

Revamping of Oregon Government Proposed in Martin's New Bill

30-Page Measure Has Backing of 31 of State Solons

Concentrates Powers in Chief's Hands; May be Rushed

With adjournment of the legislature just around the corner, Governor Martin's legislative leaders yesterday tossed into the senate a 30-page bill providing for the most extensive re-organization of state government ever proposed in Oregon. It will be Senate Bill 584.

The measure, being pushed through the state senate last night, bears the names of 14 senators and 17 representatives, and its sponsors freely predicted that the bill could be adopted within a week by the legislature.

The re-organization measure, while not termed a "cabinet form" of governmental administration, is modeled very closely after the cabinet setup of other states.

Six new departments would be created.

Its salient provisions are:

Setting up of six new departments of state government, each named by directors whose authorized salaries range from \$6,000 to \$7,500 each.

Relegation of the work of present state commissions and boards to strictly advisory functions.

Appointments of all directors by the governor and through them, the appointment of 22 division supervisors, at salaries left for determination to the department directors.

Addition of three major duties to the work of the secretary of state whose organization is to be called the department of state and whose salary is to be increased to \$7,000 a year.

Removal of all duties from the state treasurer except the handling of state funds and a membership on the state board of control which will continue to have charge of the state institutions.

Abolition of the state highway commission and transfer of complete control of the department of highways to a director.

Governor Martin accompanied the bill with a special message to the legislature.

Extensive changes denied in message.

Denying that any extensive changes were asked, the executive declared that his proposed measure "affects only functions under the direct appointive power of the governor." He added that the "present cumbersome and inflexible system whereby so much administrative authority is vested in innumerable boards and commissions, the governor loses direct contact and central control over the administration of most of the important duties after such appointments are made."

The governor declared activities of the majority of boards and commissions would be continued in "their proper advisory capacity." He added that the "spending power of the various boards and commissions and other state agencies would be restricted and the authority to commit the state to expense materially reduced."

"We have too many high-salaried officials and commissions supervising or doing work that should be done by deputies and other subordinates," the governor continued. "By transferring

World News at a Glance

(By the Associated Press)

Domestic:
WASHINGTON — Advocates of bonus and inflation open drives in congress.

WASHINGTON — President Roosevelt advocates maintenance of adequate merchant marine under outright subsidy plan.

WASHINGTON — Supreme court slated to review controversial Frazier-Lemke mortgage moratorium law.

STURGIS, S. D. — Desperado captured after killing one, wounding three in shooting way out of police net.

WASHINGTON — Senate post-office committee postpones action on Huey Long's proposed generalization of postmaster general as Farley denies charges.

SAN FRANCISCO — Federal court holds administration's agricultural adjustment act gives no authority for federal regulation of intra-state milk products.

ATHENS — Government troops score smashing victory over rebels in Macedonia.

LEIPZIG, Germany — Hjalmar Schacht urges several year moratorium of interest payments for German private debts.

LONDON — Great Britain points finger at Germany's increased armaments as she adds \$19,750,000 to army budget.

MOSCOW — Russian scientists claim Soviet experiments have essential possibility of flying rocket planes 30 miles above earth.

LAUSANNE, Switzerland — Detective guards 11-year old probable future king of Siam at school.

PROMOTIONS AT MIDYEAR WILL BE ELIMINATED

Changes in School Program To Be Effected This Spring, Planned

Expense Saved; Portion of 9-B Group Will Enter High in September

Sweeping readjustments entailed in the administrative system of Salem's public schools by the directors' recent decision to end midyear entrance and promotions were outlined last night by Superintendent Silas Gaiser. They will include promotion of some pupils, retarding of others, changes in the entrance age for first graders and elimination of the divisions of school year groups into A and B classes.

The changes in the system will ultimately benefit all pupils, save confusion at midyear, reduce office work and effect savings in teacher expense, Gaiser said. It is planned to concentrate on completing these changes during the present semester in order that the new plan may be fully under way by the time the new school year opens next fall.

