

## Favorable Sale Made, School Bond Issue

### Capitol Board Urged to Rush Preliminaries

Alton Bassett is Selected as Secretary; Steps Told by Hockley

Lengthy Contest to Pick Architect is "Out"; Group Plan Asked

PORTLAND, Ore., Dec. 12.—(AP)—The state capitol commission named as its executive secretary today Alton John Bassett, Portland attorney, who served as assistant chief clerk of the house of representatives in the recent special session at Salem.

Twenty-six applied for the position, which carries a salary of \$300 a month. Until preliminary plans for the proposed statehouse are completed, Bassett's offices will be in Portland.

The selection of Bassett came after the applicants had been narrowed to four—Bassett, Frederick Cook, purchasing agent for the WPA; William Cuts, Portland democrat, and Leslie Brigham, affiliated with the Oregon building congress.

Steps Necessary Outlined by Hockley  
An explanation of the steps necessary to put construction of the \$2,500,000 capitol building under way was given by C. C. Hockley, acting state director of the public works administration.

Forty-five per cent of the amount is to be a PWA grant. Hockley listed among the steps: the commission's formal acceptance of the government's offer; presentation of a certificate of purpose and requisition for 15 per cent advance grant; obtaining of an architect acceptable to the PWA; submitting of preliminary plans; submitting of contract plans; obtaining PWA approval of copy of advertising (bids); opening the bids in presence of PWA representative; depositing state funds prior to beginning of construction.

The PWA director said expense of the commission's office can not be included in funds for which 45 per cent grant is provided.

A committee to expedite the manner and method of procedure was named, including T. H. Blandfield, Dr. H. H. Ollinger and A. B. Lake.

Speed Only Request From Washington  
Hockley said: "The only thing Washington asks is that you get started as soon as possible."

Setting of wage scales, which must have PWA approval, will be one of the problems. Hockley pointed out, labor will be obtained through the United States employment bureau.

To a suggestion that an architect's competition last six months, Hockley said: "That's absurd. You must remember these are relief funds."

Jamieson Parker, architect and chairman of the state planning board's committee on public buildings, and Dean Powers, planning board member, said they did not believe a "business structure capitol" should be built. They suggested a small capitol with an adjacent business structure.

Regarding the proposed architect's competition, Hockley said the contest should be held here (Turn to Page 2, Col. 1)

### Police Probe Now Not Planned, Said

As far as Chairman Walter Fuhrer is concerned there are no plans for the police committee to the city council to institute an investigation of the police department as a result of statements made by Ralph Moody, special prosecutor, who is here investigating gambling operations.

"I have no plans for any investigation now," Fuhrer said yesterday. "I had it in mind before the grand jury was called but they were supposed to be taking it up so I saw no use in doing anything."

Fuhrer indicated some investigating of police department practices might be undertaken after the grand jury had finished its task if such seemed called for. He mentioned, however, that the committee had little power since it could not subpoena witnesses.

Optometrists to Meet  
PORTLAND, Ore., Dec. 12.—(AP)—Optometrists from Oregon, Idaho, Washington, California and British Columbia will meet here for the annual five-day convention of the Oregon Optometric association, beginning Monday. Clinical sessions will be conducted by Dr. M. M. Skeffington of St. Louis. Dr. A. W. Gluttsch of Salem is president of the association.

### Odgers Turns Down Post as College Chief

GOODING, Idaho, Dec. 12.—(AP)—Dr. George Allen Odgers, submitted his resignation today a few hours before he was to have been inaugurated as president of Gooding college. The resignation was accepted by the college board of trustees.

It was a voluntary resignation, Rev. W. C. Bowman of Gooding, member of the board, said. Odgers expected to return to the Pacific coast. Dr. Odgers was formerly director of personnel and professor of education of Pacific university, at Forest Grove, Oregon.

Dr. Odgers declined to make any statement.

### Manager Plan Up At Public Hearing

Head of Ordinance Committee Invites Comments at Meeting Tonight

Alderman Fred A. Williams, chairman of the ordinance committee of the city council, announced last night that a public hearing on the proposed ordinance instituting a city manager plan of government for Salem will be held at the city hall tonight at 7:30 o'clock.

