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# The Oregon Statesman

FOUNDED 1851

Salem, Oregon, Wednesday Morning, January 24, 1934

THE WEATHER  
Fair but becoming unsettled today, rain Thursday; Max. Temp. Tuesday 57°, Min. 35°; river 16 feet, rain .48 inch, northerly winds.

## CWA PROJECTS HALTED DUE TO STRIKE SPREAD

Statewide Protest Faced in In West Virginia as Men Leave Jobs

Administration Forecasts Entire Program May be Ended by May 1

CHARLESTON, W. Va., Jan. 23.—(AP)—Answering threats of a statewide CWA strike, administrators of Kanawha county, where workers today dropped their tools, tonight called a halt on all projects for 48 hours.

Several hundred men left their jobs today and attended a meeting of the West Virginia unemployed league.

Pickets were delegated to work projects in the county and ordered to "swell" the ranks of the strikers.

The county board considered discharging those who participated in the walkout.

C. F. Seacrist voiced the strikers' demands.

"We demand a complete new setup in the relief organization," he shouted to a crowd of about 400 men and women.

"Also we demand that men who have been cut off of CWA projects be put back to work. Further, we demand a thorough investigation of conditions under which the men are working."

WASHINGTON, Jan. 23.—(AP)—The administration hopes that the workers of the civil works administration can stack up their shovels and go into private industry before May 1.

This expiration date was fixed definitely today by Harry L. Hopkins, director of the agency, after a conference with President Roosevelt. There was attached to the deadline date, however, a reservation that if private industry could not find jobs for a good share of the 4,000,000 workers by that time, Mr. Roosevelt would consider extending the life of the agency.

## COUNTY JUDGE OF COOS IS ARRESTED

MARSHFIELD, Ore., Jan. 23.—(AP)—Ball of \$125 was posted today by County Judge D. F. Thompson, arrested by city police officers shortly after midnight last night on a charge of drunken driving.

Contention between the county court and the sheriff's office developed yesterday when Judge Thompson hurled accusations of irregularity at members of the sheriff's force. The county court charged that Deputy Sheriff Archie Philip sold a grocery store in North Bend for \$30 under a tax foreclosure proceeding.

The county court demanded a written statement from Sheriff Hess, deputy Sheriff Philip and from District attorney Ben C. Flaxel as to why the store was sold for so little. A detailed list of the fixtures and merchandise sold was also requested. It was alleged \$1100 personal property taxes were due the county from the store.

## CWA Permitted To Hire Trucks

PORLTAND, Ore., Jan. 23.—(AP)—The Oregon CWA has been allotted \$30,000 for purchase of materials, including hiring of trucks, for the week ending Friday, word to day from Senator Stetler stated.

The news was welcomed in sections of Oregon where hired trucks were the only means of transporting workers to their jobs.

## World News at a Glance

(By the Associated Press)

Domestic:  
ST. PAUL—Release of kidnapper banker believed near by friends; grand jury ready to investigate.

NEW ORLEANS—Mayoral primary fight between Long and anti-Long forces brings large vote.

INDIANAPOLIS—NRA doubled United Mine Workers membership, says John L. Lewis.

Foreign:  
PARIS—Cabinet wins vote of confidence in controversy over Bayonne pawnshop.

VIEENNA—Austrian independence question may be referred to League of Nations.

PARIS—Leaders consider chances of disarmament agreement with Germany slim.

## Kidnappers of Bremer Made No Real Threat Of Death, Disclosed

Second Note in Handwriting of Abducted Banker Received; Arrangements For Paying Ransom Are Divulged

ST. PAUL, Jan. 23.—(AP)—Officials' fear over the fate of Edward G. Bremer, held by kidnappers nearly a week, was allayed tonight by disclosure that he had not been threatened with death.

As the time when close friends said release of the captive banker for whom \$200,000 ransom has been demanded drew near—their predictions were that he would be freed within 24 hours—sources believed reliable divulgued that the original kidnap note contained only a warning.

"You better pay off first and let them (meaning the police) do their detecting later. You better not cross us," was the version they gave of contents of the note which was found by Walter Magee, wealthy friend of the Bremer family, shortly after the 37-year-old bank head was seized late Wednesday.

Magee previously had said the gang had threatened young Bremer with death if police were called in or the newspapers informed. It was also disclosed today that

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### Is Go-Between In Kidnap Case



WALTER MAGEE

## ASK MORE FEDERAL AID FOR HIGHWAYS

Commission Ready to Place Under Contract Large Projects, Stated

Continuation of federal aid for state highways was urged by the Oregon highway commission in letters sent to the delegation in congress, requesting their support of the Hayden bill authorizing the continuation.

The commission was prepared to place under contract immediately projects totaling as much or more than the former appropriation to the state of \$6,100,000 under the public works act, the letter written by State Highway Engineer R. H. Baldwin informed the delegation.

The president has requested congress to authorize an expenditure of approximately \$2,750,000 for public works," the letter pointed out. "In the last analysis, the expenditure of recovery funds for public works will be measured by the ability of such expenditure to create new wealth through the reduction of fixed charges. It is certain that we have by no means reached the saturation point in the construction of highways and that many millions of dollars can be expended in this very worth while work."

