

Three Million Dollar Relief Bill Passed by House

LIQUOR PROFIT ONLY SECURITY

Measure is Amended Before Passage; Abrams Fights For State Backing

The house whipped through its second major measure of the session late Tuesday when it gave a large majority to the \$3,000,000 unemployment relief bill. The measure, when passed, had been amended to limit the state to issuing notes secured solely from the revenue of the liquor funds. Representative Carl Abrams, chairman of the house committee on unemployment relief, objected strenuously but without success to the removal of the "full faith and credit" clause from the proposed obligations. Abrams contended that without this assurance of ultimate repayment it was doubtful if the federal government would accept such securities as match money for its funds. He pleaded that unemployment problems must be met by the state.

Leading the fight for amending the bill was Representative Lowell Paget of Multnomah county. He contended the bill as originally drawn was clearly unconstitutional since the state constitution forbids the pledging of the state's credit by the legislature to the extent of more than \$50,000. The majority report of the committee of laws to which the relief bill was referred Monday, signed a report which deleted the full faith and credit clause. The minority report left this clause in but added a "saving clause" to the bill which provided that the unconstitutionality of one section of the bill would not render the entire enactment unconstitutional.

The measure now goes to the house for consideration.

COAST BRIDGE BILL GIVEN SENATE OK

The senate Tuesday approved house bill 78 authorizing the state highway commission to construct five bridges on the Oregon Coast highway out of funds obtained from the federal public works administration. The proposed loan aggregates \$5,100,000, of which amount 50 per cent would be received as a direct grant. The remaining 50 per cent would be repaid to the government out of bridge tolls and an offset against the cost of present ferry operations.

Senator Dunne explained that the bill was drafted by the legal department of the federal public works administration and had received the approval of the state highway commission and its bond attorneys. He warned that any attempt to amend the bill might result in failure to obtain the loan. The measure previously was approved by the house.

An accompanying resolution provides for the protection of the state against the expenditure of highway funds in connection with the bridge construction program in excess of the amount now available for ferry service. In no case shall this exceed \$175,000 a year, the resolution read.

NEW JERSEY SEEKS PLAN FOR CONTROL

TRENTON, N. J., Dec. 5. (AP)—Still without a liquor control plan as national prohibition neared an end, New Jersey looked today for a solution of its repeal problem in a prospective conference between the governor and legislative leaders on a bill the chief executive threatened to veto in its present form.

Advised by Attorney General William A. Stevens that the measure the legislature passed at dawn last Wednesday was unconstitutional, the governor served notice he would veto it unless the legislature asked to recall the bill for amendment. The bill creates a state appeals board composed of the governor and presiding officers of both houses, which the attorney general feels is transgressing on judicial function.

The governor said he was willing to confer with legislative leaders to point out his objections. These legislators who arrived late this afternoon for tonight's session indicated they desired such a conference in order that a compromise might be reached and a satisfactory control plan evolved quickly. Considerable confusion existed as to the status of liquor control.

Stiff Tax Bill Filed by Pauls And Abrams Here

Representative Carl Abrams and Representative Otto K. Pauls joined yesterday in proposing a stiff measure of back-tax collection.

The Abrams - Pauls bill would be effective in March, 1934. Thereafter 12 per cent interest annually would be charged on all back taxes and in addition a 3 per cent penalty would be effective when the tax became delinquent. The measure is the sixth dealing with back taxes before the house and senate. None are yet come up for final consideration.

The Call Board ...

ELISINORE
Today—William Powell in "Kennel Murder Case."
Friday—Katherine Hepburn in "Morning Glory."

CAPITOL
Today—Helen Twelvetrees in "Disgraced."
Thursday night only—Philharmonie Symphony orchestra concert.
Friday—Jack Holt in "Master of Men."

GRAND
Today—Russ Columbo in "Broadway Thru a Keyhole."
Friday—Double bill—Jean Parker in "What Price Innocence" and Tim McCoy in "Police Car 17."

HOLLYWOOD
Today—John Barrymore in "Reunion in Vienna."
Friday—Marion Davies in "Peg O' My Heart."
Saturday—Midnight matinee 11:15 p. m. Buddy Rogers in "Best of Enemies."

STATE
Today—First run, "William Beneath the Sea," scientific thriller.
Thursday—Spencer Tracy in "Sky Devils."
Saturday only—Ben Lyon in "B. Whos: Hand."

WARNER BROS. picture, brings William Powell back to the screen of the Elsinore theatre today as Phil Vance, the famous detective character created by S. S. Van Dine.