The ordinance, which was introduced at the last council meeting with seven councilmen and the mayor sponsoring it, provides that the council employ a city manager to administer the city affairs. All other officials except the treasurer and judge would be appointed by the manager.

The judge would be elected by the people and the treasurer elected by the council under the proposed ordinance would remain the same as at the present time. Announcement has been made by some of the sponsors of the bill that an amendment will be offered to reduce the council to seven members, one to be elected from each ward.

If the ordinance is passed at the coming council meeting Monday night, the people would vote on the measure at the special election to be held on January 31.

### Consolidation of Cases Abandoned

WASHINGTON, Dec. 12.—(AP)—Attorney General Cummings today rejected as "futile" a court-proffered olive branch in the utility-government quarrel over procedure in testing validity of the holding company act.

After three hours of sharp argument over who was responsible for the "multiplicity of suits" involving the converted law, Justice Jennings Bailey suggested the disputants try to consolidate seven cases now pending in the District of Columbia supreme court.

"I think that negotiations would be entirely futile," was the quiet-spoken response from Cummings.

### Turnbull to Move

ALBANY, Ore., Dec. 12.—(AP)—Rev. R. J. Turnbull, pastor of the Albany Baptist church, will take over the Roseburg pastorate next month. No successor for Albany church has been named.

### Hop Growers' State Meeting Set Next Wednesday, Salem

Oregon hop growers will convene here next Wednesday, December 18, at 1:30 p. m., in the Salem armory to see if they can work out, cooperatively, a sound method of combatting the problems which now confront the industry. Ross Woods, president of the Hop Growers' association, announced the meeting yesterday.

Facing the association are these hurdles:

1. How to reduce the huge carryover of 1933, 1934, and 1935 hops.
2. How to curtail next year's production within the limits of the domestic and foreign market.
3. As a result of (1) and (2) to advance prices to a level sufficient to net the grower his costs and some return on his investment.

Five hundred growers from the hop-raising areas of the state will attend the meeting here.

Similar meetings in the country next week in Washington and in California for without the cooperation of these states any curtailment program will not succeed.

The cooperative organization which will be discussed by the

### Peggy Paulos Tells Details At Hall Trial

Her Attorney Aids State in Seeking Facts of Mass Slaying

Killer Shot at Her Too, Woman Says; Later Made Threats

COURTHOUSE, Port Orchard, Wash., Dec. 12.—(AP)—Peggy Peterson Paulos, nervous and sometimes weeping, told a superior court jury tonight that Leo Hall, her co-defendant on a first degree murder charge, committed the Erland's Point mass murders.

Mrs. Paulos, who said she accompanied Hall from Seattle to the Frank Flider home at the Point, testified Hall killed Mr. and Mrs. Flider and four guests during a robbery.

Hall stirred markedly, his face flushed and he wiped his lips with a handkerchief when special prosecutor Ray R. Greenwood called Mrs. Paulos to the stand for the state.

Superior Judge H. G. Sutton, before whom the case is being tried, warned Mrs. Paulos before she testified that what she said might be used against her.

Woman's Attorney Takes State Side  
Acknowledging she realized fully what the consequences might be, Mrs. Paulos gave her testimony against Hall.

Her attorney, Ralph A. Horr, Seattle, stood near Greenwood part of the time and then sat at the prosecution table.

Everett O. Butts, defending Hall, interposed frequent objections to her testimony and was overruled each time.

Mrs. Paulos had just described the slaying of R. J. Flider and Magnus Jordan, one of the guests, and told of her own flight from the house when she completely lost her poise and Judge Sutton called a recess.

Returning to the stand after the recess, Mrs. Paulos faced the crowded courtroom with more composure, although she held a handkerchief close to her face and spoke in a small, quivering voice.

Hall, now relaxed, once more wore the faint, cynical smile which he has shown during much of the trial.

Horr planned to cross-examine her in the morning and Butts intended to follow.

"To whom did you first make your confession?" Greenwood asked Mrs. Paulos toward the end of the examination.

