declined to issue an official denial that there had been a new outbreak, General Ormond said all prisoners at the penitentiary were locked in their cells at 9 o'clock last night.

The general's report was received by the government at Ottawa from Kingston, where he has been conducting an investigation of Monday's riots.

The deputy warden of the penitentiary said "as far as he knew" there was "nothing to the reports."

Mob Retribution Viewed as Cause Of Two Killings

CHICAGO, Oct. 19—(AP)—The bodies of two men, executed in gang fashion, were found today.

Thomas Kane, 34, had been shot through the back of the head and his body left in an abandoned automobile in the west side, where it was discovered by passersby. Earlier, the body of Sam Dallaly, 19, punctured by a half dozen bullets was found on a south side street.

Both men, police said, had records as automobile thieves.

Famed Reporter Frank O'Malley Called by Death

NEW YORK, Oct. 19—(AP)—Frank Ward O'Malley died today in Tours, France — a voluntary exile from the land that hailed him as a brilliant newspaper reporter, playwright and magazine writer.

O'Malley—of theMorning Sun.

The name was an integral part of a glamorous age of American journalism.

Life, O'Malley said, was saner in Europe than in the United States. So there he lived in the last few years of his life as diabetes hurried his death.

MAJORITY FOR HOOVER SURE, LUCAS REPORT

270 Electoral Votes, Four More Than Necessary, Claimed Assured

May Reach 340, Chairman's Statements Declares; Strength Gaining

By JOHN F. CHESTER

WASHINGTON, Oct. 19. — (AP) — A statement that 270 electoral votes—four more than a majority—now could be counted "safe" for President Hoover, was delivered at the White House today by Robert Lucas, chairman of the executive committee of the republican national committee.

In an interlude in the president's drive toward completion of his coming speech at Detroit, Lucas said he reported to him that the republican campaign now was aimed at making the election "even safer."

He predicted the Hoover electoral total "may go to 340."

The chief executive, meanwhile, gave final aproval to plans for his third successive political swing into the mid-west. Mr. Hoover is scheduled to appear Saturday before 13 different audiences in West Virginia and Ohio before reaching Detroit.

Lucas said he had reported that the political situation "is improving very, very rapidly."

"I told him," he said, "there was no doubt in the world but that he would carry California. I am perfectly confident of that."

The executive committee chairman's resume of that part of the political field upon which he said he reported, described Kansas and Iowa as "perfectly safe," Oregon and Colorado as "safe," Washington and South Dakota as "rapidly becoming safe," North Dakota as "in some doubt," Nebraska as "leaning strongly toward the president," Ohio and Illinois as "confused," and Indiana as "safe today."

VETERANS TO MAKE INDEPENDENT DRIVE

Seek Relief Funds Within Own Memberships, is Decision, Word

The war veterans' organizations in Salem, together with their auxiliaries, have banded together for a campaign for relief funds, which will primarily be a campaign within their own ranks —"of and for war veterans," it was announced Wednesday night.

This announcement followed a meeting of representatives of this central veterans' group with representatives of the Associated Charities and the Salvation Army, at which some final discussion was held relative to a joint campaign, plans for which were abandoned, with mutual good feeling, because of the veterans' groups' desire to limit their solicitation to their own groups.

It was announced however that the Associated Charities and the Salvation Army would make their

(Turn to page 2, col. 2)

Home Loan Bank Is to Function Within 2 Weeks

PORTLAND, Ore., Oct. 19 — (AP)—Within a week or at most two weeks the Federal Home Loan bank of Portland will be prepared to lend money, Frank S. McWilliams, chairman of the 11th district board, reported on his arrival here today to confer with directors and to arrange details for establishing permanent headquarters for the bank.

McWilliams said that loans will be available as soon as organization of the board is completed. Loans from Oregon, Washington, Idaho, Montana, Utah, Wyoming and Alaska will be acted upon by the Portland bank.

