

SMALL BANKS NOT DRIVEN OUT, SAYS Schramm Explains Deposit Insurance Laws, Other Post Crises Plans

Strength accruing to the national banks and state federal reserve member banks as a result of legislation following the bank crises of 1933, is not aimed at weeding out small state banks but on the contrary is also strengthening the small bank which still has a legitimate place in banking pictures, said A. A. Schramm, state banking superintendent, discussing the federal deposit insurance at the chamber of commerce meeting Monday noon.

Mr. Schramm also touched briefly upon the reconstruction finance corporation and capital debentures in the banking picture, and the banking code. Related to the latter, he said that leaders have come to realize that banking must be conducted upon the same solvency and not currency principles as other businesses. Hence the series of service charges contemplated under the code. Hearing on the banking code is slated in Washington February 15 or 16.

Federal deposit insurance is handled by a corporation, and is backed by the federal government to the limit of 150 millions. Two other sums, bringing a total of 439 millions of dollars will comprise the permanent structure of the federal deposit insurance corporation. These are class A stock, subscribed for by banks applying for membership who are to pay one-half of one per cent on insurable deposits; and class B stock, from federal reserve banks in one-half per cent on surpluses January 1, 1933. Class A will bring in another 150 millions and class B 139 millions of dollars.

The temporary set-up has 79 millions of class A and 69,500 millions of class B. The permanent fund will be effective July 1, 1934. The temporary fund set up now covers deposits of \$2500 or less and under this the bank is subject to one per cent of the deposit load. Schramm said 96 per cent of the depositors in this country fall in the \$2500 or less class.

The permanent fund will cover all depositors, insuring \$10,000 or less a hundred per cent; \$10,000 to \$50,000, 75 per cent; and \$50,000 or more, 50 per cent. In RFC advancements made to banks these advances are inferior to rights of depositors, the banking head said. Liquid cash has been injected into state banks through the capital debenture; and into national banks by the RFC through preferred stocks.

In addition to setting up the FDIC, 1933 banking laws took away double liability on stockholders of national banks chartered after June 16, 1933, and also increased capital requirements for incorporation.

Dies Suddenly PROMINENT CHICK RAISED HERE DIES

C. N. Needham, 59, pioneer in the baby chick business in the Pacific northwest, died at his home at 268 North Cottage street yesterday morning following a brief illness. Mr. Needham, who was prominent in realty and golf circles here, was an early member of the Illahoe golf club, serving as its president one term.

At one time he operated the Washington hotel on State street, later disposing of it to purchase property on Cottage street where he conducted an apartment house and the office of the poultry concern he headed.

He is survived by his widow, Mabel of Salem. Funeral arrangements had not been made at a late hour last night. Arrangements are in care of W. T. Rigdon & Son and announcements will be made after word has been received from relatives in the east.

Tonight the members and friends of the First Methodist church are holding the first of a series of neighborhood fellowship meetings. These meetings have been well planned and are meant to enrich the life of the church through fellowship, conference and prayer. All meetings are to be held at 7:30 o'clock and the members and friends of the church are asked to select and attend the meeting nearest to their homes.

The following meeting places and leaders have been designated: Mr. and Mrs. C. F. Wilson, 473 N. Cottage street, Mrs. Roy Lockenour, leader; Mr. and Mrs. Oren Stratton, 955 Belmont; Mr. Kloppinger, leader; Mr. and Mrs. A. B. Evans, 1415 Saginaw, Dr. Daniel Schulse, leader; Mrs. Lena Mickler, 829 South 12th, Mrs. Lena Lisle, leader; Dr. and Mrs. B. Blatchford, 1745 State, W. C. Keck, leader; Dr. and Mrs. M. C. Findley, 225 N. 20th; Mrs. Elizabeth Gallaher, leader; Mr. and Mrs. N. S. Savage, 293 S. 14th; Roy Ohmart, leader.

