

Consolidation Bills Scanned

Education Program Will Rank Alongside PUD as Major Issue

(Continued from page 1)

The taxation program for the 40th session is not yet in the formal debate stage. The interim committee on taxation is to report this week and until its findings are before the session, voting will be withheld on the three-way tax revision program which is incorporated in house bills now in committee. Well-advised reports yesterday were that a gross-income tax bill, another name for a sales tax, would be recommended by the committee and a bill prepared and introduced. However, such a recommendation seems unlikely to be adopted inasmuch as Oregon has three times turned down a sales tax and the incumbent governor is on record against such a tax at this legislative session.

Three Objectives Seen in Tax Bills

The pending tax bills do three things. They abolish the present flat eight per cent tax on intangible income and put such income into the regular income tax brackets. That change, if adopted, will lose the state about \$900,000 in income annually. To make up that loss the state tax commission proposes to cut down exemptions now granted corporations on their excise tax and by such slashes to provide another \$450,000 in annual revenue. Then a change in deductions allowed on personal incomes, which would not cost any taxpayer more than \$70, but which would impose the heaviest percentage increase on the person of small income, has been proposed as a means of raising \$900,000 more. That change will be the one most bitterly fought in the house and already Budget Director Eccles has proposed some moderation in that tax so it will raise no more than the net sum lost by the intangible tax change.

Whatever change is made by the legislature in the income tax laws will not affect the total amount raised by the state in 1939 and 1940 for state purposes. The income taxes are offsets against property taxes; if they are increased, the state will levy less on real property. If the income tax receipts are more than \$70, the property taxpayer will be the loser. If the ways and means committee finds the state's budgetary needs cannot be met without more funds, some source other than income revenues must be tapped.

The legislature is not without controversy on a score of other fronts but educational changes, revision of the PUD laws and changes in the tax structure are the most far-reaching bills this session will consider. The milk control act is undergoing bitter attack but will probably weather it. The bakery code has less chance of survival although the bakers put on a grand show at the hearing last week. They are now proposing that two consumers be put on their board of the 17 members of the public price fixing or trade practices not in the public interest. By this compromise the board hopes to continue its existence.

Battling Average Is Good So Far

The legislature has a good battling average pushing through initial bills in the session. The senate has passed 51 of the 177 measures it has introduced; the house 47 of 153. Already 27 bills have gone through both houses and reached the governor's office.

The next fortnight should see the state pretty well cleared of controversial bills thus far introduced. The public hearing is over on the closed shop bill and one extended debate in the house should see it settled.

The League of Oregon Cities bill on highway fund reallocation has been so well discussed prior to the legislative session that most members have already made up their minds. The bill will come up in company with the proposed constitutional amendment prohibiting diversion of highway funds.

Manila Tremor Appears Harmless

MANILA, Jan. 29.—(Sunday)—An earthquake shook the Manila area at 10:40 a. m. today but no damage or casualties were reported. Seismologists said the quake centered 80 miles from Manila but they had not determined its direction. The quake lasted 10 seconds.

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A \$50,000,000 Huddle



Members of the house military affairs committee went into a huddle in Washington after learning of President Roosevelt's request for \$50,000,000 immediately for new planes to bolster the defense program. Reading from bottom left, are Rep. A. J. May (D-Ky.), chairman; Rep. Ewing Thomason (D-Tex.); Rep. Paul J. Kilday (D-Tex.); Rep. C. W. Turner (D-Tenn.); Rep. D. W. Harter (D-Ohio).—AP Teletext.

Big Earth Slide Threat to Coulee

Highway, Railway, Buildings Are in Path of Huge Menacing Mass

GRAND COULEE, Jan. 28.—(AP)—Crews are working 24 hours a day to check a gigantic slide, involving more than two million yards of earth on the west shore of the Columbia river, in an effort to save the highway, railway and buildings at Grand Coulee dam.

The allipage, between the dam and the engineer's town a short distance down river from the dam, spreads in a wide triangle from a point high above the dam site highway and extends to the surface of the river where it is about 200 feet wide. In the last few days the mass has dropped five feet at some places.

Reclamation bureau engineers, headed by Grant Gordon, bureau engineer-geologist, are trying desperately to halt the slide which threatens to seriously interfere with the vast coulee dam project. Gordon, who created an ice dam to halt the famous million-yard mud slide at the opposite end of the dam two years ago, is directing the opening of a 300-foot shaft, with laterals leading into bedrock, in an effort to trace the source of water which is believed causing the slide.

