

Depression's Cost to Business Estimated at 26 Billion Dollars

'34 Gains Do Not End Loss

Agriculture Leads, Income Production Increase; Surpluses Cut

WASHINGTON, Nov. 11.—(AP)—A staggering \$26,521,000,000 was tabulated by the government today as the depression's cost to business.

The commerce department reported this sum had been taken out of savings to make up the difference between expenses and the value of goods and services produced. It noted a market improvement in 1934 failed to prevent another loss.

1934 Production Gains
Last year's production of goods and services was valued at \$49,561,000,000, a gain of \$6,572,000,000 over 1933.

This value, however, was insufficient for expenses. Business had to draw down \$1,628,000,000 from surpluses and other savings to meet wage, dividend, interest and other outlays.

The two figures together represent national income "paid out" of \$50,189,000,000. This is the amount usually cited in statistics as portraying the number of dollars actually distributed throughout the nation.

Savings Trend Reversed
In 1929, income produced was greater than income paid out by \$2,402,000,000, with the result that this amount was added to business savings, in contrast with the losses, or withdrawals from savings, in the subsequent years.

From the standpoint of separate sections of the nation's economy, agriculture showed the largest gain in its proportion of income produced. Whereas in 1929 it accounted for 8.8 per cent, in 1934 its share was 9.2.

Preparedness Is Pledged by F. R.

WASHINGTON, Nov. 11.—(AP)—

A president leading America's Armistice observance at the sun-drenched tomb of the unknown soldier struck sharply today at trade restrictions as a cause of discord among nations.

To thousands gathered with him on the hallowed heights of Arlington, Mr. Roosevelt stressed "the power of good example" as the "strongest force in the world."

"We as a nation, by our good example, can contribute to the peaceful well-being of the fellowship of nations," the chief executive said, "our course through the years will not have been in vain."

Stressing a need for peace, the President asserted it was "the primary purpose" of this nation to avoid being drawn into war.

At the same time, he pledged "adequate" preparedness. "I have not participated in such conferences in the past and our observation of their effect upon the recovery of the nation's economic health has not convinced us that any beneficial end will be served by them now."

"Our experience and counsel, to which your letter refers are all ways at the service of the government."

"Hit the target unquestionably—acquiescence and not counsel has been asked."

The Call Board
ELSNORE
Today—"Last Days of Pompeii" with Preston Foster and cast of 5000.
Thursday—Double bill, "Accent on Youth" with Herbert Marshall and "A Minute" with Roger Pryor.

GRAND
Today—"The Black Room" with Boris Karloff.
Wednesday—"Way Down East" with Rochelle Hudson.

Invasion of Foreign Stars Stirs Hollywood



Charles Boyer, Marlene Dietrich, Greta Garbo, Merle Oberon, Luise Rainer, Maurice Chevalier

An invasion of foreign film stars which threatens to topple several American stars from the heights has hit Hollywood on its mettle and spurred competition in the film colony.

after leading men in Hollywood; Merle Oberon, slant-eyed charmer and versatile performer; Luise Rainer, about whom critics were enthusiastic after her work in "Escapade". Other foreign stars imported by Hollywood in recent months, and apparently headed for the top, include Jan Kiepura, singer as well as actor; Simone Simon, French favorite; Margot Grahame and Cicely Courtneidge, who first won fame in British productions, and Peter Lorre, star of "Crime and Punishment".

Find of Woman's Body is Mystery

SAN FRANCISCO, Nov. 11.—(AP)—The battered body of an unidentified woman about 38 years old was found in a dark loft room above a Market street beer tavern here tonight.

Nearby, police said, was a man who was booked as Henry Golombert, 23, of Buffalo, N. Y., a sailor on the battleship New York.

Captain of Detectives Charles Dulles said Golombert's face and hands were covered with dried blood, but that he denied having struck the woman.

Employees of the beer parlor said they had seen the woman and a sailor in the establishment during the afternoon, but thought they had left.

Miss Lobdell, daughter of Charles E. Lobdell, formerly prominent in Kansas politics and now an attorney in Washington, D. C., was an actress and a newspaperwoman in Portland, Ore., before she joined the Union Pacific in 1916. At that time she was appointed a passenger agent.

Borah Is Backed, Federal Employees

WASHINGTON, Nov. 11.—(AP)—The American Federation of Government Employees today announced the support of Senator Borah (R-Ida.) in a campaign "against undue favoritism" to college graduates in government appointments.

E. Claude Babcock, president of the federation made public a letter from the senator responding to a request that he write a protest to the civil service commission.

