

Unsettled, showers today and Friday, moderate temperature; max. temp. Wednesday 68, min. 44; river 1.7 ft., cloudy, northerly winds.

EIGHTY-FIFTH YEAR Salem, Oregon, Thursday Morning, May 16, 1935

CUT AT PLANS

Complete Abolition is "One Right" Act for Congress. Says Ex-President

Avers NRA Crushing Small **Business and Preventing** New Enterprise

1935, by Associated Press) PALO ALTO, Calif., May 15 .-(AP) - Complete abolition of the NRA is "the one right answer" which the house of representatives should make to the senate's action extending its life, former President Herbert Hoover told the Associated Press in an interview here today.

"We do not construct new buildings on false foundations, and we cannot build a nation's economy on a fundamental error." he said.

The NRA has bee crushing the life out of small business and "they are crushing the life out of the very heart of the local community body," he declared. In response to a question as

to what, in his opinion, congress should do with regard to the NRA, the former president said: "In reply to your question, the one right answer by the house of representatives to the senate's

action extending the life of the NRA is to abolish it entirely. New Proposals as Bad As Original Act, Asserts Present NRA proposals are as

bad, in many ways, as the original. With its continuation until the next congress and with federal agents putting pressure on state legislatures to get them to enact state laws in support of NRA, it is evident there has been no real retreat.

business through code authorities with delegated powers of law is un-American in principle and a proved failure in practice. The codes are retarding recovery. They are a cloak for conspiracy against the public interest. They are and will continue to be a weapon of bureaucy, a device for intimidation of decent citizens.

"To the customary answer of 'destructive criticism' or the other question 'what substitute is offered?' I suggest that the only substitute for an action that rests on definite and proved economic error is to abandon it. . . . Advises Specific Laws

For Social Justice "The beneficent objectives of a greater social justice and the ter attained by specific statutory | 000 workers.

"The prevention of waste in Matlick mill at Vancouver, mineral resources should be car- Wash., joined the walkout today, ried out by the states operating bringing the Vancouver area striunder federally encouraged inter- kers to about 550. Only cabinet state compacts. That is an Ameri- shops and reall lumber yards can method of eradicating econ- were free from the strike. omic abuses and wastes, as distinguished from fascist regimen-

business practices, the codes have by 200 union pickets today. increased them a thousand fold through 'chiseling.' They have not legitimate business from unfair competition, but they have deprived the public of the benefits of fair competition.

"This whole NRA scheme has saddled the American people with the worst era of monopolies we have ever experienced. . . . Codes Held Depriving

Youth of Independence "The codes are preventing new enterprises. In this they deprive America's youth of the opportunity and the liberty to start and build their independence, and thus stop the men and women of tomorrow from building soundly

toward a true social security. "Publishers have had to resist arduously the encroachment of these NRA codes upon such fundamental, constitutionally guaranteed American liberties as free

speech. "The whole concept of NRA is rooted in a regimented 'economy of scarcity'-an idea that increased costs, restricted production and hampered enterprise that will enrich a nation. The notion may enrich a few individuals and help a few businesses, but it will impoverish the nation and under-(Turn to Page 2, Col. 5)

Jury Refuses to Indict in Chain Letter Test Case

test case carefully prepared through which the United States swept away. government hoped to dam the stream of cash chain letters flooding postoffices throughout the country was dynamited by a federal grand jury's refusal today to indict three Dencer busi-

The government contended that 1000 "send-a-buck" letters credit and currency in the federal reserve banks to engage in whatbut the grand jury, after hearing the reserv system but made it over linquencies at all, on lands on the evidence, returned a not few restraints in fact."

the grand jury, after hearing the reserv system but made it over linquencies at all, on lands on the reserv system but made it over linquencies at all, on lands on the pended sentence would be operative only as long as Brous behavior which the bank carries the mort-lative only as long as Brous behavior on the behavior of the behavior only as long as Brous behavior only as long as Brous behavior on the behavior of the behavior of the evidence, returned a "not few restraints in fact."

