

NEWS THAT'S NEWS
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The Oregon Statesman

FOUNDED 1851

Salem, Oregon, Wednesday Morning, May 15, 1935

THE WEATHER
Cloudy today and Thursday, little change in temperature; Max. Temp. Tuesday 71, Min. 40, river 1.8 feet; variable winds.

EIGHTY-FIFTH YEAR

No. 42

'NEW DAY' FOR VALLEY, TOPIC AT MEET HERE

Great Population Gains in Next Few Years Certain Speakers Declare

Claude Murphy of Albany is Elected President of New Association

Two hundred enthusiastic backers of a "new day" for the Willamette valley gathered here Tuesday night at the Marion hotel to complete the organization of a Greater Willamette Valley association. Delegates to the meeting, the third of its kind since the opening meeting of the association was held last in April at Albany, came from cities north to Portland and south to Eugene.

Claude Murphy of Albany, who served as temporary chairman of the group, was elected president last night, and C. E. Williamson of Albany, who served as temporary secretary, was named permanent secretary-treasurer.

Vice-presidents of the association were also elected while delegates from each county in the valley will be named soon. Vice-presidents named included L. M. Lepper, Portland; William McGilchrist, Salem; C. E. Ingalls, Corvallis; Jack Maglady, Eugene; Loyal Graham, Forest Grove; Dr. Butler, Independence; Walter Buse, Oregon City.

State Due for Influx Of Settlers
"What the valley needs is a new day," declared Mr. Williamson in the keynote speech of the meeting. "We need to break down selfishness; we need to become neighbors and to work unitedly for the improvement of our great state."

Using maps of the United States and of Oregon to illustrate his points, Williamson said the state was strategically located for a great influx of new citizens. "We must increase the number of men in Oregon engaged in wealth-creating work," Williamson urged. "We can cut up our farms into smaller tracts and make the land more productive than it has been in the past."

The five-point program for the association, outlined by Williamson, is:

- Well-marked signs at all the "ports of entry" to the valley, welcoming the newcomer and assuring him that he is entering "a great valley."
- Folders describing Oregon's resources for all newcomers.
- Appropriate window cards for all business houses throughout the valley.
- Use of the slogan "This is Oregon" (Turn to Page 2, Col. 1)

MRS. SINGLETON IS ARTS LEAGUE HEAD

Mrs. Jessie Singleton was chosen president of the Salem Arts League for the coming year at the session Tuesday night at the Salem public library. Professor W. E. Lawrence of Corvallis was elected first vice-president; Professor Morton E. Peck of Willamette university, second vice-president; Mrs. S. H. Van Trump, recording secretary; Mrs. Ray Yocum, financial secretary; Miss Grace Gilliam, treasurer; Miss Constance Fowler, art director, and Perry Reigelman, publicity director.

According to a custom of the Arts League, memorial books were ordered placed in the Salem public library in honor of deceased relatives of Mrs. Ora McIntyre, Mrs. Lynn Cronemiller and Miss Mirph Blair. Reports of officers and section leaders were given and general business transacted. Dr. David Bennett Hill, Salem dentist, was presented by Perry Reigelman, president of the league for the past year. Dr. Hill's films of the scenic grandeur of the Yellowstone and the many interesting sights of the Century of Progress exposition were thoroughly appreciated. The large audience was particularly interested in the health film. This program closed the year's work for the Arts League.

Beet and Onion Recipes Invited By Round Table

A host of interesting recipes for both beets and onions was presented daily at the Round Table desk but there is still time to send a contribution to the contest. Any recipe calling for either beets or onions is eligible. The deadline is tomorrow, Thursday noon, and cash prizes totaling \$23 will be awarded Friday morning. Please list all ingredients first before describing the method of combining. State how many the recipe serves.

Extensive Saving in Interest is Gained By School District

Rate Reduced to 1 1/2 Per Cent Through Bid of Local Bank; Has Been 5 Per Cent Recently, Once Up to 8

SALEM school district effected a 4 1/2 per cent saving in interest on its standing note indebtedness of \$95,500 and in addition extended its refinancing by selling \$450,000 more in notes yesterday. Offer of the First National Bank of Portland to take a \$100,000 one-year note issue at a flat 1 1/2 per cent interest rate was accepted.

