

OREGON NEWS
The Statesman, published at Oregon's capital, specializes in giving its readers comprehensive reports of Oregon events.

EIGHTY-FIFTH YEAR

REMODELING OF COURTHOUSE IS NOT APPROVED

Advisory Planning Board's Vote 4 to 2 Against County Project

Dozen Small Projects are Backed; County Needs Stressed at Meet

Facing a strong presentation by speakers representing the nine major Salem civic organizations, the county planning board voted 4 to 2 against the proposed remodeling of the county courthouse at its meeting at the chamber of commerce last night.

On an oral vote, Ed Dunnington of Howell Prairie and James E. Smith, district WPA administrator and former county commissioner here, were the only members supporting the project.

The commission endorsed an even dozen small projects before adjourning until August 22.

The case for remodeling the courthouse was opened briefly by Walter T. Molloy, president of the Salem chamber of commerce.

"Marion county has one of the most inefficient and dangerous courthouses in Oregon," Sackett declared, adding that his remarks were not in a spirit of criticism.

Records Could Not Be Replaced, Warns
A fire in the courthouse, likened in speed of destruction to the Capitol conflagration last April, would destroy the equivalent of many years' work in records that are either non-replaceable or replaceable only at great cost, Sackett asserted.

Remodeling of the present structure is proposed by Salem citizens for four reasons, the speaker stated, as follows:

1. Detailed plans and specifications for remodeling have already been prepared; application for PWA funds could be made immediately.

2. Rebuilding the present courthouse inside would avert wrangling over its destruction.

3. Remodeling would cost, including P.W.A. grant, \$175,000; a new structure, \$350,000.

4. The remodeling plans, calling for a fireproof steel girder and concrete floor inner structure, would make it possible in years to come to replace the old exterior with walls of modern design should that become desirable.

While the remodeling project would modernize and adequately enlarge the building without spoiling the present exterior design, its cost to the county would be only \$96,000, a sum which, considering this county's excellent financial condition, would easily be paid for by the taxpayers.

Endorsement of the project before it is further placed before the public was objected to by Dr. Gerald B. Smith, Woodburn member (Turn to Page 13, Col. 1)

Kellaher Bound Over When He Waives Initial Hearing
The crowd on hand in justice court yesterday afternoon when Dan Kellaher came before Judge Miller Hayden to name his course on charges of agreeing to accept a bribe found little to talk about in the brief proceedings.

Kuhn Returns Money Because of Question Of Payment Legality

\$700 Voted Him by Council for Expenses of Water Negotiation Turned Back; Mayor Fears Charter May Be Violated

MAYOR V. E. KUHN, for whose expenses as the city's executive the council Monday night voted \$700, yesterday afternoon turned the money back to City Treasurer C. O. Rice with the simple explanation that he had found there was a question of the appropriation's legality.

"I have returned the \$700 tendered to me by the council due to the fact that I have made a thorough investigation with the city attorney and find that I might be violating some of the provisions of the charter," the mayor explained. "Rather than to place the utilities committee or the council in any uncertain status, I felt it my duty to return the money to the city."

The refund was in the form of a check for \$700 on Kuhn's personal bank account, made out to the City of Salem.

The mayor handed the check to the treasurer over the objections of Alderman W. D. Evans, who happened to be in Rice's office.

Evans objects to Mayor's Amendment
"Kuhn, you're entitled to that," Evans declared. "I wish you'd turn in a bill for \$750 to the council."

That the mayor did not know until last week that the appropriation to cover his expenses, in (Turn to Page 13, Col. 3)

World News at a Glance

(By the Associated Press)
Washington:
Senator Black charges utilities with \$5,000,000 lobby.
Senate votes to close courts to gold clause suits against government.

Roosevelt social security program nears status books as house-senate conferees exclude amendment exempting private pension plans.
President cancels scout jamboree because of infantile paralysis epidemic.

U. S. must withdraw sole aid by November 1, Hopkins warns.
Tax bill would deliver Ford in Wall Street's hands, Senator Vandenberg tells senate.
Other domestic:
New York—Building trade unions vote general strike on federal works jobs in protest against government "security" wage scale.

