

LOCAL NEWS

Full coverage of local news is a daily objective of The Statesman. Yesterday's paper contained 49 headed local news stories.

THE WEATHER

Unsettled with rains today and Thursday, temperature unchanged; Max. Temp. Tuesday 53, Min. 37, river 4.8 feet, rain .03 inch.

EIGHTY-THIRD YEAR

Salem, Oregon, Wednesday Morning, January 10, 1934

No. 248

LIQUOR OFFICE TO BE OPENED SOON IS WORD

Headquarters Will Be Here But Supply Center in Portland Planned

Setting Up Complete Store in One County First is Likely Procedure

PORTLAND, Jan. 9. (AP) — The state liquor administration today commenced formulating plans for actually putting the state into the liquor business, but announced it would move cautiously until the state supreme court rendered its decision on constitutionality of the law.

The question of setting up its main office in Salem may come up when the administration of officers meet with the liquor commission — probably late this week, it was indicated. It was not believed the offices would be established until next week.

Commission Attorney George Neuner may look into the Salem office situation when there tomorrow in connection with the Klamath Falls liquor suit coming up in the Marion county circuit court. Some of the commissioners may be there too, it was indicated.

However, the main supply office of the administration will be in Portland, it was stated. Records and other information will be kept at Salem.

The administration was considering whether to set up a skeleton system of liquor stores throughout the state or to start in one town or county and make a full installation there before moving on to the next town or county.

There was some indication the latter course would be followed. Under that plan Portland would have the first store, set up elaborately and made appealing, attractive and complete. Wide varieties of liquors would be stocked in the initial store.

After Multnomah county had been cared for, the administration would establish stores in Salem, Eugene and other large towns or counties. Income of the first stores would be studied in relation to the populations served, to determine how many state stores would be warranted.

The state may establish its own stores directly, deputy agents to handle liquor in certain towns, or combine the two methods in any one town where advantageous. Administrator Sammis said.

Expectations were that consumers' cards will be drafted in the next day or so and be ready for the printer soon. The cards will sell for \$1 each. A person must have a card to make purchases from the state bottle houses.

Work is now being done, too, on devising rules and regulations for the conduct of the bottle business, using as a basis the information brought back from British Columbia by Arch J. Tourtelotte, special investigator, who is now in charge of installing the liquor accounting system.

About 2000 applications for the 150 jobs have already been received at temporary headquarters here, Sammis said.

M'GUFFEY READER AUTHORS HONORED

OXFORD, O., Jan. 9. (AP) — Two men wrote the famous but mostly monosyllabic "McGuffey Readers" so admired by Henry Ford and thousands of others, the curators of a shrine to the author here pointed out today.

Interest in the "readers" and their history led Ford to a McGuffey collection in Washington, Pa., not far from Pittsburgh. But it was here, the seat of Miami university, that much of the work on the readers was done by William H. McGuffey and his younger brother, Alexander.

As a result, a shrine to them has been established in what was the town's only hotel back in the 1830's when the readers first were published. For the most part it is devoted to relics of the elder brother, a teacher in Miami university. Among them are his family bible, many of his books, his spectacles, the study table at which he worked, and his bed, with its cornhusk mattress.

Anderson Held in Los Angeles, Larceny Charge

James Anderson, formerly engaged in the milling business here and now wanted here on a charge of larceny by bailles, has been apprehended in Los Angeles, state police were advised yesterday. He has refused to waive extradition and the governor's office will be asked to issue the necessary papers.

According to police, Anderson is alleged to have mortgaged furniture which he was buying on contract here, then left the city.

SCHOOL IN TENTS; FEAR EARTHQUAKES



Although it's partly a political gesture, aimed at building up sentiment for earthquake-proof school buildings, nevertheless it's true that a good many Los Angeles grade school pupils are getting their education in tents. This scene is on the 73rd street school grounds where the buildings were badly damaged by the earthquake last year. The Los Angeles board of education is trying to put over a program to finance abandonment of all brick school buildings and to substitute bungalows.—International Illustrated News photo.

