Holman Stresses Saving in Office

Predicts Further Economy on Cars and in Light and Heat Plant

A salary of 10 per cent of the savings he has been able to make for Oregon as state treasurer and member of the state board of control would be fully satisfactory to Rufus C. Holman, the latter told the Salem Kiwanis club Tuesday noon at its luncheon here.

Vast opportunities exist in Oregon government for constructive economy—for reduction of costs rather than increase of taxes, Holman averred. He said he was satisfied the state could save money on its state owned nad operated cars, on its purchase of light and heat and on its telephone service.

The treasurer said citizens of the state who attacked this program were content to let overhead costs of their own government pile up rather than take the chance of making a few enemies.

Praises Colleagues He praised his associates on the board of control-Governor Martin and Secretary of State Snellsaying he had found each of them fine colleagues with whom to

Justice Bailey of the supreme court introduced Mr. Holman.

An innovation at the club meeting was a six-minute forum in which Ralph Moody, deputy attorney-general upheld the proposed sales tax bill, and Allan Carson, attorney, spoke in opposition to it. Moody said it was the only sound way to finance old-age pensions; Carson attacked the bill as a poorly drawn piece of legislation and subject to many legal er-

Telephone Group Retains Officers

STAYTON, Jan. 28 .- The annual meeting of the Stayton Cooperative Switchboard association was held at the Foresters' hall, Stayton, Monday afternoon, with representatives from the various lines comprising the association

One of the principal matters of business was revision of the articles of association and bylaws of the organization, a matter which had been under advisement of a committee appointed in 1934. No vital changes were made in the articles or by-laws other than to modernize them. They were originally adopted in 1915, and few changes were made since

Officers were all re-elected for another term. Geo. A. Sandner is president; F. A. Zimmerman, vice-president; Grant Murphy, secretary - treasurer; Edward J. Bell, secretary, and directors, E.

The report of the secretarytreasurer shows the association had a successful year in 1935, with approximately 407 phones now operating through the switchboard, an increase of 10

Tate President, **Stayton Cannery**

STAYTON, Jan. 28-The board of directors of the Stayton Cooperative cannery met Monday night and elected the following officers: President, George Tate; vice-president, George A. Smith; secretary - treasurer. Genevieve Smith. George A. Smith, who has filled the position of manager of the cannery for several years, was re-elected to that capacity.

The year 1935 was a banner year for the organization with 176,000 cases packed. This represented five million pounds of fruit and vegetables. The organization purchased \$111,000 worth of fruit, \$18,000 sugar and \$85,-It paid out for labor \$36,000.

At the peak of the season 275 persons were employed."

Governor Pleased With Budget Law

Governor Charles H. Martin declared yesterday he was well satisfiel with the state budget law, the provisions of which he expects to put into effect in all departments in February. "We must watch the pennies if we are to keep down the costs of government," the governor declared.

Under the budget law passed in 1935, each department head must file in advance each month a budget of his expected operation expenses for the coming month, Until this budget has been approved, no expenditures can be made. Any deductions made by the governor must be taken from the budget.

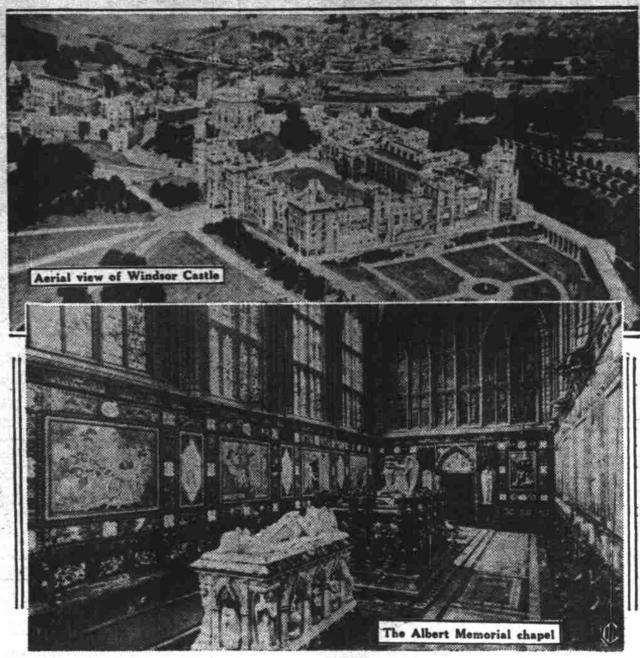
Huge Dividend Payment Shown by Utility Firm As No Approval Asked

