CIRCULATION
Distribution Average Jan. '33 7093
Net paid, daily, Sunday, 6764
MEMBER A. B. C.

The Oregon Statesman

FOUNDED 1851

WEATHER
Fair and cold today and Wednesday; Max. Temp., Monday 46, Min. 29, river 3.8 feet, rain .01 inch, clear, north winds.

EIGHTY-SECOND YEAR | Salem, Oregon, Tuesday Morning, February 7, 1933 | No. 271

SCRIP SCHEME PARTICIPATION ASKED OF CITY

Proposal is Turned Over to Committee After Council Argues its Merits

$150 of Budget Relief Fund Assigned to Associated Charities, Decision

Dissension over civic charitable activities in Salem moved from local relief headquarters to the city council chamber last night as propositions were broached for city participation in the scrip scheme of the Currency exchange and for immediate appropriation to Associated Charities of the entire $300 budgeted for relief work. The scrip resolution landed in the ways and means committee basket and Alderman S. A. Hughes, Associated Charities president, obtained $150 cash for his organization.

After Percy A. Cupper and Rufus A. Harris had explained the operation of the relief scrip now in circulation among certain business firms and men employed on Currency exchange relief projects, Alderman David O'Hara moved that a resolution calling for city participation in the plan be adopted. Alderman O. A. Olson quickly arose to state he believed the chamber of commerce was opposed to the proposition. He was seconded by W. M. Hamilton, speaking from the gallery, who declared "several business men are not sold on the idea . . . Eugene considered it and turned it down."

More time for investigating the scrip scheme was asked by Alderman Hughes, who said he knew nothing of its operation. O'Hara rejoined that objections to the plan were not valid and that "the rights of 26,000 people are paramount to the interests of a small group of business men."

Hughes Seeks Entire Relief Appropriation

The scrip resolution was laid on the table, made a special order of business for the next meeting, then referred to the ways and means committee.

Alderman Hughes precipitated the second relief argument when he announced the word "Associated" had been stricken from the $300 budget item for "charities" and moved that the full sum be made available to Associated Charities, which, he complained, had no funds since every other relief organization was getting funds elsewhere through drives, while the Charities had staged no drives.

The council should first know how the Associated Charities funds are spent, Alderman Fuhrer said, in effect.

"This is the first time we've been accused of any crookedness," Alderman Hughes quickly declared, heatedly.

Alderman Olson chimed in to say that other organizations also need funds, and moved that $150 be given to Hughes' organization. He mentioned Hotel de Minto as eligible to receive a portion of the relief fund.

Use of a part of the $1500 emergency fund for relief purposes was suggested by Alderman Paul Hendricks; but Alderman V. E. Kuhn protested that the street department would need some of the emergency moneys to pay for foremen and trucks employed in the relief jobs being provided.

The $150 appropriation for Associated Charities finally passed by a 12 to 9 vote.

R. F. C. Loan for Dock Brought Up Again

Reappearing in the form of a resolution authorizing the mayor and recorder to apply to the Reconstruction Finance corporation for a 25-year $75,000 loan, the municipal dock proposition was referred to the public utilities committee.

A heavy grist of routine business and communications kept the aldermen busy until 9:30 o'clock.

On receipt of the resignation of Mrs. A. N. Bush, recently elected to the park board, the council voiced regret that she was unable to serve on the board, and elected L. P. Aldrich, former member, to fill the vacancy.

Protest of the "inequitable license against hotels," a petition signed by representatives of leading Salem hotels, requested that a hearing on the licenses be given. The matter was referred to the license committee.

Relief in Flood District Talked By City Council

Relief to residents of Waldo addition, who suffered extensive property damage in recent creek overflows, was contemplated by the city council last night after it received a petition from property owners there stating the sewage water backing up in their basements as high as four feet had forced many residents to abandon their homes in the addition.

The problem was referred to the sewer committee and to the city engineer, who was instructed to prepare plans and estimate the cost of remedying the situation.

Kidnaped Woman is Freed at Hour her Death is Scheduled

Staggers up Walk to her Home as Family Eyes Hands of Clock in Terror; Fragmentary Story of Captivity is Related

LOS ANGELES, Feb. 6.—(AP)—At the hour marked for her death, Mrs. Mary B. Skeele, 65, wife of Dean Walter F. Skeele of the college of music of the University of Southern California, was returned to her home tonight by a gang which had held her captive for a night and a day.

