Cloudy today and Monday, probably snow, temperature unchanged; Max. Temp. Sat-urday 38, Min. 17, northerly winds, cloudy.

EIGHTY-FIFTH YEAR

Salem, Oregon, Sunday Morning, February 16, 1936

Price 3c; Newsstands 5c

## **Pension Setup** For This Year To Be Offered

Goudy Has Plan; Federal Refusal Possible on State Law Clause

Mt. Angel Well Ahead in Flax Plant Program; Cash is Need Now

By SHELDON F. SACKETT Down from Portland this week will come Elmer Goudy, state relief administrator, bringing with him a detailed plan for a proposed county-state-federal old-age pension project in Oregon for the remaining months of 1936. This plan will be submitted by Goudy to Governor Martin. If the latter approves it, back to the social security board at Washington the plan will go, for the approval or rejection of that body. Until such a concrete proposal for pensions is submitted to Washington, the status of payments in this state for 1936 cannot be determined.

Accompanying the state's request for old-age pension funds will go an attorney-general's opinion on the 1935 old-age pension law passed by the regular session of the legislature. If the attorneygeneral rules-as he is expected to do-that the enactment of the special session, Senate Bill 43, is tied up by the referendum petitions filed 10 days ago, Oregon is to proceed immediately to try for federal funds under the 1935 regular session act. Three-Way Pensions

Will Be Higher If Washington approves Goudy's request for funds, to be disbursed through the state relief organization in each of 36 counties in Oregon, average pensions gon's needy aged are a thing of ! Jackson, to Salem, pulled onto the | job. \$1,000,000 appropriation to match driving south at about 15 or 20 the county outlays while the federal government will match the aggregate contributions of the counties and the state. That rear of the Earls' car. means much higher pensions; not the maximum of \$30 a month for all pensioners, probably a 50 to 100 per cent increase in the present rate of pay. The exact amount to be paid will not be known until Mr. Goudy presents

his specific plan of pension dis-

bursement. If Washington turns down Oregon's request-and it is quite possible it will do so none of pensioners now receiving county help in Oregon can look for any advance in their checks until another legislative session has passed amendments to the existing pension law. Governor Martin is going to do his best to get federal pension moneys this year but he fears Comptroller-General McCarl will shake his head over at least one defect in the Oregon pension act-the provision that all real or personal property turned over to the state by applicants for pensions, or secured by the state after their death-remain the property of the state. The federal act makes Uncle Sam joint owner of such property with the state. The federal government has put up half the money, the reasoning goes. and is therefore entitled to onehalf the property received by the pension board. This provision was of 1935-the act now tied up ton is a stickler on this point, ing months of this year in Ore-

three privately owned flax retting the state. A favorable response and scutching plants is proving a has been received from some of tedious task. First of the plants the Willson heirs to the proposal which will probably be under way | that they join in deeding the porwill be one at Mt. Angel. During tion to the state. The matter will can even get started toward a so- the current cold blizzard wave. the week nearly \$2500 has been raised in stock for this plant in a Salem selling campaign; the objective is to secure \$6000 in preferred stock subscriptions. Mt. Angel and its territory are to secure a like amount of stock subscriptions; WPA is to put \$19,000 into each of the three plants and working capital for the 1936 crop is to be secured primarily through the federal bank for cooperatives at Spokane.

Administration is

The state administration is extremely auxious to see these plants succeed. They mark a day of departure from the decade when all flax was handled through the state penitentiary to a day when flax will be processed comcan be manufactured into goods without fear by the processor of the operation of state and federal laws which prevent convict-made goods from moving into trade.

the scutching and retting plants started at Mt. Angel, at Molalla and Eugene, this year, is local capital to furnish a small equity of the investment. The Mt. Angel group interested in the flax plants has studied scutching and retting

#### Drafts State Pension Plans



ELMER GOUDY

### Three in Hospital After Cars Crash

Injuries Not Serious, Is Report; Mishap Occurs **Five Miles North** 

Three persons were in the hospital last night as a result of an auto accident at 6:20 o'clock on the Pacific highway about five miles north of Salem at the Chemawa four corners. The two cars involved were badly damaged. state police reported.

