

CIRCULATION
Daily average distribution for the
Month ending June 30, 1932
10,301
Average daily net paid 9,840
Member Audit Bureau of Circulations

Capital Journal

CITY EDITION
Fair tonight and Friday; cooler
Friday; changeable winds.
Local: Max. 83; Min. 48; rain, 0;
river, -1.8 feet; clear; variable winds.

44th YEAR, No. 173

Entered as second class
matter at Salem, Oregon

SALEM, OREGON, THURSDAY, JULY 21, 1932

PRICE THREE CENTS ON TRAINS AND NEWS
STANDS—FIVE CENTS

JURORS VISIT SCENE OF MURDER

BANDITS STAGE LOVE SCENE IN JUSTICE COURT

Theater Robbers Kiss,
Bill and Co Before
Curious at Hearing

Plea Delayed Until Law-
yer Consulted—Tom
Garland Choice

By STEPHEN A. STONE
She's a tough old girl when a
couple of honest and divinely met
bandits, who only ask that they
be allowed to get along, have to
run up against cops and courts.
Ray Phillips, alias Kiser, chivalrous
and loving knight of the six-gun,
who has done nothing more
than hold up and rob a few theaters
around the country, and his adoring
consort, Edna Parks, who assisted
him in the Hollywood job in
Salem, were still in jail today after
making their first appearance before
Justice of the Peace Hayden.
They elected to consult a lawyer
and take 24 hours in which to de-
cide on their plea.
Ray and Edna have been sepa-
rated since they were assigned cells
a couple of days ago, and their brief
reunion in the court room today
was touching indeed, as is right
(Continued on page 11, column 5)

APPROVAL FOR RAIL MERGER

Washington, July 21 (AP)—The in-
terstate commerce commission today
approved plans of the four principal
eastern trunk line railroads for con-
solidation of all roads east of the
Mississippi river and north of the
Ohio river and the North Carolina
state line with certain modifications.
The commission modified its own
consolidation plan of 1929 by com-
pletely eliminating the Washash-
Seaboard system; allocated the entire
property of the Chicago, Indianapolis
and Louisville railroad company to
the Atlantic coast line and the
Southern Railway systems.
The Chicago, Indianapolis and
Louisville, also known as the Monon,
was allocated under the original
plan partly to the Baltimore and
Ohio. The Baltimore and Ohio in
the four system scheme sought com-
plete control of the Monon.
The commission decision created
an independent system built around
the Delaware and Hudson railroad
and certain of its short line con-
nections. This system will be composed
of the Delaware and Hudson, Green-
wich and Johnsonville Railroad com-
pany, the Schenectady Valley Rail-
road company, the Charlotte Valley
Railroad company, the Lake Cham-
plain and Moriah Railroad company,
the Middleburgh and Schoharie rail-
road, an undivided two-thirds inter-
est in the Troy Union Railroad com-
pany and a one-half interest in the
Wilkesbarre Connecting Railroad com-
pany.

LOST HUNTER FINDS WAY BACK HOME

Roseburg, Ore., July 21 (AP)—Paul
Saxman, Scotsburg resident who
became lost last Monday while
hunting, found his way out of the
woods yesterday evening, striking
the Umpqua highway at the mouth
of Weatherly creek, two miles be-
low his cabin. Three days and two
nights in the woods left Saxman
little the worse physically but his
clothing was in tatters from con-
tinued fighting through thick un-
derbrush. He subsisted entirely on
huckleberries, he reported. Though
he became confused in his sur-
roundings Monday, Saxman said he
felt little alarm as he was con-
fident that he could find his way
to safety in time. He was very
apologetic for having caused anxiety
and trouble to those who had gone
in search of him.

200 GALLON STILL SEIZED, EAGLE CREEK

Oregon City, July 21 (AP)—A 200-
gallon still, 70 gallons of liquor, and
2,000 gallons of mash were confis-
cated, and three men arrested in
a raid near Eagle Creek Wednes-
day, staged by federal, state and
county prohibition officers.
The men arrested gave the names
of Thomas Gold, Neil Welch and
Frank Myers. Officers said the still
was being operated when the ar-
rest was made.