Playing in support of Powell are Mary Astor as his leading lady, Eugene Palette as Sergeant Heath, a part which he has played with Powell in the previous Van Dine stories; Ralph Morgan, Helen Vinson, Jack La Rue, Paul Cavanaugh, Robert Barrat and Arthur Hohl.

The McKesson opportunity contest conducted Wednesday and Thursday nights on the stage of the Elsinore is receiving an unusually good response. Final will be held Wednesday, December 13.

MEIER'S BIG ROAD SCHEME REJECTED

Governor Meier's proposal that in place of large tax revenue disbursements for direct unemployment relief the legislature provide for an extensive public works program to make jobs, centered around a \$15,000,000 road construction schedule to be financed out of a federal PWA loan, was dealt a body blow Tuesday morning when the senate roads and highways committee rendered a report that no further consideration be given to the \$15,000,000 proposal at this session.

The rejected proposal to make it possible for the \$15,000,000 road program would have authorized the highway commission to issue general highway bonds in the amount of \$10,500,000 to be posted with the federal government as security for a loan of that amount. The remainder of the \$15,000,000 program would be financed through an outright grant of \$4,500,000.

Request for authority to issue the bonds was made of the legislature by Governor Meier after the highway commission, acting pursuant to a regular session resolution directing the commission to sell no more bonds, had declined to assume the obligation of increasing the highway debt without specific instruction.

CORRUPTION FEARS VOICED BY SHOUSE

NEW YORK, Dec. 5. (AP)—Jouett Shouse, president of the association against the prohibition amendment, declared tonight the liquor code faces the "possible danger of corruption and of political favoritism far beyond the opportunities created by the 18th amendment."

With repeal accomplished, the association announced its dissolution effective December 31.

Shouse said he was "profoundly fearful of the very stringent requirements of the code which give automatic authority to a federal agency to exercise the power of life and death over the industry, which enable the federal government to limit production and fix prices in any arbitrary manner that it may seek to exercise under the authority which it enunciates."

The Big Drama of the Big Screen
BROADWAY through a keyhole
The Story He Kept in His Heart Until the Screen Could Tell It
GRAND
Continuous Show - 1 P.M.-11 P.M.

KNOX LIQUOR PLAN FOUGHT

Goss Urges Private Retail Sales Under Control of State Commission

Oregon faces the problem of a well-organized group of bootleggers and racketeers and the only way to curb these individuals is to take the profit out of liquor, Senator Goss told members of the senate alcoholic traffic committee at a meeting Tuesday afternoon.

"When you take the bootlegger and racketeer out of the liquor business he will continue his criminal operations and eventually find himself in the penitentiary," Goss continued. "You cannot obtain adequate punishment for these men under any law which gives them an even break."

Goss argued that he favored the proposed Knox plan of liquor control up to the point of sale, but did not believe that the state should conduct the liquor stores. Under the Goss plan, hard liquor would be handled by any reputable established merchant, whose license to operate would be subject to the approval of the state liquor commission and the local authorities. Dealers would purchase their liquor through the state but not from the state.

The Goss plan also proposes that hard liquors shall be sold only in sealed packages, with the price plainly marked on the container. Goss said that while he might be wrong, he believed that 30 per cent would be a fair markup for the state, with 15 per cent going to the dealer. Special reference was made by Goss to the large investment that would be necessary in case the state adopted the Knox liquor control plan in toto. He declared that virtually all of this investment would be eliminated under his proposal, and that revenues from the liquor sales would begin to come in as soon as the licenses to operate were issued.

Every druggist as well as every inkeeper in the state was asked to contribute to the anti-Knox bill lobby. The average druggist assessment was \$25; the hotel charge was larger. The majority of the firms responded to the legal and publicity group working for a change in HB 1 has been well-paid. Many druggists are mildly anxious to sell liquor; principally because they think it will require little overhead and help build up needed volume.

The usual group of classroom visitors to each house has been smaller at this session although there has been probably a score of such delegations. The students are uniformly well-mannered and attentive. Invariably they take discussions more seriously and listen more closely than their seniors. Uniformly they want to see the office of the governor.

Here and there:
J. A. Ormandy, big chief of the Espee in Oregon, dropped in Tuesday to observe the process of Oregon law making... also under the dome was Roy Ritter who had a nice job with the federal farm board under H. H. ... Ritter lives in Oregon political memory as the pardon-signer but to this day claims that he released the swarms of convicts on recommendations on Governor Olcott's desk when he took the temporary governorship... Frank Spencer, interested in liquor's control, is a ruddy-cheeked, snow-haired, well-groomed business-executive type who looks as though he or his ancestors were English... executive department workers were delighted Tuesday with excellent caramels made by Mrs. Meier.

