

CITY EDITION
Daily average net paid circulation for month ending April 30, 1924
6055
Average daily distribution 6412.
Member Audit Bureau of Circulations.

Capital Journal

THE WEATHER
OREGON: Fair tonight and Thursday except cloudy or foggy near the coast; moderate westerly winds.
Local: Max. 81; min. 49; no rainfall; river 0.2 foot, falling.

FORTY-SIXTH YEAR No. 122

SALEM, OREGON, WEDNESDAY, MAY 21, 1924

PRICE THREE CENTS ON TRAINS AND NEWS STANDS FIVE CENTS

COOKS THREATEN TO STRIKE

AGREEMENT REACHED ON REVENUE BILL

Conferees Provide 40 Per Cent Maximum Surtax And 50 Per Cent Cut On Small Incomes.

Washington, May 21.—Unanimous consent was reached today by the conferees on the tax reduction bill. The Simmons democratic income rate schedule providing for 40 per cent maximum surtax rate and a 50 per cent reduction in normal taxes on incomes under \$8,000 was accepted.

Senate amendments providing for full publicity of tax returns and a tax on undistributed corporation profits were rejected. Hope was expressed by senate republican organization leaders that the bill as now framed would meet the approval of President Coolidge, who has declared opposition to both the publicity and corporation proposals, which were eliminated.

Publicity Eliminated The house provisions for a 40 per cent increase in existing gift rates and for the imposition of a gift tax with rates similar to the estate tax rates were accepted. Senate democrats, in yielding their proposal for a substitute corporation tax and full publicity of tax returns, explained that they did so in expectation that the bill would not be objectionable to President Coolidge.

The provision for a 25 per cent reduction on earned incomes was retained but the senate amendment reducing the amount to which this cut could be applied to \$10,000 was accepted. A compromise was reached on a cut in the jewelry tax. All articles selling for \$200 or less were exempted from the five per cent tax. The house had set the limit at \$40 and the senate at \$25.

To Limit Deduction Senate proposals to exempt produce and merchandise brokers from the broker tax and to restore the full level on billiard and pool tables and bowling alleys were approved. The treasury proposal to limit deductions on account of capital losses to 12 1/2 per cent was restored to the bill by demand of house conferees. Secretary Mellon has estimated it would increase returns in revenue by \$25,000,000 annually.

Chairman Smoot of the senate finance committee estimated the bill would cost \$109,000,000 below the treasury surplus available for tax reduction. This did not take into account the cost of the bonus bill, which it has been estimated will require an appropriation of \$150,000,000 for the next fiscal year or other pending measures calling for special appropriations.

BRITISH FLYER REACHES BURMA Shanghai, China, May 21.—(By Associated Press.)—Stuart MacLaren, British aviator flying around the world, arrived at Akyab, Burma, today from Calcutta, said a dispatch from the former place received here tonight. The route he will follow, if he uses this place, is as follows: From Shanghai to Nanking, Tainanfu, Peking, Mukden, Seoul, Fusan, and Nagasaki to Tokio.

Active preparation of landing places at such of these points as are not already provided with them have been begun on the assumption that the Frenchman will fly on. Delay in a statement today strongly recommended that airplanes used for such flights as his be fitted for either pontoons or landing gear, so that they can come down in either land or water, as are the machines of the American round-the-world fliers.

New York—Eddie Burnsbrock, Camp Holabird, Md., won the fight to challenge Mickey Walker for the welterweight title when he was given the decision over Paul Doyle, New York, in 12 rounds.

GLOBE FLIERS LEAVE AT DAY BREAK

Tomorrow's Flight Expected To Bring Aviators Within 50 Miles of Tokio—Japs Excited.

Aboard the Destroyer John D. Ford, Kure, Japan, May 21.—(By Associated Press.)—The American round-the-world fliers hope to start from Kure Islands Thursday morning at daylight and fly to Kausumigaura, 50 miles northwest of Tokio, in one day, stopping either at Kashiwa or Minato, Japan, to refuel.

