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EIGHTY-SECOND YEAR

No. 266

DAIRMEN WILL CONVENE TODAY TO TALK ISSUES

Marketing Principal Topic In 40th Convention of State Association
McKay to Welcome; Large Delegations Coming; Program Listed

Dairymen and others interested in the dairy industry from all over the state will lay aside the cares of daily milking chores to meet here today in their 40th annual convention. The state Dairymen's association which will open a two day session in the chamber of commerce rooms at 10:30 a. m. is the second oldest agricultural organization in the state.

This association has taken a leading part in the development of the state's dairy industry and while problems in the past have been mainly on the subjects of legislation and increased production, the program arranged for this year's meeting, by George H. Fullenwider, president, Carlton, has the problem of marketing as its central theme. Prof. P. M. Brandt of Oregon state college dairy department is secretary of the association.

Following an address of welcome by Mayor Douglas McKay at 10:30 the program of prominent dairy speakers will get under way. Tomorrow the Holstein, Guernsey and Jersey breed associations will hold their annual meetings during the noon hour at special dairy products luncheon at the Marion hotel and at other eating places of the city. Tomorrow evening the annual dairymen's banquet will be held at the Marion with Hal E. Hoar, Rufus Holman and Fred Kiddle as leading speakers. Senator Joe E. Dunne is to be toastmaster. Marketing will be chief topic today.

Today's session will deal mainly with the marketing of dairy products throughout the nation, in Oregon, and in the new found markets of the orient. Speakers listed for today's meeting are Chester L. Mulkey, Yamhill county dairyman; Roy C. Jones, Washington, D. C., U. S. Department of Agriculture; Frank Messenger of the Portland office of the department of commerce; Eng. Engstrom, Astoria experiment station and Paul C. Adams, executive secretary of the Oregon Dairy council. Thursday a continuation of marketing problems and a discussion of the Regional Agricultural Credit corporation and an analysis of national farm legislation will be featured.

Pupils from several of the local grade and high schools will present a demonstration of the present system of health teaching in the public schools under the direction of Ada Reed Mayne, nutrition director of the Oregon Dairy council, as the opening number of Thursday's program.

NEW SNOW VISITS EASTERN OREGON

LA GRANDE, Ore., Jan. 31. — (AP)—The last day of January brought the heaviest snowstorm of the winter to the Grande Ronde valley today. More than six inches of snow covered the ground and the flakes were still falling.

The snow was welcomed by farmers because of the possibility of the usual moisture here this winter. Snow plows kept all state highways open without difficulty.

GRANTS PASS, Ore., Jan. 31. — (AP)—Bright sunshine brought warmth to this section today, and because of the possibility of new snow in the Siskiyou progressed rapidly.

The Day in Washington

By the Associated Press
Senator Lewis (Dem. Ill.) announced today that he will drive for war debts moratorium and Reed (Rep. Pa.) criticized personal negotiations.

House labor committee approved Connery bill for 30 hour work week.
Chairman Atlee Pomeroy of Reconstruction corporation board criticized before senate committee banks failing to lend money on railroad securities.
Millers and macaroni manufacturers opposed domestic allotment farm relief bill.
Representative Boylan (Dem. N. Y.) charged in house President Hoover employed "phantom budget" in stating appropriations committee boosted his recommendations \$163,000,000.

Technocrats Split; Question is, Which Basket Contains the Ergs?



