a **ena** The Drean CAPITAL NEWS THE WEATHER Unsettled today and Fra-day, slowly rising tempera-ture; Max. Temp. Wed. 71, Min. 50; rain .20 inch, river 8 feet, cloudy. Day by day The Statesman brings you the latest and most complete news on what's doing in the various state departments. FOUNDED 1851 **EIGHTY-FIFTH YEAR** Salem, Oregon, Thursday Morning, August 1, 1935 No. 109 World News at REQUEST SEN CITY WILL PAY PLAN REPOI HISTORY MADE, RECALLED AS CAPITOL CORNERSTONE OPENED \$1,010,509 TO a Glance TO KEEP ITALY (By The Associated Press) Washington: FROM WARRING **BUILDING FUND** Utility lobby investigators seek missing witnesses as new "death sentence" drive is reported. Manufacturers protest, republicans critcise, democrats divide as tax bill nears floor. Formal Purchase Act Will Senate passes bill restoring benefits to Spanish-American war veterans, abolishing last remnant Hockley Likely to Approve Be Done Today, Federal It Immediately, Forward of economy law. Court in Portland to National PWA Head to Be Renewed U. S. drafts note to Nazi government promising effort to prosecute Bremen flag incident. Private utilities offer to un-**Council Approves Payments** \$1,575,000 Gift Asked With Formula Said Agreed on in dertake \$238.249.000 rural electrification program with public of \$5530 on Supplies. State to Pay \$1,925,000 Franco-British Talks funds. **Other Domestic:** \$4979, Additions Through Legislature **Behind Scenes** Chicago-Widespread hunt is started for doctor's mutilation slayer. Los Angeles-Oil in sea is only The Salem city council in spe-Oregon moved one step nearer clew in disappearance of new cial session last night took its to the erection of a new capitol final steps toward acquisition of army plane. late yesterday when Governor Foreign: the Oregon - Washington Water Charles H. Martin officially sign-Geneva-Great Britain and Service company plant here and ed and sent to C. C. Hockley, state France believed to have reached today Mayor V. E. Kuhn and oth-PWA administrator, the state's common basis for attempt to er city officials and attorneys request for a 45 per cent grant soothe Italo-Ethiopian dispute. will go to Portland to pay over for the \$3,500,000 structure ft Addis Ababa - Ethiopia tells a million and some dollars to H proposes to erect as a new stateworld its independence is not for K. Griffin, vice-president of the house. sale or barter. The application, prepared by water company. The final transcouncil session. Rome-Mussolini seizes control action is slated to occur in Fedthe state planning board and by of Italy's mineral imports for pos-Dan J. Fry, secretary of the board eral Judge James Alger Fee's sible use in war. court as final disposition of the of control, will be promptly ap-Berlin-Police gird to forestall legal proceedings between the proved by Hockley who will relay opposition within Hitler ranks as city of Salem and the water comit to Harold L. Ickes, PWA adeconomic crisis develops; prices Mayor Kuhn will present the ministrator at Washington. soar: Jews warned to stay out of Because Ickes has already giv Berlin. check to Griffin, and it is proben his oral approval of a grant Upper picture shows Governor Martin delivering address yesterday Moscow-Reveal 55 killed able the event, historic for Salem, to the state for a new capitol, ofto crowd which gathered at the old capitol to witness the uncov-Russian submarine collision will be recorded by movie news ficial approval from Washington ering of the cornerstone which was laid October 8, 1873, with cameras. Going to Portland with is expected to require only a few elaborate ceremonies. In the picture above is shown leaden box in the cornerstone removed and placed on table before governor, RUMORED PACIFIC weeks. The grant requested from the mayor this morning will be City Recorder A. Warren Jones, the federal government is \$1,which he turned over to State Treasurer Holman, who in turn gave City Treasurer C. O. Rice, City Attorney Chris W. Kowitz, and 575,000. The state proposes to the box to Secretary of State Snell. In this box are 83 valuable cently. put \$1,925,000 of its own funds mementos of the cornerstone laying. Mr. Snell will open the box STRIKE DENOUNCED W. C. Winslow and Custer Ross, into the capitol. later this week. Picture below shows the last of the old capitol atorneys for the city in the long

the meantime.

to force.

