

# Milk Control Act Amendments Receive House Approval

## MAJORITY PLAN HOTLY DEBATED

Concurrence of Senate Upon House Changes Still to Be Had

Approval to the majority report of its food and dairies committee on Senate Bill 86, materially changing the present milk control act, was given late yesterday afternoon by the house. Debate lasted nearly two hours. The house rejected the minority report of its committee, 115 to 27, then hurried the measure through on final passage with only 12 dissenting votes. The bill now goes to a conference committee of the senate which already has passed the measure.

Major issue brought on by the two conflicting reports was the greater authority given cooperative associations in the disposal of their surplus milk under the majority report.

Proponents of the majority report declared cooperatives had been assessed too much in paying costs of handling the surplus milk disposed of through the milk control board. They contended the cooperatives should be allowed to process their own surplus, dispose of the surplus as they saw fit and turn the net returns into the milk pool.

Monthly Fee Scored Representative Hyde, Lane, leading the fight for the minority report, declared the cooperatives asked too much in the amendments he proposed. He scored an amendment to the bill which calls for a \$1 a month minimum charge against each producer collectable by the milk control board. Hyde also asked that the emergency clause be stricken from the bill.

Representative Carter, Curry, joined Hyde, saying the bill would provide too much revenue for the milk control board to spend.

Representative Ross, Washington, led in the fight for the majority report. He said the only opposition to it came from big interests who wanted to throttle the cooperatives and eventually to upset the entire milk control act.

Representative Angell, Multnomah, challenged the majority report amendments, contending they virtually turned the milk control authority in the state over to the cooperatives. "I want to give the little, independent fellows protection," Angell declared.

Repeal Threat Heard "If you adopt the majority report and turn the milk control affairs of the state to the cooperatives, I fear the entire control law will be repealed," Angell warned. He said the cooperatives should be satisfied with the authority they possessed under the existing law.

Representative Dickson, Multnomah, said there was nothing to fear with the amendment giving more power to cooperatives. He said the section only allowed them to handle their own surplus efficiently and to turn the net returns from the surplus into the pool. Dickson averred there was no danger whatever that the majority report which favored more autonomy for cooperative milk associations would in any way affect independent producers.

## The Call Board...

**GRAND**  
Today—Edmund Lowe and Victor McLaglen in "Under Pressure."  
Saturday—Shirley Temple in "Little Colonel."

**ELGINORE**  
Today—"Romance in Manhattan" with Ginger Rogers and Octavus Roy Cohen in "Transient Lady" with Gene Raymond.

**CAPITOL**  
Today—Double bill, "Murder on a Honeymoon" with Edna May Oliver and "Flirtation Walk" with Dick Powell.

**STATE**  
Today—Double bill, "Many Happy Returns" with Burns and Allen and "There's Always Tomorrow" with Blinn Barnes.  
Friday—First run, "Buck Jones" in "The Crimson Trail."

**HOLLYWOOD**  
Today—Shirley Temple in "Bright Eyes."

A powerful drama of human emotions is combined with sparkling, naive, delightful comedy touches in RKO-Radio's "Romance in Manhattan," starting today at the Elsinore.

Francis Lederer, romantic continental lover and matinee idol, and Ginger Rogers, vivacious tiffan-haired screen favorite, are starred.

"Miss Rogers" "Romance in Manhattan" role is more dramatic than her role in "The Gay Divorcee," while Lederer gives a new slant upon his dramatic abilities so conspicuously demonstrated in "The Pursuit of Happiness."

The second feature at the Elsinore today is "Transient Lady" with Gene Raymond, Henry Hull and Frances Drake. The story is by Octavus Roy Cohen and ran in Liberty magazine.



THE senate showed its appreciation for the work of its president yesterday when its members and employees presented Mr. and Mrs. Dorothy McCullough Lee made the presentation with a nice tribute to the senate leader, for the fair and impartial manner in which he has handled the affairs of the upper assembly. Mrs. Lee also spoke highly of Mr. Corbett and of her interest in the work of the legislature. Senator Corbett expressed his appreciation in a fitting talk.

