

# UNITED STATES TO DISTRIBUTE

## Transmission Lines Will Be War Department Task, Says McNary Bill

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vides for disposal of the power at wholesale rates "calculated to provide" for amortization of the cost within the specified period.

What these rates shall be will be for the power commission to determine. The bill directs the commission to "determine the part of the cost of the entire project allocable to power development"; "set and determine all rates and allocations to purchases of power to be sold," and to pass on all contract provisions affecting rates.

Preference would be given states, counties, municipalities and cooperative organizations "not organized for doing business at a profit" in distributing power. Contracts would be drawn for terms of not more than 25 years. States to receive portion of revenue.

The bill authorizes the war department to install machinery and equipment "as rapidly as can be arranged for the disposal of power," and to operate trunk transmission lines, sub-stations and other facilities.

The states of Oregon and Washington would receive an 18 1/2 per cent share of whatever gross revenues there are annually in excess of the amortization costs.

Governor Martin expressed great satisfaction yesterday when advised that the Bonneville power project was to be placed under the control of the federal power commission and the army engineers, the former setting wholesale rates on power and the latter operating the property.

The governor said the news justified his veto of the grange power bill at the last session of the legislature, an enactment which he declared would have added a \$50,000,000 debt on taxpayers of Oregon.

The federal government, while stating it proposed to amortize the Bonneville dam's cost over 50 years, has not stated what portion of the dam's cost would be charged to hydro-electric development and what portion would be set off for flood control and for river navigation.

"The Bonneville dam is a challenge to the people of Oregon to develop uses of the power generated," Governor Martin said. "It will be a race between the states of Oregon and Washington to see which arises to the occasion in promotion of industries. Oregon now has its greatest opportunity."

The decision to place operation of the Bonneville power project under the federal power commission was announced at Washington late yesterday.

# NAZIS RENEW FIGHT AGAINST RELIGIONS

(Continued from Page 1)

New anti-Jewish demonstrations broke out along the Kurfirstendamm late this evening, crowds shouting epithets and carrying about anti-semitic posters, one of which depicted Jews consorting with Aryan girls. There were no reports that Jews had been actually mistreated, however.

Meanwhile Catholic and Protestant men of the cloth calmly awaited expected new wholesale arrests among the clergy in line with the edict issued yesterday by General Hermann Wilhelm Goering, head of secret police, ordering rigid enforcement of decrees aimed at church activities.

## Engle Clan Will Gather July 28

The Oregon branch of the Engle clan will hold its third annual reunion Sunday, July 28, at Silverton city park. John F. Davis of this city is president. Archie W. Engle of Portland, secretary and Miss Mabel Jackson of Woodburn, historian. Rev. S. M. Engle of New Haven, Florida, will be speaker of the day. A basket dinner will be a pleasing feature of the occasion. William Engle, a pioneer of 1845, and his large family of sons and daughters were prominently identified with the settlement and development of Clackamas and Marion counties.

## The Call Board

- ELSINORE**  
Today — Double bill, Richard Dix in "The Arizonian" and Zasu Pitts in "Going Highbrow".
- GRAND**  
Today — Jack Holt in "The Awakening of Jim Burke".
- CAPITOL**  
Today — Double bill, Gene Raymond in "Hooray for Love" and Buck Jones in "Law Beyond the Range".
- HOLLYWOOD**  
Today — Double bill, Nell Hamilton in "Honeymoon Limited" and "In Spite of Danger" with Wallace Ford.
- STATE**  
Today — Tom Tyler in "The Fighting Hero".

# Graduation Exercises Held For Swimmers Passing Test During Recent Instruction

Impressive "graduation" exercises for the young people who completed the recent swimming instruction course were held Friday night at the Olinger playground pool.

Beginners opened the program, swimming across the pool in proving that they had fulfilled the requirements in that division. Those receiving the awards were: Jean Dierks, Shirley Holman, Lillian Heffling, June Young, Oe-Bauer, Lavon Brundage, Betty Krebs, Joyce McClendon, Jeanne Rogers, Evelyn White, Yvonne Bolton, Pauline Decker, Mary Helen Duffy, Mary Agnes Dunn, June George, Geraldine Hutley, Dorothy Pysatt, Edna Mae Schofield, Ella May Statler, Jimmy Bacon, Richard Pones, Bob Fisher, Donald Kinser, Robert Lawless, Billy Mortan, Clair Priem, Harrison Wilder, Robert Hinkle, Jimmy Mennis, Don Chapman, Emerson Hoppes, John Ducunrech, Frank Hinkle.

