

The Weather
Showers today and Wednesday. No change in temperature. Max. temp. Monday 42, min. 25. River 5.5 feet. SW wind.

Hitler Pledges Aid in War to Italy

Property Tax Reinstatement Seen in 1940

State Tax Commissioner Appears at Hearing on Tax Bills

Fisher Says Necessity for Added Revenue Will Return Tax

Restoration of the state property tax in 1940 seems almost certain, Earl Fisher, state tax commissioner, told a taxation and revenue committee hearing on proposed taxation bills last night. If present tax laws are unchanged and "if there isn't substantial economic improvement."

Fisher said "changing economic conditions," the constitutional six per cent annual increase in government expenses and a half mill war veterans aid provision would result in the necessity for greater revenue.

Repeal of the intangibles tax, one of the measures before the legislature, would result in a \$450,000 to \$500,000 loss to the state if no other changes were made in the tax structure, Fisher said. Of the \$1,335,000 collected on intangibles taxes for 1937, the state would recoup about 75 per cent automatically go under personal tax.

Some adjustment, Fisher said, would be necessary to make up the difference. New income tax would fill breach. Proposed to take up the difference is an income tax bill which changes the present exemptions on taxable income to a \$35 exemption for a wife and \$6 for each dependent, deductible from last figured on total income.

Fisher said the proposed bill, if based on 1937, should produce \$900,000 more than the present income exemption system, or enough to offset the loss from repeal of the intangibles tax and partly provide for increased expenditure. The additional income, he said, would come from all brackets but more especially from the higher ones.

Objection to the \$6 exemption for dependents as being too low was made by S. D. Buel, who with C. R. Bates and E. P. Han of the Oregon Association of Certified Public Accountants, presented a consideration of the tax bills made by a committee of that body.

Buel said there was apparently a "great disparity" between the present act and the one proposed and that there was "a seeming injustice on persons with dependents."

Fisher said the corporation excise tax bill, which reduces the offset allowed corporations from 75 to 50 per cent, would probably recover about a third of the \$200,000 allowed in offsets in 1937.

10 Nations Meet On Wheat Crisis

LONDON, Jan. 30.—(AP)—Plans for a world wheat conference to consider the crisis caused by bumper crops and low prices will be discussed tomorrow by a 10-nation sub-committee of the international wheat advisory committee.

The sub-committee, appointed Jan. 12, consists of representatives of the United States, Argentina, Canada, Australia, Britain, Germany, Rumania, Hungary, Soviet Russia and France.

Its chief tasks is to draft the program for a world conference, the date of which is to be announced later.

Late Sports

SPOKANE, Wash., Jan. 30.—(AP)—In an upset victory Gonzaga university defeated the University of Idaho basketball team 25 to 15, in a slow, close-guarding non-conference game here tonight.

The half-time score was Gonzaga 14, Idaho 3.

Considerably crippled by the absence of Brendon Barrett, veteran center, and Roland Harris, forward, the Vandals were held to a single field goal and one free toss in the first period. The Idaho second team played most of the game.

FOREST GROVE, Ore., Jan. 30.—(AP)—Pacific University made its two straight over Linfield college by beating the Wildcats, 44-21, here tonight. Close checking marked the first half which ended 14-10 for Pacific.

In the last half Ellerton, Badger guard, held scores in the first half, made 11 points in five minutes, giving his team a safe lead.

PHOENIX, Ariz., Jan. 30.—(AP)—The Arizona republic said tonight it had learned from a reliable source that Miles W. Cantel, veteran assistant football coach at Michigan State, would be offered the head coaching post at the University of Arizona.

Blinding Snow Storms Rage Through Midwest

Judge Manton's Inquiry to Be Pushed, Report

Resignation Won't End Investigation Into Alleged Loans

\$400,000 Loans Alleged Made by Interested Parties in Case

NEW YORK, Jan. 30.—(AP)—Martin T. Manton, white-haired senior judge of the second U. S. circuit court of appeals and the nation's highest-ranking jurist next to the justices of the supreme court, resigned today amid a broadening investigation of accusations that he accepted more than \$400,000 in loans from persons interested in cases which came before his bench.

