

PUD for Linn Held Feasible

District Held Good Area With Facilities Ample, Rate Cut in Future

The proposed Linn county people's utility district, eventually, but not in the near future, would lower the cost of electrical energy, according to a report of the state hydroelectric commission released Friday.

The report dealt with the feasibility of the project which would include virtually all of the settled portion of Linn county with the exception of Albany.

The area has an estimated population of 23,000 and an assessed valuation of \$18,029,815. Cost of a distribution system adequate to serve the territory was estimated at \$821,000.

Costs Are Estimated

Annual costs, including interest, amortization of the bonded debt, depreciation, operating expenses and purchase of power were estimated on two bases, one the life of bonds extending over a period of 24 years and the other 30 years. An interest rate of 4 per cent was assumed.

The total annual costs for the 24 year bonds were estimated at \$21,120 for the first four years and \$246,497 from the fifth to 24th years. On the basis of the 30-year bonds, the total annual cost for the first four years would be \$211,900 and from the fifth to the 30th years \$231,059. Annual revenue was estimated at \$180,170. Taxes were estimated at \$15,842 annually.

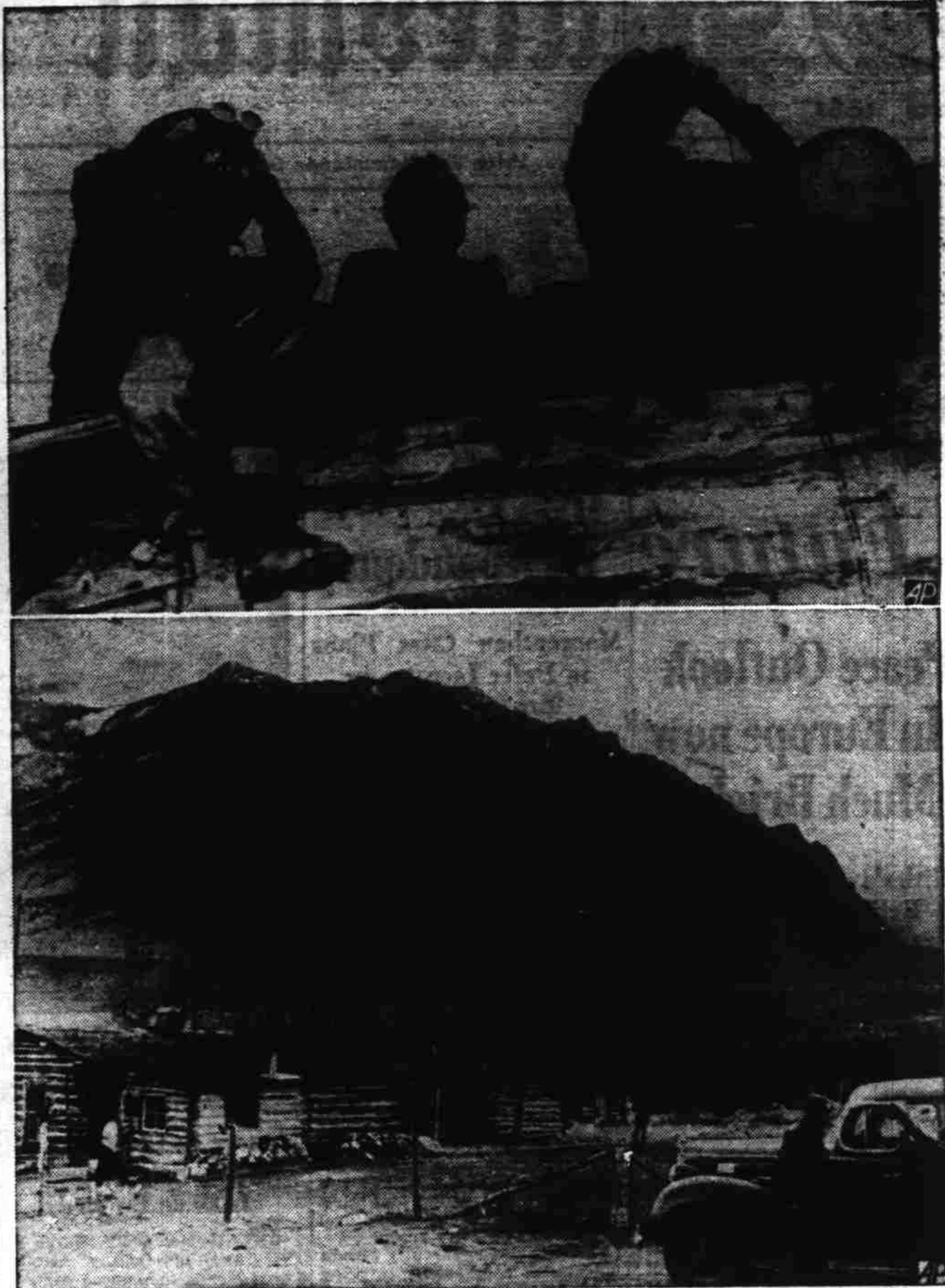
Load Increase Possible

"An analysis of the annual cost and annual revenue would indicate that under the conditions assumed for this report there would be little immediate reduction in rates," the statement said.

The surplus would range from \$33,000 to \$49,000 depending upon the length of the amortization period.

The report concluded that the projected distribution system has capacity for a considerable load increase without increasing construction or operating costs and would result in reduced rates in being able to furnish additional energy with nominal additional cost to the consumer.

"Tarzan" Leaves His Wilds, Is Slain in Town



Finding a battle of wits with the forces of law and order in the mountains too one-sided in his favor, Earl "Tarzan" Durant who had killed four men, "went to town" but learned that the odds were against him there. He was wounded by a high school boy and then shot himself fatally. In the upper picture, posemen Art Maybenny, Dave Carlson and "Tex" Kennedy watch, through binoculars from the roof of a farmhouse, the supposed hideout of Durant on Bear Tooth mountain, shown in the lower picture.—AP Telemats.

