

CIRCULATION  
Daily average distribution for the  
Month ending November 30, 1932  
**9,725**  
Average daily net paid 9,246  
Member Audit Bureau of Circulations

# Capital Journal

CITY EDITION  
Fair and continued cold tonight  
and Thursday; east winds.  
Local: Max. 35; Min. 11; rain, 0;  
river, 2.0 feet; atmosphere, clear;  
wind, northerly.

44th YEAR, No. 298 Entered as second class  
matter at Salem, Oregon

SALEM, OREGON, WEDNESDAY, DECEMBER 14, 1932

PRICE THREE CENTS ON TRAINS AND NEWS  
STANDS—FIVE CENTS

## BONUS VETS PRESENT PETITION

### HERRIOT QUILTS WHEN FRENCH VOTE DEFAULT

Notifies Washington That  
He Is No Longer Quali-  
fied To Negotiate

Overwhelming Vote for  
Refusal To Pay Brings  
Cabinet Resignations

**DEBT SITUATION**  
(By the United Press)  
France will default \$200,000,000 government payment. Herriot government ousted in vain plea for payment with reservations.  
Great Britain will pay \$85,500,000 with right to ask debt discussions later. House of commons debates debts this afternoon.  
Belgium will not pay \$123,500,000, pleading insolvency.  
Czechoslovakia expected to pay \$150,000,000.  
Washington plans to ignore French default in hope France will subsequently rectify.  
Italy directed payment of \$245,437, authorized by Fascist grand council.

Paris, Dec. 14 (AP)—Premier Herriot instructed Ambassador Claudat at Washington this evening to inform the American government that as a result of yesterday's adverse vote in the chamber of deputies he no longer is qualified to carry on negotiations concerning the debt payment due tomorrow.  
In his present status he is simply carrying on current affairs, the premier said, and as the situation (Concluded on page 9, column 5)

### SENATE BLOCKS NOMINATIONS

Washington, Dec. 14 (AP)—The nomination of Roy D. Chapin, of Michigan, as secretary of commerce was confirmed by the senate today, after the democrats had blocked consideration of other presidential appointments.

A motion by Senator McNary, of Oregon, assistant republican leader, to send the senate into executive session for consideration of a batch of Hoover appointees was defeated 44 to 37.

The roll call was on party lines, only Senators LaFollette and Blaine, of Wisconsin, leaving the republican fold to line up with the democrats. Senator Shipstead, farmer-laborer of Minnesota, also voted with the democrats.  
The effect was to block even the sending of the nominations to committees for preliminary consideration. After the vote, LaFollette said he enlisted against the motion because of the announced intention of the democrats to block confirmation of any nominations and of his desire to speed senate consideration of other business.

### JORDAN SENTENCED TO HANG FEB'Y 3

Klamath Falls, Dec. 14 (AP)—Theodore Jordan, negro who has convicted of the first degree murder of F. T. Sullivan in a sensational trial here last week, today was sentenced to hang on February 3. Sentence was pronounced by Circuit Judge W. N. Duncan after Jordan was brought into court following an attempted suicide.  
Jordan stabbed himself eight times over the heart with a wooden penholder which he had sharpened to a fine point. All the wounds were superficial, however, and on advice of the county physician the negro was taken into court for sentence, which passed without incident. W. P. Myers, Jordan's attorney, indicated he would ask for a new trial on the basis of new evidence now developing.  
Jordan was taken to Salem by Sheriff Lloyd Low.

### NO LOANS MADE TO HOME OWNERS

Washington, Dec. 14 (AP)—No loans to distressed home owners yet have been made the home loan system's 12 regional banks, said Chairman Franklin W. Port of the Federal Home Loan bank board today. The banks have been in operation 80 days.

### Good Evening

Sips for Supper  
By DON UPJOHN

Last week the weather man predicted warm weather by Monday this week. He was just Hooverizing when he said it was just around the corner.

Ah, for those good old days—when we could mail a letter to Santa Claus with a 2-cent stamp.

**RELIGIOUS NOTE**  
The Methodist pope, Bishop Cannon, has excommunicated all members of his persuasion who take a drink.

**CHANCE FOR NEWELL WILLIAMS**  
For Sale, Trade, Barter or Exchange—After first of year, one set new rubber heels, one untarnished star, nice new pair of gum shoes, diploma in detective school, one finger print outfit good as new, handcuffs, unused 38 calibre revolver, one Oregon boot. Best bid takes any of these or will trade for most anything. Address all communications to S. B., county detective, sheriff's office, court house.