The flight, which arrived here at 12:30 this afternoon, made the 200-mile trip from Hitokappu bay in a heavy fog, which prevented the fliers from starting today. The flight from Hitokappu bay to Kausumigaura is expected to occupy 12 hours, with only a brief stop at either Minato or Kashiwa.

Reception Tendered. The Ford received a great reception here. Almost the entire city turned out to welcome her, probably the first foreign war vessel that has ever visited the port. The mayor, councilmen and leading citizens boarded the ship to extend an official welcome and present the keys of the city to the officers. Countless school children visited the ship lustily singing the national anthems of America and Japan. Entertainment are being arranged for tonight.

When informed that the fliers might land here the citizens asserted that it was the greatest honor ever accorded the city. Lieutenant Lowell Smith, acting commander of the flight, received a congratulatory cablegram from Secretary of War Weeks.

Japs Disappointed. Tokio, May 21.—(By Associated Press.)—News of the accident to the airplane of Captain Pelletier Dolsy, the French aviator, at Shanghai was received here with much regret as it had been expected that he would have arrived here nearly simultaneously with the American and British around-the-world fliers.

With A. Stuart MacLaren, the British aviator, still in India and Dolsy detained in Shanghai, the Americans seem assured of an easy victory in the race to Tokio on which many wagers had been made. Public interest in the flights has been intense. The newspapers placed immense scoreboards throughout the city with the routes traced on them and the progress of the flights marked with tiny airplanes.

DRIVER OF DEATH CAR IS HELD FOR MURDER Portland, Or., May 21.—Paul Hartman, 28, is being held by the authorities under \$2500 bail on charges of manslaughter growing out of the death of Peter Green, an employe of the Portland Electric Power company, who was struck yesterday by a car alleged to have been driven by Hartman at a high rate of speed.

Green and Walter Matesch, fellow worker, were working on the pavement at a street intersection, according to the police, when the car struck them without warning, fatally injuring Green and bruising Matesch. Hartman was examined following the accident, police say, and was said to have been intoxicated.

DOISY TO CONTINUE FLIGHT IN CHINESE PLANE Shanghai, May 21.—(By Associated Press.)—Captain Pelletier Dolsy, French aviator, who damaged his plane in landing here yesterday, has overcome his disappointment at the interruption to his projected flight from Paris to Tokio and is considering seriously the offer of a Chinese plane for continuation of his flight. The offer was made yesterday by General Hoefeng-Ling, military governor of Shanghai. If Dolsy accepts it, he will proceed toward Tokio within a week.

A survey of the situation reveals that there are available only what Dolsy terms "reconnaissance" airplanes but he believes that one of them, a Breguet, is capable of carrying him on if his journey is re-arranged into shorter stages.

Miller's Lead In Senatorial Struggle Firmly Established

Portland, May 21.—Additional returns compiled up to early this afternoon, including Curry county complete, official, gave Miller 10,527; Strayer, 10,263, a lead for Miller of 264. Eighty precincts were still unreported, including 19 in Clatsop county, where Miller had been leading two to one, and 45 in Coos county, where Miller had been leading by a third.

In the other undecided contest in last Friday's primary election, that for the seventh place in the race for delegates at large to the republican national convention, H. Peterson was in the lead today with 1468 precincts reported. Peterson had 45,572. Dr. Henry Wuldo Coe of Portland, his nearest competitor had 42,917.

M'NARY-HAUGEN RELIEF BILL IS SIDETRACKED After the vote indications were that the committee might report the Norris government ownership bill. In this event, if the Ford bid is brought up in the senate it would be in the form of a substitute for the Norris bill.

Later it was earned that those voting against the Ford bid were Senators Norris, Nebraska; McNary, Oregon; Capper, Kansas; Gooding, Idaho; Norbeck, South Dakota; McKinley, Illinois; Harrell, Oklahoma, republicans; Ransdell, Louisiana, and Kendrick, Wyoming, democrats, and Johnson, farmer-labor, Minnesota.