"I fear that the profits derived from the sale of liquors under the Knox plan will into capital investment rather than be applied to the relief of the unemployed," Goss said.

Figures were presented by Goss showing the expenditures, investment and profits in a number of Canadian provinces where liquor is sold under government control.

Frank Spencer explained that it was the purpose under the Knox plan to purchase liquor from manufacturers and thereby eliminate the profit of the wholesaler.

Spencer also referred to the 5000 outlets for liquor which would be available under the Goss proposal. He declared that it would be utterly impossible to police such a number of stores. There were a number of other speakers at the meeting, including Dr. William L. Knox and George Neuner, both of Portland.

ASK INVESTIGATION OF CAREY'S OFFICE

Official investigation of the state corporation department, with particular relation to the administration of "ertain savings and loan associations now under the jurisdiction of the corporation commissioner, was proposed by Senator Dickson in a senate resolution introduced Tuesday.

Highlights of the resolution, based on alleged charges of stockholders in these savings and loan associations include:

"That the state corporation commissioner has deceived and withheld information from stockholders."

"That there has been serious irregularities in the administration of the affairs of said associations and in the handling of properties, accounts and books, and in the disbursement of funds."

"That the commissioner has failed to proceed against certain wrongdoers."

A Hollywood Theatre
Tonight is Dime Night
John Barrymore in
"Reunion in Vienna"
with Diana Wynyard
Also Comedy, News and Travel Reel
All Seats Except Loges
10c
SALEM'S
Greatest Amusement Value



Under the Dome

FROM Quaker-state stock came the friendly, gray squirrels in Willson park, Rolla Southwick, house doorkeeper, obligingly informs inquirers. Gordon supplied this information after extensive research. The squirrels were obtained in Harrisburg, Pa., when Governor Olcott attended a governors' convention there. He brought a number of the squirrels home and placed them on the statehouse grounds. Salem people subsequently protested that the squirrels were becoming a nuisance. Dr. R. E. Lee Steiner, superintendent of the state hospital, staged a roundup, transporting the squirrels to the "nut house." Some must have been overlooked; the capital grounds still has a large colony and now the state hospital similarly has numerous squirrels on its grounds.

Miss Ila Austin, valued secretary to the state treasurer, is enjoying future glimpses of the session. It was Miss Austin who made statehouse history this year when she led a movement to have William Elsinore removed as secretary to the board of control. She alleged that Elsinore called her a liar, with adjectives. Her superior publicly resented this "attack on American womanhood" and for days the press resounded with the incident. Nothing would please Miss Austin better than to see Elsinore sent to Germany with carte blanche authority given Herr Hitler to deal with him in the new German custom.

Ralph Hamilton, Portland pipe-smoking barrister, and once acting governor, is at the session this week so normally has been restored. Hamilton was an able legislator from Bend who rose to the house speakership. His legal efforts, now confined to the Portland area, were antedated by a period of time on the University of Oregon faculty. His friendships, legal and political, in the state are numerous and warm.

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Chinese Reforms, Obtains License
WILLOWS Cal., Dec. 5. (AP)—Lee Yen, Chinese, who has been arrested 13 times on various bootlegging charges, today applied for a liquor dealers license.
"License better than going jail," Yen explained.

State Theatre
Last Times Today
"With Williamson Beneath the Sea"
A Scientific Thriller
Andy Clyde Comedy Cartoon - News

CAPITOL LAST TIMES TONITE!
DOORS OPEN 6:45 P. M.
They call me brazen!
I say I'm MODERN!
ISGRACED!
HELEN TWELVETREES
BRUCE CABOT
ADRIENNE AMES
WILLIAM HARRISON
KEN MURRAY
THURSDAY - ON THE STAGE
SALEM PHILHARMONIC ORCHESTRA
FRI-SAT - JACK HOLT IN "MASTER OF MEN"

Moving - Storing - Crating
Larmer Transfer & Storage
PHONE 3131
We Also Handle Fuel Oil, Coal and Briquets and High Grade Diesel Oil for Tractor Engines and Oil Burners

UPTON PUSHES HIS OWN PLAN

Private Handling is Sought But Knox Bill Said to Have Clear Road

(Continued from page 1)
of the constitution is repealed this bill of mine will make the state merely a tax collecting agency; this is a measure which will hold water before the courts," Upton declared.

Under the Upton plan the state tax commission would control liquor's sale and would collect all income for the state.

Earlier in the day Senator John Goss appeared before the committee, urging that drug stores and grocers be allowed to sell liquor in original packages and not for consumption on the premises. He held that the state was not well-served to engage in the liquor business. Goss argued for a state limitation on the profit made by the retailer.