RAY OF HOPE SEEN IN LUMBER STRIKE

McCormick Company Makes Progress in Parleys, is Strong Belief

PORTLAND, Ore., May 14.—(AP)—A new ray of hope shone tonight in the still spreading Pacific northwest lumber strike which has taken an estimated 35,000 from their jobs.

More walkouts occurred today in scattered sections, and effects of the strike were felt more in allied industries. But tonight there was widespread belief here among lumbermen who would not be quoted, that progress was being made in negotiations between the McCormick Lumber company and union men in its several plants.

That firm's two logging camps at Castle Rock, Wash., and at Camp Union, near Anacortes, Wash., continued to operate, as did the company's mills at St. Helens, Ore., and at Gamble and Ludlow, Wash.

Strikes had been threatened last Friday at the McCormick (Turn to page 2, Col. 5)

RULING ON WALLS EXPECTED TODAY

Judge L. G. Lewelling, in a telephone conversation from Albany yesterday, indicated to the county clerk's office that his decision on the injunction proceedings brought to restrain the state board of control from razing the walls of the old capitol, would probably be handed down here this morning.

Judge Lewelling said he had been working on his decision in the case a major part of Tuesday afternoon after listening to motions in court at Albany yesterday morning.

At the present time a temporary injunction has been granted in behalf of Ed Jory and three other members of the Marion County Taxpayers' league, restraining the state board of control from razing the capitol walls.

Judge Lewelling gave no indication of what his decision would be. He will either make the injunction permanent or dismiss it.

Officials at the statehouse yesterday were confident the court would dismiss the injunction. They said there was ample authority under the state restoration act for the board to order the tearing down of the walls of the old structure.

Women Injured As Cars Collide

Mrs. L. W. Hickey, 39, of Astoria, and a Miss Leggie of Vancouver, B. C., suffered slight injuries last night when automobiles in which they were riding collided at Capitol and Chemeketa streets. The car in which Miss Leggie was a passenger and D. M. Crookston of Sedro Woolley, Wash., the driver, rolled over on one side. Neither Crookston nor LeRoy W. Hickey, the other driver, was injured.

County Selects 17 Miles Of Road to be Oiled Now

After 60 days of careful study, the Marion county court yesterday announced its selection of 17 of the 20 miles of county roads which it will oil this summer. Decision was made Tuesday morning at a meeting attended by County Judge Siegmund and Commissioners Hewlett and Nelson. Oiling operations are expected to start within the next 30 days with Ralph Girod in charge and with Glenn Rowell of the J. C. Compton company acting as adviser to the court.

Roads selected for the oiling program were:

- Five and one-half miles of road between Marion and West Stayton.
- Road from Four Corners, east of Salem, to the Silverton road, a distance of three and one-half miles.
- One and one-half miles from the end of pavement in Kelzer bottom toward Clear lake.

FILIPINOS ASK INDEPENDENCE IN HEAVY VOTE

Margin Indicated 25 to 1; Women Enthusiastic as First Ballot Cast

Violence Lacking as Issue of 10-Year Program is Given Endorsement

MANILA, May 15.—(Wednesday)—(AP)—Election returns flowing in early today indicated the Filipinos, with women enthusiastically balloting for the first time, voted by a margin of probably 25 to 1 to ratify the constitution of the forthcoming commonwealth government.

It was the first step toward complete independence from the United States, to be granted after 10 years of preparation under the commonwealth which will be inaugurated late this year.

The plebiscite yesterday was peaceful and there were no disorders like the uprising of the Sakdalists or immediate independence advocates, whose revolt May 2 cost 60 lives.

Early returns indicated more than a million votes were cast; probably even greater in number than for the general elections of last June. Bulletins from all sections of the Philippine archipelago gave an incomplete total of 43,817 votes for the constitution, and 11,083 against it.

In some sections women cast more ballots than did the men. This was taken by some women leaders as an indication that women will be able to muster the necessary 300,000 votes in a special plebiscite to be held within two years to determine whether they

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LAMSON CASE JURY FINALLY DISMISSED

Stands 9 to 3 for 'Guilty' Verdict Several Days; Retrial Uncertain

SAN JOSE, Calif., May 14.—(AP)—Deadlocked nine to three for conviction, the jury in the second wife murder trial of David A. Lamson was discharged late today.