Libby Wants Name Clear, She Insists

WINSTON-SALEM, N. C., Oct. 19—(AP)—Complete exoneration of blame in the fatal shooting of Smith Reynolds, tobacco heir, was asked by his accused widow, the former Broadway torch singer, Libby Holman, through her attorney today.

Benet, Polikoff, the attorney, awaited Solicitor Carlisle Higgins' reaction to the Reynolds family's suggestion that murder charges be dropped. He quoted the defendant as saying she wanted the cloud over her created by her indictment, along with Albert Walker, Winston - Salem youth, "lifted permanently."

Declining to reveal the whereabouts of Mrs. Reynolds, Polikoff said he had talked with her by telephone after a letter had been made public in which W. N. Reynolds, uncle and co-guardian of Smith, had written Higgins that the family would be "quite happy" if the cases were dropped.

FORD IN ADDRESS SUPPORTS HOOVER

Would Support him Aside From Party Loyalty, Auto Maker Says

DETROIT, Oct. 19. — (AP) — Henry Ford said in a radio campaign address tonight that "If Herbert Hoover were a democrat, with his record during the last four years, I should have to support him."

"Mr. Hoover," he said, "is carrying a greater burden than Abraham Lincoln carried—and he is carrying it in a way that places him beside Lincoln in sacrificial service."

Disavowing any intention of making a "party sueech," Mr. Ford said, "I suppose I am like most Americans—we never bother about politics until it means something to us. Party politics have never meant anything to me, and they mean nothing to me tonight."

The automobile manufacturer spoke from the Engineering Laboratory building of the Ford Motor company, in Dearborn. He was introduced by Governor Wilber M. Brucker, republican candidate for re-election, to whom he also gave his support.

He said that "every act of the president has been in the interest of employment," that he "kept his head when others lost theirs," and that "no act of his has been dictated by panic or politics."

Wilson Cabinet Member Called

SEABRIGHT, N. J., Oct. 19—(AP)—Lindley M. Garrison, secretary of war under Woodrow Wilson, died unexpectedly tonight. He was 67 years old.

Mr. Garrison was secretary of war from March 5, 1913, to February 10, 1916, when he resigned. He was vice chancellor in New Jersey from 1904 to 1913.

BRITISH HOUSE BATTLES OVER RELIEF POLICY

"Means Test" Abolition is Demand of Laborite In Parliament

Cognizance of Rioting by Unemployed is Taken By Government

LONDON, Oct. 19—(AP)—Less than 24 hours after 10,000 jobless men and women had rioted across the Thames from Parliament square, the house of commons engaged in sharp debate tonight over the government's policy of handling the unemployed.

Prime Minister Ramsay MacDonald, taking note of the disturbance across the river, cleared the way for the debate early today and it was opened by George Lansbury, laborite leader.

"I demand that the damnable 'means test' be abolished," Mr. Lansbury said, "and every man be given a chance to decent existence."

(Before an unemployed person can receive unemployment insurance, he must show the government proof that he has not the means to subsist normally.)

Mr. Lansbury was supported by George Buchanan, the Glasgow laborite, who declared future demonstrations by the unemployed would "wreck the existing social system or itself be wrecked in the attempt," unless concessions were made.

Taking up the government's case promptly, Sir John Gilmour, the home secretary, charged that there was a material connection between Moscow and the "national unemployed workers movement" which he said formed the nucleus of last night's street fighting.

"I am not going to say this organization is solely directed from Moscow," Sir John said. "But it is quite clear there is a material connection between those in Moscow and some in this organization."

FIRE TRUCK-POLICE AUTO CRASH FATAL

WALLA WALLA, Wash., Oct. 19—(AP)—Chief of Police E. B. Vogel 48, was instantly killed and four others hurt, one seriously, when a big patrol car collided with a fire truck at a street intersection here late today.

Chief Vogel and the fire truck were speeding to answer a false fire alarm. The cars were traveling at a high speed, and approached the intersection at the same time. The fire truck was turned over, spilling the firemen, while the police car was spun around, bounced over a curbing and crashed against a house.

George Barton, who was driving the truck, was the most seriously injured, doctors saying later they feared his back was broken.