Swimmers who were required to tread water 30 seconds, float on their backs, make a plain dive, swim 100 yards, swim 50 feet on their backs and recover an object in six to eight feet of water, received their awards next. They included: Goldie Burton, Helen Cook, Betty Mann, Vivian Talbot, Lolla Weekly, Bernice Wilder, Mary Jean Oley, Agnes Bowne, Jane

Houstin, Anne Houstin, Shirley Watson, Alva Davis, Andrew Humphrey, Jack Mennis, Bob Lawless.

The junior and senior life-savers, whose tests were much more exacting, instead of going through the tests presented a novelty demonstration, a candle swim in which all started with lighted candles at one end of the pool and swam as far as they could keeping the candles lighted.

The group included Henry Kieth, Clayton Vanderwarka, Milton Hartwell, Delva Lebengood, Roger Pratt, Lester Meyers, Kenneth Ruckert, Dorothy White, Mabel Heyland, Ruth McFarlane, Wallace Witwer, Charles Towne, Tom Williams, Jim Bennett, Irene Warren, Vera Tanner, Bob Irish, Marion Brown, Wendel Emmert, Mary Jo Geisler.

**Divers Perform**

The senior life savers' stunt consisted of entering the water wearing shoes and trousers or skirts, removing these garments and swimming the length of the tank. They included Pete Geiser, Maynard Clark, Murie Jones, Margaret McKenzie, Wilmer McDowell, Forbes Mack, Howard Whitehead, Florence Foster, Loren Benjamin, Merrill Ames and Howard Damon.

Other numbers on the program included a diving exhibition by Jack Causey and Forbes Mack, and clown diving by Bill Benton.

M.M.C.

Here's something for you to do: Just who is your favorite Mickey Mouse entertainer? When you come to the matinee bring with you a slip of paper with the name of whomever you think is the best. Have your folks send us their entrants. The member of the "gang" receiving the most votes shall be awarded a handsome prize.

M.M.C.

Tell your mother and dad that the Elsinore is air-cooled and the weather's great inside during the Mickey Mouse matinee.

M.M.C.

Due to so many of the kids not being able to see their pictures, which are on display in the lobby, they will be there again today.

M.M.C.

The program last Saturday included Margaret Jean Southwick, Naomi Lee, Betty Jane Hutcheon, Mauna Loa Guitler club, Chuck Bier, Fay Scott, Arthur and Robert Hutcheons and Brad Collins. And I might add that each act was deserving of the highest of tribute.

M.M.C.

In the mail: Charles Olson, 240 South 21st; Doris Albin, 135 North 21st; Betty Lou Evans, 935 Spruce; Maxine Amend, 960 Broadway; Roger Lewis, route 3; Earl Van Lydegraf, Clarice Busser, 340 South 14th; Carolyn Snyder, 830 Shipyard; Curtis Garbrie, 1020 North 19th. Why don't the rest of you write in?

M.M.C.

A great show today—first a novelty stage show; cartoon; last chapter of "Call of the Savage"; Richard Dix in "The Arizonian"; Guy Kibbee and Zasu Pitts in "Going Highbrow." Remember, the doors open at 12:30.

M.M.C.

See you at 1. So long, ZOLLIE.

ZOLLIE.

## NOVEL PETS SEEN; AWARDS ARE TOLD

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pet, Robert Barber first, Audrey Tucker second, Arla Ethel Crittenden third. Best dressed pet, Bobby Duncan first, Patsy Ryer second, Mary Bergavik third. Most unusual pet, Lois Gregson first, Priscilla Clevinger second, Karl Savage third.

Most comical pet, Myrtle Wheeler first, Viola Harvey second, Dorothy Wider third. Largest family, Murray Scott first. Best trained pet, Darrel Caldwell first, Phyllis Gueffroy second, Billy Thompson third.

Judges were Mrs. David Wright, Zollie Volchok and Fred Zimmerman.

