PAGE FOUR



Bits for

Breakfast

By R. J. HENDRICKS

(Concluding from yesterday:)

How did the First Methodist

church Sunday school of Salem

come to be the first Sunday

school of any denomination in

all the land above parallel 42

ed to the western Indians' Mace-

donian call, in 1834, he brought

with him, traveling in the cav-

alcade of the second Wyeth par-

ty, his nephew, Daniel Lee, and

P. L. Edwards, C. M. Walker,

Edmunds and James H O'Neal.

miles by water below what be-

When the party arrived at Fort

and hardships of the long plains

which made the first considerable

er garden and fruit orchard that

Cyrus Shepard remained at

plored for the location of their

mother mission, and finally start-

began the work of preparing the

materials for their first little log

house, where the marker is now.

A large part of their first furni-

Lee with his sheath knife.

tion in Salem.)

mission, below Salem's

'old'

site.

and probably Charles J. Roe, J

Weil, when Jason Lee respond-

draining into Balboa's ocean?

Pioneer Sunday schools;

First one in Portland, and,

years before, first in Salem, which became First Methodist:

From First Statesman, March 28, 1851

THE STATESMAN PUBLISHING CO. Charles A. Sprague, President Member of the Associated Press

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## **TVA Raises Taxation Problem**

"On my desk now is a printed amendment intended to be offered which provides that all property of the TVA shall be subject to taxation everywhere under the local laws of taxation. If we go to that extreme, senators can see that the TVA would be out of business in three months."-Senator George W. Norris (Congressional Record).

Early in this session of congress, it is predicted, there is going to be a major battle over the payment of state and He brought also, as missionary local taxes by the TVA in the area it serves. In Tennessee for teacher, Cyrus Shepard, quite instance. TVA has taken over 90 per cent of the electrical prominent in the first years of utilities. The annual tax loss to the state of Tennessee and the headquarters mission, 10 local governmental units will exceed three million dollars. came Salem, On the other hand, TVA headquarters claims the great power system's operations will save to the people of Tennessee Vancouver, on Monday, Septemas electricity users, some eight million dollars, which would be a 25 per cent reduction from the rates previously paid to the fagged out from the exertions private companies.

There seems to be general agreement in congress that journey, throughout which he something ought to be done to offset this tax loss, but there had carried on horseback the is sharp division of opinion over the solution. The proposals precious garden and flower seeds may sound weird and the lineup may look even more so, at and complete vegetable and flowfirst glance.

It is necessary to understand that under no circumstan- ever grew in Oregon-at the ces, at present, is federal property taxable by the states or local agencies. In the case of the federal forests, payments in lieu of taxes are made to the states voluntarily through con- Fort Vancouver, under the care gressional action. The amounts are not comparable to the of the physicians there, while the taxes paid by private owners of similar property. Now Sen- other members of the party exator Norris, strange to say in view of the above-quoted statement on the floor of the senate, proposes that the same solu-ed it on Monday, October 6, 1834, tion be adopted in the case of the TVA property. But wheth- when they landed at the site and er it is his viewpoint or not, it seems to be the congressional viewpoint that these payments would come out of general federal funds and thus would be paid by the nation as a whole. In the case of the federal forests, the theory is that the pay- ture was whittled out of goods ments are made out of the government's revenue from these boxes and native wood by Jason forests.

In opposition to the Norris view which is reported to be shared by the national administration, Congressman Andrew Jackson May of Kentucky who has fought TVA expan- ing the people he found there. sion all along though he is better known for the drastic "May Indians and whites and natives bill" for regimenting the nation in case of war, proposes that the people of the TVA states make up this tax loss, since they are the beneficiaries of the power rate reductions. May's been shipwrecked, saved from formula is a tax on the consumer-an excise tax added to the drowning and brought to the fort. electric bill.

Normally when the federal government buys property, as for a postoffice site, it is simply taken off the tax rolls and teachings to their hermit land; automatically, the loss is absorbed by the other taxpayers. Even in view of the rate savings this would not be practically equitable in the TVA case, for much of the property TVA absorbed is in sparsely-settled counties with few power users, Tokio, Japan, now-every one which heretofore have depended largely upon tax revenue from the private utilities.