Reading from a prepa

This Family Directing Influenza Epidemic Fight Alone, Far North



Dr. and Mrs. Henry W. Griest (shown with their son) are directing grueling fight on the influenza epidemic which has afflicted 300 in Point Barrow, Alaska, killing 15 persons. First calling for lifesaving "flu" serum to be rushed to that remote city by airplane,

Medical Scientists Fly TowardFlu-RazedCity

Two Philadelphia Physicians are En Route to Point Barrow, Hoping to Find Cure for Dread Epidemic Disease

CEATTLE, May 15—(AP)—Medical science's unremitting battle against the wily "flu germ," cause of oft-recurring epidemics in many parts of the world, finds a new field pack. of action at Point Barrow, Alaska, up on the rim of the arctic. Sensing the "importance" of any new epidemic, two philadelphia physicians, Dr. Horace Pettit and Dr. Sergeant yesterday afternoon, with the

OF ENDING STRIKE

Lumber Walkouts: Scant

Cheer is Offered

Forty men from the Dubois-

Alfred F. Biles, president of

the Central Door & Lumber com-

pany here said his 100 employes

were "strong-armed" off the job

Union officials reported they

had "converted the men to the

American Federation of Labor,'

which seeks higher wages, short-

er hours and union recognition

TALK DAYLIGHT SAVING

he state board of control today

will decide whether daylight sav-

ing hours will be adopted by state

departments. Seventeen depart-

ments voted unanimously in fav-

or of the proposal while seven de-

SEMON RE-APPOINTED

15. - (AP) - The Klamath county

court today unanimously appoint-

Klamath county farmer and

in the lumber strike.

partments were divided.

LITTLE HOPE HELD. der 100 hours.

By air to Seattle, by ship to Late Change Expected Juneau, and again by air to Fair-banks and Point Barrow, the two university of Pennsylvania bacteriology experts will rush to the scene of the arcticoutbreak. They 35,000 Workers Affected by may arrive at a time when the epidemic, believed under control, may be again becoming serious.

The epidemic, which has taken at least 15 lives, all but one of them natives, offers an unusual PORTLAND, May 15 .- (AP)-Paopportunity to gain valuable new cific northwest lumber strike neinformation for that long-sought gotiations remained in a log jam 'cure," medical men here say.

In addition, Dr. Henry W. Today's developments carried Griest, heroic Presbyterian medi- tion would be taken care of by some cheer along with the gloom, cal missionary who has waged a prevention of sweating, child but nothing indicated there would fight with one graduate nurse labor and abuse in business prac- be speedy settlement of the walk- against the more than 300 cases Max Gehlhar, former director of tices should be and can be bet- out directly affecting some 35,- at Point Barrow, has also messaged, descriptive of the disease: "Unusually high temperatures prevailed, with cases reaching

> Many of the cases also developed into pneumonia, he reported, in making requests that pneumonia vaccine be rushed north.

BABY BONDS URGED,

WASHINGTON, May 15 .- (AP)-

elling campaign by requesting Washington Talking prominent women, including Mrs. Franklin D. Roosevelt, to urge by in denominations as low as \$25. The campaign was being con-KLAMATH FALLS, Ore., May ducted by Chester T. Crowell and consulting the packers. James William Bryan, financial writers. From Secretary Morgen- ardist, presided at the sessions

ed Henry Semon, prominent thau they had instructions to get yesterday. bonds in to the hands of as many democrat, as state representative small investors as possible with-

Chase Bank Chairman Flays Proposed Banking Measure

Likening the omnibus banking only a few times, principally by since last November, was the bill to measures utilized at the time of the destructive German and French inflations, Winthrop Aldrich, chairman of the Chase National Bank, predicted today that if all its powers were used DENVER, May 15-(P)-The the "practical value of all social security legislation" could be

> In as severe a denunciation of the bill as has yet been made, Aldrich, with several aides grouped about him, told a senate banking sub-committee the bill was 'potentially despotic" through its centralization of authority over

Reading from a prepared state- thority."

