

WATER ACTION IS UNCERTAIN; COUNCIL QUIET

Water Company Faith Under
Fire as Arbitration Goes
Past Deadline

Possible Procedure Talked
by Utilities Group but
Not Revealed

The present status and the future of the incomplete arbitration proceedings for the Oregon-Washington Water Service company's plant here were a matter of complete uncertainty last night, 24 hours after the agreed upon 75 days for arbitration had elapsed with the arbitrator not ready to submit their valuation on the plant.

No plans for a special council meeting to consider the situation were matured yesterday and late in the afternoon, Alderman V. E. Kuhn, acting mayor, said he was not certain if there would be a council meeting called before the week ended.

Attorneys, Engineer and Officers Confer
Kuhn, J. W. Cunningham, city member of the board of three arbitrators, and the utilities committee of the council—Aldermen Hughes, O'Hara and Vandevort—met yesterday morning with the city's legal advisers, City Attorney Kowitz and Walter Wilson, but did not discuss what their recommendations for procedure would be.

The committee did report that it was not satisfied with information received on the causes for the arbitrators' delay. Cunningham said he did not feel at liberty to disclose the reasons for delay without consent of the other members of the committee. The committee declared it was not convinced of the good faith of the water company in attempting to expedite the arbitration proceedings. Before taking any action, the committee said it would seek and procure additional facts regarding the arbitration proceedings.

Information "Leaked" to Company, Complaint
Reports spread among councilmen yesterday that officials of the water company had been kept in close touch with the progress of the arbitration with certain unit items of price reported to the company. This data and other information alleged to have "leaked" from the 75-day conference made it appear likely that the price the arbitrators would set would be considerably higher than councilmen think is fair. Throughout the day councilmen (Turn to page 2, col. 1)

GRAND JURY EYING BALDWIN ACCIDENT

Twelve witnesses appeared before the Marion county grand jury yesterday to testify regarding the accident Wednesday night, December 5, in which Colonel A. J. Baldwin was instantly killed on the Pacific highway just south of Salem.

Lyle Page, deputy district attorney who conducted the inquiry, said that only two or three more witnesses would be called. He indicated last night that the grand jury would then investigate some other pending cases, probably turning in several reports before the week ends. District Attorney Trindle, under criticism for not summoning the grand jury immediately after the Baldwin fatality, took no part in the inquiry, declaring that he wished not to prejudice the jurors' minds. He has already stated publicly that he did not believe there was any basis for holding Elmer W. Means, driver of the car which struck Baldwin, liable for the accident.

A. L. Niles, state police officer who investigated the accident, Dr. L. E. Barrick, coroner, Mrs. Anna Tasto, driver of the car Means was passing when he struck Baldwin, and Means himself, a voluntary witness, were among the persons appearing before the jury.

Mountain Slopes Slide, Honduras, As Quakes Occur

TEGUICIGALPA, Honduras, Dec. 12.—(P)—Something awe-inspiring and terrible is happening in the Copan zone, residents of that quake-devastated district have wired the government here.

Earthquakes have shaken the region continuously since early last week are becoming stronger and more frequent, especially about Santa Rita, San Jorge, Canas and Copan, the messengers said. Underground rumblings are constant in the neighborhood of the nearby Asul mountain.

Her \$27 Outfit Wins, 4-H Show



The stylist of 4-H club members of the United States is Miss Lucille Morris, who is shown above, wearing the dress outfit which won her the title of style champion at the 4-H club congress in Chicago last week. The whole outfit cost only \$27.92.

BYRNS IN LINE FOR HOUSE LEADERSHIP

Rayburn, Touted Candidate,
Withdraws, Says Little;
F.R.'s Hands Off

WASHINGTON, Dec. 12.—(P)—Selection of Representative Joseph W. Byrns of Tennessee as speaker of the next house was virtually assured tonight by the sudden withdrawal of Representative Sam Rayburn of Texas, who had been prominent in the race.