As if he hadn't enough to worry about before, puzzling out what the whole thing is about, the poor layman who likes to believe that someone is working for his welfare—apart from himself—finds himself in a denser fog than ever as a result of the recent split in the ranks of technocracy. Since Howard Scott, erstwhile high priest of the Technocrats, and his former lieutenant, Dr. Walter Rautenstrauch, decided to go their separate ways, the man in the street has been in a fever of indecision as to which he ought to follow. For he was promised ergs, the monetary unit that would displace the dollar under technocracy, and it is but natural that he should want to string along with the side which will supply ergs of kilowatts or anything else he can use for money. Dr. Rautenstrauch has announced that he and his associates will continue their research work at Columbia university; while Scott also tells the world that he will carry on. So far, all the layman knows about technocracy is that it told him something he had been telling himself for ages in simpler language—that horse power has displaced man power. But he became interested in the new way of telling the story because the tellers promised a remedy. They said that by regulating production and applying the scientific discoveries to the law of supply and demand they can rearrange the economic structure in such a manner as to assure every man, between the ages of 25 and 45, of an income equivalent to \$20,000 a year. It is very obvious that John Q. Public will cheer himself hoarse for the bunch who makes good on that promise. But there's the rub, John Q. can't decide who's going to be Santa Claus.

AID TO IRRIGATION DISTRICTS IS PLEA

Moratorium for one Year To Help U. S. Projects Favored by Meier
Governor Julius L. Meier yesterday in a special message to the legislature, urged that body to memorialize congress urging passage of two bills now before it which would grant a year's stay to reclamation districts in payment of money due the federal government. Senator Staples introduced a memorial to effectuate the message late Tuesday afternoon in the senate.

The governor's message, in part, reads:
"The congress of the United States has begun the construction of the Vale and Owyhee projects in Oregon under the provisions of the reclamation act. The Owyhee project, when completed, will relieve present settlers from excessive pumping charges which now impose a severe hardship on them. Part of the Vale project has already been colonized. These projects, now only partially completed, are incapable of undertaking self-liquidation of their debt."
(Turn to page 2, col. 6)

HITLER BARGAINING FOR CENTRIST HELP

Four Killed, 50 Injured in Rioting but General Strike Averted
BERLIN, Jan. 31. — (AP)—Adolf Hitler's appointment to the chancellorship precipitated renewed outbreaks of political violence today in which four persons were killed and over 50 injured, but the new fascist government appeared to have weathered threats of a general strike.

The next leader's first day at the head of the reich was marked by negotiations designed to win for him the toleration of the 70 members of the centrist party in the reichstag, who would give him a majority and pave the way for constitutional rule.
Tomorrow the cabinet will reply to written questions on its policy submitted by Dr. Ludwig Kaas, centrist leader. The decision of the cabinet will be determined by these answers.
One of the day's sanguinary political brawls occurred in Breslau, where a communist was killed and Nazis were stabbed in a street fight growing out of a communist demonstration.
(Turn to page 2, col. 6)

Bandit Handed Oranges Working Wives Opposed DeLake Hotel Destroyed Claim Port is Insolvent

WOMAN OUTWITS THIEF
BEAVERTON, Ore., Jan. 31. — (AP)—When Mr. and Mrs. Elmer Benson had put their car in the garage and were starting for the house with the week-end's receipts from their store here last night a robber confronted them with a gun.
Mrs. Benson, apparently hysterical, screamed. The robber demanded their money, and Benson told his wife, who was carrying it, to surrender it.
"Here!" she cried, and tossed a bag at his feet. The robber picked it up and fled, and Mr. and Mrs. Benson went in the house. Suddenly calm and smiling, Mrs. Benson returned a few minutes later and picked up the bag containing the money which she had dropped, drowsing the sound of it falling with her scream.
"I threw the robber," she explained to her husband, "a sack of oranges."

PETITION CIRCULATED
ASTORIA, Ore., Jan. 31. — (AP)—A group of single unemployed women are circulating petitions in Astoria, it became known today, asking that business firms discharge married women whose husbands are working and employ single girls who have no other means of support.
Sponsors of the move said that the petitions will be presented to the Astoria chamber of commerce and service clubs.

