

EDUCATION FIGHT FLARES ANEW

WAY OUT SEEN FOR SALEM IN WATER WORRY

Purchase Suggested Subject To Mortgage in Lieu Of Present Plan

Believed Water Firm Will Deal; Condemnation is Threat Held Out

By SHELDON F. SACKETT
The City of Salem's situation on its proposed municipal water system reminds one of the quandary of a man who wished to bake a rabbit pie: All he lacked was the rabbit.

Through the maze of misunderstanding enveloping the three years of fruitless endeavor for a city-owned plant, the fact becomes increasingly apparent: The city needs the rabbit. In this case the rabbit may be defined as the Oregon - Washington Water Service company's Salem plant.

Without that plant, it is very doubtful if PWA authorities will grant \$1,500,000 to Salem, 30 per cent as a gift, 70 per cent as a loan, with which moneys a mountain water pipeline and intake can be constructed. More certain is the city's inability to borrow money from PWA to build a complete plant; in analogous cases elsewhere in the nation, such requests have been flatly denied. PWA is not in business to spend money to permit municipalities to ruin existing businesses.

The immediate, all important question for the city's aldermen, its mayor and its newly appointed board of three to consider the water question, is this: How can the rabbit, that is the local, existing plant of the water concern, be acquired?

To this writer's mind the two most direct and simple methods have not been canvassed. They are:

1. Arrange with the water company to buy the plant subject to the existing mortgage.

2. As an alternative arrangement, purchase plant with City of Salem bonds, and rather than sell these at the present depressed market, have the trustee for the water company substitute these bonds under the mortgage indenture, for the property of the plant here.

The first arrangement is the most direct and least complicated and it is herewith elaborated.

To date most of the discussion about acquiring the local plant has followed this reasoning: Agree on a cash price with the water company, that figure now being discussed as \$950,000. Then find a market for Salem bonds, currently quoted at 87 cents on the dollar. Sell enough of the bonds at 87 per cent of par (all legal requirements having been met) to make a cash deal. This would mean the city would receive \$1,091,200 in bonds to pay \$950,000 in cash. The water company could hold that it had sold its plant for \$950,000; the buyer's price however, would be \$1,092,000 for that would be the obligation incurred to make the deal.

This writer does not believe that cash is the essence of the acquisition of the plant here nor does he believe the citizens of Salem would acquiesce in the issuance of \$1,092,000 of securities to get a \$950,000 cash price plant. Better Terms are Possible, Mortgage Idea

Hence the bond assumption purchase which is after all, the easiest and fairest plan:

The outstanding long term debt of the Oregon-Washington Water Service company against the Salem property is said to be \$903,600. This figure is approximate; it can be accurately furnished by the water company. This debt is in the form of 5 per cent bonds, interest payable semi-annually, (Turn to Page 10, Col. 1)

River Channel is Found Excellent; Steamer Running

The Salem Navigation Company's river men found the channel from Oregon City a stream in much better condition than expected, following the three-month traffic layoff due to repairs to the Oregon City locks. It was reported at the firm's office here yesterday. The channel, it was stated, is in excellent condition, enabling the company to ship good cargoes on the steamer Northwest, which is back on its three-trip-a-week schedule between Salem and Portland. Around 155 tons of general cargo is being handled each way.

Model Homes on Slum Sites Aim of New PW Corporation



SECRETARY PERKINS, SECRETARY ICKES and ROBERT D. KOHN

With an initial fund of \$200,000,000, the newly formed Public Works Emergency Housing corporation, under the guiding hands of Secretary of Interior Harold Ickes, Secretary of Labor Frances Perkins and Robert D. Kohn, director of housing division of PWA, will begin its double-barreled program of providing better and cheaper homes for workers and making a big dent in army of unemployed. The program will affect 20 key cities in the nation where plans are under way to wipe out unsightly slum districts and in their place build model apartment houses and homes, surrounded by playgrounds and parks, as shown in artist's conception of completed project. New York, Chicago, Cleveland and Indianapolis are amongst first beneficiaries.

THREE ARE KILLED IN 2 CAR CRASHES

Two Die Near Oregon City In Smashup; Infant is Victim at Corbett

PORTLAND, Ore., Nov. 4 (AP)—Two automobile accidents on highways leading to this city, claimed the lives of three persons tonight. R. C. Hagglund, 32, and Miss Mary Hautman, 25, both of Portland were believed to have been killed instantly when their machine collided with a freight truck, two miles south of Oregon City while Allan George Shafer, 3, son of Mr. and Mrs. George Shafer of Pendleton, was instantly killed when an automobile in which he was riding with his parents, skidded into a ditch, on the Columbia river highway near Corbett.