Spiriting her away at 8 o'clock last night, the gang left a long note stating she would die at the end of 24 hours.

As the hands of the clock in the Skeele home, tensely watched by members of the family and friends, stood almost exactly at that hour tonight, the frail little woman came feebly up the walk.

She was crying hysterically. Her face was covered with scratches and bruises, and her graying hair was in disarray.

She was incoherent when her husband ran down the walk and took her in his arms.

A physician ordered opiates, and authorities were able to gather only a fragmentary story on which to send the agencies of the law in pursuit of the abductors.

"There were four men," she managed to relate. "They tied me and blindfolded me in an automobile after they got me from the house by saying my husband was badly hurt and in a hospital."

"They took me to a house with big stone steps," she proceeded. "I think I heard a woman's voice upstairs in the house. I don't know where it was. I can't tell much about it."

Later she said that early tonight her captors entered the room where she was confined and told her she had "been pretty good and could go home now."

CARRIER CONTROL MEASURE ARGUED

Anti-Parallel Service Bill Reported Unfavorably Following Hearing

Sharp clashes between representatives of railroad bus lines and independent operators marked the hearing Monday night at the statehouse on the Hilton bill which would make it illegal for railroads to operate other services paralleling their own lines, or for any utility to compete with itself.

An extensive case in opposition was put on by the Union Pacific bus line operators who brought many eastern Oregon residents and city leaders to testify that existing service was good and elimination of it was opposed. A. C. Spencer, Union Pacific attorney, headed the delegation opposing the bill. L. C. Hampson, representing the Southern Pacific, pointed to the recent national report on busses and trucks compiled by representatives of both groups, which he said was opposed to legislation like the Hilton bill.

Representative Hilton made the principal argument for the measure. He declared railroads used their financial strength to prop up losing bus operations to force out competition and thus eventually to monopolize and profit by bus operations.

After the hearing, Hilton's bill was reported out adversely Monday night. The bill to permit municipal utilities having a common user of power lines owned by public utilities was also reported out unfavorably.

"FAIR TRADE" BILL IS APPROVED HERE

At a meeting of more than 60 prominent business men representing all lines of retail business, held last evening at the chamber of commerce, endorsement was given of House bill 266, known as the fair trade bill or the national bill known as the Kelley Capper bill.

Endorsement was also voted of the anti-discrimination bill, H. B. 282. One provision is that it shall be illegal to discriminate in retail prices between different communities in the state.

Fake sales was fully discussed and endorsement was given of H. B. 265, known as the fake sale bill, which makes it illegal to substitute on merchandise advertised or to offer goods for sale when no stock is really carried, or a very limited amount.

Opposition was voted to H. B. 35, offered by Hannah Martin, known as a selective sales tax. Opinion was expressed that this bill would not solve the tax problem.

House bill No. 49, known as the peddlers' bill, was condemned by vote as detrimental to the retail interests of the city.

O. F. Tate, secretary of the State Retail Merchants' association, explained measures of interest to retail business.

LOCAL BUDGET CUT BILL IS APPROVED

City, School District and County Levies Reduced 20 per Cent, aim

A bill by Representative Gordon placing a flat 20 per cent reduction on all city, school district and county budgets for 1933 as levied in 1932 and collectable this year, was passed by the house Monday.

Amendments made in committee and accepted by the house make the forced reduction not applicable to items provided for bond interest and principal.

The cut may be distributed by administrative officers on such items as they see fit.

The bill evoked comparatively little debate and carried by a considerable majority.

The preamble to the measure sets out that the state tax has been consistently reduced over the last decade while local district taxes have increased. Representative Gordon spoke for the measure as a necessary, though drastic, step on the part of the state, to reduce taxes in all areas.

The house adjourned shortly after it had finished the measure's consideration. A score of bills up for final passage were held over.

Hoover Home at Stanford Afire, But Damage Nil

STANFORD UNIVERSITY, Cal., Feb. 6. — (AP) — Firemen were called out shortly after 6 o'clock this evening to extinguish a chimney fire at President Herbert Hoover's residence here.

