

Martin Denies Mixup Serious

Just Means Little Less to Spend; Commission Blamed by Wharton

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nities and radios, have been promised.

The first definite action as a result of the error was the statement from Senator Cortis D. Stringer of Linn county he would bring in a bill Monday which would abolish the budget department and place the function in the hands of the board of control. Additional errors are reported.

Report of additional errors in the budget have aroused many legislators to a thorough investigation of the budget, and at the same time to caustic criticism of administrative officials.

Wallace S. Wharton, executive secretary to the governor and as such, state budget director, issued a statement setting out his explanation of the error, in which he declared the budget was "prepared in good faith on the basis of revenue estimates prepared by the state tax commission," adding "it is not the function of the budget division to prepare such revenue estimates."

His statement continued: "Discovery of the error on the part of the commission in allocating the income tax revenue has, of course, created a difficult situation. The discovery reveals that instead of \$8,500,000 available from income tax sources, there is only, in round numbers, \$7,520,000 available for appropriation. The remainder of the estimated revenue of \$100,000, goes to reduce the property tax levy outside of the 6 per cent limitation.

"This means that there is only \$13,417,000 available for appropriation, leaving a discrepancy of \$100,000 between the totals approved and recommended for appropriation and the revenue. "At the meeting of the joint ways and means committee the tax commissioners referred to other sources of revenue, not affected by the 6 per cent limitation, which may cover the discrepancy. It is not easy to understand why these sources were not reported in the original estimate. A correct statement from the tax commission is awaited.

A member of the state tax commission said yesterday that he had no comment to make upon Wharton's charges that the tax commission had made the mistake in the budget income estimates. Any statement, he said, would be made before the ways and means committee.

Westphall Money Decided Not 'Hot'

EUGENE, Jan. 22.—(AP)—The \$290 in currency found on the person of Carl Westphall, a transient held on a charge of stealing a ride on a passenger train, is not part of the Weyerhaeuser or Lindbergh kidnap ransom. Sheriff C. A. Swarts said today.

The sheriff checked the serial numbers with department of justice agents, who reported them not "hot."

Westphall told a cellmate to take the "blood money" because "they're going to hang me." He was examined and ordered sent to the state hospital.

The sheriff has not determined where the transient obtained the cash, although he was informed it came from the Seattle and Tacoma territory. The sheriff also said Westphall said jokingly that he was a cousin of Bruno Richard Hauptmann.

Suspensions raised by Westphall's remarks caused a federal bureau of investigation agent to check up on him here Thursday.

Bookkeeping Unification Bill Receives Approval

The senate agricultural committee went on record Friday approving a bill which would unify the work of the state agricultural department with particular reference to bookkeeping.

Accounts of the various divisions within the department would be earmarked the same as at the present time.

The Call Board

STATE
Today — Gary Cooper, "The General Died at Dawn."
GRAND
Today — Irene Dunne and Meyrna Douglas in "Theodora Goes Wild."
HOLLYWOOD
Today — Double Bill, Jean Arley in "Ride Ranger Ride" and "Man Who Lived Twice" with Ralph Bellamy and Isabel Jewell.
CAPITOL
Today — Double Bill, Clark Gable, Jeanette MacDonald in "San Francisco" and all-color "Bald Caballero" with all star cast.
EL SINORE
Today — "College Holiday" with Jack "enny."

Dance Tonight!
MELLO MOON
EDDIE DOYLE'S 12-PIECE EASTERN SWING BAND
Brought Back by Popular Demand!

Guardsmen Arrive in Flint to Maintain Order



Summoned by Gov. Frank Murphy, one contingent of the Michigan national guard is seen arriving in Flint, Mich., to see that order is maintained in the General Motors strikes. Governor Murphy sent 1000 guardsmen to Flint after violence threatened to break out.

Senate Bills

Introduced Friday
S. B. 61, by Angell—Authorizing state land board to enforce payment to the irrevocable school fund of royalty for sand, rock and gravel taken from the beds of navigable streams for commercial purposes.

S. B. 62, by Angell—To authorize delivery of personal property and payment of indebtedness to foreign executor or administrator of non-resident decedents.

S. B. 63, by McKay—Creating the Oregon resources museum commission, defining its power and duties, and appropriating \$35,200.

Passed by Senate
S. B. 40, by Walker—Authorizing state treasurer to pay amount of a lost check without an indemnity bond.

S. B. 24, by Francisovich and Representative Norblad—Validating and ratifying certain funding bonds and warrants of cities.