Hagglund's body was found lodged between the radiator of the truck and his car, badly mangled while that of his companion was thrown 25 feet from the wreckage. The Shafer boy was thrown from his parents' automobile, along with his mother, who is being treated for several back injuries in a local hospital, both striking the pavement.

Gets Two Years For Hop Theft

Another penitentiary sentence was meted out for the James McKay hop thief when Asa Tindall pleaded guilty before Circuit Judge L. H. McMahan yesterday. Tindall was sentenced to serve two years for participation in the \$1700 steal. Similar charges will be pressed against H. K. Helsner of Portland as soon as he is released from the state hospital where he is now under observation.

60 Firms Enlist, Buy Now Campaign; Starts Thursday

Salem's NRA Buy Now campaign will be officially under way Thursday, November 9, Ralph Cooley, committee chairman, announced Saturday. Cooley said the campaign would be held up three days from the original date set in order to permit every business firm in the city to participate. In addition, Cooley's Buy Now committee requested the extra time in which to complete and to distribute official Buy Now material. This includes window cards, a stenciled Buy Now sign for each campaign member and a considerable amount of downtown street decoration. "We want to start this campaign off with a bang," Cooley said yesterday. "Our committee has found it impossible to get all details ready by Monday." Cooley said he thought many

INTERVENTION SEEN IN STREETCAR ROW

National NRA Labor Board To Take Hand, Seen to Forestall Trouble

PORTLAND, Ore., Nov. 4 (AP)—While Portland streetcar employees awaited the decision of Detroit headquarters of the International Streetcar Men's union on their overwhelming vote in favor of a strike, the belief grew here today that the national labor board of the NRA will voluntarily take a hand in the matter in an effort to avoid a strike.

Members of the Portland local voted more than four to one yesterday to strike unless the Portland Traction company agrees to submit to the national labor board their demands for higher wages.

Franklin T. Griffith, president of the company, declined to comment other than to state that the employees are receiving 54 cents an hour on two-man cars and 87 cents an hour on one-man cars compared with the minimum of 40 cents an hour provided in the national traction code, and that the company has failed to earn operating expenses and taxes this year. Gust Anderson, secretary of the Portland Central Labor council, declared that Portland streetcar men are the lowest paid in the United States.

SEVEN ARE INJURED NEW BRAUNFELS, Tex., Nov. 4. (AP)—Seven persons received minor injuries tonight when part of northbound Missouri Pacific passenger train No. 8, en route from San Antonio to Austin, left the track six miles south of New Braunfels. Cause of the derailment was not determined immediately but railroad employees considered it likely that a split rail was responsible.

Salem merchants who had stocks purchased before higher prices were announced by wholesalers, would push these stocks out to the public at old prices to illustrate the need of buying now and to afford people who purchase during November, the advantage of low prices which will not be recurrent. Meanwhile scores of firms continued to send in their approval of the Buy Now campaign and to indicate they would take an active part in it. Yesterday's mails brought a list of 60 new members. Other firms were urged by Cooley to send in their acceptance to NRA headquarters so personal solicitation would not be needed. Yesterday's participating members, who contributed sums ranging from \$1 to \$25, included (Turn to Page 10, Col. 6)

BEARCATS WIN OVER BADGERS BY 6-0 SCORE

Crippled Backs Punch Over Early Touchdown, Rest Of Game Deadlock

Brilliant Line and Aerial Defense by Willamette Features Contest

N. W. CONFERENCE

Team	W.	L.	Pct.
Puget Sound	3	0	1.000
Willamette	2	1	.667
Pacific	2	2	.500
Linfield	2	2	.500
Whitman	1	2	.333
Albany	0	3	.000
College of Idaho	0	3	.000

By RALPH CURTIS
The crippled, creaking Bearcat backfield held together long enough to produce one touchdown drive and the crumpling Bearcat line combined with air-tight aerial defense effectively bottled up any Badger threats, and so Willamette university's gridmen stopped Pacific's two-year winning streak by turning in a 6 to 0 victory on Sweetland field Saturday night.

Taking advantage of a Pacific fumble on the Badger's 37-yard line early in the first quarter, the Bearcats got going immediately. Johnny Oravec despite some new men added to his backfield, made a 13-yard run to Pacific's 24, followed by two more first downs to the Badger two-yard mark. The Badgers held there for two downs and then Gordon Williams plunged over for the touchdown. His kick for the extra point was wide and the scoring was ended for the evening.

