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# The Oregon Statesman

FOUNDED 1851

Salem, Oregon, Tuesday Morning, June 6, 1933

## WEATHER

Mostly fair and mild but occasional cloudiness today and Wednesday. Max. Temp. Monday 71. Min. 49. river 4.8 feet.

EIGHTY-THIRD YEAR

## FIRST CANNERY OPERATION FOR SEASON STARTS

Reid-Murdock Leads off by Packing Gooseberries; Others Preparing

Good Year Except for Light Crops of Strawberries And Prunes, View

First operations on the spring fruit crop got under way locally yesterday when Reid-Murdock cannery started packing gooseberries. Later this week, probably Wednesday, Producers Co-op will handle the comparatively small tonnage represented by its growers, and Starr Fruit Products will start a short run for another cannery.

The first of next week the West Salem cannery and Hunt Brothers will start canning of gooseberries for short runs, and Starr cannery will begin its own gooseberry pack.

Aside from loss of the Etterburg strawberry pack and probable light prune crop, canneries seem to be entering the new season with some optimism. Carry-over is the lowest in several seasons, which add material brightening to the production for this year. Wages so far are some question, but local canneries will work on the basis determined by the welfare commission.

**Oregon Strawberry Crop Starts Coming**  
First local strawberries were in the stores yesterday, but sufficient quantities of Marshalls for barrelling will not be ripe until another 10 days or two weeks.

Because of shortage of berries due to the freeze-out, the strawberry market has made heavy advances in the last 10 days, with the top price reached Saturday when the Sublimity 400-acre pool sold at 5 1/2 cents. Five bidders sought this pool, and it is reported, bidding was exceptionally keen.

Black raspberry crop this year will be heavy, according to reports from the canneries. Cleary and Hillman, which last year made a record pack considering the "youth" and size of the canneries, plans to make a heavy pack of black caps, and also to handle red raspberries and loganberries. No prices on open market purchases of any of the berries, except strawberries, are being talked.

**Cherry Crop Likely To Be Heavy Here**  
The cherry crop looks excellent so far, and it is probably a large quantity will be both barrelled and canned in all the local plants. No price on cherries is being talked yet. The prune crop is pretty well damaged, according to present indications, though a few growers say they will have a good crop.

With cherry prospects excellent, both the Salem Cherry Growers association, of which O. E. Brooks is president, and the Willamette Cherry association, of which Robert Shinn is manager, expect to handle a large quantity.

The Salem Cherry Growers association is constructing a new 50 by 200 foot warehouse along the tracks at Locust and Laurel in preparation for a big season. Last year 19 cars of black cherries were shipped as fresh fruit to the eastern market, this year that number will probably be bettered. Construction on the new plant will be completed in another 10 days or so. It is estimated that the first cherries will be handled July 1.

Mr. Brooks reports that the association will enlarge its activities in the spring of 1934, and will barrel strawberries, as well as entering the barrelling field with cherries. So far, only black cherries for fresh equipment have been handled. This association handles the crop from Lamari orchards in the Marney section, a cherry project of slightly more than 215 acres in bearing trees.