WASHINGTON, May 15 .- (AP)- | ment, Winthrop was interrupted Chairman Glass (D. - Va.) who

security but of insecurity," Al- was a caller at the capitol yesdrich asserted, "for the exercise terday. As director of the Federal of powers freely granted under it can wipe the practical value of in contact with prices of lands. all social security legislation off the slate, and make benefits very little desirable land left." granted to the aged or the unem- said the dean. "Most of our good ployed mathematical expressions

He said the bill, by granting able position of any of the banks the reserve board six powers, in- as regards delinquencies and the cluding one to "dilute the cur- Willamette valley is at the top rency" and another to "force the in the Spokane territory. We ob-

Green Prune Prices Set but Announcement Withheld: Eyes on Washington

Light Oregon Crop, Heavy One in California Reported Likely

Selection of A. M. Chapman, who owns a farm with prune orchard in the Liberty district south of Salem, as administrator of the Oregon state prune code. was announced by the prune control board following a meeting here vesterday.

Chapman succeeds R. A. Bailey, administrator since the code was put into effect early last fall, who resigned recently to become manager of the Springbrook Packing company. The new administrator takes up his duties today. Chapman was for six years prior to 1928 manager of the California Packing company plant in Vancouver, Wash.

Price Announcement Expected Saturday

Prices will be announced for green prunes for canning for the 1935 season not later than Saturday, the control board announced before disbanding for the day. The code prices were agreed upon yesterday but announcement of them was held up to give Washington control board members present yesterday an opportunity to confer with packers in that state so the two states might come to a mutual agreement on the code figures for the canning

Virtually every canning and dried prune interest in Oregon was represented at the session poard hearing a detailed expresby plane late 'onight in a dash sion of opinion on the prune inwhich should take them to the dustry prospects and conditions igehound arctic coast in well un- from the canners and packers. Assurance Given No

> At the outset of the meeting, some packers expressed desire that setting of the code prices be deferred until a later date, this being explained later as due to thought that the board might change the price later in the season. On assurance by the board that no change would be likely. once the price is announced, objections to an early setting of the price were withdrawn.

If the price should go above that set by the board, this situasupply and demand and so would not work to detriment of packers. agriculture who is now opening his own Oregon Fruit Products company here, pointed out. California Crop to

Offset Oregon's Indications at the present time point to a light prune crop in Ore- Rhoten, producer, and William gon, and considerably under last year. However, Robert Paulus who has just returned from a trip W. E. Savage of near Salem, prothrough California pointed out that California prospects are for stetter, of Curly's Dairy, Inc. a very heavy prune crop, thus offsetting the estimated light deal

Walter J. Robinson, director of agriculture for the state of Washington, in Oregon yesterday on business from Olympia, said New tactics designed to achieve that while all codes in that state a wide distribution of "baby are somewhat in the air due to reported by the treasury sales that the 1935 law will be declared constitutional by the supreme court.

Robinson also said while here radio purchases of the "baby that strawberry growers in that bonds," so-called because issued state have an idea of 6 cents per pound on Marshall berries, but that this has been talked without

Glen Hogg, Polk county orch-

from Klamath county to succeed out conducting a "high pressure drive." RISE 40 PER CEN

Land values in the Willa nette valley have risen 40 per cent declaration of Dean W. A. Schoenfeld of the department of agri-"This bill is a measure not of culture at the state college, who Land Bank of Spokane, he comes

"The Spokane land bank has places have been sold. The Spokane bank is in the most favorgage."

World News at STATE UPHELD Glance

(By the Associated Press) Palo Alto, Calif .- Former Pres-

dent Hoover urges quick death Washington-Hour wage rates slashed 30 per cent under tentative work relief plans; Roosevelt

yet to approve. Washington - Secretary Hull serves world notice U. S. ready to stabilize. New York-Edward Johnson

Canadian born tenor, named new Metropolitan opera head. Washington - Winthrop rich. Chase National bank chair-

man, flays banking bill; likens it to measures in destructive European inflation.

Chicago - Rains wash away corn belt blues, brighten small grain prospects in midwest. Washington-Treasury pushes 'baby bond" sales campaign as means of combating inflationists.