He categorically denied any wrongdoing, but said he preferred to step down rather than to be "the central figure in a controversy, no matter what its outcome, that could be seized upon by malicious minds to cast reflection upon the court. . . or to weaken public confidence in the general administration of justice."

His resignation—transmitted to President Roosevelt to be effective no later than March—will not end a three-sided inquiry into the charges brought against him. In Washington, Atty. Gen. Frank Murphy made clear that a "thorough investigation" by the justice department would go on: Here, New York County Dist. Atty. Thomas E. Dewey said he was considering a "possible criminal prosecution under the income tax laws of the state," and US Dist. Atty. Gregory F. Noonan said any evidence indicating criminal violation of federal statutes would be put immediately before a grand jury.

Deputy Commissioner Spencer Bates head of the state tax department, said tonight he had turned over to Dewey records and returns dealing with Manton's personal income taxes.

Optometrist Bill Hearing Is Held

Proposed Legislation to Curtail Advertising Hit by Speakers

The people of Oregon have been made eye conscious more than ever by advertising by optometrists that through any other agency, Will H. Masters, Portland attorney, declared at a public hearing here last night on the so-called optometry bill now before the legislature.

Over 200 persons attended the hearing which was conducted by the senate committee on medicine, pharmacy and dentistry. The bill provides for raising the educational standards of optometry and seeks to curtail advertising by members of the profession.

"It is bills of this kind that raise resentment on the part of the people," Masters said. "There already has been too much legislation."

Masters said he objected particularly to that section of the bill (Turn to Page 2, Col. 5)

Legislative Sidelights:

Just to settle arguments, it was exactly two years ago today that Salem was blanketed by the heaviest snowfall in 18 years, likewise, in case there ever was a snow, the snow was removed on Monday morning, February 1, 1937, as Salem started to dig out and repair the damage was officially recorded as 27 inches deep.

It will be remembered vividly by legislators who were here for the 1937 session, because some of them didn't manage to get back on the job in time for Monday morning's roll call. For the benefit of new members, it should be explained that such weather is "very unusual" here.

That Monday was the 26th day of that session, too; but the house had a better excuse on that occasion for postponing the deadline for independent introduction of bills.

Dr. J. P. Hoach of Bend, one of the few legislators upholding the

Clever Collie Begs Trainmen To Assist Pal

ALBANY, Jan. 30.—(AP)—Two train crew members on the Southern Pacific's Shelburna branch joined in enthusiastic praise of Collie intelligence today.

Near West Scio engineer Roy Hall and Firemen J. Kenneth Mills saw a yellow dog—a Collie—sitting between the rails. The dog vanished into a thicket as the train approached, reappearing a moment later to take up his unusual watch.

Hall cut the engine's speed. When the train was 50 feet away, the Collie darted to the edge of the right of way. As the engine went by Mills sighted a black and gray Shepherd hanging head downward from the top strands of a wire fence.

The train was stopped and the men released the Shepherd, which departed with its train-flagging companion.

Hitchhiker Held On Illegal Entry

German With no Passport Is Held at Albany Upon Charges

ALBANY, Jan. 30.—(AP)—August Reiser, 18, was picked up by State Policeman Wallace Hug while hitchhiking south today and held for federal immigration authorities after telling a somewhat involved story of his entrance into the United States.

He had no passport. Reiser, who boasted of being a Nazi but said he liked the United States except for the rule who "smoke too much and paint their lips," told Hug he had left a German ship at Vancouver, Wash.

He said he paid the captain 60 marks (about \$22) for passage to the west coast of the United States to visit his aunt, Mrs. Franz Reiser in Los Angeles.

Lacking a passport, he said he was not allowed to leave the ship at Los Angeles. He landed at Vancouver with \$10 given him by the captain and began to hitchhike south.

Hug found on him a miniature gun and cartridges which Reiser said were miniature gas bombs. He insisted he purchased the toy in Germany as a curio.