Gordon halted the last major slide by sinking refrigeration pipes into the sliding mass of loose earth and freezing it solid. Worst slide at the dam was in 1934 when a million yards of earth dropped 90 feet in one plunge, carrying 15 workmen down with it.

On the present slide area are located the west vista house, the bureau's west field office, the department of industries and labor office and a portion of the dam site railway and highway.

US Plant Would Bar Sodium Firm

FORTLAND, Jan. 28.—(AP)—Proposed authorization of a government factory at Cascade Locks to produce sodium and chlorate has held up at least temporarily erection of a factory there by the Pennsylvania Salt company and the Chipman Chemical company, W. D. B. Dodson, Portland chamber of commerce vice-president, said today.

Company officials declared the proposed government plant would sell chemicals at cost for weed extermination, making it impossible to compete.

Held as Firebug

For many months scores of policemen and other officers sought the identity of the firebug who started 56 blazes in Seattle, most of them in apartment houses and hotels. Finally they arrested George Gordon Casey, 32-year-old, 12-year-old youngster, who, Fire Inspector Frank S. Buck said, confessed he set 51 of the blazes, which did an estimated \$12,000 damage.—AP Teletext.

Ankeny Is Injured When Car Strikes
SIVERTON, Jan. 28.—D. E. Ankeny of Siverton was in the Siverton hospital tonight with several ribs fractured and suffering from severe shock after being struck by an automobile while crossing from in front of the cannery office to his home at 401 South Water street.
The car was driven by Jerold Smedstad, 229 South Madison, who said the lights of an approaching car blinded him so that he did not see Mr. Ankeny.

Gas Tax Monies Asked for Cities
PORTLAND, Jan. 28.—(AP)—City Commissioner Ormond R. Bean asked the city council today to endorse a measure on file in the state legislature providing a per capita refund to cities from state gasoline tax funds.
Bean declared city taxpayers could not bear the burden of restoring their streets, and a cut to the cities of the gas tax fund would not cripple the state highway commission.

Tillamook Power Line Is Wanted

Ross Asks Extension of Bonneville to County PUD on Coast

PORTLAND, Ore., Jan. 28.—(AP)—Construction of a transmission line to the Tillamook people's utility district and reservation of 3600 kilowatt years of Bonneville dam power was asked today by J. D. Ross, dam administrator, of John Schild, president of the district.

Schild said a substation should be constructed in the county to make the power available at a voltage suitable for local marketing.

District Ruled Legal
The request followed upon action of the state supreme court in approving the Oregon public power law and deciding that the Tillamook district had been properly organized.

The Tillamook district is the only major public power area in the state, having a range of 150 square miles. It was organized in 1933 but has remained inactive so far as a supply of power is concerned, awaiting completion of Bonneville dam.

SF Waters Yield Body of Girl, 4

SAN FRANCISCO, Jan. 28.—(AP)—The torso of a little girl covered from bay waters today was tentatively identified by relatives as that of 4-year-old Barbara Montgomery, whose mother was adjudged insane after she told of drowning Barbara and her 2-year-old sister, Marilyn, in the bay January 3.

Mrs. Ada L. Hanford, great aunt of the little girl, and her attorney, Carroll Single, viewed what remained of the body at the coroner's office today and said somewhat dubiously they believed it was Barbara. Deputy Coroner Thomas F. Gavan said it probably would be impossible for anyone to be certain.

The mother is now in the Stockton asylum.

24,000 Estimated Chile Quake Toll

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said Llamas volcano, 150 miles south of Chillan, had sprung into activity. The 10,037-foot peak is in a sparsely inhabited region near the Argentine frontier.

Evacuation of the cities which suffered the most from Tuesday's earthquake was ordered. In Cauquenes, where only five of the 6500 inhabitants' houses were left intact, all workmen were conscripted to move debris and within a few hours 200 bodies had been recovered.

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Compensation Law Certified

Benefits and Funds for Operation Are Assured by Board's Action

(Continued from page 1)

employers of the state will not be subjected to double taxation for unemployment compensation.

Commission, State Legislature Thanked
Governor Sprague also thanked officials of the unemployment compensation commission and the legislature for the part they played in solving Oregon's unemployment compensation problem.

"If the social security board had not certified the Oregon law by next Monday, the commission would have been compelled to cease operations," the governor declared.