The committee last night listened attentively to Upton's proposal but went steadily on with its amendments to the Knox plan now before it. Upton joined in making these amendments and indicated after the committee had adjourned that he had little hope his measure would be adopted. The majority of the committee while no vote has been taken—apparently favors the substantial provisions of the Knox plan as contained in HB 1.

The senate committee's report will probably be on the senate floor for debate sometime Thursday. Opponents of the Knox plan were admitting openly last night that the measure would carry the senate with from 18 to 24 members voting "aye."

The final bill will contain certain amendments, the upper house committee agrees, and a conference between the two houses through a committee is certain. Last minute attempts to alter the Knox bill will be made there.

House bill 106, Beckman and Johnson, setting up the revenue features of the liquor control program, was sent back to the

SLOT MACHINE BILL STILL SLUMBERING

(Continued from Page 1)
by Mrs. Martin that attorneys for one Enlow, "allegedly a slot-machine racketeer," were influential in holding the bill away from the house. She pointed out that one Wagner, a former law partner of Representative Lonerger, had represented Enlow.

Lonerger made immediate report that George Neuner was Enlow's attorney.

Mrs. Martin said the district attorneys of the state were urging the bill be passed. She termed legislation banning the slot machine a "moral emergency." However only 18 votes were mustered to take the bill from committee.

A humorous highlight of the entire session came when silent Representative John Lang of Baker arose to ask the chair for help in his predicament.

"I've pledged my vote both ways on this," said Lang. He asked to be excused from voting. Representative Paget demurred. Lang voted "no" while the house roared with laughter.

RAIL FARES CUT

SURCHARGE CANCELLED
Reducing Sleeping Car Charges 1/3
ON SOUTHERN PACIFIC
To CALIFORNIA

COACH and TOURIST
\$12
SAN FRANCISCO
\$19.70 ROUNDTRIP
Special low fares good in coaches and chair cars, also in tourist sleeping cars plus berth. Similar fares to other California points.
Los Ang., 1 Way \$19; Rnd Trip \$39.80

SLEEPING CAR CHARGES CUT 1/3
Applies to all types of Pullman accommodations between all points in the West. New rate examples:
From Salem To Upper Berth Lower Berth
SAN FRANCISCO \$4.00 \$5.00 \$2.20 \$2.75
LOS ANGELES 6.00 7.50 3.40 4.25
Berth for night ride only, as low as \$1 in Tourist Pullmans.

EAST VIA CALIFORNIA
One-way fares good in Tourist Pullmans, plus berth, are reduced. Example: From Portland and most western Oregon points to Chicago, now \$44.36. Coach fare to Chicago, \$40.
ALL-YEAR ROUNDTRIPS
radically reduced. Example: From Portland and most western Oregon points to Chicago \$111; to New York, \$172.40. Good in all types of accommodations.
CHRISTMAS EXCURSIONS EAST
Special low roundtrips good on all trains leaving December 14 to January 1. Return limit, January 15.

LOW FARES BETWEEN OREGON POINTS
One-way and round trip fares 2¢ a mile and less, apply between S. P. stations in Oregon. Overnight sleeping car service between Portland and southern Oregon and Coos Bay points.
COMPLETE MEALS, 80¢
"Meals Select"—complete luncheons and dinners 80¢-1.25. Breakfasts 50¢-90¢, all S.P. dining cars.
Take your car with you. Fast freight service and low rates for passengers' automobiles.
Southern Pacific
A. F. NOTH—TEL. 4408
J. A. ORMANDY, General Passenger Agent, 705 Pacific Building, Portland, Ore.

house Tuesday afternoon from the committee on alcoholic control with a favorable report. It provides for a tax of \$1 a barrel on beer and 25 cents a gallon on wines. It is estimated that the tax will raise approximately \$1,250,000 annually. The bill will be on the house calendar today for passage.

LADIES' BARGAIN MATINEE TODAY and TOMORROW 2:15
15c Gentlemen 25c
WARNER BROS. EL SINORE



Today and Tomorrow
The Greatest Detective Story This Famous Writer Ever Penned!
S. S. VAN DINE'S GREAT COSMOPOLITAN SERIAL MYSTERY BROUGHT TO THE SCREEN!
William POWELL
In the characterization which he helped to make famous
"The KENNEL MURDER CASE"
MARY ASTOR WITH EUGENE PALLETTE
RALPH MORGAN HELEN VINSON JACK LARUE PAUL CAVANAUGH
ON STAGE TONIGHT AT 8:30
TRYOUTS MCKESSON'S BIG OPPORTUNITY CONTEST FOR STAGE, RADIO AND SCREEN