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The Oregon Statesman

FOUNDED 1851

Salem, Oregon, Sunday Morning, June 11, 1933

WEATHER Fair, slightly warmer today and Monday; Max. Temp. Saturday 72, Min. 58, rain .07 inch; river 12.4 feet, north winds.

EIGHTY-THIRD YEAR

No. 66

IRON OUT TOURNEY DISPUTE

No Decision to Move Hoop Show Away From Salem Made, Board Tells Trio Representing Salem

Letter to Kerr Intended as Query Only; Gary Cleared Of Personal Blame; Board Members to be Away

"Let it die" was the blunt counsel of Paul Jackson of Klamath Falls, president of the state high school athletic association, with reference to Salem's agitation against proposed removal of the state high school basketball tournament from Willamette to the state university and state college. Jackson and John Gary of West Linn, secretary of the association, met with a committee from the Salem chamber of commerce, in the Portland hotel Saturday afternoon.

"Nothing will be done about deciding the tournament place until fall," said Jackson. "I am going to Stanford for the summer, Gary will be away and Landreth of Pendleton, the third member of the board, is now in the University of Chicago.

The board has not decided to move the tournament. Every year people suggest to us to hold it some place else, and the board entertains invitations. The Salem people may be assured that nothing will be done about accepting invitations without advising them of the time for consideration.

Letter Intended Solely as Inquiry on Policy Jackson cleared up the matter of the letter to Chancellor Kerr which started the outburst when the state board of higher education extended the invitation to meet in Eugene and Corvallis on alternate years. He showed the carbon copy of the letter and emphasized the point that the letter was dispatched by Secretary Gary on the order of the board and on his individual initiative. He wanted it understood that it was unjust to give Gary a panning for the letter which was ordered by the board acting as a unit.

The letter was sent following a meeting of the high school board in Eugene at the time of the track meet May 20. It related that each year invitations were presented to them for holding the tournament, and that suggestions had come to them for holding the meet at the state schools where there might be more ample seating accommodations. It was essentially an inquiry as to the attitude of Chancellor Kerr on the subject; so the high school board could have the facts before it when it considered the location of the 1934 tournament. The letter expressed high praise of Coach Spee Keene's handling of the tournament at Willamette.

No reply was received to the letter; but when the state board of higher education met Wednesday on recommendation of the chancellor an invitation was extended. When Salem heard about it war broke loose in these parts; and as the newspaper articles in the Portland papers gave Gary the "credit" for starting the move, resentment here was directed against Gary. Jackson reiterated that this was wrong because Gary had acted under the instruction of the whole board.

Tournament Handling Here Highly Praised Neither Jackson nor Gary offered any criticism of the way the tournament had been handled in the past nor of Salem's support of the event. The only incident which had created some friction was last spring when receipts were low on account of business conditions Willamette made a request that the university be permitted to keep the remainder after payment of expenses, instead of splitting as had been customary. The amount involved was about \$300 and it was turned over to the high school fund.

Gravel Digger Hits Bridge Pier; Flood Damage Here Severe

Willamette Reaches Highest Mark Ever Known In June; Lowland Crops Damaged and Further Inroads are Feared

At 1:30 o'clock this morning the Willamette river had fallen 0.9 foot from the Saturday peak to a level of 12.9 feet. The Salem Navigation company men predicted it would continue to subside.

UNDATING fields, menacing stock and sending a gravel digger crashing into one of the Marion-Polk county bridge piers, the Willamette river rose suddenly Friday night and yesterday to a top stage of 13.3 feet. This was the highest the river has ever been in June. John M. Spong, native Marion county riverman, and Captain F. Krueze of the Salem Navigation company's steamer Stranger declared.

Serious damage to lowland crops was feared by farmers, though it was predicted the river would not reach flood stage of 20 feet. The high water backed up in Minto slough and the Old River slough yesterday, covering low portions of surrounding fields. A flock of sheep on the point of Minto island, owned by D. C. Minto, was rescued hurriedly by boats yesterday morning.

Sometime Friday night the gravel digger and barge of the Dayton Sand & Gravel company broke away from its moorings on the west side of the river above West Salem and lodged against the inter-county bridge. Only the barge acting as buffer, prevented the digger's capsizing in the swift current, observers asserted.

Early in the day steam pumps were set going to prevent flooding of both the bridge and the inter-county bridge. The digger and Mortensen of Stayton, who is said to have an interest in the equipment, came to Salem to arrange, if possible, to pull it away from the bridge. The main boom of the digger was jammed between bridge girders.