But there is still another issue. The few remaining private utilities will continue to pay taxes which will be includ-ed in their rates. They must compete with TVA. It seems therefore that the May suggestion is the sound one. The tax



Hitler's Friend Returns Home



Miss Unity Valkyrie Freeman-Mitford (center) is shown being assisted by her father, Lord Redesdale (left) into a hotel at Folkestone, England after an ambulance breakdown delayed surgical aid for the 25-year-old blond friend of Adolf Hitler upon her return to England from Germany. She was described by her father as "very ill," but the exact nature of her ailment still was a mystery. Pho to radioed from London to New York.)



| knew that before a month had | disguise. No easy task, yet even Chapter 18 Continued From the narrow window the passed all this green carpet of as he rode he realized that bedam was barely visible, but Doug- living vegetation would be burned cause of that disguise alone he las could hear the confused to the parched brown of desert was not lying beside the ruined shouting of men's voices, and death. Within two weeks the dam with a ballet through his soon across his field of vision waterholes for his cattle would be lungs.

Cyrus Shepard occupied himself at Fort Vancouver in teachlevel of the reservoir. Like a thunderbolt the purpose of far countries, lessons of Christian belief and behavior-including two natives of Japan who had dam! they were going to blow up the eyes.

With a cry of anger he reached for his camera, wrenched open a to be eventually forwarded home. compartment in the back and by way of England-the first to ever carry the tidings of Christ's the door, but the heavy four-inch seed planted that started a great timbers never moved, and levelmovement of enlightment in that ing his automatic at the lock, he island country. (There are some 14 Congregational churches in of shattered iron the bolt snapped, the door swung slowly open. with a larger membership than either church of that denomina-

Shepard remained at the fort, jumping their horses and riding down sacks of earth, piling them tracks can't hurt you." Impatientcloud of dirt rose from the dam and spread fan-wise through the Broken, twisted timbers air. hurtling end over end flew upward, hovered motionless against the sky, then slowly fell, and now the earth shook with a din that That was the "first Protestant made his ear-drums tremble. Back to the farthest canyon, echoing from hill to hill, that deep resonance rolled and died an authority on early Oregon history. It was the same for all the away, while above the dam a coasts of all the Americas facing cloud of yellow dust hung like a curtain, obscuring the forests and the retreating horsemen. But what connection had that

the group of horsemen passed, wastes of baked clay, trodden In front of the ranch-house he then halted while several of their into dust by the feet of herds halted, then seeing the girl comnumber disappeared below the seeking helplessly to quench their ing from the stables, Douglas

the crevices. It would hold for Have you any idea where he is?"

fence.

blood of the border country, and "I have been worried for your ment and apparently certain to of their visit burst on Douglas- it was draining away before his safety," he announced, with that be enacted by congress. Agricul-

He turned back to the dam. The "Why?" reservoir was already two-thirds

empty, the angry swirl of the first great rush subsiding to a steady flow. perately he threw himself against slipped down against the dam, lower pasture and gone through." impeding the water's flight, and with new hope Douglas jumped from his horse. Gathering the fired three times. With a shrick shattered timbers, he thrust them force of the flowing water held there," she commanded. them in place, then working Too late! Already men were against time he made repeated at least twenty menscrambling hastily up the bank, trips along the bank, carrying

survey the result of his efforts.

Only a thin trickle was coming

through, and cutting huge

squares of sod with his knife,

Douglas stuffed them between

the present, and enough water

might be saved to serve the

mud, his hands hot and blistered

when again he mounted to take

up the search for Paxton and the

missing vaqueros. Eyes alert for

every sign, he made two wide cir-

His boots were running with

rancho for a few weeks.

thirst. Water-it was the very called to her.

lazy, hesitating speech of his.

"Just across the arroyo I found the tracks of a band of riders. Part of the bank had They had cut the fence of your

"Cut my fence!" Anger flashed in the girl's eyes. "Wait!" She disappeared into the stable, emerging a moment later on one across the open hole where the of her swiftest horses. "Take me

He hesitated, "But there were "Well what of that? Their

the announced "hope" that the improving business cycle would

floor of the valley toward the

northern boundary of her ranch.

He turned in his saddle as they

Alison's eyes veiled instantly.

Perhaps I have." she said at

last, "but first show me that

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(To be continued)

5:30—Milkman Melodies. 7:30—News.

:45-Hits and Encores.

-Pastor's Call.

30-Men About Town.

:30-Tommy Tucker :00-Value Parade.

:45-Popular Salute.

:30-Hollywood

:00-Buckeye Four

7:15-Swingtime.

2:45- News.

:15-Interesting Facts.

:45-Ensemble Moderne.

2.00—Sammy Kaye Orchestra. 2:30—Uncle Don.

3:30-Alvino Rey Quartette. 3:45-Dick Barrie Orchestra.

6:15-Dinner Hour Melodies 6:30-News and Views.

.30-Imperial Intrigue.

6:45-Betty Rhodes and Choir. 7.00-Tropical Serenade.

8:45-News.

:30-Morten

10:15-News.

