

WATER ACTION IS UNCERTAIN

Water Company Faith Under Fire as Arbitration Goes Past Deadline

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were debating to the effect that the failure of the arbitration to be finished on schedule may have been a blessing in disguise, giving the city full opportunity to avoid any further commitments on arbitration and paving the way for a condemnation suit.

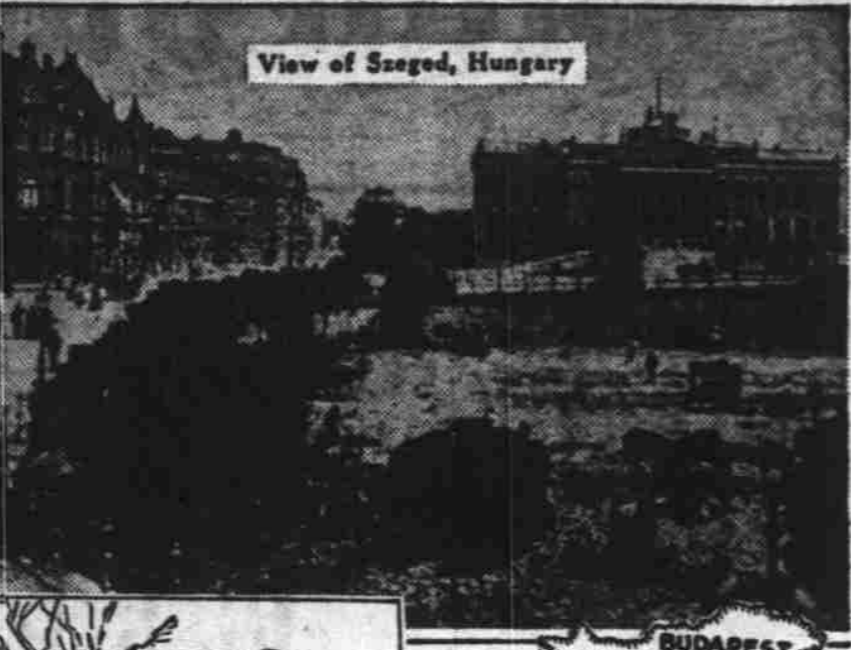
Fight Against Further Arbitration Predicted
One councilman, who said he preferred not to be quoted, said he would fight earnestly against continuing arbitration with the water company if the matter were brought before the entire council. He said he did not think the water company had acted fairly in keeping its auditors, engineers and officials in constant touch with the arbiters.

A portion of the formal statement of the city council committee, issued yesterday, follows: "In view of the fact disclosed in the morning paper that the items of depreciation and going concern were still under debate, the committee was not convinced that the arbitration was proceeding expeditiously. It is generally conceded that these two items are the most important to be considered by the arbiters. However, the committee is not attempting to reach hasty conclusions and will meet again as soon as additional information can be obtained. When information is presented to the committee which, in its opinion, justifies the granting of the extension of time, immediate call of the city council will be issued to act upon the matter."

Hungary Protests Expulsions From Yugoslavia



Angry protests to Yugoslavia, the League of Nations and other governments have been issued by Hungary as a result of the action of Yugoslavia in expelling 27,000 Hungarians from the nation in reprisal for the assassination of King Alexander. The expulsion order followed accusations that Hungary harbored the terrorists which plotted the slaying of Yugoslavia's king, who has been



succeeded on the throne by young King Peter II. While reports that Yugoslav troops had crossed the boundary line into Hungary were denied by Yugoslav officials, scores of wretched refugees, torn from their Yugoslav homes, continued to drift into the border town of Szeged, Hungary, where many were declared to be in need of medical care and hospitalization.

ROBBER SLAYS MISH BRUTALLY

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

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amount of money at his home where he lived alone following the death of his wife five years ago.

Blood Reveals Spot Where King Removed
Blood showed where the intruder reached inside to unlock the back door after breaking the window pane; how he stooped over the corpse and pulled the diamond ring from the dead man's finger, and took his watch.

From beside the card table a thread of tiny blood drops led to the telephone where a larger pool indicated the intruder stopped for some time while removing the receiver. Blood also was smeared about the bedroom and Mish's dresser.

Habits of the elderly man were learned from his niece, Miss Florence Rybke, Mrs. R. Daniels, Negrees, who occasionally did housework there, and neighbors. Detectives discovered an axe in a closet on the back porch, but said it was not used. The missile used was not discovered.