Break up Deadlock

appointed to the deadlocked commission.

treaty between France, Great Britain and Italy, guaranteeing independence and territorial integrity for Ethiopia, will lend their good offices to secure a broad and general solution of the conflict.

A.F.L. Leaders Say Reds to Try to Make Trouble At last night's meeting, the This Fall, Coast council adopted a resolution au-

WASHINGTON, July 31. - (AP)-

American Federation of Labor of-

months of legal ins and outs culminating today. Griffin will present the mayor a deed and a clear

(Turn to page 2, col. 2) ficials denounced communists to-

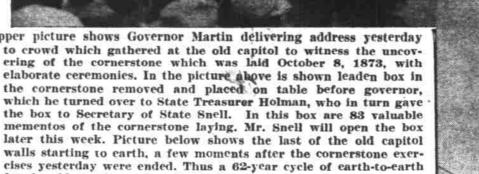
the state has been officially approved by the state board of control.

Solons to Get Call

The application for funds by

When Grant Approved

Governor Martin has announc-ed that he is ready to summon the legislature into special session Cornersione Opening the legislature into special session as soon as official word is received from PWA that the state's appli-



Unites Past, Future

Ethiopia, Italy Would Stack Arms, Permit Negotiation

Copyright, 1935, by Associated Press) GENEVA, July 31-(AP)-A plan to keep the arms of Italy and Ethiopia stacked while their bitter quarrel is subjected to renewed arbitration was reported unofficially to have emerged tenight from the Franco-British conversations behind the scenes of the vital League of Nations

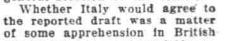
Premier Pierre Laval of France and Anthony Eden, Britain's chief envoy to the all-important session, took up the delicate problem of averting war in two long talks tonight and reputedly agreed upon a draft of a formula for council action that would include: (1) Continuation of conciliation and arbitration, which bogged down in the deadlock of the conciliation commission at Scheveningen, The Netherlands, re-

(2) Neither Italy nor Ethiopia will resort to war measures in

Fifth Arbitrator Would

(3) A fifth arbitrator will be

(4) Signatories to the 1906



circles, since it was hinted Musso-

lini was unwilling to have men-

tioned the matter of non-resort

TALKED, TRUSTEES

While the executive committee

of the board of trustees of Wil-

lamette university met yesterday

in Portland, the matter of possi-

ble sale of the Willamette univers-

ity campus to the State of Oregon

was only discussed informally,

Amedee Smith, board president,

announced last night in Portland.

He said routine affairs occupied

the attention of the committee

and indicated the committee on

Following the joint conference

here Monday between Governor

Martin's special committee to deal

with Willamette and a special

committee of the trustees, the

latter group was delegated to

make a study of a fair price for

the university campus and build-

campus had not reported.

Eden's Demands Said

ast Pinnacle of Old Capitol Falls While

bright future for old Oregon.

HELD, BAUER CASE

Man Believed to Be "Jones'

Who Abducted and Killed

Doctor is Named

CHICAGO, Aug. 1. - (Thurs-

day)-(AP)-Orders to arrest Mande-

ville Zenge, 26, of Canton, Mo.,

for questioning in connection with

the mutilation slaying of Dr. Wal-

ter J. Bauer, 38, a professor of

Kirksville, Mo., were sent out by

Chief of Detectives John L. Sulli-

Dr. Bauer was abandoned, ter-

ibly mutilated and dying from

automobile in front of a Stony

Island filling station on the south-

side early yesterday. He died sev-

The search for Zenge received

new impetus after a telephone

lice saying that the manager,

Charles Reaume, and a clerk,

eral hours later in a hospital.

van early today.