00-Popular

-Mirandy. -Musical Interlude.

8:15-This Wonderful World. 8:30-US Army Band.

-Young Artists Recital.

:45-Waltztime. :00-Oberlin College Debate.

00-Songs Sweethearts Sing.

Melody.

Gould Orchestra.

Buckeroos.

Orchestra.

rode. "All morning I am looking

for Ed Paxton at the reservoir.

curtail the problem, but he warn-

**News Behind Today's News** By PAUL MALLON

(Distributed by Kings Features Syn-) national defense and other things dicate, Inc., reproduction part strictly prohibited.) in whole or in nearly wiped out his economiesand these will not only be wiped

The Real Property in the second second

WASHINGTON, Jan. 5 .- If you out completely, but exceeded, if want to know the inside on Mr. parity payments are to be made Roosevelt's budget, my advice is or additional relief appropria-that you suppress this emotion, tions are necessary, as expected. and turn now back to "Popeye"

or "Bringing Up Father," and enjoy yourself. Exposing budgetary sleight-of-hand is like telling how to do a good card trick. It ruins the fun, but if you insist: Mr. Roosevelt's hand is getting

PROPERTY AND ADDRESS

faster all the time. This budget is by a considerable margin the sleightest he has prepared.

On its smiling face it appears to be a stern economizing venture. Actually is contemplates the largest spending program in New Deal history. This can be proven.

treasury, reducing the working X-Ray pictures will not disclose balance by this amount. He may anywhere within its proposed list have done something else also, of expenditures an item of \$602 .but even the budget office can-800,000 which congress must apnot explain it fully. propriate under the law for old age pension payments. The trea-Facile also was his withdrawal

sury must pay this sum out to the old-age pension trust fund, whence it will be piecemealed to such of the aged as fulfill requirements. Mr. Roosevelt has put this ex-

had been appropriated previouspenditure on the receipts side of ly. But instead of counting this his ledger, not as income, but as as a receipt, he omitted any refan expenditure to be deducted erence to it until he came to from old age taxes. As a result next year's deficit and then he he saved himself the embarrassdeducted it from that. ment of mentioning it among his These two steps-the seizure

expenditures.

for next year.

of cash from the till for debt If he had listed it as the exretirement and the recapture of pense that it is, his budget would capital from the lending agencies have shown an outlay of \$9,--make the budget look nearly 027,000,000, not \$8,424,000,000 \$2,000,000,000 better than ordias the headlines have advertised. nary receipts and expenditures. would have made ft. Thus corrected, his expendi-

tures will be approximately Main purpose of all this fun what he has been spending this with the national books was to year, the largest spending year get the president out of the jam of the government to date. His he was in, with the debt apbudgeted expense for this year proaching the \$45,000,000.000 runs \$9,099,000,000 or \$72,statutory limit. FDR has thus 000,000 over what is proposed relieved himself of the necessity of asking for an increase in the

The trick of "the shrinking

debt" is likewise a swift one.

Apparently Mr. Morgenthau

left the debt out in the rain

or something; it shriveled to

an extent of \$1.150.000.000 or

more during the 1940 fiscal

year while the treasury was losing about \$4,000,000,000 in

deficit expenditures, and the

debt should have been increas-

To accomplish this shrinkage

Mr. Roosevelt took \$1,150,000,-

000 from the cash drawer of the

of \$700,000,000 from the recon-

struction finance corporation and

other lending agencies. The presi-

dent explained they did not need

this much of their capital which

ed by this amount.

But next year's prospective exdebt limit until after election by penditures go even beyond that. altering the bookkeeping total The president has omitted entireof the debt, the expenditures and ly proposed appropriations for the deficit. He has done more. He farm benefit payments, as advohas figured everything out so cated by the agriculture departthat congress would appear to be required to grant him a \$460,-000,000 increase in taxation unture Secretary Wallace has been less it wants to assume the odious wanting between \$225,000,000 political responsibility for inand \$250,000,000 for this purcreasing the debt-an odium it pose. Mr. Roosevelt himself menrefused to bear last session even tioned this defect in his figures under administration pressure. by saying he would have to ask

congress for more money for this All the fun is "in accordance purpose if farm prices were not with law" as the president once above parity payment level this said about the Panama ship deal. spring Mr. Roosevelt mentioned anoth-

You may smile at it, but you cannot stop it, and you might er defect. His relief cuts he indinot do it if you could. cated were perhaps too drastic. Only thing it proves is that Most new dealers would have you should have followed my adeliminated the "perhaps." The vice in the first place and turned president cut relief one-third in back to "Popeye."

should appear in the electric bill. As for the Norris plan, its 7, 1835, when he arrived at the should appear in the electric bill. As for the Norris plan, its mother mission. On the first Sun-intent is not really so obscure. His concern is with the out-day in April, 1835, which fell on ward appearance of success for TVA; public power is his pas- the 5th, he opened the Sunday sion. He wants the TVA states and communities satisfied, school at the mission, with 13 so he is willing that they be paid sums in lieu of taxes. He pupils. doesn't want those sums to show on the books as coming out of TVA income. Judging from the remark quoted above, he Sunday school in the Americas has little inner faith that TVA can succeed, standing on its west of the Rockles;" quoting own legs.

