

MAYOR CONCURS IN DECISION ON WATER

McKay Returns From East, Says Auto Men Expect Big 1935 Business

Mayor Douglas McKay was back in town late yesterday, ready to pick up the strands in the pattern the city council had been weaving during his absence in city water plant negotiation.

The mayor said immediately that he was quite content with the manner in which Acting Mayor Kuhn and the council had handled the water matter during his absence.

Whereupon the conversation drifted to cars. "Auto men in the east are very optimistic about 1935 business," he reported.

McKay said he thought sentiment generally was much better than he observed it while east last August.

The mayor spent Sunday in New Orleans, a day too late to make the football game between Oregon and Louisiana State university.

'FORGOTTEN KIDS' INVITED TO PARTY

Asked why he was willing to spend two full weeks each pre-Christmas season preparing for the children's party, Cole simply replied, "It's such a lot of satisfaction to see those boys and girls made happy."

Little Millionaire Poetess



Just 14, Edith Kingdon Gould is already becoming renowned for her poetry, a volume of her verses having been printed for family friends.

BUDGET REDUCTION OUTLINED BY MEIER

(Continued from page 1) adopted by the last session. "With the view of relieving the financial situation of the state, the last legislature diverted \$507,000 from the millage levies of the higher institutions of learning to the general fund, and also reduced the continuing appropriations for experiment stations and research work \$44,250."

A supplemental building program calling for expenditure of \$1,174,725 was submitted in the budget without recommendation. Governor Meier will make two recommendations in connection with the state budget department to the forthcoming legislative assembly.

One is that all departments and institutions be required to submit to the governor in his capacity as budget commissioner a statement at the close of each quarter on expenditures, an estimate of expenditures for the ensuing quarter and that the governor, as budget commissioner, be authorized to eliminate any proposed expenditures considered unnecessary.

Most of the 51,000 letters sent in the Christmas mail were recovered, but many had been strewn hundreds of yards away by the wind. The bodies of all the victims were identifiable.

Business Bright Spots

(By The Associated Press) WASHINGTON, D. C.—There's more money in circulation, because of Christmas spending, says the federal reserve board, cash in circulation in the week ended Dec. 19 totaled \$26,000,000 more than a year ago and \$55,000,000 more than a week ago.

LONDON—In England there was more money circulating than at any time since boom days of '29; bank notes totaling £401,990,743 (about \$2,010,000,000) running \$12,000,000 higher than a year ago.

WASHINGTON, D. C.—Loadings of revenue freight in the week ended Dec. 15 were 579,935 cars; up 28,924 from the preceding week, 20,516 above 1933 and \$4,166 above 1932.

BINGHAMTON, N. Y.—"Depression is definitely over," said President Thomas J. Watson of International Business Machines Corp., announcing a 2 1/2 per cent increase in minimum wages for 7900 employees and opening a new million dollar plant.

YOUNGSTOWN, O.—Steel mills in this district will take only a one or two day Christmas holiday, and production will move up to 45 per cent of capacity, higher than in 1929.

PHILADELPHIA, Pa.—Fels-Naptha Soap Co. distributed a Christmas bonus of 12 to 25 per cent of annual salaries.

NEW YORK—U. S. Smelting and Mining company estimates net earnings for 1934 after reserves and preferred dividends at \$4,492,000 compared with \$2,522,067 in 1933.

NEW YORK—Dun and Bradstreet's weekly review showed retail trade at new peaks in the last week, with preliminary estimates of Christmas sales in some centers surpassed before the final week opened.

WIMPY SEEKS PAY FOR PAST SERVICE

H. S. Wimpy went to court here yesterday with a complaint filed against Leah Louise Smith, widow of the late Dr. E. A. C. Smith, whom Wimpy claims owes him \$600 in back wages.

Plaintiff alleges that he worked as chauffeur and man servant at the defendant's drug store at 1938 North Capitol street for 23 months and that he was furnished lodging, board, clothes and some spending money.