Over Three Millions Poured Into Oregon In the last eight months, federal funds totalling \$3,100,000 have been poured into Oregon from Washington without any match money being provided by the state. Wilcox has held off the federal demands for match money pending the second session's adjournment and after that until the sales tax was voted upon July 21. It will be recalled that the legislature's only direct help for unemployed at the last session was the appropriation of \$250,000 from sales tax revenues, if and when they come in.

If the sales tax fails, the state has three alternatives: 1. To continue to implore the federal government for relief funds with decreasing likelihood of getting them. 2. To decide Oregon's 40,000 unemployed can shift for themselves, dependent on reviving industry and agricultural activities to provide for them. 3. To call the legislature into session to appropriate money to match federal relief funds and to provide new sources of revenue to offset the appropriations.

Running Expense No Great Problem If unemployment continues in great degree next fall and relief demands are urgent, the third alternative will likely be followed. The session, it should be noted, will not be to provide funds for the ordinary running expenses of government, but to provide relief for the unemployed. The state has a stop-gap if the sales tax fails, as far as routine expenses are concerned: It can continue to levy a tax on real property, making the counties pay in cash the day the tax is due. By the end of 1934, under the 1933-34 budget of expenditures, the state will have already reduced its existing deficit.

Mr. Wilcox is worried about the outlook for fall and one of the reasons for the Washington trip which he is now taking, is to ascertain exactly how the relief administrator is going to view Oregon's future requests for money. The state of Washington, under the authority of a \$10,000,000 bond issue, can pledge or sell as many of these bonds as it sees fit for its future relief.

In his brief cases, Wilcox took east \$18,000,000 in proposed projects for Oregon, public works which are presumably partially self-liquidating. No one, least of all the astute Portlander, who has done a good job in administering the state's relief program last year, thinks any large percentage of these projects will be undertaken. The policy of all applicants for public works — these must not be confused with direct relief — has been to ask for a big piece of pie in the hope of getting a slice.

Coast Toll Bridge Project is Leader State officials, relief heads and the Oregon congressional delegation think the coast road bridges the most feasible public works project to be approved, aside from the direct grants given this state under the federal road appropriations. These bridges have a greater semblance of self-liquidating than any projects in the \$18,000,000 total thus far outlined. Plans for two of the five bridges are completed. So also are sites for the structures. Federal officials want the state to make the bridges free, and to amortize the payments on \$2,340,000 of debt from funds now used to pay for the five free ferries the state operates, plus \$100,000 to \$200,000 of annual highway income. The highway commission is not favorable to the latter proposal for it wishes no more encumbrance on its income than maintenance of

by the attitude of the state highway commission in constantly attempting to raise fees of the trucking industry, helped put over the bus and truck bill in its present form. Representative Paulus in substance told the truck men gathered yesterday. He declared the highway commission's attitude that the trucking industry had added 22 per cent to construction costs of highways.

He outlined in some detail the committee work on the bus and truck bill, and declared that when he was making a fight against the per ton bill basis because it was entirely unfair he gained little outside support over the rate to be charged.

Paulus told the truckmen he believes there are constitutional loop holes by which the private carrier part of the act might be broken.

Percy Cupper, speaking later, intimated he thought more than the private carrier part could be made ineffective through constitutional attack.

William A. Delzell, just returned from Washington, spoke briefly, urging the truckmen to "stand

Lobby of the railroads, abetted

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EXTRA SESSION LIKELY DUE TO RELIEF ISSUES

If Sales tax Beaten, State Will Face Problem of Funds for Needy

Federal Doles Become Less Easily Obtainable With No Refund Pledges

A special session of the Oregon legislature is possible, not probable, sometimes it falls but not for the reasons frequently assigned by proponents of the sales tax.

The cause exists in the new attitude of the federal government toward the relief problems of the 48 states; an attitude already made known to Raymond Wilcox, head of Oregon's relief committee. For the last eight months the government has doled out its funds to states in huge sums, almost without regard to the steps taken by the several states to furnish their own funds for unemployed.

Hereafter, Wilcox has been informed, the federal government is to give out no moneys except as these funds are placed with moneys raised by the states to help their own unemployed or where the states give ample proof that they cannot raise another cent to handle their own problems.

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Reorganization Fight Keeps Congress From Adjourning

RELIEF MOVES MARK SESSION NEARING CLOSE

Farmer, Railroads, Jobless and Home Owner Objects Of Congress Acts

Three Bank Bills Enacted But Permanent law on Subject Delayed

WASHINGTON, June 10—(AP) The Roosevelt administration during the special session has written new legislative prescriptions to relieve the farmer, the railroads, the small home owner and the unemployed pending the expected recovery from depression.

A series of major proposals during the special session were drawn principally to enable those hit by the slump to hold on until better times.

