

BRITAIN STOPS GOLD PAYMENTS

HOOVER ASKS VETS' HELP IN WORLD CRISIS

In Detroit Speech President Urges Enlistment For Economy Fight

Moratorium On Bonus And Loan Legislation Desire of Executive

Olympia Hall, Detroit, Mich. (AP)—The American government can carry no additional burden of expenditure without grave risks, President Hoover solemnly warned the American Legion convention Monday.

The country's need, he said, "is second only to war."

He asked the war veterans to defer all demands on the government until after the depression. It was in effect a request for a moratorium on all bonus and pension proposals during the depression.

Neither loans nor taxing of the rich, he declared, would avert serious difficulties if additional demands were made on the government.

Mr. Hoover, speaking earnestly and frankly, appealed to the World War veterans to summon again the same courage and self-sacrifice which brought victory in the World War and to enlist in the fight to

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MUKDEN AGAIN SHELLED BY JAPS

Tokyo. (AP)—Fresh fighting broke out Monday night at Peitaiyung, northern suburb of Mukden. Chinese forces were said to be attacking the town, which was the first point captured by the Japanese Saturday morning.

Geneva. (AP)—A call for a special session Tuesday of the council of the league of nations to hear the Chinese appeal on the Manchurian situation was issued Monday after the league secretary, Alfred Zee, Chinese minister to London.

The official note from the Nanking government is understood to contain an appeal to the league for intervention.

In informed circles it was said the note called on the league council to take action under article II of the covenant to protect Chinese rights against alleged aggressive acts by the Japanese military.

Nanking. (AP)—China cried out Monday against the Japanese occupation of southern Manchuria.

Government officials, newspapers and individuals expressed their resentment in various ways, particularly in Nanking. Feeling against Japan was running high. Mass meetings were largely attended, students paraded the streets with banners denouncing the occupation and the government designated next Wednesday as "humiliation day" in connection with the incident.

Although official reports said Japanese troops had evacuated (Concluded on page 9, column 6)

YUMA, ARIZONA BANK CLOSES DOORS

Yuma.—The Security Trust and Savings bank, largest financial institution in the Yuma valley, failed to open its doors Monday.

A note on the door informed the public that the Arizona state bank examiner had charge of the institution so that depositors might be protected.

The bank's last statement, dated July 10, 1931, gave the following figures:

Loans and discounts, \$241,611.42; capital stock \$50,000; surplus \$40,000; deposits, \$534,635.46; savings, \$152,033.76.

It was the fourth bank to close here within 18 months.

Exhausted Eagle Alights Aboard Ship

Boeton. (AP)—The dragger Venture II returned from fishing grounds Monday with an unusual catch—an American eagle with a five foot wingspread.

Captain Fred Surette reported the big bird, exhausted, alighted on the Venture's deck Friday while the dragger was 130 miles southeast of Boeton lightship.

Engineer W. H. Mayo kept the eagle confined to a box while the boat docked Monday, when the bird was presented to Franklin Park zoo.

Good Evening! Sips for Supper

By DON UPJOHN

After returning from a week's vacation it's great to know that so many people missed us and enjoyed the rest as much as we did.

For instance, E. L. Weider who was indisposed at home during our absence sent word over that he surely missed the product of our fertile brain.

We felt all puffed up at having such a big business man as Mr. Weider tell us we had a fertile brain. That is, until we got to figuring that the biggest cabbages grew out of the greatest amount of fertility then began to wonder just what he might mean any way.

Last night as we sat at the Elidore watching Alexander Hamilton in the first picture he ever had posed before a camera we got to ruminating on the great revival of patriotism going on. For instance it was only Saturday afternoon that the state college football team competing against "Spec" Keene's herd of pigskin chasers, got imbued with the good old spirit of '76. If they had more time maybe the spirit would have run way on beyond that.

Yes, the state college boys seemed to be regular minute-men—making about a touchdown a minute.

We're beginning to think maybe this idea of night football on Williamette way is a good thing. When any visiting teams get hopped up with the spirit of '76 like those state college fellows all "Spec" needs to do is to turn off the lights.

But there's one big advantage in a football team starting off like Williamette did Saturday. It can't have any worse luck during the balance of the season.

