

LOCALS

Dance hall license applications up to the county court for orders granting licenses to Helmer B. Anderson, Horseshoe park and E. J. Richards at Gates.

For lumber shingles and building material, see Fred Lumber Co., 1321 Edgewater street, W. Salem. Phone 3811. W. T. Grier, mgr.

Motion to have the case of A. C. Nelson against T. A. Lively on the motion docket in circuit court has been filed with the county clerk.

Black cherries wanted for cash. Ph. 5000. Claude McKenney.

Complaint for foreclosure has been filed in circuit court by James H. Maden against Frank Gray.

Dr. S. F. Scott, chiropodist, moved to 816 1st Nat'l Bank bldg. 109

County Clerk Boyer has been advised by the state board of health that the earliest death and birth records kept by that board were back in 1903. Boyer sent in the query because of the numerous inquiries he has received along that line himself. The county starts its record keeping system on vital statistics here in 1921, although a few were kept back from 1903 to 1905 in an attempt to get such a record system under way here.

Hey, Skinnies! Look at my whoopy stick I got from Curly's Dairy. They give you one for every cash customer you get and they only charge 8c a quart, cash.

Mike M. Stasany has been named executor of the \$1000 estate of Frank Stasany. While Frank Stasany's will leaves the property divided among six children the children have all joined in on a waiver giving the property to the widow, Francis Stasany.

Shoe repairing the way you want it, when you want it. Salem Shoe Shop, 138 S. Liberty.

Final account has been filed by Alta E. Elter as administratrix of the estate of Clara Snyder and final hearing set for August 9.

Dance Fri. 25c. Spon's Landing. 161

In the estate of Esther E. Muehl final account has been filed by bondsmen on behalf of J. W. Imbler, former administrator now deceased.

Wanted, used furniture—5110. 161

George A. Rhoten as guardian for Frank E. Moore, insane, has been granted authority in probate to loan funds of the estate.

Special cold fried chicken daily, luncheon 35c, dinner 50c. Also a la carte chicken to take out. Phone 7777. Senator Food Shop. 161

Teachers' certificates have been received from the state superintendent by County Superintendent Fulkerson and are being sent out by her to the following: Zeta W. Brock, Marion Overton, Beattie D. Mulkey, Lucille L. Johnson, Veneta May Verbeck, James C. Bonner, Emily Van Santen and Emma C. Coberly.

Pay nothing down. Miller's summer wool blanket sale offers savings worth while. Finest of Wool or the West blankets placed in reserve for you until September. Pay nothing down. 161

Lieutenant Walter Lansing of the state police and family, and Officer George Edwards of the Salem police and Mrs. Edwards left today on a vacation trip into eastern Oregon. They will visit Spokane among other cities. The trip is being made by automobile.

Dr. Utter, dentist, is attending Pacific Coast dental conference in Seattle and will return July 11. 161

Mike Smith of Donald is in the custody of the sheriff as a suspect in connection with the recent burglary of the Harry Thomas house at that place.

The popular Friday dance, Hazel Green of course. It's cool. 162

Motor vehicle accidents reported overnight were: C. W. Kendall, 880 North Cottage, and Charles Rice, Salem, at Genter and Sumner; Harold J. Goggin, 1849 Waller, and George F. Jackson, supreme court building, at 12th and State; Norman Tuttle, route 7, and W. L. Robbins, 1497 North Fifth, at State and Liberty; N. Jones, Stayton, and Ben H. Hawkins, route 6, four miles east of Mehama, Mersey LeBlue, Portland, and Glen Kubik, Portland, Gooding corners.

Biggest, best old time dance, Crystal Gardens, Wed. Sat. 163

E. C. Buhrnell, city building inspector, has issued to M. S. Folker a permit for the erection of a dwelling house at 252 North Front street to cost an estimated \$500, and to the Southern Pacific company a permit for the construction of a warehouse on Portland road to cost an estimated \$3,000.

For rent, modern furnished house 130; 1385 N. 18th St. Ph. 8930. 161

W. E. Bailey pleaded guilty in justice court Thursday to a charge of failing to stop at a primary highway intersection and was fined \$1 and costs.

7-room house for rent. Mrs. A. F. Marcus, 9670. 163

E. W. Gustafson pleaded guilty in justice court Thursday to overloading a truck and his case was continued a week for sentence. Carl Bewley also pleaded guilty to that charge and his case was continued.

