

CONGRESS WILL TAKE UP LIQUOR PROBLEM FIRST

Roosevelt May Deliver Own Message; Arrangements Point to That Plan

Report on What He Has Done With Broader Power Given In March is Expected

WASHINGTON, Jan. 2. (AP)—In wide contrast to the pulse-throbbing events that brought its first emergency meeting, the 73rd congress will assemble in regular session tomorrow, probably to receive from President Roosevelt a personal accounting and recommendations for the future.

The recovery program and the budgetary complexities arising from it bode fair to bulk large in the message that the members will hear, either in joint session from the president himself, or intoned by reading clerks in senate and house separately.

On Capitol hill today, members expressed conviction that the President will appear in person. Physical arrangements were made in the house chamber; secret service men visited the capitol to supervise preparations and all gallery tickets were called in. At the White House, however, it was emphasized that the plans of the president still were indefinite.

For Mr. Roosevelt to so keynote the session would represent adherence to a precedent followed by his democratic predecessor in the White House, Woodrow Wilson. Since that administration, other chief executives have from time to time personally addressed their congress, but not all have chosen to deliver their annual messages in that manner.

The congress that will hear the message tomorrow gave to Mr. Roosevelt last spring powers so broad that the gold buying program and much of the other and more directly functioning economic recovery machinery sprang from them.

The president will report to congress and the people what those agencies and plans have accomplished and suggest what augmentation if any they need. The specific recommendations are expected to come in subsequent supplemental communications.

The senate policy committee of 10 members, headed by the leader, Senator Robinson (D. Ark.), met today to outline the campaign for the coming session.

The committee placed on the agenda first the liquor tax bill, then the measure to legalize the sale of liquor in the District of Columbia and other territories in which the prohibition law was not repealed in the recent elections.

Similar plans have been made in the house. The liquor tax measure, however, must be passed by the house before it can be taken up by the senate, since, under the constitution, all tax raising legislation must originate in the house.

ARMAMENT TANGLE IMPASSE OBSERVED

(By the Associated Press)

The shadow of an apparent impasse in efforts to ease the military relationship between France and Germany lay darkly over Europe today.

The most outspoken of German statesmen, including Chancellor Hitler, studied a detailed aide memoire from France in which the latter republic refused the demands of its world war enemy for larger armaments.

Despite this refusal, Parisian circles indicated the French foreign office had left open the door to further negotiations on the subject with Germany.

Beyond the Alps, in Rome, Premier Mussolini and Sir John Simon, the British foreign secretary, made ready to confer on the situation. It was known, however, that it was known, believed his plan for a reformation of the League of Nations might have the way to cordiality between France and Germany. Great Britain, likewise, hopes for Franco-German friendship.

Flood Complaint Eyed by Council

"I said I expected to pay for the paving but not to buy any river," commented C. J. Nelson, 1195 Cross street, in a letter read at city council meeting last night in protest of the winter flood conditions on his street. The street committee and city attorney were given power to act on Nelson's suggestion that a wooden bridge along the railroad at the foot of Cross street, through which the flood water pours, be done away with.

Flying Endurance Record Set by Women; Stay Up Nearly Ten Days



The smiles of confidence displayed by Mrs. Frances Marsalis (left) and Helen Richey, just before they took off in pursuit of the endurance flying record at Miami, Fla., proved to have been justified when they passed the old mark of 8 days, 5 hours and 5 minutes and kept on going to make it 9 days, 21 hours and 52 minutes. Inset, Helen Richey operating the gasoline hose during refueling operation.

WOMAN MAYOR IS OUSTED BY BALLOT

Mrs. Alexander Recalled by 206 to 85 Vote; Says She Expected It

ISSAQUAH, Wash., Jan. 2. (AP)—The voters of this little Pacific northwest town decided today they had had enough of "petticoat government," and ousted their militant woman mayor, Mrs. Stella Alexander, at a recall election. The vote was 206 to 85.

Despite the rainy weather and the lethargy of the day-after-New-Year's, a large proportion of the town's 360 registered voters found their way to the polls. Many of them voted, however, after nightfall.

Mrs. Alexander was one of the earliest voters, the 13th in fact. At first she was put out when she learned the ominous number beside her name, but she decided not to register a protest.

"As long as it isn't Friday, too," she said.