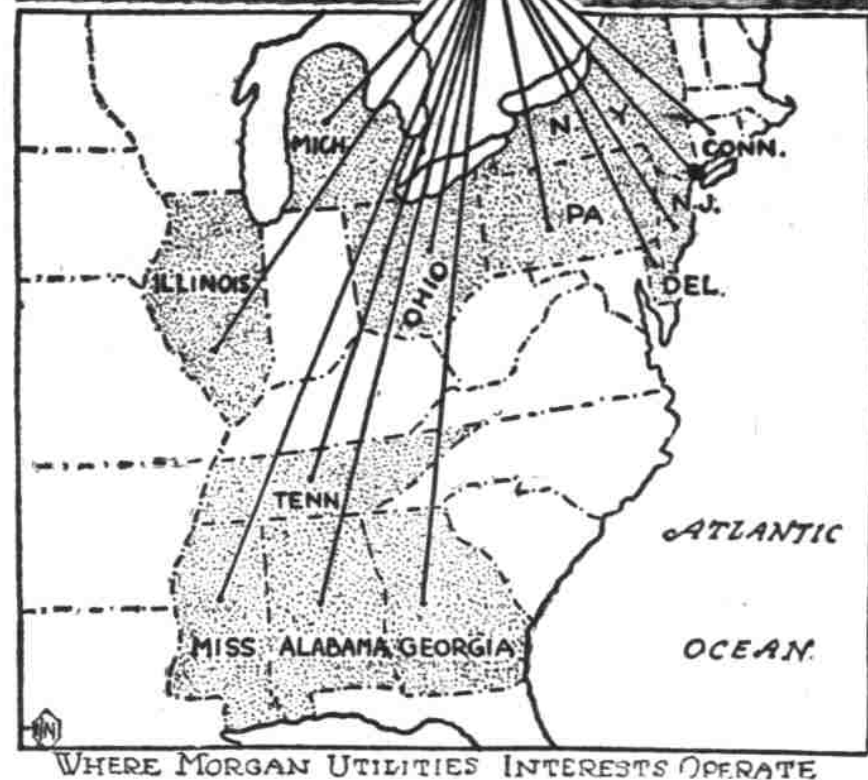
## F. R., McNARY TALK POWER ISSUE HERE

PORTLAND, Ore., June 5.—(AP)—Development of the Columbia river was discussed today by President Roosevelt with Senator McNary (R., Ore.), who was a breakfast guest at the White House, a special dispatch to the Oregonian tonight from Washington, D. C., stated.

The president asked if there was a power surplus in the Pacific northwest and Senator McNary replied that there is at present rates, the dispatch said. Mr. Roosevelt asked the Oregon senator for "sufficient data" on the market for power and to determine if there is a need for more power in Oregon and Washington.

"McNary gathered the impression," the dispatch said, "that something might be done on the Columbia development at Warren, and if the engineers find a suitable foundation, as a dam there would aid navigation, flood control, erosion and power."

## House of Morgan's Domination Of Utilities, Railroads Bared



WHERE MORGAN UTILITIES INTERESTS OPERATE

The senate committee hearing into the activities of J. P. Morgan and company has brought to light the company's control of a vast network of the nation's utilities. From the unobtrusive Morgan headquarters at Broad and Wall streets, New York, utilities in eleven states are ruled. The investigation more recently has delved into the railroad interests of the Morgan partners.

## BORROWED MONEY BOUGHT RAILROADS

WASHINGTON, June 5.—(AP)—Senate investigators of J. P. Morgan and company learned privately today of a partner's income reducing stock sales and then heard their investigator—Ferdinand Pecora—develop publicly how the Van Sweringen's founded a vast railroad empire on borrowed money.

Halted temporarily in questioning Thomas S. Lamont about late 1930 stock sales which involved also his wife's market transactions, Pecora grilled O. P. Van Sweringen on the growth of the rail domain of himself and his brother, M. J. Van Sweringen, from a \$2,000,000 cash loan in 1916.

The investigator showed first how the Cleveland men acquired nickel plate control for \$8,500,000 of borrowed funds. Then Van Sweringen agreed money for obtaining his Chesapeake and Ohio interest "came from the public."

The Van Sweringen railroad interests and Morgan and company's latter years financing of them became the subject of Pecora's examination after the banking committee deferred until tomorrow a decision on whether Lamont should testify on large stock sales on December 30, 1930—a year in which all Morgan partners laid an aggregate income tax of \$48,000.

## Oregon Briefs

**PAYROLLS INCREASE**  
GRANTS PASS, June 5.—(AP)—Mill whistles of the Swede Basin sawmill here blew this morning for the first time in two years, calling 70 men back to work.

Several hundred workers went back to employment last week harvesting the local strawberry crop.

Another local agricultural payroll has been furnished this spring by the men hired to set up new hop fields to add to the several hundred acres of hops already in production here.

**MUST PAY DISTRICT**  
MCMINNVILLE, Ore., June 5.—(AP)—A peremptory writ of mandamus was issued today directing the state highway commission to pay \$3,150.29 to the Salmon River Grand Ronde highway improvement district. The writ was issued upon order of Circuit Judge Walker after a hearing of the case.

