

The Weather
Rain today and Monday, normal temperature; Max. Temp. Saturday 40, Min. 39, river 16.8 feet, rain 1.34 inches, southerly winds.

Inquiries
The basketball scores, the temperature, height of the river, who was secretary of state in 1910 — everybody calls up The Statesman.

EIGHTY-FIFTH YEAR

Oregon Facing Own Troubles Over Farm Aid

State AAA Likely to Be Found Void; Test in Courts Awaited

Wharton Has Executive Secretary Job Here Staked Out, Word

By SHELDON F. SACKETT
Investigation of the federal AAA act by the United States supreme court brought new uncertainties to the Oregon department of agriculture in its attempt to put into effect the state AAA act enacted by the special session of the 1935 legislature.

The state department, reading the federal decision, finds that national regulation of production and of prices is not a power granted to the congress. Yet the Oregon supreme court in Van Winkle vs. Meyer had previously ruled that the state legislature was without power to legislate on agricultural production or prices and had declared the police power of the state did not confer such regulatory rights on the state because agriculture is "not affected with a public interest."

With the burden of these state and national decisions against the new regulation act the department was this past week hesitant to take any steps to put the new law into effect. S. T. White, director, was clearly of the opinion that the new act would be blocked by an adverse court decision here and that the only chance the law would be upheld was to get a test case into federal court. He thought there was a chance the federal courts would validate the Oregon act.

Effects of Former Control Studied

One mandatory duty for the department, laid down in the new law, is the making of a survey of the effects of the old state adjustment program prices and a study of production costs of Oregon agricultural products for the 1909-1914 period compared to the selling prices then prevailing. This data was expected to guide the department of agriculture, if and when new state codes were set up—such as codes on prunes, on melons and tomatoes and on berries. The department has found it impossible to gather this data with any degree of accuracy. Of 20,000 questionnaires sent out to producers, very few have been filled out and returned to the state department. Under the mandate of the new state act, the department will do its best to compile the mandatory agricultural statistics. Fearful of adverse state and federal court decisions, it will not take any initiative in setting up new marketing agreements for Oregon.

The state is putting in its best legs to win the rate reduction case against the Pacific Telephone & Telegraph company now being heard before Judges Lusk, Tucker and Brand in circuit court in Portland. Alfred E. Dobbs, retained by the utilities commission last February, has mastered the facts in the case; Ralph Moody of the attorney general's office will assist him in presenting the law in court this week.

Blanket Reduction Draws Objection

The case grows out of a blanket 10 per cent reduction in rates ordered by former Commissioner Charles M. Thomas. The state takes the position that Thomas made his order on a thorough-going investigation; that the court has no right to go behind the facts set forth in his findings. The telephone company wants the entire case reopened and the circuit judges constituted a new fact-finding body. The (Turn to Page 2, Col. 1)

Averill Fined as Fight Aftermath

A fight among four male customers at the Tokio Sukiyaki house, 222 1/2 North Commercial street, early yesterday morning resulted in Parn E. Averill, Salem, being killed by city police and subsequently fined \$50 by Municipal Judge A. Warren Jones for having been drunk and disorderly. Unable to pay the fine, Averill was returned to jail.

Police declared Averill, who was in circuit court recently on an assault and battery charge growing out of an altercation at Eckler's on the highway north, started the melee here last night. A companion who joined him in the fistfight escaped, they said. Fifteen dollars paid posted by a man booked as E. B. Hannum, charged with being drunk and disorderly, was forfeited when he failed to appear in municipal court at 10 a. m. The arresting officer in his written report gave the man's address as 740 Ferry street. The man was arrested after other tenants of the apartment house at that address had complained that he was ripping off the screens in an attempt to gain entry to his own apartment.

Declares He'll Oppose McNary



WILLIS E. MAHONEY

Mahoney to Seek Senatorial Honor

Klamath Mayor Announces Townsend Advocacy at Jackson Day Meet

PORTLAND, Ore., Jan. 11.—(P)—Cheers greeted an announcement tonight by Mayor Willis Mahoney of Klamath Falls that he will seek the democratic nomination for the United States senatorial post now held by Charles L. McNary, veteran republican floor leader.

Mahoney's announcement came during a Jackson day banquet attended by leading democrats from all over Oregon.

In concluding an address, Mahoney declared: "After what has happened here tonight I will accept the call. I'll file as a Jackson democrat and beat McNary." His declaration brought an ovation from the delegates.

Mill Campaign on Townsend Platform

Mahoney said he would make the race on a platform calling for enacting of the Townsend plan, development of Oregon and reelection of President Roosevelt.

Earlier in the day at a meeting of 50 prominent democrats, Mahoney said he would "consider being a candidate. At the meeting prior to the dinner he referred to the Townsend plan as a new 'declaration of independence' and said no man who refused to advocate it can be elected to either branch of congress.