Vets Ordered From Buildings By Uncle Sam

Washington, July 21 (AP)—Supple-
menting an order by the treasury
to evacuate all government build-
ings, the District of Columbia com-
missioners today ordered the bonus
army to abandon their camps on
all public park property by August 4.
The commission's order will de-
prive the war veterans two weeks
hence of all campsites now in use
except Camp Bartlett which is not
park property.
All tentage and rolling kitchens
belonging to the district national
guard and loaned under bond to
the police for the veterans were
(Continued on page 11, column 6)

CANADA FAVORS EMPIRE TRADE

Ottawa, July 21 (AP)—A definite
offer proposing wider preferences
for British goods in exchange for
greater British preferences to
Canadian imports was made today
by Premier R. B. Bennett of Can-
ada immediately after he was chosen
chairman of the imperial economic
conference.
Any such program of preference
would have considerable effect on
the trade of the United States.
The premier declared such a
system of preference exchanges
should be enduring. Representa-
tives of the dominions, he said,
must decide now what course they
intend to take and follow it with-
out deviation. His proposal was di-
rected to the United Kingdom but
the offer was extended also to all
other parts of the empire wherever
its application would be mutually
advantageous.
"There are two ways of obtain-
ing increased preference," he said,
"either by lowering trade barriers
among ourselves or by raising them
against others. The choice is govern-
ed largely by local considerations,
but subject to that, it seems to us
that we should follow the first
rather than the second course."
"However great our resources, we
cannot isolate ourselves from the
rest of the world."
The premier declared that "when
we marshal the strength of the
empire, which is the sum total of
its cooperating parts, we are in-
vincible."
He pointed out that it was
necessary for each unit of the
empire to do its utmost in the
spirit of self-help.
Stanley Baldwin, president of the
council in the British cabinet and
(Continued on page 10, column 7)

STEINER LEAVES FOR OREGON HOME

Portland, July 21 (AP)—Both Sen-
ator Frederick Steiner and Con-
gressman Robert R. Butler are en-
route to their Oregon homes from the
national capital, according to a dis-
patch to the Journal from Washing-
ton, D. C.
Butler left Tuesday and will
reach Portland Sunday, proceeding
at once to his home in The Dalles.
After a short rest, he said, he will
begin his campaign for re-election,
visiting each county in eastern Ore-
gon.
Senator Steiner left Wednesday
with his family by automobile, the
dispatch said, and will reach Oregon
early in August, visiting both at his
Portland and Portland homes.
In a final interview Steiner said
he believes congress has done more
toward expansion of credit and
healthful reestablishment of busi-
ness conditions than the country re-
alizes.

Hoover Maneuvers To Get From Under Worry Of Prohibition Issue

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Washington, July 21 (AP)—Presi-
dent Hoover is consid-
ering a stand on prohibition
designed to remove him from
the clamor over re-submission
of the bill to appease the great
army of prohibitionists who still
look hopefully toward him as their
champion.
Mr. Hoover is contemplating tak-
ing the position in his acceptance
address next month that the president
has nothing whatever to do with
constitutional amendments, their
original insertion or their repeal,
but that this is left by the constitu-
tion wholly to congress. The presi-
dent has no authority over constitu-
tional amendments. He can not
pass upon them as he can ordinary
legislation.
The president then would point
out that while the republican party

DICTATORSHIP AIMS TO QUELL GERMAN REDS

Germany's Junker Gov-
ernment To Destroy
Left Wing Opposition

Efforts To Promote Gen-
eral Strike Fail—Ap-
peal Taken to Courts

Heat Wave In East Broken By Showers

(By the Associated Press)
Torch-like temperatures subsided
Thursday throughout the upper
Mississippi basin as the nation
credited 38 more deaths to extreme
summer heat.
Showers swept mercifully across
the northern brow of the land,
from the Rockies to the Great
Lakes and on into the north Atlan-
tic states, but southern areas still
gasped in anticipation of relief
promised by Friday.
The Dakotas and Nebraska also
cooled off considerably, while show-
ers and breezes brought much need-
ed relief to Texas, Missouri, Kansas
and Oklahoma, seat of the worst of
the current wave. The drop aver-
aged 10 degrees, but 21 days still
suffered from 100 degree heat.
Twenty-eight heat deaths were
distributed widely, St. Louis report-
ing six, Minnesota and Illinois
four each, and Pittsburgh three.
Ten others died of drowning or
(Continued on page 9, column 4)