Reserves May Be Abandoned

Morgenthau Cites Plans to Defer Increase in Tax for old Age

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1 per cent of the first \$2,000 of his annual salary and his employer pays a like amount.

The tax is scheduled to increase next year to 1 1/2 per cent each on employee and employer, to go to 2 per cent in 1943, to 2 1/2 per cent in 1946 and to 3 per cent in 1949.

More than a billion dollars has been collected under the tax, which first became effective in 1937 and some economists have contended this "siphoning off" of potential purchasing power has been a powerful deterrent to business recovery.

Morgenthau advanced these possible alternative schedules:

- 1.—1 1/2 per cent each on employee and employer in 1940; 1 3/4 per cent in 1941, and 1 1/2 per cent in 1942.
- 2.—1 1/2 per cent in 1940, 1 1/8 per cent in 1941, and 1 1/4 per cent in 1942.
- 3.—Continue present one per cent rate through 1942.

Peace Outlook Much Brighter

Hitler's Rapid Success Believed Near End; Duce May Decide

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Thursday he concluded a triple success during ten days that seemed like anxious years to depressed Europe.

The Memel "affair" merely returned to Germany a northern Baltic seaport taken from her by the Versailles "peace" treaty. The interesting aspect is that he preferred to compel its return rather than wait for it to come through a vote. Lithuania relinquished it under threat of invasion.

A day earlier Hitler took over the remaining two-thirds of Czechoslovakia whose dismemberment was the Munich pact, September 29, last year, stirred the world. Hitler kept for Germany the richest one-third, established a protectorate over another third and let his grateful neighbor Hungary take the remaining third.

The apparently approaching struggle between Hitler and others to dominate Europe seems complicated because it is a mesh of smaller problems, of hates and of desires.

Claim Manhattan "Sudetenland"



The Marble Hill section of New York, once a Harlem river island but now continuous with the Bronx, has become a Manhattan "Sudetenland" claimed by the Bronx. Bronx Borough President James J. Lyons is seen planting the Bronxian flag in the disputed territory while Joe Fitzgerald, an assistant, lends support.