The blaze, which firemen said originated from a fireplace in the living room, caused no damage and was quickly put out. The home was occupied only by servants.

Engineers Advise Against Willamette Canalization

The report of the army engineers is adverse to the canalization of the Willamette river between Oregon City and Salem at the present time; and more decisively adverse to any such improvement of the river above Salem to Eugene. The stumbling block is the cost which is estimated at from $5,000,000 to $6,000,000 for the river below Salem and $20,000,000 above Salem. Privilege of appeal from the recommendations of the division engineer to the board of engineers is permitted and chamber of commerce officials will study the situation to determine what further steps to take. Appeal will doubtless be made through the Oregon delegation in congress.

The following summary of the report has been given out by Lieut. Colonel Thomas M. Robins, division engineer with offices in the custom house in San Francisco:

The report finds that the cost of providing a 6-foot slack-water channel between Eugene and Salem will be about $20,000,000 which is obviously out of all proportion to the benefits that may be expected to accrue from such improvement. For the stretch of river between Salem and Oregon City, the cost of providing adequate slack-water navigation will vary between $5,000,000 and $6,000,000 depending on the revenue that can be had from the sale of power. Such an improvement might result in a saving in transportation costs amounting to $740,000 per annum, but this would not be sufficient to pay interest on the investment and meet the expense of operation and maintenance.

The existing locks at Willamette falls are found to be adequate for present and prospective commerce. In view of the foregoing, the conclusion is reached that the Willamette river above Portland, Oregon, is not worthy of further improvement by canalization at this time.

O'CONNOR CASE SUSPECT HELD; ADMITS SHARE

Hitch-Hikers' Crime Deemed Solved; Signature in Newspaper Clue

Moore, Suspect, Declares Companion was Slayer; Robbery Motive

LA GRANDE, Ore., Feb. 6. — (AP)—State Police Captain Lee Noe said tonight that William J. Moore, 24, arrested here today, confessed being implicated in the slaying of Harold O'Connor, 30, Brooklyn, N. Y. motorist whose body was found at Coopey Falls, 35 miles east of Portland, September 11.

Captain Noe quoted Moore as stating that a third person whose name he would not divulge was the one who actually fired the shots that ended O'Connor's life.

After the slaying, Noe said Moore confessed, Moore and the third man drove to Portland, where they split up, the unnamed man taking O'Connor's money and Moore taking the Brooklyn man's travelers' checks and automobile.

Lieutenant R. C. Williams of the Portland office of the state police said that the signature, "Wm. J. Moore" reproduced in a feature article in a newspaper Sunday led to the arrest of the man authorities had sought for months.

The signature was that appearing directly under O'Connor's on the register of a Baker, Ore., hotel. T. J. Matschiner, clerk at a Portland hotel, read the article and noticed the similarity of the signature and that of "W. J. Moore" registered at his hotel for several days last summer. Matschiner pointed the similarity out to Portland police and gave the further information that Moore had become acquainted with Verona Stoop, 22, Portland waitress, and told them she had left the city with Moore about the time of the O'Connor slaying.

Police learned through relatives that the girl was last known to be in La Grande and notified Captain Noe, who located the house where the two, now married, were living. Moore did not resist arrest.

ASSERTED SLAYER GIVES HIMSELF UP

EUGENE, Ore., Feb. 6—(AP)—J. Ben Mall, Florence attorney, was killed in his office there about 5:30 this afternoon. A. A. Robb of Florence is being held by authorities after giving himself up as Hall's slayer.

Robb had had some trouble with Hall over some timber land. He is reported to have told officers that he sneaked up behind Hall and hit him over the head with a glass insulator of the type used on power lines.

After hitting Hall Robb called a doctor and then gave himself up to Deputy Sheriff Grant Treat of Florence. Death was said to be almost instantaneous. Sheriff Tom Swarts, Sergeant W. H. Mulkey of the state police and Coroner Charles Poole went to Florence to investigate. It was expected that Robb would be brought to Eugene tonight.

Hall is survived by his widow and son, Kenneth Hall of Oswego, Oregon.

Youth Freezes To Death Near Mexico Border

SAN DIEGO, Cal., Feb. 6 — (AP—Frozen to death, the body of Francis Peterson, 21, was found today on the isolated Richard Harper ranch in the Cuyamaca mountains 50 miles east of here and 20 miles north of the Mexican border.