"I feel very strongly about the subject covered by your letter," Borah wrote. "But instead of writing as you suggest I think it would be better when I return to Washington, which will be very shortly, to have a talk with the civil service commission or some member thereof."

ELSNORE
Hurry! See It Today!
THEY FOUGHT TO THE DEATH!
A glorious picture reduced to ashes for it's such a R.K.O. Picture Epic.
THE LAST DAYS OF POMPEII
Preston FOSTER Alan HALE Dorothy Wilson cast 3000 attend

School Events Today, Salem, Special Week

Today's theme: "The school and the state. Your child's education is the only possession he can never lose."

IN THE SCHOOLS
Senior high—Public auditorium program, 12:50 to 1:50 p.m. by "The Story Lady"; eighth and ninth grade Farrish junior high girls' chorus directed by Margaret Simms; sixth grade McKinley musicians directed by Ruth Lear.

Grant—1:30 p.m., special assembly; 7:30 p.m., open house and parent-teacher meeting with Superintendent Silas Gaiser speaking.

Yakima Woman is Victim of Blaze

YAKIMA, Nov. 11.—(AP)—Flames she inhaled while struggling to escape from her burning bedroom tonight caused the death of Mrs. Cora Guy, 63, housekeeper.

Roy Hill, her son-in-law, and Dan Nelson, both firemen, stumbled over her body as they entered the kitchen of the flaming house to fight the blaze.

The fire, Hill said, apparently awakened Mrs. Guy but cut off her escape and she attempted to make her way through the flames. Her entire body was burned, physicians said, but the burns were not deep and death was caused by breathing in the flames through her mouth.

The four-room structure, which was covered by insurance, was gutted. Cause of the outbreak was not determined, firemen said.

A Home Owned Theater
HOLLYWOOD
Last Time Today
It's Bigger THAN A LAUGH PICTURE!
Will Rogers
STEAMBOAT ROUND THE BEND
A drama—mellow with humor—of the old Mississippi.
ELSNORE
Hurry! See It Today!
THEY FOUGHT TO THE DEATH!
A glorious picture reduced to ashes for it's such a R.K.O. Picture Epic.
THE LAST DAYS OF POMPEII
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Thursday Veto Deadline Here

Governor Martin Remains Silent, Not Expected to Veto Old Site

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per house, anxious for more land but insisting that only blocks to the north of the old statehouse be bought, joined forces with the Burke-Zimmerman-Fisher group and stood for the small site and the limited appropriation rather than compromise an iota with the house of representatives.

The final decision for turning down PWA's gift came in the last hour of the session. Marion county house members, desperate over the statement, unwilling to play political poker with the senate and risk an adjournment unless the senate receded and compromised, joined the rush to the old site and put through the Burke-Zimmerman-Fisher proposal in the lower house.

Assuming Governor Martin signs the capitol bill, appointment of the nine-man commission to supervise the capitol construction is expected before the week ends. Not an architect of construction has recommended construction of a new capitol on the old site and it was talked here yesterday that a structure costing less than \$2,500,000 might be there erected with enough funds left to provide a state library and perhaps another office building on adjacent property purchased by another legislature or on property taken from the City of Salem in Willson park.

Space there can only be obtained by despoiling a portion of the park.

Towering Structure Deemed Likely
It is probable that the new capitol, cramped for ground space, will be built high into the air, overtopping all other public structures in the city.

In event it is determined to build both a capitol and office building the former structure probably could be limited to housing the governor, secretary of state, state treasurer, board of control and legislative branches.

All other offices now without permanent quarters would be assigned to the new office structure.

The main capitol building, under this proposal, would not cost to exceed \$1,700,000.

Construction of three buildings, including the capitol, office structure and state library, would reduce the cost of the main capitol to not more than \$1,300,000.

Before any construction operations are started it will be necessary for the capitol construction commission to determine how much space will be required by the various state departments and the general arrangement of their offices.

The present heating plant, located in the basement of the burned capitol building, would be utilized.

Present Heating Plant Adequate, New Capitol
This plant has a value of more than \$50,000 and is of sufficient capacity to heat the proposed new capitol building or group of capitol buildings and other structures on the present capitol grounds.

As soon as the personnel of the capitol construction commission is announced a conference will be held with the state board of control.

The federal government, under the terms of its grant, will contribute approximately \$1,125,000, while the state's share will aggregate \$1,375,000. This is on the basis of 45 per cent by the

As Ras Pledged Italian Fealty



Picture by radio shows Haile Selassie Gugga, despot son-in-law of Ethiopian Emperor, bowing before General Emilio De Bono and staff in Adowa and pledging his fealty to Italy. Emperor Haile Selassie denounced Gugga and authorized any soldier to shoot him on sight.

federal government and 55 per cent by the state.