Lobbied the Sush Fund. An account maintained by former Chairman Charles E. Lobb of the farm loan board in a local bank was used "at times," as a slush fund, Senator Howell, republican, Nebraska, charged in the senate in continuing his opposition to confirmation of four pending nominations to the board. Senator Howell explained that by a slush fund he meant "a fund used to grease the wheels so as to smooth things; a fund expended when you wanted to be generous with those who could be helpful to your objects."

"This fund was so used at times," he continued, "I hold such action should be severely condemned when taken by any government instrumentality." Attack by Howell. Senator Howell obtained the floor as soon as the senate convened and resumed his elaboration of criticisms enumerated yesterday against the board. Selection of Mr. Lobb as fiscal agent with a salary of \$25,000, loose handling of public money and misapplication of funds were included in the charges he filed.

Favorable report has been made by the senate banking committee on all four of the nominees, who are Lewis J. Vetterjohn, treasurer, Nebraska; Charles W. Morton, I. Corey, Nebraska, and Edward E. Jones, Pennsylvania.

TRIPLE SHOOTING ENDS TRIANGLE Los Angeles, Cal., May 21.—One woman is dead, her ex-husband, who is said by the police to have run amok, is declared by police surgeons to be dying and her present husband is seriously wounded as the result of a triangle shooting here today. Officer Mrs. Edith Milligan, 49, in the dead woman. Her Hiko, alias Charles Johnson, Armenian auto mechanic, 34, is believed fatally self-wounded, and William Milligan, 42, has a bullet wound in the groin.

The Milligans who came from Birmingham, N. D., were married prior to the world war. He went to the front and was reported killed. Mrs. Milligan then married Hiko. Later the marriage was annulled when it was alleged that Hiko had a wife and family in Armenia. Later Milligan turned up—the report of his death had been wrong—and last Monday he was married to Edith Milligan. This morning, according to Mrs. Harriet L. Goodall of Boston, who is visiting them, she and the Milligans were coming out of a cafe after breakfast when Hiko appeared, shot the two Milligans, and then turned the pistol on himself.

LAND NEW PACIFIC CABLE Seattle, Wash., May 21.—The new Pacific ocean cable, being laid between Seattle and Ketchikan, Alaska, has been landed at Trocadero bay, 221 miles north of here by the cable ship Delwood, according to a dispatch received by the Alaska cable office of the United States signal corps in Seattle. Laying of the cable across Prince of Wales island, being done so that the entire cable will be in American territory, will be completed rapidly. A trench across an eight mile section at Trocadero has been dug to receive the cable.

MINIARY VOTES REJECTION OF FORD'S OFFER

Senate Committee Turns Down Muscle Shoals Lease By Vote of 10 to 6—Norris Bill Favored.

Washington, May 21.—A motion to report the Ford bill providing for leasing of Muscle Shoals was lost by a vote of 10 to 6 today in the senate agriculture committee.

After the vote indications were that the committee might report the Norris government ownership bill. In this event, if the Ford bid is brought up in the senate it would be in the form of a substitute for the Norris bill.

Later it was earned that those voting against the Ford bid were Senators Norris, Nebraska; McNary, Oregon; Capper, Kansas; Gooding, Idaho; Norbeck, South Dakota; McKinley, Illinois; Harrell, Oklahoma, republicans; Ransdell, Louisiana, and Kendrick, Wyoming, democrats, and Johnson, farmer-labor, Minnesota.

Lobbied the Sush Fund. An account maintained by former Chairman Charles E. Lobb of the farm loan board in a local bank was used "at times," as a slush fund, Senator Howell, republican, Nebraska, charged in the senate in continuing his opposition to confirmation of four pending nominations to the board. Senator Howell explained that by a slush fund he meant "a fund used to grease the wheels so as to smooth things; a fund expended when you wanted to be generous with those who could be helpful to your objects."