DAMAGE IS \$40,000
DELAKE, Ore., Jan. 31. — (AP)—The Delake beach hotel was destroyed by fire today. Fire fighters said the blaze apparently broke out behind the fireplace in the lobby. The loss was estimated at \$40,000.
RECEIVER WANTED
PORTLAND, Ore., Jan. 31. — (AP)—Dr. D. M. Webb, on behalf of himself and others, including the Taxpayers' league of Portland, filed suit in circuit court here today asking that a receiver be appointed for the port of Portland. He charged "illegal, incompetent and wasteful" management by members of the port of Portland commission and said that the port is on the verge of insolvency.
Port of Portland officials, who said they had not been notified of the suit, declared they were unable to explain Dr. Webb's action. The defendant commissioners were instructed to appear in court Feb. 8 to show cause why a receiver should not be appointed.
The complaint set forth that the actual assets of the port are not more than \$3,700,000 instead of the \$9,500,000 gross assets as shown by the report last year.

GRANGE POWER PLAN OUTLINED TO COMMITTEE

Members Back Bill to put Amendment Into Effect; Opposition Appears
Placing of Heavy Load of Debt Upon State Cited As Harm to Credit

Representatives of the state grange last night outlined their program for putting into effect the grange power amendment adopted at the last election, at a public hearing before the joint committee on utilities, presided over by Senator Burke. Ray Gill, master, and Dr. Albert Slaughter discussed the grange legislative bill, S. B. 85, which calls for election of a power commission of three at the next special or regular state election, and voting on a bond issue of about \$200,000 for preliminary survey work. Further bond issues up to 6 per cent of the assessed valuation would have to be voted by the people.

Representative John H. Lewis outlined his bill, H. B. 99, which calls for immediate organization and would empower the commission to issue bonds without further vote of the people. This difference caused some clash in the public hearing. Lewis pleaded for development in order to attract industries.

Security Owners Oppose Program
Tom Potwin of Albany, representing the National Security Owners association, appealed to the legislature to protect the credit of the state. With a debt burden of over \$200 per capita, one of the largest of any state, he urged that the state be plunged no further in debt.

Senator Allan Bynon queried Mr. Lewis as to whether he thought it practical to launch into hydro-electric development, and what the effect would be on investors in present plants. Lewis replied that the business would be developed for both classes of business.

Mrs. Grace Charlton of Tillamook related how their efforts to form a power district under the 1931 law had been defeated because of the provisions of that law, and asked for legislative assistance so they could get electricity cheaper than the \$300 a horsepower year they are now paying.

Mrs. M. Cary Clark of the Housewives' council of Portland, said she would support the bills which would endanger public ownership.
Dr. Robb of Hillsboro condemned.
(Turn to page 2, col. 6)

Groundhog is Unlikely to Espy Shadow

If that tormenting tongue twister, "How much wood would a woodchuck chuck, if a woodchuck could chuck wood?" you win even if you can't say it at machine gun pace.
For tomorrow being February 2, the ancient weather-omen tradition prevails—and Mr. Woodchuck goes entirely by the name of Groundhog. And furthermore, he'll tell, so goes the tradition, whether or not the animals are correct in predicting stormy weather for the next six weeks.

If the government weather man, who is supposed to scoff at the almanac's long-distance predictions, is right, chances are slender for Mr. Groundhog's seeing his shadow when he emerges from winter hibernation; and therefore he probably will dare to remain out during the coming six weeks.
Cloudy with occasional showers in the weather forecast for Groundhog day.

Auto Dives but Baptist Leader Escapes Injury
BOISE, Idaho, Jan. 31. — (AP)—Major General William G. Everson, Baptist minister and former chief of the United States militia bureau, was bruised and shaken up and his wife was more seriously injured in an accident near Buhl, this afternoon from which the party involved believed they escaped almost by a miracle. Their automobile rolled over an embankment off a highway west of Buhl and rolled 135 feet down a steep grade, turning over several times and demolishing itself in its plunge.
Five occupants were in the car and four of them escaped without serious injuries.