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### Portland Men, Grads Of Reed to Represent Oregon, Rhodes Final

PORTLAND, Ore., Dec. 12.—(AP)—Judges at today's Rhodes scholarship examinations announced Robert C. Bernard and Lloyd B. Williams, both of Portland, had won the right to represent Oregon in the competition at Spokane Monday. Both are graduates of Reed college. Thirteen applicants took the tests.

Four persons are to be chosen for scholarships at the Spokane competition. Two representatives each from Oregon, Washington, Idaho, Montana, Wyoming and North Dakota will compete.

Leading brewers in the country have been working with the hop growers in the preliminary meetings, brewers declaring they preferred a stable hop market to one which fluctuates in price so (Turn to Page 2, Col. 3)

### Abolition of Irish Senate Has Approval

DUBLIN, Dec. 12.—(AP)—Abolition of the Irish Free State senate, requested by President Eamon de Valera, was voted tonight by the Dail Eireann.

De Valera's motion, after a long campaign, was carried by a vote of 76 to 57. He proposes to replace the present parliamentary system with a one-chamber one.

As matters now stand, the measure, when signed by de Valera, becomes law within 60 days, regardless of what action the senate may take.

### Peace Plan Given To League Chiefs

Expected to Fail; Haile Reported as Refusing; Mussolini Favors

(By the Associated Press)  
The inflammatory issue of an oil embargo against Italy was put aside for the time being by the League of Nations Thursday night.

Instead, the league decided to take over the widely-bombarded Franco-British peace plan, which was handed to it with a weary air by Premier Laval and Anthony Eden, Britain's minister for league affairs.

A prediction that the plan would fail came from within Britain's own official family. Alfred Duff Cooper, minister of war, in a London speech said the formula "very likely will fail," but defended France and Britain for acting for peace.

League Council to Study Provisions  
A session of the council of the league was called for next Wednesday to study the Italo-Ethiopian situation from A to Z.

As a result of the day's developments, a rebellion by small powers against the Franco-British moves apparently died down.

There were strong indications in Rome that Premier Mussolini is willing to accept the peace formula as a basis for discussion.

It was another story in Ethiopia. Although the empire's religious ruler, the Abuna Cyril, spoke up for the plan most emphatically—calling it "words of God"—the Havas (French) News Agency quoted Emperor Haile Selassie at Dessaye as rejecting the offer.

### Will Decide Soon On Heating Plant

Definite action relative to the construction of a central state heating and light plant and telephone exchange will be taken at the next meeting of the state board of control.

This was decided at a conference Thursday, attended by State Treasurer Holman, D. O. Hood, state budget director, and Tom Russell, engineer for the public utility commission. The cost of the project was estimated in excess of \$600,000.

Approximately 45 per cent of the amount required for construction and materials will be allocated by the federal government. The remainder will be assessed against state departments and institutions benefited.

A law authorizing construction of the plant was approved at the recent special legislative session.

### Unusual Warmth For December Noted Here

Between intermittent showers of rain, and at times hall yesterday, Salem shoppers experienced pleasant December weather, with an unusual warmth for this time of year. Minimum temperature for the day was reported at 53 while maximum was 37 degrees.

The mild days the fore part of this month have caused the swelling of buds on lilacs, sycamores and other bushes and shrubs.

### Hedlund, Democrat, Is Named as Liquor Aide

A democrat, William Hedlund of Portland, yesterday took up his new position with the Oregon liquor control commission as successor by replacement appointment to Hal Cuffel, who had been assistant supervisor to Otto Runte, Portland, in charge of merchandising. Young Hedlund is the son of Dr. E. T. Hedlund, Portland postmaster and prominent democrat.

### Sportsmen Elect

ALBANY, Ore., Dec. 12.—(AP)—The Albany Fish and Game Protective association named Harry Howe of Lebanon president, Elmer Fitzgerald of Lebanon vice-president and M. O. Wilkinson of Albany secretary.

### Mott Is Boomed As Townsend's Plan Debated

Disapproval Evident as His Name Mentioned by Byron Carney

Jeffrey Upholds Pension Plan in Its Entirety; Large Crowd Out

America needs the Townsend "transfusion" of money to save her civilization from a great precipice, ex-Judge John A. Jeffrey of Portland told a crowd which last night packed the Salem armory to capacity to hear a debate.