Statehouse employees were flabbergasted yesterday afternoon when word got around that Governor Martin was thumbing down on salary increases. Earlier in the day they were quite overjoyed by the action of the ways and means committee; a 50 per cent restoration had been more than they hoped for. The bulk of the state staff are very close-mouthed on the entire salary matter; they want to keep on the payroll and are fearful a chance comment might get back to the governor's office and lead to their own ejection and the placing of some of the "hungry 10,000" on the payroll.

Frank McCulloch, new utilities commissioner, said yesterday that he had taken no part in urging the passage or defeat of any legislative matters facing utilities. He laughed off statements in the house Tuesday that he was out lobbying against the Lickes-grange bills. McCulloch views his job as administrative; he will serve the state as the legislature dictates. He yesterday said to see Governor Martin with McCulloch was Alfred Dobson, Portland attorney, who was rumored as an appointee to the job before McCulloch was named. Dobson may attend to the department's legal work, either as an assistant to the attorney-general or as direct employee of the department if all legal work is not consolidated under the attorney-general. The biggest legal work before the department is the continuation of the rate case against the Pacific Telephone & Telegraph company. This has been left up in the air since Colonel Clark tendered his resignation as special legal adviser to Mr. Thomas. Incidentally the attorney-general's opinion on the \$9700-Clark fee is being held back until after the session; the money will undoubtedly be paid by the state—in full.

## Vote Today, Trooper Aid At Walkouts

Representative Staples' bill providing that the state police may be called on strike duty, will come up for final consideration in the senate today.

This was determined late yesterday when the senate refused to accept a minority committee report recommending that the measure does not pass. The majority reported, signed by three members of the committee and recommending passage of the measure, was approved.

Senator Burke attacked the bill on the ground that it was generally agreed at the time the state police department was created that its operatives would not be used for strike duty.

"This bill is not fair to the people of the state or the legislature which created the state police department," Burke said. Senator Wallace declared that the people of Deschutes county were opposed to the proposed amendment.

In one a serious strike occurred in Portland," Wallace said, "there would be nothing to prevent all of the state police officers from being concentrated in one place. This would impose a serious hardship on local police departments and the sheriff's offices."

Senator Hazlett charged that the measure was inspired by the shipping interests.

"It is my opinion," Hazlett said, "that the state police should not be called upon to commit unlawful acts. Local problems should be handled by the sheriffs. If the sheriffs cannot cope with the situation they have authority to call upon the governor for assistance. This law would undermine the state police department."

## WITHDRAWS CLAIMS BILL

Senator Hess yesterday withdrew his bill relating to the limitation of time for the filing of claims for injury, in fatal and non-fatal cases, under the workmen's compensation law. Hess said other legislation had been drafted covering this subject.

**NO odor of cooked food. A new kitchen spiral air reconditioner has solved the problem.**

**THE SPA**

Three choice lemons adorned the Battleship Oregon figurehead in the lobby yesterday at intermittent periods. Accompanying the fruit was a sign which read: "You may be a lemon, our old warrior, but you're not drawing \$13,000 a year."

The inscription bore the signature "The Veterans" and was assumed to be a thrust at Governor Martin who referred to the Battleship as "lemon" when its biennial appropriation was being considered. Sergeant-at-arms Lane of the house took upon himself the job of removing the citrus fruit but Grace Wick came to the rescue and a merry scuffle ensued before the decorations were removed. The lobby had a good laugh.

Brewers of beer are making a determined fight to prevent cities from being given concurrent power with the state to license beer sellers and to impose a tax on the gallonage sold. They contend the cities get their share of the funds the state raises in relief funds distributed to each county in the state each month. They also argue that higher taxes mean higher retail prices for beer and will result in lessened sales, hence lower total tax receipts. Thus far they have succeeded in putting House Bill 451 to give cities power to license and otherwise tax beer's sale back into committee. If they do not win their point, they foresee every municipality in the state reaching out very shortly for this new source of revenue. The state liquor commission is keeping its hands off the fight; the League of Oregon Cities is pushing hard to get the bill passed.