Vogel, who has been chief of police since 1930, is survived by his widow, one son, a reporter on the Walla Walla Union, and one daughter in college.

Secretary Doak Denies Claim of Senator Norris

WASHINGTON, Oct. 19—(AP)—Senator Norris' assertion that Secretary Doak suggested a federal judgeship for Donald R. Richberg, railroad labor attorney during discussion of a compromise on the anti-injunction bill was denied today by the cabinet member, reiterated by Norris and affirmed by Richberg.

Doak called the Nebraska senator "a professional character assassin." He termed the allegation "utterly false" and said "there was even no circumstance in connection with any of our conferences upon which any such statement could have been based."

Richberg, in Topeka, Kansas, said Norris' assertions were "absolutely accurate."

LaFollette Will Back Democrats As Progressives

MADISON, Wis., Oct. 19—(AP)—Progressive republicans were informed today by one of their foremost leaders, Senator Robert M. Lafollette, Jr., that he will vote in November for the democratic candidates for president and for Wisconsin's junior United States senator and governor.

Lafollette is not a candidate, his term having two years to run.

The announcement stated the Lafollette position on current politics, which was given an upheaval in Wisconsin by the vote in the primary which transferred republican party control from the progressive to the conservatice element.

MaMahan Making Big Donations to Charity He Informs Grangers

That's his Answer to Revelation He has Not cut Salary

Pomona Meeting Well Attended; Issues Are Discussed

BUTTEVILLE, Oct. 19.—Judge L. H. McMahan, of Salem, declared here today that while he was continuing to draw his full salary of $500 a month as judge, he was donating from $100 to $200 each month to charity. His statement came in responce to a recent newspaper article in which it was shown that Judge McMahan was one of two out of 28 circuit judges in the state who had not taken voluntary salary reductions of 10 per cent.

Seymour Jones, former state market agent speaking on the program after the judge, said he did not agree with Judge McMahan's policy and thought when other public officials were taking reduced salaries, the judge should fall in line.

Judge McMahan spoke at length on the recent Carson case in which the judge Arlie G. Walker held Carson's stenographer and deputy were legally paid by the county court out of county funds. He also talked of the long term of the Marion county grand jury. The judge discussed at some length alleged unfair treatment received by him at the hands of The Oregon Statesman.

Many Counties' Granges Represented

More than 100 people were present at the meeting of the Pomona grange here. Representatives of granges at Salem, Woodburn, North Howell, Macleay, Stayton, Ankeny, Monitor, Fairfield, Union Hill, Silverton Hills, Silverton, Red Hills and Butteville were present.

During the morning business session M. Rostwold, G. Butler, and F. Mathews were appointed on the resolutions committee.

Reports were made by J. L. Stolker on the county meeting of the agricultural and home economics committee held at Macleay, by Mrs. W. Dallas, Pomona chairman on the county home economics work.

Five candidates were given the fifth degree obligation with Mrs. L. S. Lambert in charge.

Mr. and Mrs. J. Hugill, grangers who had recently celebrated there 55th wedding anniversary and Mrs. D. Brown, wife of the state deputy, were introduced to the assembly and District Home Economics Chairman Mrs. L. S. Lambert gave a report on charity, health work, and other phases of the economic work in the five counties that she represents.

Mrs. Lambert Paid Honor by Clubs

Mrs. Lambert who is resigning because of ill health, was presented with a silver piece from the home economics clubs of Marion county in recognition of her efficient work.

At the close of the morning session Frank Saalfeld gave a short talk on cooperation of farmers.

At the afternoon meeting Oswald West talked on the proposed freight, truck and bus bill.

Henry Zorn spoke on the work of the Tax Equalization league of Marion county and on the consolidation of higher institutions of learning.

State Master Ray Gill gave a brief talk on the four grange bills, namely the power bill, the chee bill, the income tax bill and opposing the repeal of the 18th amendment.