The Washington Spotlight

(By the Associated Press)

Senate investigators heard that Walter F. Brown, postmaster general in the Hoover administration, destroyed officials correspondence before leaving office.

President Roosevelt prepared messages to congress on the St. Lawrence waterways treaty and federal guarantee of farm credit bonds.

The reconstruction corporation asked congress to extend its lending life three years and add \$1,000,000,000 to its capital.

NRA opened hearings into price increases and alleged profiteering.

The senate finance committee cut the federal brewers' license tax from \$1000 to \$100.

President Roosevelt continued the 15 per cent federal pay cut another six months.

Walter J. Cummings agreed to retire as chairman of the Federal Deposit Insurance corporation to head a Chicago band.

PU-YI CORONATION SIGNIFICANCE EYED

TOKYO, Jan. 9. (AP) — The forthcoming coronation of young Henry Pu-Yi as emperor of Manchukuo was described today as a move to emphasize the separation of that Japanese-sponsored state from China, of which it was a part until the Nipponese occupation two years ago.

Reports circulated in China to the effect that Pu-Yi's elevation to the throne is intended as a rallying call to the Chinese subjects he ruled as a boy on the dragon throne were branded as "entirely false" by a foreign office spokesman.

"On the contrary," he said, "it will stress the separation of Manchukuo from China, and Manchukuo's complete freedom from the intrigues, civil wars, and sorrows of China below the great wall, and will assist in the establishment of peace and security along all the frontiers of Manchukuo."

The coronation of Pu-Yi will take place, it is understood, in the city of Hsinking (Changchun), the capital. With the pomp and ceremony Pu-Yi knew before 1912 as the ruler of China. He is now the chief executive of Manchukuo, the state set up after the Japanese offensive in Manchuria.

Olinger Field Pool and Drainage Board's Topics

Fear that future floods of North Mill creek might cause the stream to cut behind or damage the swimming pool being built at Olinger field, voiced at the Salem school board meeting last night, developed a discussion that consumed most of the session. Planting of willow trees along the banks, removing obstructions diverting the creek's flow above the field, and dredging out the channel all were suggested but the board made no decision as to what to do.

The discussion revealed that the directors had been considering the purchase of a 40-foot lot on the south side of the stream to avert property owners' complaints should steps be taken to change the creek's channel. The property facing 12th street, is being offered for \$950.

Circuses will no longer be permitted to lease this field, if Di-

MEETING PROPOSED TO BACK SALES TAX

Polk County Farmers Group Together; See Chance To Shed Tax Yoke

DALLAS, Jan. 9.—(Special)—A group of Polk county farmers have joined in sponsoring a county-wide meeting of farmers in support of the proposed sales tax.

The meeting is scheduled for Saturday, January 13, at 1:30 p.m. in the court house here. The purpose of the meeting is to call together as many farmers as possible who favor the sales tax, and to organize a county body to put this matter before the people.

A statement issued by the farmers who organized the group reads: "This is the most important matter to come before the farmer for years. It offers the real relief for in the matter of taxes."

The farmers who joined together to sponsor this meeting were: Fred Auer, Dallas R. 1; A. R. Cadde, Dallas R. 1; W. Frank Crawford, Salem R. 1; Ralph O. (Turn to Page 2, Col. 7)

Highway Jobs to Be Available for CWA Men, Expect

With no new CWA jobs in prospect in the immediate future, Manager E. T. Barnes is checking up on state highway work to become available in this vicinity soon. Highway projects will include the circus last summer highway between the Molalla river bridge and Canby, more work on the North Santiam highway between Mill City and Gates, and replacement of the present bridge over North Mill creek on North Capitol street here. Yesterday over 150 men were on the registration lists of the agency.