In a cryptic statement, Rayburn, who handled much of the administration recovery legislation in the present congress, said:

"I am no longer a candidate (Turn to page 2, col. 2)

4th Installment Due Soon, Taxes

Taxpayers in the county have until Saturday night to pay the fourth installment of the 1934 taxes without being delinquent, the sheriff's office here announced yesterday. Beginning next Monday the quarterly installment and all other back taxes will bear interest at the rate of 8 per cent a year. Tax payments have increased materially in recent days as the due date approached.

Oregon Briefs

EXTRA RELIEF ASKED
KLAMATH FALLS, Ore., Dec. 12.—(P)—Santa Claus was invited to "shell out" at Christmas time by a group claiming to represent all persons on relief here.

Bonus of \$5 for each single person on relief and \$10 for each family head with \$1 additional for each dependent in the family, was demanded in a letter sent to County Judge George Grizzle, relief committee chairman.

It was estimated nearly \$8,000 would be needed to comply with the demand.

WAS BANKER, CIVIC WORKER
EUGENE, Ore., Dec. 12.—(P)—Frank N. McAllister, 59, prominent banker and civic worker, died at his home here early today following a heart attack.

For more than 34 years McAllister has been identified in banking circles. He was vice-president of the United States National bank which he helped organize in 1913.

He also was one of the organizers of the Eugene chamber of commerce and a leading worker in the group. His civic activities included a term on the city council and he was a past president of the Eugene Kiwanis club.

GETS YEAR, PAROLE
PORTLAND, Ore., Dec. 12.—(P)—Charles A. Goodwin, 23, who pleaded guilty to filling a

20 BODIES ARE RECOVERED IN HOTEL'S RUINS

23 Known Dead and Possibly
Twice as Many Victims,
Latest Check Shows

25 Not Yet Accounted for;
Survivor Tells of Hall
Singing Before Alarm

LANSING, Mich., Dec. 12.—(P)—Slowly and horribly, the magnitude of the Kerna hotel fire tragedy was pried today from the cooling ruins, where at least 23—possibly twice that many—perished in one of Michigan's worst disasters.

Twenty bodies had been recovered or located tonight.

Charred remains of six victims, burned beyond recognition in Tuesday's fire lay on improvised biers in a warehouse, transformed into a temporary morgue.

A dozen other bodies of those who escaped death by fire only to drown or die of injuries after leaping from upper windows, were in undertaking establishments.

Two bodies were believed pinned on the bottom of the Grand river by an iron fire escape that presumably fell with them.

Approximately 25 of the 215 guests still were unaccounted for, in lists of dead, injured or unharmed survivors. The hotel register was charred beyond legibility, but from other sources, state police compiled a list of 23 persons definitely known to have been in the hotel Monday night, and unreported since the fire. Included in this list of "known dead" were the names of those whose bodies have been identified.

Undoubtedly, if the charred bodies taken from the debris could be identified, some of their names would be found on the list.

One, in fact, fairly definitely was identified by a ring, as that of David Monroe, the hotel manager.

From other clues identifications were made of a man and woman who died in leaping from their blazing hotel room. They were said by state police to be the Rev. George Korteling, of Cedar Rapids, Ia., and his wife, who are known to have spent the night in Lansing.

In a statement to the fire marshal, Robert C. Caldwell, of Chicago, told of being awakened by a group of men passing through the hall singing "we won't go home until we win," then six cheer someone about "where the hell's the fire alarm?"

J. Solomon Hit, Severely Hurt by Automobile Here

J. Solomon, North Liberty street, suffered a severe head cut and concussion shortly before 6 p. m. yesterday when he was struck and knocked down at Center and Commercial streets by a car driven by Harold Elstrom, route one, Salem. Elstrom was held at the police station here until 5 o'clock when he was released under \$50 bail by order of the district attorney's office. Police reported that brakes on Elstrom's car were ineffective. Solomon was taken to a local hospital.