Peterson left his home in San Diego January 25 to go to the Harper ranch for an outing. He drove his automobile as far as Julian, and began the last 12 miles to the ranch on snow shoes. Heavy storms had left four feet of snow around Cuyamaca lake which he had to pass.

Three Times as Many Will Seek Seed Loans Now

SPOKANE, Wash., Feb. 6 — (AP)—Nearly three times as many northwest farmers, truck gardeners and fruit growers will seek crop production loans in 1933 as sought them last year, J. L. Thayer, state inspector of the loan division, estimated today.

Last year 5,037 loans were granted, Thayer said, with the prospect being the number will be increased to 15,000 this year. About $3,000,000 will be required.

Likely to Take Treasury Post

Senator Carter Glass, of Virginia, who is believed the choice of President-elect Roosevelt for the portfolio of secretary of the treasury in his cabinet. He was secretary of the treasury for a time in the cabinet of President Woodrow Wilson.

TWO ARE HURT IN SCHOOL BUS CRASH

Turner High Students are Involved; Icy Pavement Cause of Accident

Two persons were injured possibly seriously and others slightly when a school bus transporting students to Turner high school skidded on the icy pavement yesterday morning and crashed into the wooden bridge a mile east of Turner as the bus was schoolward bound.

C. A. Bear, driver of the bus, was badly shaken up and bruised and sustained broken ribs, according to report here, and Rachel Garner, a student, has a probable fractured hip. She is under observation of a doctor here.

Three other students were taken to a hospital at Turner; Marjory Pickard, Audrey Shoen and Jean Snyder, but were returned to their homes later in the day. The Shoen girl is said to have received a broken nose.

No report of the accident had been filed with the county sheriff here yesterday evening, but an insurance adjuster from Salem was summoned shortly after the accident.

The slippery pavement caused several other minor accidents on Turner roads yesterday, but no other injuries were reported.

Bear, who is driver of the bus, is also chairman of the school board at Turner, and is a farmer of that community.

COUNTY OFFICIALS ALL ACCEPT SLASH

Every Marion county official and employe whose salary is $30 or over per month, took the 10 per cent cut suggested by the county court and tax equalization league during session preliminary to adoption of the budget, warrants going out last week for January showed.

These reductions will return to the county about $5000 in the year, or slightly less than $420 a month.

Reductions taken by the court house "family" do not include any on salaries of the circuit judges and the district attorney who are paid by the state.

Late Sports

WALLA WALLA, Wash., Feb. 6—(AP)—With two regulars out on personal fouls, the Whitman five overcame a five point lead to defeat College of Puget Sound, Tacoma, 39 to 35, in the last few minutes of a rousing game here tonight.

Loss to either team meant virtual elimination from consideration for the Northwest conference championship and the play was close throughout, Whitman leading 18 to 17 at the half.

Bates, C. P. S. center, was a demon under the basket, with 16 points to his credit.

The teams play again tomorrow night.

PORTLAND, Ore., Feb. 6 — (AP)—Joe Reno of New Orleans was awarded a victory over Hal Heibert of St. Helens, Ore., in the main event of tonight's wrestling card here when Heibert was unable to return to the mat after each had taken a fall.

Rex Mobley, 164, Alabama, defeated Hal Cox, 159, Denver, two falls out of three in the semi-windup. Art O'Reilly, 145, Eugene, won over Louie Welkum, 147, Oregon City, in the opener when he took one fall.

SYNDICALISM LAW TO STAY, SENATE VOTES

Lengthy Debate on Wisdom Of gag law Indulged in; Bill is Sidetracked

"Red" Perils Stressed by Duncan and Goss; Eight Members Disagree

Repeal of Oregon's criminal syndicalism law, as proposed in Senator Zimmerman's bill, was sidetracked when the senate voted 22 to 8 to accept the minority report brought in from committee by Senators Goss and Duncan. This report favored retention of the law and the vote postponed consideration of the bill indefinitely.

"There have been only two prosecutions under this law during the past two years," Senator Duncan said, "and in one of these cases the conviction was reversed. This would indicate that the act is not as vicious as the proponents of the repeal would have you believe. If there are some unwise provisions in the law they should be amended but the entire act should not be repealed."