"This fund was so used at times," he continued, "I hold such action should be severely condemned when taken by any government instrumentality." Attack by Howell. Senator Howell obtained the floor as soon as the senate convened and resumed his elaboration of criticisms enumerated yesterday against the board. Selection of Mr. Lobb as fiscal agent with a salary of \$25,000, loose handling of public money and misapplication of funds were included in the charges he filed.

Favorable report has been made by the senate banking committee on all four of the nominees, who are Lewis J. Vetterjohn, treasurer, Nebraska; Charles W. Morton, I. Corey, Nebraska, and Edward E. Jones, Pennsylvania.

TRIPLE SHOOTING ENDS TRIANGLE Los Angeles, Cal., May 21.—One woman is dead, her ex-husband, who is said by the police to have run amok, is declared by police surgeons to be dying and her present husband is seriously wounded as the result of a triangle shooting here today. Officer Mrs. Edith Milligan, 49, in the dead woman. Her Hiko, alias Charles Johnson, Armenian auto mechanic, 34, is believed fatally self-wounded, and William Milligan, 42, has a bullet wound in the groin.

The Milligans who came from Birmingham, N. D., were married prior to the world war. He went to the front and was reported killed. Mrs. Milligan then married Hiko. Later the marriage was annulled when it was alleged that Hiko had a wife and family in Armenia. Later Milligan turned up—the report of his death had been wrong—and last Monday he was married to Edith Milligan. This morning, according to Mrs. Harriet L. Goodall of Boston, who is visiting them, she and the Milligans were coming out of a cafe after breakfast when Hiko appeared, shot the two Milligans, and then turned the pistol on himself.

LAND NEW PACIFIC CABLE Seattle, Wash., May 21.—The new Pacific ocean cable, being laid between Seattle and Ketchikan, Alaska, has been landed at Trocadero bay, 221 miles north of here by the cable ship Delwood, according to a dispatch received by the Alaska cable office of the United States signal corps in Seattle. Laying of the cable across Prince of Wales island, being done so that the entire cable will be in American territory, will be completed rapidly. A trench across an eight mile section at Trocadero has been dug to receive the cable.

Secret Service Agents Used to Spy on Senators

Washington, May 21.—The senate Daugherty committee was told today that representatives of the department of justice not only had sought to "frame" Senator Wheeler, its proponent, but had spied on its members and its witnesses and had spirited away the famous diaries of Gaston B. Means, working with it as an investigator.

One of the witnesses was W. O. Dreckstein, who said he knew about whole proceedings because his wife is a secret agent of the department. It was she, he said, who identified in his presence the records of Means after they had been secured by a ruse.

A description of extensive detective operations conducted by the department of justice with regard to Gaston B. Means, star witness in the senate Daugherty investigation, was given in the investigating committee today by R. P. Durris, a special agent of the department.

As "chief shadow" assigned to follow Means, he said, he had five assistants, one of them a woman. Between March 18 and April 1, when the work was discontinued, he said, every move of Means was "covered" and every visitor to his house was followed up and identified.

Means, who has told the committee of collecting money for Jesse W. Smith and of many other sensational activities, sat in the committee room, grinning broadly at his "shadow" while Dreckstein said it was Pettit and O'Brien who got the Means diaries, which the famous detective had declared would substantiate his stories about money payments to Jesse Smith. The two men, he said, called him and his wife out of their home at night, took them into an automobile and opened three suitcases full of "black books," which Mrs. Dreckstein identified as the diaries and files of Means.

FIRST HEARING ON PROPOSALS OF WORLD COURT Washington, May 21.—The senate foreign relations committee devoted two hours today to a general discussion of world court proposals but adjourned until tomorrow without having reached a decision on any important point.

An effort to obtain the committee's immediate endorsement for the proposal of President Harding and Coolidge for membership in the present court with reservations, resulted in failure. Some of those present would venture more than a "hope" of early action on any of the plans now pending. The meeting was the first at this session of congress on the proposals for American membership in the world court.