Shell Out, Santa Claus Frank McAllister Dies Petition Stuffer Freed Fire Victim Improving

Major Carson recall petition with 20 fictitious names, today was sentenced to a year in jail and then paroled.

The parole action was recommended to Circuit Judge Jacob Kessler by the deputy district attorney. The court was informed the parole would not be opposed by Mayor Joseph Carson against whom the unsuccessful recall movement was directed.

BURNED BY GASOLINE
MEDFORD, Ore., Dec. 12.—(P)—Isaac Cowins, 43, was recuperating tonight from severe burns received yesterday when flames ignited gasoline which spilled on his clothing.

He was drying out an irrigation line repair job with burning gasoline. Flames approached a can containing gasoline. In throwing the container away from danger, some of the liquid drenched his clothing and ignited.

FAMILY RUNS GRANGE
PROMISE, Ore., Dec. 12.—(P)—It would be a terrible blow to grange activities in this Wal-lawa county town of 160 persons if the Carper family should move away.

John W. Carper has been elected master. His wife, Almeda Carper, was re-elected secretary; their daughter, Lois, is the new treasurer; a son, Frank, has been named steward, and another son, Ed, is assistant steward.

World News at a Glance

(By the Associated Press)

Domestic:
WASHINGTON—Plan for government check on war time prices looms as result of Roosevelt's move to take "profits out of war."

BOSTON—Police guard New England theaters after four movie bombed.

WASHINGTON—Permanent anti-crime agency seen at parley, Lansing, Mich.—Find score of bodies in hotel wreckage; death toll may exceed forty.

WASHINGTON—Byrns virtually clinches speakership as Rayburn withdraws.

CLEVELAND—Army engineers, envisaging See-So-Lakes liner channel, recommends \$336,000,000 rivers and harbors program.

CHICAGO—Prosperity back next summer, says Dawes.

WASHINGTON—Administration moves to spread prison produce buying.

Foreign:
LIVERPOOL—300 parents and children injured, many seriously, in collapse of concert hall floor.

HAVANA—Extraordinary steps taken to forestall another revolution as revolt rumors grow.

LONDON—Great Britain and U. S. agree to drop tri-power naval talks unless Japan yields her demand for parity.

CRANLEIGH, Surrey, Eng.—Siamese delegation asks King Parajadhipok to return to throne; he withholds decision.

GENEVA—End Chaco warfare by December 24 hoped for as League of Nations awaits Paraguay's answer to peace plan.

HONGKONG—60,000 Chinese communists elude 1,000,000 troops; relations between Nanking and Canton governments strained.

ELKS PLAY MAKES SUCCESSFUL START

Performance, and House are
Good; Chemeketa Troupe
Is Commended

By JESSIE STEELE
A full house, a good play and class A performances from the entire cast made the opening night of "The Alarm Clock" at the Elks club a decided success last night.

Chemeketa Players presented the comedy by Avery Hopwood as the annual Christmas benefit for the Elks club.

The professional direction of Clifford W. Hurt was evident from the first curtain to the last. The players knew their lines and the action snapped through from one clever sequence to another.

Bouquets are due especially to Mary Shafer for her natural and continuous transformation from Mrs. Sue Kent of Camp's Corners to Susie Kent of New York. Arnold Malsels as the central character, Bobby Brandon, was capable in every scene, particularly in the first act when he is suddenly taken ill.

The government of President Carlos Mendizola was bearing down throughout Cuba to forestall another revolutionary outbreak as rumors of impending revolt spread over the island.

The government of President Carlos Mendizola was bearing down throughout Cuba to forestall another revolutionary outbreak as rumors of impending revolt spread over the island.