S. B. 37, by Angell and Pearson—Relating to investment of charitable or educational trust funds.

S. B. 48, by Balentine—Requiring maps, plates, etc., to be submitted to board of directors of an irrigation district when land to be platted lies within the boundary of such district.

S. B. 25, by Staples and Representative Boon—Relating to consolidation of school districts. Relating to apportionment of funds of consolidated districts.

Possible Savings Are Traced Down

Minor reductions in the proposed biennial appropriations for a number of state institutions and departments have been recommended by joint ways and means committee members appointed to investigate their operating costs, it was announced Friday.

The investigators were expected to file their reports with the entire ways and means committee at a meeting to be held late next week. Pending the next meeting of the ways and means committee the investigations will be continued.

Preliminary reports indicated that savings already recommended by the investigators would aggregate more than \$25,000. Other savings were expected to be recommended later.

The investigators said that it also might be possible to divert a number of dormant state funds to help defray governmental costs.

A Home Owned Theater HOLLYWOOD

Continuous Performance Today — 1:30 to 5 P. M. 10c

Two Fine Features
Gene Autry in "Ride Ranger Ride" and "The Man Who Lived Twice" with Ralph Bellamy and Marian Marsh

—Added—
Oswald Cartoon Comedy News and Episode # of Serial Buster Crabbe as "Flash Gordon"

Sunday, Monday & Tuesday
THE BLONDE BATTLE OF THE CENTURY

MAGLLEN
MAGNIFICENT BRUTE

—with Binnie Barnes — JEAN BIXON

Strong Drive For U. S. Aid to Open

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The seven unions involved would be the deciding factor on any final peace referendum.

Since the longshoremen claim 13,000 of the 40,000 men on strike, any solid vote of the dockmen's union could swing the issue.

The new move for long-sought federal action centered in a conference among mayors and other officials of cities and counties about San Francisco bay, meeting with Mayor Rossi, who for weeks has been advocating government intervention.

Police said the first disturbance of the day started when members of the I.L.A. clashed with members of a rival organization.

Dan Leary, who said he was an I.L.A. member, was injured, but hospital attendants said his condition was not serious.

Tuberculin Tests Made in Schools

Of the tuberculin tests made at the senior high school and Parish junior high school this week under the program made possible by funds from the seal sale conducted by the Marion county public health association, an even 100 reports showed positive.

At the senior high, 460 reports were made on the 506 tests given (46 students being absent when the reports were made), 58 pupils showed positive.

Forty-two positives were found in the 287 reports made at Parish junior high. In all, 308 tests were given. Parish, the other pupils to receive their reports later.

These are the first two schools in Salem in which tests were given under the program being carried forward this month.

Positive cases will be followed up with fluoroscopy at the state tuberculosis hospital.

STATE THEATRE

On the Stage:
VAUDEVILLE
Booked from Fanchon-Marco

O'Conner Boys
"Those Crazy Comedians"

MING TOI
Fertile & Green

The Howards

Plus State Theatre Orchestra

4 Big Acts!

ATTEND THE LAST SHOW, FOLKS — AND REMAIN FOR THE PREVIEW AS OUR GUESTS!

STARTING SUNDAY
MIDNIGHT SHOW TONITE — 11:00 P. M.

2 - SMASH FEATURES - 2

WILLIAM POWELL
CAROLE LOMBARD

in **"MAN OF THE WORLD"**

CHARLIE RUGGLES
MARY BOLAND

in **"WIVES NEVER KNOW"**

House Bills

Passed in House Friday
H. B. 15, by Hockett—Changing the term of the circuit court in Walla Walla county.

H. B. 21, by Carter and others—Remitting to the city of Bandon real and personal property taxes collected there by the state, the funds to be used the next seven years to construct new public buildings wiped out in the fire.

H. B. 22, by Carter and others—Permitting cities when struck by disaster to cancel current and delinquent taxes to permit of new construction on property not too burdened with taxation.

H. B. 27, by Hosch—Authorizing the state capitol reconstruction commission to give the model of the new state house to the University of Oregon, school of architecture after the state house is completed.

H. B. 29, by Esson—Providing for repeal of appropriation for fireproof vault in old statehouse.

Introduced Friday
H. B. 62, by Bevens—Providing that persons ordered sterilized shall remain in the various institutions and not be confined in jail.

Trapper Missing In High Cascades

EUGENE, Jan. 22.—(AP)—Two experienced skiers shuffled through the snow country of the central Oregon Cascades today hunting for Jack Cress, 26-year-old trapper from Portland, who has been missing since early this month.