SIX HOUR DAY TO CUT WAGES

The state industrial accident
commission today announced its
office staffs in Portland and Sa-
lem would be put on a six-hour
day basis with corresponding re-
duction in pay beginning August 1.
The commission announced this
was made necessary in order to
keep the administrative expense
within 10 per cent law limitation.
The commissioners, of which
there are three, will likewise take
the corresponding reduction in pay
but will not reduce their hours.
Field auditors outside of Portland
are excepted from the rule and the
auditing department.
The commission announced adop-
tion of this plan rather than to
further reduce the personnel of its
department. During 1931 the com-
mission reduced the number of its
employees 20 per cent and their ad-
ministrative expense by more than
\$100,000.
A warning to employers was
issued by the commission to the
effect that all employers who en-
gage in a hazardous occupation
without giving the commission
written notice of their operations
are liable to the accident commis-
sion for costs of all accidents pri-
or to time of giving notice, in ad-
dition to being guilty of a misde-
meanor. Twenty-five employers
have been arrested within the past
few months and convictions secured
in virtually all of them, for
violation of this provision, the com-
mission announced.

2 MONTHS TO HUNT DUCKS IN

Washington, July 21 (AP)—The op-
en season for hunting wild ducks
and geese has been extended from
one to two months for the coming
fall by President Hoover at the re-
commendation of Secretary Hyde.
The lengthened season, it was said
at the department of agriculture, is
made possible by improvement in
the situation which became serious
for waterfowl following drought on
their breeding grounds in 1931.
The earliest open season in any
state will be October 1 and the latest
opening date November 16, with the
exception of Florida where the sea-
son will open November 20. In Ala-
ska September 1 will be the opening
date.
The new open season for ducks,
geese, brant and coot includes:
October 16 to December 15—New
Mexico, Arizona, Idaho, Oregon and
Washington.

CANBY BOY'S DIVE BREAKS NECK BONE

Canby, July 21 (AP)—George Nel-
son, 14, was taken to an Oregon
city hospital last night in a seri-
ous condition after a fall from a
city boardwalk at a swimming place
in the Molalla river south of here.
He slipped from the board, fell and
struck his head against the bottom
of the stream in shallow water. A
bone in his neck was fractured.

CONVICT GIVES UP WEAPONS TO WARDEN

Canon City, Colo., July 21 (AP)—
Danny Reardon, one of the most
feared convicts in the Colorado
penitentiary, walked into the office
of Deputy Warden Roy Best today
and presented with him two
45 calibre revolvers and 19 bullets.
Reardon first appeared at Best's
office at 10:30 a. m.
"I've got a couple of rods inside
that I guess I'll give you," he said.
"What's the idea?" inquired Best.
"Want to be made a trusty, so you
can get away?"
"No, I don't want anything,"
Reardon smiled. "I'm going to be
getting out of here in less than a
year and I don't want any of these
punks to get hold of the rods."
With that said, he returned to his
routine prison duties in the bul-
den.

CANADA'S EXPORTS TO U. S. INCREASE

Ottawa, July 21 (AP)—A feature
of the export trade of Canada in June,
was an increase in the merchandise
sold to the United States, according
to a report issued by the dominion
bureau of statistics today.
The value was \$15,751,455, as com-
pared with \$14,189,019 in May and
\$12,085,948 in April.
With this increase the Canadian
exports to the United States in June
were greater than to all the coun-
tries of the British Empire com-
bined.