The injured: Theodore Edward Schultz, West Fir, Oregon, suffering from cuts about the head. Auidd Preston Earls, 14, Lake

Labish, cuts and bruises. Clarke Chester Jackson, cuts and internal injuries. The accident occurred when Albert Langdon Earls, Lake Labish who was driving his wife and have its had reached the highway and wamiles per hour when the car driven by Schultz came over a rise in the road and smashed into the

> The crash was witnessed by Mrs. Charles Olson of route 7. (Turn to Page 2, Col. 1)

## Will Vacate Part Of Willson Park

Steps To Be Initiated at Council's Session on Monday, Expected

Steps will be initiated probably at the Monday night meeting of the city council to vacate the east portion of Willson park so it will be available to the state capitol reconstruction commission for use in the development of the capitol. The portion will include a half a block from the present line of the state grounds to a point about 175 feet west which is on the direct line with the center of the alley between the Patton and Kay

properties on the north. Dr. H. H. Olinger, member of the capitol commission, says that this amount is adequate for the needs of the commission; and the remainder will be left as a park eured in the amended pension act under the city control. By transferring only the east portion of with a referendum. If Washing- the park the state will escape the principal cost of maintenance. Refederal pension funds will be only | maining in the city portion of the an impossible dream the remain- park will be the Waite fountain

and the bandstand The procedure required is vacation of the portion of Willson av-Commencement of work on enue and then deeding the area to be presented to all the heirs.

# Record Entry List Seen For Ohio Battle Nears Climax **County Races**

Democrats Make Up for Oversight in 1932; Plan Full Slate

Burk Strong With Party; Some of Incumbents Hard to Dethrone

At the present rate of new can-30 thần at any time in the counofficials must run the gauntlet at the promary and general elections Four years ago the democrats failed to fill their ticket and from forethought for anyone then with

If enough volunteers do not show up to contest for each county office, the party organization some of the non-legal party groups such as the democratic soclety or the Young Democrats is going to see that a slate of democrats is put into the field. Sheriff Victim of

Unfavorable Publicity To date the most interest in county jobs centers in the position of sheriff. A. C. Burk, incumbent, has been in the newspa pers frequently, often with unfavorable publicity, Judge L. H. Mc-Mahan's repeated attacks on Burk and the latter's second indictment by the grand jury have raised the hopes of onlookers that the position of the sheriff was vulnerable of \$11 a person a month for Ore- three children, together with and that a new man could get the

> was Burk who pioneered for the party in 1932 and got into the courthouse when all republicans apart from Oscar Bower sheriff. were retained. Already three republicans are out for the job: James McGilchrist, H. F. Field 'S'g" Harris of Brooks and there will be more "Dick" Richardson who has handled the civil processes department in the sheriff's office for years will probably announce. John Orr is toying with the idea of seeking the sheriff's

Certain to Remain Unless the democrats or indi vidual candidates on the republican ticket, can persuade the elec-

# Too Many Reasons

CHICAGO, Feb. 15-(AP)-A tangle of gangland hostilities - extending back seven years to the St. Valentine's massacre of 1929-enmeshed tonight the hunt for the slayers of dapper "machine gun"

"Public enemy No. 5" on the ora near northwest side bowling al- ter, Mont., died following an ex-

lution," he added.

## Curtailment of Overhead On Relief, Wharton Plea

of administering state relief in costs," Hewlett commented last Oregon were recommended yester- night. "I think further reductions day to Governor Martin by Wal- are possible in this county. We lace S. Wharton, newly named started our new relief program

Wharton reported that the administrative payroll for SERA had cut our present administrative been trimmed 40 per cent since staff in half; the executive sec-WPA began its operations in No- retary, his secretary and three vember and the state took over the load of direct relief for indimercially and the fibre obtained gents. He said further reductions could be made as the counties assumed more and more of the work, leaving the state with the "job of supervising, auditing and disbursing all funds theretofore SERA offices."

Statement Pleases The statement of Wharton was immediately praised by LeRoy Hewlett, Marion county commissioner, who last month criticized

with care; has made estimates of the administrative cost of relief

Further reductions in the cost and in cutting down overhead with 13 workers. These have now been cut to ten. I believe we can cases workers should be enough."

The commissioner expressed gratification at word that the state was asking Washington to prepared for another frigid weekassist with old-age pensions in end. The 1 o'clock reading how-Oregon in 1936. "I hope Wash- ever was two degrees higher than ington will accept Mr. Goudy's that of Saturday morning, indiplan," he said, "Our old people cating the renewed cold spell All that is now lacking to get under the direct control of the are in bad shape. Most of them which saw the mercury drop to 17 are only getting a pittance; the above zero that morning, had small amount they now receive as pensions is shameful. These cold days are telling on the old people: I believe eight of our pensioners have died within the last

two weeks.' State's Outlay is

(Turn to Page 2, Col. 5) | sonnel for relief administration | (Turn to Page 2, Col. 3) | some parts of western Oregon. | Armey of South Dakota.