Jeffrey elicited round after round of applause from the audience in his hour's address on the Townsend plan, but neither did he nor the chairman of the evening, Dr. H. C. Eider, announce at any time the subject of the debate.

It remained for Senator Byron G. Carney of Clackamas county, who, incidentally, soon told the crowd he was in favor of \$200 per month pension for the old folks, to remind the audience that the meeting had been billed as a debate on "Resolved, that the next congress should enact the revised McGroarty bill without change."

The audience gave extensive applause to Carney from time to time, except when Carney, trying to read from a congressional report quoting Congressman James Mott, stated "Here is something your own congressmen had to say."

"At this point a decided wave of 'boos' played over the audience."

Claims \$200 Payment Is Not Guaranteed  
At this point Carney was quoting to show that the McGroarty bill does not guarantee \$200 per month pension money to those who make application for it.

"We stand for the Townsend plan as in the McGroarty bill for \$200, without any compromise," ex-Judge Jeffrey had told the crowd early in his address, adding "Some people are telling you the plan has changed; but it has not. We stand irrevocable for the four corners of the Townsend plan, full and unimpaired in the McGroarty bill."

Jeffrey held the Townsend plan may not be perfect, but that "it is the best thing that has been offered and no one has come forth with a better plan or an argument against it which he is satisfied to put in print."

Senator Carney, holding that there is need for a change which will lift the aged to better financial conditions, insisted that the McGroarty bill does not promise a \$200 pension and that at the most its friends estimate it will pay \$50 to those who make application, and placed emphasis on his emphasis against placing the same (Turn to Page 2, Col. 4)

### Linn County Millage Is Unchanged at 21; Town Levies Are Announced

ALBANY, Ore., Dec. 12.—(AP)—Linn County Assessor W. C. Templeton said today the county's millage for 1936 will remain unchanged at 21 mills. Town millages for all purposes were announced as follows: Albany 54.2; Brownsville 74.3; Halsey 40.7; Harrisburg 65.9; Lebanon 61.9; Scio 65.4; Sodaville 40; Sweet Home 40.3.

Total county tax is \$550,217.77.

### Bus Driver to Run For Senate in Coos, Curry

NORTH BEND, Ore., Dec. 12.—(AP)—Charles Doane, bus driver and Coos county commissioner, announced he will be a candidate for the republican nomination for state senator. He aspires to succeed C. R. Wade of Bandon, who was named to replace the late Senator John D. Goss.

### Late Sports

LEWISTON, Dec. 12.—(AP)—Lewiston Normal took the title of the tiptoff and defeated Oregon Normal, Monmouth, 34 to 28, tonight in the Normal school gymnasium. The Pioneers held a 17 to 0 lead before the Oregon invaders were able to score.

The count at half time was 25 to 10 for the Lewiston team. Last night the Oregon Normal won, 45 to 38, on the senior high-school court.

PORTLAND, Ore., Dec. 12.—(AP)—Portland continued its victory run tonight by defeating Vancouver, 5 to 4, in a Northwestern Hokey league classic. The coliseum was jammed with 4200 wild-eyed spectators.

### Subsidy for Valley Flax Growers Seen; Tariff Fund Source

Laws Takes up Matter with McNary, Favorable Word Comes Back; AAA to Assemble Facts, Present to Wallace for Final Decision

A chance that Oregon growers may receive a direct subsidy of \$10 a ton on all flax grown in the valley is seen in a telegram received yesterday by L. L. Laws, in charge of the state flax industry, from Senator Charles H. McNary.

Mr. Laws, after conference with a number of growers, had proposed to the senator that AAA provide a subsidy to this amount, using customs monies received on imported flax fibre.

McNary wired that he conferred at length with AAA officials. "I found the administrator and his advisers very much interested and they have promised to assemble a facts docket and present the matter to the secretary of agriculture for final action," McNary's telegram read.

The senator said he would confer with the administration again within the next few days and declared he was hopeful that a favorable decision would be reached.

