

**LOCAL NEWS**  
Many important events  
are occurring in Salem and  
vicinity at present. A home  
paper is essential in keeping  
up with them.

## EIGHTY-FIFTH YEAR

### BOARD INVITES OFFERS ON ALL CAPITOL SITES

Location on Heights South  
Favored by Martin, He  
Hints at Meeting

Campus Price Far Too High  
He Indicates; October  
Session Forecast

Now is the time for all property owners in Salem who own possible sites for the state capitol to come forward with their proposals, the state board of control decided yesterday morning, when it officially authorized its secretary, Dan J. Fry, to receive new capitol site offers. Any and all proposals made to the board will be considered, it was determined.

Governor Martin himself declared that the selection of a site in the Ben Lomond district south of Salem should be carefully considered and indicated that he thought the location of the state-house on a hill commanding the valley and the city was one which would be excellent.

"We are at a turning point in the state's history," the governor said. "We must have the vision and the courage of the '70's when men like Governor Grover, with a thinly populated state and a fraction of our present wealth, built a structure which for its day was a magnificent one."

Intimates Campus Price Far Too High  
The governor proposed the calling for offers on a site at a board of control meeting after saying he "would blush to make public the price asked by Willamette university for its campus as a statehouse site."

The governor admitted he was pushing further negotiations for the Willamette campus, and would submit several possible capitol sites to the legislature, which he expects to call into special session in October.

The legislature will have the final determination of the site. It is expected, though, that the senators and representatives will place their authority in the hands of a special capitol building commission, probably to be appointed by the governor with the approval of the legislature.

State Treasurer Holman revealed for the first time that he and Secretary of State Snell were moving out of the capitol question spotlight.

"We really have no authority and no legal status in this matter of the new capitol," Holman explained. "The board of control has no authority either. The final decision rests with the legislature. But the governor must submit a program to the session, and Snell and I are really sitting in these meetings at the courtesy of the governor to help him formulate his program."

Mixing in Question  
Holman and Snell said they were not retreating under fire; were not ones to evade issues.

Whether A. A. Schramm will be retained as state banking superintendent will probably be decided here today, when the state banking board meets. State Treasurer Holman, who with Governor Martin and Secretary of State Snell, comprise the board, said late yesterday that the meeting had been called.

State and federal bankers throughout the state have pressed hard for Schramm's reappointment. He was first named to the office by the late Governor Paterson and the other members of the banking board. He was reappointed by the state banking board after Governor Meier took office although Fred Callister of Albany was put forward for the job.

Pressure Exerted For Portland Man  
Strong pressure was said to have been put on Governor Martin to favor a Portland man for the job. Democratic leaders are said to oppose Mr. Schramm's reappointment since he is a life-long republican.

Secretary of State Snell and State Treasurer Holman are both said to favor Schramm's reappointment but are unwilling, it was stated on good authority, to be stated on good authority, to (Turn to Page 2, Col. 2)

### Tiny Bee Has Lead Role in Car Smashup

A bee sting sent an automobile crashing against a telephone pole and its occupants, two Portland young women, to a Salem physician's office for treatment of cuts and bruises shortly after noon yesterday. The accident occurred at the northern edge of Brooks on the Pacific highway.