For nearly four days the seven men and five women had struggled to reach a verdict, reporting three times before its dismissal that it was unable to come to a decision.

Lamson himself expressed keen disappointment at the disagreement, and Chief Deputy District Attorney John P. Fitzgerald indicated it was likely the defendant would be tried for the third time.

"Naturally, I feel keenly disappointed at the failure of the jury to acquit me," Lamson said. "I" (Turn to Page 2, Col. 6)

SNELL ASKS ABOUT REPUBLICANS ALSO

The recent letter of Representative Lew Wallace of Multnomah county, indicating that Secretary of State Snell had taken particular pains to question the eligibility of democratic members of the state legislature, is not borne out by the facts, officials said Tuesday.

Snell refused to comment on the Wallace letter further than to file newspapermen to the records of his department.

These records show that Snell last Friday sent a letter to Attorney General Van Winkle asking for an opinion as to legislative status of Henry L. Corbett, president of the state senate, and Senator Dean Walker of Polk county. Both Corbett and Walker are republicans.

Corbett is a member of the Port of Portland commission, while Walker is a member of the state library board.

Van Winkle, in an opinion handed down here recently, held five democratic members of the legislature ineligible to serve because they had accepted other lucrative federal and state appointments. Wallace was among the six.

Georgians Vote On Liquor Today

ATLANTA, May 14.—(AP)—Nearly 400,000 eligible voters tomorrow will decide whether Georgia legally can have liquor, beer and wines.

Both wet and dry leaders tonight were predicting victories. The most intensive drive was conducted by the dries. They plan to have church bells tolling throughout the state during the voting hours to remind their adherents to vote.

Child Aged Four Killed by Auto

OREGON CITY, Ore., May 14.—(AP)—Beverly Caswell, 4, was fatally injured today when struck by an automobile just after she took mail from the family mail box and darted back across the highway.

Rupert W. Forbes of Milwaukee was driver of the death car. The girl died en route to a Portland hospital.

World News at a Glance

(By the Associated Press)

Domestic:
Washington—President flays "liars" about administration farm program as 4000 farmers cheer.

Reno—Divorced from Prince Mdivani, Barbara Hutton off on second honeymoon as Countess Haugwitz-Reventlow; pair speed to California.

Washington—Senate cuts NRA extension to 10 months in face of presidential opposition.

New York—Tammany leader's name hinted in policy racket inquiry; court holds reporter in contempt for refusal to answer questions.

San Jose, Calif.—Jury, deadlocked 9-3 for conviction in second wife murder trial of David Lamson, discharged after long deliberation.

Washington—Senate democrats mass against Huey Long, vote down resolution for Farley investigation.

Washington—World currency stabilization conference on gold and silver proposed by Senator Thomas as capital watches chary foreign reaction to Morgenthau statement.

San Francisco—Mooney loses again in freedom fight as appeals court denies habeas corpus.

Detroit—Auto strike threat fades as workers begin return under agreement reached after strike at Toledo.

Wilkesbarre, Pa.—Anthracite mine peace broken, score hurt in picket riot at Plymouth colliery.

Foreign:
Bucharest—Balkans stirred by Turkish notes of intention to fortify Dardanelles; Great Britain to oppose move.

Manila, P. I.—Filipinos vote landslide ratification of constitution for new government, first step towards independence.

Havana—First international "sky train" completes flight from Miami, lands before riotous crowd of 50,000.

Rome—Hands off Ethiopian quarrel, Duce warns foreign nations, as mobilization orders go out.

Wool, England—"Lawrence of Arabia" fights death from fractured skull suffered in motorcycle crash; strict official silence kept.

Berlin—Hitler calls reichstag for May 21 meeting to outline foreign policy.

AGRARIAN PROGRAM DEFENDED BY CHIEF

4000 Farmers Cheer F.R. as He Flays "Liars" Who Attack His Plan

WASHINGTON, May 14.—(AP)—The administration defended to a delegation of farmers today its agrarian policy while at the identical moment one phase of its industrial program was being roughly handled by the senate.