Lead Nazi Musicians' Revolt



Leading a revolt of musicians against efforts of Nazis to "direct the course of German music leaders", Wilhelm Furtwaengler, left, resigned as chief conductor of the Staat Opera Unter den Linden, Berlin, and Eric Kleiber, right, refused to conduct a Beethoven concert of the Berlin Philharmonic orchestra.

INDUSTRIES LEAGUE INCORPORATES HERE

Incorporation of the League of Industries, comprised of Salem business and industrial employers, for purposes of dealing with unions, was announced last night at the Credit association banquet by A. C. Anderson, president of the group.

Anderson pointed out that the move originated with truck haulers and spread to other businesses when it became evident many industries were being forced under the closed shop due to truck rates.

"The League of Industries is not fighting the union, but has been formed merely to be in a position to deal with the union in case of need. . . . to use the same methods in dealing with the union that it uses in dealing with the individual," Anderson said in explaining that the new organization wishes a square deal for all.

The league will name a business agent, according to present plans.

Sodalities Receives Eight Members on Conception Feast

SUBLIMITY, Dec. 12. — On the feast of the Immaculate Conception eight new members were received in the young ladies Sodality. They are: Leona Bentz, Mary Besinger, Ethel Riestler, Mildred Schumacher, Anna Lulay, Rita Frank, Patricia Eitel and Katherine Lambrecht. Sunday, December 16, at the 8 o'clock service the members of the Christian Mothers will receive Holy communion in a body and at 3 p. m. new members will be taken up in the order.

Women's Breakfast club, Ella Foster, president.

A. E. Robins is retiring president of the Credit association.

HOLLADAY TO HEAD CREDIT MEN IN '35

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ruptcy laws from congress. The Portland association will propose some reforms along these lines for Oregon through the forthcoming legislative session, he indicated.

Reforms now coming in bankruptcy proceedings which will put these jurisdictions on a fixed salary instead of a commission basis will result in more cases being judged solely on merit, he holds. The prorating system is an asset to the merchant and does away with the heavy losses due to bankruptcy costs, Bliss said.

"The biggest enemy to the creditman is the boss' pet . . . and also the old established customer," Bliss said in asserting that every grant of credit should be upon basis of actual credit practices of the individual.

Musical features included solos by Mrs. Malcolm Ramp and community singing led by Mrs. Esther Hagedorn, with Mrs. Joy Turner Moses at the piano.

Brief talks explaining purposes and work of other Salem civic clubs were made, as follows: Ad club, Oscar D. Olson, president; Salem Junior Women's club, Miss Ruth Geer, president; Rotary, William McGilchrist, Jr.; Lions, Ralph Kietzing, secretary; Business and Professions Women's club, Miss Helen Smith, president; Breakfast club, Harry Collins, president; League of Industries, A. C. Anderson, president; chamber of commerce, William P. Ellis, president; Credit

BYRNS IN LINE FOR HOUSE LEADERSHIP

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for speaker. There are no all-bis. Under the circumstances, I cannot be elected."

Rayburn issued the statement after conferring with a number of his followers. In the opposite camp Byrns said he had more than enough votes to win. Rayburn had looked for the support of a number of high administration officials in his quest for the speakership. Several had indicated privately that the administration planned to support the Texan.

President Roosevelt apparently made it clear, however, at a White House conference with Vice President Garner that he was maintaining a hands off policy on the speakership race. A bitter battle for the democratic floor leadership meanwhile broke out today after it became increasingly clear that Byrns was in the van in the contest for the speaker's gavel.

ELKS PLAY MAKES SUCCESSFUL START

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edy that has good chance for expression in the role.

Margaret Mary Zerzan as Mary Kent displayed charm and restraint in her role as the simple country girl who comes to the city and falls in love with the uncle of her fiancé. Others in the cast, all of which acquitted themselves with distinction, were Liston Parrish, Jeanne Emmons, Earl Neal, Marilee Wood, Jimmie Sehon, Frank Satter and Leon Norris. The play will be given again tonight and Friday.

Sheddeck Settles With D. Witzel; \$400 Paid, Crash

A settlement of \$400 for the estate of the late Burt E. Sheddeck, was accepted late yesterday by Frank H. Sheddeck, administrator, in an order filed in probate court here. The money is to be paid by Donald M. Witzel, driver of one of the cars which crashed April 7 of this year at an intersection of the Silverton-Salem highway. Counsel for Witzel denied legal responsibility for the wreck but offered the sum in compromise and attorneys for the estate advised such a settlement.

FIREMEN CALLED OUT
Smoke from a furnace at the Coburn-Mitchell plant here brought out the downtown fire station men late yesterday afternoon. No blaze was found at the lumber plant, however.

Dr. Chan Lam Chinese Medicine Co.