State highway departments have moved more rapidly in the (Turn to page 2, col. 1)

## Re-employment Setup May Be Changed, Court Learns

Caufield, in his conference with the local committee, said the plan had not finally been determined upon. The Marion county committeeman said a Marion county man should be picked for the regional management. They pointed to the \$75 a month contributions, the city and county here had made to the office, to the large number of men registered in this county for work and to the efficiency of the local office. It was also urged that both Barnes and Dotson be retained under a regional supervisor if one was hired.

Caufield is to report the meeting to Guy V. Litner, state re-employment office director, and will consult further with the local committee this week. The new plan, if effected, would be operative February 1.

In attendance at the meeting were County Judge Siegeland, Commissioners J. E. Smith and Roy Nelson, J. N. Chambers, county relief chairman, Mayor Douglas McKay, and Sheldon F. Sackett, Harry Levy and F. J. A. Boehringer, members of the county re-employment committee.

Clerks would be left in each of the county offices with D. D. Dotson, present office manager here, left with the Salem office on 270 Court street and R. T. Barnes, present manager, retiring from the setup.

## BILLION DOLLAR START MADE ON U.S. BORROWING

Two Types of Short Term Notes Issued; Revenue Report is Issued

Processing, Liquor Taxes And Other Sources Aid Federal Treasury

WASHINGTON, Jan. 23.—(AP)—A billion dollar start was made by the treasury today in its giant task of borrowing \$10,000,000,000 to meet recovery costs and maturing debts between now and June 30.

Two types of short term issues were offered by Secretary Morgenthau in a routine financial statement.

One was a \$500,000,000 issue of treasury notes, paying 2½ per cent, dated January 29 and maturing March 15, 1935. The other was \$500,000,000 of certificates of indebtedness bearing 1½ per cent, dated January 29 and maturing September 15 of this year.

Announcement of the first borrowing, which was planned carefully in conferences between President Roosevelt and federal reserve bank officials, coincided with a statement of internal revenue collections for the first half of the 1934 fiscal year, showing total payment of \$1,215,545,550 as compared with \$744,437,495 for the corresponding 1933 period.

Big contributors to the increase were \$140,563,000 in agricultural processing taxes which were not effective last year, and boosts of \$88,905,000 in manufacturers' excise taxes, \$94,817,000 in liquor and beer, \$79,339,000 in capital stock levies, \$27,981,000 from dividends and \$34,024,000 from estates.

In December, the first month of legal liquor, distilled spirits paid the treasury \$86,651,000 as compared with \$597,921 in December.

Morgenthau's financing announcement opened the current period of huge government peace-time borrowing. President Roosevelt has estimated the treasury must sell \$10,000,000,000 of obligations before the end of the current fiscal year.

Only one liquor store will be located in Salem at the start, but another would be added if business warranted, Sammis indicated.

Laurence R. Hickam, supervisor of this district for the state liquor commission, put in a busy day here yesterday and will again today, interviewing applicants (Turn to page 2, col. 5)

## LIQUOR STORE JOB APPLICANTS MANY

Hickam Busy Interviewing Candidates and Viewing Possible Locations

PORLTAND, Ore., Jan. 23.—(AP)—Probably the day after the first state liquor store is opened at Portland Salem's store will be opened, and a day or two later Eugene's store will be opened. State Liquor Administrator George Sammis told the Associated Press tonight.

Three stores will probably be opened in Portland February 10. Those selected to operate the Salem store will work in the Portland store the opening day and those who will operate the Eugene stores will be in the Salem store on opening day.

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## RUSSELL IS GUILTY SAYS SECOND JURY

DALLAS, Jan. 23.—(Special)—Four hours' deliberation by a circuit court jury resulted in a verdict of guilty being reported at 8:30 o'clock tonight in the case of State against Miles Russell.

Judge Arlie G. Walker immediately set next Monday at 9:30 a.m. as time for pronouncement of sentence. Meanwhile Russell is at liberty on bail.

After being convicted in West Salem justice court recently and facing a fine and jail sentence, Russell appealed to the circuit court. The first trial last week on the appeal resulted in a hung jury.

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## Is New Federal Treasury Aide



MARINER S. ECCLES OF OGDEN, UTAH, WHO WAS APPOINTED NEW ASSISTANT TO THE SECRETARY OF THE TREASURY RECENTLY. ECCLES, HEAD OF THE NATIONAL BANK AT OGDEN, IS REGARDED AS ONE OF THE COUNTRY'S FOREMOST AUTHORITIES ON BANKING AND CURRENCY.

## SCHOOL CROWDING PUZZLE FOR BOARD

Additional Classroom For Highland Is Arranged; May Change Zones

Congestion has reached such a point in several Salem grade schools that employment of more teachers or rearrangement of some zones appears necessary for the coming semester, Superintendent George W. Hug told the school directors last night. He pointed out that there were classes at Englewood, Highland, Park and Richmond schools with from 45 to 48 pupils under a single instructor.