Junior High Group To Finish Earlier

At Parrish and Leslie junior high schools the present 9-B classes, consisting of pupils who finished the eighth grade last semester, will be classified so that the better students will be able to enter the senior high school with the present 9-A group next fall.

To make this advancement possible, the 9-B students selected on the basis of (1) achievement tests, (2) teachers' judgment and (3) past records, will take extra work this semester and be grouped together on entering the senior high school in order that they will not have to compete with more advanced pupils.

Requirements of students to be "accelerated" will be worked out by department heads and teachers by March 14, Gaiser said.

Adjustments on a similar basis will be made within the junior high schools for students in the present 7-B and 8-B groups. Gaiser estimated that not less than 35 boys and girls under this "acceleration" program would enter senior high school ahead of the normal time next fall and "if the senior high can accommodate them, the number may be substantially higher."

In all cases of readjustments of classes consent of the parents will be asked before action is taken, the superintendent emphasized.

B-group pupils of the present semester who are not advanced (Turn to Page 10, Col. 5)

Chief Figures In TVA Ruling



United States Attorney General Homer S. Cummings, below, will direct the government's defense of the \$200,000,000 Tennessee Valley Authority's rights in the projected appeal of the decision rendered by Federal Judge William L. Grubb of Birmingham, Ala. Judge Grubb ruled that the TVA had no right to compete with private concerns in the sale of electricity. In another reversal of New Deal policies he rendered an adverse decision against the NRA.

DRAINAGE BOND ELECTION HERE SET FOR APRIL

Vote on \$22,000 Issue Will Be Held to Permit Job With SERA Labor

Knox Law Change Favored in Spite of Protest by H. H. Vandevort

Nearly smothered under a display of foremen's bias that was more intense than usual, three major pieces of business were pushed through at last night's city council meetings:

1. A special election was called for April 12 to vote on issuing \$22,000 worth of drainage bonds as part of the city's share in the cost of the proposed B and D street storm sewerage system.
2. The council went on record 13 to 1 in favor of House Bill 451, now in the legislature, which would amend the Knox law to specify that cities shall have the right to license, tax and regulate the sale of beer and wine.
3. The bill for \$100 dues and \$150 legislative assessment rendered by the League of Oregon Cities was compromised at a total of \$175.

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The bond issue, introduced by Alderman Cuyler Van Patten, would provide relief from the flooding of sanitary sewers which has annually caused widespread complaint in East Salem. Van Patten said. Some \$13,000 needed in addition to the \$22,000 from sale of the bonds as the city's share in the project would be secured from special sewer and street fundings.

The SERA, for which a county committee has already approved the project, would contribute \$70,000 in labor. Van Patten said it was now proposed to build the new sewer all the way to the city limits rather than the 25th and Walker streets as originally contemplated. The sewer terminus would be at Fifth and Church streets.

The bonds would bear not more than 4 1/2 per cent interest and mature in more than 20 years.

It was pointed out by Van Patten and Mayor V. E. Kuhn that this bond issue was not to be confused with the \$200,000 issue.

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Greek Federal Troops Inflict Heavy Loss on Rebels; Force Retreat

Poorly Armed Revolutionists Are Driven Back Across River Struma; Success on Naval Front Also Claimed by Government

(Copyright, 1935, by the Associated Press)

ATHENS, March 4. — (AP) — Government troops won a slashing victory against rebels in Macedonia today, driving them back across the river Struma after killing and capturing an unknown number.

Poorly armed, the rebels retreated in terror under fire from government machine guns, advices from Macedonia said.

Bullets rained into the ranks of the fugitives as they plunged into the river and swam to the east bank, near Bulgaria. There the scattered forces rallied and took up a new position.

Government success on the naval front also was reported. A terrific aerial bombardment was reported to have set the flagship of the rebellious Greek fleet ablaze late today and the government unleashed fresh forces to stamp out civil war in Macedonia and Crete.

Five planes which left with their bomb racks loaded to capacity for a raid on Souva bay, rebel base in Crete, returned to report they made two direct hits on the 9,450-ton cruiser Averoff, pride of the Greek navy.