didacies for jobs at the courthouse, more men and women will have filed for office here by March | Constitutionality Issue is ty's history. With the exception of the county judge's post and one commissionership, all county that time have been constantly complaining about their lack of an affiliation in an anti-Hoover \$500,000,000 soil conservationparty had excellent opportunity to

Some of Incumbents (Turn to Page 2, Col. 8)

## For McGurn Death

Jack McGurn

henchmen which spotlighted him men ended his "charmed life" in Mrs. Clyde Stowall, of near Car-

sons" why the death of the chief outside their little home sank to machine gunner of the Capone 40 degrees below zero. The mo-"Syndicate" could have been de- ther and two other children were sired to make it easy to trace his not expected to live. The father killers, said Mal Coghlan, assist- was away at the time. ant state's attorney.

# al meningitis was discovered.

A temperature drop of exactly one degree an hour from 7 p. m. Saturday to 1 a. m. today, was cent weather reports as Salem

Hourly temperatures Saturday night were:

### BIG GUNS OF CAMPAIGN—AND TARGET

## Farm Aid Plan Passes Senate By Big Margin

Vote 56-20; McNary One of Main Opponents in Final Debate

Fought Out: Subsidy Provision Made

WASHINGTON, Feb. 15-(AP)-Plowing under bi-partisan opposition by an almost three to one margin, administration forces today won senate passage of the subsidy brand of crop control.

The bill now goes to the house. The senate vote, climaxing eleven days of debate during which the measure's constitutionality was challenged and defended, was 56

Forty-nine democrats, five republicans, the farmer-laborite, Benson, and the progressive, Lafollette, voted for the bill. Nine democrats and 11 republicans opposed it. McNary Moves to

Refer to Committee Just before the last roll call, a motion by Senator McNary, the republican leader, to send the bill back to committee with instructions to report out a new proposal in three weeks, was rejected 54 to

McNary contended the bill was unworkable and unconstitutionthe past. Instead of the counties highway from a service station at | The democrats will support ate quit for the day that some being the sole source sof pension the Chemawa intersection. He Burk; probably he will have no state would challenge it in the

Supporters argued it was constitutional under the supreme court's interpretation of congress's appropriating authority in its decision killing the AAA which the soil bill is intended to replace. Half Billion For

Farmers Provided The bill, introduced by Senator Smith (D-SC) as a substitut for a somewhat similar measure by Senator Bankhead (D-Ala) would authorize expenditures of half a billion dollars in federal subsidies to farmers based on their acreage President Roosevelt tonight unof crop land, soil-improving and erosion-preventing crops, changes in farming practices, and a percentage of normal production en-

tering domestic channels. state-aid plans with the same ob- on this western continent." jective would become operative in any state whose legislature apsecretary of agriculture.

# Stove Explosion

HELENA, Mont., Feb. 15 .- (AP)-Death, a snowshoe race with meniginal Chicago list, he died early ingitis serum, fuel and food shorttoday, just 12 hours past the ex- ages, 50-below zero temperatures act anniversary of the septuple and record snows tonight harasskilling of George "Bugs" Moran ed the blizzard - swept Rocky

Four young children of Mr. and plosion of a stove around which There were "just too many rea- they huddled as the temperature

The deaths brought to eight the "Police will have to untangle number of persons who have permany phases of his life before we ished in this region as a result of Near Cody, Wyo., the snowladen plains and wild ragged peaks held the secret of an unidentified plane heard last night over that town.

The Grover civilian conservation corps camp, in isolated western Wyoming, was under strict quarantine after one case of spin-

# Degree Per Hour

slightly abated.

Three men ran afoul the law



As "Big Guns" of the 1936 presidential campaign fire their opening salvos Al Smith (below center) although not a candidate, leads President Roosevelt's opponents in attack on New Deal policies. Senator Borah of Idaho (top left); Governor Landon of Kansas (top right), and Frank Knox (below), Chicago publisher, are republican presidential possi bilities while Governor Eugene Talmadge of Georgia (below left) leads a threat of southern democratic secession.

BALTIMORE, Feb. 15-(A)-Bernarr McFadden met

with so much heckling after

a criticism of the Roosevelt

administration here tonight

that he apparently cut short

an address he was making

McFadden, publisher of

the magazine Liberty, was

speaking at a dinner of the

advertising club. Some of his

listeners hooted parts of his

Nut Bread Recipe

Invitation; More of

Liver Uses Given

Nut bread recipes of all sorts

are wanted at The Statesman

Round Table this week. They may

be for white or dark, raised or

'cake" bread . . . any kind just so

they qualify as nut bread. All en-

tries must reach the food editor

The liver recipe series con-

Spaghetti and Liver

Brown onion in shortening, add

cubed liver and seasoning. Cook

slowly for 10 minutes. Add toma-

(Turn to Page 2, Col. 2)

by 12 o'clock noon Thursday.

tablespoons shortening cup onion, chopped cup liver, cubed or ground teaspoon salt

cup tomato pulp cup uncooked spaghetti

cups water teaspoon paraley, minced tablespoons grated cheese

speech loudly.

