

SALEM TO CLOSE UP FOR FAIR

100 Persons Reported Killed in Florida Keys Hurricane

BIG OIL DEAL IS DROPPED

Standard-Vacuum Gives Up Concession at Request of Secretary Hull; Desired Due to War Fears

President Elated, Ethiopia Legation is Disappointed but Relieved; Italy Must Expand, Rome View

WASHINGTON, Sept. 3.—(AP)—Withdrawal of the Standard-Vacuum Oil company from its vast oil concession in war-threatened Ethiopia was announced tonight by Secretary Hull in an extraordinary move to preserve world peace.

His statement, given to the press without warning, contained an agreement of Standard officials to abandon—at Hull's personal request—Emperor Haile Selassie's grant for oil exploitation in more than half his land.

The big oil firm took the step after Hull frankly told them it was "highly desirable" because the concession "had been the cause of great embarrassment not only to this government but to other governments who are making strenuous and sincere efforts for the preservation of peace."

Earlier Hull had couched a new plea for the "supreme objective" of world peace with reiteration of an emphatic stand-off policy toward the horns question.

A few hours later, he hastily called another press conference and issued a statement which revealed he had conferred with officials of Standard-Vacuum, foreign subsidiary owned jointly by Socony Vacuum Oil company and Standard Oil Company of New Jersey.

Previously Hull had told newsmen the government had adopted a "hands-off" policy with regard to the concession, emphasizing that it would not involve the nation any more than other commercial interests of United States citizens in foreign lands.

HYDE PARK, N. Y., Sept. 3.—(AP)—President Roosevelt was informed tonight by Secretary Hull that the Anglo-American land lease in Ethiopia has been cancelled and he expressed his "delight."

City Will Cooperate In Capitol Problem, Waive Pasture Right

Aldermen in Resolution Express Willingness to Vacate Portion of State Street, Help Finance New Campus

THE City of Salem through a unanimous vote of its council last night declared its willingness to cooperate in every way possible with the state in relocating the capitol. In a resolution introduced by Mayor V. E. Kuhn, the council expressed its willingness, as far as possible to:

GRADS DISAGREE ON W. U. CAMPUS SALE

Haney, Honored at Banquet, is For It; Gridmen of 40 Years Ago Attend

PORTLAND, Ore., Sept. 3.—(AP)—Prominent alumni and former football stars of Willamette university were honored here tonight at a stag "dinner" during which divergent opinions were expressed regarding the proposed sale of the university's campus to the state of Oregon.

Tribute was paid to two alumni recently elevated to judgeships in United States courts—Bert E. Haney of Portland and Leon R. Yankowitch of Los Angeles. Haney was named to the United States circuit court of appeals at San Francisco and Yankowitch was appointed to the California district court.

B. F. Irvine, in a talk in which he paid tribute to Haney as "a fighter for his convictions," expressed opposition to the sale of the Willamette campus to make room for a new statehouse at Salem, declaring that present college facilities had been "hallowed by tradition."

Haney, in favor of helping Out State. Haney in his acknowledgement took an opposite viewpoint and (Turn to Page 2, Col. 7)

TREASURY ISSUE IS SNAPPED UP, CLAIM

WASHINGTON, Sept. 3.—(AP)—Secretary Morgenthau announced tonight a \$500,000,000 treasury borrowing had been "well oversubscribed."

He made the statement to the press with obvious pleasure. The \$500,000,000 issue of 3 1/2 per cent notes had been offered to the money market within a week of the treasury's failure to obtain a full subscription on a \$100,000,000 farm mortgage issue.

WAR VETERANS CAMPS SUFFER GREATEST LOSS

Death Stories Unconfirmed for Most Part; Cigar District Hit Hard

MIAMI, Fla., Sept. 3.—(AP)—Leaving more than 100 reported dead in its path through the Florida Keys, a tropical hurricane tonight swept northwestward along the west coast and lashed the resort city of St. Petersburg and Tampa, center of the state's cigar industry.