Nearly 300 signers have thus far shown their approval of the release of Everett Battles from the county jail, sponsors of petitions for such action reported last night. The petitions will be presented to Governor Julius L. Meier. Battles, sentenced to one year in jail for being a hit-and-run driver, was released January 6 by Sheriff Burk on the strength of a prior statement by Judge L. H. McManahan that work as a trustee gave him a shortened sentence. Battles voluntarily went back to jail when informed this ruling no longer prevailed.

LYDIA E. PINKHAM'S TABLETS
A Uterine Tonic and Sedative for Women
"I am 27 and a textile worker in the mill. I had cramps so bad that I had to cry many times. I used to stay in bed two days a month. Lydia E. Pinkham's Tablets helped me wonderfully. For the first time in my life I do not suffer. I can work all the time now and feel strong." — Mrs. Bernice Coates, 1563 Taylor St., Muskegon, Mich.

SCOUT AREA FACES BRIGHTER OUTLOOK

(Continued from page 1)
rill of Albany and Ernest Starr of Silverton, vice president; W. W. Moore, C. P. Bishop, M. L. Meyers and Irl S. McSherry, honorary vice president; W. L. Phillips of Salem, commissioner, and Willis Clark of Salem, treasurer. The following committee appointments were announced by Mr. Haag:

Court of honor—Judges H. H. Belt and James U. Campbell of the supreme court; troop organization—Captain Willis Vincent, O. P. West and O. E. Palmater; leadership and training—Dr. George H. Swift; health and safety—Dr. Vernon A. Douglas and Dr. B. F. Pound; civic service—Irl S. McSherry and Gardner Knapp; publicity and education—C. A. Sprague; reading—Fred Wolff; sea scouts—H. A. Brown; rule—W. P. Newmyer; finance—C. W. Paulus, T. A. Windshar, Willis Clark, Irl S. McSherry, E. L. Smith, T. M. Hicks, J. N. Shambers, J. T. Delaney, J. E. Roman, Chester Cox, Frank Needham, Donald Douris, Ralph Cooley, Grover Hillman, Oscar Cutler and Clifton Mudd.

Special appointments announced were: T. C. Roake, deputy commissioner, and Ferris White, district commissioner for Albany. At the start of the new year the area had 23 troops in good standing, but three less than at the beginning of last year, and twice as many as two months ago, F. Howard Zinser, secretary and part time executive, reported.

Evening short courses for young and adult farmers are being held this winter in many rural high school communities over the state where agriculture is taught under the Smith Hughes plan, it was announced Saturday by the state vocational education department.

"Financing and Reorganizing the Farm Business" has been the subject for many schools. Federal farm loans, land appraisal and the agricultural adjustment act are the basis for study and discussion for a school of this kind. Classes in farm management, agricultural economic problems, tree raising, dairying, small fruits and farm mechanics are some of the other subjects taught. Due to the agricultural economic conditions many changes have been made this winter in these courses taught by Smith-Hughes teachers.

The students attending these classes are adult farmers or farm boys not enrolled in regular classes in high school.

Obituary
Cupp
At a local hospital, Monday, January 22, Judd Cupp, late resident of 436 North 21st street, survived by widow and brother. Funeral announcements later by Clough-Barriek company.

Oregon Painters Exhibit At Salem Y; History and Scenes of West Stressed

Long acknowledged a builder of poets and novelists, Oregon has during the past few years come to fill an important niche in the world of painting. Especially have artists of this state excelled in landscapes and marines, which may seem only the natural result of placing man with a little leisure in the midst of Oregon scenery.

The variety of the scenery and the scope of the artist's skill is well illustrated in the exhibit from members of the Society of Oregon Artists hung Saturday in the second floor studio at the city Y. M. C. A. The work of 23 men and women, 44 pictures, in all, and almost entirely western in subject matter, is open to the public from 2:30 to 5:30 o'clock each afternoon and from 7 to 9 every night but Tuesday.