WANT MINING BOARD
PORTLAND, Ore., Jan. 31. — (AP)—The legislative committee of the Oregon mining congress, meeting here today, decided to ask the state legislature to create a state board of mines assist in the development and supervision of mining in Oregon.

Foreclosure Is Halted by Large Firms

DES MOINES, Ia., Jan. 31. — (AP)—America's debt-ridden farmers, victims of prices now 51 per cent of the pre-war level, for the most part sent back today while federal and state governments, along with big business accelerated plans for their relief.
Decision of the New York Life insurance company to suspend farm foreclosures in Iowa pending enactment of remedial state legislation, announced yesterday, continued to hold a prominent spot in discussion.

Other insurance companies issued statements they would use the utmost leniency in dealing with the farmers until legislative aid had been devised. Four companies at Hartford, Conn., the Prudential of Newark, N. J., and all the large Iowa companies, announced they had temporarily suspended foreclosures at the request of Governor Clyde L. Herring of Iowa, pending legislative aid.

Advice received here yesterday by local agents for loans made by a large eastern insurance company called for no more foreclosures of farm mortgages until April 15 except where mortgagors were desirous of assigning their properties or where they were abandoning the farms or permitting them to deteriorate. The insurance company pointed out that it did not seek to own land and was willing to grant debtors every consideration in order to give them some opportunity to hold their property. The letter was in line with action taken throughout the midwest this week by a group of large life insurance companies.

JAPAN NOW FAVORS CONCILIATION PLAN

After League Abandons it; New Withdrawal Threat Made at Same Time
TOKYO, Feb. 1. — (AP)—An official spokesman indicated today that Japan has withdrawn certain objections to the League of Nations formula for conciliation of the Manchurian dispute and would make new proposals for a settlement on that basis.

(The league already had abandoned efforts at conciliation as set forth in article 15, paragraph 2, of the covenant, proceeding to action under paragraph 4 of the same article. This provides that the league publish a report on the dispute and recommendations for league action. A special nine-power committee at Geneva has held several meetings already, turning up the report and recommendations.)
A Japanese foreign office spokesman said:
"We are not hopeful that the league will accept our terms. If they are refused, application of paragraph 4 is inevitable. The nature of our report under that paragraph will determine whether Japan will withdraw from the league."
"In view of the present atmosphere at Geneva, it seems likely Japan will be compelled to withdraw," he declared.

MEASURE TO HELP JOBLESS APPROVED
With only two members dissenting, the house Tuesday afternoon passed H. B. 159 providing for unemployment relief in this state. The bill which was introduced by the joint committee on unemployment now goes to the senate where passage within this week is expected. The measure bears the endorsement of the administration and is considered at the capitol the first major legislation to be enacted this session.

The bill sets up a statewide organization for administration of relief with sub-committees of seven in each county. The sub-committees are authorized to investigate all needy cases and to make recommendations for month to month needs to the state committee, which expects to obtain the major portion of its funds from the federal government.

The bill passed yesterday by the house contains a \$15,000 appropriation to provide for the administration of the act. It also carries the emergency clause and will become law as soon as passed by the senate and approved by the governor.

Larger Stations Are Involved in Gas Price Scrap
A day old, the new gasoline war here yesterday remained largely centered about the super-service stations. The smaller dispensers of motor fuel declined to meet competition that would entail taking a two-cent loss since the distributors had not reduced the wholesale price.
As a result, top grade gasoline was selling at both 16.4 and 14.4 cents, while the lower grade fuel stayed at 12.4 cents.

SESSION TEMPO SPEEDED UP AS BILLS FLOOD IN

124 Measures Introduced on Tuesday, Last Free Day For Lower House
Five Revenue Bills Major Contributions; Race Betting Desired

One hundred and twenty-four new bills found their way into the legislature Thursday, marking the high spot of the session. Ninety were introduced in the house and 34 in the senate, the former body invoking its rule late in the day against introduction of further bills. Only measures sponsored by committees may now come before the house, save by unanimous consent.