PETITION THEFT HOAX BLAMED ON BROWNELL

Warrant for Arrest
Sworn Out by Hector
Macpherson

Named by Night Watch-
man—Refuses to Dis-
cuss Case—\$2500 Bail

Portland, July 21 (AP)—Cyril G.
Brownell, insurance man, former
state legislator, was accused today
of larceny as the first official ac-
tion taken in the school consoli-
dation petition hoax case.
A warrant for Brownell's arrest
was issued and a detective left the
district attorney's office immedi-
ately to serve it.
The complaint was signed by Hector
Macpherson of Albany, co-
author of the Zorn-Macpherson
school consolidation bill, sponsor of
the petitions.
Lotus Langley, district attorney,
said Brownell was named by Robert
Tallman, night watchman in the
Portland office of the consolidation
headquarters, as one of the three
men who, by pre-arrangement with
Tallman, took the petitions from a
safe in the offices of Brownell and
Sam Slocum on the night of July 4.
Shortly after the "theft" of the
20,500 signatures, Brownell con-
fessed to police his story of a forcible
holdup was a hoax and that the
petitions had been taken under a
prearranged plan. He said he was
unable to give the names of the
other men.
Bail for Brownell was set at \$2,500.
Langley said Brownell refused to
make a statement although he ad-
(Continued on page 10, column 6)

HOOPER SIGNS BIG RELIEF BILL

Washington, July 21 (AP)—Presi-
dent Hoover today signed into law
the \$2,122,000,000 unemployment re-
lief bill described by him as "a
strong step toward recovery."
The major items of the big bill
include:
Increase of the capital of the re-
construction corporation by \$1,800,-
000,000.
The corporation was given \$2,000,-
000,000 by the law creating it.
A fund of \$300,000,000 for loans to
states to relieve distress.
A \$322,000,000 construction fund.
The announcement of the signing
of the measure was not accompanied
by any word whether the president
had selected the two directors of the
reconstruction finance corporation
who will replace Eugene Meyer,
chairman of the corporation's board
and Paul Bestor, farm loan commis-
sioner, a director.

BRAZILIAN TROOPS CAPTURE REBELS

Rio De Janeiro, Brazil, July 21 (AP)—
Federal airplanes rained bombs
on rebel positions today near Que-
luz in the state of Sao Paulo, the
government announced, continu-
ing an offensive which resulted
also in the capture of the village of
Manoel Joaquin.
Rio De Janeiro, Brazil, July 21,
(AP)—A government committee to-
day said federal troops operating
against a rebel force had killed 117
of the enemy and captured the
village of Manoel Joaquin,
about 500 miles northwest of here
on the Guaxupe-Muzambinho front.
The Guaxupe-Muzambinho front
comprising about 40 miles, is
important because it controls the
railways connecting Sao Paulo with
southern Minas Geraes.

STATE OF SIEGE DECLARED, BOLIVIA

La Paz, Bolivia, July 21 (AP)—A
state of siege was decreed today
throughout Bolivia.
The country was in a high state
of excitement, with a growing de-
mand among part of the population
for war with Paraguay over the
Gran Chaco territorial dispute.
The cabinet approved the decree,
announcing that "complications
which may compromise national
peace and armed aggression in the
southeast making it urgent to adopt
measures of an extraordinary char-
acter, the cabinet decrees a state
of siege throughout the republic."

HOOPER DECIDES TO ACCEPT HONOR

Washington, July 21 (AP)—Chair-
man Sanders of the republican
committee announced today that
President Hoover would make his
acceptance speech on the night of
August 1 in Constitution hall, a
large auditorium near the White
House.

GOVERNOR FINDS FEW WILLING TO TAKE SCOTT'S JOB

Successor To Highway Chairman Difficult To
Find in View of Past Interference and Big
Problems Ahead; Talk of Curbing Execu-
tive's Absolute Power Over Board

By HARRY N. CRAIN

Political observers and others close to state highway
affairs both here and in Portland find in Governor Meier's
statement that he is "in no hurry" to appoint a successor to
Leslie M. Scott confirmation of well-founded reports that
the executive is having difficulty in finding a suitable man
willing to undertake the job. Un-
official reports current in Portland
yesterday and last night were to
the effect that two men had al-
ready rejected tenders of the ap-
pointment, although their identi-
ties were not stated with sufficient
authority to warrant publication.
Three major reasons can be stated
for the difficulty encountered
in making the appointment, not the
least of which is the demonstrated
inclination of the governor to im-
pose his dictation upon past com-
missioners and his failure to sup-
port the commission in its stated
policies.
A second reason is that the new
commissioner will probably be
called upon to assume the chair-
(Continued on page 11, column 5)