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DAVE HALEY FOUND; SUFFERING HUNGER

INDEPENDENCE, Jan. 2. (Special)—Dave Haley, who was missing three days, was found today in the woods above Seio, Haley had been making a claim in the Santiam country.

He found himself after being lost in the woods since Saturday, and was making his way back to the camp when overtaken by a searching party. He had been without food for two and a half days, and was in a greatly weakened condition. He was within a half mile of camp when searchers overtook him.

Because Haley had met with some success in his gold mining, when he could not be located it was feared foul play might have developed.

Oregon Briefs

STAR WITNESS ILL
McMinnville, Jan. 2. (AP)—Illness of a witness described by attorneys as important today brought postponement of the trial of Elijah Corbett, Sr., former Yamhill county clerk, on a charge of burglary.

Circuit Judge Arlie G. Walker heard arguments of attorneys and then granted postponement until Friday at 9 a. m. Mrs. Lulu Peterson, deputy county clerk, was ill and could not appear today as a witness.

The grand jury indicted Corbett last Tuesday with breaking and entering the county clerk's office "with intent to commit larceny." Sheriff George W. Manning made the arrest.

NO INQUEST IN CASE
Eugene, Jan. 2. (AP)—Attending physicians said that Francis Fuller, Salem attorney whose neck was broken in an automobile collision near Creswell Sunday, was getting along well today.

The coroner's office announced no inquest would be held over the body of Glenn Jarvis of Springfield, CCC worker killed in the accident.

TAKE OUT OF PROFIT
Salem, Jan. 2. (AP)—Commenting on the order of Charles M. Thomas, Oregon public utilities commissioner, calling for a sharp reduction of the salaries of executives of the Pacific Telephone & Telegraph company in that state, Clyde L. Seavey, head of the California railroad commission, said tonight the ruling would not, in effect, actually change the salaries of company officials.

Seavey said, however, the order would have the effect of reducing the allowance of the company for salaries and that the utility thus would be obliged to make up the balance from allowed earnings in order to continue the pay rates.

DRAKE IS TOO TAME
Portland, Jan. 2. (AP)—Not sharing the public aversion to kidnapping, Oswald, the Mallard drake, and a "quackless" duck left home without a squawk.

Oswald was a pet for nine years, lamented Harry B. Barnes, erstwhile owner. No one heard the ducks go, he said. Oswald was too tame to squawk and the "quackless" duck couldn't duck soup for the kidnapper.

CASUALTY LIST IN L.A. FLOODS STILL GROWING

39 Bodies Found While 66 Are Missing and May Be Dead, Stated

Rehabilitation Started With Many CWA Workers Assigned to Tasks

LOS ANGELES, Jan. 2. (AP)—Knee deep in tons of mud, silt and debris an army of relief and rehabilitation workers moved today into stricken areas where at least 29 persons died and 66 others were reported missing in Sunday night's disastrous floods.

Thousands of men and women, Red Cross nurses, American Legionnaires, sheriff's deputies, police and volunteers, sought other bodies in the wreckage of nearly 300 structures and attempted to effect order in the storm swept districts.

County authorities estimated the damage will exceed \$5,000,000. The rehabilitation work was most intense in the Montrose and La Crescenta communities.

Bodies of 39 victims drowned or battered to death when flood waters suddenly ran rampant after more than two days heavy rain had been recovered tonight, but it was feared a large number of the missing may later be found dead.

Two thousand homes were damaged in the Culver City-Plays Del Rey-Valencia area, but most of the families who evacuated about 1500 of the homes were able to return today.

Damage to crops alone will run more than \$1,000,000, the county agricultural commissioner estimated.

More than two score bridges were washed out in the country but many transportation routes are able to proceed today at a nearly normal rate.

A proclamation citing the magnitude of the disaster and urging all citizens to contribute to Red Cross funds was issued by Mayor Frank L. Shaw, while Governor James Rolph, Jr., promising every necessary assistance from the state, kept in close touch with rehabilitation workers.

Major J. E. Manique, retired army officer, was named by Captain Edward MacCauley, head of the civil works administration in California, as officer in command of all relief work. MacCauley placed 4,000 CWA men. Numerous men were withdrawn from other projects and hurried into the stricken areas.