LUMBER BATTLE AT CODE MEET RAGES

WASHINGTON, Dec. 12.—(P)—Charges that lumber operations are making no efforts to sell at code fixed prices were made today by F. M. Coffey, president of the Southern Furniture Manufacturers' association, at the NRA hearing on the West Coast Lumbermen's association petition to eliminate price fixing.

Coffey said that within his knowledge 60 salesmen calling on members of the Southern Furniture Manufacturers' association did not attempt to quote the lumber code fixed prices, but tried to sell at the lowest possible price above the actual cost of production.

Dr. A. P. Haake, Chicago, secretary-manager of the National Association of Furniture Manufacturers, testified that more than 75 per cent of the lumber used in the industry was purchased at below code quotations.

Commons Okehs Self-Government Plans for India

LONDON, Dec. 12.—(P)—The House of Commons tonight adopted a motion approving the government's plans for a new constitution for India, involving self-government with safeguards. The motion for approval carried by an overwhelming majority, 410 to 127.

The motion approved the report of the joint select committee which investigated the Indian situation.

HOLMAN SUES WOLFE ESTATE FOR \$84,205

PORTLAND, Ore., Dec. 12.—(P)—The state treasurer today brought suit to collect \$84,205 additional inheritance taxes which he charged the late Adolphe Wolfe, pioneer Portland merchant, escaped by making gifts in contemplation of death.

Treasurer Rufus C. Holman claimed gifts of approximately \$666,000 were made to beneficiaries prior to Wolfe's death last March. The action asked that Circuit Judge George Tawell vacate a probate order returned November 13 and order a re-appraisal.

It was set out that Wolfe gave 79 shares of Advol Investment company stock to his daughter, Florence Wolfe Etteleson, to his son-in-law, Jess Etteleson, and to his grandchildren. The shares were said to be worth \$6000 each when the first gifts were made.

Levy of a tax on a gift of residence property said to be worth \$25,000, and other small properties, was asked.

DEEP CHANNEL IN WILLAMETTE MAY COME, SAY

Idaho Planning Board Head
Lists Local Development
as Being Desirable

800 Attending Conference of
Planners at Seattle;
Meet Ends Friday

SEATTLE, Dec. 12.—(P)—Armed with graphs and charts, planning council members of the four northwest states sat down with federal, state, county and city officials here today to map plans for the future development of the natural and human resources of Washington, Oregon, Idaho and Montana.

Most largely attended of the divisional meetings which followed the opening general session was the water resources section at which 160 heard G. H. Canfield of the U. S. geological survey, and Eugene C. Lewis, chairman of the Idaho state planning board, give detailed plans of a vast development of inland and coastal waters.

Committees took no action at today's sessions, restricting their discussions mostly to reports of progress since the first Pacific northwest regional planning conference at Portland last March. Discussions will end Friday afternoon when committee recommendations and resolutions will be laid before another general session for action.

Cox recommended improvement of all harbors and channels in the Puget Sound region, in anticipation of increased population on the Olympia peninsula, and surveys to determine the adequacy of present ferry service.

He asked a deep water channel from the mouth of the Willamette river to the Dalles, and barge service from The Dalles to Canada on the Columbia, via a series of locks and dams and some dredging. He suggested a nine-foot channel from Astoria to the mouth of the Columbia.

Eventually, Cox added, the Willamette should have a deep water channel (at an estimated cost of \$10,000,000) (Turn to page 8, col. 1)

Editors Get Castor Oil Doses, Cuba

HAVANA, Dec. 12.—(P)—Men armed with machine guns and pistols raided the editorial rooms of the anti-government newspaper Accion tonight and forced several writers and editors to accompany them to the outskirts of the city, where they were given the castor oil treatment.

The government of President Carlos Mendizola was bearing down throughout Cuba to forestall another revolutionary outbreak as rumors of impending revolt spread over the island.

The government of President Carlos Mendizola was bearing down throughout Cuba to forestall another revolutionary outbreak as rumors of impending revolt spread over the island.