Certification followed action of the legislature in passing an amendment offered by Governor Sprague providing that no unemployed worker need accept a job. Attorneys for the CIO and AFL contended at a board hearing that the anti-picketing law, approved by the voters at the November election, forced unemployed workers to accept jobs vacated by strikers, lockouts and other labor controversies.

These attorneys said the only way to get certification of the Oregon unemployment compensation law was to repeal the entire anti-picketing act.

Warning Given on 1938 Payments
Announcement of the certification in Washington was followed immediately here by a warning from the commission that any unpaid contributions from employers for the year 1938, including December payments which may have been held up pending the outcome of this matter, must be received or postmarked before midnight, January 30, can be certified to the US treasury department for credit against the federal tax imposed under Title IX of the social security act.

Delinquent payments that are in dispute should be made, to obtain credit, with the expectation of refunds later if the contributors' claims are sustained. Benefit checks amounting to \$104,469.08 were cleared from the commission's central office here Friday and Saturday in payment of the claims of 800 Doernbecher Manufacturing company furniture workers.

Decision awarding benefits to 966 workers affected by the furniture plant's closing October 1 was handed down by Referee Laurence Brown January 3. The unemployment compensation law allows 20 days for protest. The remaining claims differed slightly from the main group and are receiving further computation attention, officials said.

WASHINGTON, Jan. 28.—(AP)—Oregon's unemployment compensation laws were approved today by the social security board, which announced an immediate grant of \$72,443 for January unemployment compensation there.

The action ended a controversy arising out of the enactment of an Oregon state law regulating the activities of labor groups and organizations.

The Oregon legislature, the board said, had enacted a retroactive law, including requirements of the social security act. The board said this action made certain that "unemployment compensation benefits shall not be denied to individuals who refuse to accept new jobs under 'yellow-dog' contracts or under sub-standard labor conditions, or by reason of a strike, lockout, or other labor disputes."

Student Leaders To Talk Problems

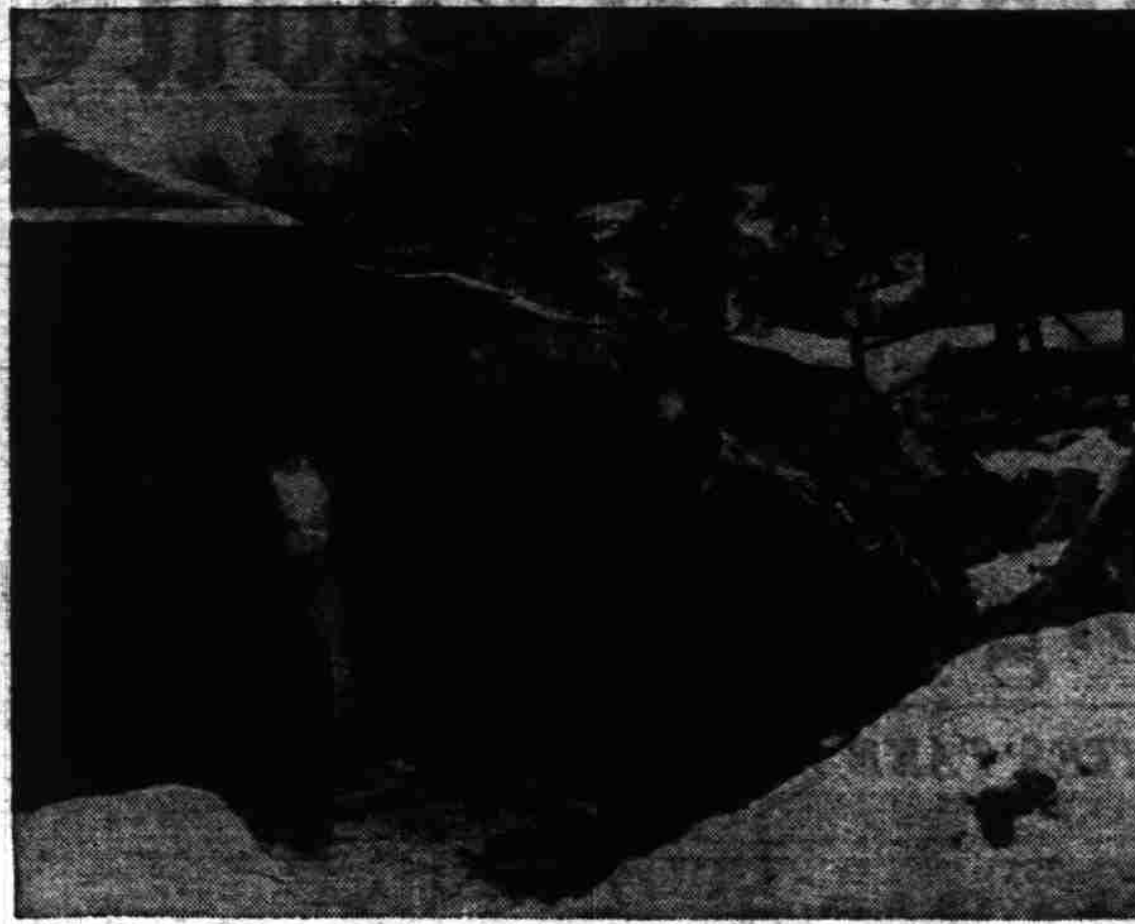
CORVALLIS, Jan. 28.—(AP)—A novel experiment in education will be tried here February 3-4 when representatives of 10 Oregon higher schools of education will assemble to discuss problems of student government.