U. S. ON DOLE SAYS BABSON

Silver Bay, N. Y., July 21 (AP)—
Describing "all politicians high and
low" as the chief beneficiaries of the
"relief racket," Roger W. Babson,
economist, today told members of
the Silver Bay Institute that the
United States today is as much on a
dole as England and asserted that
until public attention is focused on
men instead of money "the world
will continue to suffer."
"Money," said Mr. Babson, "will
no more succeed in getting us out of
the depression than it succeeded in
keeping us out. Nor does the solu-
tion lie in building more non-pro-
ductive public works, but in getting
the unemployed back to their old
productive jobs."
"Organized relief," he said, "is
beneficent to the politician more than
the distressed unemployed. It is the
biggest racket in the country and all
politicians high and low are its chief
beneficiaries."
Mr. Babson urged a "quota plan"
for bringing business back to normal
and pointed out "the real task" was
to balance production and consump-
tion so as to get everyone back to
work. He said a simple remedy
would be to quota the unemployed
against employers and those already
employed.
The report recommended indict-
ment of Collins for murder.
The seven named as accessories
were those identified by some of
the 150 witnesses as having fired
firearms at the time the shots were
fired which killed Sutton and
wounded 18 of his comrades.

GRETA GARBO OFF TO VISIT SWEDEN

Hollywood, July 21 (AP)—Greta
Garbo, mysterious Swedish actress,
disappeared from Hollywood last
night and today was reported to
be on her way to New York aboard
a limited train.
She was said to have obtained
reservations under a fictitious name
and to have boarded the train at
midnight in San Bernardino.
Harry Eddington, her business
manager, admitted Miss Garbo had
made plans to leave but declined
to state which train she planned
to take. The actress was known to
be planning to go to New York
eventually, from where she will
take a boat for a vacation in Swe-
den.

Zook Considered as Choice for Chancellor Asked To Visit State

Portland, July 21 (Special)—Dr. George F. Zook, presi-
dent of Akron university, will be the first of the eastern edu-
cators to come to Oregon upon invitation of the state board
of higher education to look over
the field with a view to accepting
appointment as chancellor of the
consolidated University of Oregon,
Oregon State college and the three
normal schools.
Dr. Zook is 47 years old, received
his A. B. degree from the University
of Kansas in 1906, his master's de-
gree from the same institution in
1907, and his Ph. D. from Cornell in
1914. Besides his teaching activities
in these institutions and at Penn-
sylvania State college, he served on
the committee on public information
at Washington during the war and
as director of the section of educa-
tional instruction of the federal
treasury department. He was chief
(Continued on page 10, column 7)

RUSSIA INSISTS ON ARMS CUT

Geneva, July 23 (AP)—The world
arms conference witnessed the
strange spectacle of the Soviet
foreign minister being "more Ameri-
can than the Americans" today.
Maxim Litvinoff, opening debate
on the final resolution which
represents the meager achievement
of the conference to date, insisted
that President Hoover's proposed
cut of one-third in all armaments
be inserted in the resolution before
the Soviet accept it, whereas the
United States delegates stood yester-
day for acceptance of the resolu-
tion without such figures.
Litvinoff, speaking English with
the accent of New York's east side,
attacked the resolution as mean-
ingless and without figures. He
proposed firstly, an amendment to
the preamble to call for a reduction
of all armaments by one-
third, with the exception of small
countries possessing armies of not
more than 30,000 men or a total
naval tonnage of 100,000, or coun-
tries disarmed by international
agreement, (such as Germany).
Italy joined the growing oppo-
sition to the resolution when Italo
Balbo announced Italy would ab-
stain from voting "because it is a
vain effort, entirely inadequate
when compared to the wishes of
the world."

HAMILTON TO MANAGE G.O.P.