Here and there: Presidents' Boyer and Peavey of the University of Oregon and Oregon State college were chumming about the lobby yesterday. They are story-tellers in the higher education flurp of a year ago and have succeeded in bringing a degree of calm to both campuses. . . A. C. Spencer, counsel for the O. W. R. & N. has done his big job for the senate in stopping the 70-train bill but is keeping an eye on truck legislation, most of which is being worked out now in executive committee sessions of . . . C. A. Howard is back on the legislative scene after fighting a bad cold for a week. . . he is pleased that a bill to extend the moratorium on the \$75 a month minimum teacher's salary law has been indefinitely postponed. . . some school districts sheared teachers' wages down to \$30 a month the last biennium. . . Speaker Cooney is definitely out for the agricultural director's job.

## Seining on Upper Columbia River's Downed by Senate

Opening of the upper Columbia and its tributaries to seine fishing for salmon was voted down yesterday when the house refused a majority to Representative Krier's House Bill 435 which would have re-opened the upper river. Krier won 23 votes for his measure to 24 cast against it but failed to secure the necessary majority of the membership. Krier said opening of the upper river would not injure the catch on the lower river. He held the lower river fishermen. The deprived Wasco county of a valuable payroll and industry when seine fishing was banned. His measure would have prohibited any fishing within an area five miles above and below the Bonneville dam. Gill netting is now allowed on the upper river. Seine fishing has been illegal since 1928.

## Baby Bonds Will Go on Sale Here Friday, Stated

Government savings "baby" bonds, which are nontransferable in character and range from \$75 to \$1000 each are being offered for sale to the public through the United States postoffice department beginning March 1, according to word from Assistant Postmaster Arthur E. Gibbard here. The bonds are of \$25, \$50, \$75, \$100, \$500 and \$1000 maturity denominations and mature in ten years from the first day of the month of issue. These bonds may be redeemed prior to maturity at the redemption value stated on the face of the bonds. It is not lawful for any one person at any one time to hold savings bonds issued during one calendar year in an aggregate amount exceeding 10,000 maturity value.

## LIONS CLUB CHARITY SHOW

Chemeketa Players present "The Blue Bag" a Farce Comedy in Three Acts FRIDAY, MARCH 1st 8:15 P. M. High School Auditorium Sponsored by Salem Lions Club Reserved Seats 35c on sale at Woolpert & Legg Drug Store

## DOUBLE OFFICE HOLDING HIT AT

Senate Passes Lessard Bill Said Aimed at 'Pierce, Demo Committeeman

Senator Lessard's bill, designed to prevent persons holding public office serving at the same time as a member of the national or state party political organization, went through the senate yesterday on a 17 to 12 vote. Senator Burke changing his negative vote before the roll call was announced with the avowed intention of asking a reconsideration of the ballot.

Lessard's measure, said by its opponents to be aimed principally at Congressman Walter M. Pierce who also is national committeeman for the democratic party in Oregon, varies slightly from the Rankin bill which passed the house last week. Rankin's measure affects all holders of public office; Lessard's bill does not apply to persons whose salary in public jobs does not equal \$1200 a year.

"Snipers" Disgrace, Says Senator Hazlett charged that the bill was directed at Pierce by a group of political snipers and an organization composed of character assassins and scandal mongers. He declared that these men were a disgrace to the democratic party.

Lessard interrupted and asked Hazlett to name the organization to which he had made reference. "I referred to the Willamette society," Hazlett replied.

"Records show," Hazlett continued, "that Pierce carried Union county at the last election by a vote of more than three to one and is now a member of the powerful agricultural committee in congress. If this bill is approved it will weaken his influence on the committee and otherwise hamper his congressional activities."

"This measure has no business here and it should be defeated by a decisive vote. The second congressional district is solidly behind Pierce."

Opposition also was voiced by Senator Hess of Union county. Charges Disfranchisement "It is my opinion that the passage of this bill would disfranchise every vote cast for Pierce at the last election," Hess said. The voters wanted Walter Pierce as their national committeeman and he was elected over one of the strongest democrats in the state.

Senator Carney said he had heard no demand for this proposed law.

"The fact is," Carney declared, "that Pierce has stood by the president and the president has stood by Pierce."

Senator Strayer declared that as far as he had been able to determine there was no principle involved in the bill.