The Hermiston Light and Power company filed with the state utilities commission here Tuesday sue a \$55,000 eight per cent 10 year note to the American States Public Service company and a \$20,000 note of the same character, to the American States Electric company, both of Baltimore,

The application indicated that these notes would replace other notes previously issued.

financial statement filed with the utility commission showed

Historic Windsor Scene of Royal Burial



Historic Windsor Castle, 20 miles west of London, final resting place of King George V, also has in the burial vaults below the adjoining chapels of St.

George and Albert the bodies of King Edward and Queen Alexandra, parents of the late monarch; William IV, George III and George IV.

In the Valley Social Realm **Phone President**

Jefferson .- The home of Mr. and Mrs. D. T. Henion west of were hosts at a wedding dinner Jefferson was the scene of a wedding ceremony Sunday at 4 p. m. when their daughter, Hazel Hen- were recently married here. Covion, became the bride of Roy ers were laid for: Henderson, son of Mr. and Mrs. Mr. and Mrs. Howard Gray, Mr. and John Henderson, of Jefferson, and Robert, Mr. and Mrs. L. W. Magee and children Jean and Robert, Mr. and Mrs. L. W. Magee and daughters Hazel and Margaret, Mr. The ring ceremony was performed by Rev. Herbert Armstrong of

Preceding the ceremony Mrs.

Herbert Armstrong and daughter, Beverly, sang, "I Love You Truly." The bride was attired in a blue crepe dress, and her attendants were her three sisters, Wr. and Mrs. Alexander Mrs. Jennie George, Mrs. Sarah Magee, Mr. and Mrs. Alexander Hutchina and children Peggy, Lois and Glen, Mrs. Jennie George, Mrs. Sarah Magee, Mrs. Jennie George, Mrs. Sarah Magee, Mrs. Alexander Hutchina and children Peggy, Lois and Glen, Mrs. Jennie George, Mrs. Sarah Magee, Mrs. Alexander Hutchina and children Peggy, Lois and Mrs. And Mrs. Alexander Mrs. And Mrs. Alexander Mrs. And Mrs. Alexander Mrs. And Mrs. George Etzel and children Evelyn, Doris and Clotus, Mr. and Mrs. Gray and children Peggy, Lois and Glen, Mrs. Alexander Mrs. And Mrs. Alexander Mrs. And M Vera, Esther and Gladys Henion, and Miss Evelyn Jellison. Roy
Tilley acted as best man for the
groom.

Following the ceremony a wedding supper was served. For the present the young people will make their home at Camp Santiam cabins.

Guests present for the ceremony were Rev. and Mrs. Herbert Armstrong and daughters Beverly and Dorothy of Eugene; Mr. and Mrs. John Henderson, Elmer and Carl Henderson, Mrs. Dudley Score. Others present were Mrs. Lavonne Henion.

Jefferson .- A family gathering was held Sunday at the country home of Mr. and Mrs. G. A. Robison two miles north of Jefferson, in honor of their parents, Mr. and Mrs. R. O. Robison's 30th wedding anniversary. Covers were placed for the honor guests, Mr. and Mrs. R. O. Robison, and sons, Wilfred, Rolla and Keith; Mrs. Viletta Robison, mother of R. O. Robison, all of Salem; Mr. and Mrs. A. D. Belknap, Mr. and Mrs. A. D. Robison and sor, Richard, and Mr. and Mrs. T. O. Kes-

Miss Frances Virginie Melton announces another of her First-Sunday-in-the-month musical teas to be given next Sunday, Feb-William Wright, tenor, will sing. | 8504.