Already severely battered, the Averoff was struck in the stern by the 250-pound high explosive missiles. Flames rose high in the sky, the fliers said.

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PAY CUT ISSUE IS SETTLED

Recapture From Independent Boards Through Tithing is Answer; Van Winkle Says Governor Can't Change

Full Restoration Upon Low Salaries, 10 Per Cent on Higher Ones But Cost Not Above Last Biennium

The indignation of Governor Charles H. Martin over proposed salary increases cast its spell on the joint ways and means committee last night, a majority of its members retracting their former stand and agreeing to markedly lower salaries for state workers in 1935-1936.

After considering numerous amendments, the committee finally agreed:

1. To restore all salaries of \$100 or less to the 1931-1932 scale.
2. To restore all salaries above that point, one-tenth of the amount they were reduced for 1933-1934.

The committee then proceeded to recapture fully as much money for the general fund as the salary increases will demand. It waffled under the 1933-1934 tithing law by making the rate ten per cent on self-sustaining funds up to \$100,000 and three per cent on all moneys received above that point. Only exemptions from the tithing law will be the industrial accident commission and the state highway department.

Savings Last Biennium Go Into General Fund

It then provided that all the savings from the independent boards and commissions, between the 1935-1936 schedule and the 1931-1932 schedule, would go to the general fund of the state. Only exemptions to this ruling will be the higher education and the state game commission which already owes the general fund \$47,000.

In the last biennium the independent boards and commissions were subjected to the salary cuts but 10 per cent were retained in their own special funds.

The ways and means committee acted after receiving word through Senator Dean Walker that Attorney-General Van Winkle had ruled over the governor's budget control power, had no right to raise or lower salaries. Senator Strayer contended the opinion was wrong. The opinion served, however, to block a ways and means proposal that a lump sum increase be given for salaries under the tithing law. The governor empowered to adjust payments to workers as he saw fit.

A quartet of committee members, Senators Strayer and Hess and Representatives Jones and Hill, stayed with the committee's former proposal of a 50 per cent restoration of the salary cuts. When that proposal was voted down, they moved a 25 per cent restoration. That also failed, eight committee members voting no. Senator Wheeler made the motion for the ten per cent restoration. Representative Semor made the motion that all payments up to \$100 a month be restored in full.

The committee received a shock when Representative Wallace appeared before the body and retracted (Turn to Page 10, Col. 2)

CHILD WEAK AFTER UNIQUE OPERATION

Upside-Down Stomach Case Gets Attention; Held "Precarious" Now

FALL RIVER, Mass., March 5. — (Tuesday) — (AP) — Ten year old Alyce Jane McHenry, whose "upside down" stomach was righted in an operation Monday, spent an uncomfortable night and her surgeon early this morning described her condition as "precarious."

Late Monday afternoon, attending physicians described her condition as satisfactory. They said she was sleeping and that her pulse was 130, about normal.

Virtually all Alyce's digestive organs were up in her chest where her left lung should be. The lung, too, was there, collapsed under the pressure.

Stomach, intestines, large and small, spleen and appendix were in the chest.

It was the appendix that forced a change in plans of the operation after the chest was opened. Dr. Philmon E. Truesdale, chief surgeon in the operation, had expected to let the organs move slowly and gently down from the chest to the almost empty abdomen.

They were born in the wrong place. There might not be room enough for them in the abdomen, but if the change could be made slowly and gently down from the chest to the almost empty abdomen.

The appendix, however, was up near the heart level instead of down near her right hip bone. To save her life the whole change had to be made in a single operation.

SOME OF EX-CLUB MEMBERS OKEHED

Secret Society Affiliation Ended, Group Restored Activity Privilege

"Several students"—the exact number was not revealed—are reinstated to the privileges of participating in student activities at Salem high school after having been barred on account of membership in secret societies, Superintendent Silas Gaiser announced late yesterday.