A second drive was halted by a penalty and a pass interception, and when a third one bogged down on Pacific's two-yard line Coach "Spec" Keene of Willamette took his crumples, Oravec and Mills, out of the lineup and let the defense take care of the rest of the game.

That left the contest in a stalemate condition with Pacific constantly in its own territory except momentarily after a couple of pass interceptions. The Badgers hurried passes repeatedly but never connected, and although the aerial threat helped their running attack, they accomplished only two first downs, one on a penalty and the other when Killits for once broke away.

Manfred Olson and George Cannady, two more of the Bearcat ball carrying crumples, took the field in the second half but, inactive for most of a month, they did not fare any too well although Olson smacked into the line with all his wadded power and caused a couple of Badgers to be carried off the field.

The only scoring chance in the (Turn to Page 10, Col. 4)

1387 UNEMPLOYED ARE REREGISTERED

Reregistration of Marion county unemployed continued at the federal reemployment agency here and branch agencies throughout the county last week in volume higher than anticipated after the first week's intensive registration drive. Manager E. T. Barnes announced last night. During the week 506 men and women registered, bringing the total to 1387, with additional reports due from the branches at Woodburn, Silverton, Stayton and Jefferson.

The various offices of the reemployment agency will continue to take registrations for such work as may develop from federal relief projects. Mr. Barnes said, as well as from local undertakings. Work on the road in the Salem office, where applicants may await job calls, was nearly complete yesterday. Windows have been cut in the rear of the building, giving better light, and a large quantity of magazines collected.

Relatives Post Reward for Body

A \$250 reward was posted by relatives yesterday for any person finding the body of Leo Zielinski, Marion county special deputy sheriff who is believed to have drowned in the Clackamas river last Monday. Search for the body was instituted following the discovery of Zielinski's car in 80 feet of water in the Clackamas river near Oregon City. It is thought he fell asleep at the wheel.

Proposes New Industry Plan



Gerald Swope, industrial magnate, who has proposed creation of a super-chamber of commerce to handle the recovery program on a permanent basis. Government authorities seem loath to hand over the authority to a private organization. Central Press photo.

NORMAL GRIDSTERS DEFEAT CHICO 20-0

Teachers Upset Dope, Score in Each Period Until Last; Game Fast

MONMOUTH, Nov. 4.—(Special)—Larry Wolfe's trickster football team upset the dope and thrilled an Oregon Normal school homecoming crowd here today by defeating the invading eleven from Chico State Teachers' college, Chico, Calif., 20 to 0. This was the Wolves' sixth consecutive victory over the Chico gridsters in as many years.

Snapping out of a start in which Chico outplayed the home team, the Wolves' plays began to click with Graham, Edwards, Tihila, Johnson and Mahan dishing up quarterback sneaks, end runs off tackle plays and forward passes. Graham passed to Johnson on the Chico 15-yard stripe and Tihila ran around end for the first touchdown as the quarter gun barked, Conversion failed.

In the second period, Johnson scored the second touchdown for the Wolves on a sneak play up the sidelines. O. N. S. converted, putting the score at 13 to 0 where it stood at half time. Late in the first half Chico intercepted a pass and then passed to the Wolves' nine-yard line but was (Turn to Page 2, Col. 7)

DEBT PARLEY OFF WASHINGTON, Nov. 4. (AP)—President Roosevelt and Great Britain's representatives came to the end of the road today on the proposed downward revision of the war debts owed this country.

JUDGE KIRBY DIES PORTLAND, Ore., Nov. 4. (AP)—Judge Home Kirby, 49, of Kelso, Wash., superior judge in Lewis county for 15 years, died in a hospital here tonight.

World News at a Glance

By the Associated Press Domestic: Washington. — Roosevelt rejects farm price-fixing plan; five midwestern governor disappointed. Des Moines. — Leaders of National Farmers Holiday association strike call. Washington. — Johnson proposes Ford exception to avert projected factory "lay-off." Detroit. — Ford proceeds with "lay-off" plan, describing it as compliance with the new provision against work in this country. Washington. — Anglo-American debt conferees unable to find basis for solution. Foreign: Berlin. Goering makes bitter denunciation of communists at Reichstag fire trial. Jerusalem. Mystery third figure enters inquiry into slaying of American dancer and Indian. Vancouver, B. C. — Texas Guinan, night club entertainer, criticized. The Hague. — Lindbergh's guests of honor at aviation banquet. Rome. — Foreign office denies dissolution of chamber of deputies is contemplated.