Zena-Mr. and Mrs. J. H. Gray Sunday, January 26, complimenting their son and daughter-in-law. Mr. and Mrs. Howard Gray who

and daughters Hazel and Margaret, Mr. and Mrs. M. Magee, Mr. and Mrs. G. George, Mr. and Mrs. A. Owens and daughter Geraldine, Mr. and Mrs. Elise Nicholson and son James, Mr. and Mrs. dren Barbara, Maurice, Jerry, Harold

A. Gray, George, Evelyn and Cletus Et-

Waconda-Mr. and Mrs. Henry Stafford entertained at "500" Sunday night. High score was score. Others present were Mrs. Hampton and daughter Laverne; Mr. and Mrs. Phillip VanValkenburgh and daughter Phyllis Jean; Mrs. Guy Benight and son Ray and daughters Alice and Una; Miss Florence Curtis, Deroy McGill, Gertie Cox, Bell Branch, Charlie and Lavenne Hangen. Allyn Nusom, Velle Felton, Duane Felton, Gordon Tuve and the hosts, Mr. and Mrs. Henry Staf-

> Dayton-Mrs. George Ravn (Claire Wagner), a recent bride was very delightfully surprised with a miscellaneous shower Saturday afternoon when Mrs. Charles Carr and Mrs. Charles E. Smith entertained 25 friends at the home of Mr. and Mrs. J. L.

Miss Marie Saccamonna and Mrs. Russel Coburn each gave vocal solos, Mrs. F. E. Fisher, a reading; a piano solo by Miss Lucille Fisher were the program numbers.

The Artisan Woman's club will hold a benefit card party Thursday night at 8 o'clock in the ruary 2nd, in her studio at 324 Fraternal temple. Reservations N. Capitol, starting at 4 o'clock. may be made by calling 6877 or

Laura Wheeler Pattern



with all his lovely plumage dis- ful it is, the prettier! that in 1933 the light and power played! This proud pair, how-company paid a dividend of 450 ever, seem to welcome the admir-with a transfer pattern of a picstock of ation they merit, and will hold ture 15x20 inches; a color chart | 81, at the home of her daughter, \$10,000. In 1934 the dividend this unique pose as long as your and key; material requirements; Mrs. Sandy Anderson, at Toledo.

Pattern 1014; either silk, wool or cotton floss, How rarely one sees a peacock but remember—the more color-

Claxton Is Again

First Break in Women's Club Saddens Meet Held in Salem

AUMSVILLE, Jan. 28-A telephone stockholders' meeting was held at the school house Friday night. A resolution calling for new by-laws for the share holders was passed.

An election resulted in the reelection of Robert Claxton, president; George Claxton, vice-president; directors, William Forgey. who takes the place of Ed Amort whose removal to Salem created a vacancy; F. A. Garbe, A. Wolf, Roy Porter, Charles Colvin, George Claxton and Robert Clax ton. A secretary and treasured will be elected.

The Likem club met Sunday at the home of Mrs. Paul Johns of Salem, honoring her birthday. The event was somewhat saddened by the fact that this was the first meeting since their circle had been broken by the recent death of Mrs. Etta Burns in Salem. All were women who grew to womanhood in Aumsville and who had been together on their birthdays over a long period of years. A birthday dinner was held with Mr. and Mrs. Paul Johns as hosts. Guests were: Mrs. Roy Fuson, Aumsville; Mrs. Katie Sturgis, Brooks; Curtis Tucker, a brother

of Mrs. Paul Johns, Salem. After the dinner, the club visited the grave of their departed member, Mrs. Etta Burns, and placed flowers upon her grave in loving memory of girlhood days. Mr. and Mrs. Griebenow of Saem, missionaries on furlough from Tibet, appeared before the Aumsville high school Monday afternoon in the costume of Thibetans, and gave an interesting description of their work.

Scouters Gather At Albany Friday

Thirty five men from Salem and vicinity are planning to attend the joint Cascade and Wallamet Boy scout area meeting at Albany Friday night to hear of the new senior scouting program from the national director, Thomas J. Keane, of New York City, James E. Monroe, executive of Cascade area, said here yesterday. Monroe added that the meeting was open to all men interested and equested that persons expecting to attend should notify him at his office here by telephoning 6734.