Wimpy claims, however, that he deserved additional compensation and that while there was no agreement on how much his pay was to be, neither was there any agreement that what he did receive was to be full compensation.

Wimpy alleges in his complaint that \$50 a month was fair pay for his work, that the board, room and incidentals he received should be an offset of \$445 and that an old car he was allowed to take was worth \$71 more as an offset. He therefore asks for the difference between his total wage claim and the offsets which he sets out to be the net sum of \$600.

Mickey Mouse Club Notes

M.M.C. For weeks I've been urging you to write any sort of a poem and let me put it in this column—and I've received almost one poem—well anyway it was a promise of one. Now look! Do me a favor during the Xmas holidays and write a poem either four or more lines and I'll see that each one handing in a poem will receive a prize for doing so.

M.M.C. And while you're on the subject of Christmas vacation—come to the Elsinore next Friday afternoon at 4:30, and tryout for the stage programs—anything goes.

M.M.C. Last I forget—Marry Xmas, "Rats".

M.M.C. Kids! Tell your folks that tonight is Mothers' and Dads' night at the Elsinore.

The special staff today includes a yuletide stage program—chapter six of "Talispin Tommy"—Jack Oakie in "Madison Square Garden"—and Aline McMahon, Hugh Herbert in the laff riot, "Big Hearted Herbert".

The broadcast program last Saturday included: Harriet Coons, Myrtle and Gertrude Meyer, Billie Smith, Jeannette Arehart, the Bohie sisters from Lebanon, Dean Arehart, Art Stubblerfeld, Chuck Bier, Frank Valasek, Fricilla Simpkins, Jeanette Lundford, Curt Williams, and the "Rats" orchestra.

M.M.C. Join in the Christmas spirit this aft. at one.

So Long, ZOLLIE.

BRITAIN WILL HOLD OWN ARMS INQUIRY

By OSCAR LEADING Britain will stage its own arms inquiry, but just how all-embracing it will be only the national government knows.

A royal commission will be given the task of investigating the arms industry. Prime Minister Ramsay MacDonald told the house of commons just before it rose for the Christmas holidays.

He gave no indication, however, how large or how small that task would be, parrying warily eager questions from the floor as to the powers to be vested in the royal commission.

Questioners were referred to the declaration Sir John Simon, foreign secretary, made before the commons November 22, which the house accepted, in which Sir John declared the government would oppose any "fishing inquiry" dealing with rumors concerning the conduct of the arms trade.

Aside from that reference the prime minister gave only a definite hint as to what the commission might do.

VIGILANTES FORM TO HALT RIOTING

SHELBYVILLE, Tenn., Dec. 21.—(P)—Formation of a vigilante committee to aid in maintaining order in this riot-torn town was proposed late today in a mass meeting of business men.

Meanwhile, a third death resulted from the outbreak following upon an attempt to seize a negro prisoner, which brought 600 national guardsmen here to restore order.

Gilford Freeman, 45, was the third victim of the clashes between a mob and national guardsmen and officers. He died of an abdominal wound.

The plan is designed to prevent any further outbreak of race hatred even after the withdrawal of the national guard troops now stationed here.

CRASH OF 'FLYING HOTEL' UNSOLVED

BAGHDAD, Dec. 22.—(Saturday)—(P)—A salvage party returned today from the scene of the disaster which befell the giant Dutch airplane "Oliver," convinced the craft caught fire after the crash fatal to its seven occupants, and not during the flight in a lightning storm.

The secret of the disaster nevertheless remained in the charred ruins of the "flying hotel."

Members of the salvage party found the liner upside down, completely wrecked and burned out. The sides appeared to have been smashed before the burst of the flames.

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MAYOR WILL BOSS POLICE IN SEATTLE

SEATTLE, Dec. 21.—(P)—Mayor Charles L. Smith today removed Chief of Police George H. Comstock and took over the job himself.

Smith appointed Comstock July 21 after Comstock directed the gas bombing of hundreds of picketers in the longshoremen's strike.