Without operation, most ailments of stomach, liver, glands, skin and urinary system of men and women can be removed by using our remedies. We have many thousands of satisfied customers in and around here who have used our remedies at one time or other for the last 17 years we have been in business. Licensed N. D. Physician.
398 1/2 Court St. Corner Liberty Office Hours 10 A.M. to 1 P.M. 6 P.M. to 7 P.M. Every Tuesday and Saturday Only
Consultation, Blood Pressure, and Urine Tests Free of Charge

The Call Board . . .

ELSINORE
Today — "Trans-Atlantic Merry-Go-Round" with Gene Raymond and 25 radio stars.

GRAND
Today — "Bachelor of Arts" with Tom Brown.
Saturday — "Music in the Air" with John Boles.

CAPITOL
Today — Double bill, "Secrets of the Chateau" with an all-star cast, and "Five Bad Men."
Friday — Double bill, "Pursued" and Tom Tyler in "The Silver Bullet."

HOLLYWOOD
Today — Double feature, Ramon Novarro in "Laughing Boy" and Madge Evans in "Paris Interlude."
Friday — Double bill, Rosemary Ames in "Pursued" and Tom Tyler in "The Silver Bullet."

STATE
Today — Double bill, Constance Cummings in "Channel Crossing" and "The Love Captive" with Nils Asther.
Saturday — To be announced later.

One of the greatest casts of screen, stage and radio stars ever assembled comes to the Elsinore theatre today in Reliance "Trans-Atlantic Merry-Go-Round," a sparkling comedy drama with melody, mystery and romance, staged aboard a palatial ocean liner.

Headed by Jack Benny, Nancy Carroll and Gene Raymond, it includes Sydney Howard, who is known as England's Chaplin, Mitzi Green, Sid Silvers, Frank Parker, the Boswell Sisters, Sidney Blackmer, Ralph Morgan, Shirley Grey, Sam Hardy, Patsy Kelly, William Boyd, Jean Sargent and Jimmy Grier and his orchestra. Jack Benny's broadcasts from

the high seas, including imitations of famous screen personalities by the now grownup Mitzi Green, songs by Frank Parker and the Boswell Sisters, comedy by Patsy Kelly, music by Jimmy Grier and his orchestra and elaborate dance ensembles by a bevy of Hollywood beauties, are high spots of this Harry M. Goetz-Edward Small production.

JUDGE'S SON SAYS HE SHOT, DEFENSE

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found fatally wounded last Sunday under circumstances similar to the Gorrell case was murdered. City police have announced their conviction that Born committed suicide, but Sheriff Charles Price holds to the murder theory.

Kennamer, lying in bed at the county jail, told in a three-hour interview of the events leading to Gorrell's death and of the actual shooting, which he has confessed.

Born, he said he was convinced, was murdered because of what he could have revealed in Kennamer's defense; put on the spot for what he knew about activities of Gorrell here and in Kansas City.

'Participating' Type Insurance Illegal, Stated

"Participating" types of fire and liability insurance are not allowed under Oregon law and companies cannot thus offer to share their surplus with the policyholders. A. H. Averill, state insurance commissioner, set out yesterday in answer to a recently filed action brought by the Oregon Automobile Insurance company. Averill said he had no course but to take away the license of any company which sought to write such a policy.

U. OF HAWAII MAN IS VISITOR HERE

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didn't take me that long to decide that the islands are about the finest place in the world."

"How's your football team?" "We think it's pretty good." "Are you going to beat California?"

"I don't like to predict, but I can say that anybody that plays us will know they have been in a football game."

The vest-pocket interview ended as Dr. Baxter came out of "Spec" Keene's office where he and "Spec" had been arranging with Mrs. Keene for an unexpected guest and swept Dr. Crawford away to the duck dinner.

Dr. Crawford left for San Francisco on a Southern Pacific train late last night. He will sail for the islands after two weeks. He said he had been on the "mainland" for about six weeks, mostly in the east.

Dr. Crawford is a graduate of Pomona college in southern California and took graduate work at Stanford and Cornell.

PERMITS REQUIRED, YULE TREE HAULERS

Non-resident haulers, many of whom are purchasing Christmas trees in Oregon with a view of selling them in California and other states, must comply with the Oregon state transportation law and obtain a private carriers license, Herbert Hauser, state supervisor of transportation, declared yesterday.

Hauser said a number of these haulers had been arrested by the state police from failing to obtain a private carrier's license. In several of these cases the haulers pleaded ignorance of the Oregon transportation act and purchased the required permit. Most of the arrests involved Washington haulers.