Atlanta - Wets and drys in lose Georgia repeal vote. Washington-Senate scraps over farmer invasion for AAA boost; Wallace "welcomes" inves-

Springfield, Ill-Illinois relief crisis sharpens as legislature deadlocks fourth time on state NEW YORK-Johnker diamond

bought by American for "over \$700.000. Washington-Wagner labor disoutes bill starts through senate; Wagner declared NRA alone unable to save collective bargain-

Rome-National press demands Italian control of Ethiopa; England reported ready to ignore Duce's "hands off" warning for sake of peace.

Berlin - Italian-Ethiopian dispute anticipated to be ammunition for forthcoming Hitler speech Lima, Peru - Peruvian pub-

student; wife slain shielding huspand's body.

aggression pact. Warsaw-Pilsudski's body lies

state as nation mourns leader: national services set for Saturday. Manila, P. I .- Three city offideath in outbreak; authorities blame communist terrorism.

DAIRY INDUSTRIES DIRECTORS CHOSEN

and Sheridan Named for Marion County

Following presentation of purpose and aims of the Associated Dairy Industries, Inc., recently organized in Portland, to a group of about 30 persons representing all phases of the dairy industry, two directors to represent Marion county on the state board of the new group were selected: E. A.

"Bill" Sheridan, dealer, Two other Marion county men, ducer-distributor, and Hans Hofwere named Marion county representatives on the market mil committee, the first committee appointed under Associated Dairy Industries.

Officers Outline Organization's Aims

Explanation of the new organization was made by O. G. Simpson bonds" as a means of combating legal controversy over the state of the Clear Creek creamery at inflationary demands today were marketing law, there is high hope Oregon City, state president; Levi McKee, Perrydale, state secretary-(Turn to page 2, col. 1)

CHARGE OF ASSAULT

assault with intent to kill, was arraigned in circuit court here yesterday having waived indictment by a Marion county grand jury. The court allowed Womack additional time in which to enter

Womack is accused of shooting Richard Shank, employe of the Tom Mix circus, following a performance here Monday night, May 6. Shank was critically injured but was reported yesterday at a local hospital to be greatly improved and quite certain to recov-

Womack is being held in the county jail here until his case is disposed of. He and Shank are said to have nursed an old grudge and, when each became intoxicated, to have started a fight which ended in Womack's firing a pistol at Shank, a bullet from which wounded the latter.

Judge L. H. McMahan suspended sentence on Charles D. Brous, local youth, who waived indictment and pleaded guilty to burglary not in a dwelling. Brous Wetzel service station on North exercises of the school are nearly 7, after commencement exercises attempted to enter the Elmer ed himself

Lewelling Refuses to Make Temporary Injunction Permanent One

Appeal Indicated but is Not Believed Likely in Time to Halt Work

Legal barriers to razing of the old capitol walls were toppled yesterday by Judge L. G. Lewelling, who refused to make permanent a temporary injunction against the state hoard of control granted May 8 when four members of the Marion County Taxpayers' League asserted they were being irreparably damaged by the

destruction of the old building. The court's technical reason was found in the fact that the plaintiffs-Henry Zorn, Edwin A. Jory, Martin Rostvold and Willard Stephens - had not shown than any other taxpayers in the state. If proceedings were properly brought, Judge Lewelling set out, they would be through the district attorney's or attorneygeneral's offices, on the relationship of all taxpayers to the relationship of a specific group. Restoration Act Authority For Removing Old Walls

The court went further, however, and effectively blocked the way to further litigation by declaring that such a proceeding, if isher-statesman assassinated by brought, would lose on its merits since the state restoration act gives the state board of control Moscow-Franco-Russian drive full power to remove the old walls started to bring Germany and Po- as a preliminary to restoring or land into general European non- replacing the statehouse struc-

> late yesterday expressed to be unanimously in favor of water company. tearing the old walls down as fast as the SERA crews now at work on the capitol can handle the job. F. G. Leary, builder-wrecker to remove all debris from the interior of the building to facilitate trucks getting into the structure to remove bricks when the do come down, a cable will be when bids were called for. attached to the walls and with the aid of a winch, they will be pulled towards the interior of the trucks and hauled away.