Mister Meier says he will run for governor again. The next campaign he will have this disadvantage—he'll have to explain what he has done instead of make promises as to what he is going to do. And also little explaining about free power without expense to the taxpayers.

Our column yesterday remarked that we asked Harry Levy a question "point plank," and some of our readers wanted to know what we meant. Plank steak, we presume.

The best Christmas gift you can get your husbands, dear married ladies, is a nice smoking jacket which you can wear at bridge parties.

We find that for the father who wishes to get his small son something nice there is nothing the old man can buy more fun with than an electric train.

We ran into Howard Hulsey, the big ice cream magnate today. "Boy," said Howard, as the shivers chased up and down his spine, "isn't this the fine weather." We opined it'd be tough on the ice cream business.

"But," said Howard, "all we have to do these mornings is to mix the dope, open the back door and let her freeze." And as an afterthought he remarked, "And believe me that's some relief. A chap gets tired of sitting around turning an ice cream freezer all day. So it's fun to just let nature take her course for awhile."

Henry Crowe today filed with the county clerk his time as a witness before the grand jury. He appeared to testify in a chicken stealing case.

One sight worth looking over in this man's town is the gathering of wood wagons down on Court street across from the free employment agency. The boys with wood to sell are bringing in their wares to show off and its as educational as a summer course in forestry.

### PLAN GUARDS FOR CAPITOL GALLERIES

Washington, Dec. 14 (AP)—Sergeant-at-arms Kenneth Romney of the house today revealed that department of justice agents have been assigned to guard the public galleries of the chamber.  
He said the extraordinary precautions had been taken to prevent a recurrence of yesterday's episode when a man, terrorized the house with a revolver.

### Soviet Recognition As Unemployment Relief Urged By Idaho Senator

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Washington, Dec. 14 (AP)—Chairman Borah of the senate foreign relations committee in an interview with the United Press today urged recognition of Soviet Russia to ameliorate unemployment and other domestic and international ills.  
"Borah spoke cautiously but significantly of the effect United States recognition would have in the troubled far east.  
"The establishment of diplomatic relations," he said, "would have a direct and most favorable bearing upon the situation in the Orient."  
By that phrase, Borah was referring in part to the problems created by Japan's policy in Manchuria and establishment there of a state under Japanese domination. Some well informed persons have expressed the belief that had Moscow and Washington been on speaking terms

### BIDS OPENED FOR \$525,000 ROAD BUILDING

Among Jobs Let Is New  
Era - Canby Section  
Pacific Highway

Johnson Low Bidder On  
Aurora Bridge Raising  
And Widening

Portland, Dec. 14 (AP)—Bids on 16 state highway projects amounting to about \$525,000 were opened by the highway commission here today. The opening signaled the award of the first work on the long discussed and disputed Wilson river highway, with the receipt of bids for grading 1.4 miles on the North Park-Halsey creek section a short distance east of Tillamook.

All of the funds which will go into the work ordered today, including three groups of bridges, is to come from federal appropriations. From a total of about \$3,000,000 of federal money available this year, all has now been taken up except about \$250,000 which will be obligated at the next letting.

Today's projects and the low bidder in each case included:  
Baker county: Wingville Lane-Baker section Old Oregon Trail, construction one mile of 20-foot concrete pavement; 1.34 miles bituminous macadam surface, and 4.31 miles gravel surface.

Bellevue: Aurora bridge raising and widening.

### BELGIUM SENDS DEFAULT NOTICE

Washington, Dec. 14 (AP)—The Belgian government served formal notice on the United States today that it would not meet its war debt installment of \$2,125,000 due tomorrow. A similar notice from France was expected later.

Small, dapper Paul May, Belgian ambassador, presented his government's decision in a note to Secretary of State Stimson. It was his mission to bring news of the first war debt default.

May and Stimson talked for more than half an hour.  
Congressional reaction to France's default on her \$20,000,000 debt payment was one of surprise and chagrin, but no reprisals were forecast.

The state department indicated it would follow a policy of silence toward France and Belgium, waiting for them to give some hint of future policy toward their war debts, which total more than \$4,000,000,000.

Meanwhile, it appeared that the treasury would collect about \$100,000,000 of the \$125,000,000 due it tomorrow. Great Britain, Italy and Czechoslovakia at least, will pay.