In the last month we've heard at least six Salem business men offer an alibi for not keeping some engagement that they had to drive to Portland so their wives could do some shopping. That's the way they promote the buy at home spirit. If the rest of Salem always drove their wives to Portland to do some shopping it would be a big help to these six in promoting their own business.

Let's start a movement to "Keep the Wives at Home." But it seems a woman's place is no longer in the home—but in Portland doing some shopping.

Geah, we're starting off the week well after our vacation getting in to the good graces of the women folk.

A chap who runs a store here in town also told us today about a neighbor merchant who dropped in after a little used article. It wasn't in stock but the merchant said he'd send for it. "No," said the other merchant, "I can get it at wholesale and the only reason I dropped in was thinking I could get it from you in a hurry." That's the old spirit that builds up a big local retail business.

SHIP BOARD PLANS MERGER OF BIDDERS

Washington. (AP)—The shipping board Monday proposed formation of a new company to be owned jointly by the Chapman-Dollar-Dawson interests, the International Mercantile Marine-Roosevelt lines and Joseph E. Sheskey for operation of the United States lines.

The proposed combination, it was understood, took by surprise the rival interests conferring secretly with the board, but all present expressed willingness to cooperate.

The board recessed until 2:30 p. m., when any answer the rival bidders for the line may have ready will be heard.

STATE COLLEGE MASCOT STOLEN

Corvallis. (AP)—The big bronze beaver mascot, weighing close to 1000 pounds, was stolen Sunday night along with the automobile chassis on which it was mounted. Campus invaders used crowbars to pry open the main doors of the men's gymnasium in which the mascot was stored.

The bronze symbol of "Beaver spirit" always is taken to games in Oregon under a special student guard.

Student officers who were back for the opening week Monday morning were organizing a search but had little to work on, not knowing whether to suspect fans representing Colorado, the traditional rivals at Eugene, or some southbound students to Stanford of U. S. C., where Oregon State plays soon.

RECOMMEND TITANIC DAM ON COLUMBIA

Army Engineers Vision Enterprise Rivaling Panama Canal

Pooling of Columbia from The Dalles to Above Pasco Advocated

Portland. (AP)—The Journal said Monday intimations of the contents of the report of the United States army engineers on development of the Columbia river for all its uses, indicate "the projects found feasible by the army engineers dwarf the Panama canal as a feat of construction and reduce to modest status even the gigantic Boulder dam now under construction on the Colorado river."

The article spoke of a "single, titanic dam and power development capable of pooling the mid-Columbia from The Dalles clear to points above Pasco and Kennewick on either the main river or the Snake."

"An air of mystery enveloped congressmen, members of the powerful house committee on irrigation and reclamation, in Portland today," the paper said.

"Under the congressional courtesy they had been permitted," it was said, "to view the long-awaited report" of the U. S. engineers.

"And what Chairman Addison T. Smith and his congressional associates saw," the article continued, "is further understood to have widened their eyes in amazement."

Explaining that "although there were no whispers," the papers mentioned that these "whispers" related that the engineers, besides indicating a series of dams costing

CANADA FEELS EFFECT OF BAN

Seattle. (AP)—The Seattle street railway system and numerous business houses here announced Monday that they would no longer accept Canadian silver or currency at its face value, because of the exchange rate on Canadian money rising to 7 percent.

The rate rose from 3 percent on Saturday to 6 percent on currency and 7 percent on silver Monday, in sympathy with the fall in exchange value of the English pound.

Normal exchange rate on Canadian money, bankers said, was 4 to 5 of one percent, merely a tax to cover cost of exchanging the money.

Bellingham, Wash. (AP)—The exchange rate on Canadian currency was raised to 10 percent by Bellingham banks Monday, due to decline in exchange value of the English pound and the uncertainty of value of British credits with the suspension of the gold standard.

County and city officials followed the lead of the banks and merchants began refusing to accept Canadian money at its face value.

SLATE MRS. WRIGHT FOR VICE-PRESIDENT

Eugene. (AP)—Official call to the biennial convention of the Oregon Congress of Parents and Teachers, to be held here October 20-22, has been issued to all members in the state.

Included in the call is the report of the nominating committee naming Mrs. William T. Brice, Portland, for re-election as president.

Vice-presidential nominees are: Mrs. Bruce Kester, Ontario; Mrs. R. L. Wright, Salem; Mrs. William Kletzer, Portland; Mrs. W. L. Wales, Klamath Falls; Mrs. A. Walker, Grants Pass; Mrs. Perry Johnson, Condon; Mrs. Charles E. Hunt, Eugene.