Hotel Manager

Supplies Clue

Final Words of Exercises Spoken; New

Day for Oregon, Martin's Vision

TESTERDAY joined hands with tomorrow and, through

of the state's forefathers and pledged devotion anew to a

the span of 62 years, lauded the courage and the vision

The occasion was the uncovering at 2 o'clock yesterday

state.

shock and loss of blood in his own amine and to display the tokens

1500 Witness

Stone's Uncovering

The Ancient Free and Accepted
Ac

Order of Masons, presided yester-

day as they did a rainy day, Oc-

tober 8, 1873, when with auspi-

cious ceremony, the cornerstone

Then the walls of the capitol

were about to rise; yesterday the

last words of the exercise had

scarcely been uttered when Fred

Leary, in charge of razing opera-

tions, pulled to earth the last pin-

acle of the old capitol's walls.

Last night only one chimney re-

mained aloft of what last April

25 was the proud capitol of the

Gathered yesterday at the state-

house were 1500 persons to wit-

ness the uncovering of the cor-

nerstone in which a sealed, lead

box contained 83 separate me-

mentos placed there 62 years ago

Not until Friday will Secretary of

State Snell open the box to ex-

placed in the receptacle at the

On the platform with the of-

ficials of the state and leaders in

the grand lodge of Masons in Ore-

Brunk's corner, Polk county, who

original cornerstone ceremony.

gon was Thomas Brunk

the cornerstone.

the

of the capitol was laid.

for the old statehouse is ended!-Photos by Stuard.

to the Oregon-Washington Water Service company for supplies and Samuel Da Samuel Darcey, American repmaterials. The mayor and city resentative at the communist conrecorder were authorized to draw the necessary warrants The only dissenting vote to the

ments and betterments and also day for their reported intention

authorizing payment of \$5530.16 to make trouble this fall on the

resolution was made by Alderman Fred Williams, who declared that everything done in connection with the water business "had been handled by a click of four or five people" . . . and that he wouldn't vote for the resolution until he sak a copy of the stipulation to be entered in the clos-

title to the water plant.

thorizing payment of \$1,003,-

042.98 to the Chase National bank

account, a million for the water

plant and \$3,042.98 for improve-

Chase Bank Will

Receive \$1,003,042

in- of court proceedings today. To Williams' objections, Alderman Fuhrer answered that the committee had only done what the council had directed it to do and that all steps were matters of record.

\$602.50 Allowed For **Arbitration** Costs

The council also allowed a bill of \$602.50 as one-half of the arbitration expense in the proceedins over the water plant. The company will pay the other half.

Ten thousand dollars was transferred from the Salem water bond fund to the water bureau fund as a loan to the water commissioners for working capital. Following suggestion of Alderman Williams, Alderman Evans asked amendment of the resolution on the transfer stipulating the money be repaid to the water bond fund within one year.

Kowitz said that such a loan was legal, and cited that the water commission in starting its operation of the city plant today without a cent of working capital, and that some money is needed until the first revenue for the city starts coming in.

As last money due the Oregon-Washington Water company, the council authorized payment of \$1936.46 for labor and material used in the filter bed recently resanded and directed to be done by the council utilities committee after necessity of the work was determined. The \$1936 to be paid under agreement between the two 1923. parties that the city would pay last September. The \$3,042.98 is tury. for improvements made between last September and last May, when the council voted to offer the com-

\$95,861 Low Bid **On North Santiam** Highway Grading

pany \$1,000,000 for the plant.

PORTLAND, July 31-(AP)-E. L. Gates of McCredie Springs, with an offer of \$95,861.47, was low bidder today for the 3.3 miles of grading on the North Santiam forest highway. Bids were opened by the bureau of public roads.

The section to be cleared and graded lies between Bigaboo and Straight creeks east of Detroit. Work is scheduled to get under way September 1.