Passed by majorities in most instances which made them conspicuous, they included: Establishment of a civilian conservation corps to work in the forests. Creation of a \$2,000,000,000 fund to aid in refinancing farm mortgages and a similar fund for refinancing mortgages on small homes.

Enactment of a public works program authorizing the expenditure of \$3,300,000,000. Establishment of a federal and state employment system. A fund of \$500,000,000 for direct federal relief grants to states.

WASHINGTON, June 10—(AP) Rushing into its emergency meeting a hundred days ago with every bank in the nation closed, the special session of congress stepped up to the adjournment line tonight with three major bank-related moves enacted.

Much credit for moving out from under the shadow of the crisis has been attached to the three steps taken, but the important Glass-Steagall bank reform bill with its controverted deposit insurance provision was crowded into the background despite reported presidential approval as congress wrestled with other problems. Last minute pleas for the bill were nevertheless heard.

Upon the long roster of the special session's achievement stood out as the emergency banking bill, the handling to President Roosevelt of power to make inflationary overtures through huge issues of government securities, and lastly, abrogation of the gold clause in past and future contractual agreements.

Persons at the election, to be held in the Marion hotel, must be at least 21 years of age and residents of the school district at least 30 days. Neither property ownership nor taxpaying is a requirement.

Economy in varying degrees is promised by all of the candidates, according to statements they made yesterday.

The directors elected next week will serve three-year terms. Dr. B. F. Pound and Mrs. David Wright have two years longer in office, while Director Frank E. Neer completes his term one year from this month.

Onion plantings on the large A. F. Hays holdings in the Lake Labish district have been damaged to an undetermined extent by floods this week. Mr. Hays reported yesterday. Three feet of water stands on the lower end of the lake.

Pudding river backed up to deposit a genuine flood on the Hays acreage, and that is about the only land molested by rising water. Mr. Hays said water came up at the rate of three inches an hour Friday, and that Saturday morning the rise about a quarter of an inch an hour. It was believed the rise would halt in the afternoon.

If the water stays on the onion grounds for three or four days, the entire crop will probably be destroyed, but as it is, there is already some damage to be reckoned.

Mr. Hays and family moved from their home in town out to the ranch, on route one, Brooks.

Keller is Given Till June 17 to Seek New Trial

An order was entered in the state supreme court here yesterday allowing Frank Keller, Jr., under seven years' penitentiary sentence for devising a scheme to defraud, until June 17 to file motion for a new trial.

Moot Question of Veterans' Aid Practically Settled by Solons



One of the important acts of Saturday night's hectic but unsuccessful attempt to wind up the session of congress, was acceptance by the house of the president's compromise proposal on the veterans' benefits in the Independent Offices bill. Lewis Douglas, budget director, and Speaker Rainey have sided with the president in his demands for reduction, and the amendment was introduced by Senator Tom Connally of Texas.

WASHINGTON, June 10—(AP) Congress edged up almost to the point of adjournment tonight and then found the difficulties could not be surmounted. Faced by an uprising in the senate against President Roosevelt's reorganization proposal and objections that blocked passage of the appropriations measure carrying funds to start the economic recovery program into full action, senate leaders adjourned that branch over the week end.

Before the plans for a sine die adjournment were a band of hope, however, a long day and night of work had brought virtual agreement on the two major disputes to be settled—the veterans' compensations cuts and the industry recovery bill. The first was being ironed out in conference after an administration compromise had been accepted by the house. The second lacked only senate acquiescence to a conference agreement.

The senate had been in continuous session for 13 hours in an effort to clean up the legislative calendar and wind up the session tonight before the beginning of the economic conference in London Monday.

WASHINGTON, June 10—(AP) A \$25,000,000 reorganization proposal, sent to the capitol at the last minute, was one of the obstacles that blocked the way of congress to adjournment tonight, but despite suggestions that it be withdrawn, the plan remained before congress.

In the absence of a sine die adjournment, democratic leaders made confident predictions that the savings would be made as proposed.

An attack by Senator Borah (R-Ia) upon the president's plan earlier had brought from Senator Robinson, the democratic leader, a statement that if the reorganization proposal would block the path to adjournment, he would ask Mr. Roosevelt to withdraw it.

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The far reaching proposals were seen by the president as bringing the savings in governmental expenditures to a total of \$900,000,000, and advancing the goal of a balanced budget to within the range of vision.

Among the plans put forward by the chief executive, which will go into effect within 60 days unless overridden by a two thirds vote of both the senate and house, were steps to virtually abolish the prohibition bureau.

The department of justice would take over the investigatory functions of the bureau, while its licensing provisions would be placed under the division of internal revenue.