Senator Dickson branded the criminal syndicalism law as a clear invasion of the rights of American citizens.

"I hold no brief for communists or so-called reds," Dickson said, "other than holding to the belief that they have the right of peaceable assemblage. The press of the state generally is opposed to retention of the syndicalism law or the unfair restriction of free speech."

"Who is it that objects to this law?", Senator Staples asked. "It is the band of fellows who came to Salem recently singing: 'We'll hang Julius Meier to a sour apple tree.' This whole thing is bunk. Are we going to be Americans and stand for Americans or are we to be dictated to by foreigners?"

"The chief importance of this controversy lies in the character of the men who are demanding repeal of the law," Senator Goss said. "How many of you senators would say that you favor violence and sabotage? The principal use

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VOTE TO DISMISS CITY'S EMPLOYES

West Salem city aldermen engaged in fiery argument at last night's meeting over the proposed dismissal of all appointive officers. When they voted to dismiss the five officers at once, the latter objected and questioned the council's right to take such action. The aldermen then voted to hold over the dismissal motion for three weeks while an opinion was being obtained on the legality of the matter.

Officers affected by the proposal are: City Attorney Elmer D. Cook, Police Chief J. A. Gosser, Water Superintendent W. L. LaDue and Water Commissioners Robert Pattison and Eugene Krebs. Chief Gosser is constable for the West Salem justice court district.

The aldermen refused to give any reason for the proposed dismissals, it was reported.

Missing Plane Found Disabled

PRINCE RUPERT, B. C., Feb. 6—(AP)—A plane missing since yesterday on a flight from Prince Rupert to Anyox with seven persons on board, including five provincial police officers, was found by the steamer Salage Princess near Kincolith late today, disabled with engine trouble.

Flat 15 Percent cut In State Salaries is Substitute Proposal

City Treasurer Report Reveals Balance $87,867

The city government ended 1932 with a treasury balance of $87,867.97, City Treasurer C. O. Rice notified the city council last night in his annual report. Receipts for the year amounted to $638,732.66, expenditures $550,864.69.

The total of balances in the various funds was $232,077.12, which $144,209.15 reduced to the actual treasury balance. The general fund balance was listed as $40,324, bond assessment $126,078, fire bond sinking fund $14,080, street tax $20,528 and street improvement department $12,824, along with a number of smaller balances.

MOB-RULED SALES ARE DEEMED VOID

"Penny" Bids, Intimidation Of Bidders are hit by Nebraska Ruling

LINCOLN, Neb., Feb. 6.—(AP) — Legal disapproval was given today to the violence and intimidation by farmers at some mortgage foreclosure auctions.

Paul F. Good, attorney-general of Nebraska, said courts would declare void sales at which crowds of farmers, seeking to protect neighbors from dispossession, thwarted foreclosure by "penny" bids.

Relief for the farmer and for the investor in his mortgages meanwhile received the concerted attention of legislators and lenders.

At Omaha, representatives of insurance companies and financial houses which hold more than a billion dollars worth of mortgages on Nebraska and Iowa land debated means of protecting both loan companies and farmers, whose interests were held to be virtually parallel.

Consideration was being given proposed boards of conciliation as a means of keeping farms in the hands of individual owner-operators, rather than in large corporations.

In declaring intimidated sales to be void, Attorney-General Good said there is serious doubt that existing mortgages would be relieved by current legislative proposals. He declared many farmers able to meet their obligations are being victimized by neighbors and that foreclosures are being held to a minimum.

ENTERTAINMENT OF G. A. R. IS PLANNED

The general committee of the Salem group of patriotic organizations met last night at the chamber of commerce rooms to plan the entertainment program for the state convention of the G. A. R. and affiliated organizations to be held here late in June of this year.

It was decided to hold get together meetings once each month for the three months preceding the convention the last to be held some time early in June. These meetings will combine business and social activities.

Committees to prepare for the convention were appointed last night listed under the following heads: Reception, budget and finance, courtesy and housing and entertainment.