### FOR CROP LOANS

Washington, Dec. 14 (AP)—Allotment of \$50,000,000 from the reconstruction corporation to permit crop production loans for another year was asked today in a bill by Senator Bratton, democrat of New Mexico.

### No Relief In Sight as Cold Wave Persists

Prospects of an immediate relief from the cold spell that has gripped the district for the past week went glimmering Wednesday morning when the mercury sunk to 11 degrees at 9 o'clock, one degree under the lowest temperature Monday night.

With the thermometer standing at 17 degrees Tuesday morning and rising to the highest point of the past week early in the afternoon by touching 35 degrees there was indication of some moderation.

The higher temperatures of Tuesday brought additional grief to householders, it is reported at the office of the Oregon-Washington Water Service company. Though the reading was 12 degrees higher (Concluded on page 9, column 6)

### BANKS HANDLE DEBT PAYMENTS

Washington, Dec. 14 (AP)—Treasury officials expect tomorrow's momentous war debt payments of about \$100,000,000 to be handled in New York as routine banking transactions.

Great Britain's \$95,000,000 installment will be paid to the New York Federal Reserve bank by J. P. Morgan and Co., New York financial agents for the British government. Payments of other countries are expected to be handled similarly to the Morgan firm or other New York banks.

"We are prepared, however," one high treasury official said today, "to accommodate foreign nations, if they desire to make payments after business hours. There is no set time payments must be made—just so long as we receive them by midnight of December 15, we will be satisfied."

Actual gold to meet the payments will not be unloaded from ships and whisked across New York City with the spectacular display envisioned by some persons.

Instead, Morgan's or other New York banks representing the debtor nations, will make payments from balances which they hold for those countries or their national banks. If the balances are insufficient to cover the payments, the fiscal agents will pay the installments anyway and charge the amounts to client accounts.

### COAST PLAYERS AT NEW ORLEANS

New Orleans, Dec. 14 (AP)—Two of the Pacific coast's outstanding football teams arrived here today on long jaunts in quest of gridiron honors in the old south.

From California came the University of California at Los Angeles aggregation en route to play the University of Florida Saturday. They worked out here and will leave tonight.

The Californians were followed within an hour by 28 players of the University of Oregon who arrived here for three days of final preparation before going to Baton Rouge to play Louisiana State university Saturday.

Several of the west-coasters were suffering from colds contracted on the long train trip south, but their coaches indicated they expected their squads to be in good shape for the games.

The Oregon outfit scheduled its first workout here for this afternoon at Tulane stadium, planning daily practice until Friday when the players leave at 3 p. m. for Baton Rouge to spend the night there before the L. S. U. game.

### SILVER CREEK FALLS BEAUTIFUL FROZEN

Persons who have visited Silver Creek falls since the beginning of the present cold snap are enthusiastic in their comment on the present condition of the falls, many declaring it the most beautiful scenic effect they have ever seen.

From the rim of the lower north fall hang gigantic icicles, of many tons weight, that are gradually increasing in size as the freezing temperature continues. All trees and shrubbery that are touched by the spray have been turned into icy designs that are described as almost beyond imagination in their beauty.

The flowing water shows a green color and the ice also is of greenish hue.

Several persons from Salem visited the falls Sunday and others are making the trip during the week. The road, by way of Silverton, is said to be perfect.

### FRANCE'S DEBT DEFAULT JARS CONGRESSMEN

Resentment Expressed  
Through White House  
And Stimson Silent

M'Nary Can't Foresee  
What We May Be Up  
Against—War Wanted

Washington, Dec. 14 (AP)—Representative Knutson, republican of Minnesota, today introduced legislation to forbid the entry into the United States of securities of foreign governments that have defaulted on their debt payments. It also would prohibit advertising them for sale and the carrying of such obligations through the mails.

Washington, Dec. 4 (AP)—Resentment flared in congress today over the French decision against paying the \$19,261,432 debt installment due here tomorrow, but at the White House and state department an attitude of careful silence was maintained.

Expressions of indignation first arose in democratic quarters. Senator McKellar of Tennessee saying it was clear "that Germany is not the only European nation that treats its obligations as scraps of paper."

"I think it is the most ungrateful act in the career of any nation in the world," he added to newspapermen.