Dance Fri. 25c. Spon's Landing. 161

Clarence Turner pleaded guilty in justice court Thursday to a charge of burglarizing the E. J. Burnside home in Salem and will

have a preliminary hearing Thursday afternoon. Carroll Wright, who is charged with receiving and concealing stolen property in connection with the same case, waived preliminary hearing when arraigned Wednesday and was bound over to the grand jury.

Robert Davis, route 4, was fined \$1 in police court for driving a motor vehicle with a defective muffler.

Police Judge Poulsen imposed upon Frank McGlothlen, 155 Waller street, a sentence of 15 days in jail for reckless driving.

Peter Driscoll was fined \$10 by Police Judge Poulsen on a disorderly conduct charge, and Walter Radkey got five days in jail for a similar offense.

A petition asking the Salem school board to retain E. R. Derry in his capacity as director of the high school band and asking the continuance of the organization during the coming term was being circulated Thursday. The petition sets forth that there is considerable cultural value attached to the band and points out that many parents have invested considerable sums of money in instruments in order that their children may participate in the musical organization. While final action on the school board has not been taken, the petition is being circulated by the directors of the band, who are being eliminated for reasons of economy.

Although several placards have been placed in the lobby of the postoffice, one directly over the letter slot, calling attention to the increase in postage rates, a few misadventures are being received for dispatch still bearing two cent stamps. It was stated Thursday, where return addresses are available the short-postage letters are being returned to the writers. Otherwise, they are sent to their destinations with "due stamps" affixed. Vacations among local postal employees have virtually ceased since congress has taken no action on the appropriation bill with the result no one knows whether money will be available or not. This has worked a hardship on the subpostmasters, few of the regulars feeling they can take time off at their own expense.

The number of cases of communicable diseases during the week ending July 2 reached about the lowest point in several months, when only 19 were reported. Of this number eight were tuberculosis, six of which were reported from the state tuberculosis hospital. The report, which was issued by the state department of health, shows 4 cases each of mumps and chicken pox and one of pneumonia, scarlet fever. Two cases of tick fever are noted in the report, one each from Grant and Jackson counties.

H. M. duBois, member of the advisory council of the Oregon Automobile society of Portland, in a communication to the local Y. M. C. A. states that he will be able to participate in the activities of the Y camp which will be held at Ocean-side beginning next Tuesday. DuBois says he will be prepared to give the boys instruction in the study of birds, animals, plants, marine life, insects, with some general study of stars, rocks and trees. He offers the use of an electric lantern and slides but the director will not be able to take advantage of this because there is no electricity at Camp Ocean-side.

The first of the union park church services is scheduled to be held next Sunday afternoon, although the location has not been determined. Some objection to the use of Wilson park had been advanced by members of the park board who have suggested that the services be held in Marion square. The First Presbyterian church will have entire charge of the first of the series which are participated in by virtually every denomination in the city. The meetings take the place of the regular evening church services during the months of July and August.

The Young People's Forum of the First Methodist church will meet at the church Sunday at 6:30 o'clock to make plans for a coast trip for the group.

Marriage licenses have been issued to Kenneth E. Canoy, 21, route 4, Salem, and Ethyl Odell Peden, route 2, Salem; Walter M. Boyd, legal, Medford, and Gertrude Effie Ryden, legal, Salem; W. C. Wells, legal, and Irma Sawyer, legal, both Salem.

Application has been filed with the county court by A. L. Whitney for a dance hall license to operate a dance hall at Broadacres.

The estate of Emma Miller has been appraised at \$7467 by Myrtle E. Thomas, J. P. Richards and Walter W. Miller.

Final account has been filed by Laura Ryan as administratrix of the estate of Abraham DeLong and final hearing set for August 15.

Amended complaint for foreclosure has been filed in circuit court in the case of Sarah E. Stanger against E. E. Hackbert.

The Ladies' Aid society of the Jason Lee Memorial church will sponsor a dinner at the church building, Winter and Jefferson streets, Friday night from 5:30 to 8 o'clock. All residents of the community, in addition to members and friends of the church, are invited to attend. Mrs. J. G. Minton is the newly elected president of the aid society.

Captain W. H. McClain of the state police and family have returned from a vacation trip to Reno, Nev., and California cities. At Reno, Captain McClain participated in the Pacific northwest shoot and gave a good account of himself, making a substantial winning of awards.