Editors of student newspapers, social chairmen and other student body officers will discuss such problems as faculty relationships, discipline, women's participation in student affairs and related topics.

Flames Destroy Historic Church

Only the scorched walls of historic St. Anthony's Catholic church, Louisville, Ky., remained standing after flames swept through the structure, destroying the church, school and nun's home. Church officials estimated the loss between \$800,000 and \$1,000,000.—AP Teletext.

Boulder Slide Demolishes Homes, Kills Two



A boulder that slid from steep Stemwinder mountain, towering over Hedley, B. C., stopped at the doorway of the home of Mr. and Mrs. Paul Berkman, who are shown standing near it, after it and others started an avalanche that demolished several homes and killed Peter Strand, 52, a miner, and Mrs. Johanna Green, 58, his housekeeper. Residents ordered to evacuate and buildings were removed.—AP Teletext.

Monday Deadline To See 14 Bills

Controversial Items Among Many Sure to Appear on House Floor

As the last day on which bills may be introduced in the house without committee approval, Monday will see the appearance of at least 14 bills which were being prepared over the weekend, some of them certain to become controversial issues.

In this latter category may be numbered a bill by Reps. MacPherson of Linn and Hempstead of Multnomah, designed to make the office of attorney general appointive, one by the judiciary committee to strengthen the law against unlawful assembly, and one by Reps. Hosch of Deschutes and Kirkpatrick of Clackamas to permit cities and towns to engage in the business of selling and distributing dairy products.

Sen. McKay Has Bill
A measure by Rep. Burt K. Snyder, Lake county, and Sen. Douglas McKay, Marion county, would allow counties, school districts and cities to provide funds in advance for construction costs of public buildings and public works, and for submission of proposed tax levies to the voters.

Repeal of the state planning board is provided in a bill to be introduced by Rep. L. D. Nash, Lincoln county.

Ex-Brewery Head Tells "Chiseling"

PORTLAND, Ore., Jan. 28.—(AP)—A former president and stockholder of the Star Brewery of Vancouver, Wash., testified today at a state liquor commission hearing that he retired in October, 1927, and disposed of his holdings because of disputes with associates over "chiseling" in the brewery industry.

George Gage, summoned in connection with a hearing into charges that the brewery made unlawful rebates and contributed to political funds, told the commission that he quit because he was unable to fulfill his promise that the company would live up to the commission's rules. Cancellation of the brewery's license in Oregon is sought.

Past Matrons Dinner, Initiation Monday

WOODBURN.—The annual past matrons dinner and initiation by the Past Matrons club of Evergreen chapter, Order of the Eastern Star, will be held Monday night in the Masonic temple. Mrs. L. R. Gilbert, junior past matron, will be the guest of honor. Additional guests will be past patrons and their wives and husbands of the past matrons.

Walter C. Hiatt's Last Rites Held

WOODBURN.—Funeral services for Walter C. Hiatt, 51, of Hubbard were held at the Ring mortuary Saturday at 2:30 p. m. He was born in Leavenworth, Kan., July 27, 1887, and died at St. Vincent's hospital Friday morning.

Surviving are his widow, Laura, of Hubbard; 10 children, Frederick Hiatt, Mrs. Irene Briles, Mrs. Hazel Briles and Mrs. Marjorie Tibbitts, all of The Dalles, Verlie, Virginia, Dorothy, Violet, Faye and Bonerive, all at home; father, Mrs. W. S. Hiatt of Clarkston, Wash.; brothers, R. A. Hiatt of Walla Walla and Watson Hiatt of Portland; four sisters, Mrs. Ray Miller of Clarkston, Mrs. Ed Wilkins of Hollywood, Calif., Mrs. Lee Tyson of Hubbard and Mrs. Rosa Kerr.