While President Hoover kept in close touch with the situation, there was no indication of further action (Concluded on page 9, column 6)

### CONSOLIDATION FOR COUNTIES

Portland, Dec. 14 (AP)—Consolidation of Oregon's 36 counties into only eight counties, abolition of county officers, and the districting of the state police to take over this law enforcement work, will be suggested to the state legislature at its regular session in January.

U. L. Upson of Portland is the sponsor of the idea. He declared today that such a plan would reduce the cost of county government one-fourth.

The groupings of counties under the Upson plan would be:  
1. Clatsop, Columbia, Multnomah, Polk, Tillamook, Washington, Yamhill.  
2. Benton, Clackamas, Lane, Lincoln, Linn, Marion.  
3. Crook, Deschutes, Jefferson, Gilliam, Hood River, Sherman, Wasco, Wheeler.  
4. Coos, Curry, Douglas, Jackson, Josephine.  
5. Klamath, Lake.  
6. Grant, Morrow, Umatilla.  
7. Baker, Union, Wallowa.  
8. Harney and Malheur.

### RIVERS AND HARBORS WORK DISCOURAGED

Washington, Dec. 14 (AP)—Representative Snell, republican of New York, house minority leader, told newspapermen after a conference with President Hoover today that he felt the president "doubts the advisability of congressional authorization of more funds for rivers and harbors work."

Snell said he had discussed the matter with the chief executive at the request of republican members of the house who wanted to obtain Mr. Hoover's views toward rivers and harbors work as a relief measure.

He said his impression was that Mr. Hoover was inclined "to follow out his recommendations to congress that relief construction work be confined to self-liquidating projects."

### GUY ARRAIGNED ON MURDER CHARGE

Long Beach, Cal., Dec. 14 (AP)—W. J. Guy, arrested as a suspect in the slaying of Captain Walter Wanderley, adventurer, was arraigned in municipal court today on a charge of murder. The 24-year-old defendant, admitted enemy of the globe trotter, was ordered to appear Monday to enter a plea.

### FINLAND TO PAY

Washington, Dec. 14 (AP)—A representative of the Finnish legation said today that Finland expects to pay its war debt installment of \$186,255, due tomorrow.

### Reduction In Auto Fees Certain, But Plans Vary Widely

Slash of 50 Percent or More Assured by General Accord; Fate of Higher Gas Tax and Property Levy Proposals Indefinite With Few Factions Agreed

By HARRY N. CRAIN

Spurred on by a popular demand of proportions and insistence that cannot be ignored the 1933 legislature will, it is now considered certain, make a drastic reduction in the schedule of automobile license fees in Oregon, and motorists can with assurance look forward to material relief in the matter of initial outlays for the privilege of using the roads. From sources that are closely in touch with public and legislative sentiment come confident predictions that at least 50 per cent will be lopped off the cost of placing private motor vehicles in operation next year.

The fact that license fees must be cut in half or less is, however, about the only point upon which the various individuals and groups working upon the problem are agreed.

Leslie M. Scott, chairman of the highway commission, while stating that his department is ready and anxious to meet the demand, said:

"The companies coming under the official investigation are the Northwestern Electric company, the Pacific Power & Light company, the Inland Power & Light company, the Portland Gas & Coke company, all of Portland, and the American Power & Light company and the Electric Bond & Share company, holding corporations.  
"Thomas declared that the hearing was "more or less informal" and not for purposes of rate-making. It was called, he said, merely to enable the commissioner to obtain data for future work, particularly to enable him to prepare legislation that will break what he describes as the domination of eastern holding companies on Oregon utilities.

The question of salaries paid to officials of the Portland companies was the first matter brought up by Commissioner Thomas when the hearing was held here today.

Washington, Dec. 14 (AP)—The senate adjourned late today to permit sponsors of Philippine independence legislation more time to work out a bill satisfactory to a majority.

Washington, Dec. 14 (AP)—The senate today approved a proposal to free the Philippines in eight years. The vote was 40 to 38.

A final vote on the bill as a whole has yet to be taken however, and after that differences with the house over the legislation have to be reconciled before it goes to President Hoover. The roll call was on an amendment by Senator Broussard, democrat of Louisiana.

Earlier, by 37 to 38, the senate had turned down a proposal by Dickinson, republican of Iowa, for a five year transitional period.

Washington, Dec. 14 (AP)—Senator Bulow (D-S.D.) today moved reconsideration of the vote by which the senate a short while before had approved Philippine independence after an eight year transitional period.

The motion was made when it became apparent that some members had voted under a misapprehension. Bulow was one of those voting for the eight year period, as opposed to a longer stretch of time.