Spanish War's End Uncertain

Peace Negotiations not Completed; II Duce Speech Awaited

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and brought to the fore the French-Italian territorial quarrel. Premier Mussolini was expected to throw some light on this problem in a speech scheduled for Sunday.

Britain meanwhile was confronted with mounting conservative clamor for conscription and an all-party government in the face of Prime Minister Chamberlain's thus far unsuccessful efforts to raise a "halt Hitler" front in Europe.

The British plan for a four power anti-Hitler declaration by Britain, France, Soviet Russia and Poland struck a snag when the latter balked.

The Warsaw newspaper Express Poranny, considered a mouthpiece of the Polish foreign office, said Poland would not permit herself to be dragged into any bloc—presumably against Germany—and would refrain from forming any bloc on her own hook.

Warsaw political circles considered this as tantamount to rejection of the British sponsored plan.

It was expected, however, that France, a long standing friend of Poland, would try to use her influence on Poland.

Hitler rounded out 10 days of achievement unparalleled in his career when he returned to Berlin after taking pin-stized Memel under his spreading wings.

The Nazi regime slapped on Germans a new "excess income tax" and a high finance official said that a dollar in national revenue sources must be found to finance the reich's needs instead of borrowing as heretofore.

The German minister to Budapest paid two visits to the Hungarian foreign office ostensibly to obtain an explanation of the fighting in Slovakia, which Germany has agreed to protect.

Statue Honors Rogers

WASHINGTON, March 24.—(AP)—A bronze statue of the late Will Rogers will be unveiled in the capitol rotunda June 6. The statue is the gift of the state of Oklahoma.

Christian Drama Slated at Church

"Rose on the Dial," a drama of the Christian faith, will be presented Sunday at 7:30 p.m. at the Knight Memorial church, 19th and Ferry streets. A romance of Alexandria, a Christian woman around the story of a Christian girl who loved a man who did not understand, in a setting of Roman persecution and Christian heroism, the play is given under the direction of the pastor, Howard C. Stover.

The cast:

Flower girls of Diana, Alice Ficklin and Ferne Davenport; Athens, daughter of the Proconsul, Carol Braden; Claudia, her sister, Benetita Harland; Philip of Alexandria, a Christian, Roy Harland; Bernice of Alexandria, Harriett Smart, a soldier, John Ficklin; Marcus, the perfect of Ephesus, Donald Ellis; Fabius, the Roman proconsul of Ephesus, Howard C. Stover.

Musical selections "Dance Arab" Nutcracker suit Tschalkowsky; "Eine Feste Burg" Bach-Stokowski; and "Aida Grand March" Verdi.

Henry W. Meyers Called at Age 69

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Henry W. Meyers attended early school in California and later attended Bishop academy and Willamette university in Oregon. He and his brother, Milton L. Meyers, in 1906 purchased their father's business and operated the store for 14 years under the name of H. W. and M. L. Meyers. The Miller Mercantile company became owners of the store in April, 1920.

In 1896 Mr. Meyers married Miss Ellen Edes, the daughter of George A. and Rhoda Chapman Edes. Mr. Edes was formerly sheriff and a county clerk of Marion county.

March 23, 1927, Mr. Meyers was appointed superintendent of the state prison by the state board of control during the Patterson administration. He served in that position until the beginning of the Meier administration.

During the world war he was active in the advancement of Red Cross work. He was a life member of the Benevolent Protective Order of Elks.

Mr. Meyers was one of those instrumental in the promotion and building of the Salem General hospital.

Survivors include the widow, Mrs. Ellen Edes Meyers; brothers, Milton L. Meyer of Salem, Donald Meyers of LaGrande and Charles E. Meyers of Pittsburgh, Pa.

Well, well, well! It looks like Salem high is tops when it comes to playing basketball because I've heard a rumor that they walked off with the cup of the 1939 Oregon state basketball tournament without so much as a huff or a puff. Even yours truly was at the final game to see his alma mater bag the bacon. What a game!