The body was shipped to The Dalles for interment.

English See War Due, Says Visitor

PORTLAND, Jan. 28.—(AP)—People of England regard war as practically a certainty, Wilfred J. Gregson, biological survey CCC camp inspector, said today. Gregson, recently returned from a visit to England, said aviation had progressed rapidly in the last five years, every family had gas masks and every village was criss-crossed with trenches.

"The English are not scared by the nearness of war," Gregson said. "They don't want to fight but they seem to take the view that it is up to them and that they will go through with it as they always have in the past."

Meyer Store Will Cut Bread Price, Is Notice

PORTLAND, Jan. 28.—(AP)—Notice that it would reduce bread prices from 9 to 8 cents for the pound loaf and 14 to 13 cents for the pound and one-half loaf was served today on the state bakery board by Fred Meyer, chain grocery store operator. The cut would be effective February 3.

Oddities in the News

(By The Associated Press)
JOHNSTOWN, Colo., Jan. 28.—Felix Edwards, WPA foreman, wondered today if some Indian ancestor god had paid him a nocturnal visit.

Metal bracelets, earrings, bone necklaces and other trinkets found by his WPA crew yesterday in the grave of a Colorado Indian were missing this morning from a toolbox where they were temporarily stored.

But, whoever took them overlooked the Indian's skeleton in a box nearby.

NASHVILLE, Tenn., Jan. 28.—State Senator N. J. Lovelace said today he planned to introduce a bill in the Tennessee legislature placing an annual tax of \$1000 on bachelors and of all things—let the money go into a fund for pensioning old mads.

There was little hope of administration backing for the bill, both Gov. Frank G. Cooper and Senate Speaker Blinn Maxwell, are bachelors.

THOMSON, Ill., Jan. 28.—Because a .32 caliber cartridge had become mixed with tobacco, Noah Switzer, is looking for a new pipe. His old and favorite "Red" was completely wrecked when the cartridge was set off by the heat of burning tobacco in the pipe bowl.

Part of the pipe was blown into an adjoining room. Only the stem remained clenched between Switzer's teeth.

PRICE, Utah, Jan. 28.—An aching tooth saved the First National bank building from a disastrous fire.

Nick Galanis had such a bad toothache he called Dr. Lyman Kofford at 6 a. m. At Dr. Kofford's office in the bank building, they found a fire blazing. Firemen limited damage to \$2000.

CHARLESTON, Mo., Jan. 28.—Right during the height of Charleston's "fire parade"—celebrating the purchase of a new fire engine—a house roof caught fire. But it didn't break up the gala event. The parade merely halted long enough for firemen to go out to the blaze.

Warehouse Yegg Awarded Nothing

DALLAS.—The Ballston warehouse, belonging to Herbert J. Elliott of Perrydale, was broken into some time Thursday night. The padlock on the main door of the building had been pried off, according to Deputy Sheriff Williams, who made the investigation.

A check of the warehouse was made by the man in charge and nothing found missing.

Hubbard Firemen Called

HUBBARD.—Considerable excitement was created on Friday afternoon at about 5 o'clock when the local fire department was called out to fight a fire at the home of Mr. and Mrs. George Dimmick. A large fireplace chimney burned out. No serious damage was done.

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Jersey Club Says Milk Law Needed

All Officers Retained for 1939; Linn-Benton Club Wins Top Honors

(Continued from page 1)
service; J. D. Mielke, director of the state department of agriculture, who commended the Jersey group on outstanding records they have brought to Oregon and on their strides to improve their industry; Leo Spitzbart, assistant director of the state fair; Harold Ewald, Marvin Wivell, Shelton, Wash., western director for the American Jersey Cattle club; and Ted Warren, western field man for the AJCC.

The gold medal for highest achievement of a county club during 1938 was awarded to Linn-Benton club, with Polk county winning second and Yamhill county third. Awards were made by Ted Warren.

Among resolutions also adopted by the group were: Support of the committee before the legislature to continue research work in the various branches of agriculture; support of the suggested six-year program of expansion of the livestock department at Oregon State college; an appeal to the governor that as vacancies occur in the board of higher education agriculture be given further recognition; continuation of the Bang's disease program in Oregon; national advertising of dairy products through a small tax on butterfat; and urging that the county and state clubs give more emphasis to the advertising of Jersey products.