The meeting will be held at 7:30 o'clock Friday night at the accompanied by Edward L. Curtis of Portland, northwest regional scout executive.

Zaks Are Visitors at Bethel; Report Death Of Child Hurt on 4th

BETHEL, Jan. 28-Mr. and Mrs. John Zak and Mr. and Mrs. Robert DeBruller, all of St. Helens, came Saturday to visit Frank Kunciter for a few days at the old Kunciter-Zak home here.

Zona Zak, young daughter of John Zak, Jr., who was injured by being pushed off the porch by a neighbor child in St. Helens last July 4, grew steadily worse. She was taken to Mayo Brothers, at Rochester, Minn., where she was operated on for tumor of the brain. She died the following day, and was brought back to St Helens for burial.

Mrs. Lou Gerth, 81, Is Called by Death; Last Rite Is Held in Salem

UNIONVALE, Jan. 28-Friends here have received word of the death Saturday of Mrs. Lou Gerth, was reduced to 250 per cent and in 1935 to 25 per cent.

Dividend payments in 1933 aggregated \$45,000. In 1934 these dividend payments were \$25,000 and in 1935 approximately \$2500.

This unique pose as long as your and key; material requirements, illustrations of all stitches need-done in time for Spring, of course, and it will be, for the actual embroidery goes very quickly, using only single, running and outline stitches. You may use Needlecraft Dept.

Mrs. Sandy Anderson, at Toleuc.

Funeral services were held Monday at Salem. Mrs. Gerth was well acquainted here when her son-intern to The Oregon Statesman Sandy Anderson, resided on the farm of the late Jane Mitchell.

Only Four in Oregon, They in Wheat Districts, **Favor Policies**

Against New Deal

Valley Cities Are

Only four cities in the state how a preference for the New Deal in the recently completed Literary Digest poll. Uniformly these cities are in eastern Oregon where AAA's price-raising has been of help to farmers. The communities giving preference to the New Deal in the test ballot are Bend, LaGrande, Pendleton and The Dalles.

Salem's vote against the New Deal's policies was almost two to one. Ballots cast in favor of the Roosevelt program totalled 265; ballots against the program were 487. Eugene showed an even larger opposition to the New Deal. Favorable votes numbered 235; unfavorable ballots totaled 522. The vote by cities was:

Astoria Baker Klamath Falls Portland ...

Wayne's Market Will Open Today

Wayne's meat market, operated by Wayne Dignan, opens today in the location formerly occupied by the Valley meat mar- having been associated with the sistant in the market.

Radiophoto of New Monarch



This radiophoto of King Edward VIII was taken as he rode to the airport near Sandringham to fly to London to assume his duties as ruler of the British empire.

nan bought out Clay H. McDow- loff's market and Salem Meat ell who had operated the Valley company during that time. He meat market for the past seven has also had experience on the

Dignan has been a Salem resi- ness. dent for the past three years, George Coover is Dignan's as-

ket, 178 South Commercial. Dig- Valley Packing company, Steuswholesale side of the meat busi-

First Aid Class Entry to Close

Registration for the first aid class under the adult education program will close tonight at Salem high school, according to George Birrell, WPA adult edu-cation supervisor. Registration may be made either on the second floor or in the class room at the high school.

Esther Arnold, trained instructor, will have charge of the class. Persons taking the course may study and qualify for either the regular or the advanced Red Cross first aid certificates. No tuition is charged.

Many Attend Funeral Of Mrs. Nellie Hiatt On Monday at Lyons

LYONS, Jan. 28 .- One of the largest attended funerals ever held at Lyons was for Mrs. Nellie Hiatt, January 27. The church was filled with relatives and friends and many were unable to get inside the building.

The numerous and floral pieces expressed sympathy and thoughts of a large circle of relatives, friends and neighbors of the deceased.