The meeting called at the request of Senator Swanson of Virginia, and preceded by a lengthy white house conference last night at which President Coolidge reiterated to republican members his stand in favor of conditional membership in the permanent court of international justice set up by the League of nations as recommended more than a year ago by President Harding.

IMPRISONMENT OF LEADERS PROTESTED Dublin, May 21.—The continued imprisonment of DeValera, Austin Stack and other republican leaders is bitterly condemned by the republicans. "It was supposed that pledges had been given for the release of DeValera and the others by Easter. Now there is a rumor that the prisoners who are untried are to be released before the Tailteann games early in August.

OLE HANSON CHARGED WITH STEALING HORSE Los Angeles, Cal., May 21.—Gle Hanson, was this morning arrested here, and now a Los Angeles real estate salesman, will have an opportunity to prove that he is not a horse thief when his case comes up in a Pasadena justice court tomorrow. Hanson last night joked about the charge filed against him by Clarence W. Basted, who alleges the former Seattle mayor stole a strawberry roan from his pasture. Hanson admitted taking the horse but explained that it was one which had been stolen from him 18 months ago and no doubt been purchased.

KLAN RECORDS TO BE OPENED TO PROBERS Washington, Mar 21.—Additional records of the Ku Klux Klan are to be brought to Washington under an agreement reached today for inspection by the special senate convention investigating the election contest brought against Senator Mayfield of Texas. No hearing was held today because of the absence of important witnesses.

SHIP BOARD COIN USED TO AVERT STRIKE

Investigator Reveals Use Of Federal Funds To Prevent Labor Disturbances On Coast.

Washington, May 21.—Investigation of the Ship Owners' association and the Pacific American Steamship association, on the Pacific coast, for "possible violation of the Sherman law," is under way, Thomas F. Rice, special assistant to the attorney general, testified today before the house shipping board investigating committee.

Rice said he was sent to the Pacific coast in April, 1923, and assigned to the general work of prosecuting anti-trust cases. He was there 13 months, returning last Saturday.

Rice testified he had received information that the shipping board had spent \$150,000 to prevent a strike in 1919 on the Pacific coast by "opening up opposition and conducting jointly with private owners to the expenses of these agencies."

Although no direct information had shown money to combat the strike was authorized from Washington, the witness said, his impression was that "disbursements were made by the district manager at San Francisco on instructions from Washington."

Rice testified that the fund to which shipping board operators were contributing for a general fight on organized labor amounted to approximately \$4,250,000. He believed that the various interests opposing organized labor include all of the large commercial and banking organizations on the coast.

INSURANCE FOR VETERANS LOWER THAN FIGURED Washington, May 21.—Veterans bureau actuaries informed members of congress today for the first time that the list of "factors" proposed by them and recently made public for computing the amounts of insurance due under the bonus law took into account the extra 25 per cent of adjusted service compensation allowed by the bill on insurance certificates.

This means that a veteran, in computing the value of the insurance policy he will receive, simply will multiply his credits at \$1.25 a day for foreign service and \$1.00 a day for home service by his factor, which previous had been made public. The extra 25 per cent is not to be added as heretofore announced. As an example, if the veteran has the maximum amount of home service credit, \$500, the insurance policy would amount to about two and one-half times that amount, or \$1250, according to the age of the veteran.

H. P. Brown, veterans bureau actuary, explained the table of factors recently made public had been based on values of \$1.25 instead of \$1, as usual, and thus took into account the extra 25 per cent allowed by the bill, and saves a double computation. This will result in lower values for insurance policies all along the line than figured by congress, Brown said, but would make no difference in the estimated total cost of the bill, since all those facts have been taken into consideration by the actuaries of both the veterans' bureau and the treasury department, who figured on the expense.