NEW CCC CAPTAIN

indicated the four in the Bend SILVERTON, Ore., July 31 .-

gress in Moscow, said yesterday that a gigantic strike was planned for the west coast maritime workers in September. . William Green, president of the federation, told reporters that Darcey's statement vindicated the

A. F. of L. stand against Russian recognition. "Russia has violated her pledge by spreading propaganda in the United States through the Third International, and affiliate of the soviet government," he added. Victor Olander, secretary-treasurer of the International Sea-

men's union, said: "The communists aren't running the seamen's union and they

aren't going to run it."

J. K. WEATHERFORD DIES AT AGE OF 85

ALBANY, Ore., July 31 .- (AP)-Dr. J. K. Weatherford, regent of Oregon State college for 44 years and a graduate of the institution in 1872, died at his home here last night. He was 85 years old. Dr. Weatherford was president

of the O. S. C. board of regents for 28 years, a record of service believed unequalled in state educational circles. He had signed more than 5000 diplomas during his regency and the large men's dormitory on the campus bears his name.

The 1929 merger of high educational boards of Oregon terminated his service. His term otherwise would not have expired until 1936.

Dr. Weatherford was appointed to the board by six governors and served six years before the into the water company for the fil- cumbent president, Dr. W. J. tration beds is in addition to the Kerr, came to Oregon. He was \$3,042.98 to be paid for other im- one of the first two receiving the provements to the water plant, honorary doctor degree here in

He is credited with playing a the company for any improve- large part in the growth of the inments the company made since stitution during the past half cen-

forest were rushed to a hospital

here tonight, suffering from a

form of poisoning not immedi-

M. W. Thompson of Prineville,

who brought the stricken men

here, said he had been informed

that it was unlikely any of the

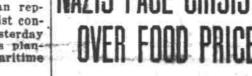
cases remaining in camp would

result fatally. Physicians tonight

the epidemic under control.

three doctors were striving to get barracks.

ately diagnosed.



Extreme Precautions Taken by Berlin Police; Fear "State Enemies"

BERLIN, July 31.-(P)-Extra-dinary police precautions of the cornerstone to the state's fire-razed capitol. ordinary against possible trouble were instituted in Berlin tonight shortly stituted in Berlin tonight shortly after impartial foreign observers said they believed Nazi Germany's economic crisis lay behind the Reich's vigorous, many-sided offensive against "state enemies".

Count Von Helldorf, Berlin's new police president, instructed his men to hold themselves ready for eventualities all this week, though the capital outwardly was normal.

Earlier usually reliable sources said they understood storm troops and members of the party's "political organization" also had been ordered to keep themselves

readiness. Food Price Rises Foment Discontent

Malcontents over the economic situation are housekeepers, tradesmen and underpaid workmen, disturbed by food prices which average, in the case of meat, 40 per cent higher than six months ago. Malcontents over the political outlook are old party members who have failed to get jobs, Nazi underlings whose rise has not been fast enough to suft them

and outright, if secret, opponents of the Nazi regime. SCHOOL BONDS REJECTED

GRANTS PASS, Ore., July 31. P)-The proposed \$117,000 bond issue for a new junior high school was defeated by a nearly 2 to 1 vote here yesterday. The count was 328 to 168.

the electric chair.

Said Stricken

both of Prineville.

ian carpenters, Thompson said.