### GERMANY ALOOF FROM DEBT DISPUTE

Berlin, Dec. 14 (AP)—Germany is standing aloof from the Franco-American debt dispute, a government spokesman said today, feeling that since a return to the Young plan is impossible and unthinkable it matters little to Germany what happens as a consequence of the French refusal to pay.

It is with a certain satisfaction, he said, that Germany observes how France, which bitterly fought Germany's attempts at revision of the reparations schedule, now has taken over many of the German arguments.

### Mills Estimates Beer Tax Nets \$150,000,000 Clashes With Rainey

Washington, Dec. 14 (AP)—Secretary Mills gave the house ways and means committee today an estimate of the revenue a beer bill might bring in and left it to draw its own conclusions as to whether the president would give the signature that would start beer flowing.

The treasury secretary said legislation of beer would not produce enough revenue by itself to balance the budget. He estimated it would bring in between \$125,000,000 and \$150,000,000 a year.

The Collier bill's beer provisions were described as practicable of administration—the wine section "impossible."

Mills urged a non-partisan program to balance the budget by adoption of a general manufacturers sales tax.

Representative Rainey of Illinois, the committee's ranking democrat, asked Mills:

"Will President Hoover sign this bill?"  
"Oh, Mr. Rainey," replied Mills with a shrug, "you know no one speaks for the president."  
"Do I understand that the administration favors the bill?" pursued Rainey.  
"I am not here to give the administration's attitude, I am here only to discuss the revenue features of the legislation."  
Switching then to a discussion of the treasury's stand on the sales tax (Concluded on page 9, column 7)

### CURTIS SCRAPS WITH VETERANS OVER CRITICISM

Rank and File Radicals  
Demand Payment De-  
nounce Eviction

Curtis Deletes Petition  
Reflections Against  
President, Congress

Washington, Dec. 14 (AP)—Petitions demanding immediate cash payment of the bonus and denouncing the use of troops in enforcing last summer bonus army were carried to Vice President Curtis and Speaker Garner today by representatives of the rank and file veterans, radical outgrowth of the original bonus army.

A committee of five, headed by James W. Ford, negro, communist vice presidential candidate in the last election, was met by Garner in his reception room.

Ford handed him a copy of the petition saying, "We have here a petition to be presented to you. The rest of our committee was left outside."

"All right," was the speaker's reply. He took the petition, but Ford asked permission "to present it also verbally."  
"You can present it verbally, too, if you want," Garner said, "if it is outside." (Concluded on page 9, column 6)

### AIMEE ASSERTS SHE'S PENNILESS

Los Angeles, Dec. 14 (AP)—Aimee Semple McPherson Hutton is penniless.

She receives no salary, has no property, owns no automobile, travels "mostly on passes," the Angelus Temple pays all her bills, the evangelist testified in convincing Referee Arthur P. Will she has no money with which to satisfy a \$5,000 breach of promise judgment assessed against her rotund husband, David.

Hutton himself long ago insisted he was penniless in side-stepping the judgment which had been awarded Myrtle St. Pierre, Pasadena nurse.

Mrs. Hutton insisted she couldn't pay the award.

"Do you receive any salary as pastor of the temple?" Mrs. St. Pierre's attorney asked.  
"No, just expense money," the evangelist replied. "In fact, I never see money at all."  
So Mrs. St. Pierre left court, still wondering how she could collect.

### BELGIAN CABINET CRISIS ON DEFAULT

Brussels, Dec. 14 (AP)—King Albert today requested Count Charles de Broqueville, who resigned with his cabinet yesterday after it voted to refuse to make the debt payment to the United States tomorrow, to form a new cabinet.

The cabinet voted unanimously to refuse to pay the \$2,125,000 debt installment on the ground that payment was impossible. The resignation actually was necessitated by the chamber of deputies election in November but the government had announced it would settle the war debt policy before resigning.

### LEAGUE TO HANDLE PERSIAN DISPUTE

London, Dec. 14 (AP)—Great Britain has decided to refer the Anglo-Persian oil dispute to the council of the League of Nations instead of to the Hague court, Captain Anthony Eden, foreign undersecretary announced in the House of Commons today.

ITALY PAYS INSTALLMENT  
Rome, Dec. 14 (AP)—Announcement was made today that Italy has paid the \$1,245,437 interest installment due tomorrow on the American debt.