The application to Oregon is plain. Electric utilities here pay, not three millions in taxes as in Tennessee, but close to the Pacific. twice that. If public power is to extend throughout the state, the tax loss will have to be made up somehow. The outcome of the TVA issue in congress may set a precedent for the othchurch of Salem? er public power regions. If the Norris policy prevails, it will be nice for those areas-until, perhaps, they encompass almost the entire nation. When that happens, the burden will have been restored to equity-except for the few unfortunate private utilities that may survive.

## Waterfront Hums Again

San Franciscans, as has been their custom during the grist and saw mill under one roof low green wall the first wave boundary line of the Neale ranch, last stormy half-decade, drew a tentative breath of not too of the mission; what was called, struck the narrow sluice and and here, to Douglas' surprise, confident relief last Wednesday when for practically the nth next, "The Institute," for the curled angrily back, then with they had cut the strands and time the inevitable waterfront labor situation appeared to be time the inevitable waterfront labor situation appeared to be taking a turn for the better. For the first time since last No- building for which had housed, giving water was wasting itself another instance of their convember 10 the 650 striking ship clerks and the 4000 sympa- first, the mission Indian manual out over the countryside, tearing tempt for every rancher in the thetic longshoremen returned to their inkpots and their labor school, and was sold, with down the slope, ripping out the valley? handtrucks, while much of the rest of the city of some 650,-000 (not all of whom were inimical to the strikers) considered the matter of crying or not crying over some \$100,000,-000 of spilt milk the strike is estimated to have cost.

The ship clerk strike was an outcome of the delicate labor balance which prevailed in the California city late in the summer, at a time when both employers and employes looked forward to the September 30 date of expiration for water- under its roof lived the Metho- full meaning of this new catas- toward her rancho. Not wholly front contracts. In August the employes gave notice of cer- dist ministers who preached to trophe searing itself upon his had he been able to trust the girl tain demands to be pressed prior to the making of a new series of contracts, and the employers for their part indicated | was in 1850. an unwillingness to concede more than was included in the existing agreements covering 1938 and 1939. In September the breach appeared to be closed with the agreements of both sides to continue the status quo pending the conclusion of a

Now the ship clerks have agreed to negotiate a new

Then, faintly at first, but ever cles of the reservoir, then back-Sunday school with the Sunday school of the First Methodist growing in volume, another sound tracked along the trail of the came to Douglas' ears-the terri- raiders, but found no trace of any fying roar of rushing waters. For- encounter. The growing possibil-

It was the mother of the last getful of danger he vaulted into ity that Paxton had been taken named Sunday school; the start- the saddle and spurred the fright- prisoner made him at last abanding school that became that ened horse to the very brink of on the reservoir, and riding at a school. How? Because, beginning the shattered dam. The center fast trot, he followed the trail in 1840, the mother mission of panel had ben blown asunder, and of the raiders down out of the Jason Lee was gradually moved through the open gash ton after foothills and across the cactus-

to what became Salem: that was ton of swirling waters came rush- studded desert to the barbed-wire its land claim, to the Oregon sod, while minute by minute the

built a house, now standing at ing sun. The raiders had struck. whereabouts. She might be able 1325 Ferry street, which was

(Turn to page 7)

5 5 5

called, first, "The Mills,' for the ing toward the ditch. Like a fence that marked the north name Willamette university, the way, and now that precious, life- were in haste, or was this only Far to the right, concealed by Institute, in 1844. Classes were level of the lake fell lower, leav- the failing slope of the land, Alistarted in the school that became ing about its banks an ever- son Neale's ranch-house lay, and Willamette university on August widening band of green that looking down at that severed glistened with moisture and fence, Douglas wondered what In 1842, the Lee mission had quickly dried beneath the blaz- she might know of Paxton's