Chicago—Two women "torso slayers" sentenced to "living death" of 180 years imprisonment.
Foreign:
Paris—Troops fire on marine workers in bloody rioting against government pay cuts at Toulon, several killed.
Rome—Italian cabinet minister, six companions killed in Ethiopia-bound airplane in crash on Egyptian desert near Cairo.

Addis Ababa—Ethiopia reported buying munitions in Orient; Italian secrecy in European military maneuvers causes hints of new offensive weapons; Japan to open legation in Addis Ababa.

KNOX HURLS SHAFT AT CLAIMS OF F. R.

PROVIDENCE, R. I., Aug. 8.—(AP)—Declaring for a generous farm policy to bring the middle western farmer back to his "normal allegiance" to the republican party, Col. Frank Knox, Chicago publisher and potential G. O. P. presidential timber, tonight at a dinner here scoffed at President Roosevelt's statement that he did not know that Rhode Island was having a special election.

"I think one of the most curious features of the Rhode Island by-election," he said, "was the president's astounding statement to newspapermen, when asked that he thought of it, that he didn't know there was a by-election in Rhode Island."

"Just how glibly does the president think the American newspaper-reading public is? Are we to assume that two of the most important members of his cabinet, Messrs. Farley and Ickes, sent special messages to Rhode Island without the president's knowledge?"

LABOR MEET LOOMS
PORTLAND, Aug. 8.—(AP)—Ben T. Osborne, executive secretary of the State Federation of Labor, tonight declared he expected 250 delegates, representing 175 local and 10 central labor councils, to attend the 33d annual convention of the Oregon State Federation of Labor opening here Monday.

torney, J. R. Murphy, of Portland, who started to ask the court information which indicated the defense had not fully decided which court it would take when the 2 o'clock deadline rolled around yesterday.
Murphy, after being informed by Judge Hayden that the court would be willing to continue the hearing to give the defense more time after the state presented its evidence, was interrupted in his reply by a tug at his sleeve from Kellaher.

BOY JAMBOREE IS CALLED OFF BY ROOSEVELT

Infantile Paralysis Spread in Vicinity of Capital Given as Reason

Scouts Were About to Head East; Some Groups Plan Long Trip Anyway

WASHINGTON, Aug. 8.—(AP)—Declaring he acted "with deep regret," President Roosevelt today cancelled the national Boy Scout jamboree because of an infantile paralysis epidemic in this section.

Nearly 35,000 boys were headed for the national capital for the big scout meeting scheduled for August 21 to 30.

The decision was reached at a White House conference attended by Surgeon General Hugh S. Cumming, District of Columbia officials, and a scout executive. Reports were considered from health officers from Maryland, Virginia and North Carolina.

"While this (infantile paralysis) prevalence was not considered to be unduly alarming," said a White House statement, "the conferees decided it would be to the best interest of the scouts and all concerned to cancel the jamboree."

White House aides sought to emphasize also that the cancellation was not regarded as a cause for alarm but rather as a safeguarding movement.

President to Talk to Boys by Radio
Mr. Roosevelt, honorary national president of the Boy Scouts, was himself a victim of infantile paralysis 14 years ago.

The president agreed to deliver nationally over the radio the talk (Turn to Page 2, Col. 1)

FEDERAL DOLE TO END SAYS HOPKINS

Large Share of Relief Load to Be Taken by Cities and States, Avers

WASHINGTON, Aug. 8.—(AP)—Harry L. Hopkins served new notice to governors and mayors today that federal withdrawal from the two-fold purpose of relief.

"At his press conference, he estimated that states and cities will put up \$600,000,000 in the 12 months which began July 1—the period in which the administration plans to spend most of its \$4,000,000,000 fund for relief.

Announcing that the relief population declined from 19,250,000 in May to 17,937,000 in June, Hopkins simultaneously said those refusing the \$19 to \$94 work-relief wages would have to depend (Turn to Page 2, Col. 5)

Late Sports

LOS ANGELES, Aug. 8.—(AP)—The Angel's winning streak ended tonight when the Seattle Indians scalped them 5 to 4. The local club had won five straight games.

Pete Duglia, Italian right-hander, was the winning hurler, striking out 10 Angel batters. He was yanked, however, for safety purposes in the ninth inning when the Angels scored one run and two men on base with two out. Ed Bryan fished the game and managed to retire the side and save the contest for the Indians.