APPLAUSE GREET'S CHORAL CONCERT

Madrigal Club, Civic Male Chorus and Soloists All Win Praise

By JESSIE STEELE

A well-filled house and rounds of enthusiastic applause greeted the choral concert of the Salem Madrigal club and the Civic Male Chorus last night in Waller hall. Under the masterful baton of Prof. E. W. Hobson, both groups performed in a manner that bespoke long practice and trained, rich voices.

The violin solos of Mary Tallmadge, Headrick were well received and the selections particularly pleasing. Her initial number, "Zigenereuweisen" by Sarasate, was rather long and had three movements. The first, a brilliant piece with skillful fingering and walling melody; the second, a tender love ballad that might have been sung in a gypsy camp; the third, a lipping dance that fairly skipped over the strings. "Pale Moon" by Logan and Kreisler, the well-beloved "Liebesfreud" by Kreisler, and a saucy negro melody, "In the Canebrake" by Gardner, the last an encore, completed the violin selections.

The male chorus almost brought the audience to its feet in appreciation.

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YELL LEADER TWINS VICTIMS OF FLOODS

LOS ANGELES, Jan. 2. (AP)—Devoted, inseparable twin brothers who cheer leaders at University of Southern California football games in 1932, were known to thousands, lost their lives in the Southern California floods.

They were Winston and Weston Doty, 20, of Venice, Calif.

Sunday night, they were invited to a New Year party given by Mrs. Henry Hesse of Montrose. Weston escorted Mary Janet Cox of Venice to the party and Winston took Gladys Fisher of Santa Monica.

At midnight, the boys called their mother, Mrs. Olive Doty, from the Hesse home and wished her a happy New Year. She never heard their voices again.

It was not known just what happened, but it was believed that the Doty twins and some of the others were on the porch watching and listening to torrents already become dangerous. Perhaps they dashed for their automobile and were struck by a surge of water.

Far down an arroyo the twins' bodies were found, lying close together. Miss Cox escaped, but Miss Fisher was drowned also. Her body was found today.

Corbett Trial Delayed Francis Fuller Better Won't Ready Cut Pay Silent Ducks Kidnaped

Japanese Refuse To Quit Foochow

TOKYO, Jan. 2. (Wednesday) (AP)—Official advice from Foochow, China, center of an anti-nationalist rebellion, indicated today that Japanese residents and authorities in Foochow were refusing to evacuate that capital on the grounds that the nationalist regime should take precautions for the safety of the Japanese there.

NAXI FLAG BURNED

LIBERON, Portugal, Jan. 2. (AP)—A Nazi flag unfurled yesterday for the first time on the German consulate here was burned down by unknown persons, it was disclosed today. Police are investigating.

Condemnation Suit Ordered In Move to Get Water Plant

MAYOR FAVORS START ON CITY MANAGER PLAN

Ten Per Cent Expense Cut Below Budget Advised In Annual Message

Aggressive Collection Plan For Assessments Held Vitially Urgent

HIGHLIGHTS OF MAYOR'S ANNUAL COUNCIL MESSAGE

Move toward city manager-ship recommended.

Immediate condemnation proceedings against water plant asked.

Ten per cent expense cut below budget for each city department urged.

Confidence voiced in ultimate outcome of city's finances.

Stringent collection of improvement assessments advised.

Drainage betterment in southeast Salem advocated.

Drastic economy to relieve the city of its present "embarrassing" financial situation was urged upon the city council last night by Mayor Douglas McKay in his second annual message. He asked that each committee seek to cut its department expenses at least ten per cent below its 1934 budget allotment.

"I am not alarmed at the ultimate outcome of the city's financial structure," the mayor declared. "However, our immediate financial situation is embarrassing. We have at the present time (Turn to page 2, col. 1)

WIDER LOCKS FOR BONNEVILLE, PLAN

PORTLAND, Ore., Jan. 2. (AP)—Authorization for barge locks 76 feet wide instead of 56 feet wide as previously planned at the Bonneville dam in the Columbia river was given late today by the war department at Washington. D. C., Major Charles F. Williams, United States district engineer, announced here.

This appeared as a compromise between the more narrow locks and locks which would accommodate ocean-going vessels in the Columbia river as far inland as The Dalles, Ore.

The 76-foot locks will provide a water depth of 15 feet most of the year with a minimum depth of nine feet at the sill during low water, said C. I. Grimm, chief engineer in charge of the Bonneville project. The length of each lock will be 840 feet.

Two wooden barges instead of one may be accommodated in the wider locks.