## Two Portions of Forest Ordered Closed to Entry

Two proclamations closing to entry except by permit forest lands in both central and western Oregon, were issued by Governor Martin Friday.

One order closes 19 sections of timber land in the sale area of the Oregon Lumber company in Hood River county. The other closes all the burned area included in the Wolf creek fire in 1933. Parts of this land are located in Clatsop, Washington, Columbia and Tillamook counties.

100 Late to Classify

Old fir, \$4.25 each, \$1.75 doz.

# RAPID STRIDES MADE IN YEAR

## Most Successful Period in Its History Shown by Report Just Out

(Continued from Page 1)

tions to twine and for the time being not to make linen goods. The market in the latter product is highly competitive and some additional machinery is needed for an efficient operation in cloth making here.

McLeod reported that the majority of the stockholders in the old Oregon Linen company had converted their holdings to new stock in the Salem Linen Mills. John C. Veatch of Portland is attorney for the local concern.

# PAYROLL SLASHES NOTED IN REPORT

Reductions of approximately \$25,000 biennially will be reflected in the payrolls of the Oregon state institutions under the salary standardization program authorized by the 1935 legislature.

The program, as it affects these institutions, was turned over to the state board of control Friday. Standardization of salaries for the state departments will not be completed until next week.

The total biennial saving will exceed \$50,000. Carl Cover, assistant state budget director, said. The board of control will consider the institutional standardization program at its meeting next Monday.

The most drastic reductions involved married couples employed in the state institutions.

## Warrant Debt of School Districts In County Lower

Marked reduction in outstanding and unpaid warrants of the school districts of Marion county is reported by auditors who for the last month have been going over the 1934-1935 reports of the school clerks of the county. More than a score of districts have entirely eliminated unpaid warrants and a number have built up some cash working funds. Bonded debt of the districts has likewise diminished as the districts have been steadily retiring their funded obligations while only a few districts have put out any new bonds.

Auditors are making faster progress than last year because clerks have kept their books in better order. A year ago the blocking of funds in closed banks created a complication which bothered school clerks and caused the auditors extra work to unravel.

It cost the state insurance department, under Hugh Earle, commissioner, only 2.52 per cent of its receipts to operate during the first six months of 1935, it was announced Friday.

Receipts for 1935 aggregated \$69,848.08 with disbursements of \$17,431.03.

## Department Has Low Cost Claim

Other speakers included C. A. Howard, state superintendent of schools; O. D. Adams, state director for vocational education, and Earl Snell, secretary of state. Methods in record keeping were discussed by D. A. Emerson, state educational department.

Election of officers will be held today.

# STATE THEATRE

Today Only!

THE GRAND Will Be Completely

Renovated!

—SO—

Today and Sunday Will Afford You Your Last Chance to See

THE OL' GRAN' THEATRE

Watch this paper for reopening dates!

Until then good luck!

ROMANCE DOWN IN DIXIE

Adolph Zukor presents

BING CROSBY

W. C. FIELDS

JOAN BENNETT

In Paramount's Musical Hit

MISSISSIPPI

DOORS OPEN SUNDAY 12:45

COME EARLY!

SALEM GRAND

HERE'S HOLT AS YOU'VE ALWAYS WANTED HIM!

JACK HOLT

Awakening

OF JIM BURKE

with FLORENCE RICE KATHLEEN BURKE

SALEM GRAND

# Seen by the Sage

By D. H. TALMADGE

The concert given by the Salem municipal band, directed by Prof. Henry Stoudenmeyer, last night at Willson park gave somewhat more than the usual satisfaction. It was a fine band music on the Stoudenmeyer standard suits everybody first rate.

Don Woodman, associated with John Bert since 1931 in the publication of the Newberg Scribe, has joined the city room gang at the Portland Oregonian. A bright chap and a likeable one. He will get along.

David Hoss, spending a vacation at Elk lake, which is somewhere in the general neighborhood of Breitenbach, could not resist an impulse to write up the place as an ideal resort for outdoors who are not inclined to go to the far' places. Blood is thicker than water, even though the water be alive with trout.

Here's Bouquet

Curt Williams, vocal soloist with the municipal band, is entitled to a bouquet. He may, if he pleases to do so, consider this mention a bouquet—rather a nice one.