PRICE PEGGING REFUSED, FARM STRIKE FLARES

Major Offensive Ordered by Milo Reno; Secretary Wallace Flayed

Roosevelt Urges Governors To Back His Program, Spurning Theirs

DES MOINES, Nov. 4. (AP)—Leaders of the National Farmers' Holiday association agricultural strike ordered a major offensive tonight, after the federal administration rejected their demands for cost-of-production farm prices. Scolding the call to leaders in the 21 states where the association claims members to be ready to shove the non-buying, non-selling movement into "full gear," Milo Reno, organizer of the campaign, warned: "The responsibility for what ever happens in the future will rest squarely on the shoulders of the administration and Secretary Wallace in particular."

Already the two-weeks old strike has been marked by one slaying, six creamery bombings in Wisconsin, battles between picketers and anti-strikers, and an appeal by a western Iowa sheriff for national guard troops. Milk and livestock shipments have decreased materially at Sioux City, Iowa.

WASHINGTON, Nov. 4. (AP)—President Roosevelt today flatly rejected price-fixing and regimentation of farm production and sales as the solution of the farm price emergency.

He turned down the program submitted by five midwestern governors in the face of their predictions that his decision would lead to rapid and widespread increase in farm unrest and disorders, then urged them to get firmly behind his own adjustment program.

TERMS OF WATER DEAL ARE STATED

Senator Charles L. McNary who has been trying to get action with reference to the loan-grant of PWA funds for the Salem water works, received this telegram yesterday from his Washington office: "Just received by special messenger memorandum from Major Crawford, public works, relative Salem water works loan which reads as follows: "Completion of the bond purchase contract in the Salem, Ore., case is apparently held up pending information as to: First, has the city disposed of litigation now pending in the federal district court; second, has the city of Salem purchased the privately owned water distribution system or made arrangements to do so; and third, does the city of Salem propose to purchase the existing private system with a portion of the \$2,500,000 bonds authorized. If the city of Salem so desires we will immediately prepare a bond purchase contract made possible by the information available. However until we know all the conditions of the final agreement between the city and the private company it might be that the bond purchase contract will contain conditions which the city could not comply with and necessitate a new contract and delay of time."

University Resentful; Dean Morse Hits Back At Higher Board Chief

Lumber Dealers Observe Uniform Business Hours

Uniform business hours will be instituted here Monday by the nine Salem retail lumber and building material dealers as a result of a code and organization meeting held last week. L. R. Schoettler, manager for Lumber Promotion, Inc., code authority, announced last night. Business hours hereafter for these firms will be 8 a. m. to 5 p. m. daily throughout the week. Deliveries will be made during the same hours with the exception of Saturdays when none will be made in the afternoon. W. J. Liljequist is president and Albert Minturn secretary of the dealers' organization.

Resignation Demanded As Result of Slurs In College Talk

Unfair Attacks Made On Faculty, Claim At Homecoming

EUGENE, Ore., Nov. 4. (AP)—A ringing challenge to speeches made at Eugene and Corvallis Thursday by Roscoe C. Nelson of Portland, new president of the state board of higher education, a challenge which reached its climax with the suggestion that Nelson should resign at once, was voiced here today by Wayne L. Morse, dean of the University of Oregon law school in an address at the university's annual homecoming luncheon.

Referring to the addresses of Nelson, in which Nelson asked for harmony among all persons interested in higher education and intimated that a small faction of faculty members was thwarting that harmony, Dean Morse declared: "I trust that the alumni of the University of Oregon are fully aware of the fact that their alma mater faces today the most serious crisis in its history. We plunged into that crisis last Thursday when the Honorable Roscoe Nelson, in an address delivered here on this campus, challenged the certain fundamental principles of academic freedom. That challenge must not go unanswered, and if I understand the temper of your faculty, it will not go unanswered."

"Lack of time forces me to pass over certain astounding features of Mr. Nelson's tirade. . . . 'Victorious Attack on Faculty' 'But I shall dwell on Mr. Nelson's insulting, insinuating, unfair and vicious attack on the faculty of the University of Oregon. May I assure you that my emphasis does not mean that I am angry. As a member of the faculty, my feelings are too deeply hurt. My sense of right and fair play too completely crushed to allow me to be angry. I should like to disbelieve what I know to be true, that Roscoe Nelson, brilliant lawyer, lovable personality, a man for whom I can sincerely say I have a deep affection, stands today before the people of Oregon as a man who has been duped."