The reported deaths, most of which lacked confirmation, were said in meager advices received here to have occurred largely in the war veterans camps in the Florida Keys.

As the storm, reported with a 100-mile an hour velocity at Boca Grande, south of St. Petersburg, whipped into Tampa bay, two fishermen were reported missing in the gulf and distress flares were seen in the stormy sky out in the gulf.

Capulet Reported Calling for Help. From Mobile came a report of the steamer Capulet calling for help and giving a position 65 miles due east of Miami. Tropical radio at Miami said it had not heard a call from the boat.

A short time later divisional coast guard headquarters reported the Capulet had engine trouble about 40 miles east of Hollywood. (Turn to Page 2, Col. 7)

KELLAHER CASE IS DELAYED FURTHER

Grand Jury investigation into the alleged \$50,000 agreement between D. K. Kellaher, former state parole officer, and L. A. Banks, serving a life term in the penitentiary for murder, was further delayed Tuesday when a damage action scheduled to come before Judge McMahon in circuit court, was continued until September 12.

It was stated that no grand jury would be called until after that date. It had been expected that a grand jury would be selected when the regular jury panel convened today.

World News at a Glance

(By The Associated Press)
Ethiopian situation: Washington—Secretary of State Hull announces withdrawal of Standard-Vacuum Oil company from Ethiopian oil concession.

London—Great Britain mobilizes reinforcements and strengthens defenses in the Mediterranean.

Geneva—Great Britain and France unable to agree on joint report to Council of League of Nations.

Rome—Italy, still adamant, prepares its report to League council.

Domestic: Miami—More than 100 deaths reported as hurricane lashes Florida coast. Four rescue vessels stand by helpless as liner "Dixie," 349 aboard, is pounded on reef.

Wendover, Utah—Sir Malcolm Campbell travels 301.337 miles per hour to set new land speed record.

Chicago—Mrs. Anna Eleanor Roosevelt and high government officials mourn at funeral of Mrs. Harold Ickes, wife of the secretary of the interior.

Tampa—Four wounded and dozen injured in election rioting.

Foreign: Brussels—Body of Queen Astrid placed in royal crypt while royal and commoners mourn.

HIGHER BUDGET APPROVED FOR SALEM IN 1936

Levy of 1 1/2 Mills More is Foreseen; October 7 Taxpayers' Date

Health Item, Part of Fund Requested for Traffic Signals Get Okeh

TOTALS IN 1936 CITY BUDGET AS PROPOSED
Outgo, 6% limit...\$223,530.42
Estimated receipts 13,000.00
Tax, 6% limit...\$210,530.42
Tax, voter levies...141,756.62
Total tax...\$352,287.04
Total outgo...\$365,289.04

A Salem city budget for 1936 which will increase expenditures by \$22,842.23 and the millage by approximately 1 1/2 mills emerged from the final session of the joint citizens and council budget committee at the city hall last night.

The council immediately set October 7 as the night at which taxpayers may have final say on what the levies shall be for next year's expenses by the city.

Total expenditures approved by the committee included \$141,756.62 for bond interest and redemptions, street repair and fire department tax levies voted by the people, and \$223,530.42 for current expenses which by state constitution may not be increased more than 6 per cent above the highest figure for the top budget of the last three years.

Will Pay Deficit Incurred This Year. The committee estimated receipts from other than tax sources at \$18,000 but provided to pay off \$5000 of 1935 deficit from this sum, leaving \$13,000 in receipts which could be deducted from the item for current expenses. This deduction brought the current expenses tax to \$210,530.42, the maximum to the cent to which this levy could be raised under the 6 per cent limitation.

Reversing their action taken August 19, the budgeters last night refused salary increases to all but one major city employee. After Recorder A. Warren Jones had offered to continue his salary at \$2160 as for this year and that of his secretary at this year's figure, \$1350, the committee accepted his request that the salary of his deputy, Alfred Munda, in City Accounting.

Protzman said the audit showed "the need of more accurate accounting, and possibly its simplification; a closer check on the various funds to see that warrants and bonds are called and sinking funds invested when they should be; and a complete annual audit, preferably kept up monthly with a quarterly audit."