Upon a completion of the new capitol or capitol group an effort probably will be made to transfer a number of state departments now located in Portland to Salem.

Officials said such a proposal would eliminate rentals and save the taxpayers a substantial amount of money.

Red Cross Drive Will Open Today

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recting canvassing the Salem business district, hopes to have his teams conclude their work by the end of this week.

Brandon has asked his captains and workers to meet for a breakfast meeting at the Quattle at 7:30 this morning.

"We have seen in the last two or three years some of the people who had already given to the Red Cross now finding themselves forced to accept it," Brandon stated last night.

Several persons have been mentioned in connection with the appointment of executive secretary. One of these is A. L. Lindbeck, Salem newspaper man. Lindbeck is a democrat and was an ardent supporter of Governor Martin during his campaigns.

Hood said he had not made any recommendation to Governor Martin.

This appointment would in no way affect the duties of the private secretary to the governor, now held by William L. Gosselin of Portland.

Secretary Choice To Be Known Soon

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get director and assistant to Governor Martin. Hood made it plain that there would be no changes in the operating staff of the budget division.

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Legion's Past Leaders Gather

Form Last Man Club Here; Blenkinsop Pleads For Peace Program

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"The Voice of the Unknown Soldier".

The Italo-Ethiopian situation presents the gravest crisis since 1914, with the Mussolini rejection of the board three-point compromise plan striking "at the warp and woof of the whole fabric of international faith amongst all nations", the chaplain said.

"If Mussolini gets away with his war, repudiating all pledges, Germany will be preparing for similar adventures. . . This war in Abyssinia is not to be an isolated affair without touching the interests and vital needs and passions of other powers."

Rev. Blenkinsop, who came from Astoria to deliver the address, declared that European nations have weakened themselves in a world war, and that there is a rising tide of colored races, with Japan the recognized and logical leader. He urged every individual to become familiar with the world wide conditions today.

"Speaking as the voice of the unknown soldier, whose memory we honor today, we ought to have in our minds lines of convictions which should clear this tangled skein," Blenkinsop said, suggesting such lines as follows:

Refusal to take any separate action against Italy or Abyssinia or against any other European dictator; entry of the United States to use the weapon of non-resistance; membership in the League of Nations on the part of the United States, which nation should uphold also the League's principle of collective action; debar Italy from the import of minerals and raw materials for the manufacture of munitions as well as refusing Italy any financial credits; enactment of the universal draft act; use of force of the United States to bring about a peaceful settlement of the present Italo-Ethiopian crisis.

"America has military forces only for the purposes of defense and this is our sole and only basis for their existence," he said, in urging a non-resistance policy. His statement, "Take the profit out of war and you eventually destroy the incentive for war," in argument for the universal draft law, brought a round of applause.

Capt. Lewis McAllan of the Salvation Army presided at the Armistice program, other features of which were numbers by the 186th infantry band, invocation by Rev. J. E. Milligan of the First Methodist church; presentation of commander by Mayor V. E. Kuhn; introduction of honor guests by Commander King Bartlett of Capital Post No. 9; appreciation to the Legion by Burtis Preston of the senior high school; patriotic reading by Mrs. Leon Brown; solo, Miss Yvonne Smith; assembly singing of "Star Spangled Banner" and "America."

Asylum Fugitive Caught, Seattle

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tober 30 he was discharged. Cameron was committed to the state hospital October 22, 1934, from Lane county. He was a minister, and it was recalled that he had been involved in court there on charges of forgery in a long-drawn out case that finally ended in his removal from his church and his confinement in the state hospital.

STATE THEATRE
Today and Wednesday
It's packed with thrills and Romance

CECIL B. DE MILLE'S
"FOUR FRIGHTENED PEOPLE"
with
CLAUDETTE COLBERT
HERBERT MARSHALL
MARY BOLAND
WILLIAM GARGAN
HELD OVER
Walt Disney's Best and Latest
"Who Killed Cock Robin"

start WED.
WAY DOWN EAST
America's Mightiest Melodrama!
ROCHELLE HUDSON
HENRY FONDA
Sim Summerville
LAST DAY!
KARLOFF
in THE BLACK ROOM
Marian Marsh Robert Allen
AND
"MONEY MEANS NOTHING"
With Wallace Ford, Gloria Shea, Edgar Kennedy
AND
GRAND
CONTINUOUS SHOW DAILY