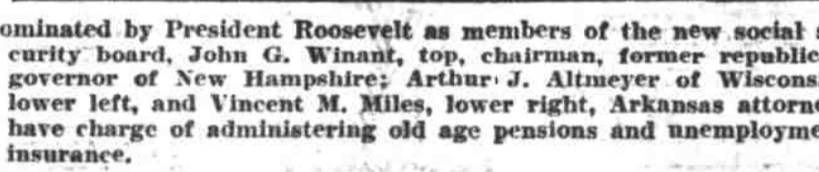
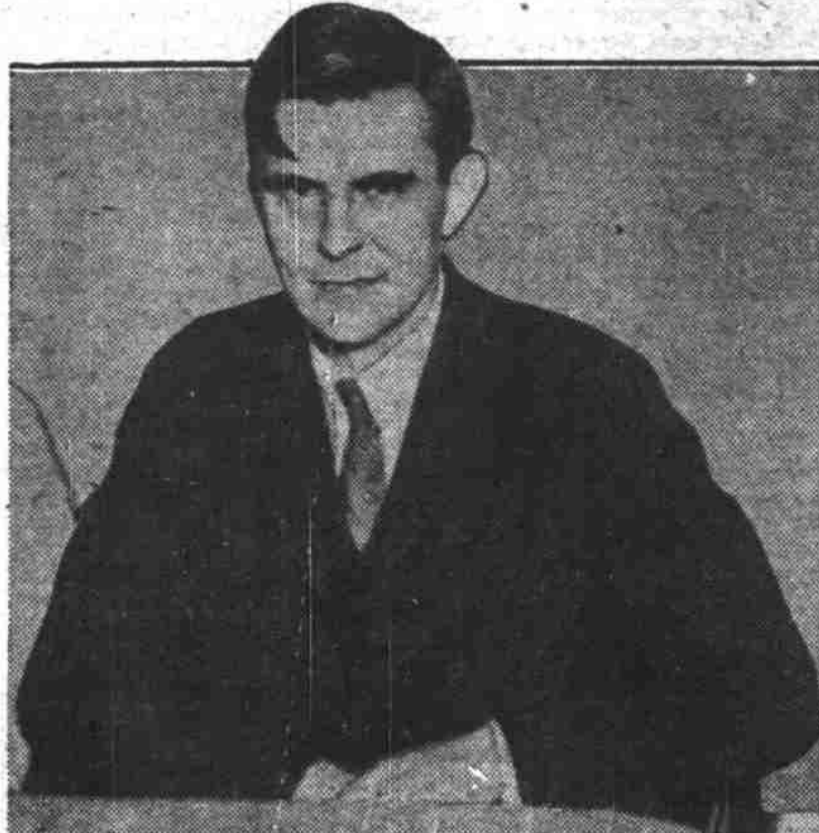
State police reported the driver, Mary Green, of 5715 Minnesota avenue, Portland, lost control of the car, a light coupe, when the bee stung her. The machine swerved into the ditch and was demolished by the impact with the pole.

Injuries suffered by Miss Green and her companion, Charlotte Sedow, of 821 Bryant street, Portland, were not considered serious.

### Late Sports

WICHITA, Kas., Aug. 27.—(AP)—Bismarck, N. D., won the national semi-pro baseball championship here tonight, defeating the Halliburton cementers of Duncan, Okla., 5 to 2 before 10,000 fans.

### Trio Who Will Direct Program Under New Social Security Law



Nominated by President Roosevelt as members of the new social security board, John G. Winant, top, chairman, former republican governor of New Hampshire; Arthur J. Altmeyer of Wisconsin, lower left, and Vincent M. Miles, lower right, Arkansas attorney, have charge of administering old age pensions and unemployment insurance.

### DECISION UP TODAY ON BANKING OFFICE

Retention of Schramm is  
Urged by Bankers But  
Others in Field

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### Henry H. Vandevort Called; Pioneer, Veteran Alderman

Henry Henton Vandevort, 68, many years a Salem city councilman, resident here 45 years and a native of Polk county, died shortly after 11 o'clock last night at Salem Deaconess hospital where he underwent an operation Monday. He had been in ill health for several years and unable to attend to his duties as alderman for several months.

Before and after he was elected to the council, Vandevort made sponsorship of the liquor prohibition movement one of his chief public interests. His political activity enabled him for several years to control an important bloc of votes on the council.

Born in Oregon of Pioneer Parentage  
Vandevort was born July 15, 1867, at Brush College, Polk county. His parents were W. H. and Emily Vandevort, who came to Oregon from Ohio by wagon train in 1852 and 1853, respectively. He attended school at Brush College, at Willamette university and at a Portland business college but returned here to spend his life.

Retaining ownership of Brush College farm lands bought by his father, Vandevort moved to Salem in 1890 and here for several years worked for Wellers and Tom Burroughs' groceries. He married Emma Van Fleet, an Iowa, in 1895. Farming and sheep raising became his major business interest, which he followed until his death.