Among the other consolidations and new alignments would be the abolition of the shipping board. Borah was joined in his attack by Senators Johnson of California and Reed of Pennsylvania, both republicans.

"I am not charging the president with taking advantage of congress and realize it probably was delayed by the pressure of other business, but some things in this reorganization plan are vital to the west," Borah said.

F. R. PUTS PLAN BEFORE SOLONS IN FINAL HOURS

Bill Roosevelt Thinks Will Cut Expense Greatly Meets Objection

Virtual Agreement Reached On Vets' Compensation And Recovery Bill

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Three Burglars Sent to Prison, 2 Given Parole

Circuit Judge McMahan yesterday afternoon sentenced the five men city police charged with numerous local burglaries to terms in the state penitentiary, then paroled two to Inspector Orey Coffey, who directed the roundup of the gang. Sent to the penitentiary were Robert A. Weiser, Floyd Dempsey and Maynard Cameron; paroled, Orville Hale and Lawrence Barnes.

All five waived indictment and pleaded guilty.

Buddy Stephens, also known as Buddy Mocco, who police arrested at 445 South Winter street yesterday, was being held in city jail last night and Lloyd Ernest Wright was being detained pending a hearing in juvenile court.

FIVE FILE IN RACE FOR SCHOOL BOARD

Economy Pledged by Legge Olinger, Mrs. Spears, Bradfield, Minier

Filing of nominating petitions for the Salem school election to be held one week from tomorrow, closed last night with no additions to the list of five for whose candidacy petitions have been circulated. The five candidates from which two will be elected to the board are Dr. H. H. Olinger, president chairman; Mrs. Frank H. Spears, Walter B. Minier, Fred A. Legge and E. A. Bradfield.

At the request of many friends, Dr. Olinger yesterday consented to be a candidate for reelection. He had until Wednesday to file his acceptance.

Persons at the election, to be held in the Marion hotel, must be at least 21 years of age and residents of the school district at least 30 days. Neither property ownership nor taxpaying is a requirement.

Economy in varying degrees is promised by all of the candidates, according to statements they made yesterday.

The directors elected next week will serve three-year terms. Dr. B. F. Pound and Mrs. David Wright have two years longer in office, while Director Frank E. Neer completes his term one year from this month.

LAW ALUMNI MEET AT BANQUET HERE

Golden Jubilee's Approach Heralded; School Said Gaining Rapidly

Nearly 150 graduates, students and faculty men of the Willamette university law school gathered at the Masonic temple last night for a banquet which sentiment indicated may become an annual affair. Occasion for this gathering was approach of the law school's golden jubilee, which will be observed next fall. Roy F. Shields of Portland was toastmaster.

Honor guests at the banquet included Judge William M. Ramsey of McMinnville, first dean of the school when it was founded 50 years ago next fall; John W. Reynolds, Portland; Attorney General I. H. VanWinkle, and Attorney R. H. Hewitt, both of Salem, all former deans.

Main speakers, all graduates and circuit judges, were James W. Crawford, Portland; L. G. Lewelling, Albany; and Arlie G. Walker, McMinnville. Other speakers were George Seuner of Portland, United States district attorney; Earl Knott, district attorney; McMinnville; Joseph Stearns and Charles Redding of Portland; Roy Hewitt, Mr. VanWinkle and Don Uphorn of Salem.

Musical numbers were furnished by Grace Smith, vocal, and (Turn to page 10, col. 2)

Burning of Ballots Told By Witnesses at Medford

MEDFORD, Ore., June 10—(AP)—Testifying for the state in the trial of J. Arthur Ladieu on a charge of complicity in the theft of 10,000 ballots from the Jackson county courthouse, Virgil Edgington of Gold Hill declared today that he helped Ladieu and Wesley McKittrick of the town of Rogue River to destroy the ballots taken from the courthouse Feb. 20. McKittrick had entered a plea of guilty to a charge of complicity and a similar indictment against Edgington had been dismissed.

Edgington corroborated the testimony of McKittrick. Both said they hauled five ballot bags away, burning them at Bryant's home. They said E. A. Fleming of Jacksonville accompanied them. Three state policemen identified ballot bags as ones they had fished from the Rogue river a week after the ballot theft.

R. C. Cummings of Rogue River testified that he started an automobile and raced the motor, while the "good government congress" cheered, to drown the noise of shattering glass when the window to the courthouse vault was broken.

The state indicated today that it will rest its case Monday.

Edgington testified that two days after the ballot theft, McKittrick and Ladieu rehearsed an alibi under the direction of Llewellyn A. Banks, former Medford editor, at Banks' home. Banks, another of the score so indicted for complicity in the ballot theft, was convicted last month in Eugene for second degree murder for the death of George Prescott, Medford constable.