Library Building Acceptance Made

The capitol reconstruction commission, meeting here Monday, accepted the new \$750,000 combined library and office building. Inspection of the structure preceded the acceptance order.

The new building will house the state library, World War veterans' state aid commission, state vocational education department, labor commissioner and a few other state activities.

The original appropriation aggregated \$1,000,000, but part of this money was set aside for landscaping, engineering and other purposes.

The work of moving state library books into the new building will get under way later in the week.

Here and there behind and in front of the scenes at the 40th legislative assembly.

honor of a profession other than law, took a dig at the lawyers yesterday after a pair of them got into an argument over which "whore" should go where. Dr. Boeck moved that the bill be referred to committee with the admonition to the warring lawyers that "this is not a trial, this is a legislature."

The house yesterday received a resolution to make the Edison Memorial church choir of Portland an official representative of the state at the Golden Gate International exposition.

The choir, an outstanding musical organization, has been invited to sing the morning of July 8 at the exposition, at the temple of religion on the Treasure Island fairgrounds. It will also sing at a general fair program that afternoon.

Dr. W. G. Hoffman of McMinnville, department commander of the Spanish War Veterans was accorded courtesy of the (Turn to Page 2, Col. 3)

Travel Halted Or Impeded in Twelve States

19 Deaths Are Reported Including 3 in South by Wind, Lightning

Chicago Elevated Roads Have 3 Collisions, 45 in Hospitals

(By The Associated Press) Blinding snow storms swept across a dozen northern states yesterday in the most furious onslaught of the winter.

Transportation was staggered or stopped in many districts between Missouri and New England by snow scaling up to almost 15 inches. Business and industry in some cities were slowed by the stagnating burden. Hundreds of schools were closed.

In the north 16 deaths were attributed to exhaustion and overexertion. Wind and lightning caused three fatalities in the south. Chicagoans floundered through one of the worst storms in the city's history. A blizzard piled up 14.8 inches of snow in 14 hours—a mark exceeded by only three others on record this season.

Chicago and street car company officials pressed 5,000 men into snow-clearing service after the snow subsided. Traffic in Halted Over Wide Area

The Chicago Motor club warned auto traffic was at a standstill in parts of northern Illinois, Northern Indiana and southern Michigan. Drifts four to eight feet deep blocked highways. At least ten towns were isolated.

A half million Chicago school children enjoyed a holiday. Courts were adjourned. The mayoral campaign was suspended.

Drifting snow measured four to 10 inches in western New York and an even foot in Syracuse. It mounted to a yard in depth between Rochester and Buffalo.

Winds of gale force scattered snow and sleet in eastern Massachusetts. Heavy snow fell in New Hampshire, Vermont and western Maine. Connecticut reported three to four inches.

A blizzard hampered travel in Ontario. Plane and bus schedules were cancelled in many parts of lower Michigan. County schools in several sections were closed.

Snapped up to a half foot drifted in Missouri. Planes were grounded in Chicago, Boston and Newark.

Flood warnings were issued by the weather bureau in Maryland. Tornado winds demolished farm homes and killed two persons Sunday near Kilmourne, La., and Etta, Miss. Lightning killed a woman near Fayetteville, Tenn.

Portland's Bund Hears US Chief

PORTLAND, Ore., Jan. 30.—(AP)—During a visit unaccompanied by disturbances, Wilhelm Kunz, national director of public relations for the German-American Bund, tonight denounced "The International, atheistic, Marxist Jew."

He spoke before the Portland chapter of the bund.

He denied the bund preached race hatred. "We are preaching race recognition," he declared. "We can live in peace with the negro, the Chinese, the Japanese and others for the reason that they have something in common— which is racial pride and love of country. . . . The only exception is the Jew, the parasite on the body politic of many nations."

He deplored what he called "sluggish liberalism" and declared that no one but the Jewish race could profit by it.