Mystery Poisoning Sends 4

members of the civilian conserva- ropolitan district of Illinois.

tion camp in the Ochoco national 78 Boys and Men

CCC Men to Bend Hospital

BEND, Ore., July 31.-(AP)-Four | cipally of recruits from the met-

Norman Jedley of the Jennings hotel, Ann Arbor, Mich., had RAVISHER TO DIE pointed out a strong resemblance PEORIA. Ill., July 31.-(P)-Gerald Thompson, 26, was conbetween a picture of Zenge, and missing hotel guest who registvicted tonight of the ravishment ered as "T. S. Jones," of Chicago. murder of Mildred Hallmark, 19,

Before he died, Dr. Bauer told by a circuit court jury which fix-(Turn to page 2, col. 1) ed his punishment as death in



LOS ANGELES, July 31 .- (AP)screaming homer over the left field fence, hit by Joe DiMaggio, gave the San Francisco Seals a 6

to 5 victory over Los Angeles tonight, and paved the way to their Oil Slicks Tell second consecutive win the current baseball series.

San Francisco 8 Of the 78 stricken, 30 are CCC boys and the remaining 48 civil-Los Angeles 5 8 1 Densmore, Sheehan and Beck-Seventy-four others were less He said the entire encampment er: Frazier, J. Campbell and Hanseriously ill at the camp, where had been turned into hospital nah.

> PORTLAND, Ore., July 31 .- (AP) The three doctors in attendance include Lieut. Pierre Man--Hans Steinke, 250 - pound German, presented something new to gos, camp physician, and Drs. J. H. Rosenberg and H. P. Belknap, when he landed on Ed "Strangler"

> First reports indicated the ill-Lewis, 245-pound hulk, for the deness was caused from meat eaten ciding fall in the main event. Other results: Pat O'Shocker, earlier in the day but Thompson



Agreed to by Laval The formula draft was understood to have been agreed upon after Premier Laval approved important modifications demanded by Eden. Eden, British circles understood, turned down an earlier SUSTAINED TIMBER TEN DIE IN TRAIN draft on the grounds it was not strong. DERAILMENT, FIRE



The problem of proper timber TEMPLE, Tex., July 31 .- (AP)taxation coupled with its corrol-Between 10 and 15 men were believed killed tonight when a lary-the placing of the northwest's timber on a sustained yield freight train was derailed and caught fire at Bruceville about 1; basis, is the greatest economic miles south of Waco. At least 20 problem confronting the porthwest, David Eccles, editor of the were injured. All were believed Commonwealth Review, Portland publication, told the Salem Rotary The estimate of dead was made club here yesterday.

"Instead of considering timber One man said that he was ridlike we have mines-places to be ing in a car with about 20 others exploited and abandoned - we and that not more than eight of must bring about situation where them escaped before the car we can reforest as we go and pre-, serve and continue an irreducible Other injured said that several supply of timber, cut as it is needmen were riding on a car of rocks ed and at a fair price," Eccles dewhich overturned and it was beclared.

lieved that some of them were Future Seen In crushed to death under the rocks. Aumber Processing

(Turn to page 2, col. 3)

62 years before, as a 14-year old message from Lieutenant Van lad, had hitched up his father's LABOR BOARD CONTINUED Loomis of the Michigan state po- team and wagon to come to the WASHINGTON, July 31-(AP)exercises attending the laying of President Roosevelt today extend-Mrs. Frances ed the life of the old labor rela-Loney Cornell of Salem, another tions board another month pendwitness of the original ceremony ing appointment of a new board was there yesterday as was Otto to administer the Wagner labor Wilson of Salem, who also saw disputes act. Only one member of cornerstone laid. On the

Be in Ruins: Most of

Victims 'Hoboes'

to have been "hoboes."

by injured persons.

caught fire.

the old board, Edwin S. Smith, is

ings and to report this price to the governor's committee. When the timber problem is Estimates of the replacement cost of the buildings now on the solved, he declared, the north-Willamette campus will be made, west can go farther in its profigures being secured from archiessing of timber than it does now tects. When the study has been -"we shall have an industry completed. Willamette trussees which is not as primitive as at are expected to submit their price present and we shall invite much

larger payrolls to the state," he in turn will pass its finding on to declared. Eccles said lumber had suffered the forthcoming special session of the legislature,

from chronic overproduction for

Missing Portland Boy Found, River

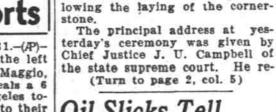
to the governor's committee which

PORTLAND, July 31 .- (AP)-The body of Bobbie Weinstein, sixyear-old son of Mr. and Mrs. Samuel Weinstein, was recovered from the Willamette river near the Weinstein home by deputy sheriffs tonight. The boy disap-peared this morning and was feared to have drowned but not until late today when a playmate told officers of having seen the child fall into the stream were dragging operations begun.