The Townsend plan is in line with what President Roosevelt is trying to accomplish. In my humble opinion, when congress passes the Townsend plan, Mr. Roosevelt will enthusiastically approve the bill," Mahoney declared.

"McNary has made his last stand and run back to Washington," the Klamath Falls mayor said in his dinner address.

Sales Tax Backed By County Courts

PORTLAND, Ore., Jan. 11.—(P)—Oregon's county judges and commissioners, in annual session here, went on record today favoring the passage of the sales tax bill up for vote January 31.

Fund Provided For Final Gap, North Santiam

\$100,000 in Forest Road Money is Allocated at Board Meeting

Inventory of All State Highways is Ordered; Awards are Made

PORTLAND, Ore., Jan. 11.—(P)—The Oregon state highway commission, concluding a three-day session here, announced plans today for a \$350,000 "inventory" of state and county highways and recommended federal forest highway projects calling for an expenditure of approximately \$1,100,000.

The "inventory," to be taken in connection with a nationwide program of road planning, will include an analysis of traffic, need for improvements and recommendations of "an equal tax on the various types of motor vehicles in proportion to road use."

The survey will include 53,000 miles of road. Of the total cost \$200,000 will be borne by the federal road fund, \$100,000 by the works progress administration and \$50,000 by the state.

State Engineer Baldock said no estimate is available of the number of men necessary for the mapping, surveying, traffic counts and tax analysis. "The project is scheduled to begin next month, Federal Bureau of Roads to Supervise."

Hot or Cold Dish Eligible In Round Table Entry; More Ginger Ideas

Recipes using dried beef are wanted at the Round Table this week. They may be for any type of dish, hot or cold, just so chipped beef is the principal ingredient.

Legibility and clarity of directions count toward winning a prize. When 50 or more contributions are received each week, those which are typewritten or neatly written by hand naturally receive first consideration. Three cash prizes are given each week. The contest ends Thursday, January 16, at noon.

Child Fractures His Leg While Playing on Farm

Five year old Clayton Wenger of Pratum was received at Salem Deaconess hospital here yesterday morning for care of a simple leg fracture he received in a fall while playing in a farm building. His condition was reported to be satisfactory. The lad is the son of Mr. and Mrs. Oscar Wenger of Pratum. The injury was to the left leg between the ankle and knee.

Two School Projects to be Finished Before Fall Term

Fifteen months' time at the most should see the Salem school board's new construction program completed, according to the best estimates available of the time each of the three projects will require. Two of the projects, the grade building at Mission and University streets and the additions to Leslie junior high school will be ready for occupancy before school opens next September if unforeseen building delays do not arise.

River Nearing Flood Stage

BABY BONDS FOR VETERANS NEW PLAN

New Program Is Drafted by Farm Leaders

Subsidized Conservation of Soil is Basis of Plan Agreed Upon

Details of Financing Not Covered; Rental and Withdrawal Asked

(Copyright, 1935, by Associated Press)
WASHINGTON, Jan. 11.—(P)—A seven-point program centered upon government-subsidizing soil conservation was approved unanimously tonight by farm leaders called to counsel with the administration on a substitute for AAA.

Authoritative sources said a bill secretly drafted two days ago in new deal quarters would be quickly revised to embody the legislative recommendations of the 100 spokesmen for the nation's major farm organizations.

Willamette River Funds Are Sought

Dredging and Revetments In This District Are Favored by Chief

WASHINGTON, Jan. 11.—(P)—New appropriations totalling \$5,563,900 for maintenance and new work in the first and second Portland engineering districts for the fiscal year of 1937 were recommended today in the annual report of the chief of army engineers.

Japan Seeking to Prolong Parleys

TOKYO, Jan. 12.—(Sunday)—(P)—Japan decided today to try conciliation before walking out of the London conference and dooming continuation of naval limitation.

Over 300 Dead in Colombia's Quake

BOGOTA, Colombia, Jan. 11.—(P)—Officials estimated upon the basis of fragmentary reports tonight that more than 300 persons are dead and nearly 3,000 homeless in earthquakes and landslides which have shaken Narino department since Wednesday.

Wife of President of Pacific U. Injured in Odd Accident; Gassed

PORTLAND, Ore., Jan. 11.—(P)—Hospital attendants said today Mrs. John F. Dobbs, wife of the president of Pacific university at Forest Grove, was recovering satisfactorily from an accident which nearly cost her life yesterday.