Prominent Worker In Methodist Church  
Vandevort joined the Methodist church at Brush College in 1881 and subsequently transferred to the First Methodist church in Salem. He served for many years as a member of the official board of the latter. He also belonged to the Masonic lodge and the Shrine.

Surviving are the widow, Emma Vandevort; three sisters, Mrs. R. L. Woods, Mrs. Grace Lehman and Lydia Lehman; a daughter, Mrs. George R. K. Moorhead, all of Salem; nephews and nieces, Walter C. Winslow and Frank Winslow of Salem; George Winslow of Tillamook; Mrs. Helen Whitney of Brush College and Elva Nelson of Los Angeles, Calif.

Funeral arrangements are in charge of the Clough-Barrick company.

### FUNDS IN SIGHT FOR MOST NEW DEAL PROJECTS

Money to Start on Social  
Security Probable But  
May Lack Portion

Exact Source Not Settled;  
Pension Chief Bitter  
Against Solons

WASHINGTON, Aug. 27.—(AP)—Out of the money talk that filled a White House conference today came word that most of the new deal projects endangered by the adjournment filibuster of Senator Long (D-La) will be saved.

The third deficiency bill, carrying funds for the administration of eight new acts, died under a barrage of words from the Louisiana senator.

May Lack Help For Mothers, Cripples  
Senators and house members emerging from a long conference with President Roosevelt today, at which they reviewed the problem of finding cash elsewhere under the watch eye of Comptroller-General J. R. McCarl, said they were confident that funds would be obtained to start the social security act going, but perhaps minus aid to crippled children, mothers and the blind.

Set up machinery for the railroad retirement act.  
Take care of bus and truck regulation.

Put into operation the new alcohol control act, the labor relations board, utility regulation and the Guffey coal law.

Continue the operation of the Bankhead cotton act.  
These were the chief operations that had been endangered, although there were almost a dozen other items carried in the supply bill. Leaders indicated the most important of these would be taken care of.

Decision on Source Not Yet Reached  
No definite decision on the source of the money was announced, but indications were given that most of it probably would come from the \$4,850,000,000 relief fund.

Officials believed it would require only about \$26,000,000 to finance the security program until congress gets back in session. In their studies of the law, they have reached the conclusion that at least ten and perhaps 16 or 17 (Turn to Page 2, Col. 3)

### ANOTHER LENGTHY SESSION FORECAST

WASHINGTON, Aug. 27.—(AP)—Congress disbanded for a long-delayed vacation today, but with hope for a short and easy session next year smothered by a mass of unsettled problems.

A tough and probably prolonged election year assembly was projected by such left-over issues as NRA legislation, neutrality, cash bonus, inflation, social security and farm relief.

Congressional claims came from the departing leaders as they reviewed the accomplishments of the session which died ingloriously at midnight last night with Senator Long's (D-La), filibuster blocking action on the \$102,000,000 third deficiency bill.

Senator Robinson, democratic leader, in a statement written for the Associated Press contended that "practically every problem that touches human interest has been made easier of solution by the legislation enacted."

On the other side, Senator Dickinson (R-La) in a statement to the Associated Press, forecast the session would be remembered for "ill-advised legislation," extravagant appropriations and \$4,000,000,000 for work-relief "waste."

### Joan Dickson is Named Queen of 'Big Hop Fiesta

INDEPENDENCE, Aug. 27.—(Special)—Joan Dickson was tonight proclaimed queen by the second annual hop fiesta, when the results of the recent contest were announced to a crowd of three thousand people attending the big street dance. Miss Dickson was sponsored by the Horst company.

Six princesses, who held the next positions when the votes were counted, were named as the following: Lucille Anderson, sponsored by the Valley Junction Service station and cafe; Marjorie Waters, sponsored by the Dallas chamber of commerce and Kiwanis club; Helen West, sponsored by Fred Meyer, Inc., Salem; Kathryn Hartman, sponsored by Mountain States Power company; Kathryn Cochran, sponsored by Frank Ellis club; and Marjorie Cooper, sponsored by the K. of P. lodge.