#### **Peace Parley For** McFadden Is Heckled, Cuts **Americas Planned**

F. R. Invites Presidents of Western Hemisphere to Send Delegates

WASHINGTON, Feb. 15 .- (AP)covered a proposal for an extraordinary inter-American conferand South American governments After two years, permanent and aimed "at permanent peace

In almost identical personal letters to the presidents of the varproved a formula prepared by the lous republics, the chief executive suggested that the parley be held at Buenos Aires, Argentina, at an early date. The cause of peace in the new world, he said, is a matter of "vital concern."

"These steps, furthermore," he Kills 4 Children said, "would advance the cause of world peace, inasmuch as the agreements which might be reached would supplement and reinforce the efforts of the League of Nations and of all other existing or future peace agencies in seeking to prevent war." Success Assured,

Method is Unusual A favorable response to Mr. Roosevelt's suggestion was generally conceded. In fact, the staging of such a peace parley was virtually guaranteed in advance (Turn to Page 2, Col. 1)

## Relief Setup Hit At Regional Meet

SPOKANE, Wash., Feb. 15.-(A) The third annual Pacific Northwest regional planning conference adjourned its comprehensive three-day session today after recommending a "well defined nationwide land policy to bring about the greatest possible use of the land and water resources of the United States."

The conference adopted the resolution of the program and politicies committee, stating "there can be no prosperity if we destroy or Mercury Decline continually neglect the land. We need a national land policy recognizing each section of the country is entitled to a developed agriculture within which reclamation may take its proper place as part of a great nationwide development and conservation enter-

The conference adopted the polcles committee recommendation for the return of the federal relief program to "regularly constituted public agencies and normal established construction methods. The resolution did not mention specific government agencies.

#### Three Arrested

The sky was overcast Saturday last night and as a result were costs; has looked into the financial requirements of such a plant;
has secured a pledge of the necessary flax acreage. With years of

(Turn to Page 2, Col. 5)

Costs; has looked into the financosts; has looked into the financosts; has looked into the financial requirements of such a plant;
has secured a pledge of the necessary flax acreage. With years of

(Turn to Page 2, Col. 5)

Costs; has looked into the financosts; has looked into the finanspending the night in jail chargation of the sewing room, the
distributions

of boys' trousers, 11 children's
parts dresses, 15 parts
ation of the sewing room, the
distributions

In Wharton's report on relief, lief from the cold, and not much
spending the night in jail chargdresses, 15 parts
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dresses, one boys shirt, four pairs
dresses, 15 parts
and \$13,980,369 for laying
dresses, one boys shirt, four pairs
dresses, one boys shirt, four pairs
dresses, 15 parts
and \$13,980,369 for laying
dresses, one boys shirt, four pairs
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#### Snow's Prisoners Sent Food by Air Speech Short

Supplies; Dynamite Blasts Roads planes and dynamite sped food

Planes Ski-Equipped Take

the snow in the northwest tonight | has been declared. as zero cold sank deeper into the Pleas for "pretty quick" aid

from a dozen towns hurried skiover huge drifts which had blocked land rescue crews. The ships could carry only light

Sought This Week supplies, however, and snowplows, sleds and trucks floundered on. Dynamite blasts shot snow and ice high in the air after winter's Round Table Issues Usual barriers repulsed the plows. Four South Dakota communities-Red Owl, Twilight, Stone-

ville and Fairpoint—were in a critical plight when the first skiship visited them. Another plane was loaded with 800 pounds of food for a second trip. Snowplows Burrow

Ahead With Supplies Snowplows, trucks and tractors, turned back once for repairs, bored on with greater supplies for them and for the residents of Marcus, Opal, Murine, Mudd Butte and Sulphur.

food in the general store but drifts too high for townsfolk to reach it. A relief party brought Hereford its first food since February 1. Fuel was gone, and residents last night burned fence posts and

"anything else they can get their hands on. On the bleak Dakota prairies, to pulp and continue cooking 20 ranchers had not been heard from