Last week, over the whispers of who was going to win that night, your stage performers included Jean Hoffer, Alice Domagall, Wanda Steinbruck, Phil Beagle, Betty Beardsley, Alice Wilder, Sylvia Le Bailey, Betty Lou Kayser and Dean Arhebert.

Attention everyone! I take pride in announcing that today from the screen of the Elsinore theatre will be shown two of the greatest features ever offered to the Mickey Mouse club and when I say greatest I want you to know that they are both wows.

In place of one of the regular features Carl Porter, the manager, has for you that great out-of-doors picture filmed in the heart of the great northwest entirely in technicolor, "Heart of the North," plus "You Can't Cheat An Honest Man" with W. C. Fields, Edgar Bergen and Charlie McCarthy. Don't forget chapter 13 of "Scouts to the Rescue" with Jackie Cooper and added short subjects, plus another big stage show.

See you at 1 p. m.

JAY, Mickey Mouse Chief.

Log-Rolling Eyed Over Farm Issue

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cratic leadership was ready to throw its support to that item. The reason given was that the appropriation had been approved by the appropriations committee.

Under the circumstances, members of the economy bloc, heretofore uniformly successful this session, grimly fought for time and endeavor to assay a situation which, some of its members said, held possibilities of undoing all their previous work in trimming appropriations.

A test of strength on the parity payment item awaited, meanwhile, the disposal of practically all other items in the bill, a slow process. Leaders had been hopeful that the question might be disposed of today, but made plans for a meeting of the house tomorrow.

Kennedy Reports Peril not at End

LONDON, March 24.—(AP)—United States Ambassador Joseph P. Kennedy said tonight that "the danger may be as great or greater" than it was during the Czech-Slovak crisis last September, but refused to elaborate.

The ambassador made the statement after arriving late at a press club dinner because of a conference with Foreign Secretary Viscount Halifax.

He said with "last week's events still bitterly fresh in our minds," that all "should keep their mouths shut" at the present stage of political tension unless they were charged officially to speak for their governments.

Strike on Matson Liners not Settled

SAN FRANCISCO, March 24.—(AP)—Three steamships were tied up "indefinitely" at their piers today when peace negotiations between Matson Navigation company and Marine unions protesting living quarters, collapsed before they started.

More than 200 passengers bound from Los Angeles to Hawaii left the liner Matsonia and reservations of more than 150 more persons planning to board her were cancelled.

WPA Check Theft Arrests Reported

PORTLAND, March 24.—(AP)—William McSwain, secret service agent, said today Ray Edward Westerberg, 20, had been arrested on a charge of stealing a WPA check. Two other youths, Robert Rilette, 23, and Donald Keldel, 18, were in custody in Klamath Falls in connection with the case.

Westerberg's hearing before a federal commissioner was delayed until Rilette and Keldel were returned from southern Oregon.

CCC Youths and Home Boys Clash

WILLOWS, Calif., March 24.—(AP)—A gang fight in which 20 young men invaded Orland and attacked enrollees of the civilian conservation camp, was being investigated by peace officers today.

Two CCC enrollees were in the hospital and two others were reported knocked unconscious in the free-for-all. Oscar Lee was reported suffering brain concussion, a possible broken leg and severe bruises. The other enrollees, whose name was not revealed, had three broken ribs.

Investigators said the fight grew out of a riot at an Orland dance Saturday night after a Willows man slapped his wife and spit in the face of a CCC enrollee who rebuked him.

Coe White Case Arguments Heard

Arguments were heard by the state supreme court Friday in the case of E. White, who sought damages from the Pacific Telephone & Telegraph company for malicious prosecution. White obtained a judgment of \$25,000 in the Multnomah county circuit court.

Plaintiff, formerly an employee of the company, was arrested charged with being involved in a conspiracy to participate in a contemplated robbery of the telephone company's offices. A Multnomah county grand jury returned a not true bill in the case.