Further resolutions asked the national club for a division of the western area, and appointment of another field man; and approved the urging efforts of Ted Warren for the industry. The club also endorsed H. G. Meyers of Boise, Idaho, as western director of the AJCC.

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By DR. FAINESS PARKER

It is disconcerting to see an electric sign with missing letters. But more disconcerting to see a person with missing teeth.

You wonder why something isn't done about them. Both can be remedied. An electrician can take care of one, the dentist the other.

But why wait until your teeth have gone out like a light?

The time to care for your teeth is while you still have them, not after they're gone. It is inexcusable to suffer teeth to decay and fall out. A little dental care might preserve them.

All parts of the body are susceptible to disease. Teeth, in many instances, are the first to be attacked. Perhaps the

China Pacification Plans Are Pushed

Formal Inauguration of Central China Group Expected Soon

SHANGHAI, Jan. 28.—(AP)—Preparations for formation of a "central China pacification commission"—a Japanese projected government for conquered parts of China—have advanced so far, it was reported tonight, that some of the members have gone to Kaileng, which is to be the seat of the commission.

This report was carried tonight from Nanking by Domei, Japanese news agency, which disclosed that formal inauguration of the commission was expected early next month.

Domei said the commission would carry on activities outside areas under jurisdiction of the Nanking and Peiping provisional governments, "subduing those who resist and welcoming those who surrender."

A report from Japanese military circles at Nanking that Marshal Wu Pei-fu, once China's most powerful military leader, would emerge from 12 years' retirement to head the new united regime lacked confirmation tonight, 24 hours after it was first circulated.

The report yesterday was that Wu had expressed readiness to end his retirement in order "to serve China" and would establish headquarters at Kaileng, Honan province.

Legislature Bills Are Held Menace

State Bankers Hear Tirade Against Bills Barring Them as Executors

PORTLAND, Jan. 28.—(AP)—Bills introduced in the legislature Friday to bar corporations, banks or trust companies from acting as executors of wills or administrators of estates constitute a vicious and selfish attack, contrary to the public interest, Charles H. Stewart declared today.

Speaking as chairman of the legislative committee of the Oregon Bankers' association, Stewart asserted the proposed legislation would deny the individual right to name the executor of his own estate, and would take away from trust companies a type of business they now get only when given voluntarily.

Gearhart Chosen for 1940
Portland, Jan. 28.—(AP)—Selecting Gearhart for the 1940 convention city, the executive committee of the Oregon Bankers' association indicated today that it would support any step by the state superintendent of banks to remove the double liability provision of law upon stockholders.

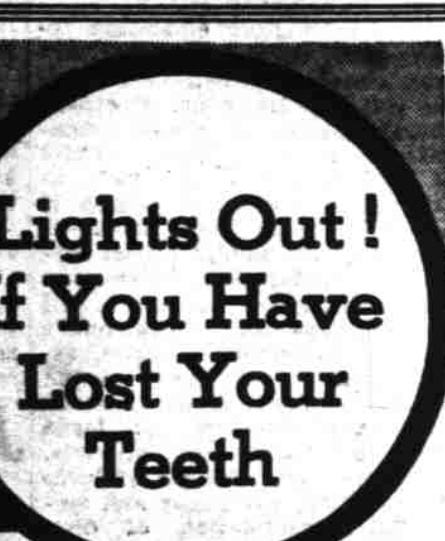
Voters defeated such a measure at the 1938 general election but the committee expressed the belief that the public's action was caused by a lack of knowledge. Whether the superintendent of banks plans to propose a similar measure was not announced.

The committee pointed out that the 17 state chartered banks could be free of the provision if they decided to nationalize, congress having removed that clause some time ago, but that they did not desire to take this extreme step.

Charles W. Nash Is at 75th Year

BEVERLY HILLS, Calif., Jan. 28.—(AP)—Celebrating his 75th birthday anniversary here today, Charles W. Nash, pioneer automobile manufacturer, observed: "The United States presents greater opportunity for youth today than it ever did before and youth has more chance for accomplishment here than in any other country in the world."

Nash, the executive committee of the Nash-Kelvinator Corp., rose from a penniless farm hand to head General Motors and then resigned to build automobiles himself. He once worked for W. C. Durant as a carriage trimmer.



Lights Out! If You Have Lost Your Teeth

It is the poison from such infections that spreads havoc through your entire system. The uses to which you teeth are subjected, the modern diet, a variety of reasons can bring the decay. And that is why it is so important to stop decay at the outset.