Major among the measures introduced in the house were five new revenue measures. One provides for higher income tax rates, while a second contains provisions similar to the federal tax on gifts. The bill would make a tax on gifts mandatory above \$1000, providing a 4 per cent tax up to \$10,000 and a tax as high as 25 per cent on gifts which run to \$1,000,000.

Capital Levy Upon Property Proposed
A third measure sponsored by Senators Dickson and Zimmerman would impose a capital levy on property in the state, starting with 1 per cent on property of \$10,000 and ranging to 3 per cent on property valued at more than \$30,000. The measure would be effective in 1933. A \$20,000 exemption is provided for.

Representative Gordon introduced a bill providing for a 5 per cent tax on gross sales of telegraph and telephone companies, on light utilities and on railroad sleeping car fares. The 5 per cent charge would be added to the bill rendered the consumer.

Race betting at racetracks is provided for in a measure introduced by Representative Huntington and others. An old-age pension enactment similar to those introduced at former sessions was introduced by a number of representatives and senators.

The house, seeking to hurry up its work, unanimously adopted a resolution by Speaker Snell calling for a recess until 10 a. m. (Turn to page 2, col. 1)

TWO PAROLES GIVEN IN BURGLARY CASES

Paroles were granted yesterday by Judge McMahon to two of the four men arrested over the weekend by city police, and a third man of the quartet will appear before the judge today at 12 o'clock for sentence.

Ross Moore, who admitted burglary, was sentenced to 18 months at the home of Ira Leight, 753 South 15th, was sentenced to a year in prison and paroled. Whether the parole is to his father or Mrs. Nona White, county juvenile officer, was not determined yesterday.

Charles Pearson and Kelly Wickiser each pleaded guilty to larceny charge involving theft of a revolver and two rings from the John Miller home at 650 Leffell street.
Pearson was sentenced to a year's imprisonment, and paroled to his aunt, Mrs. Gertie Peardon of Turner. A condition of the parole, in addition to the customary stipulations, is that Pearson live with his aunt.
Wickiser will be sentenced today at 12 o'clock.

WILSON IMPROVING
SAN FRANCISCO, Jan. 31. — (AP)—George Wilson, 197, Seattle, defeated Tony Marconi, 195, Chicago, two out of three falls in a featured wrestling match here tonight.

Higher School Secretary Elimination Bill on File

Carrying out a recommendation made by the board itself, a bill which would abolish the office of executive secretary of the state board of higher education, found its way into the senate hopper Tuesday. The measure was drafted by Senator Dunne, who said it would save the state about \$7500 a year. Dr. E. E. Lindsay is incumbent of the office which this bill would abolish.

Senator Zimmerman has introduced a bill requiring hydro-electric permits from the state hydro-electric commission, to pay five cents for each theoretical horsepower as computed by the commission instead of as computed by the applicant.

Another bill introduced by Senator Zimmerman provides that resident hunting licenses shall be reduced from \$3 to \$1, non-resident hunting licenses from \$15 to \$3, angling licenses from \$15 to \$1, and combination hunting and angling licenses from \$5 to \$3.

Construction of wooden bridges by the state highway department and other state agencies was urged in a resolution introduced by Senator Hazlett. It was argued that the adoption of such a program would stimulate Oregon's lumber industry and reduce the cost of bridge construction approximately 50 per cent.
A third bill by Zimmerman would refer to the voters at the next general or special election the question of issuing and selling general obligation bonds of the state in an amount equal to two one-hundredths of one per cent of the assessed property valuations, to defray engineering costs of the state hydro-electric power project approved by the electorate last November.
Another important senate bill provides terms and conditions on (Turn to page 2, col. 1)

Million Dollar Slash For Higher Education Budget is Considered

Public Hearings At Legislature Many This Week
The following public hearings on legislative issues are scheduled for the remainder of the week at the capitol.
School bus bill, Thursday, 7:30 p. m. house chambers.
Oleomargarine bill, Friday, 8 p. m., Room 814.
Utilities measures, H. B. 85 and 86, Thursday afternoon, hearings rooms, third floor capitol.
Small loans bills, Wednesday, 7:30 p. m., third floor hearing room.
Severance tax bill, Wednesday, 7:30 p. m., third floor hearing room.
Relief committee hearing on unemployment measures, Thursday, 4 p. m.
Branch bank bill, Friday, 7:30 p. m., senate chambers.