Taut and deathly pale with to help him, yet it was half recalled "the parsonage," because anger. Douglas stood there, the luctantly that he turned his horse the people of the place that finally brain. Once he looked out over and every moment he was with came to be named Salem, which the valley to those waving fields her it would be necessary to hide of half-grown alfalfa shining in the anger that burned within him

the morning sunlight, and he and at all costs maintain the old



**Doctor Is Speaker** ed he would be back for more

money if it did not. On the in-SILVERTON-Dr. Joseph from side the understanding is comthe state tuberculosis hospital was mon that in both these instances, deficiency appropriations will guest speaker Wednesday night at the dinner meeting of the Silverhave to be made after the electon Active club. New officers in tions are over, possibly before. charge of the meeting were presi-

The story of what Mr. Roose- dent, Byron Gordon; vice presivelt has done in an inkwell, is dent, Sherven McCurdy: secresimply this: He has economized tary-treasurer, John Nichol; on some lines, mainly relief and sergeant at arms, Elmo Lindagricutlure, but his increase for holm; historian, John Bowman.

## Radio Programs

KSLM-SATURDAY-1360 Kc. 10:15-Calling All Stamp Collectors. 10:30-Matines in Rhythm. 11:00-Stars of Tomorrow. 12:00-Golden Melodies. 12:15-News. 12:30-Dol Brissett Orchestra. 1:00-Campus Capers. 1:30-KSTP Presents. 2:00-Sunset and Vine 2:30-Del Courtney Orchestra 3:00-News. 3:15-Kaltenmeyer's Kindergarten. 3:25-Associated Press News. 3:30-Religion in the News. 3:45-Southwestern Stars. 4:00-Betty Barrett, Singer. 4:15-Organ Moods. 4:30-Art for Your Sake. 5:00-Arch Oboler's Plays. :15—News. :30—Hillbilly Serenade. :35—Willamette Valley Opinions. 5:30-Milton Berle. 6:00-Meadowbrook Club Orchestra. 6:30-Music and Youth. 7:00-Caravan. 7:30-What's My Name! 8:00-National Barn Dance. 9:00-Ambassador Hotel Orchestra. 10:00-Rainbow Eendezvous Orchestra. 10:30-Hotel St. Francis Orchestra. 11:00-News. 11:15-Bal Tabarin Cafe Orchestra. 11:30-Olympic Hotel Orchestra. KOIN-SATURDAY-949 Ks. 4:00-Trojan Horses. 4:15-11. A. Open Golf Tournament. 4:45-Salon Echoes. 6:00-Market Reports. 6:05-KOIN Klock. 7:45—This and That. 8:15—Headliners. 8:80—Consumer News. 5:00-Jimmy Kennedy Orchestra. 5:30-Concert Melodies. 6:00-Tonight's Headlines. 9:00-Country Journal. 9:30-Let's Pretend. 10:00-What Price Americs ? 10:30-Hello Again 10:45-Mayfair Orchestra. 11:00-Brush Creek Follies. 11:30-Baron Elliott Melodies. 12:00-Library of Congress Musicals. 1:00-Bull Session.

10:00-Music for Moderns. 10:30-From Ho ywood Today. 11.00-S ars of Today. 11:30-Chicago Bound Table. 12:00-Gateway to Musical Highways. 12:30-News from Europe. 12:45-Eyes of the World. 1:30-Stars of Tomerrow. 2:00-Eotel Edison Orchestra. 2:15-Dog Chats. 2:30-News. 2:45-Campus Alumni Reporter. 3:00-Musical Workshop. 3:15-Radio Comments. \$:30-The Grouch Club 4:00-Professor Puzzlewit :30-Band Wagon. 5:00-Don Ameche. 5:30-One Man's Family. 6:00-Manhattan Merry-Go-Round. 6:30-American Albun 1:00-News From London 7:15-Armchair Cruises. 7.30-Carnival. 8:00-Night Editor. 8:30-Jack Benny. 9:00-Walter Winchell. 9:15-Parker Family. 9:30-I Want a Divorce. 10.00-News Flashes. 10:15-Bridge to Dreamland. 11:00-Bal Tabarin Cafe Orchestra. 11:30-Florentine Gardens Orchestra. REX-SUNDAY-1160 Ke. 7:45-Down Melody Lane. 7:50-Ski Snow Reports. 8:00-Dr. Brock. 8:30-The Quiet Hour. 8:59-Arlington Time Signal, 9:00-Radio City Music Hall. 9:00-Radio City Music Hall. 10:00-Pilgrimage of Poetry. 10:15-The Vass Family. 10:33-Metropolitan Moods. 11:00-Great Plays. 12:00-Proper Housing Talk. 12:15-Foreign Policy Association. 12:30-Let's Ge to Work. 12:45-Tapestry Musicale. 1:00-Family Altar Hour.