Vice-presidents of the Oregon congress are of equal rank and are selected in order to represent the president in sections of the state in which they reside.

Young Aviator of Portland Is Killed

Portland. (AP)—Parveen Hunt, 19-year-old airplane mechanic and amateur pilot, was killed here Sunday in a crash.

Richmond Womack, 22, Hunt's passenger in a light training plane, was seriously injured. The motor, cold, died shortly after the plane took off. The craft fell from an altitude of 150 feet.

Lost German Fliers Rescued By Motorship

Halifax, N. S. (AP)—All three fliers, recently lost on a flight from Portugal to New York, were found Monday.

The Norwegian motorship Belmoira, bound for Russia from Albany, N. Y., reported Monday morning finding the wreckage of the plane in which Wiley Rody, Fernando da Costa Viera and Christian Johannessen, left Lisbon for New York. The motorship sighted the wreckage off the Newfoundland coast near where it was last seen in the air by a steamer.

Later another message came from the Belmoira reporting that two of the fliers had been taken from the wreckage. Still a third message brought word that all three were saved.

CHINESE AVOID JAPANESE WAR

Peking. (AP)—China does not intend to engage in armed conflict with Japan, General Chang Hsueh-Liang, war lord of north China, told the United Press.

"Japan tried to launch a war but China does not intend to be an armed party," General Chang said. "We are trusting your opinion to see that justice is done."

"The Japanese occupation of Manchuria constitutes an unwarranted, unprecedented act of war following a week's agitation to inflame Japanese minds. The world witnessed a spectacle of war being manufactured which belied Japan's claims as to the immediate cause of action."

Chang took precautions against possible demonstrations on the part of restive students. He warned that orderliness was imperative during the crisis.

The Japanese consul-general visited Chang Sunday and exacted a promise that Japanese residents of North China would be protected against hostile action by Chinese.

The consul-general said he was not empowered to discuss settlement of the controversy.

MOYLE, ALLEN PAUSE AT NOME

Nome, Alaska. (AP)—Don Moyle and Cecil A. Allen, youthful American aviators who loomed out of the night in Nome after leaving a desolate Siberian cape, were poised Monday for a flight to Seattle on the final stages of their ill-fated trip across the Pacific.

Silent for 48 hours after saying they planned to take off from Miano Pilgrino, near Cape Navarin, Moyle and Allen suddenly appeared over the city Sunday night and a few minutes later brought their plane down on a landing field.

Moyle, the Los Angeles "jail or glory" flier, and Allen, navigator of the big monoplane, were about five hours en route here from Miano Pilgrino. They left the village, where they had been taken by a friendly Russian steamer, between noon and 1 p. m., and arrived here at 8 p. m. Nome time (9 p. m., P. S. T.).

2 Confess Slugging And Robbing Graber Third Suspect Sought

Roy Clayborn, the third man involved in the robbery of John Graber Sunday night at his Cold Springs camp ground, was placed under arrest at Albany Monday afternoon. Two women and their two children were found with Clayborn. The three men were taken into court Monday afternoon to enter pleas.

John Graber, proprietor of the Cold Springs camp ground, located about four miles south of Salem on the Pacific highway, was slugged and robbed of \$30 by three men Sunday evening. Twenty minutes later, one of the men, Fred Olson, was in custody of George Alexander of the state police, while another, Dale Sellick, was placed under arrest a few hours later. The third man was being sought in Albany Monday afternoon with strong probability that he would soon be taken. Olson and Sellick have confessed to their part in the affair, members of the state police state.

An act of kindness on the part of Mr. and Mrs. Graber brought about the arrest, they believe. Early Sunday, two young women

with two crying children, aged two and three years, hitch hiked down the highway where they were in the Graber's cabins when the latter's sympathy was aroused over their condition. They were fed and taken care of throughout the day. Early in the afternoon the women asked Mrs. Graber to watch over their children while they came on into Salem. Mrs. Graber consented to do this and was in the act of feeding them when the women came back and said they were not

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SCHOOLS OPEN WITH INCREASE OF 451 PUPILS