Whether the government had altered its stand regarding ocean-going traffic in that portion of the river was not indicated. The stand taken before was that larger locks would be installed alongside the smaller locks when such demand might arise.

Oregon Marriage Law Pleasing to Vancouver, Wash.

VANCOUVER, Wash., Jan. 2. (AP)—Oregon's "gin marriage" law requiring three days notice before a license can be issued was hailed as a contributing cause for Clark county's record year of marriage license business in 1933.

During the year 3157 couples received certificates to marry, it was announced today. The 1932 total was 3272.

INMATE ESCAPES

City police were notified last night to watch for Vernon Richards, 25, who escaped from Cottage farm. He was described as having blue eyes and brown hair and wearing light colored trousers and a yellow blazer.

FREIGHTER FREED FROM RIVER SAND

PORTLAND, Jan. 2. (AP)—The freighter Point San Pedro was freed from a sand spit in the Columbia river near St. Helens, 25 miles down the river from Portland, and docked there late today for a survey of damages.

C. E. Collins, Portland operating manager, said if the damages were not serious the freighter would be reloaded with its cargo of 350,000 feet of lumber and proceed to San Francisco.

Five tugs were ordered to the assistance of the steamer and the cargo lifted to barges. Captain Charles E. Larson, northwest operating manager, was in direct charge of the maneuvers.

It was expected the Point San Pedro would be ready to proceed tomorrow. A lumber pickup at Longview will be eliminated and she will work through at San Francisco, catching up with her schedule before returning to Portland.

CARRIERS GUESTS

Twenty-two Statesman carriers were guests of Manager Carl Porter of the Warner Bros. theatres here Tuesday night at the Elsinore for the showing of "Duck Soup" as a holiday treat.

Salem May Intervene In Test of Knox Law To Determine Rights

City Has at Stake \$8000 to \$15,000 Liquor Revenue, Stated; Position Opposite To That of Klamath Falls

SALEM is likely to intervene "as a friend of the court" in the Klamath Falls attack on the Knox liquor control law when the case, now in circuit court here, reaches the state supreme court, Chris J. Kowitz, city attorney, said during last night's council session. The city would thus seek to determine its right to collect license fees and taxes from liquor

ONLY ONE RESERVE BANK REMAINS OUT

All Others and 7000 Which Are Not Members Join Insurance Scheme

WASHINGTON, Jan. 2. (AP)—At the close of an historic first day of government guaranteed bank deposits, Walter J. Cummings, chairman of the Federal Deposit Insurance corporation, said with satisfaction that only one federal reserve member bank had refused to become a part of the system.

All the others and more than 7,000 state non-member banks were under the protection of the insurance plan, which until July 1 guarantees all accounts of \$2,500 or less and which thereafter will cover deposits of an even larger amount.

As for the one staying outside, the First National of Englewood, Ill., officials expect prompt settlement of its case when the time comes. Unless it changes its mind by July 1 and buys its allotted share of deposit corporation stock the law compels the federal reserve board, Governor Black said today, to expell it from the reserve system.

In addition, the law stipulates that the comptroller of the currency must appoint a receiver or conservator for the institution. However, the bank could circumvent this, it was said, by relying on a national bank and obtaining a license to operate as a state bank.

City officials here estimated the local treasury will benefit to the extent of \$2000 in 1934 by the new revenue. Licenses will be obtained at the city hall for dogs owned by persons within the corporate limits.

The city council last night acceded the county court's request that the city pay 80 per cent of the cost of collecting dog license fees within the city. This will amount to approximately two and one-half cents per license, and (Turn to page 2, col. 3)

Meier to Cross State Line and Resume His Job

When the Southern Pacific's Cascade crosses the Oregon line early this morning, Julius Meier will again be governor of Oregon, succeeded by Fred E. Kiddle, senate president, who has served as chief executive since Governor Meier went south to San Francisco December 18.

Governor Meier notified his office yesterday that he would not stop off in Salem today but would go on to Portland with Mrs. Meier returning to Salem on Thursday morning.

Adult Education Program To be Discussed Tonight

Any person in Salem and vicinity who is interested in self-improvement through classwork and study should attend the meeting at the senior high school building, room 2-0, at 7 o'clock tonight, when T. T. Mackenzie will outline the subjects proposed for the CWA project in adult education.