Ralph Buxton, slender rookie, hurled the entire game for the Angels, allowing 10 hits. Bill Lawrence, Indian outfielder, got to him for three doubles that produced three runs.

SACRAMENTO, Cal., Aug. 8.—(AP)—The Seals came up with their first game of the local series tonight, winning from Sacramento 8 to 1 in a closely played contest.

Joe Dimaggio's home run in the fifth with two mates aboard knocked the Sacs out of a run lead and put the Seals in front for the rest of the night.

TORONTO, Aug. 8.—(AP)—Danilo O'Mahoney, claimant of the "Iron" heavyweight wrestling championship, tossed another challenger tonight. He downed Jim Browning, the Missourian, for the only fall in a one-hour limit match here.

WILL TOUR VALLEY TO ADVERTISE FAIR



Presenting the Salem Cherrians, good-will ambassadors extraordinary although poor donkey riders, as their team demonstrated last night. They will start soon a tour of Willamette valley cities for the purpose of advertising the Oregon state fair and informing the people of the dates, August 31 to September 7.

MULTNOMAH RAIDS RELIEF FUND, SAID

Has Received \$115,000 and Other Counties Nothing; Marion to Get \$6000

PORTLAND, Aug. 8.—(AP)—Asserted "raids" on the \$1,000,000 relief fund allotted by the state legislature were charged to Multnomah county today at a meeting of the state relief commission here.

Figures were presented showing that Multnomah county, thus far, has been the only district in the state to benefit from the state fund. It was declared Multnomah had received \$115,000 for May, June and July, after the county's own \$140,000 fund was exhausted.

Members of the commission expressed the opinion Multnomah should budget more of its own funds for 1935 and indicated that at the rate of \$45,000 a month—which was the county's new allotment for August—about \$340,000 of state funds will have been obtained by the Portland district by Dec. 1.

Marion Finally Gets Portion of Fund
The first money to be allocated outside of Multnomah was released today, the commission allotting the following for August: Marion \$6000; Grant \$662; Tillamook \$2000; Deschutes \$2481 and Willows \$600.

Requests of Crook county for \$350 and Washington for \$1,835.57 were denied, the commission declaring an audit showed these two districts had sufficient funds on hand.

Other requests—including Hood River \$1750, Josephine \$480 and Clatsop \$2800—were tabled pending an audit.

CLIPPER WILL FLY FOR WAKE ISLAND

ALAMEDA, Calif., Aug. 8.—(AP)—Commercial aviation's western frontier will be pushed backward another notch tomorrow when Pan American Airways' 19-ton flying boat essays the third of a series of trans-Pacific flights, this time to Wake Island, 5642 air route miles to the west.

In its newest assault upon the hazards of overseas flying, the clipper ship, under command of Capt. R. O. Sullivan, will take off from San Francisco bay at 3 p. m. tomorrow for Honolulu, 2,408 miles away.

A brief stop-over, and the trail-blazing clipper will head for Midway island, 1323 miles distant. Another short pause, and thence to Wake, tiny, hitherto uninhabited atoll 1191 miles beyond.

The clipper will return to its base here in three weeks, officials said.

Upon its return, the big plane will undergo inspection in preparation for what may be its final "test" flight across the broad Pacific expanse, to Guam and the Philippines.

Allen is 11½ And Party is Slated Today



Allen, who became Oklahoma's "champion family man" by rearing 43 orphans besides eight children of his own—will be 11½ years old tomorrow and he's going to have a party.

NEW MYSTERY IN HAMM CASE SEEN

Clothes Found in Car are His, Not Bloody; Hiker Seen With Victim

PENDLETON, Ore., Aug. 8.—(AP)—A new element of mystery entered into the slaying of Roy Hamm, 20, of Portland, tonight when it was learned that the clothes found in the seat of his car were those he was wearing when he left Portland for Pocatello, Idaho, July 26.

Hamm's nearly-nude body, badly battered, was found by state police officers in the cellar of an abandoned ranch house near Meachem east of this city late Tuesday.

The clothes in the car showed no traces of blood, officers said tonight.

Hamm left Portland July 26. He and an unknown companion, described as being poorly dressed and with a slouchy walk, were reported today to have been seen at two points near here that same night.