Persons who saw the golden wheatfields and the burned old townships included in Percy Manser's exhibits at last fall's state fair will welcome his three oils shipped from Hood River for the Salem show and will recognize the warm yellows and oranges from his brushwork.

Mrs. Anna Anderson, who arranged the exhibit and is responsible for it, is showing two Mt. Hood, one cold and formidable, and altogether a "mighty mountain," the other from White river with warm foreground of sunlight hills and trees. Mrs. Anderson is turning from her mountains in which she has previously specialized and for which she has won a considerable reputation to historic bits of Oregon. The Trullinger mill at Yamhill and the old Laughlin house on the donation land claim still held by a Laughlin near Yamhill are two of these shown here.

Clyde Leon Keller, former Salem resident who has achieved national recognition with his landscapes, is showing an unusually lovely lowland scene. Another of his sketches recently on a visit to the Seattle harbor will attract those particularly interested in marines.

Lovers of marine scenes will also want to see Colista Dowling's mist-wrapped old freighter such as used to visit the Portland docks. Mrs. Dowling, well-known for her illustrations of children's books, is also showing a water-color of the Pacific in its charming study.

D Mellow Moon
Wed. Night Jan. 24
Jimmie Whippo's Campus Chords
Adm. 25c
Sat. Night
Boots Grant's 10-Piece Band

ASK LOWER RATES ON LAND PLASTER

How to secure terminal rates for land plaster shipments to Willamette valley farmers was considered at a meeting of men from various communities held here Saturday afternoon at the chamber of commerce. J. H. Jacobsen of Hillsboro and R. W. Hawk of this city led in the discussion.

Men present pointed out that the terminal freight rate on land plaster from Utah to Portland or Seattle was \$5 a ton. To haul the land plaster from Portland to Salem, a fraction of the long haul, costs \$1.70 a ton more, the total of \$6.70 in freight charges making the plaster too expensive to the farmer who must add at least \$3.50 more a ton for the plaster itself, f. o. b. Utah. The men pointed out that actually the land plaster never was shipped to the terminal but was sidetracked here, where shippers paid \$1.70 more a ton than if the shipment went on the longer distance to Portland.

The group determined to present the matter to the interstate commerce commission and to ask that the valley rates be no higher than the terminal rates.

Pranksters cause accident is claim Major George Braden, director for three western divisions of the National Recreation association, yesterday complimented the Salem playground committee on the improvements being made under CWA allotments at Olinger, Englewood and Leslie playgrounds.

Feeling the school district was likely to receive the necessary allotments when the federal government provides anticipated additional funds, Major Braden urged that full plans be prepared for the proposed additions to Leslie junior high, Englewood and Highland grade schools. Dr. B. F. Pound, school director, stated it was not desired to push other projects for fear the building program might be jeopardized.

Approximately \$2,000,000 has been allocated for playground improvements in his territory, Major Braden said.

Funeral Service Held for Esther Smither Sunday
Funeral services were held Sunday from Rigdon's chapel for Mrs. Esther Smither, mother of Arthur Smither of this city, who died late Saturday night in her home here at the age of 77 years. For more than 20 years Mrs. Smither had been an active member of the Salem First Baptist church.

The Call Board

- ELAINORE
Today — "Dinner at Eight," with all-star cast.
Friday — John Boles in "Only yesterday."
- GRAND
Today — Warner Baxter in "As Husbands Go."
Thursday — William Garstin in "Headline Shooter."
- CAPTIVO
Today — Herbert Marshall in "The Solitaire Man."
Thursday — Zane Gray's "The Thundering Herd," with Randolph Scott.
- HOLLYWOOD
Today — Pitts and Summer-ville in "Her First Mate."
Wednesday — Chester Morris in "Breach of Promise."
Friday — Hoot Gibson in "The Fighting Parson."
Saturday — Midnight matinee, Gary Cooper in "One Sunday Afternoon."
- STATE
Today — Barbara Stanwyck in "Shopworn."
Thursday — Jean Blondin in "The Greeks Had a Word for Them."
Saturday only — Jack Holt in "When Strangers Marry."