"In his address on this campus, which was surpassed in awfulness only by his address on the Corvallis campus, he charged that there exists on your faculty a little coterie of faculty men whose opposition to the administration roots in disappointed ambitions and frustrated desires. Time and time again he referred to these men of mystery as cat-felines. . . .

"Prove Case or Resign "Throughout his verbal assaults on the faculty rang a plea for magnanimity of spirit. Where was there any magnanimity of spirit displayed certain members of the faculty were guilty of carping, critical censoriousness. Who are these cat-felines? I challenge Mr. Nelson to return to this campus and in meeting with the university faculty make his victims and prove a case against them. If he cannot do so, then let him, like the gentleman I know him to be at heart, apologize to the faculty of the University of Oregon and resign from the board."

"He was placed on that board to bring about harmony. His official acts of Thursday disqualify him completely as a harmonizer, therefore he should resign at once in the hope that there can be added to the board a man of judiciousness, a man who will keep himself free from partisanship, a man who will not attempt to intimidate the faculties, a man who recognizes that higher education in Oregon can be saved only by a friendly exchange of points of view among the board, the administration and the faculties. Mr. Nelson's attack on the university has made it impossible for self respecting faculty men and women to work in harmony with him."

"After three hours deliberation, the jury freed Mr. T. Warren of manslaughter charges yesterday. Joseph Hendricks acted as foreman of the jury. Instructions by Circuit Judge L. H. McMahan preceded jury deliberations. Warren was charged with responsibility for the death of Donald Sucevich, 12 year old passenger in the Warren car which crashed into another car near Hubbard last summer. Suit to collect \$37,000 damages from Warren is to come up for trial later.

Warren Freed by Jury in 3 Hours; Civil Suit Next

Warren was charged with responsibility for the death of Donald Sucevich, 12 year old passenger in the Warren car which crashed into another car near Hubbard last summer. Suit to collect \$37,000 damages from Warren is to come up for trial later.

Education Week to Start Monday; Schools Observe

Combining regular activities with a series of special programs, Salem's 11 public school will unite to keep American Education week, November 6 to 12. Keated to the emergency in education the theme for this, the 13th annual celebration of a nation's recognized need for education, will be applied in communities of every size and type throughout the United States during the coming week. American Education week is sponsored jointly by the National Education association, the American Legion and the United States office of education. Its purpose is to bring schools and citizens together. Special days for "open house," "parents' day" and "visiting day" will be observed in the various schools of Salem, while parents and interested townpeople are given a special invitation to visit during school hours any day and observe methods and progress. First of the special events on the schedule is the reception to be held at Richmond school tomorrow night from 7:30 to 9 o'clock. Each school will feature "visiting day" all day Tuesday, when parents will have an opportunity to observe regular school work in the various rooms where each teacher will conduct demonstrations of classroom teaching and procedure. Two general assemblies will be held, one on Monday morning from 8 to 9:20 o'clock and one Friday at the same time. "Visiting days" at Leslie junior high school will feature Tuesday and Wednesday with regular classroom work demonstrated; each class period will be so arranged that the teacher in charge will be free to meet and talk with parents and visitors. Annual "open house" at Salem high school Wednesday evening (Turn to Page 10, Col. 8)

"Prove Case or Resign "Throughout his verbal assaults on the faculty rang a plea for magnanimity of spirit. Where was there any magnanimity of spirit displayed certain members of the faculty were guilty of carping, critical censoriousness. Who are these cat-felines? I challenge Mr. Nelson to return to this campus and in meeting with the university faculty make his victims and prove a case against them. If he cannot do so, then let him, like the gentleman I know him to be at heart, apologize to the faculty of the University of Oregon and resign from the board."

"He was placed on that board to bring about harmony. His official acts of Thursday disqualify him completely as a harmonizer, therefore he should resign at once in the hope that there can be added to the board a man of judiciousness, a man who will keep himself free from partisanship, a man who will not attempt to intimidate the faculties, a man who recognizes that higher education in Oregon can be saved only by a friendly exchange of points of view among the board, the administration and the faculties. Mr. Nelson's attack on the university has made it impossible for self respecting faculty men and women to work in harmony with him."

"Amidst much applause he flayed the university. Unless you heard and saw his exhibition, you can not believe the facts. However, the Emerald report of that speech is accurate, and I shall (Turn to Page 3, Col. 4)