OLE HANSON CHARGED WITH STEALING HORSE Los Angeles, Cal., May 21.—Gle Hanson, was this morning arrested here, and now a Los Angeles real estate salesman, will have an opportunity to prove that he is not a horse thief when his case comes up in a Pasadena justice court tomorrow. Hanson last night joked about the charge filed against him by Clarence W. Basted, who alleges the former Seattle mayor stole a strawberry roan from his pasture. Hanson admitted taking the horse but explained that it was one which had been stolen from him 18 months ago and no doubt been purchased.

KLAN RECORDS TO BE OPENED TO PROBERS Washington, Mar 21.—Additional records of the Ku Klux Klan are to be brought to Washington under an agreement reached today for inspection by the special senate convention investigating the election contest brought against Senator Mayfield of Texas. No hearing was held today because of the absence of important witnesses.

DEMAND FOR CLOSED SHOP TURNED DOWN

Restaurant Proprietors Reject Ultimatum From Culinary Union And Strike Looms.

Demands of the recently organized culinary workers' union in Salem for closed shop operation of all of the restaurants and eating houses in the city are to be flatly rejected, according to an informal decision reached by the proprietors of the principal houses this morning, and the ultimatum is to be delivered to the workers this afternoon.

Refusal of the proprietors to sign up means a walkout, William Killpatrick, secretary of the local union, said this afternoon. Killpatrick said that the White House restaurant is the center of the storm, declaring that working conditions and wages there are not fair. He said that there was no inclination to prevent any of the restaurants from hiring strikers who need the work, and that the union will not insist that the closed shop provisions of the proposed contract be strictly observed.

W. P. George, proprietor of the White House, said that the contract and wages there are not fair, but that he had no way and would always pay the best wages possible and that there would be no discrimination against union employes in his establishment.

"At a meeting of the restaurant men two weeks ago every proprietor present, with the exception of one, voted to reject the demands, which will stand by that decision," said Mr. George.

Four o'clock this afternoon is the time tentatively set by the union for the acceptance or rejection of the contract submitted by them to the proprietors. Declaring that the demands made upon them are unreasonable, inapplicable to local conditions and would prove ruinous to their business, the restaurant men take the position that there is no excuse for a union of this kind here, and that they will not be forced to accept regulations designed to meet conditions in large cities which do not exist locally.

Higher Wages Paid Now Examination of the wage scales asked by the union and those now being paid in most of the Salem eating houses reveal that the rates of pay now in force average slightly higher than those demanded. An accurate comparison, however, is not possible, because the demands of the union are based upon a system of hours that are not observed here. By demanding a premium for employes working split shifts, there is an apparent attempt on the part of the union to force the restaurant owners to adopt the policy of working on straight shifts which, the proprietors declare, is impossible.

In the case of waitresses the union demands are for a \$15 wage for straight eight-hour shifts of six days a week. Where the eight-hour working day is split up over a 12-hour period a bonus of \$1 is demanded. Due to peculiar conditions here, which make the business heavier during certain hours of the day and practically nil at other times the split shift has been in force to provide adequate service for customers during rush hours. Un-

CREDIT BIG RAILWAY PROBLEM, SAYS GRAY Kansas City, Mo., May 21.—The outstanding problem of American railroads is that of credit, and that credit depended on an adequate return from operation, President Carl R. Gray of the Union Pacific system, told a joint conference of Missouri and Kansas bankers here today. He declared that in no year since the transportation act has been in effect have railroads earned the "fair return" established by the interstate commerce commission.

Party Leaders of Indiana in Session Today Indianapolis, Ind., May 21.—Indiana republicans went into state convention here today to ratify the action of the republican voters of the state at the primary in selecting Calvin Coolidge as their preference for the presidential nomination, select seven delegates at large to the national convention in Cleveland, adopt a platform and name a complete state ticket.

An assault upon the work of what were characterized the destructive forces temporarily in control of the situation in Washington and a re-statement of republican principles constituted the main themes of the keynote address delivered by the temporary chairman, Senator James F. Watson of Indiana.