## Sewing Project Here Gets Recognition, State Leader

Salem is gaining statewide rec- | Cross chapter and remodeled and ognition in official relief circles repaired 27 other garments to be through its sewing project, in the given out through the relief com-Chambers building here, which is missary. It is not unusual for a now employing 216 women. Visit- state institution to send in a ing state relief and WPA officers truckload of clothing, blankets or late last week joined earlier official visitors in declaring the Salem sewing room a leader in the

But better than recognition, the city is receiving triple benefits of another sort from the project: The sewing room provides a weekly payroll approximating \$5100. it produces clothing for unemploy able families - garments which could in few instances be paid for out of scanty local relief fundsand it is of marked service to state institutions, which have great quantities of mending and repairing to be done. Many Garments For Relief People Mended

distribution by the local Red (Turn to Page 2, Col. 4)

sheets at a time to be mended. While mending and repairing

have taken much of the working time of the women in the sewing room, the manufacture of new garments of all sorts has progress ed to a point st which the boys slacks, men's shirts and women's dresses, as examples, turned out on this project are equal to the readymade articles offered in the

Last week the production accounts showed an output in four days of 142 new garments, in addition to the mending and repairing done. The list included 14 men's shirts, 30 women's dresses, 14 sets of women's and girls' undergar-

## **Borah Friends And Foes War** Over Control

Opponents Eye Strategy of Entering Favorite Son in Primaries

Democrats Seek to Stop Disaffection Seen in Al Smith Attacks

By EDWARD J. DUFFY WASHINGTON, Feb. 15.-(4P) After months of drifting, maneuvers in both major parties have at last entered channels that may influence the presidential campaign itself,

The situation in Ohio, where some members of the republican organization have been wavering over how to thwart Senator Barah of Idaho, was the center of interest tonight.

Borah himself implied tonight that no question of a walkout on the party was in mind, as "I expect to be the nominee of the party myself." His statement was in connection with a letter fram the Illinois republican state committee asking that he pledge him loyalty to the party.

Carl G. Bachmann, from Bor ah - for - president headquarters here, announced that organizers from throughout the state would meet at Akron tomorrow with Representative Fish of New York and ex-Representative Johnson of South Dakota. They propose, he said, to put the campaign "into high gear and to secure the tire delegation of 52 for Borah." Son" is Considered

The regular leaders in the state meet later in the week. An attempt will be made to decide whether to back a "favorite son" candidate or support a contender from without the state.

Day to day developments this week added up to these major facts and questions:

The new deal, by entry of President Roosevelt into the Illinois and other primaries, plans extra-CHICAGO, Feb. 15. - (P) - Air- ordinary precautions to further a harmonious convention at Philaand fuel to starving prisoners of delphia. No opposition candidacy

Looking primarily to Alfred E. Smith and Governor Talmadge of Georgia for leadership, disaffected democrats completed militant equipped planes into the air and attempts against party endorsement of the administration. Borah and Knox Certain to Contest

Hopes in the republican command to avoid pre-convention dissension have waned. Borah and Col. Frank Knox decided to contest in the Illinois primaries. Knox headquarters in Chicago obtained Similar rivalry in other impor-

tant states, possibly with Gover-

nor Landon of Kansas a figure, appears likely. Alone among the potential GOP nominees in speaking against the old guard, Borah's aggressiveness increases

Both Smith and Borah confine

themselves at present to working within their parties. Both nevertheless dwell on principles not partisanship. Both realize the A snowplow burrowed into Arodds they are up against. pon, isolated for weeks, and found Will Smith, if his immediate

aims fail, support the republican Will Borah, if the Cleveland convention rejects his wishes, support the Roosevelt-Garner ticket? Many capital discussions during the week ended up in these two questions being asked. Nothing in

the outpourings of Lincoln day er-

atory pointed to an answer.

## Record Navy Fund Bill Is Prepared

WASHINGTON, Feb. 15 .- (P)naval appropriation bill that will rocket expenditures for national defense to a new peacetime peak will start its trip

through congress Monday. Chairman Cary (D.-Ky.) today summoned the house naval appropriations sub-committee to start hearings on a \$542,591,229 measure-\$67,859,920 more than the last naval fund.

Combined with \$545,226,318 in the war department appropriation bill that skimmed through the house yesterday, the new legislation would boost army and navy spending close to the \$1,-100,000,000 mark for the fiscal year beginning next July 1. Of the army's total, however,

\$168,359,985 was ear-marked for river and harbor improvements and other non-military activities. Cary said the navy bill, as it

now stands, would provide \$26,-During the last four days' oper- ments, 15 girls' dresses, 15 pairs 000,000 for 333 new airplanes