Fate of Support for Schools Will be Known Today

Some of Institutions Must Close if cut Made, Declared
All of the varied interests which have been watching, with unceasing anxiety, the fate of higher education in Oregon from a financial standpoint, will know the answer, for better or for worse, within another 24 hours, insofar as that fate is in the hands of the ways and means committee of the legislature.

That a decision regarding any reduction which the joint committee will recommend in connection with the educational institutions' revenues will be reached today, was indicated Tuesday night after a subcommittee had spent more than three hours wrestling with the higher educational situation.

Adjournment was taken at the request of Representative Carlie Abrams, who said he desired to give the budget of the state board of higher education further study. Abrams declared that he would be ready to make his position known at a meeting to be held this afternoon.

Closing of Some Institutions Feared
Seriousness of any further reductions in the higher educational budget was stressed by E. C. Sammons, chairman of the finance committee of the state board of higher education. Sammons declared that in case it was decided to reduce the budget by a million dollars, as proposed by Senator Woodward, it would be necessary to close either the University of Oregon, the state college or the group of institutions including the Dornbecker hospital, university medical school and the three state normal institutions.

Sammons' remarks followed a motion by Senator Woodward that 25 per cent of the higher education millage tax, aggregating \$1,000,000 for the current two-year period, be diverted to the general fund of the state, and that the continuing appropriations of \$308,000 be left intact. Woodward added that he would favor legislation making the continuing appropriations more flexible.

Representative Gordon previously asked Sammons the extreme amount of reductions the board would consider reasonable. Sammons replied that the board had submitted what it considered an honest budget, and that further reductions would have to be with the future of the higher educational system. He said the higher educational system already had been subjected to cuts of 32 per cent, which were in excess to those imposed on other state departments and institutions. He declared that in event an additional million dollars was lopped off the budget, salary reductions as high as 65 per cent would be necessary. Compromise Plan is Advanced by Staples

Senator Staples suggested that the millage levy for the higher educational institutions be made to absorb the continuing appropriations of \$308,000, but that no attempt be made to divert any part of the millage tax to the general fund.
Representative Walker then moved:
That \$50,000 appropriated by the 1931 legislature for an infirmary at the University of Oregon and \$50,000 for the erection of a training school at La Grande be diverted to the general fund.
That the continuing appropriations of \$308,000 be reduced by \$50,000.
That \$150,000 be taken from the millage tax and placed in the (Turn to page 2, col. 1)

Building Record For January is Near 1932 Mark

January fell but \$1200 short of the same month last year in the value of building permits issued, E. C. Bushnell, city building inspector, announced last night. Last month 28 permits with total value of \$7147 were taken out, in view of the weather was considered one of the major causes for the decrease.

In value, repair work started last month outstripped January, 1932, by \$250 with a total of \$5750 for the 24 permits. New construction decreased from \$3890 in 1932 to \$1397 last month.

Legislative Happenings

One hundred thirty-four new bills introduced into two houses Tuesday.
Statewide unemployment relief bill gets big majority in house.
Lower house acts to speed up bill consideration.
Numerous hearings for public on moot bills continue.

Governor Meier asks legislative memorial to congress seeking year extension of irrigation debt payments.
Five new tax measures placed in house including utility sales tax, higher income tax, gift tax and capital levy tax.

House ratifies child labor amendment to federal constitution making Oregon sixth state to give its approval.