Four thousand sun-burned rangers and farmers from the south and west cheered President Roosevelt's criticism to them of the "high and mighty" whom he said had been "lying" about the administration's AAA program.

On Capitol Hill, the senate disregarded Mr. Roosevelt's strong expressed wish that NRA be continued for two years and voted to extend it only ten months. This action was snapped through in a matter of minutes and without record vote.

Mr. Roosevelt's audience, packed onto the lawn footing the south portico of the White House, was (Turn to Page 2, Col. 2)

PRISONERS ESCAPE FROM FORT LEWIS

TACOMA, May 14.—(AP)—Smashing a military guard over the head with a heavy stick of wood, knocking him unconscious, two prisoners at Fort Lewis late this afternoon stole a riot gun and made good their escape.

Shortly after the escape was discovered a company of more than 50 military police began at once to comb the military reservation.

The prisoners who escaped, Harry Lias, 25, and Gordon Troutnar, 18, were serving sentences for desertion. Lias was sentenced to 18 months and had 14 months left to serve. Troutnar, a deserter from Fort Bragg in North Carolina, was sentenced Monday to a year's imprisonment. Both men were discharged upon completion of their sentences.

According to military police, Lias and Troutnar were working under guard in a quartermaster warehouse. The sergeant in charge of the work detail was called away to another part of the warehouse and upon his return found the guard, Private Tice, lying face down on the floor of the warehouse. He was unconscious and was suffering from a deep gash on the top of his head.

The guard's riot gun, a sawed-off shotgun, was found a short time later near the warehouse.

FAMOUS FLIER CHEATS OCEAN ANOTHER TIME

Kingsford-Smith Plays Hide and Seek With Sea but Keeps Ship Aloft

Southern Cross Arrives at Australian Coast With Two Motors Failing

SYDNEY, Australia, May 15.—(Wednesday)—(AP)—Sir Charles Kingsford-Smith, famous trans-Pacific flier, played a grim game of hide and seek with the stormy Tasman sea today but reached the coast safely after being believed forced down in his crippled ship, the Southern Cross.

His arrival over land followed a message which thrilled Sydney: "Still flying, need bearings, location." Just a few moments before he had reported, "Afraid I am in sea. Center motor gone now."

After many vessels, including the cruiser Sussex and the court boat Captain Cook had gone racing to his rescue, it was assumed the noted Australian pilot had lifted his ship just as it was about to strike the sea.

With him on a flight from Sydney (Turn to Page 2, Col. 3)

CIVIC CENTER PLAN BACKED BY KIWANIS

Resolutions supporting the development of a civic center for Salem which would embrace a new state capitol, a new courthouse and a new federal building, were unanimously adopted by the Salem Kiwanis club yesterday noon. The club agreed to present its resolutions to other civic clubs in the city, seeking to secure their support in the project. The resolutions follow:

"Whereas, the destruction of the capitol building by fire will necessitate the construction of a new capitol building, and

"Whereas, the existing federal building in Salem has long been inadequate to serve the needs of this community and there is strong probability that it will be replaced in the near future with a new and modern structure, and

"Whereas the Marion county courthouse is old, inadequate and inefficient and constitutes a serious menace to life and property by reason of fire hazards existing therein, and

"Whereas, we believe that a careful consideration of the necessities and economics of the (Turn to Page 2, Col. 5)

Wounded Circus Man on Road to Recovery, Word

Richard Shank, Tom Mix circus employe, was reported as "much improved" at Salem General hospital last night where he is receiving treatment for a bullet wound received the night of the circus. It was believed he had passed the crisis and was on the road to recovery.

Ernest Womack, another circus employe, whom police say admits having shot Shank, is still being held in city jail on an open charge.

Finds Bottle in River; One Dime

KEOKUK, Iowa, May 14.—(AP)—Robert Curtis spent an olive bottle bobbing along in the Mississippi river. Fishing it out he found a dime and a letter giving six names.

You know—a chain letter.

Linen Mill Finance Scheme Unfolded; Will be Opposed

Terms of the proposed refinancing of the Salem Linen Mills here by a scale-down of the claims of present bondholders and a subordination of their mortgage rights, were made known here yesterday when copies of the reorganization plan being circulated among bondholders were made available to the public.