Milton Josephson and family and Ted Abeles have arrived from Los Angeles. They will be connected with the Brooks clothing store.

Betty Bedford is at the coast. Her sister Ruth will join her there next week.

Zeral Brown is in Portland for surgical treatment. It is thought this will be the final operation necessary to the cure of trouble resulting from the fracture of an ankle.

John Calloway, 91, died at Eugene this week after 83 years of continuous residence in Lane county. The grandfather of James Calloway of the Steusloff market, Salem, was a cousin. All were natives of Missouri.

Charlie Bier, of the local Warner Bros. staff, accompanied by Mrs. Bier, is leaving tonight for Monterey, Cal. Present plans provide only for a trip to last a week, but there is a possibility of an additional trip by airplane to the studios at Hollywood.

# ANOTHER FILIPINO GETS INTO COURT

Filipinos will have their day in justice court this morning when three defendants will appear as direct and indirect results of an altercation at the Charles K. Ogura fields near Brooks earlier this week.

Faustino and Venancio Nisperos, brothers, accused of using brass knuckles in assault and battery upon Benito U. Malvati, a fellow countryman, will have a preliminary hearing on this charge at 9:30 o'clock.

The Nisperos case resulted in another arrest when Francisco Nisperos, a cousin of the brothers, was haled before Judge Hayden yesterday for alleged threatening to kill Malvati if Malvati did not drop his charges against the brothers.

Francisco's case will also come up this morning, as he denied guilt when brought into court yesterday. All three were in the county jail yesterday, the brothers for want of \$150 bail money each, and Francisco in lieu of \$250 bail.

# WATER PLANT HEAD SELECTED BY BOARD

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charges, rules and regulations of the Oregon-Washington Water company, which the municipal set-up succeeds, to be in force and effect at the date of taking over the plant, August 1, except for such rules as are inapplicable—these to be effective until such time as they may be revised by the commission.

Authorized a committee to study revision of rates and regulations and to report at the next meeting. J. M. Rickman and Ed Gabriel drew the committee posts.

Authorized a committee to recommend salaries for managers and other employees to the commission. Committeemen, Gabriel and Rickman.

All Board Meetings Open to the Public

Adjourned until Tuesday night at 8 o'clock, when reports of committees named last night will be heard.

Salient features of the by-laws adopted last night call for regular meetings the first and third Friday of each month at the commission office at 7:30 p. m. October 1 to May 1 and at 8 p. m. May 1 to October 1 with special meetings at call of the chair or on petition of three members with notice three hours prior to meeting time. All meetings are to be open to the public, with three members a quorum to do business.

The chairman is to vote on all matters before the commission, to which the city recorder will be clerk.

The manager will serve for a term set by the commission or at pleasure of the commission and his services may be terminated for cause by a majority vote. The manager will select necessary employees, but the commission shall prescribe qualifications and the number of employees as well as fix salaries of all.

## Boys' Band from Vancouver Is to Appear Thursday

The Vancouver, B. C. juvenile band composed of boys from the ages of 9 to 17 years, will present a concert at Willson park here next Thursday night as one of the series being presented by the band while on a goodwill and publicity tour to San Diego.

In addition, a group of Scotch dancers will appear with the band, which features Vern Wainwright, age nine, as trombone soloist. No charge will be made. J. R. Peebles is conductor of the juvenile band of nearly 50 pieces.

# A Home Owned Theater HOLLYWOOD

TWO FEATURES 15c

Special Today

1:30 to 5 P. M. - 10c

First Showing Salem

HAMILTON

and IRENE HERVEY

HONEYMOON LIMITED

—And Second Feature—

IN SPITE OF DANGER

WALLACE FORD MARIAN MARSH ADDED

JOHNNY BLACK BROWN

Rustlers of RED DOG

Episode 4

"The Attack at Dawn"

Sunday, Monday and Tuesday

A LOVE STORY AS HUMAN AS A KISS!

CAROL WALKER

TRACY EILERS DURANTE

A COLUMBIA PICTURE

Successful Ancient Chinese Herb Remedies Guaranteed

for Bladder, Kidney, and Urinary and Bronchitis. Disorder, Constipation, Appendicitis and Tumors, Neuritis, Asthma, Rheumatism, Throat, and Glands, Skin Diseases, S. E. Fong

cases. Positive Removal of Liver and Female Complaints, Stomach, Gallstones and pains of male, female and children, all no operation.