### Will Be Queen Of Hop Fiesta



Miss Joan Dickson, chosen in the balloting conducted during the past several weeks, to reign as queen over the Independence Hop Fiesta which opens Thursday.

### ITALY IS PREPARED FOR LENGTHY WAR

Huge Fund Provided; Laval  
Seeks Definition Which  
Will Save League

ROME, Aug. 27.—(AP)—Italy's financial condition permits her to contemplate waging war indefinitely—whether in Africa or Europe—according to sources asserted tonight.

So well lodged was this conviction in the minds of informed circles that they believed Italy was financially fixed to meet not only the drain of an Ethiopian campaign, but to confront any European eventualities.

This conviction was based on words recently attributed to Premier Benito Mussolini, asserting that the Italian people have already so proven their willingness for self-sacrifice that they could come through any contingency.

Prolonged Campaign Not Deemed Necessary  
The informed sources explained, however, that Italy does not (Turn to Page 2, Col. 3)

### 100 Degrees Peak Hit for Second Time

For a second day the thermometer at the weather station here touched the 100-degree mark yesterday, giving the tie to the weather bureau's word Monday of a cooler day in prospect. The same prediction was made for today and Thursday, with higher humidity.

The thunderstorm forecast issued Monday for today was altered yesterday to apply only to the mountain regions. Partly cloudy and unsettled was added to the local prediction.

Light, variable winds gave scant relief from the heat and humidity which generally became topics for complaint yesterday. The minimum temperature was 59 degrees, 11 points above that for Monday, and the mercury at 12:42 a. m. today stood at 67.

Pressure Kept Up  
The city water department was experiencing difficulty in keeping up the mains yesterday but early last night was maintaining it at 80 pounds, ten pounds above that at the sprinkling period Monday night. Normal pressure is 90 pounds.

Manager Cuyler VanPatten said the condition of the filter bed on Mintz's island made it impossible to pump water fast enough to meet the rush period demand. Steps to remedy this situation undoubtedly will be taken before next summer, he said.

### GRADS MOSTLY IN FAVOR OF MOVING

With approval expressed in nearly every case many letters from alumni of Willamette university have been received at the university offices relative to the moving of the campus to a new site where new buildings would be erected.

Most of the "alums" have expressed respect for the near 100 years of tradition and sentiment that surround the present site but realize that a new campus and new buildings would aid greatly in the progress of the university. That future generations of students should not be hampered by the sentimental feelings of old grads for the old campus is the idea given by many of the letter writers.

Few have written disapproval of the proposed move. Several, however, have written that it would be a shame to abandon the historic site which has been the home of Willamette since James Lee, pioneer Methodist missionary, founded the school in 1842.

### GIRL WILL NOT DEFEND TRUST, STEEVES CASE

Elaine Hunt Will Waive All  
Right to Income Under  
Estate, Declares

May Believed Cleared For  
Upholding of Claims  
By Legal Heirs

All claims of Elaine W. Hunt, 26, to a \$100 a month life income from a private trust set up by the late Dr. B. L. Steeves, will be waived by Miss Hunt, she declared last night at her Portland home.

Mrs. Sarah H. Steeves, widow of Dr. Steeves and holder of a life interest in his estate, brought suit in circuit court here last week to set aside the trust for Miss Hunt, claiming the trust violated the common law rule of perpetuities and was also vague.

Miss Hunt declared in Portland last night that she would take no action to defend her rights to the trust. She would not expand that statement.

Trust Would Cease When Girl Married  
Miss Hunt is a grandniece of Mrs. Steeves and for a time lived in the Steeves home here on Court street while she attended Willamette university.

It was understood yesterday that Miss Hunt was paid \$100 the first month after Dr. Steeves died but thereafter she obtained nothing.

The trust set up for her by Dr. Steeves provided that all her interest therein would cease when and if she married. The interest of the doctor in setting up the trust, according to that document, was to provide Miss Hunt with funds for travel and for other education.