The road, known as the Salmon River cut-off, was first planned as a ten-mile market road to cost \$35,000. When it was taken over by the state highway commission the district issued \$125,000 in

## MATTER OVER SIBERIA; OMSK HIS NEXT GOAL

Delayed for Servicing of Plane as Moscow but Beats Schedule

Five and Quarter Hours to Good in Comparison to Post-Gatty Time

MOSCOW, June 6.—(Tuesday)—(AP)—James Mattern was racing into the black-clouded east early today toward Omsk, Siberia, after taking off from here at 1:14 a. m. (5:14 p. m. Monday, eastern standard time) on the fourth leg of his attempt to hang up a new world circling speed record.

The American aviator slept only two hours after his arrival yesterday afternoon from Oslo, Norway, but was forced to remain here nine hours and 17 minutes because of delays in servicing his plane.

Soviet officials refused him permission to fly the shorter route to Alaska via Yakutsk because of unfavorable conditions. He is following the same route taken by Wiley Post and Harold Gatty, who established the world-girdling record of eight days, 15 hours and 51 minutes in 1931.

(Mattern left Moscow five and a quarter hours ahead of the standard set on the Post-Gatty flight. He was three hours ahead in reaching Moscow. Post and Gatty stayed there 11 hours and 30 minutes.)

"Pooled Them," Says of Report He Was Lost  
Asked his reaction to surmises abroad that he was lost when he was unreported for some time after landing in Norway Sunday, Mattern said: "I fooled them didn't I?"

He ended his Transatlantic hop from New York on Jomfruland, off the south coast of Norway, at 4:15 a. m. Sunday. Sixteen hours and 45 minutes later he flew to Oslo, Norway. At 12:40 a. m. eastern standard time he took off for Moscow, arriving here seven hours and 17 minutes later.

Asked whether he was able to sleep during his flights, Mattern answered affirmatively and then outlined an ingenious arrangement which permitted him to catch "forty winks" in the air at various times.

He fixed his rubber bands to the stock from the compass rack, allowing sufficient margin to provide for a slight drift to the right," he explained. "Then I crossed my legs and with my right foot put a slight pressure on the left rudder, which equalized the drift and kept the plane on an even course. That's the way I got my catnaps."

## LUMBER PRICES GO HIGHER, WORD HERE

Lumber prices soared \$3 a thousand on common and \$7 on clear, giving evidence of increased demand, it was announced at the Salem chapter, Oregon Building Congress, executive committee meeting last night. The result of nearly 50 per cent over the lowest price of the last three years. One mill, it was reported, has more orders booked ahead than at any time since 1930 and its representatives have been instructed to limit the number of carload orders they accept.

The builders voiced new optimism for a betterment in their industry, which has been at rock bottom since 1930. They felt that property owners, foreseeing higher prices, would soon begin to make improvements and initiate new construction.

Several builders reported that because most building materials are gaining in price, they were now forced to place time limits on quotations they made on construction and allied work.

## GARDEN CLUB WILL SHOW, STATE FAIR

For the first time in its history, Salem Garden club will enter exhibits as a club at the state fair next fall, the members decided at their meeting at the chamber of commerce Monday night. This was the last meeting until fall.

Receipts from the Willamette Valley flower show held in Marion square last weekend amounted to approximately \$140, the club president, Ernest Iuffer, reported. The amount of profits, if any, had not yet been determined. The program for the meeting consisted of talks by Ben Maxwell, Polk county, on roses, and E. T. Barkus, Salem, on delphinium. Barkus stated that rot in delphinium may be forestalled by not cutting the tops of the stocks.

# Council Passes Beer Bill; Sale to be Legal June 15

## MARK POULSEN SALARY STAYS AT OLD FIGURE

Abolition of Purchaser job Not Favored; Engineer Will be Employed

Patton Protests Increased Insurance Rates; Dock Plan Vote Slated

The city council Monday night voted down a proposal to abolish the office of city purchasing agent and to place all purchasing directly in the council's hands or with the city recorder. The ordinance, generally characterized as an aldermanic attack on City Recorder Mark Poulsen, would have deprived the present recorder of one-half of his present duties and reduced his monthly pay from \$150 to \$90.

The council authorized the utilities committee, headed by S. A. Hughes, to enter into a contract for the survey and engineering of power rights on Marion lake now held by the city. Mr. Hughes said he favored the retention of J. G. Kelly at \$200 a month and expenses but the final contract for the work will be determined upon by the full committee. Alderman Henry Vandevort said he thought the contract should be passed upon by the council but the latter, by resolution, left the matter with the utilities committee. The federal power commission has asked the municipality to complete its filings for power from Marion lake at an early date.