IDA CALLAHAN PASSES AWAY

Roseburg, July 7 (AP)—Ida B. Callahan, 69, instructor in the English department at Oregon State college for the past 40 years, died this morning at the home of her brother, B. F. Burnett, at Oakland, Ore. She was born May 10, 1863, at Corvallis, the daughter of Judge John and Martha Burnett. Following her graduation from Oregon State college and Columbia university, she taught one year in high school at Roseburg, and then was engaged as a teacher at the State college.

She was married in 1890 to Thomas Callahan, who passed away in 1915. Besides the brother at Oakland, Mrs. Callahan leaves another brother, Bruce J. Burnett of Portland, and a sister, Mrs. R. H. Huston of Corvallis.

Callahan served two terms as president of the Federated Business Women's clubs of Oregon and was a charter member of St. Mary's chapter No. 9, Order of Eastern Star. She was a member of the farm home executive board at Corvallis.

QUARTERLY LICENSE FEE PLAN FAILS

(Continued from page 1)

office had late yesterday made a proposal to the secretary of state of a compromise scheme whereby the legality of the whole matter of quarterly installments could be definitely determined.

One of the obstacles and the one precipitating the compromise suggestion is that there is no fund from which the governor, state treasurer, or anyone else except the secretary of state can draw money with which to finance the cost of printing and distributing of sticker-receipts for partial payments on licenses. The law provides that the secretary of state may deduct from license receipts the cost of administering the act, but authorizes no one else to make such deductions.

After an extended series of conferences following Tuesday's statement by the governor to Hoss that he intended to take the matter of issuing installment licenses out of Hoss' hands and open up a license bureau of his own in the treasurer's office, Governor Hoss and his staff were arranging a divorce for her in Nogales, Schenck said he had no knowledge of the asserted Mexican divorce plans.

Mrs. Talmadge expressed belief the story of her plans for a Mexican divorce was an effort to obtain publicity for the free and easy Mexican divorce laws.

"I never heard of those attorneys," she added, "and I certainly haven't seen them." She said she had never heard of a divorce. If I had, she certainly would have known about it. If there's any suing to be done, it will be against these lawyers."

Hoss pointed out that acting upon the advice of the attorney general he had refused to issue licenses in any other manner than that prescribed by the law; that the attorney general had advised him that he could not legally issue license plates, or turn over to a highway commission or the county license money until the full amount of the license had been paid in, that as administrative officer he is only empowered to do that which the law directs he shall do and that he is without authority to construe the law.

"The same end would be attained by a mandamus action brought against me by the governor or some other automobile owner, as by my bringing a mandamus against the treasurer and the procedure would be much simpler and could be more promptly instituted," said Hoss. "I would insist that the mandamus be confined to the question of whether or not I am authorized to accept and turn over installment payments on licenses. Such a procedure would involve no complications, no risks of the funds for which I am solely responsible, and it would not in any manner involve my bondsmen."

Asked this morning if there had been any logical and legal plan for issuing installment licenses submitted to him for approval, Attorney General L. H. Van Winkle replied:

"That is a matter for the supreme court to decide," declining to state his own opinion of the schemes proposed. He was consulted several times yesterday by Griffith, Hansen and others representing the governor and Hoss.

While none of those who have figured in the matter of devising a solution to the problem would permit themselves to be quoted today, most all of them were of the opinion that the supreme court would not interpret the law as permitting installment licensing, and there was a general opinion that the only object to be attained by a mandamus action, if the supreme court would assume jurisdiction, would be to provide an "out" for everyone concerned in the controversy.

Governor Meier had not given up hope of being able to devise a plan of issuing installment licenses independently of Hoss, however. It was said at the executive offices that he was consulting further with attorneys in Portland today.

PAY'N TAKIT STORE TO OPEN

Formal opening will be held Friday morning by the new Pay'n Takit store on South Commercial near Kearney with Ed Schroeder, formerly of the Portland stores in the organization, as manager. George C. Solterbeck is district supervisor with headquarters in Salem and has been in charge of plans for the evening. The meat department will be under the management of Mr. Pay'n, who has the experience with the group stores. The payroll, all of which goes to Salem, will be around \$350 a week.

The store, said to be the largest in the organization, will be operated on the self-service plan. The building, designed to meet the particular needs of the tenants, was erected for the company by D. B. Jarman. Construction is of reinforced concrete with both the exterior and the interior of modernistic style and coloring. The corner lot has been covered with asphalt and will provide a parking place for automobiles.