"The state police are making no distinction between non-resident and resident haulers," Charles P. Pray, superintendent of the state police department, averred. "Operatives of this department have instructions to arrest all haulers who have not complied with the Oregon regulations."

RATCLIFFE NAMES MEN WIFE KISSED

Robey Ratcliffe reiterated yesterday in circuit court his prior statement that his wife had a "mania for kissing people" and he named the men—as the court had required him to do last week. Albert Chambers, D. Vance and W. Bush all have been kissed by Mrs. Ratcliffe her husband asserts in his answer and cross-complaint to her recently filed divorce suit.

Ratcliffe said that his wife nagged him for smoking yet made no protest when her girl friends smoked. He declares she did not come to their new house to live with him for many months after the home was constructed. He holds she spent six or six nights a week coaching the Chemsoketa players and since last April has not resided here.

Ratcliffe also asserts that his wife would have had a "quiet divorce in Portland" if he had been willing to turn over all his property to her.

Wm. McKay Up Fourth Time for Bad Checks, Said

Three prior law violations and convictions stand against William McKay, Judge L. H. McMahon was told yesterday when McKay pleaded guilty and waived indictment on a charge of forging a check. McKay told the court that he signed another man's name to the check while he was drunk. The check was signed "Homer Goulety," was dated September 1 and was drawn on a local bank. The court was informed that McKay has not yet made good the \$36, the bank having paid the forged check.

Sentence on McKay was held up until Monday by the court.

Judge Kelly Talks At P.T.A. Session

Justice Percy R. Kelly of the state supreme court addressed the Salem P. T. A. at its December

A Home Owned Theater HOLLYWOOD

Two Features 15c
Ramon NOVARRO
Laughing Boy
LUPE VELEZ
A W. S. VAN DYKE Production
A Metro-Goldwyn-Mayer Picture
— And Second Feature —

PARIS INTERLUDE
Added, Harry Langdon in "Hooks and Jabs"
Friday and Saturday
Two Features 15c

PURSUED
ROSEMARY AMES
VICTOR JORT
PERT KELTNER
RUSSELL HARDIE
— And First Run Feature —

Tom TYLER
IN A THRILL-PAKED WESTERN DRAMA

The SILVER BULLET

WARNER BROS. CAPITOL

TONIGHT - FRIDAY - SATURDAY

Five Features
Ten mysterious persons, each with a secret mission! A treasure chest and a "death bell" watchman! Greed and passion stalking through the night . . . as doors strike . . . and fear waves its web of terror! Then . . . a crime that baffles the greatest detectives!

"SECRET OF THE CHATEAU"
with CLAIRE DODD ALICE WHITE JACK LARUE
OSGOOD PERKINS

One Man Against Five! Cold Steel Against Barking Guns!
"FIVE BAD MEN"
with
NOAH BEERY JR.
BILL PATTON • BUFFALO BILL, JR.
WALLY WALES • ART MIX
PETE MORRISON

500 SEATS 15c

WARNER BROS. ELSINORE

TODAY - FRIDAY - SATURDAY

There's Romance!
There's Comedy!
There's Mystery!
15 STARS!
Of Radio, Stage and Screen

500 Seats 25c

TRANSATLANTIC MERRY-GO-ROUND
with JACK BENNY • NANCY CARROLL
SYDNEY HOWARD
MITZI GREEN
SID SILVERS
FRANK PARKER
BOSWELL SISTERS

PURSUED
ROSEMARY AMES
VICTOR JORT
PERT KELTNER
RUSSELL HARDIE

Tom TYLER
IN A THRILL-PAKED WESTERN DRAMA

The SILVER BULLET

Sidney Blackmer . . . Ralph Morgan . . . Shirley Grey
William Boyd • Jean Sargent • Patsy Kelly

USE THE CHOKE ONLY

AS LONG

with THERMALIZED



THE ONLY THERMALIZED GASOLINE

STATE THEATRE
Today and Friday
2 FEATURES!



Constance CUMMINGS
MATHESON LANG
in
CHANNEL CROSSING

— Feature No. 2 —
Nils ASTHER
Gloria STUART

It's Something Different
THE LOVE CAPTIVE

HOW COULD HE BE A BACHELOR OF ARTS AND MARRY?

'BACHELOR OF ARTS'

with **TOM BROWN**
ANITA LOUISE
Henry B. WALTHALL
ARLINE JUDGE
STEPIN FETCHIT

A FOX PICTURE

Added Musical Comedy "Three Cheers for Love" Travelogue Cartoon - News

SALEM GRAND
Continuous Show Daily - 1 p.m. to 11 p.m.