Laws said yesterday he understood flax is a basic commodity under the amended AAA act. He said the subsidy, if granted would be important as it affected the 1936 crop sought by the state as well as the erection of processing plants under WPA direction.

### Drive on Speeding Started by Police

Will Be Continuous Says Minto; 15 Arrests on First Day

A traffic drive that will grow into a daily custom rather than be just another sporadic attempt was initiated here yesterday, Chief of Police Frank A. Minto declared last night. The first day's result was 15 arrests, nine of them for speeding.

Driving at the rate of 35 miles per hour or faster hereafter will subject all motorists to arrest and a trip to municipal court and slower speeds will do likewise if they are unsafe considering driving conditions, the chief stated.

"I'm going to keep this up from now on," Minto asserted. "I don't want to see any more accidents like that one Tuesday morning."

The chief referred to the death of Mrs. Arthur Andressen, a pedestrian struck by an automobile. Five Dollar Fines Meted Uniformly  
Five dollar fines were being meted out uniformly to all speeders by Municipal Judge Jones yesterday. Drivers who couldn't pay were in some cases subjected to suspension of their operator's licenses.

Charges made by police and penalties where imposed yesterday were as follows: Speeding—Stearns D. Eason, 930 South Summer street, \$5 fine; Harry B. Couchman, 720 North (Turn to Page 6, Col. 8)

### Fishermen's Union Joins in Program

ASTORIA, Ore., Dec. 12.—(AP)—The Pacific Coast Fisheries union, comprising 1,421 troll fishermen, voted in session here to join the Columbia River Fishermen's Protective association in efforts to halt asserted pollution of the Willamette and Columbia rivers.

Dismissal of the Oregon fish commission and its replacement with a board of practical fishermen was recommended.

A letter announcing such attitude was forwarded to Governor Charles Martin.

The resolution alleged the fish commission had concentrated itself chiefly with the enforcement of the code concerning petty violators and had neglected to enforce statutes regarding stream pollution.

### Find Body in Car

PORTLAND, Ore., Dec. 12.—(AP)—Motorists found the body of William Lynds, 24, in his car near Skyline boulevard early today. Deputy Sheriff Schirmer and Talley said a hose had been attached to the exhaust to carry fumes into the machine. Lynds lived in Portland.

### Mrs. James Tanner Winner In Pudding Recipe Contest

By JESSIE STEELE  
Winners of the Christmas pudding contest are as follows: First prize of \$1, Mrs. James Tanner, 975 N. 10th; two 50 cent prizes to Eva Nelson, route 7, box 14, and to Mrs. Paul E. Robinson of Independence. All awards may be obtained by calling at The Statesman office.

The winter social season is at its height and teas and receptions are being scheduled every week. Dainty tea cakes are indispensable for the discriminating hostess. Recipes for such cakes make up the topic for next week. The only rules are that the cakes should be unusual, small and attractive. The contest closes Thursday noon, December 19.

Following are this week's winners:  
Individual Puddings  
1/2 cup raisins  
1/2 cup dried figs  
1/2 cup beef suet, chopped fine

### Low Interest And Premium Are Obtained

Bids Are in Contrast to Offer Early in '34; Two Blocks Sold

Purchasers Agreeable to Selling Some Back if Program Curtailed

Salem's school directors last night strode easily over the \$675,000 bond sale hurdle of their building program when they secured and accepted bids ranging from 1 1/2 to 2 per cent interest lower than ever before obtained for school bonds here. The \$650,000 issue was sold to Blyth and Company and four affiliates at 3 1/4 to 3 3/4 per cent on a \$100.07 basis for the \$25,000 issue to Ladd and Bush bank at 3 per cent at par.

Both top bids contrasted sharply with those received on the last previous issue sold, the \$15,000 block of bonds which went at 5 per cent interest on a \$100.85 basis for the grade school additions March 30, 1934.

Blyth and Company, also the purchaser of the \$15,000 issue last year, bid the seven-cent premium per \$100 of the new bonds at 3 1/4 per cent on the \$300,000 worth maturing between 1938 and 1943 and 3 3/4 per cent on the \$250,000 remainder payable serially between 1944 and 1950.