CHARLIE CHAN

5 Years Practice in China Chinese Medicine & Herb Co.

123 N. Commercial St., Salem

Daily Office Hours 9 to 6 p. m. Sun. and Wed., 9 to 10 a. m.

# News of West Salem

WEST SALEM, July 19.—Mr. and Mrs. T. J. Shipler and family motored to Washington for a visit with his mother.

Mr. and Mrs. M. F. Cochran will spend the weekend at Oregon beaches.

Arthur Brown, state grange deputy, motored to Cottage Grove, Wednesday, returned Thursday.

Mr. and Mrs. Ted Burns and family returned home Monday after spending a few days at Taft and other beaches.

Jack Tabor, who has been staying for two months with his sister, Mrs. Guy Barnes, left this week for his home in Olympia.

Mr. and Mrs. Walter Wolfe and family and Mrs. Rosie Wolfe of Portland were guests at the home of Mr. and Mrs. Elmer Rierson Tuesday.

Mrs. Anna Wilmut is in Longview visiting two weeks with her daughter.

A large group of West Salem people enjoyed a picnic at the Santiam river Sunday. They were Mr. and Mrs. W. D. Phillips, Mr. and Mrs. Merle Phillips and daughter, Mr. and Mrs. Oscar Phillips, Mr. and Mrs. E. A. Dickson and family, Mr. and Mrs. Elmer Rierson and family, Mrs. Elsie Rice, Miss Etta Rice, Mr. and Mrs. George Lathrop and family and Mrs. Edith Wurm and family.

Mr. and Mrs. Ben Felger are home from a two weeks' excursion to Alaska.

# LLOYD LEE HEAD OF CHICK ASSOCIATION

CORVALLIS, Ore., July 19.—(AP)—Lloyd A. Lee of Salem was elected president of the Oregon Baby Chick association at the annual meeting at Oregon State college today.

Lee succeeds Merle Moore of Corvallis.

Fred Cockell of Milwaukie was elected vice-president; L. E. Cabe of McMinnville, secretary-treasurer, and Cokell and H. E. Cosby, poultry extension specialist, were named delegates to the National Baby Chick association convention at Chicago late this month.

Reports Favorable

Improved business of the past season, increased interest in chick raising to separate pullets from cockerels, passing of NRA codes and discussion of production cy-

cles in hens engaged the attention of the hatcherymen and women in today's session.

A motion was passed asking that all those claiming to be "sexing" experts be required to obtain license from the state department of agriculture before playing their trade.

Next meeting of the state association was set for November at a place to be decided by officers.

# ELSINORE

4 BIG Days Starting Sunday

Two Smash Hits

The "G" Men

"Got 'em...Dead or Alive!"

Nameless heroes take their orders from a nation...and carry them out through a hail of lead!

"MEN WITHOUT NAMES" —with—

Fred MacMurray Madge Evans

Lynne Overman David Holt

Leslie Fenton J. C. Nugent

John Wray Herbert Rawlinson

And Hit No. 2—

FULL of FUN and FULL of the DEVIL!

that's

Lady TUBBS

with

ALICE BRADY DOUGLASS MONTGOMERY ANITA LOUISE

500 Good Seats 25c

LAST TIMES TODAY — TWO FEATURES

RICHARD DIX Zasu Pitts - Guy Kibbee

in "THE ARIZONIAN" "GOING Highbrow"

MICKY MOUSE MATINEE TODAY AT 12:30

Continuous Sunday - 2 to 5 P. M. 15c 5 P. M.

# CAPITOL

SUNDAY-MONDAY

Big FEATURES

JAMMED WITH ACTION CRAMMED WITH FUN

DAMON RUNYON'S SMASH STORY!

HE WANTED TO DIE BUT A GANGSTER SHOWED HIM THE WAY TO LIVE!

Robert YOUNG Madge EVANS in

CALM YOURSELF

—ADDED— NEWS EVENTS

LAST TIMES TODAY — 2 BIG HITS

"Hooray for Love" TIM McCOY in

Gene Raymond - Ann Sothern "Law Beyond the Range"