The mayor said he would divide his time between police headquarters and the city hall until he chooses a new chief.

Comstock, who reverts to his old rank of captain, declined to comment on the mayor's act, saying he was more interested in "shooting ducks."

John Carlin Is Reappointed on Tax Commission

John H. Carlin was re-appointed a member of the state tax commission by the state board of control.

Governor Meier and P. J. Stadelman, secretary of state, signed the commission and it was indicated that State Treasurer Holman might add his name when he returns to Salem next Wednesday.

Carlin first was appointed a member of the state tax commission during the Patterson administration and later was re-appointed during the term that A. W. Norblad of Astoria served as governor.

FEDERAL MUNITIONS MAKING IS OPPOSED

WASHINGTON, Dec. 21.—(P)—The war department opposed governmental ownership of the arms and ammunition industry today in a prepared statement submitted to the senate munitions committee, several of whose members have proposed such a course.

"Such a policy would fall in war and therefore does not appear logical in peace," the department said, asserting nevertheless that it "does not oppose in any way a program of licensing the munitions industry."

The statement was presented by Lieutenant Colonel C. T. Harris as the committee brought its hearings to a holiday recess, after a dissection of plans for industrial mobilization in the next war which brought out that appropriation of Section 7-A of the national industrial recovery act, which sets forth labor's right to collective bargaining, was in contemplation for the next conflict.

William Green, president of the American Federation of Labor, immediately commented elsewhere that "labor certainly would resist with all the power it possesses scrapping 7-A, war or no war."

MARTIN INSULL IS FREED OF CHARGE

(Continued from page 1) nel, Jr., and 16 co-defendants were freed in federal court on November 24 after a long trial on charges of fraudulent use of mail in pushing the sale of their securities at a time when the far flung utility domain was crumbling. Marshall E. Sampson, former president of the Central Illinois Public Service company and first of the Insull chiefs to go on trial, was acquitted last August in a state court on an embezzlement count.

OSBOURNE HELD TO FACE GRAND JURY

(Continued from page 1) Police Detective Dana E. Jewell said it was determined the intruder cut his hand on the window of the rear room through which admission was gained to the Miah house. He said Osbourne was questioned after it was learned he had a cut hand.

Detective W. E. Williams said that under persistent grilling Osbourne admitted visiting Miah at his home and having a few drinks, but denied he assaulted the elderly man whose house became a rench of refuge following the death of his wife five years ago.

Bus Lines Seek New Order Upon Oregon License

The National Bus Lines, Inc., yesterday asked Judge L. G. Levelling to issue a supplementary order restraining Charles H. Thomas, state utility commissioner, from proceeding with a second investigation of its operations. Hearing on the application was set for December 24.

Thomas previously revoked the company's permit to operate interstate through Oregon whereupon the bus line officials obtained an order temporarily restraining enforcement of the revocation. Thomas alleged that the company had not complied with the federal bus code and had violated the provisions of the state transportation act.

Lad Drowns in Shallow Water

THE DALLES, Ore., Dec. 21.—(P)—Raymond Miller, 21, The Dalles, drowned in less than three feet of water last night when an automobile he was driving skidded over a 50-foot embankment into Buck Hollow creek near Fargher.

Miller was trying the automobile out with the idea of purchasing it.

Remorse Causes Suicide Attempt

SUDBURY, Ont., Dec. 21.—(P)—A 15-year-old boy, Sulo Ranta, shot himself in the head today, police said, after a bullet from his rifle accidentally killed his four-year-old sister, Lillian.

The boy was expected to recover, although in condition was serious.