Their reinstatement, he said, is "because of the fact that they placed upon file early in the year written statements of complete severance of connections with the clubs." Since that time they have been in good faith kept themselves away from connections with these societies, he explained.

A majority of the students to whom the right to hold student offices is being restored are girls. Included among them, he pointed out, are "some leaders who are helping out by presenting written evidence that they are dropping their (secret society) affiliations."

"The school board feels that if students have made an honest effort, they should be restored to student leadership and be given the opportunity to have their fellow students elect them to office." (Turn to Page 10, Col. 7)

BEAVER GUARDS TO PLAY TITLE GAMES

CORVALLIS, Ore., March 4. — (AP) — Oregon state's two regular guards who have been on the injured list for more than a week, will be back in the lineup when the Beavers meet University of Southern California here Friday and Saturday in the Pacific coast conference championship series. Dr. R. L. Bosworth, team physician, announced today that Mose Lyman's foot infection had improved and that Bob Bergstrom now is little troubled with the ankle he sprained recently. Their return bolsters Oregon State's hopes for the series as the Beavers have had to depend largely on defense for success this season. Lyman's return also strengthens the offense, as he is the highest scoring guard on the squad.

Patman Scheme Is Decried Here

Sentiment against payment of the so-called goldiers' bonus under the Patman greenback plan pervaded the Capital Post No. 9, American Legion meeting at Fraternal temple last night. The general opinion on the subject was that the Vincent plan of paying the veterans with money backed by bonds or other "sound" means was the preferable one, according to Dr. Verden E. Hockett, commander. No business of importance was transacted.

Lost Time May Be Made up by SERA Workers

The two days of SERA work lost by men and women on the relief last week, while federal funds were withheld, will be made up to them within a short time, it was announced at relief headquarters, 257 North High street yesterday. The staff in the office of D. G. Metcalf, SERA placement officer, set immediately at work preparing extra work assignments for the more than 500 men and women who were called off their jobs Friday and Saturday.

The many workers who called their employers for the week's pay checks or for new assignments unanimously expressed satisfaction with the situation and there was virtually no complaint over the two-day shutdown, staff workers reported.

FALL PRIMARY BILL PASSED BY SENATE

Zimmerman Brands it "Raw Deal" Favoring Special Interests; Vote 23-7

With Senator Zimmerman branding the new deal a "dirty deal" in putting over the change in date for the direct primary and the Erwin bill changing the direct primary date and calling for nominations of delegates to national conventions by state conventions was passed in the senate Monday afternoon by the decisive vote of 23 to 7.

Negative votes were cast by Burke, Carney, Fisher, McCormack, Staples, Walker and Zimmerman.

It was Senator Zimmerman who carried the brunt of the argument against the measure shouting that it was a "big boys' measure, a bankers' measure, a big corporation measure, an international bankers' measure" which would give the independent candidate if he were poor, no chance.

He declared that similar bills never had a Chinaman's chance in previous legislatures controlled by the party in power.

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Cleaning Works Ordered to Give Back Eight Jobs

PORTLAND, Ore., March 4. — (AP) — The regional labor board today ordered the Portland cleaning works to restore jobs and give back pay for time lost to eight workers in a dispute with the company over union activities.

The regional office report said the cleaning plant discharged two employees for asserted union activities and six others struck, charging the company intimidated employees regarding union activities. The laundry and dry cleaning workers' union, affiliated with the American Federation of Labor, was involved in the case.

PENSION MEASURE PASSED BY SENATE

Second of the administration's relief bills went through the senate late yesterday and will be signed by Governor Martin today.

The bill provides an appropriation of \$1,000,000 to be used for old-age pensions, provided the federal government appropriate sufficient funds to match the aggregate amount the counties of Oregon and the state set aside for pensions in the next two years.

The senate has already approved a bill which increases appropriations from state liquor revenues from \$3,000,000 to \$5,000,000, the moneys going to aid the federal government in its work relief program in the state.

The final relief measure comes up in the senate today. It sets aside \$1,000,000 from the general funds of the state to be used in aiding the 36 counties take care of unemployed persons.