Securities in the trust have a par value of \$150,000 and include a large number of South American bonds. Before his death Dr. Steeves encumbered the trust with a loan from a Portland bank which now stands at \$33,000. Since the first month's payment was made to Miss Hunt all income from the trust has been used to pay principal and interest on the debt against the trust.

Presumed to Clear Way For Legal Move  
After the death or marriage of Miss Hunt the principal was to go for life to Mrs. Steeves and thereafter was to go to his surviving heirs.

The trust was not included in (Turn to Page 2, Col. 5)

### ENGINEER PAYMENT TO BE DETERMINED

The final amount the city will pay to Baar & Cunningham for engineering services in connection with acquiring the water system will be determined at a meeting Friday of the council utility committee, Mayor V. E. Walsh, City Attorney Chris J. Kowitz and John W. Cunningham, Alderman Walter Fuhrer, utilities chairman, indicated late yesterday following a visit by Cunningham.

The sum the engineers asked was not divulged but was believed likely to be several thousand dollars above the approximately \$4000 the engineers reported due them last May.

Fuhrer said he hoped the matter might be settled promptly and the final bill presented to the city council at its meeting next Tuesday night.

City warrant records show \$34,081.22 expended since 1929 on the water deal aside from the \$1,010,590 paid the water company for the plant, supplies and improvements. It was not believed yesterday the total expenses, aside from payments to the company, would exceed \$43,000.

### Reed and Two Pals Make Futile Gesture at Escape

Albert W. Reed, convicted for a share in the slaying of Victor Knott, Ashland policeman, early in 1932 and frequently in the spotlight since through his efforts to obtain a release or a new trial, sought release in a new fashion early Tuesday night when he and two fellow convicts in the Oregon penitentiary made a rather vague gesture toward escape, thought better of it and surrendered to guards.

Associated with Reed in this escape were William Hammond and Stephen Chink, each serving ten years for assault with intent to rob. Hammond was sentenced from Multnomah county and Chink from Coos county. Overpower Library Workers, Reported

Reed works in the chapel and the other two in the cell blocks. At the time for night lockup, as the case was pleaded together by Warden Jim Lewis, these three instead of going to their cells sneaked into the library.

There three convicts, Frank Farley, Rex Mead and Hamilton Marshall were arranging books to be distributed to the cells. The would-be fugitives overpowered these men and bound them. Then, apparently, they thought better of the whole matter and calmly walked out, to be taken into custody by guards.

Warden Lewis was at a loss to figure out just what the men's plans were. From the library, they could have gotten nowhere except into the stockade, where they would most likely have been shot down by guards.

Reed has repeatedly claimed that he had nothing to do with the slaying of Officer Knott, though he has admitted having been in the company previously of two men who he says are guilty, and who have never been apprehended. He was recently denied clemency by Governor Martin.

### Speeding Up of School Projects Stressed at Annual District Meet

### World News at a Glance

(By the Associated Press)  
Washington:  
U. S. at crossroads with Russia, looks to president to direct future course as Moscow rejects protest note.

New deal leaders after White House conference confident of funds for program blocked by Huey Long's filibuster.

TVA and AAA tests brought to supreme court.  
Report house ordered investigation of Huey Long's Louisiana "dictatorship."

Other domestic:  
JACKSON, Miss.—One slain, four wounded as voters pick governor in run-off primary.  
DETROIT—New auto workers' union rejects A. F. of L. presidential candidate.

Foreign:  
NEW YORK—Tax charges against former mayor dropped, paving way for his return.  
ADDIS ABABA—Italian colonial native troops desert to Ethiopia.

ROME—Italy's finances held sufficient for extensive war; II Duce harangues troops.  
VIENNA—Minister Frey escapes death in auto crash.

Budget Approved  
Without Changes  
Gahldorf was drafted to serve as chairman of the taxpayers' meeting and the budget as adopted August 5 by the citizens' budget committee was approved without change. It calls for an expenditure of \$382,589.29, receipts other than from local taxes \$238,700, district tax for current expenses \$225,189.29 and local tax for debt service \$17,700. Other representatives from the Grant area were Arthur B. Bates, Dr. George Lewis and Floyd M. White.