On Hug's recommendation, the board approved furnishing of a temporary classroom in the Highland school basement and hiring of a full time teacher there. Hug said the Englewood situation might be relieved by shifting some pupils to Washington and Grant schools.

The board also agreed to employment of a half time domestic science instructor for the senior high school and return of Frances L. Welch to full time teaching at that subject at Parrish Junior high.

The elementary teaching staff, Hug stated, now numbers 69 instructors, one less than last year and four less than two years ago. On the other hand, enrollment is 65 pupils greater than a year ago.

## LABOR RACKETEER TRIAL ON, CHICAGO

CHICAGO, Ill., Jan. 23.—(AP)—Eighteen defendants in Chicago's big racketeering conspiracy trial heard themselves alternately described today as blackguards and thieves and as progressive, sagacious business leaders who really thought up the NRA.

The contracts with which they attempted to regulate the dry cleaning, laundry, carbonated beverages, and other industries, said Defense Counsel Floyd Thompson, were much like the codes of fair competition under the national recovery act.

But to Special Prosecutor Edwin J. Raber the same contracts, as well as the unions and associations which the defendants controlled, were devices through which to gain control of profitable businesses and "bleed them white" with dues and fees.

Storm warnings were posted along the Oregon and Washington coasts when a hurricane struck and started to move southward. Wind velocity at the Switze Bank lightship, south of the Straits of Juan de Fuca, ranged from 63 to 75 miles an hour.

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After being convicted in West Salem justice court recently and facing a fine and jail sentence, Russell appealed to the circuit court. The first trial last week on the appeal resulted in a hung jury.

In an afternoon game the freshmen were defeated 35 to 22 by Benson. Harvey, with 8 points was high scorer for the freshmen in that game, in which a slightly different starting lineup represented the freshman.

PORTLAND, Ore., Jan. 23.—(AP)—Ernesto Cavelli, 144, Walla Walla, knocked out Sleepy Blount, 140, Spokane, in the second of a scheduled six-round main event bout here tonight.

Frankie Monroe, 137, Klamath Falls, won a four round decision from young Harry Wills, 139, Longview, Wash.

## HUEY LONG HIT HARD BLOW IN CITY ELECTION

Walmsley Who Broke Away From Kingfish Party Has Huge Lead

Klorer Far Behind; Aides Of Mayor Winning in Council Race

NEW ORLEANS, Jan. 23.—(AP)—The old regular organization of Mayor T. Semmes Walmsley, which broke up an alliance with the Huey P. Long political machine to seek re-election of its ticket, a straight anti-Long issue, piled up commanding lead in today's democratic primary.

Returns compiled from the slow count at midnight gave Walmsley and his ticket nearly a clear nominating majority, but the two other major contenders, John Klorer, the Long candidate, and Francis Williams, independent, who based his campaign on bitter opposition to the Long regime, indicated the issue would be forced into a second primary as they fought a neck and neck race for the second place total behind Walmsley.

Only 50 precincts from the city's 262 had been officially completed at midnight, and these gave Walmsley 7904, Klorer 4745, Williams 4218, and Herbert B. Holmes, an independent, 74.

Walmsley's associates on the city commission council, seeking re-election with him held similarly commanding leads over the field of eight opponents.

## FOUR ABDUCTED IN L.A. LABOR EUROPE

BRAWLEY, Cal., Jan. 23.—(AP)—Three of four persons abducted from a hotel here tonight as they prepared to appear at a mass meeting of strikers and sympathizers had been accounted for late tonight. A. L. Wirin, attorney representing the American Civil Liberties union, was still missing.

David Sokol, Los Angeles attorney, and Mrs. Grover C. Johnson, wife of a San Bernardino attorney, were found by police. Mrs. Johnson said her husband was in hiding.

Police Chief Lon Cromer said he had an unverified report that Wirin had been driven miles from Brawley and left on a desert road.

Cromer said he was informed a group of men entered the thronged lobby and led Wirin out through the rear entrance of the hotel. Mr. and Mrs. Johnson and Sokol followed in an effort to free him.

All five were forced into automobiles and driven away, Cromer was advised.

PORTLAND, Ore., Jan. 23.—(AP)—A rampaging McKenzie river emptying into the Willamette river was expected to cause the latter to reach flood stage at Eugene sometime today.

The McKenzie was reported to be higher than any previous time during the past fall and winter. The national forest ranger station at Reserve reported a stage of 10.2 feet late today.

Higher water levels below Eugene were expected to follow. The reading at Portland tonight was 14.9 feet, a two-foot rise in 24 hours. The river forecast was a steady rise at Portland Wednesday.

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## EMPIRE NOTES HELD NO LONGER BINDING

WASHINGTON, Jan. 23.—(AP)—Harry L. Hopkins, who runs the civil works and federal emergency relief administrations for President Roosevelt, couldn't sleep at night because his telephone number was in the book.

Soon after the civil works program started he had the number changed and left unlisted. But some people have a knack for learning unlisted telephone numbers.

Hopkin's number was changed again, but still they discovered it. Now it is changed