Enrollment for Opening Day 4493—Senior High Gains 239

Enrollment in First Grade Total 262—No Boundary Changes

| | 1930 | 1931 |
|--------------------|------|------|
| Garfield | 229 | 294 |
| Englewood | 332 | 316 |
| Grant | 241 | 261 |
| Highland | 284 | 303 |
| Lincoln | 186 | 207 |
| McKinley | 168 | 176 |
| Park | 200 | 224 |
| Richmond | 205 | 211 |
| Washington | 185 | 188 |
| Leslie junior high | 372 | 450 |
| Parish junior high | 722 | 796 |
| Senior high | 918 | 1157 |
| Total | 4042 | 4493 |

Salem public schools opened Monday with an enrollment of 451 pupils over the opening day a year ago. The big increase in students came in the senior high school, with 239 more students enrolling than at the opening day a year ago, and in the junior high schools, where an increase of 152 pupils are shown. The number of pupils flocking to school Monday also eclipsed by 358 the previous peak enrollment of 4135 made on the opening day of school in 1928.

The increase in the high school was stated by Superintendent Hug (Concluded on page 8, column 4)

BRITISH ACTION AIDS EXCHANGE

Portland. (AP)—Exporters of Portland found a silver lining in the cloud that was a precussion of England's temporary abandonment of the gold standard Monday. One of the first results of this action was a decidedly stronger Chinese exchange.

Local grain exporters say this development will make it much easier to work business with the orient. In effect, a two-cent advance in the Shanghai lead makes all produce and commodities 6 per cent cheaper to the Chinese buyer, exporters explained.

In other words, without loss to American producer or exporter, flour that was offered at \$2.35 a barrel on a f.o.b. basis is now available to the Chinese at an equivalent of \$2.25.

Since the same ratio holds for every article offered for sale from this country to the Orient or any other silver currency, lumbermen, too, said the higher Chinese exchange should prove a stimulating factor in their trade.

KINGSLEY TO HEAR DOOM

Medford. (AP)—James E. Kingsley, convicted and confessed slayer of Sam O. Prescott, Ashland traffic policeman, last January, will Tuesday be sentenced to hang.

Sentence will be passed by Circuit Judge H. D. Norton. The supreme court mandate removing Kingsley's last legal hope arrived Sunday.

Morgan Optimistic In Gold Ban Visions Only Hopeful Event

(Copyright, 1931, by United Press) London. (AP)—J. P. Morgan Monday expressed to the Associated Press optimism regarding the situation arising from Great Britain's sensational suspension of the gold standard. He said it was a "hopeful and not a discouraging event."

Mr. Morgan made this statement in reply to a question from a correspondent who sought him in his private office not far from the Bank of England.

"This step seems to me to be the second necessary stage in the work of the national government, the first being the balancing of the budget," Mr. Morgan said.

"The completion of the government's work will be the restoration of trade in this country."

"This being the case," Mr. Morgan continued, "it seems to me a hopeful and not a discouraging event and one which brings the great work of the government much nearer to accomplishment."

In receiving the Associated Press correspondent Mr. Morgan broke an almost ironclad rule never to grant newspaper interviews. His father observed the same rule before him.

But once the distinguished banker decided to talk, no one could have been more cordial. He discussed the government's decision to suspend the gold standard for the present with its corollary provisions.

Faced with the government's decision to protect the financial position of Great Britain by suspending the gold standard and closing the London stock exchange Monday and Tuesday, the house met in a tense atmosphere.

The floor was thronged while the galleries were packed. The chief figure among the spectators was the heir to the throne, the Prince of Wales.

It was over an hour after the house convened before the vital business of the day could be tackled.

Outlining the provisions of the bill Mr. Snowden said in addition to suspending the 1925 gold standard regulation and providing indemnity for the Bank of England's action regarding gold authorized by the government Sunday, it empowered the treasury to take such action as it considered expedient for meeting any difficulties arising in connection with the gold standard suspension.

Thousands of persons ran from their homes in Tokyo and Yokohama, where the great earthquake of 1923 did enormous damage and instilled in the populace an acute fear of earth shocks.

Departments stores and other business places, which were thronged with morning shoppers, witnessed scenes bordering upon panic.

Because of crippled communication lines reports from the affected areas were slow in reaching here.

Slight after-shocks were felt in Tokyo Monday afternoon, again frightening the populace.