Starvation Death Held Lord's Will

SHERBROOK, La., Jan. 30.—(AP)—Dr. Willis P. Butler, Caddo parish coroner, today wrote the words "suicide by starvation" on the death certificate of Mrs. Lavada Smith, Flournoy, La., housewife who fasted for 35 days "because the Lord told me to do it."

Mrs. Smith, 44, the wife of a railroad welder and the mother of three daughters, died Sunday afternoon in a Sherbrooke sanitarium.

Hitler Speech Held Tolerant, Leash on War

Senate Foreign Relations Chairman Encouraged by Address' Tone

Senator King, However, Sees Sure Struggle Between Ideals

WASHINGTON, Jan. 30.—(AP)—Chairman Pittman (D. Nev.) of the senate foreign relations committee said tonight that if Adolf Hitler's future actions "are as tolerant as his reichstag speech today there will be no fear of any immediate war."

Pittman, who heard Hitler's address by radio, told reporters his preliminary study disclosed "no demands based solely on force."

"To that extent," the Nevada senator added, "it is very encouraging."

Senator King (D. Utah) took a different view, saying the talk was an indication that Hitler and Mussolini "have conspired to reorganize the map of Europe."

Sen. King Pessimistic On Peaceful Future

"The democratic nations might just as well make up their minds," King said, "that the Nazi and fascist governments are going to make war—economic or political—against democracies."

The Hitler speech was regarded by some officials as a direct reply and challenge to President Roosevelt's opening message to congress in which the president upheld democracy as contrasted with dictator rule.

A number of officials of the state department listened to the broadcast and then read telegraphic accounts of it. They reserved official comment until after a complete study.

Observers close to the state department regarded as highly significant Hitler's declaration that Germany would support Italy in any fight.

35 Persons Face WPA Misuse Trial

Sen. Dennis Chavez' Name Is Brought Out in New Mexico Case

ALBUQUERQUE, N. M., Jan. 30.—(AP)—The name of Sen. Dennis Chavez, New Mexico's junior senator, was injected today early in the mass trial of 35 persons charged with conspiracy against the federal government for political use of the state WPA.

Earl Bowditch, building superintendent at the University of New Mexico, testified for the government that WPA workers on a university grounds project were told to "go home" the day following the Albuquerque city elections in April, 1938, marked by a political clash at the polls between Senator Chavez and Clyde Tingley, then governor.

On that occasion, Bowditch testified, Salomon Chavez, a cousin of the senator and project supervisor, had been drinking—"jubilant," according to the witness.

Before court recessed, the government took testimony from various WPA officials, including present State Administrator R. L. Nicholson and subordinate administrative supervisors, designed to get into the record the workings of the WPA to support more than 100 exhibits in the form of time sheets and work orders.

San Salvador Shaken

SAN SALVADOR, Salvador, Jan. 30.—(AP)—The western portion of Salvador was shaken by an earthquake today. Only minor damage was reported.

Higher State Share in Race Revenues, Ways-Means Idea

The state's share of pari-mutuel racing revenues will be increased from 1 1/2 per cent to 3 1/2 per cent if a recommendation adopted at Monday's session of the legislature's joint ways and means committee is enacted into law. It was estimated that the additional 1 per cent would amount to approximately \$75,000, which would go into the general fund. Fairs and exhibitions now receive all of this revenue.

The proposal was based upon a report by the revenue subcommittee of which Rep. C. C. Chapman is chairman. Rep. Hannah Martin of Salem suggested that the state's "take" be increased to 5 per cent but that it be voted down.

Other revenue items reported by Representative Chapman totaled \$200,000. These included unexpended balances from appropriations, reversions and other items not included in the state budget.

Figures were presented by Rep. Chapman showing that unexpended balances of \$400,000 estimated for the state budget probably would not exceed \$200,000.

A committee of six legislators was approved to appear before the state board of control and revive the proposal to purchase or erect a state office building in Portland. The 1937 legislature authorized the board of control to acquire such a building to cost up to \$750,000 but made no appropriation.

Approval was given a bill appropriating \$15,000 to create a "Willamette Valley Project Committee."