The store's policy is to purchase locally insofar as possible foods and products for sale at the store, according to Solterbeck. "This is true for all the stores in the group and will be applied here. This will be one of the finest food stores in the country and will extend to customers the benefits of the self-service principle."

SPANISH TRADE SHOWS PICK-UP

Madrid, (AP)—Spanish foreign trade is visibly picking up, Don Jose Berenguer, C. Director-General of Customs, told the United Press in an exclusive interview.

"The past few months have shown a very satisfactory improvement in both the exports from Spain and in imports from foreign countries, which shows that there is a revival of commerce."

"Fruit exportation season was very favorable. Imports have also been on the increase including the wheat which had to be imported from Argentina as well as all sorts of other products, both in machinery and in raw materials."

"Proof of this revival of trade is the fact that the Customs House receipts for the first quarter of 1932 were not only larger than in the corresponding period a year ago, but were much bigger than we had estimated in making the advance calculations."

The value of the customs duties for the first three months of this year was 142,395,000 pesetas, compared with 130,391,000 for the same period of 1931.

Berenguer is a deputy to the Cortes from the Catalan province of Tarragona. He was appointed to the directorship of the customs last December, when Don Jaime Carner, also a Minister of Finance in the second Aznarez government.

Just what the drift duties will look like in 1932, Berenguer would not venture to say. "Our task, in this office," he said, "is to apply and put into effect what the government and the Cortes decide."

As things now stand, unless special treaties are made with particular countries, there is little chance for any tariff modification before the 1933 budget comes up for discussion in the Cortes during the first fortnight of October, 1932.

FAMED PHYSICIAN CALLED BY DEATH

Philadelphia, July 7 (AP)—Dr. Joseph Leidy, famed as one of America's leading neurologists, is dead today at the age of 66.

After a protracted illness, he died last night at his home in Penryn, surrounded by members of his family. He leaves his widow, the former Helen Redington Carter and three children.

Dr. Leidy was born in Philadelphia, the son of a distinguished father, Dr. Philip Leidy and Penelope Fontaine Leidy. He graduated from the University of Pennsylvania medical school in 1887 and in 1900 was awarded insignia by the French government for his services in representing the United States on the international jury of hygiene at the Paris exposition.

Dr. Leidy was the author of a number of medical books and served as medical director with the 9th division of the World war.

Hood River Doctor Called Polygamist

Hood River, Ore., July 7 (AP)—Dr. Walter E. Nichol, of Hood River, was convicted in circuit court here Wednesday of a charge of polygamy.

Dr. Nichol obtained a divorce in Mexico several months ago and upon his return to Oregon he married Anna Mae Kingley, of Portland. The Oregon law does not permit remarriage within six months of the time the divorce decree is granted.

Safety in aviation was emphasized at the Lions club luncheon Thursday noon by Lieut. W. A. (Scott) Hazelwood, chief pilot and instructor for the Eyerly aircraft corporation. Ships now fly 75,000 daily over regular air lines and there are only eight fatalities for every 20,000,000 miles of air travel, according to department of commerce figures.

Radio has accomplished much towards the safety of aviation with most accidents due to misjudgment upon the parts of pilots. There are now more than 600 privately owned and operated airplanes in the United States with the average operation cost of between six and seven cents a mile. Planes used in commercial work are given a general daily inspection and a thorough inspection once a week, Lieut. Hazelwood said. The average speed of aircraft has increased to 110-115 miles an hour.

Resignation of George H. Bell as administrator of the estate of George B. Maier was received in probate Thursday and Regina Maier was named in his stead.

COLLEGE BILL TO BE FILED

Portland, July 7 (AP)—Claiming they have approximately 23,000 certified names on petitions favoring consolidation of Oregon institutions of higher education, proponents of the measure prepared today to take the petitions to Salem where they are to be filed with secretary of state.

"We have in our hands and at the Portland police station petitions bearing 23,000 certified names, most of which were obtained in the course of 12 hours," said Mark Woodruff, publicity director for the group in charge of petition circulation here.

Only 17,686 certified names are required to put the measure on the November ballot.

Woodruff said that in addition to the 23,000 certified names now on hand, they have about 10,000 names which have not yet been checked.

Woodruff said that he would not reveal the time of departure nor the means of transportation. Previously it had been said they would be carried to Salem in an armored car.