**Patton Protests**  
High Insurance Cost  
Hal D. Patton, former alderman, was granted the floor by (Turn to page 2, col. 1)

## ILLINOIS IS NINTH STATE VOTING WET

CHICAGO, June 5.—(AP)—Illinois today joined the parade of eight other states opposed to national prohibition, by the overwhelming majority of approximately 800,000 votes.

Even downstate counties, long regarded the prop of the dry movement in the state, contributed in the main along with industrial centers to the maelstrom of votes for repeal.

The vote from 4980 precincts out of the state's 7249 stood: For repeal 881,281; against 190,563.

**INDIANAPOLIS, June 6.—(AP)—**Indiana, which legislation this year changed from a drastically dry to a most liberal state, will vote tomorrow on repeal of the 18th amendment with some prohibitionists believing the result will show the true trend of the nation on the liquor question.

"If we can win in Indiana we can prevent repeal," Bishop James Cannon, Jr., of the Methodist Episcopal church, south, declared. Others, accepting that viewpoint, said a real expression of the county's feeling on the 18th amendment could not be obtained from the nine states that already have voted.

## Drum Corps Shy Of Queens; Will March in Parade

The Salem national champion drum corps will not participate in the coronation Thursday afternoon of the Portland rose festival queen, the members decided last night, but will put on an exhibition drill at Multnomah stadium that night, march in the parade Friday afternoon and appear at the stadium again that night. Though the corps will be featured on the program at the stadium Thursday night, it will not enter the drill team competition.

## Late Sports

PORTLAND, Ore., June 5.—(AP)—Otis Clingman of Oklahoma City defeated Bull Stasny of Seattle, two falls out of three, in the main event of tonight's wrestling card here.

Bulldog Jackson, Klamath Falls, took two straight falls from Henry Fredrickson, Everett, Wash., to win the semi-windup.

Martin Hoffer, Tillamook, and Herb Bergerson, Portland, wrestled three rounds to a draw in the opener.

## County Dry Slate is Selected; Mt. Angel For Municipal Beer

Vote is 152 to 28 on Charter Change; Ballots few

Brown, Laughlin and Hammond of This City Chosen

Mt. Angel, June 5.—The sale of "non-intoxicating beverages" and insofar as the law allows intoxicating beverages" by this city was made legal today by a vote of 152 for and 28 against.

This amendment to the city charter is a result of an ordinance calling for a referendum and provides that the city will handle the sale of the beverages and claim the proceeds from such sale. The matter is now entirely in the hands of the city council and they will provide for the regulation of the sale.

The vote was one of the lightest which has occurred in this city.

## FIRST LADY FLIES ACROSS CONTINENT

Mrs. Roosevelt met by son At Tucson; Goes onto Los Angeles Today

TUCSON, June 5.—(AP)—Mrs. Franklin D. Roosevelt, on a transcontinental flight from Washington to Los Angeles, arrived here tonight after greeting her son, Elliott, in Douglas, where he had flown from the coast to meet her.

The president's wife, who is making the trip west to visit with her son, participated in brief ceremonies dedicating the international airport at Douglas.

While waiting for his mother's arrival, young Roosevelt, who is managing a coast airlines company, took up many of the throng for brief rides. Ben Catlin, regular pilot of the ship, sat by his side to watch his chief's ability as an aviator.

Tonight Mrs. Roosevelt was the guest of Mrs. John C. Greenway, democratic national committee woman for Arizona, and a lifelong friend.

Mrs. Roosevelt will leave Tucson for Los Angeles tomorrow afternoon, stopping at Phoenix long enough to greet citizens there.

She will fly to Phoenix in a plane chartered by Mrs. Greenway and plans to leave there by the regular American Airways plane.

## Juarez Saloon Manager Slain

JUAREZ, Mexico, June 5.—(AP)—Theros "Theo" Olson, manager of lobby No. 2 cafe, was fatally shot tonight in the office of the saloon located in the cafe, jumped into the Rio Grande and swam to the American shore amid a hail of bullets fired by Mexican customs officers. El Paso and federal officers were seeking him late tonight.