Ralph Hamilton of Portland, for
several years a member of the
house of representatives from cen-
tral Oregon and speaker of the
house during the 1929 session, will
in all probability be seated as
chairman of the state republican
central committee when that body
meets for organization in Portland
next week, according to infor-
mation received here.
Hamilton, now practicing law in
Portland, is said to be the almost
unanimous choice of republican
party leaders over the state and is
said to be endorsed by Senator
Frederick Steiner and the other
principal nominees of the party
who will be concerned in the fall
campaign. His candidacy is also
said to carry the approval of Ralph
Williams, republican national com-
mittee man; Floyd Cook, retiring
state chairman; Jack Day, Phil
Ketschen and other party chief-
men.
The only hint at opposition to
Hamilton so far heard is the sug-
(Continued on page 9, column 7)

WELFARE WORKER DIES IN PORTLAND

Portland, July 21 (AP)—The Rev.
Levi Johnson, pastor and friend
to both high and low of Portland
for more than 20 years, died at his
home here today. He was 73 years
old and had been in failing health
for several months.
Until ill health forced his retire-
ment last fall, the Rev. Mr. John-
son was superintendent of the
"Men's Resort," where he gave
counsel to those men who frequent
the north end. During the 20-
year period he was assistant pastor
of the First Presbyterian church
where he ministered to the spiritual
needs of some of the city's most
prominent families. His widow and
five children survive.

BROWN TO PROBE POWER SECURITIES

Washington, July 21 (AP)—Sanford
H. Brown, of Washington and New
York today was appointed securi-
ties examiner by the power com-
mission.
Brown formerly was connected
with the New York stock exchange's
committee on stock lists.
The commission said filling of
the position was authorized by
President Hoover.
The power commission recom-
mended federal regulation of pub-
lic utilities holding companies.

Churchman Dies Trying To Save Wife

Long Beach, Wash., July 21 (AP)—
T. J. Johnson, 46, trustee of the
Central Lutheran church at Ta-
coma, was carried to sea by a
powerful undertow and drowned
Wednesday when he went to the
rescue of his wife, also caught in
the grip of the current.

SLAIN OFFICER'S WIDOW INITIAL STATE WITNESS

Poe Murder Jury Taken
To Silverton Where
Shooting Occured

State To Call 25 Wit-
nesses, Defense Only
Four or Five

Trial of Dupree (Buck) Poe, 29,
charged with first degree murder
for the shooting of James Iverson,
night officer at Silverton early in
the morning of May 2, 1931, got
underway Thursday afternoon with
Mrs. Iverson, widow of the officer,
the first witness. The morning
was occupied with a trip to various
scenes that will be mentioned in
the trial, including an inspection
of the place on Oak street near
Water street in Silverton where
the shooting occurred.
In efforts to send Poe to the gal-
lows, John Carson, district attorney,
is calling 25 witnesses to the stand,
including Frank Manning, who
with Robert Ripley and Poe were
jointly indicted for the murder
while the defense will have
only four or five witnesses, accord-
ing to Paul Burris, chief counsel.
Manning has entered a plea of
(Continued on page 11, column 4)

EIGHT JAILED IN OUTBREAK CASE

Ottawa, Ill., July 21 (AP)—A cor-
oner's jury today ordered eight
men held in jail and recommended
indictment of one on murder
charges and the others as access-
ories after investigation of the
fatal outbreak at Marseilles, Ill.,
federal dam construction camp.
The formal verdict of the jury
found that Stephen (Big Steve)
Sutton, who was killed as he led
a crowd of 300 union demonstrators
to the dam site, was slain by James
Collins, Mess, Ariz., construction
worker.
The report recommended indict-
ment of Collins for murder.
The seven named as accessories
were those identified by some of
the 150 witnesses as having fired
firearms at the time the shots were
fired which killed Sutton and
wounded 18 of his comrades.

BRAZIL PURCHASES AMERICAN PLANES

Troy, Ohio, July 21 (AP)—The Waco
Aircraft company today announced
receipt of orders for 15 planes for
the Brazilian army and navy, the
contract amounting to \$200,000. The
planes are to be equipped with gun
and bomb racks and the rest are
to be equipped for radio and photo-
graphic purposes.