EXPECT TO SELL ARCTIC SUBMARINE

Oso, Norway. (AP)—Sir Hubert Wilkins said Monday he was awaiting instructions from Washington as to what to do with the submarine Nautilus in which he cruised under ice in the Arctic circle.

It is generally believed here the submarine will be sold at Bergen since it is considered too dilapidated for another trip across the Atlantic.

The Nautilus' crew of twelve left for England Monday expressing the wish to meet Sir Hubert again "but on a better boat."

NEVADA BANK FAILS TO OPEN ITS DOORS

Gardnerville Nev. (AP)—The Douglas County Farmers bank failed to open its doors Monday.

Under instructions from E. A. Seaborn, state bank examiner, L. C. Traber, deputy examiner, was placed in charge.

The action followed a Reno syndicate's return to the stockholders and directors of a three-year option to purchase the bank, which was capitalized at \$50,000.

Obligations of the bank were approximately \$120,000, and there was \$20,000 cash on hand. Eight cents or more on the dollar will be paid in liquidation, according to Seaborn.

Frozen assets through loans to farmers and others was blamed for the closing.

Over Score Drown As Boat Capsizes

Manila, P. I. (AP)—Twenty-three persons were drowned when a typhoon capsize a small boat of negroes Monday, according to reports received here. Highways in the southern islands were inundated by the storm, but the force of the typhoon was spent before it reached Manila.

REACTION FELT IN ALL MARTS OF THE WORLD

Britain Suspends Gold Standard to Prevent Exhaustion of Gold

Stock Exchanges Close In Europe As Pound Sterling Value Drops

Decision of the British government to suspend temporarily operation in part of the gold standard echoed throughout the world Monday.

Principal stock exchanges of Europe closed with the exception of the Paris bourse where prices reacted sensationally in heavy liquidation.

The pound sterling dropped to a sale quotation of \$4 per pound in New York, compared with a close Saturday of \$4.84. In London, the pound was quoted at \$4.50. In Paris the quotation was 100 francs to the pound or about \$4.30.

The price of gold in London fell from 84 shillings 11½ pence to 84 shillings 9½ pence Monday.

Immediate effects in commodities were to increase prices abroad. (Concluded on page 9, column 7)

GOLD HOARDS GIVEN BLAME

Geneva. (AP)—The cause of the present world financial crisis is the accumulation of gold in the United States, France and elsewhere, M. H. Colijn, of Holland, told the economic convention of the League of Nations Monday.

"There never will be a free circulation of capital until there is a free circulation of gold," he said.

Sir Arthur Salter, of Great Britain, told the commission that because of the events of the last 24 hours in England, he was obliged to abandon his intended speech on the world-wide financial crisis. He formally notified the commission of the suspension of the gold standard by Great Britain and the reasons.

Sir Arthur said he appreciated the repercussion of the action in other countries, especially those accustomed to finance themselves in London. He gave assurance that the British government would cooperate in every effort to reduce such effects. England's postwar record, he said, shows she fulfills her obligations, and she intends to continue doing so.

PLAN SHORT-CUT COLUMBIA HIGHWAY

Portland. (AP)—Oregon's highway commission Monday was asked by the Columbia Gorge Preservation committee to carefully consider proposals for a new short highway route through the gorge.

Samuel C. Lancaster, designer of the Columbia river highway, proposed a route to start at Troutdale and skirt the river side of the mountains. The new route would join the present highway at Multnomah Falls and would be 4.7 miles shorter than the present route.

2 PITTSBURGH BANKS CLOSE THEIR DOORS

Pittsburgh. (AP)—Two Pittsburgh banks and a subsidiary of one failed to open their doors Monday, the board of directors taking the action in the case of one bank and its subsidiary and the state closing the second institution.

The Bank of Pittsburgh, N. A., and its subsidiary, the Highland National bank, failed to open for business. The action followed announcement by the boards that the institutions would be closed to conserve assets and protect depositors.

The Franklin Savings and Trust company, capitalized at \$175,000, was closed by the state banking department.

The Bank of Pittsburgh, N. A., is capitalized at \$3,000,000. Its last statement showed total assets of \$53,343,953 and deposits of \$46,921,965.

The Highland bank had deposits of \$3,857,318 and assets of \$4,859,893.

SHOOTS SELF

Portland. (AP)—Chester Franklin, 20, was a theater doorman. When he committed suicide Sunday he stood in front of the theater to fire the fatal shot.