## Charles Howard Receives Doctorate; Kerr Praises

CORVALLIS, Ore., June 5.—(AP)—A warning against the present drive in certain educational quarters to substitute for the American idea of democracy in education the old-world idea of aristocracy of learning was sounded by Dr. Mervin Gordon Neale, president of the University of Idaho, in the commencement address at Oregon State college here today.

Declaring he has no quarrel with those who are honestly trying to bring about economies in education, Dr. Neale said the present situation is being used by those opposed to free democratic opportunity to overthrow the existing system in which secondary and higher education are extended to all alike. The address, considered one of the most outspoken given here in years, was primarily directed to nearly 500 graduating students.

The Idaho educator declared that Dr. Henry C. Pritchett and Abraham Flexner are among those expressing the ideas of a "powerful group" attempting to keep higher education for the aristocratic few, unsuited by the "interest of technicians, tradesmen and toilers of the realm."

Dr. Linus Pauling, professor of chemistry at California institute of technology, was given the de-

## HUGHES SHIFTS HIS VOTE OVER TO MOIST SIDE

Ordinance Effective in ten Days; Signed at Once By Mayor McKay

License and Sales tax may Be Provided; new Plan Is Filed by Olson

Salem's aldermen, after two earlier failures, Monday night passed an ordinance which permits the sale of beer in Salem. The measure squeaked through by one vote, eight members voting aye, four nay and two, who in previous meeting had voted nay, being absent. Alderman S. A. Hughes had changed from the negative to the affirmative position when last night's roll was called.

Mayor Douglas McKay promptly signed the ordinance which becomes effective in 10 days, making June 15 the legal date for beer's sale in Salem. The measure did not contain any emergency clause, which would have made beer's sale immediately valid.

Alderman A. Olson introduced and the councilmen passed to committee an ordinance which provides a system of beer licensing and a sales tax on all beer hereafter sold in Salem.

**Wet Measure Up For Vote in July**  
Already the council has passed on measures which will come before the voters July 21. These proposals call for the amendment of the city charter striking out all existing reference to the sale of beer and wines and giving the council power only to regulate "intoxicating liquors."

The vote on the so-called Needham-Fuhrer ordinance last night was: For: Armstrong, Boatwright, Fuhrer, Hendricks, Hughes, Needham, Kuhn, Olson. Against: Henderson, Townsend, Vandevort, Wilkinson, Absent: Dune, O'Hara.

Although the ordinance was on hand for debate, the measure went through without a word of aldermanic comment. The ordinance was read by title. Mayor McKay announced the matter was now before the council, not a word was said about beer, and the mayor proceeded to put the question.

A number of W. C. T. U. women were in the audience as well as special representatives of Salem churches but no onlookers asked to be heard and no councilman made a statement.

**From Dry Ordinance**  
The ordinance passed last night deletes phrases of the ordinance passed in 1913 wherein sale of beer, malt beverages, wines and other light liquors is prohibited. The ordinance has no effect on the charter amendment which continues in the fundamental law of the city but effectually stops the enforcement of this charter amendment by doing away with the machinery for enforcement.

Last night's meeting showed that the pro-beer forces had learned from their first attempt to pass a beer ordinance that silence is golden. Several months ago when the first proposal to legalize beer came up, a heated debate arose, followed by an adverse vote, seven councilmen voting against the proposal to six voting affirmatively. Subsequently the matter of beer's sale was raised at a special meeting but a quorum of councilmen did not attend and no action could be taken.

The Olson ordinance for licensing and taxing the sale of beer calls for an annual license of from \$10 to \$30 on retailer dealers and a \$50 to \$100 a year annual tax on distributors and brewers. Olson's ordinance also provides for a stamp tax ranging from one cent stamp revenue from each bottle sold to \$1 on kegs. He provides that the name of the distributor be placed on the stamp. Olson estimated yesterday that \$12,000 annually could be produced for the city through these revenue features.

## Car Theft Charge Faced by Youths

James Logan and Elmer Seyler, Salem youths, probably will be arraigned in justice court today on a charge of stealing an automobile belonging to Lewis Elliott, 570 Statesman street, May 28. The pair was returned from Seattle last night by Inspector Orey Coffey and Traffic Officer George Edwards of the city police department.

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