Under the so-called McDonald plan for reorganization, proposed by a New York group, the following steps would be taken in reorganizing the Salem Linen Mills:

1. The plant would be thrown into bankruptcy to permit reorganization under Section 77-B of the federal bankruptcy act.

2. The McDonald interests would offer to put \$75,000 in cash into the mill provided:

a. They would secure first mortgage bonds on the assets of the mill for their investment.

b. Present bondholders would reduce the par value of their securities 50 per cent.

c. Instead of first mortgage bonds, existing bondholders would take debentures of the mill due in ten years.

CHAIN EXCHANGE QUICKLY CLOSED BY POLICE HERE

"Legal Holiday" Sign Appears Over Door When Officers Order Promoters to Cease Business; Chief Minto and District Attorney Trindle Firm in Stand That Letter Exchange is Lottery, Illegal

Three Lines of Prospective Customers, Many With Cash in Hand, Line Up in Front of Windows Which Offer Chains Up to \$10; "Pressure" Tactics Tried, Says Trindle; Scheme Declared Racket

WHOLESALE chain letter selling ran head-on into Salem's police department yesterday when a "mutual chain letter exchange" opened for business in the store room at 337 Court street formerly occupied by the state liquor store.

With three lines of would-be customers reaching out to the curbing and before many sales could be completed, Chief Frank A. Minto arrived and informed the proprietor, a Portland man, that he had best shut up shop. As a result a sign reading, "Legal holiday. If open, Wednesday 1 p. m.," was posted on the door.

"Cheater Proof," read lettering below the signs painted on the exchange windows. More than 50 persons, it was estimated, had lined up before the booths, inside labeled, "\$1 chain," "\$3 chain," "\$5 chain" and "\$10 chain." A fifth booth was marked, "cashier." Many of the place's potential customers came with currency clasped in their fists, anxious to buy the letters—early and hoping to reap big reward.

Chief Minto said he advised the operator to quit business because "I figure it's a lottery."

District Attorney William H. Trindle backed up the chief in his action, declaring, "There'll be none of these outfits open in Salem if I have anything to say about it."

Chain letter brokerage is "a (Turn to Page 2, Col. 2)

EIGHT CHAIN GANG OPERATORS NABBED

Fines Administered; 25 of "Prosperity" Joints Closed Down

PORTLAND, May 17.—(AP)—Police detectives made the rounds of chain letter broker establishments tonight, and they didn't go there for fun.

Eight arrests were made in short order as the officers sought to stop some 25 establishments which mushroomed into existence the past few days.

One of the first arrested was Ralph Bancroft, who earlier in the day paid a \$250 fine on a similar charge. The fine was slapped on by Municipal Judge Donald E. Long who said he had made a careful study of the system and concluded many people would be bilked.

"We are going to close them all," declared Mayor Joseph K. Carson.

Down in "hokum" row where people at first fought for chances to put their money on the line, the first comers were holding neat earnings, but the later players were losing.

An insurance actuary figured the chances on a 27 to 1 chain were that 27 must play to give (Turn to page 2, col. 1)

Yamhill Teacher Suicide Because Job Not Renewed

McMINNVILLE, Ore., May 14.—(AP)—Dependancy over criticism that she was lax in discipline in her classroom, and that she was not offered a new contract, was blamed tonight for the fatal leap into the Yamhill river of Florence Groth, 21, Lafayette grade school teacher.

After the 65-foot leap from a bridge she evidently changed her mind, for Sheriff George W. Manning said the left arm of her body was hooked over a boom log, but too late to avert drowning.

HERMAN CLARK TO SEEK BOARD POST

Friends of Herman Clark, professor at Willamette university, announced yesterday that he will be a candidate for election to the Salem school board at the balloting next month. A group of local business and professional men representing several local organizations are taking an active interest in his election and were circulating petitions in his behalf yesterday.

Clark has been a resident of Salem for over 25 years and was a taxpayer for 17 years. He was connected with Salem high school for eight years and for five years served as assistant principal of the high school. He has two daughters in the public schools, one in Parrish Junior high and the other in the high school.

The professor has been an active and influential member of 3500 Lee Methodist church for years and has taken interest in development of the city.