Oliver Completes Work for Degree

Word has been received that Kenneth Oliver, Willamette university '35, has completed work for a master's degree in Germanic languages and literature at the University of Washington in Seattle. The degree will be granted in June.

Oliver, who is head of the foreign language department at West Linn high school, will continue with advanced work toward a doctor's degree at the University of California summer session in Berkeley.

Intervention Plea Of Bill's Sponsor Group Disallowed

PORTLAND, March 24.—(AP)—The Associated Farmers of Oregon, which sponsored Oregon's pocket regulating law in the general election last November, was denied permission today to intervene as a defendant in a test of constitutionality.

Judge James P. Stapleton heard the farmers' plea but dismissed it after attorneys offered a motion to withdraw. Identical suits already have been filed by the American Federation of Labor and the Congress for Industrial Organization, attacking the law. The Railroad Brotherhoods recently filed motion to intervene as plaintiffs, also.

The case will be argued here April 3 before Circuit Judges Robert Tucker, Portland; James T. Brand, Marshfield, and Arthur D. Hay, Lakeview, sitting en banc.

Mexican Hopetul

Gen. Joaquin Amaro

Attacking the current Mexican administration's stand on expropriation of oil lands, Gen. Joaquin Amaro has announced his candidacy for the southern republic's presidency.

Arthur Haley Dies

MONMOUTH—Funeral services were held here Monday for Arthur Haley who died March 18 at Hillsboro. He had lived at Monmouth most of his lifetime, where he was engaged in farming. Surviving are his widow, one son, Harold, and 2 grand-children at Hillsboro.

Tonight Only
MELLOW MOON
ROLLER RINK
Mammoth
Skating Revue
All Out-of-Town Talent
21 SKATERS
16 GIRL CHORUS
Drills - Acrobatic - Comedy
Skating Before and After Show 25c

DELICIOUS CHINESE DINNERS...
At Salem's Foremost Oriental Restaurant
SPECIAL CHICKEN DINNER — 25c

Pork Chow Mein for 1, 35c; for 2, 50c; for 3, 75c.
Chicken Chow Mein, 75c
Pork Chop Suey, 35c
Fried Rice, 35c
Home-made Noodles 25c
UNION HOUSE

NEW SHANGHAI CAFE
121 S. Commercial—Opp. Ladd & Bush Bank—Ph. 7082
F. Louie, Proprietor—65 Years in the Business

HOLLYWOOD
TWO FEATURES

Jackie Cooper in "Newboys Home" with The Little Tough Guys
Charles Starrett in "South of Arizona"

10c
15c

Added News, Popeye Cartoon "Cops Is Always Right" and Chapter 1 of New Serial, "THE LONE RANGER"

On Our Stage Today at 1:30 P. M.
Beth Jayne and the Hollywood Buckaroo Program Broadcast

COMING SUNDAY
Two Big Features 15c
CONT. PERFORMANCE SUNDAY—8 to 11 P. M.

Taylor Sullivan
Tone Young
THREE COMRADES
A Fresh Stage Production Directed by Frank George
And Second Feature
"BULL & KID BITTERS"

SALEM'S STAR THEATRE
No Advance in Price
15c

Starts Tomorrow

2 DAYS ONLY!
Sunday Monday
Continuous Show Today Tomorrow

The GREAT WALTZ
Luise Rainer • Fernand Gravet

— LAST DAY —
Wayne Morris
Claire Trevor
"VALLEY OF THE GIANTS"
and
Gary Cooper, Geo. Raft
"SOULS AT SEA"
Matinee "Wild Bill Hickock" Only

HUGH HERBERT • LIONEL ATWILL

Headlines of Hate
—The Power of the Press on a Rampage!

JOAN BLONDELL • PAT O'BRIEN
"BACK IN CIRCULATION"
WITH MARGARET LINDSAY
WARNER BROS. PICTURE

DANCE
at
KENTI HALL
Two Miles North of Independence
Every Saturday Nite
Admission 25c
AL BANING
And His 8-Piece Orchestra