Fourteen men are due to be put to work on the bridge project by February 1 and up to 23 altogether by next May. The contract is held by Settergren Bros. of Portland.

ALL DRYS INVITED JOIN PROHI PARTY

PORTLAND, Jan. 9. (AP) — All drys were invited to join the Oregon prohibition party organized here yesterday with an aim to build on a strong political framework that successfully will withstand enforcement difficulties.

Edward E. Blake, chairman of the national prohibition party, declared prohibition, upon which he said blame for all evils was heaped, met ignominious defeat because it was betrayed by politicians and had not the backing of an administration, powerful and politically committed, to make it a success.

He said 83 states already have been organized under the prohibition party and many more are being organized. It is the same party born in 1849 that originally advocated national prohibition, Blake said.

World News at a Glance

(By the Associated Press)

DENVER. — Former Senator's daughter indicted by federal grand jury of gold hoarding charge.

HANNIBAL, Mo. — Four abductors of school teacher's wife sought by posse. Woman released.

CHICAGO. — Wisconsin farmers dump milk from train; raising of blockade here predicted.

PARIS. — Royalists riot in protest against alleged part of officials is \$40,000,000 Bayonne pawnshop collapse.

HONGKONG. — Heavy casualties inflicted as nationalist troops move toward Fochow.

ANKARA. — Five year plan to industrialize Turkey announced; calls for \$32,000,000 outlay.

NATIONALISTS ON WAY; LOSS HEAVY

HONG KONG, China, Jan. 9. (AP) — Heavy casualties were inflicted today as nationalist troops, behind deadly bombardments, moved steadily toward Fochow, center of a bitter anti-nationalist revolutionary movement.

Nanking military leaders claimed their forces had advanced to within 25 miles of Fochow, capital of Fukien province, and were ready for a final, crushing thrust at the rebels.

The Kukiens insurgents were reported, however, to be holding tenaciously to Kutien City, about 50 miles northwest of Fochow, but Shukow fell before the invaders and apparently the capital was almost ringed by nationalists.

Efforts to communicate with Eugene Chen, one time foreign minister in the Nanking government and now the head of foreign affairs of the Fukien Junta, were unavailing, and it was suggested that the Fukien leaders had moved for safety to Changchow, about 150 miles southwest from Fochow.

Crippled communication lines cut Fochow itself off from the outside world. To islands near it, large numbers of foreigners, including at least 144 Americans, were said to have flocked for safety. The American destroyer Fulton was in the Fochow harbor.

Negroes Brought Here to Answer Robbery Charge

State police yesterday returned Nathaniel Blake and Cleo Harris, negroes, here from Portland to face charges of larceny in justice court. The pair is alleged to have taken \$15 from an attendant at the Standard service station at Highland avenue and Fairground road last Friday.

Contrary to first reports, police yesterday said no holdup had been committed at the service station but that the two men were charged with having grabbed the money and run. It is understood the negroes will claim they did not steal the money.

WILCOX DROPS JOB AS RELIEF HEAD IN STATE

Private Business Demands Cause Move, He Says in Note to Meier

Rumor of Political Angle is Heard; CWA Office is Also Resigned

PORTLAND, Jan. 9. (AP) — Raymond B. Wilcox of Portland, today said press of business duties forced him to resign as chairman of the state relief committee and head of the civil works administration in Oregon.

He notified Harry Hopkins, federal civil works administrator, and Governor Julius L. Meier of his decision.

His letter to Meier stated: "On account of pressure of private business, I find it necessary to resign as chairman of the state relief committee, to take effect immediately."

"I have greatly enjoyed the work during the last year and a half and particularly the recent organization of the civil works administration, and deeply appreciate the hearty support which I have had from you at all times."

"I have telegraphed Mr. Hopkins, federal civil works administrator, of my action in order that he may make necessary arrangements for continuance of the civil works administration in Oregon."

Governor Meier's only comment was: "This is a great shock to me. I have nothing to say."