Bern Moll, Pendleton service station operator, said Hamm and another man drove into his station for gas and Mr. and Mrs. James Beck, also of Pendleton, told police they had seen the car and its two occupants at the deserted farm a few hours later. Moll said Hamm's companion had indicated they were going to Meachem.

Police have advanced the theory that the youth was slain by a hitch-hiker as he slept. A ten pound iron king-pin used in the slaying was found near the abandoned house in which the two men apparently had intended to spend the night.

Sheriff Bob Goad of Umatilla county today began a check on western penal institutions to ascertain whether anyone had escaped recently.

Hamm's personal effects, except for the clothing, are missing.

Shoemaker Held For Questioning In Johnson Case

KELSO, Wash., Aug. 8.—(AP)—Issac Karanen, 50, a transient shoemaker, was held for questioning here tonight in the death of Henry Johnson, 55, whose battered body was found in Johnson's car on the Puyallup river near Tacoma Tuesday.

Sheriff H. T. O'Brien said Karanen admitted having been drinking with Johnson and taking a gun away from him, but denied any knowledge of his death.

Tacoma police previously had said they wished to question Karanen in connection with the case. (Turn to Page 2, Col. 3)

Mrs. Martha Barnett Wins In Peach Recipe Contest

Peach sales should boom this coming week when housewives consult The Statesman recipes which will be printed daily showing new ways to prepare peaches.

Mrs. Martha Barnett of Turner wins first prize of \$1 in the peach contest for "Peaches in Blossom"; the second awards of 50 cents each go to Mrs. F. W. Allen, 625 N. Winter, and to Mrs. R. S. Fussenell, 1595 N. Capitol. All prizes may be obtained by calling at the Statesman office.

Next week the topic will be squash. Italian squash is already on the market and the late varieties will be here before you know it. Now is the time to assemble a splendid file of recipes so that squash may be served a different way every day in the week.

SAWMILL HERE TO RESUME



Financial Arrangements in Final Stages; Spaulding Reports; Modernizing of Plant Called For

Restoration of a \$27,500 monthly payroll to Salem is definitely in sight with word yesterday from Charles K. Spaulding, president of the local lumber firm which bears his name, that financial arrangements for reopening of the mill were rapidly being drawn to a successful conclusion.

"After long delay, I am convinced it is only a matter of a few weeks or months, at the longest, before we can get the local plant under 'operation.'" Senator Spaulding declared yesterday.

Since the spring of 1931, when the local mill closed, only the sash and door factory has been operating. The main mill, employing an average of 225 men together with the logging camp at Black Rock, employing normally from 100 to 125 men and creating an additional \$12,500 monthly payroll, have been closed completely for four years.

Modernizing Mill Part of Program
Senator Spaulding said arrangements were almost completed for a \$250,000 loan from the federal reserve bank at San Francisco which would provide the company with funds for the following purposes:

1. Expenditure of \$65,000 to \$75,000 in fully modernizing the mill here and making it ready for efficient operation.

2. Expenditure of a sizeable sum in installing new logging equipment at Black Rock.

3. Provisions for ample working capital for the mill's operations.

"We have 450 million feet of timber in the Luckiamute river country," Senator Spaulding said. "The bondholders and stockholders of the company propose to log this and to cut the lumber in Salem."

Log Rate Decision Paves Way, Stated
The favorable decision in the Valley & Sitka case before the supreme court paved the way for reopening of the mill, Senator Spaulding declared. Heretofore the company has paid \$3.95 a thousand board feet for all logs hauled from its camp to the log dump on the Willamette river from Salem. The new rate is \$2.50 a carload or an average of \$2.50 a thousand feet. This will mean an average saving of at least \$1.50 a thousand feet in the cost of the sawed lumber and will enable the Spaulding mill here to compete for business now available for efficient lumber operators.

Fentris Hill, representing the Michigan bondholders of the Spaulding company, has already addressed a uniform letter to all bondholders, asking them to subordinate their claims to the federal reserve bank can advance the \$350,000 working capital and plant improvement loan. A Portland and a Salem bank are expected to participate in this advance.

Since the only presently feasible way for the bondholders to be repaid is through cutting and sawing in the bond country, (Turn to Page 2, Col. 3)

Cup 'N' Saucer Salad
Sliced cold aspic
Halves of canned peaches
Cream cheese
(Turn to Page 12, Col. 7)