The old-age pension plan went through the upper assembly without dissenting vote.

Late Sports

PORTLAND, Ore., March 4. — (AP) — Technical knockout in the first round of the preliminaries of the Pacific northwest amateur fight tryouts here tonight to pick fighters for the national amateur championship at St. Louis.

Both Jim Miller of Oregon State and George Heodoratos of Washington State, heavyweights, were idle tonight by defaults, and will meet in the feature battle tomorrow night.

Henry Neuman, 147, Salem, scored a technical knockout in the second round over Fred Hale, 147, Portland.

AMES, Ia., March 4. — (AP) — A championship Iowa state basketball team wrote a blazing finish to a successful season here tonight and brought the big six basketball title to the cyclone campus by defeating Kansas State in a hard fought battle 29 to 31.

PORTLAND, Ore., March 4. — (AP) — Walter Tinkit Achju downed Barnacle Bill Watkins in a wrestling match here tonight after the six contestants.

Fascual Costello and Mickey Maguire divided falls in a preliminary middleweight bout.

McMINNVILLE, Ore., March 4. — (AP) — Pacific university, dethroned this season as northwest conference champion, nevertheless finished its season firmly in second place with a 36 to 30 win over Linfield college here tonight.

Train Kills Eugene Man Grounded Tanker Floated Snow Falls in Coast Area Pension Statistics Given

ASTORIA TO TOLEDO

ASTORIA, Ore., March 4. — (AP) — Snow fell in flurries here today and piled up to the depth of several inches in the coastal ranges east of here.

Snow was general in the Coast range as far south as Toledo, it was reported.

Motorists complained that snow freezing on windshields made driving precarious on the lower Columbia river highway.

STATE COST \$646,393

EUGENE, Ore., March 4. — (AP) — The League of Oregon Cities today reported that 75.5 per cent, or 7077 of 9377 persons who applied for old-age pensions in Oregon in 1934, received funds.

Melhour was the only county from which figures in the compilation were missing.

The total expenditure for pensions in Oregon, exclusive of Melhour county, was \$646,393. The average cost for December was \$10.65 a person.

The survey also showed that 35 counties answering queries have budgeted \$969,240 for pensions in 1935, or an increase of nearly 50 per cent over 1934.

Oregon Briefs

FENDRICH IS VICTIM

EUGENE, Ore., March 4. — (AP) — Karl Fendrich, 45, Eugene furniture dealer, was killed at noon today when the Southern Pacific's fast-moving Shasta train, No. 7, struck the small truck he was driving.

The accident occurred at a crossing five miles north of here. The truck was dragged half a mile before the train stopped.

Witnesses said Fendrich apparently did not see or hear the train. The truck was struck just as it started across the track, although there was a clear view of the track for a mile.

NO DAMAGE FOUND

VANCOUVER, Wash., March 4. — (AP) — The tanker Brandywine which grounded on a sand bar in the Columbia river near here today, was floated at high tide shortly after 5 p. m.

The ship was inbound from Los Angeles via Seattle when it went aground. There was no indication the tanker was damaged. The vessel is operated by the Sunset Pacific Oil company.

POLICE ACCUSED OF THEFTS SUSPENDED

PORTLAND, Ore., March 4. — (AP) — Two Portland policemen accused of taking articles from a pharmacy were suspended today pending a hearing before a board of commanding officers.

Police Inspector Leon V. Jenkins and Captain C. E. Bergan, who were detectives, ordered the suspension of Patrolmen M. E. Nelson and R. C. Moulton.

Informed by two newboys that the door was open early Friday, the patrolmen investigated, helping themselves to cigarettes and candy and later calling the proprietor, Edward S. Fletcher, Jenkins said he was informed by George Campau, 16, one of the newboys.

Jenkins said Campau refused cigarettes offered by one of the officers but took a camera, stating, "I could use this," and there was no objection from the officers.

John J. Haleu, 16, was with Campau who went home and to bed but soon arose and reported the incidents. Campau said he saw \$20 in the safe, but it was reported missing when Fletcher arrived.