At a late hour Wilcox could not be reached for a statement concerning an expression here that he resigned for political reasons. The report was to the effect that democrats of the state, noting the importance of the task, had expressed the conviction that it should be entrusted to a democrat.

Wilcox was one of the few state relief chairmen who was also state civil works administrator.

Oregon Flax Seed is Sold in Southeast

Eight hundred and sixty bushels of Oregon flax seed have been sold through a New York brokerage concern to Theodore P. Haughey of Estill, S. C. It was learned yesterday at the board of control's office here.

The seed will be used to develop flax to be tried out for the making of cigarette papers. Such papers are now principally imported from France.

The seed brought a considerably higher price than Oregon farmers have paid, William Einzig, board secretary, said Tuesday. He said 500 bushels more could have been sold but the state's limited stocks did not make possible such a sale.

Mrs. J. F. Axley Dies; Had Lived Here Since 1903

Mrs. J. F. Axley, aged 76, long time resident of Salem, died Tuesday at the home of her son, Rollo Axley, in Portland. She is survived by four sons, Earl of Salem, Fred of California, Rollo and Raymond of Portland. Funeral services will be held Thursday, January 11, at 11 o'clock a.m. from the Holman and Lutz funeral parlors in Portland.

Coming from Kansas, in 1903 Mr. and Mrs. Axley settled in Salem. Mr. Axley was associated with the Salem schools until his death a few years ago. Mrs. Axley has been ill for more than a year. She moved to Portland last July. Since that time she has made her home with her son, Rollo Axley of Portland.

Bank Personnel Here Unchanged

PORTLAND, Ore., Jan. 9. (AP) Promotion of Charles W. Parcel from assistant cashier to assistant vice president of the United States National bank of Portland was the only change made in the national bank personnel of Portland at today's annual stockholders' and directors' meetings.

No changes were made in any of the branches owned by the United States National and First National banks. Managers and assistant managers are appointed by the administrative officials, with approval of the executive committee.

State banks are scheduled to hold their annual elections of directors and officers tomorrow, the date set for annual elections by Oregon law. Ladd & Bush is the only state bank operating in Salem.

More Extensive Job In Remodeling Local Courthouse Proposed

Back Jogs in North and South Walls May Be Eliminated Without Loss of Exterior Appearance, Parley Discloses

MARION county's officials were debating yesterday whether or not to enlarge considerably their preconceived views of how the courthouse should be remodeled.

Originally their plan called for no addition to the present floor space aside from the new room provided by utilizing all the fourth floor.

The fate of the missionaries, whose headquarters are at 150 Fifth avenue, New York, is not known. Efforts to communicate with them were futile, as communications in the area of hostilities between Fukien rebels and nationalist troops have long been severed.

The Rev. Olin Stockwell, of Bartlesville, Okla., Methodist Episcopal missionary at Mintzing, 35 miles up the Min river, was twice held up and robbed by bandits while attempting to reach his mission from Fochow.

He sought to learn the fate of the mission property and the Chinese converts whom he left in charge during the fierce battling between government troops and the rebels.

Stockwell was also held by (Turn to Page 2, Col. 2)

90 ATTEND ANNUAL CHERRIAN BANQUET

Large Class is Initiated and Membership Brought Up To Limit of 100

The Salem Cherrians opened their new year at the Marion hotel last night with the largest attendance, 90 men, at an annual banquet since the order was formed in 1913 and the best initiation ever held. It was generally declared. Twenty-three men were initiated, bringing the orchard rolls to the quota of 100 active members set last year.

Along with the initiation, the leading program event was installation of new officers. The members presented Frank G. Deckebach, Jr., retiring king king, with a handsome trophy. Officers installed were:

George L. Arbuckle, King King; R. W. Niles, Lord Governor; Wood C. E. Wilson, chancellor of the rolls; John E. Coughlin, keeper of the orchard; Frank A. Minto, king's jester; William Schlitt, Duke of Lambert; T. A. Windishar, Queen Anne's consort; Dr. W. A. Johnson, Archbishop of Rickreall; Kenneth Wilson, Marquis of Maraschino, and Charles S. McElhinny, Earl of Waldo.