Next Meeting Will Be at Fairfield

Senator Charles K. Spaulding spoke on the bills to be voted, on

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Pair Being Held For Questioning In McGram Case

PENDLETON, Ore., Oct. 19 — (AP) — Police said tonight that Frank Thuerwachite, 29, of Chambers Prairie, Wash., and Frank Craig, 27, of Baker, Ore., were being held here to be questioned concerning the death of Arthur McGram, 22, of Tooele, Utah, who was crushed under the wheels of a switch engine near Pendleton last night.

Expressing belief that McGram was intoxicated when he lay down on the tracks, the officers indicated Thuerwachite and Craig were not suspected of being implicated in McGram's death. They said the two admitted coming here from Baker yesterday and prowling about cars at the yards where McGram was struck.

PATROL DISPERSES HIGHWAY PICKETS

Nail Studded Planks Taken By State Officers From Blockaded Roads

ST. PAUL, Oct. 19—(AP)—The state highway patrol swung into action tonight against farm pickets who had been halting trucks carrying farm produce to the twin cities area.

Groups of pickets were dispersed in the Anoka and Forest Lake sections and nail studded planks and belts they had used were seized and burned.

Fifty highway patrolmen, under command of Captain George Kuch, and traveling in automobiles, first went to Forest Lake. Then they advanced to other picket stations."

Reaching Daytonport, in Anoka county, they were joined by O. M. Olson, Anoka county sheriff, and 45 deputies. The pickets offered no resistance.

Captain Kuch said his patrolmen would make every effort to keep the highways clear and prevent tieups of traffic such as had occurred when a dozen or more trucks, halted by pickets, had blocked other vehicle movements.

WATER REPEAL TO BE ARGUED FRIDAY

City Attorney Trindle yesterday carried his fight on the legality of the proposed water bond repeal to the state supreme court. Friday morning Trindle's appeal on Judge L. H. McMahan's mandamus writ compelling the election, will come before the court which set the case ahead on its schedule.

Trindle contends in his appeal that the state law prohibits legal filing of an initiative measure less than 45 days from election time. Judge McMahan, in his mandamus order to City Recorder Poulsen ordering him to proceed with preparations of ballots, held the city of Salem's ordinance requirements, not state law, should prevail.

The repeal measure election, if upheld in the higher court, will ask voters to determine whether the $2,500,000 bond issue, authorized by vote December 15, 1931, shall be continued.

SHOE BUSINESS GAINS

NEW YORK, Oct. 19—(AP)—The shoe business has taken a decided turn for the better, Associated Business Papers, Inc., reported today.

Probe of Bancorporation Deals Demanded in Court

A petition demanding a writ of mandamus against James W. Mott, state corporation commissioner, to compel him to have investigation of alleged fraud in connection with the sale of stock of the Pacific Bancorporation and the American National corporation, was filed in circuit court here late Wednesday afternoon by J. R. Gilstrap, a Portland resident and an allegedly injured stockholder.

Judge L. H. McMahan last night granted an alternative writ to the plaintiff, citing Commissioner Mott to appear in court here Thursday, October 27, and show causes, if any, why the mandamus writ should not be issued.

Gilstrap asks that the mandamus compel Mott to turn over all records and facts in his possession regarding the two corporations either to the attorney-general or to a district attorney for full investigation.

The plaintiff alleges that stock in the Pacific Bancorporation was sold fraudently, with a statement signed by G. S. Hinsdale, president, which was misleading. He also claims that commissions were paid for the sale of this stock, in direct violation of the permit to sell the stock granted by the state corporation department.

In a subsequent exchange of Pacific Bancorporation stock for American National corporation stock, the plaintiff alleges untrue statements were made. Gilstrap holds these were designed to lessen the security of the Pacific Bancorporation stockholders and to advance the security of American National corporation's stock which at that time was held largely by Julius L. Meier, W. L. Thompson and G. S. Hinsdale.

Gilstrap also contends that the exchange of Pacific Bancorporation stock for that of the other bank concern was largely made when the American National corporation had no license to sell stock in this state and that there-

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Out of the Same Mouth Proceedeth Blessing and Cursing

By Gale in the Los Angeles Times