Recipe Contest For Grapes Use Ends Today Noon

Today at noon the grape contest closes and cash prizes will be announced by the Recipe Round Table Friday morning together with a new topic for next week.

hospital probably would recover said here tonight it was now be-(AP)-Announcement was made to- but declined to comment defi- lieved a form of vegetable poison- over Angelo Cestoldi, 220, Tor- capable of a top speed of 325 Furniture, automobiles and Any recipe calling for 200,000,000 Pounds Year day that Captain C. S. Miller of nitely. grapes or grape flavoring is acceptable. More than one onto; Pat Fraley, 215, Boston, miles an hour, had been taken up He prophesied something like railways were listed as among the ing. Vancouver barracks would suc-ceed Captain E. H. Stambaugh as William Daly and Frank Zebins, Blue mountains 60 miles east of Hubka, 210, Dodge City, Neb.; Walnut Park, Calif., formerly of metal a year if the government uminum increasingly valuable. e may be sent in if dewill sell him power cheap enough. Bohn said that his company had located vast resources of (Turn to page 2, col. 2) commander of Camp Silver Creek all of Chicago, and L. S. Wyatt, Bend on Mill creek, where a per- Joe Gardiner, Portland, and "Si- Denver, Colo, sired and everyone is invited Falls. Captain Stambaugh will go a civilian carpenter, Prineville, manent barracks is being con- lent" Banks, Texas, both middle- Army officers denied the plane to contribute. to Medford, district headquarters. | Ore. The camp is comprised prin- structed. had located vast resources of weights, went to a draw. was in any sense a "mystery."



Fate of Missing

Super Army Ship

abandoned hope of locating a super-speed pursuit plane, missing since yesterday afternoon, when northwest wrestling fans tonight two searchers returned and agreed in their reports that fresh oil "slicks" in the sea probably marked the graveyard of the lost ship.

235. Salt Lake, won a decision by the Northrup corporation, and

LOS ANGELES, July 31 .- (AP)-Army circles tonight virtually

The ship, a pursuit type built

Foresees Production of

To Buy Bonneville Power PORTLAND, Ore., July 31.-(P) | alumite ore, rich in aluminum and

Other on the Columbia river 40 miles tial Bonneville development close-

10 units which his company pro- His own plants, he declared, poses to erect at Bonneville if the would provide employment for to the government within > 50

Growing Use of Aluminum Noted

platform sat Miss Mary Chadwick, (Turn to page 2, col. 4) still on the job. whose father, Stephen F. Chadwick, was secretary of state in 1873, and orator of the day, de-Aluminum Magnate Offers livering an extended address in Willamette university chapel fol-

Mich., president of the Bohn Al-minum & Base of the Bohn Aluminum & Brass corporation, to- wanted a 35-foot channel to the

day disclosed his firm had made sea to permit ore boats to bring an offer to the government to additional supplies from British

buy the entire power output of Guiana. the \$40,000,000 Bonneville dam

project now under construction

east of this city. Bohn, who said the first of the

offer is accepted would cost \$10,-000,000, declared the United States "has our offer in black and white. They can take it or

years.

chemical industries, Bohn said, would follow the ini-

ly to make it one of the largest industrial centers of the nation. 5000 persons. He expressed the opinion that if his corporation's offer is accepted the entire cost of Bonneville would be paid back

leave it. But we are getting tired of the delay."

-Charles B. Bohn of Detroit, potash, somewhere in Utah and