Major George Braden, director for three western divisions of the National Recreation association, yesterday complimented the Salem playground committee on the improvements being made under CWA allotments at Olinger, Englewood and Leslie playgrounds. While here he took luncheon with a number of local persons interested in the playgrounds.

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Edwin Patchell Dies Suddenly; Funeral Today
DALLAS, Jan. 22 — Edwin O. Patchell, 49, died suddenly at his home here Saturday night following a heart attack. He was born at Dubois, Pennsylvania, on April 1, 1884, and was a world war veteran. He was engaged in semi-professional baseball several years ago, but for the past few years has been employed as an inspector at the Willamette Valley Lumber company's mill here. He is survived by his widow; his parents, Mr. and Mrs. A. H. Patchell of Salem; a brother, Walter of Portland; two sisters, Mrs. Clara Weston of Wheeler and Mrs. Mable Snyder of Salem. He was a member of the Wheeler Masonic lodge.

AS HUSBANDS GO
WARNER BROS. HILLY WINTON
MELVIN OLSEN
GRAND

WARNER BROS. ELSINORE
Now Thrilling Crowds... The Glorious Drama of All Times
MARI DRESSLER
JOHN BARRYMORE
WALLACE BEERY
JEAN HARLOW
LIONEL BARRYMORE
LEE TRACY
EDMUND LOWE
BILLY BURKE
MADGE BOBSON
MAY ROBSON
KAREN MORLEY
PHILIPS HOLMES
EXTRA
All Color Musical Comedy

VARIETY PROGRAM IS OFFERED TO P. T. A.

BROOKS, Jan. 22 — An interesting meeting of the Parent Teacher association was held in the school house Friday night, with Clifford Bishop, president, in charge. Miss Louise Andrus, was elected treasurer.

The following program was read by O. O. Epley; play, "Hobo Camp," Al Pots, Harry Loomis, Mitchell Lowery, Frank Riggi, Oren Sturgis, Gilford Wright; songs, audience, Miss Andrus, accompanist; "Swanee River" tap dance, Bob and Bill Bishop; Alfred Lorraine, accompanist; solo, Frank Riggi, guitar accompaniment; talk, William Jensen; duet, Gilford Wright and Frank Riggi, guitar accompaniment; harmonica music, Bill Bishop; solo, Gilford Wright; talk, Mrs. Bishop.

Mrs. James Leith of St. Louis were Sunday guests at the home of their son-in-law and daughter, Mr. and Mrs. Grant Buchanan. Mr. and Mrs. Fred and Mr. and Mrs. Floyd Van Horn of Portland, were Sunday guests at the home of Mr. and Mrs. A. E. Harris and family. Clyde Harris bought light carloads of the A. F. Hayes onion holdings.

Andy Peterson Signs Up With Portland Club
PORTLAND, Ore., Jan. 22 — (P) — Andy Peterson, big right handed pitcher from Willamette university who took a turn around the New York Yankee farm in the east last summer, has been signed for a tryout next season with the Portland Ducks of the coast league. Manager Walter McCredie announced.

"Chuck" Hoag, University of Oregon player who was also with the Eugene Townies in the state league last year and Bob Garretson, a former state league player, have also been signed. Garretson played first base for Montavilla last summer and the year before with Ray Brooks west side Babe of Portland, winners of the state league championship.

C. E. Week to be Started Sunday
Christian Endeavor week will be observed at the First Presbyterian church starting Sunday night, when one of the youth groups will have charge of the services, states Dr. Grover C. Birchet, pastor. A Christian Endeavor banquet served at the church will be the special feature Monday, and other plans are being formulated for the rest of the week.

CAPITOL TODAY and WED.
Stirring... breath taking drama of life and death among super continental crooks.