Pierce's record as a congressman was reviewed briefly by Senator Goss.

"I might vote for Pierce for national committeeman if he was the only candidate," Goss averred.

"Pierce should devote his entire time to his duties as congressman and not to partisan politics. There is nothing personal in this measure. Pierce merely happens to be in the way."

Defense of the Willamette society and its operations were voiced by Senator Pearson.

"I am a member of the Willamette society," Pearson declared, "and I have no apologies to offer. This is a sound bill and should receive favorable consideration by this senate."

Lessard denied that the measure was introduced through spite.

"Walter Pierce is a member of the Willamette society and as far as I know the organization has nothing against him," Lessard continued. "What the democrats want is a congressman whose time will not be taken up with politics and patronage."

## Senate Approves Race Fund Bill

The senate yesterday approved House Bill 293, by Latourette, relating to the distribution of racing commission funds.

Under this act the Oregon state fair and the Pacific International Livestock exposition each would receive 31 1/2 per cent of the receipts, in an amount not to exceed \$37,500. The Pendleton Roundup and Eastern Oregon Livestock show would each receive 5 per cent, with the maximum amount fixed at \$5000. The Northwest Turkey show at Oakland, Douglas county, would receive 1 1/2 per cent, with a limitation of \$1250.

## STATE THEATRE JUST A DIME ANY TIME

TODAY ONLY 2 FEATURES "MANY HAPPY RETURNS" with Burns and Allen —PLUS— "THERE'S ALWAYS TOMORROW" with Blinn Barnes

Better Pictures - Perfect Sound

## 2 Per Cent Surtax on Net Incomes as Relief Measure For Property Passes House

A flat 2 per cent surtax on all net incomes in Oregon, to be effective for the income tax year of 1935 and each year thereafter, was approved here yesterday morning by the house with 47 members voting aye, seven nay and six excused or absent.

Under the measure, sponsored by Representative Olsen, Columbia, and the house committee on assessment and taxation, all proceeds from the tax, estimated at from \$1,000,000 to \$1,250,000 a year, would go to reduce the property tax for the benefit of schools and would be apportioned ratably throughout the 36 counties of the state.

Not Effective, '34 Tax Because the bill is a tax measure and cannot contain the emergency clause, it would not affect income taxes soon to be collected for 1934 in this state.

Olsen scouted contentions of Representative Wallace, Multnomah, that Governor Martin would veto the measure. Reading from the 1934 voters' pamphlet Olsen cited statement from Martin in which the latter stated he favored income and inheritance taxes for the relief of schools and to lift some of the burden on real property.

Delinquency Increase Cited He presented statistics to show that delinquent taxes on real property for the five-year period, 1929 to 1933, inclusive, totaled \$46,000,000 and held that taxes on real property had increased three to five times in the last three decades.

"If I should vote 'no' on this measure, I would not dare to go home," declared Representative Johnson, Josephine. "In the last four years I have lived on my farm, the cash income therefrom has not been sufficient to pay the taxes. If Governor Martin vetoes this bill he will have more trouble on his hands than he has now."

Spokesman against the surtax bill was Representative Wallace, Multnomah. "It's an outrage to impose any new taxes on anybody at this time," Wallace said. "Representative Olsen should figure out some way to cut taxes, not to increase them. We have three normal schools in this state; we do not need that many with less than 1000 new teachers placed in the schools the last five years."

Veto Is Predicted Wallace predicted Governor Martin would veto the measure. Representative Hyde, Lane, came to the defense of the measure, saying 2550 pieces of property in his home county were being foreclosed for taxes. One eighth of the area of Multnomah county has been taken for taxes, he said, and that much more would be foreclosed if the tax claims of the county and city were pressed.

The measure equalizes rather than increases taxes, averred Representative Angell, Multnomah. Representative Haight, Grant and Harney, said the state didn't know anything about taxes as yet and predicted that federal and state spending would lead to staggering tax loads.

No hope of tax reduction was seen by Representative Thomas, due to the greater charges being made on government. He said the only hope for the real property taxpayer was the shifting of a portion of the load to income.