Woodruff said they had received certified petitions from Linn, Josephine, Wasco, Benton, Marion, Yamhill, Clackamas, Washington, Douglas and Clatsop counties.

FILM COLONY HAS NEW SENSATION

Hollywood, July 7 (AP)—The Hollywood film colony remained as much in doubt as ever today about the divorce plans of Norma Talmadge, noted actress wife of Joseph Schenck, film executive.

Mrs. Talmadge, in Chicago, said she had "never heard of" two Mexican attorneys who declared they were arranging a divorce for her in Nogales, Schenck said he had no knowledge of the asserted Mexican divorce plans.

Mrs. Talmadge expressed belief the story of her plans for a Mexican divorce was an effort to obtain publicity for the free and easy Mexican divorce laws.

"I never heard of those attorneys," she added, "and I certainly haven't seen them." She said she had never heard of a divorce. If I had, she certainly would have known about it. If there's any suing to be done, it will be against these lawyers."

Hoss pointed out that acting upon the advice of the attorney general he had refused to issue licenses in any other manner than that prescribed by the law; that the attorney general had advised him that he could not legally issue license plates, or turn over to a highway commission or the county license money until the full amount of the license had been paid in, that as administrative officer he is only empowered to do that which the law directs he shall do and that he is without authority to construe the law.

"The same end would be attained by a mandamus action brought against me by the governor or some other automobile owner, as by my bringing a mandamus against the treasurer and the procedure would be much simpler and could be more promptly instituted," said Hoss. "I would insist that the mandamus be confined to the question of whether or not I am authorized to accept and turn over installment payments on licenses. Such a procedure would involve no complications, no risks of the funds for which I am solely responsible, and it would not in any manner involve my bondsmen."

Asked this morning if there had been any logical and legal plan for issuing installment licenses submitted to him for approval, Attorney General L. H. Van Winkle replied:

"That is a matter for the supreme court to decide," declining to state his own opinion of the schemes proposed. He was consulted several times yesterday by Griffith, Hansen and others representing the governor and Hoss.

While none of those who have figured in the matter of devising a solution to the problem would permit themselves to be quoted today, most all of them were of the opinion that the supreme court would not interpret the law as permitting installment licensing, and there was a general opinion that the only object to be attained by a mandamus action, if the supreme court would assume jurisdiction, would be to provide an "out" for everyone concerned in the controversy.

Governor Meier had not given up hope of being able to devise a plan of issuing installment licenses independently of Hoss, however. It was said at the executive offices that he was consulting further with attorneys in Portland today.

Scanning the whole situation created by the governor's hasty statement of Tuesday and his ap-

Myrtle Claims Right to Defend Her Honor as Palmist Tickles Hutton

Los Angeles, July 7 (AP)—A palmist and a plainly upset young woman who cried with tears in her eyes of her honor paraded across the stage of the St. Pierre-Hutton breach of promise suit today to the astonishment of a crowded court room and the banging of a judge's gavel.

Myrtle St. Pierre, who asks \$200,000 from David Hutton for breaking an alleged proposal of marriage, in a final appearance on the witness stand threw the courtroom into a turmoil as she argued with Superior Judge Lester Roth for the right to "defend my honor."

On the lying tongues of the defense witnesses, who cried as tears rolled down her pinkish cheeks, an attempt had been made to crucify her character.

As pleas seemed to approach the stage of hysteria, the judge, with stern emphasis, laid down a final warning against her repeated outbursts of emotions.

Myrtle St. Pierre, recalled to the witness stand in rebuttal of testimony offered by the defense about her past life and other alleged lovers, became so excited at one point that Judge Roth was forced to dismiss the jury while he reprimanded her. Hutton watched the proceedings with interest.

The outbreak was engendered when the attractive brunette was asked if she had ever seen Mrs. Catherine Elsoff before. The witness' face flushed and she said: "I've never seen that vicious woman before in my life."

At this remark, prompted by Mrs. Elsoff's testimony that Miss St. Pierre had entered a hospital in 1926 for a delicate operation, Judge Roth halted the trial and excused the jurors.

"I am convinced, Miss St. Pierre, that you made that last answer deliberately in an attempt to prejudice the jury against Mrs. Elsoff. I have warned you before that if there were any more unwarranted remarks from you I would have to caution you before jury. The next time I shall take the chance of a reversible error to caution you before the jury."