The \$25,000 issue bought by Ladd and Bush, remainder of an old issue never used, will mature at the rate of \$2500 per year between 1936 and 1946.

Turn Up Tax Levy With Assessor  
W. C. Winslow, attorney for the board, was directed to take up with Roscoe "Tad" Shelton, county assessor, the matter of adding to the coming year's tax levy to provide funds with which to meet interest payments on the new bonds. He expressed an opinion that advertising of this budget addition would not be necessary because it is an item not covered by the state budget law requiring budget hearings and its amount not being altered by the taxpayers or the board.

Next year's service on the new debt will total \$26,000. Of this amount \$22,750 will be for interest on the \$650,000 issue and \$3,250 principal and \$750 interest on the small issue. The big issue will begin maturing at the rate of \$50,000 per year in 1938 and be wiped out with the 1950 payment.

A "gentleman's agreement" that for a few minutes brought protests from competing bond buyers finally was reached. The big issue will be sold by Blyth and Company, representatives providing that in the event it is found the grade school can not be built the bond house will sell \$106,000 worth of the bonds back to the district, retiring that of the issue and saving interest charges.

Plans to Be Ready Before Tonight  
Earlier in the day, it was reported at the special meeting, Directors Minier, Neer and Cupper and Superintendent Goss agreed to a flying trip to Portland to find out why the high school architects, Knighton and Howell, feared they could not complete the revised plans by Saturday, PWA deadline. Minier last night said the architects had agreed to have the plans ready late today so that contracts could be drawn and signed by the board, the Hoffman Construction company, successful bidder, and delivered to the state PWA offices Saturday morning.

The high bidding group on the \$650,000 bond issue last night included Blyth and Company, Camp and Company, Atkinson, Jones and Company; Hemphill, Fenton and Campbell; Conrad, Bruce and Company. Other bidders: Blankenship, Gould and Keeler (Turn to Page 2, Col. 3)

### Matches Ignite Comb, Clothing of Hoopster Blazes; Puddle Helps

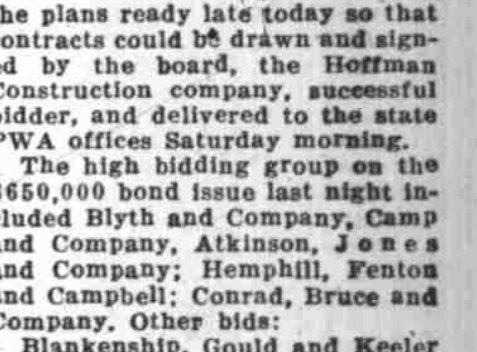
NESPELEM, Wash., Dec. 12.—(AP)—Bill Winegarden, 15, fell in a basketball game. Matches in his pocket ignited; his celluloid comb flared; his clothes flamed.

Excited, he raced out doors. Boys threw him in a puddle. He was recovering today from severe burns.

### Mill City Man Dies of Injuries Due to Fall

MILL CITY, Ore., Dec. 12.—(AP)—A fall from a truck on the Hammond mill property resulted fatally today for Sam Thatcher, Mill City resident.

### BUY CHRISTMAS SEALS



1/2 cup light molasses  
1/2 cup white sugar  
1/2 cup sweet milk  
1/2 cup flour  
1/2 cup soda  
1/2 cup cinnamon  
1/2 cup cloves  
1/2 cup nutmeg  
1/2 cup salt

Wash the dried fruits, cover with cold water and bring to a boil. Cook five minutes, drain, cool and cut up, not too fine. Mix the molasses, sugar and milk. Sift the dry ingredients and add the chopped suet and fruits, mixing sufficiently to separate the pieces. Add to the moist ingredients and mix well. Oil individual molds or cast-iron cups thoroughly, sprinkle thickly with sugar and fill 3/4 full with the pudding mixture. Put into a steamer and steam for 1 to 2 hours, depending upon the size of the molds. These puddings may be made 2 or 3 weeks in advance of serving. Re-steam about (Turn to Page 6, Col. 7)

10 Shopping Days 'til Christmas