Appeal Believed Effectively Blocked While B. S. Martin, one of the plaintiffs' attorneys, announced (Turn to page 2, col. 1)

Young Nurse is Freed, Part in Extortion Plot

SEATTLE, May 15-(AP)-Miss Dorothy Flower, 22 - year - old nurse and daughter of Dr. and Mrs. T. J. Flower, of Milton, Ore., was freed today by Federal Judge John C. Bowens of charges of using the mails to extort money. She was indicted with Dan T. Kidwell, 23, who was sentenced PWA Allots Amity to six years at the McNeil island penitentiary six weeks ago on pleading guilty to such charges. He was accused of sending extortion letters to rooming house

Assistant U. S. Attorney John Ambler said that Miss Flower was

Work Relief Wages to Be30% Under Private Hourly Rates, Reveal

BOND SALE PROGRAM May Vary From \$16 TOPIC FOR TONIGHT

Conference Scheduled When City Learns Bid for Water Plant Okeh

Tonight the City of Salem will move another step nearer its acquisition of the Oregon-Washing-Water Service company's committee on ways and means torney Chris J. Kowitz t. draft a night was disclosed to have been bond sale ordinance to be pro- drawn tentatively for White posed to the council when that House approval. body meets next Monday night. Fred E. Paulus, deputy state Roosevelt has yet to approve the treasurer, will attend the confer- setup, a high official who would ence and advise the councilmen in | not permit use of his name, said the drafting of an ordinance monthly payments were expected which will provide the most ad- to vary from \$16 for unskilled vantageous returns to the city from the sale of its water bonds.

Decision to hold the conference tonight was made yesterday by Average to Exceed board's proposed action, not the Mayor Kuhn upon receipt of telegraphic word from McCutchen, Olney. Mannon & Greene, San exceed the \$50 a month "secur-Francisco attorneys for the water | itl" wage on which the work procompany, that the trustees for the gram was planned. It compares bondholders in New York City with a monthly average of \$29.50 had formally accepted the city's on jobs now conducted under the proffer of \$1,000,000 for the water plant. The directors of the prevailing wages are paid but Oregon - Washington Water Service company accepted the city's to meet a worker's family relief bid May 7.

honds and provide therefrom cash | tive schedule were the monthly alfunds with which to purchase the lotment of work hours to labor plant, the deal can proceed. The and the total cost of labor's share pending suit in condemnation, be- of the outlays. Detailed wage re-September 24, 1934, in fedthemselves as highly pleased with eral court, will be dropped by submitted to the White House the decision. The board, while it the city and judgment of \$1.- shortly by Harry L. Hopkins, cials and fourth person shot to did not meet yesterday, is known 000,000 confessed in favor of the works progress director.

Vandevort Uncertain

About Injunction Suit Only barrier to the transaction is a threatened injunction against in charge of the job, plans first the sale of the bonds of the city. brought by Henry H. Vandevort, alderman, who has fought the purchase of the plant. "I still have the suit under considerawalls come down. It will be a tion," Vandevort said yesterday. matter of a week to 10 days He did not indicate definitely before the demolishing of the whether he would seek to enjoin Hofstetter, Rhoten, Savage walls can begin. When the walls the council from selling the bonds

> The committee's meeting tolong the term of the bonds the old capitol, the bricks loaded in city proposes to issue will be, will ing for low income families in 59 also consider how much money representative cities was to be must be raised by the bond issue | completed shortly. for working capital for the plant. Provisions must also be made for moneys with which to pay legal Four Killed orally in court yesterday that his costs heretofore incurred in negotiating for the water plant and in the condemnation suit. The charter amendment which authorized the purchase of the water plant and the issuance of bonds. provides that none of the bonds shall be for les sthan five years or more than 40 years.