When Cress headed deep into the mountains 23 miles east of McKenzie bridge, he said he would return about January 15.

Forest officials said the searchers, Lee Fountain, CCC foreman, and Norman Apperton of McKenzie bridge, will follow a map of the missing man's trap lines. They carried provisions to last three days.

Bandon Relief Bills Favored

No Opposition; Remission of Taxes For Stricken Community Voted

Continuing to be featured by the slow introduction of bills, the house yesterday ended its second week of the 39th legislative session by passing more bills than have yet come before it for consideration. Only one new bill was introduced during the day.

The two Bandon relief bills which were sent back to committee Thursday, came before the house under suspension of the rules and passed with no opposition. The bills allow for the waiver of seven years' taxes and allow the school district to waive the payment of delinquent payments and one year's future taxes.

Other measures passed included one for the repeal of an appropriation for the construction of a fireproof vault in the old capitol building. The attorney general has ruled that the funds cannot be used in the new building. One measure eliminated the July term of court in Walla Walla county and the other authorized the delivery of the new state capitol model to the University Art school when the new statehouse is finished.

Labor Bills Referred
One bill was introduced by the committee on medicine, dentistry and pharmacy. It provides that any person ordered to be sterilized shall be confined in the old capitol building rather than be held in jail. An attempted withdrawal of the resolution limiting state salaries to \$5000 was blocked when Representative Hannah Martin objected.

The anticipated battle on the two labor bills introduced Thursday appeared closer as the bills were referred to the committee on labor and industries. Representative Phil Brady, chairman of the committee, announced the bills will be taken up early next week for registration of labor unions and prohibit sympathy strikes.

Tax Situation in County Improved

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of the \$1,620,696 tax roll for 1936 was collected, leaving an unpaid balance for that year of \$263,796, or 12.28 per cent. The year 1936 was close behind in terms of money with \$201,290.83 unpaid while the 1933-34 roll lacked \$222,385.64 of being collected in full.

Working of the 1935 special session state law permitting taxpayers to avoid tax foreclosure by paying current taxes in full and only one-quarter of the delinquent tax of the oldest year remaining unpaid will probably result this year, Brabec said, in a greater cash delinquency on the 1933-34 roll than will be shown on the 1937 roll.

Brabec's semiannual report as of December 31, 1936, shows percentage of taxes delinquent on the 1924-1936 rolls, inclusive: Year 1926, 0.88 per cent; 1927, 1.13 per cent; 1928, 1.36 per cent; 1929, 1.38 per cent; 1930, 2.46 per cent; 1931, 9.31 per cent; 1932, 11.07 per cent; 1933-34, 12.75 per cent; 1935, 12.73 per cent; 1936, 12.28 per cent.

BEWARE...CHARLIE CHAN!

...CUNNING KARLOFF SEEKS YOU

WARNER OLAND BORIS KARLOFF IN

"CHARLIE CHAN AT THE OPERA"

WITH KEYE LUKE CHARLOTTE HENRY THOMAS BECK MARGARET IRVING

A 20th CENTURY FOX PICTURE

Today Matinee "ZOLLIE'S GANG" Grand Stage Show — Serial — The McCoy in "Francis and Ed"

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Around the Lobby

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hearing on the control law contact members regarding proposed changes in the law.

Western Oregon legislators head for home when the house and senate adjourn for the weekend, but eastern Oregon members sit at their desks reading and telling stories to while away the time before the next session.

Walter Norblad, Clatsop county representative, spends his time reading the state highway report at the desk of the chief clerk. Answers calls coming over the house receiver. Speaker Bolvin and Norblad rough it up over the possession of the speaker's new rule book, by which he rules the house while in session. Bolvin says it's better than "Roberta."

Senator Angell of Multnomah county has the distinction of introducing more bills in the senate than any other member of that body. A number of Angell's bills were prepared by the state treasury department and provide for issuance of callable bonds rather than those with a fixed maturity date. These bills apply to the state, counties, municipalities and school districts.

Accounting Asked On Hop Contract

Harry and Bertha M. Hart filed suit in circuit court yesterday asking that Guy O. Smith, with whom they had allegedly entered an agreement in 1934 relative to raising hops, should render an accounting of all money he received from the sale of hops and of money paid out for production costs on the 1934 and 1935 crops. The complaint also seeks a decree directing Smith to turn over to plaintiffs their share of the 1935 crop and an injunction against his selling any of the 1935 crop pending outcome of the proceedings.