The young woman's face, turned pale for the moment, clouded and she broke into tears. Turning to the judge, she cried out:

"Your honor, my character has been ruined in this courtroom. I am the only one who can defend myself. Please give me the right to do so. These vicious people have lied about me so terribly and I can't explain or say anything."

"You have had all the opportunity the law allows you," the court said. "You keep quiet unless you're addressed. I'm tired of having you chime in all the time with side remarks and statements."

She denied she had called Hutton "vicious," a big fat slob, stony and provoking, or that she drank hard liquor, lost her riding breeches at a party and had affairs with a number of men.

Questioned about a fight with her sister, Mrs. Gladys Cassil, who had testified against her, she said: "I dodged the fight bowl she threw at me but I got all wet. She slapped me, skinned my nose and gave me two black eyes. I grabbed her and bent her over backwards and she tore my beautiful silk pajamas."

The fight, Mrs. Cassil testified, occurred over one of Miss St. Pierre's former husbands.

Later Hutton, husband of the evangelist, Almee McPherson Hutton, found himself the center of stage of gaping mouths as a woman approached and commanded him:

"Let me see your hands."

The choir singer protested but finally gave way to her insistence. Glancing at the plump palms, she told him:

"You are going to lose your present wife and marry again during this life. You are ruled by your heart rather than by your head."

Hutton, looking rather dazed for a moment, burst into a laugh, pocketed his hands and walked away with the remark: "I hope I never see her again."

Chicago Publisher Mysteriously Shot

Chicago, July 7 (AP)—Arthur Gould, publisher of a small race selection sheet, was shot and seriously wounded today as he drove his automobile along fashionable Lake Shore Drive near Surf street.

Gould told police two men drove alongside him and opened fire without warning. Two weeks ago, he said, he was approached by two men, who threatened to "get him" if he didn't stop publication of his sheet or consolidate with them.

HUSBAND TO ACT

Cannes, France (AP)—Gloria Swanson's husband, Michael Farm, is not only her leading man in private life, but has also been chosen by the star as her leading man professionally. Trial shots of him have confirmed the fact that he is an ideal man for the job of playing opposite his wife in the new British picture, to be called "Perfect Understanding."

Root Beer Used To Quench Barn Fire

Middlefield, Conn., July 7 (AP)—Frank and Joseph Gallo burned 100 bottles of root beer during the winter and put them away "until it gets hot."

They decided it was plenty hot enough to use the root beer when their barns burned down and flames scorched the farmhouse.

So-lacking water—they ordered the firemen to wet down the roof of the house with root beer and the place was saved.

LARGEST PRIVATE ZOO

Holland, Mich. (AP)—The largest privately owned zoo in the world, Lakewood Park, near here, is still expanding. George Getz, owner, has purchased three South American apes, five Arizona lynx, two polar bears, two eagles, a pair of rare rattlesnakes and several badgers to add to the collection already in his possession. Thirty employees now attend the zoo, which comprises 30 acres of land.

FREIGHT RATES KEEP SPAULDING PLANT CLOSED

While surveys have been made as to the equipment and remodeling needed for reopening of the Spaulding mill, Charles K. Spaulding stated Friday that the dispute over freight rates between the mill and the Valley & Bieler road on hauling of logs is still hanging fire and that the mill cannot operate under the freight rates now existing.

Spaulding stated that the freight rate from Olney where logs are delivered to the railroad about 23 miles above Independence to Salem is \$3.90 a thousand feet.

"The mill could operate at \$2.50 but not at a profit. To really permit operations we have to have a \$2 freight rate. The rate of \$3.90 includes the hauling from Olney over the Valley & Bieler into Independence and over the Southern Pacific into Salem. It is impossible to bring logs down at that figure."

"If we can get a reduction in the freight rate there is every reason to believe we would reopen the mill for small operations which we hope would grow larger."

He would not comment on what the company planned to do with the logs floating in the slough. It is understood there are about 800,000 to a million feet of lumber in logs lying in the slough and that the original plan to reopen during the middle of July was largely based on a proposition of getting these logs into lumber.

Spaulding stated that the latest report on the northwest lumber mills showed that out of 321 mills but 131 are operating and 190 mills are down. The mills operating are cutting only 24.33 of the total capacity of northwest mills.

"That shows the situation in the lumber market," he said. "And with lumber selling at present figures a \$3.90 freight rate to haul our logs into Salem is absolutely prohibitive."

It is understood company officials have been angling with officials of the road for some time to