Governor Charles H. Martin Supports Sales Tax For Old-Age Assistance

Every Voter Should Read His Statement --- He Does Not Dodge the Issue

In recent years one of the general subjects most prominently before Congress and the Legislatures of the several states has been that of public welfare and social security. Consideration of this subject has been prompted by the conviction, growing stronger each year, that neither the nation nor the state can ignore its responsibility to the aged and the destitute.

A generation or more will be required to clear the economic and social wreckage of this depression. Many workers in their prime six years ago now have reached physical and mental conditions largely precluding re-employment for the remainer of their lives. As unavoidable results of the depression, reversals of fortune, losses of property and dissipations of savings have come to millions of middle age, leaving them no opportunity whatever to regain a competence for their remaining years. Let Well Enough Alone With Income Taxes These aging men and women must continue below the border line of self-support.

Measures and means for the amelioration of these conditions are engaging the most serious attention of the legislative and executive branches of our national and state governments. Irresistably the conclusion has come that human welfare and social security are vital problems of the nation and the state which no longer can be left largely in the care of lesser political

Old-Age Assistance Necessary and

A crowning achievement of welfare legislation is the Social Security Act of 1935, and particularly so as it relates to assistance for the needy aged. Regardless of whether we be for or against the so-called New Deal, or whether the advisability of other features may be subject to question. we cannot sensibly deny the necessity nor doubt the permanence of that part of the Social Security Act which makes provision for assistance to the aged in want,

Oregon Law Now Idle Machinery

By acts of the 1935 regular and special sessions of the Legislature, Oregon now has an Old-Age Assistance Law which conforms in all respects with the requirements of the Federal Social Security Act. But this law is not self-operative; it must remain idle machinery until put in motion with funds which Oregon itself must provide to match the proffered funds of the United States. State money in half is required for payments up to \$30.00 a month to the needy aged. The Legislature was confronted with the

necessity of providing a revenue measure to put the Old-Age Assistance Law in operation. The final result of its deliberations on this difficult problem is the so-called sales tax act, referred to the people for approval or rejection at the special election of January 31, 1936.

Effects of Approval or Rejection of

If the sales tax proposition shall be approved, it immediately will begin providing funds for old-age assistance. Equal matching funds then may be obtained from the United States for the same purpose. This means that qualified persons, 65 years of age and over, may receive as much as \$30.00 a month, \$15.00 of which will be contributed by the United States and \$15.00 by the state of Oregon, in place of the county old-age pensions, now paid in beggarly amounts to those only in the direst need, 70 years of age and over. The reduction in the age limit alone will increase by 75 per cent the total number of eligible ersons in Oregon.

osition shall be rejected, the Oregon Old- and wide that the economic status of buyers Salem, Oregon, January 25, 1936

Paid Advertisement.

operative, unless and until some other revenue measure shall be devised, enacted into law and begin supplying state funds to match the waiting Federal funds.

Property Taxes at Breaking Point

I have vigorously opposed increases in existing taxes and, also, the imposition of new taxes on the people and industries of Oregon. Property taxes are at or beyond the breaking point and running against the inflexible law of the diminishing return. In general, Oregon's accumulated \$47,000,-000 of delinquent property taxes not only impair the solvency and efficiency of many local governmental units, but also have brought loss and ruin to thousands of owners and hang as a heavy cloud over the processes of industrial and economic recov-

I am a firm supporter of our state income tax laws-personal, intangibles and corporation excise. But it is time to let well enough alone. Our income tax laws are in more danger from their unreasoning friends than from their most violent enemies. No surer method could be found of destroying these laws or impairing their productive capacity than by reducing the exemptions and so bring in an enlarged opposition, or by increasing the rates so high as to drive those with large incomes from the state. Inordinate property taxation has killed many a goose laying golden eggs and similar results can be secured by excessive and unreasonable taxation of in-

Agree With Legislature on Sales Tax As is well know, I have not approved the findings of the Legislature in several

important matters. But I do agree in the findings of the last special session that Oregon's necessary contribution to adequate old-age assistance, in cooperation with the Federal government under the Social Security Act, could not properly and safely come from increased taxes on property or on incomes. Neither do I know of any other source or sources of revenue sufficient and available for that vital purpose, except the sales tax.