Meier Scheme is Eyed By Ways and Means Committee now

Will Save More Than Original Program, Members Find

A flat 15 per cent reduction in salaries of state officials and employes this biennium instead of the seven to 50 per cent cut originally decided upon by the ways and means committee, seemed certain last night, when the committee voted to delay final consideration on the new proposal until tonight but indicated the new plan had its approval.

The new schedule was offered by Governor Meier. It allows department heads discretionary power in determining the exact salaries to be paid and what workers shall receive less and what workers shall receive more than the 15 per cent reduction.

Members of the committee explained that the new schedule of salary and wage reductions was proposed by Governor Meier after auditors had reported that $1,503,000 would be saved during the biennium by applying the flat 15 per cent cut to all state departments and institutions.

Figures submitted at the meeting showed that the original salary and wage reductions recommended by Henry M. Hanzes, state budget director, would have saved the state approximately $1,081,000. Savings under the committee proposal would have totalled $1,394,000. The Abrams schedule would have saved the state $1,446,000.

Governor Meier suggested that in case his proposal was accepted, a fund of $200,000 be set aside out of which to adjust and correct salaries and wages in the lower brackets. Members of the committee indicated that the amount requested by the governor would be reduced to $100,000.

Representative Abrams said he had been assured by the justices of the state supreme court that they would accept salary cuts of 15 per cent, but that they would not agree to cuts of 45 per cent as proposed by the committee schedule.

Other members of the committee said they believed the circuit judges also would accept the 15 per cent reduction.

The committee reduced the appropriation of the Oregon Humane society to $5000.

The appropriation for the battleship Oregon commission was cut from $17,160 to $3000, with the understanding that the boat will be placed under the jurisdiction of the state board of control. Appropriation of $6000 for the support of the Patton home was allowed.

The committee also recommended passage of a bill carrying an appropriation of $18,000 to defend a suit filed by the United States government against the state, involving title to the beds of Malheur, Harney and Mud lakes. An appropriation requested for the department of Americanization was disapproved.

An appropriation of $13,458 requested for the Oregon Historical society was reduced to $8000, while appropriations of $287 for the Dr. McLaughlin home and $276 for the Oregon geographic board were approved in full.

The committee cut the appropriation for the state real estate department from $15,688 to $15,304, and added $8100 to the appropriation for the state fire marshal's department.

Basic Science Bill Wins Favor; Expected to Pass

The so-called basic science bill, now called the fundamental science measure, apparently will carry in the house, that body yesterday voting down the adverse minority report, 38 to 22. The bill now comes up for third reading and final decision.

Representative Dammasch, father of the measure, which would require all medical healers in the future in this state to take examinations in five basic sciences relating to the healing art, led the house debate which continued for two and one-half hours.

Dammasch characterized the legislation as a step comparable to that taken by many other states and in the interests of the public.

Representative Frank Hilton led the fight for the minority report. He argued against further restriction on osteopaths, naturopaths and other healers, saying present restrictions were adequate. Hilton said he thought the fundamental science bill came from the wrong party inasmuch as Dr. Dammasch is a physician. He said the measure was an attempt by one group to curb the practice of another. He predicted a biennial legislative fight on the measure if it passed.

Representative Wyers spoke for the bill, saying "A friend of mine was killed by a chiropractor and I consider former legislatures which have refused to pass this legislation at fault." He said no practitioner of ability should resent this bill which aimed to increase the standards of men practicing healing.

Representative Snedecor declared the measure would be eminently fair and sound in principle. He cited safeguards in the methods of examination and certain religious exemptions. Representative Beckman said he thought the bill provided for "A. B. C." essentials of medical knowledge.

"I worked to keep the wolf from

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The Day in Washington

By the Associated Press

Senate and House held joint ceremonies honoring the late President Calvin Coolidge.

Secretary Stimson formally proclaimed "lame duck" amendment to constitution abolishing short session of congress.

Senate banking sub-committee approved federal relief program including $300,000,000 more to reconstruction corporation for loans to states.

David S. Barry, suspended senate sergeant-at-arms, told judiciary committee charges similar to his in magazine article intimating some congress members take bribes had been made by Senators Glass (dem., Va.) and Nye (rep. N. D.)

Democratic leader Robinson of Arkansas, attacked as "political effrontery" recent speech by republican leader Watson of Indiana, who charged democratic-progressive coalition controlled senate.