Record Crowd Certain Due to Ideal Weather And Lure of Big Show

Public Offices, Local Stores to Shut Up for Salem Day

Life Members Gather; Accidents Occur, None Serious

GOOD WORKERS ARE NEEDED, HOP YARDS

All Relief Work is Halted Till Harvest Shortage of Labor at End

While hop growers reported their shortage of pickers increasingly acute yesterday, state relief officials joined in declaring there would be no further relief work until the harvest seasons are ended and employment officers arranged for transporting pickers to and from the yards.

"Six thousand additional hop pickers are needed in the Salem-Independence hop area," John E. Coater, federal farm placement supervisor, estimated last night. "So acute is the shortage that several yards were unable to start picking today. Practically all yards are short handed."

Coater announced arrangements had been made to have trucks leave the state employment agency, 355 North High street, at 7 (Turn to Page 2, Col. 4)

SELASSIE DEFENDS CONCESSION ACTION

ADDIS ABABA, Sept. 3.—(AP)—Emperor Haile Selassie answered critics of his concession of oil and mineral rights with an official communique today, sent his personal bodyguard to a prospective war front bearing a gift sword from the king of England and threatened foreign correspondents with censorship.

His communique said he was within his full sovereign rights in granting his concession to Francis M. Rickett, British promoter. It pointed out the concession was exclusively of economic character designed to develop the country. The British government was not involved in it, directly or indirectly, that the concession gave attention to the treaty of 1906 which "Italy is preparing openly to violate."

Through his government, the emperor expressed exasperation at the increasing number of false and misleading dispatches being sent abroad from his capital and warned correspondents censorship would have to be imposed if the falsifying continued.

MRS. HAROLD ICKES PAID LAST TRIBUTE

CHICAGO, Sept. 3.—(AP)—High officials of the city, state and nation paid final tribute to Mrs. Harold L. Ickes today.

Mrs. Franklin D. Roosevelt, three cabinet members, the governor of Illinois and the mayor of Chicago joined a host of friends at funeral services for the wife of the secretary of the interior.

FIVE MILES A MINUTE SPEED ACHIEVED



Sir Malcolm Campbell and his giant racing car, the Bluebird, in which he yesterday stroked at a speed of 304.337 miles an hour and made a sustained run in which he averaged 301.33, which is over five miles a minute. The huge tail which holds the car on a straight course is shown in close-up view.

GUERNSEY DIVISION WINNERS REVEALED

M. C. Fleming of Troutdale and Hart and Gimmelfloft of Roy, Wash., swept the field yesterday in the Guernsey division at the state fair. Final judging gave Hart and Gimmelfloft grand champion bull, two year class; junior champion bull under two years; grand champion bull; graded herd first and second, and breeders young herd, first.

Fleming received awards for senior champion cow, junior champion heifer, grand champion cow; third in graded herds; and second in breeders young herd. Alex Cruickshank, McMinnville, took third in the breeders young herd class.

Dixie Rescue Efforts Are Delayed; Ships Stand By

MIAMI, Fla., Sept. 3.—(AP)—A roaring sea tonight hurled relentless waves against the Morgan liner Dixie, held fast on a coral reef, and delayed until dawn the hazardous attempt of nearby rescue ships to remove her 372 passengers and crew.

But from Capt. E. W. Sundstrom came the heartening message: "Morale of passengers high." They had ridden nearly 24 weary, dangerous hours in the storm-tossed liner which grounded on French reef, 60 miles south of here last midnight.

WOODBURN PROJECT RECEIVES APPROVAL

WASHINGTON, Sept. 3.—(AP)—Announcement was made by the division of applications and information today that President Roosevelt had approved an allotment of federal funds totaling \$20,032 to be used by the works progress administration for carrying out the works program in Oregon.

Sponsors of the Oregon projects have pledged \$13,761 additional. The programs approved include: Benton county: Corvallis, fencing experimental irrigated lots at Oregon State college, federal funds \$725, sponsor's contribution, \$495.