Support Sales Tax Because Vitally Necessary

I have no fondness for a sales tax and for any ordinary purpose would not support it. But we are confronted by a serious human condition and I cannot join with those who would sacrifice the aged in their necessities for the sake of maintaining stubbornly an economic theory. Therefore, I support this sales tax whole heartedly, not because it is a sales tax, but because it is vitally necessary to bring aid and comfort, here and now, to thousands of aged men and women who are in distress and want.

I know they say this is the worst sales tax yet proposed. Such statements are common with people given to superlatives of denunciation of all ideas not of their own conceiving. To them, each sales tax is the worst ever, notwithstanding that the particular fectures of one to which they chiefly object do not appear in the next proposition

submitted. In one breath they proclaim that this sales tax would ruin the merchant because he would have to absorb it and, also, oppress the buyer because the merchant would pass it on to him, Manifestly, it could not do both these things at one and the same time. The merchant is permitted to pass the tax to the buyer and common sense tells us he would not absorb it to his serious injury. Common sense further tells us the passing of the tax by merchants or If, on the other hand, the sales tax prop- sellers would involve a distribution so thin

Social Security a Compelling Subject ' Age Assistance Law will remain wholly in- and consumers would not be appreciably

Numerous representations that this sales tax would "soak" particular groups of producers, manufacturers, merchants or consumers are but further demonstrations of the fact that issues in taxation present some of the severest tests of our capacity for self-government, for no other field is more fertile wherein appeals may be sown to ignorance, prejudice and selfishness.

No Time to Dodge Issues or Twist Facts

I am not unmindful of the devises many public officials employ to avoid commissions on unpopular issues. But this is no time for arfful dodging of responsibility or clever twisting of plain facts, particularly when such responsibility and facts concern the vital welfare of thousands of misfortunate aged men and women of our state.

Ancient Arguments Do Not Apply

Neither am I unmindful of the sound arguments against a sales tax where employed as a principal source of public revenues. Like learned sales tax opponents of the present day, I too could repeat Adam Smith's denunciations of 150 years ago, hurled at the Spanish alcayala and other sales taxes of the Middle Ages and later centuries. Whenever "sales tax" is mentioned, the alcavala and its kind of the centuries preceding the American and French Revolutions loom before those of narrowed visions. Immediately they join the courageous attack on the same old wind-mills.

But it is a far cry from the Spanish alcavala and other sales taxes of some four hundred years ago, outrageously imposed by absolute monarchs, at rates of 5 to 10 per cent, for purposes of conquest and oppression, to the sales tax now proposed in Oregon, at rates of one-quarter of 1 to 2 per cent, with liberal exemptions chiefly beneficial to the poor, to provide funds necessary for the support and comfort of our needy aged.

Properly have the economists denounced the sales tax as the theoretical basis of alls taxation. But none such is proposed or conceived for Oregon. It is proposed only as a minor factor in a tax system and to meet a desperate emergency.

Meet Responsibility and Perform Patriotic Duty

It is high time that we turn from the advice of ingrowing narrowness; that we meet our grave responsibility with open and liberal minds. Let us all chip in our bits of assistance for the needy old people. and particularly so since each penny or dollar we contribute will bring another penny or dollar from Washington.

"The Greeks are at our gates." I appeal to all the people of our beloved state to perform their patriotic duty in the present emergency by voting for the sales tax for old-age assistance. Let us not leave the old folks in want.

The Legislature at its special session, on its own initiative, gave this question the most thoughtful consideration and could find no other means, without further impairment of our present deplorable tax situation, than by the proposed measure to raise the necessary revenue for old-age as-

I would be much distressed if the people of this state should reject the proposed tax measure and thus leave our needy old people in distress until the Legislature shall again take up the then more difficult problem of old-age assistance at its regular session a year hence.

(Signed) CHARLES H. MARTIN, Governor of Oregon.

MERCY TAX LEAGUE, A. M. Smith, Secretary, Pacific Building, Portland, Ore.