David O'Hara heads the ways and means committee, Walter Fuhrer heads the utilities com-

A number of bond buyers have already made inquiry about the issue the city will put out for its water purchase. said, when a band of communists

\$24,000 Project

AMITY, May 15 .- Mayor J. D. Woodman has received information that a PWA loan of \$24,000 has been granted the city of Aminnocent of any criminal intent ity to improve its water system. in aiding Idwell, a man she was Amity has a gravity water sysnursing in a hospital here at the tem. This loan will enable the city to put in all iron pipes.

Ernest Womack, charged with 345 Seniors Are Approved For High Graduation June 7th to preserve order during the voting, began a widespread search for the asserted communists.

Three hundred and forty-five | commodate the class and the moseniors of Salem high school were thers and fathers of the graducertified for diplomas yesterday ates. Rev. H. C. Stover will give by Fred Wolf, high school principal, while the status of seven more members of the class of '35 was kept in abevance until the high school administration could determine whether or not they would meet graduation requirenents before the school year ends

"We will not have as large a graduation class as we did in 1934." Mr. Wolf stated. number of members of the class worked in the CCC camps last summer and winter and took other jobs in order to help with the support of their families. This reduced the normal graduation number considerably."

For Final Week

jum in the city large enough to ac-

Commencement exercises will be held Friday, June 7, at 10

a. m. in the Elsinore theatre, Dr. Bruce Baxter, president of Willamette university, delivering the address. Thursday night, June 6, the annual senior banquet will be held at the Masonic temple; the annual junior-senior will be a post-commencement event at the high school gymnasium the night of June 7.

Class instruction in Salem high school will be completed Wednesday, June 5, Mr. Wolf said. Teachers will complete the reading of examination papers and the determination of grades Thursday and to comment on the reports, but Friday, with final reports being senate leaders said he denied to Plans for the commencement given out Friday afternoon, June them that he was offering such

(Turn to page 2, col. 3)

to \$96. Different

Schedule is Submitted to Roosevelt for Approval

Areas, Said

Copyright, 1935, by Associated Press) WASHINGTON, May 15. — A basic framework for labor's wages plant here when the council's under the \$4,000,000,000 work program, calling for a 30 per and on utilities will meet with cent slash in prevailing hourly Mayor V. E. Kuhn and City At- rates on construction jobs, to-

Emphasizing that President labor in the south to \$96 for a skilled workman in New York

\$50 per Month The average, he said, would relief administration on which only enough employment given

needs. Still undetermined in the tenta-

Workers Will Be Classified, Says The authoritative official said present plans called for three classifications of workers, with graduations in pay. Separate wage schedules would be provided for the six major regions. still undisclosed, into which the

country has been divided. In some quarters it was said the new wage scales, which are to apply to all relief jobless with the exception of the civilian conservation corps, will be modified to fit conditions in 320 work night, in addition to deciding how areas already marked out by Hopkins. A survey of the cost of liv-

By Terrorist Shots, Isles

MANILA, May 15 .- (AP)-Three ity officials and another person were shot to death today in what authorities called an outbreak of communistic terrorism in Laguna province, scene of the bloodiest fighting in last week's pre-plebiscite Sakdalista revolt.

The trouble started, officers

roaming the hills near the village of San Antonio shot and killed one person. A group of officers went to investigate and three of them were shot down. The other dead were the acting village chief of police, the municipal vice-president and a policeman News of the slayings reached ere as the counting continued on yesterday's balloting in which the Filipinos voted overwhelmingly to accept a commonwealth form of government for 10 years pending complete independence. Latest totals were 1,157,962 in

favor of the commonwealth system and 39,920 against. The constabulary, which had taken extraordinary precautions

BONUS VETO SAFE

WASHINGTON, May 15 .- (AP)-Senate administration leaders maintained today they were holding plenty of voting strength to sustain President Roosevelt's prospective veto of the Patman bonus bill, despite recurrent reports that Vice-President Garner was advising senators to override

the chief executive. The Texan, who favored the bonus before he became President Roosevelt's running mate, refused

that 1999 send-a-buck letters that taxes are being paid now and the three men had mailed violated the three men had mailed violated the fraud and lottery statutes the fraud and lottery s came involved.