Initiated included: E. H. Bingenheimer, A. C. Burk, C. O. Duae, J. C. McGinley, Harry V. Carson, T. L. Kuhns, Walter H. Zosel, Raymond Bonesteel, Harold Busick, C. B. Spencer, Dr. D. R. Ross, L. V. Benson, Daryl (Turn to Page 2, Col. 6)

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SIX METHODIST MISSIONARIES' FATE UNKNOWN

No Report for Ten Days of M. E. Workers in Min River Fight Area

Oklahoman Held Up, Robbed By Bandits; Trend of Battle Unreported

FOOCHOW, China, Jan. 10.—Wednesday (AP) — Six American Methodist Episcopal missionaries, sought in the Min river fighting area in isolated Kutien district, have not been heard from for ten days, it was learned today.

Yesterday they had been mentioned by representatives of the Salem chamber of commerce, by the county's architects and by its various department heads, to add extensive space to the present building.

The procedure would be one of eliminating the recesses in the present north and south walls. Instead of these back jogs, the walls could be built out slightly more than finish with the present walls on either end of the building, thus making the building design in the shape of a convex instead of a concave cross.

The present walls jut back about 10 feet on the west portion of the building and 15 feet on the east portion. Elimination of this recess architects say, could be accomplished without loss of structural attractiveness and with a major gain in interior space. About 400 square feet of floor space could be obtained on each of the four floors of the building.

One complaint registered against the tentative plans the architects have drawn is lack of space for present offices and no space for growth of county operations in decades ahead. While architects have not yet figured how much more will be needed to remodel the courthouse by changing the side walls, material for the walls, they say, could be obtained from the old walls which would be razed and rebuilt to conform to the new pattern.

The walls in the remodeled courthouse will not support the roof and the interior partitions. The former will be supported by a steel interior structure, set just inside the side walls.

J. N. Chambers, head of the Marion county relief committee and William P. Ellis, head of the Salem chamber of commerce, think CWA funds could be as readily secured for the larger improvement as for the \$100,000 change the county first contemplated.

The matter is to be thoroughly discussed by the architects and the county court today.

JUDGMENT GIVEN AGAINST COSHOW

PORTLAND, Jan. 9. (AP) — Judgment against O. P. Coshow, chief justice of the Oregon supreme court, was awarded here today by Circuit Judge James W. Crawford to the Empire Holding corporation and its receiver, Merle G. Campbell, for \$18,000 plus interest at 7 per cent and \$100 attorney fees.

The judgment was on a promissory note signed by Judge Coshow November 14, 1930, in which he allegedly promised to pay \$20,000 for stock in the corporation, of which he was to serve as executive chairman and counselor to the directors.

In fixing the amount due, Judge Crawford allowed Coshow a credit of \$2000 for money paid into the corporation. The corporation admitted the sum had been paid.

James Crawford, however, disallowed Coshow's claim of \$2000 as commission due on the sale of his own stock and his claim of \$8300 as salary for services performed as executive chairman and counselor of the board of directors of the company.

District Legion Meeting Slated Here February 5

Plans for the American Legion district conference, to be held here February 5, include a mass meeting and a public luncheon, according to Carl Moser, state adjutant, who spoke last night concerning the affair to a group representing civic organizations of the city. Twenty speakers, including probably General U. G. McAleander, "Rock of the Maine," and Mayor Joe Carson of Portland, will be here during the day on a good-will tour, Moser said.

The public gatherings will be held in conjunction with the conference to furnish information as to the aims and purposes of the Legion. The men on tour will call at various cities in the valley, going to Albany after the Salem conference. Complete plans for the affair will be announced later.