## RAILROADS ANSWER WASCO FIRM SUIT

Plea in Abatement Set Up; District Court Only Has Jurisdiction, Aver

A 39-page answer to the grain rates rebate case instituted against the Oregon-Washington railroad and navigation and other railway companies by the Wasco Warehouse milling company and other warehouses was filed with the circuit court clerk here yesterday.

In addition to defense at bar, the railroads set up plea in abatement, contending, first, that the plaintiffs, in paying purchase price for grain, the freight charges were deducted from the basic market value, and in each instance such freight charges deducted were the same as the charges actually made and collected by the carriers.

The plea holds plaintiffs acted as intermediaries in the deals on wheat and other commodities, and if the amounts collected by the railroads exceeded the lawful freight rates, the excesses were actually borne and paid by the growers who sold to the plaintiffs and so each of the growers who paid freight is a necessary party to the suit. The defendants hold plaintiffs are not authorized to bring action for these real parties interested.

Official Tariff Used The charges actually collected by the railroads were the rates prescribed in the tariff in conformity with orders of the interstate commerce commission and so the district court and not the circuit court has jurisdiction on the suit, and that the commencement of action at law was premature for another action is pending between the same parties and for the same cause, the abatement plea further holds.

The answer demands decree setting aside the public utility commission's orders No. 2093 and 2220 in the rate cases on which the case partly relies and enjoining the plaintiffs from offering as evidence or relying on these orders as prima facie proof.

## SHIRLEY TEMPLE BRIGHT EYES

Coming Saturday Shirley Temple in "The Little Colonel" GRAND

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Better Pictures - Perfect Sound

## INCREASE IN BEER TAX TO \$1 SOUGHT

A revenue bill which would increase the state tax on beer from 62 cents to \$1 per barrel was introduced in the house yesterday by its committee on alcoholic control.

This tax would be levied on beer irrespective of alcoholic content. The tax on natural wines is placed at 15 cents a gallon; on fortified wines the tax is raised to 35 cents a gallon. At present it is 25 cents on all wines.

The proposed law places an ad valorem tax on all bottled wines, the tax to be based on the price set by the manufacturer. On natural wines the state proposes a 10 per cent ad valorem tax and on fortified and sparkling wines a 20 per cent ad valorem tax.

An open hearing had been called for 8 p. m. Friday by Representative Earl Hill, chairman of the committee.

## LOAN BILL DUE

The senate yesterday afternoon postponed until today consideration of House Bill 176, by Representative Nelson, providing for an interest rate of three per cent on all small loans up to \$300. Under the present law there is no fixed interest rate on loans of \$30 or less.

## Legislative Calendar

Thursday, February 23

House:

House bills on final passage: 175, 359, 450, 442, 454, 455, 456, 458, 459, 460, 461, 462, 463, 464, 465, 466, 468.

H. J. R. 24.

Senate bills on final passage: 97, 117, 181, 188, 263, 311, 316, 120.

S. J. R. 13.

Special order of business: 10:30 a. m. H. B. 276. Firemen's and policemen's pension bill.

Senate:

Senate bills on final passage: 358, 324, 352, 365, 35, 189, 190, 359, 151.

House bills on final passage: 365, 373, 124, 242, 106, 68, 368, 370, 397, 420.

H. J. R. 3 and 4.

Special order at 2:30 p. m. H. B. 176, S. B. 36, 262, all dealing with small loan acts.

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## ELGINORE 500 Seats 25c

## Big FEATURES

TODAY FRI. SAT.

Surrender to the glamorous charmer of "Gay Divorcee" in one of the gayest, breeziest stories ever told!

GINGER ROGERS FRANCIS LEDERER

in "ROMANCE IN MANHATTAN"

with Arthur Hohl Jimmy Butler

HELL-BENT FOR DANGER! Octavus Roy Cohen's Liberty Magazine Story

"Transient Lady" with Gene Raymond Henry Hull Frances Drake

CAPITOL TONITE FRI. SAT.

TWO GREAT FEATURES

SHERLOCK HOLMES WAS A MERE SHADOW OF MISS SNOOPY WITHERS!

500 Seats 15c

SHIRLEY TEMPLE BRIGHT EYES

Coming Saturday Shirley Temple in "The Little Colonel" GRAND

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.

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