Editors Get Castor Oil Doses, Cuba

HAVANA, Dec. 12.—(P)—Men armed with machine guns and pistols raided the editorial rooms of the anti-government newspaper Accion tonight and forced several writers and editors to accompany them to the outskirts of the city, where they were given the castor oil treatment.

The government of President Carlos Mendizola was bearing down throughout Cuba to forestall another revolutionary outbreak as rumors of impending revolt spread over the island.

ANTI-CRIME SETUP MAY BE PERMANENT

WASHINGTON, Dec. 12.—(P)—A determination to create a permanent, national anti-crime organization tonight gained majority headway at the attorney general's crime conference.

The exact form this organization would take was a matter of debate, but virtually all of the 500 attending the colorful parley in the National Academy of Sciences building agreed that national machinery was vital. The central agency would direct an anti-lawless offensive reaching from coast to coast.

While selected delegates sifted the varied proposals and shaped them for a formal vote, it became apparent also that sentiment was strong for a national training school for peace officers, equipped with the best of scientific crime detection apparatus.

U. of Hawaii President is Brief Visitor, Willamette

By PAUL HAUSER
Dr. David L. Crawford, president of the University of Hawaii, stopped for a short time in Salem last night as the guest of Dr. Bruce Baxter, president of Willamette university.

Tall, genial and smiling, the president of the large island school, looked over the Willamette campus, watched the basketball team practicing and ate a duck dinner at the home of Coach "Spec" Keene.

Dr. Crawford was invited to Salem by Dr. Baxter after the latter had met him yesterday at Corvallis, where both were attending an educational meeting. Dr. Crawford had not planned to come to Salem.

Dr. Crawford, who has been president of the Hawaiian university for eight years, said he was sorry he had not arrived be-

Retired Portland Furniture Dealer, 70, is Found in Home Fish Pond, Beaten to Death

Judge's Son Says He Shot Gorrell in Self Defense; Plot Hinted

Claims Attempted to Thwart Plot to Extort \$20,000 From Family of Wealthy Tulsa Oil Man; Fought Over Pistol

(Copyright, 1934, by the Associated Press)
TULSA, Okla., Dec. 12.—(AP)—Phil Kennamer told the Associated Press in an interview today he killed John Gorrell in self defense after Gorrell learned he intended to thwart a \$20,000 extortion plot they had planned against the family of Homer Wilcox Sr., wealthy Tulsa oil man.

Kennamer declared he had never intended to go through with the extortion, but had "muscle in on Gorrell" to protect his friends, the Wilcoxs.

Gorrell seized his pistol as they rode in a motor car and snapped it twice in his face. Kennamer said in his first public statement since his arrest for the Thanksgiving night slaying.

"It didn't go off and I grabbed it," he said.

"We both had our hands on it. He may have pulled the trigger again or I may have, but it went off."

"The second shot came almost instantly, just as the car hit the curb."

At the same time Kennamer, 19-year old son of a federal judge, declared he was positive that Sidney Born, Jr., who was (Turn to page 2, col. 4)

2ND POULTRY CODE MEET IS SATURDAY

Hatcherymen and poultry breeders from all parts of the state will meet here next Saturday morning to attend the second statewide hatchery and poultry code meeting to be held. The initial meeting was held last year in Portland and was well attended.

A. Hannah, national poultry code supervisor from Kansas City, will attend the Saturday meeting and will speak as will M. W. Buxter, supervisor of the code for the coast states. His home is in Berkeley, Calif.

A feature of the meeting expected to provoke lively discussion will be the report of a committee appointed last month at the Corvallis poultrymen's meeting to discuss code price regulation of 1935 chick prices. The committee was to take the matter up with the state department of agriculture with the view of ascertaining of a price on code chicks could be established in a manner similar to the way the state dairymen's association sets prices.

The meeting Saturday will be open to all poultry raisers and other persons interested in the industry.