River Nearing Flood Stage

BABY BONDS FOR VETERANS NEW PLAN



The three senators shown in this picture, made during a conference on the veterans' bonus bill several days ago, are now reported to be sponsors of the new substitute senate bill which would call for payment in "baby bonds." The senators, in the lower row, are from left, Bennett Champ Clark of Missouri, James F. Byrnes of South Carolina and Frederick Steiwer of Oregon. The upper row includes from left, Ray Murphy, American Legion head; James E. Van Zandt, Veterans of Foreign Wars chief, and M. A. Harlan, commander of the Disabled American Veterans.

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Requesting an appropriation of \$2,425,000, the largest single item listed for the two districts, the chief of engineers outlined the program for Bonneville dam.

Ex-Mayor Hylan Of Gotham Dies

NEW YORK, Jan. 12.—(Sunday)—(P)—Former Mayor John F. Hylan died of heart trouble at his home in Forest Hills early today.

Board of Pardons Refuses Clemency, Hauptmann Case

(Copyright, 1936, by Associated Press)
STATEHOUSE, TRENTON, N. J., Jan. 11.—(P)—The state court of pardons decided tonight that Bruno Richard Hauptmann must die for the Lindbergh baby murder.

Baby Bonds to Pay Bonus Are Now Proposed

WASHINGTON, Jan. 11.—(P)—Baby bonds for veterans, with premiums for those who do not cash them immediately, were reported tonight to lie at the heart of a bonus measure which had been drawn up secretly in the senate for introduction Monday. The cash payment bill overwhelmingly passed by the house yesterday did not specify a method of payment.

Authoritative word was, however, that it would be put forward as a compromise for the house bill and would bear the names of Chairman Harrison (D-Miss) of the finance committee, and Senators Byrnes (D-Sc) Steiwer (R-Ore) and Clark (D-Mo).

Child's Death Not Due to Cathartic

SILVERTON, Jan. 11.—Dr. Bernard Fontus, professor of the republics and of pharmacology at the University of Chicago, together with Dr. M. L. Bridgeman of the University of Oregon, has been in consultation with local doctors at Silverton this week on the alleged cathartic poisoning case which proved fatal to Bruce Baldwin, two-year-old son of Mr. and Mrs. Ralph Baldwin, a few weeks ago.

Maerz Injured in Auto-Cycle Crash

A spectacular automobile-motorcycle collision at Cottage and Center streets sent Enoch Maerz, 21, of 1191 Third street, West Salem, to Salem Deaconess hospital shortly after 6 o'clock last night for treatment of a severe fracture of the left leg. Hospital attendants reported there was hope that amputation could be avoided although Maerz suffered a compound fracture of both bones, between the ankle and the knee. Maerz was a prominent athlete at Salem high school several years ago.

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Dr. Fontus, before leaving here Saturday afternoon, stated that on further investigation it was found that death was due to a form of pernicious vomiting which occurs in susceptible children. In view of the facts, Dr. Fontus explained, that the child took the overdose after he had begun to be ill and the symptoms under which he died were entirely different from those resulting from an overdose of phenolphthalein, the deduction was that the medicine did not cause the child's death.

Stream in Polk Not Threatening

In Polk county the smaller streams were not threatening to reach serious heights, state police reported. The Luckiamette river had dropped two feet yesterday afternoon at the junction of its branches. The level of Rieklund creek was still more than (Turn to Page 2, Col. 5)

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Santiam Drops After Highway Is Threatened

Breaks Out of Banks in Jefferson Area and Floods Lowlands

Riverman Here Narrowly Escapes After Raft of Logs Loosed

The Willamette river last night continued its second sharp rise within a week to reach 16.8 feet at midnight and give promise of higher water today. The United States weather-bureau predicted it would go higher today and probably Monday and "approach" the 20-foot stage.

A sudden 1.5-foot drop in the Santiam river at Jefferson between 5 and 8 p. m. yesterday lessened the likelihood of the Willamette's reaching a height that would endanger great areas of lowlands. The Santiam was reported standing still at 12.5 feet at 8 o'clock, state police reported. Unlikely to Flood Highway, Verdict

The Santiam appeared unlikely to flood the highway along the flats south of Jefferson, the troopers said after the 8 p. m. survey of road conditions. The stream, however, had broken out of its banks on the west side and was reported rushing through the bottom country and to a level about six feet above the highway grade.

First river water to cover the Pacific highway was reported to state police by bus drivers, who said the Willamette was sending a few inches of water across the highway at two spots about five miles south of Junction City.

A riverman believed to be John D. McCulley, narrowly escaped with his power launch shortly before 6 o'clock yesterday afternoon when a raft of logs he was towing downstream whirled around and caught on one of the central piers of the Salem-West Salem bridge. He believed the logs were destined for the Oregon Pulp & Paper company plant, by whom McCulley is employed. The launchman after dropping his tow was able to salvage a large proportion of it later.

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