Another bill appropriates \$500 (Turn to Page 2, Col. 4)

Bristling Address Lays Down Demand For Lost Colonies

United States Gets Warning to Keep Hands Off Germany's Trade With South America

Secretary Ickes, British Statesmen, Bolsheviks and Jews Receive Oratorical Barrages

BERLIN, Jan. 30.—(AP)—Adolf Hitler tonight pledged German support for Italy in any war against her, demanded return of Germany's pre-war colonies, and warned the United States to keep her hands off German trade with South America.

To a world tensely waiting for an indication of how he would next use his power and whether Germany would support Italian claims against France, Hitler declared Germany and Italy were "determined to give common support to common interests."

In a bristling outline of nazy policies to an enlarged reichstag summoned on the occasion of the sixth anniversary of Hitler's rise to power, the

fuehrer also: 1. Warned the western powers against interfering "in matters concerning us alone with the purpose of preventing natural and sensible solutions";

2. Raised the possibility of the use of force to get back the 1,000,000 square-mile colonial empire "taken" from Germany unless redistribution of colonies was made on a basis of "fairness and common sense";

3. Repeated "any American intervention in German affairs" and said German relations with the United States suffered from "a campaign of defamation carried on to serve obvious political and financial interests";

4. Launched a bitter attack against bolshevism; 5. Spanish insurgents' Success Is Hailed

6. Hailed insurgent success in Spain as another "valiant defeat of the newest universal attempt to destroy the European culture world";

7. Annulled United States Secretary of State Ickes and three British statesmen who frequently attack nazy policies as "apostles of war";

8. Proclaimed that Europe could not "come to rest" until the Jewish question was settled;

9. Disavowed any German territorial demands upon England and France "except that of the restoration of our colonies";

10. Envisaged the possibility of a trade war by which Germany "either live—meaning export—or die" but warned that German leaders were "ready for everything."

Hitler spoke to a reichstag of 855 brown-shirted deputies which in its larger size symbolized his greatest achievements—an annexation of Austria and the Czechoslovak Sudetenland. For the first time 73 Austrian and 41 Sudeten deputies took their places with their German colleagues.

Glowing Meteor Sweeps Heavens Over Local Area

A brilliant blue-green meteor described by Amateur Astronomer E. L. Bradley of Salem as the largest he had ever seen swept across the sky in a southerly direction at 8:03 o'clock last night, he reported. Its light was so intense that it showed through a cloud bank as the meteor approached the southern horizon. It appeared to break up after passing into the clouds.

Bradley said the meteor left a trail of light behind it approximately two moon diameters in width that remained visible for at least two seconds.

Lay observers described the meteor as appearing "about the size of a grapefruit."

KOAC Is Granted Another Hearing

WASHINGTON, Jan. 30.—(AP)—The communications commission agreed today to reopen a hearing on a protest by the state-owned radio station, KOAC at Corvallis, Ore., against an increase in power for station KOY at Phoenix, Ariz. The Oregon station claimed the increase would result in interfering broadcasts over the same wave length.

Drunk Driving Charged to W. Lund of Albany

Walter Eric Lund of Albany was accused by city police Monday night on a charge of drunken driving. Gene Meyer of Salem was arrested on a charge of giving liquor to a minor, Robert Dickie, 1123 North Fourth, was charged with driving without an operator's license.



Above, Princess Martha; below, Crown Prince Olaf of Norway, who will visit the United States this spring but cannot manage to include Oregon in their itinerary according to word received yesterday by Governor Sprague.



R. J. Thomas, "acting president" of the anti-Homer Martin faction of the OEO auto workers' union. Formerly a vice-president of the UAW, he was ousted by Martin.



An English girl may play "Scarlett" but Helen Kay Kelly of Butte, Mont., will be "Queen Gay" of the coming winter carnival of Banff, Alberta, Canada.



Their impeachment sought along with that of Labor Secretary Frances Perkins in resolution filed by Rep. Kenneth Thomas (R-W.) above; Gerald D. Bell, labor department collector below; James L. Houghtaling, transportation commissioner.