GRAND MEN OF THE NIGHT with BRUCE CABOT JUDITH ALLEN Ward Bond-Chas. Sabin A COLUMBIA PICTURE

Hollywood TWO FEATURES 15c LOST IN THE STRATOSPHERE with William Cagney, Eddie Nugent and June Collyer Added WALT DISNEY'S SILLY SYMPHONY "The Wise Little Hen" Sunday, Monday & Tuesday Continuous Performance Sunday 2 to 11 P. M. GEORGE OBRIEN ZANE GREYS THE DUDE RANGER with Irene Harvey Added LAUREL AND HARDY "GOING BY-BY"

Tax Collections Exceed Tax Roll In Baker County BAKER, Ore., Dec. 21.—(P)—Tax collections here this year have been more than 100 per cent the amount of taxes due on the current roll.

Fred Bannister Found Wounded KANSAS CITY, Dec. 21.—(P)—Frederick J. Bannister, 45, former president of the Long-Bell Lumber company, was taken to a hospital tonight, suffering from a bullet wound in his abdomen.

Mystery Man's Burial Planned The body of an unknown man, discovered a week ago in an Oregon Electric empty boxcar here, remained at a local mortuary yesterday and arrangements were being made for burial by the county.

STATE THEATRE TODAY ONLY Bob Steele in "THE FIGHTING CHAMP" ALSO POPEYE CARTOON "SEASING'S GREETINGS" SUNDAY! PREVIEW TONITE DAMON RUNYON'S "Miss Marker" SHIRLEY TEMPLE CHARLES BICKFORD also Mutt and Jeff Cartoons!

The Call Board... GRAND "Men of the Night" with Bruce Cabot. ELGINORE Today—Guy Kibbe in "Big Hearted Herbert". CAPITOL Today—Double bill, "Strange Wives" with Roger Pryor, and Kay Francis in "Keyhole". HOLLYWOOD Today—Double feature, William Cagney in "Lost in the Stratosphere" and "Young Eagles". STATE Today—Bob Steele in "The Fighting Champ".

TONIGHT ON THE STAGE—8:30 BARBARA BARNES MICKEY MOUSE XMAS REVUE - 25 People WARREN BROS. ELSINORE Starts Sunday—Midnight Show Tonight, 11:30 CLAUDETTE COLBERT 500 Seats 25c With WARREN WILLIAM ROCHELLE HUDSON Ned Sparks Henry Armetta in Fannie Hurst's IMITATION OF LIFE With Baby Jane, Alan Hale and many others!

CAPITOL Last Times Today 2 Features Edith Wharton's "Strange Wives" Kay Francis in "KEYHOLE" 3 Days Starting Sunday TWO FEATURES 90 MINUTES OF LAUGHTER in the picture of VICTOR HERBERT'S immortal musical stage success

STAM LAUREL OLIVER HARDY in Babes in Toyland with CHARLOTTE HENRY Tom Tyler in "Deadwood Pass" 15c Till 5 p.m.

Old Reliable Method Brings Health to the Sick Without Operation S. B. Fong, herb specialist, has had eight years practice in China. No matter what you are suffering, don't give up yourself, our wonderful herbs will positively remedy disorders of the bladder, kidney, stomach, constipation, appendicitis, piles, and throat, heart, lung, liver, asthma, catarrh, tumors, diabetes, rheumatism, headache and blood poison, skin diseases of children and male or female ailments. CHARLIE CHAN Chinese Medicine & Herb Co. 122 N. Commercial St., Salem Daily Office Hours 9 to 6 p. m. Sun. and Wed. 9 to 10:30 a. m.

PROTECT your Child's VISION Now

WARREN BROS. CAPITOL Last Times Today 2 Features Edith Wharton's "Strange Wives" Kay Francis in "KEYHOLE" 3 Days Starting Sunday TWO FEATURES 90 MINUTES OF LAUGHTER in the picture of VICTOR HERBERT'S immortal musical stage success

At work or play, eye fatigue and faulty vision are handicaps not so easily overcome. Consult our optical specialist. POMEROY & KEENE 372 STATE ST. SALEM

DON'T FRET SO Aunt Jane! You don't need Don's baby carriage any more—so why not make it buy that arm chair for niece Nettie? Advertise in our Classified Columns and you'll turn baby carriage into cash... then cash into arm chair! It's smart to Christmas shop through the Classified Columns.