Harried by repeatedly advanced deadlines on PWA applications, the directors spent more than two hours discussing procedure to be followed in seeking a loan-guarantee for the proposed million dollar building program. It was agreed that preliminary application and (Turn to Page 2, Col. 5)

### OVERTIME PARKER FACES NEW GRIEF

Formal Complaints Will Be  
Made Out For All Who  
Fail to Report

City officials' long-delayed move to force motorists to go to municipal court after their cars are tagged for violating parking regulations got under way yesterday when Judge A. Warren Jones turned back to police a large number of traffic tags, which in themselves are not legal complaints. Police were having formal complaints drawn against the violators.

Upon receipt of the first batch of these complaints, in the next few days, Judge Jones intends to follow the customary court procedure of issuing bench warrants for the arrest of the errant motorists. Police will then bring them into court.

While probably several hundred traffic tags have gone unanswered in court, many more are being found to apply to out-of-town motorists. Judge Jones said a preliminary survey indicated a (Turn to Page 2, Col. 1)

### CLIPPER HOPS FOR CALIFORNIA COAST

HONOLULU, Aug. 27.—(AP)—The Pan-American Airways clipper flying boat hopped from Pearl Harbor for Alameda, Calif., at 2:59 p.m. today (8:25 p.m. eastern standard time).

Weather reports for the entire route were "very good," with the take-off made under clear skies as a stiff breeze churned the Pearl Harbor channel water.

The clipper made a clean take-off after cutting through the water level aside from the \$1,010,590 paid the water company for the plant, supplies and improvements. It was not believed yesterday the total expenses, aside from payments to the company, would exceed \$43,000.

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### Rumor About Closing Of Grant Denied; Protest Seen

Budget as Drafted at  
Previous Meeting  
Isn't Changed

Four taxpayers turned up to form an unusual "crowd" at the Salem school board's annual citizens' budget meeting last night but it developed they came not to slash the budget but to investigate a rumor racing about the northwest part of the city to the effect that Grant grade school was to be closed. They went home with the directors' emphatic denial that such a move had been discussed or contemplated.

The committee of four, William Gahldorf, spokesman, said, came in favor of the projected building program but desired that "we just get a fair share" when school funds are expended. Directors Frank Neer and Mrs. David Wright are to confer with Grant school patrons relative to improvements to building and grounds.

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### ZONE CHANGE HAS BOARD'S APPROVAL

J. M. Devers' request for a change of zone for the southwest corner of 55th and State streets to permit construction of a court type apartment building last night for a second time received the approval of the city and planning and zoning commission. Once recommended to the city council and referred back after A. A. Lee had protested the change, the petition now will return to the council for final action Tuesday night.

Displaying a drawing of the proposed structure and explaining its purpose, Devers led Lee last night to revise his judgment somewhat, although he persisted in declaring "you are taking that corner out of a family residence district and others will extend it until it becomes an undesirable residence district."

Devers' preliminary plans call for a two-story, colonial type frame structure containing approximately 24 small apartments. It would face on State street. Devers said it was planned to "invite a better class of tenants and neighbors" and cater to single persons.

### MORTGAGES TO BE MARKETED BY RFC

WASHINGTON, Aug. 27.—(AP)—In a new move intended to encourage construction of new homes and assist the housing administration, the Reconstruction Finance Corporation announced today it will buy and sell insured mortgages.

Chairman Jesse H. Jones said a \$10,000,000 revolving fund had been made available to the RFC mortgage company for this purpose.

Some officials attributed the new plan to inability of the federal housing administration to get national mortgage loan associations started by private capital.

Two weeks ago Jones informed the administration that RFC would supply half the capital for private interests would put up the remainder. The RFC mortgage company originally was formed to finance loans on apartment houses, office buildings and other large structures under an RFC act amendments permitting loans up to \$100,000 on such property.