All persons over 18 years of age will be admitted to the courses, all of which are free. Unemployed especially are urged to avail themselves of this opportunity, as all classes will be directed especially with a view to making it easier for the individual to get and keep a job.

Eight or nine classes will be formed, the choice of these to be in the following 15 or 16 groups: The short story, stenography, salesmanship, German or French, maintaining family health, commercial art, hotel service, business English, public speaking, sewing and altering, how to get and keep a job, elementary accounting and business arithmetic, Spanish, geology, horticulture, landscaping, business law, contracts, American

LEGAL FIGHT IS AHEAD, ADVISES CITY ATTORNEY

Additional Lawyer or Two And Several Engineers Deemed Necessary

Utilities Committee Named To Direct Battle, Over Fuhrer Suggestion

Condemnation proceedings enabling the city to purchase the properties of the Oregon-Washington Water Service company here can be instituted within a few days as a result of the council's unanimous passage last night of the authorizing ordinance. The measure was immediately signed by Mayor Douglas McKay.

Although Chris J. Kowitz, city attorney, already has the necessary complaint drafted, he said he preferred to withhold filing it until after the one or more attorneys who are to assist him in the case have been named in order that they may approve of the action as drawn up. He expressed a belief that employment of two attorneys to work with him on the case would be advisable and services of more than one engineer necessary if the city is to present a good case.

Fuhrer Proposal Is Not Well Taken

Utilities committee members "went up in the air" when Alderman Walter Fuhrer moved that a special committee be appointed to assist and advise with Kowitz in the condemnation action, with the result that this duty was delegated to the utilities committee.

"There's always something behind an unusual proceeding," charged Alderman David O'Hara in regard to Fuhrer's motion. "I can't help but feel that it is a reflection on the membership of the (utilities) committee."

Alderman S. A. Hughes, utilities chairman, said he felt his "committee has done its duty as nearly as it knows how" and expressed fear that a special committee might select attorneys who could not work with the utilities committee.

Holding the utilities committee "in a better position to prosecute this case," Alderman Watson Townsend put the motion delegating the duty to the utilities body, Hydrant Dispute May Be Settled

Announcement of the committee's selection of one or more attorneys will be made within a day or two, Alderman Hughes said.

The mayor, city attorney and fire department will attempt to settle a dispute over the water company over the council's recent order that four of the fire hydrants at the state fairgrounds be shut off and the company's reply of last night that this ac-

CITY WILL RECEIVE DOG LICENSE FUNDS

Council Agrees to Defray Proportion of Cost; Sheep May Suffer

County officials yesterday admitted they were disappointed that hereafter 80 per cent of all dog license monies, collected on dogs in an incorporated city, will go to the treasurer of that city. Such is the provision of the state law now effective, however, and the county court has already agreed with Salem city officials on dog tax collections here.

City officials here estimated the local treasury will benefit to the extent of \$2000 in 1934 by the new revenue. Licenses will be obtained at the city hall for dogs owned by persons within the corporate limits.

The city council last night acceded the county court's request that the city pay 80 per cent of the cost of collecting dog license fees within the city. This will amount to approximately two and one-half cents per license, and (Turn to page 2, col. 3)

World News at a Glance

(By the Associated Press)

Domestic:
WASHINGTON—Roosevelt may deliver message in person at opening of congress Wednesday.

LOS ANGELES—Dead and missing in flood rises to 80 as rehabilitation begins.

WASHINGTON—All but one of federal reserve member banks join deposit insurance corporation.

Foreign:
WASHINGTON—Government protests against Germany's reduction of interest payments on foreign loans.

NEW YORK—Governor backs liquor board's investigation into charges of license graft.

HARTFORD, Conn.—Federal judge restrains NRA from enforcing suit and cost code.

WASHINGTON—Secretary Morgenthau reports slight improvement in commodity prices; gold purchasing declines.

COLORADO SPRINGS—Judge declines to vacate Jersey youth's guilty plea to murder charge in effort to escape lethal gas death.

PARIS—France's refusal to German rearmament demands understood to have left door open for counter-proposals.

ROME—Budget committee reports alarm against "menace" of Japanese naval activities.

HONG KONG—Dr. C. C. Wu, former minister to United States, dies of cerebral embolism.

DUBLIN—Military tribunal postpones indefinitely trial of General O'Duffy on charge of inciting to kill de Valera.