Ohio Legislature Enacts Sales Tax

COLUMBUS, O., Dec. 12.—(P)—The 90th general assembly, tonight acceded to Governor George White's ultimatum to pass a tax on incomes to supplement the 3 per cent sales tax.

That accomplished and executive indication given the sales tax bill will be signed, the legislature concluded its labors, which stretched over two years, by voting sine die adjournment.

U. of Hawaii President is Brief Visitor, Willamette

By PAUL HAUSER
Dr. David L. Crawford, president of the University of Hawaii, stopped for a short time in Salem last night as the guest of Dr. Bruce Baxter, president of Willamette university.

Tall, genial and smiling, the president of the large island school, looked over the Willamette campus, watched the basketball team practicing and ate a duck dinner at the home of Coach "Spec" Keene.

Dr. Crawford was invited to Salem by Dr. Baxter after the latter had met him yesterday at Corvallis, where both were attending an educational meeting. Dr. Crawford had not planned to come to Salem.

Dr. Crawford, who has been president of the Hawaiian university for eight years, said he was sorry he had not arrived be-

ROBBER SLAYS MISH BRUTALLY; LOOT IS SMALL

Body Found by Gardener: Dog, Strangled, Also in Pool With Master

Murderer Leaves Trail of Blood Through House; Cut Hand Entering

PORTLAND, Ore., Dec. 12.—(P)—The fully-dressed, blood-spattered body of Simon Mish, 70, retired furniture dealer, was found today in a fish pond in back of his home which was ransacked during the night.

Police tonight were looking for a man with a cut or bandaged hand. The murderer's hand, cut when he broke a glass in the rear door to gain admittance, left a trail of blood to chart his movements when he burgled his unwary victim to death and ransacked the house.

A gardener discovered the body late this morning. Beside it, and also submerged in the murky fish pond, was the victim's pet dog, a small-haired terrier which apparently was strangled to death. Victim Playing Solitaire

Mish, who was playing solitaire, was killed by three heavy rapid blows on his head. Later his body was dragged from the dining room through the kitchen, down the back steps and slid into the pond. Detectives traced the course by small coins, his pipe and other articles which fell from his clothes as he was dragged.

He customarily whistled away his evenings playing solitaire. Radio Music Plays On Through Night

A radio, whose music evidently drowned out the sounds of the intruder's entrance and stealthy approach from behind, was still playing when the scene of devastation was discovered today.

Investigators said a diamond ring Mish always wore, a watch he carried and a small coin box in his dresser were taken. It was believed he kept only a small (Turn to page 2, col. 5)

HIGH GAS PRICE TO GO BEFORE SOLONS

The prevailing high price of gasoline in Oregon, said to be out of line with other states, should be a matter for legislative action, according to the findings of the legislative interim committee on roads and highways, in a report to be submitted next month to the session. Joe E. Dunne, chairman of the interim committee, made the motion which called for legislative action.

The interim committee, upon motion of Harvey Wells, went on record without dissenting vote as being opposed to tolls on the Oregon Coast highway bridges. Members of the state highway department on the committee, however, did not vote for legislative action, toll question one of policy not to be decided by administrative workers.

The committee approved the presentation to the next legislature of an improved system of handling gas tax refunds, a system closely patterned after the one now prevailing in the state of Washington. Points in the proposed changes would be: establishment of a permit system and requiring permits to be issued to all claimants for refunds before warrant is drawn; limiting to four months after date of purchase the time when a refund is allowable; placing the permit fee at \$1; provision for better records of sales by service station men and other gasoline retailers.

U. S. Agents Check Canadian Records

WASHINGTON, Dec. 12.—(P)—Federal agents are searching Canadian tax records for legal evidence of wholesale liquor smuggling operations which are reported to have cost the United States millions of dollars in customs revenue during prohibition. Under the direction of the treasury office in Montreal, customs officials are studying official books in Ottawa simultaneously with the Dominion's own inquiry into liquor tax frauds.