The complaint avers that in return for a two-thirds interest in the hop crops and for one-half the money obtained from sale of roots, after certain deductions provided for in the Hart's lease on the land in question, Smith agreed to give his legal services free when needed and to pay one-half the cost of producing the hop crops. The plaintiffs assert all of the 1934 crop was transferred to Smith by his request and sold by him and that he has failed to give them a statement of his dealings or to pay them any part of the proceeds.

Hearing on Fish Bill, Wednesday

A joint hearing of the senate and house fish and game committees will be held Wednesday night to discuss Senator Clark's bill.

This bill would prohibit the taking of salmon, including steelhead, from any waters of Oregon except by hook and line. The main channel of the Columbia river would be exempted under the proposed law.

Clark's bill was said to have received the endorsement of virtually all game and anglers organizations in the state.

Senate Passes Five Measures

Adjournment Taken Until Monday at 11; Angell Bill Wins Favor

Five bills were passed by the state senate in its brief meeting Friday morning prior to adjournment until Monday at 11 a. m.

Probably the most important of these was a bill introduced by Senator Angell, authorizing certain charitable and educational organizations to invest trust funds up to 60 per cent of the security. Senator Bennett of Multnomah county opposed the bill on the ground that it would establish a dangerous precedent and might result in financial loss.

Another bill, by Senator Balentine, would require persons who intend to subdivide lands within an irrigation district to submit their plat to the district directors before it is filed.

Two bills, by Senator Staples, relating to the consolidation of school districts and apportionment of school funds, also were approved.

New Typewriters To Be Purchased

Purchase of 20 new typewriters, with the cost to be allocated between the legislature and the secretary of state, was approved Friday by the senate.

Seventy-five percent of the cost would be paid by the state department and 25 percent would be charged against the legislative assembly.

Senator Strayer said the purchase was necessary because of insufficient typewriters to handle the work of the senate enrolled and engrossed bills committee.

No Indictments Yet

The Marion county grand jury, finding additional business facing it, adjourned yesterday to meet again at 10 o'clock Monday morning. Indictments expected to be returned yesterday did not appear.

Slot Machine Bill Up

The slot machine bill and the deficiency judgment measure will be discussed at a public hearing to be conducted by the senate revision of laws committee next Thursday night.

All persons interested will be heard.

No Broadcast By Statesman Until Monday

Since the legislature will not be in session today, the Statesman's radio summary of legislative events over station KSLM will not be given again until Monday.

Four such broadcasts were presented this week, each night at 9 o'clock, and each day The Statesman received an increasing number of favorable comments on the series as listeners expressed their appreciation.

Predatory Animal Control Is Urged

Due to the let-down during the depression of predatory animal control, there is now being experienced a marked increase in the number of predatory animals, Solon T. White, state agricultural director, reported to the legislature today.

White recommended that something be done to curtail the propagation of these animals.

In a 58-page report White gave the legislators an insight into the activities of his department. The report covered the past two-year period.

White lauded the so-called "gasoline cowboy law," enacted at the 1935 legislative session. White declared that diseases among cattle and horses had decreased materially due to the activities of the state agricultural department.

The report dealt at length with the last Oregon state fair. He said the fair was a success both from the standpoint of attendance and exhibits.

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EL SINORE STARTS TODAY
A WHIRLWIND FROLIC OF FUN AND FOOLISHNESS !!!

"COLLEGE HOLIDAY"

JACK BENNY
A full festival of fun!

GEORGE BURNS and GRACIE ALLEN
Lord and lady of lunacy!

MARY BOLAND
With a new idea in love!

MARTHA RAYE
Wowee! Is she high!

Added
Latest Issue
"MARCH OF TIME"

"POPEYE CARTOON" — NEWS

MICKY MOUSE MATINEE TODAY 1 P. M.
Special Feature
"THE MIGHTY TREVE"
With Noah Doory Jr.

Chapt. 12
Acce
Diamond
Show

CAPITOL
Continuous Sat. & Sun. 2 to 11 P. M.

SUNDAY AND MONDAY TWO BIG FEATURES

"I broke the law and had to pay with my honor, love and respect!"

ONCE A DOCTOR
JEAN MUIR • DONALD WOODS

FRAMED! BY A CROOK WHO WANTED VENGEANCE!

SHE'S Dangerous

LAST Times Today

Gable — MacDonald
"SAN FRANCISCO"

ALL-COLOR
"BOLD CABALLERO"

NEW GRAND

OWNED