NRA MEMBER U.S. Code

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NRA MEMBER U.S. Code

46th YEAR, No. 304 — Entered as second class matter at Salem, Oregon — SALEM, OREGON, FRIDAY, DECEMBER 21, 1934 — PRICE THREE CENTS — ON TRAINS AND NEWS STANDS—FIVE CENTS

FUNDS AMPLE TO COMPLETE SANTIAM ROAD

Allocation of $125,000 Will Finish Detroit-Sisters Section

Six-Mile Stretch Above Marion Creek To Be Opened Up

Allocation by the state highway commission and federal officials in Portland yesterday of $125,000 of federal funds for the North Santiam highway means virtual completion of the 32 miles of road between Detroit and Sisters in the next two years at the latest, in the belief of County Engineer Hedda Swart. This will furnish about all the money needed to finish up the unfinished sections.

While the allocation still has to be approved by the department in Washington it is believed this is just a formality.

Just how fast the work will be done, said the county engineer, is of course largely dependent on the nature of the contracts and contractors, and when the jobs will be let.

(Concluded on page 10, column 6)

JURORS ACQUIT MARTIN INSULL

Chicago, Dec. 21 (U.P.)—Martin J. Insull, 69-year-old brother of Samuel Insull, was acquitted by a jury in criminal court today on charges of embezzling $344,720 from the Middle West Utilities Co.

The jury received the case at 12:40 o'clock this morning and returned its verdict to Judge Cornelius J. Harrington at 3:25 o'clock.

One of the first to congratulate the lanky, white-haired defendant was his brother Samuel.

A month ago Samuel was acquitted of mail fraud charges by a jury in federal court. He is scheduled to go on trial in state court Jan. 7 on embezzlement charges similar to those successfully fought by Martin.

COURT TO GET POWER ISSUE

Washington, Dec. 21 (U.P.) — Social security and more federal spending are involved in the electric power program President Roosevelt will present to congress next month.

Whether federal development of power projects will provide more social security or less for the American people is disputed now. In one form or another the issue ultimately will reach the supreme court.

Mr. Roosevelt and a majority of congress are in general agreement that power development is a proper field for government endeavor. The administration program divides naturally in two parts. First there is Mr. Roosevelt's plan to aid individual cities.

Mayor Fiorello La Guardia of New York has obtained a promise of federal aid for a municipal light and power plant which would be built only if the private utilities serving New York City refused to lower rates.

PWA funds have been lent to many similar communities desirous of generating their own electrical power. These allocations probably will continue with new funds to be voted next winter if additional municipalities want help in establishing their own light plants.

Good Evening!

Sips for Supper

By DON UPJOHN

Once more the good old shortest day of the year has rolled around. After waiting for it expectantly for a year we were a little disappointed to find it doesn't seem much different than any other shortest day in the year. But there's one nice thing about the shortest day in the year. It's only a short time until a longer day will be here.

We hope Noah Sackett will hurry up with the completion of the ark he's building on the courthouse grounds. A few more days of rain like this one and we'll all need the ark.

If another deluge comes around duplicating that of biblical days, Noah Sackett won't have any trouble picking out his passengers. He can just herd in the service clubs—there's two of a kind in same of about every known variety of animal on the earth.

Santa has started invading the valley in earnest. Tomorrow Ingagi Keech will play Santa Claus to all the kids in Stayton and environs. Ed is sure well equipped to play Santa Claus. All he has to do is to open his shirt to the elements, sprinkle some talcum powder on his chest and he has as nice a ready made white beard as you'd want, if he'd just keep his chin sunk down a little.

Down at Woodburn both Mr. and Mrs. Santa Claus will be on hand under auspices of the legion auxiliary and chamber of commerce. We don't know just why he's taking his wife to Woodburn and leaving her out at Stayton but maybe the old boy just wants things his own way at Stayton.

OUR BENEFICENT EDITORIAL FORCE

Gleaned from headlines of the recent special edition of our favorite paper are following:

"Great Work Performed" by Fred Zimmerman.

"Wayward Girls Provided For" by Rovena Eyre.

We're glad to see our boys and girls in the office are making good use of their leisure time. And in addition to providing for wayward girls we note our Rovey is also busy getting children adopted these days for over-Christmas. More power to her.

The Spinsters are putting on a Charity ball here in town tomorrow night and a big turnout of eligibles and others is expected, this not being Leap Year.

Christmas morning after the ceremonies have all been duly performed and if you got a lot of time on your hands, you might turn your children loose on figuring your following tax instruction to help you make out your income tax return the coming yr.

To compute the amount of surtax on any amount of net income in excess of $6000—First: Find in column A the largest such which is less than the total amount of the net income subject of surtax. Second: Find in column C the corresponding amount of total surtax. Third: To the amount of surtax found as above add an amount computed as follows: Subtract from the net income the sum found in column A and multiply the remainder by the rate shown on the next line below in column B. The sum of these two amounts is the total surtax due.

England Has Wave of Holiday Spending

London, Dec. 21 (A.P.)— England has gone spendthrift this Christmas. Financial experts said today that more money was circulating than at any time since the boom years.

The bank notes in circulation have risen to 401,990,743 pounds (about $2,010,000,000), smashing all records since 1928 when Bank of England notes and treasury note issues were combined. The total is about 12,000,000 pounds higher than at this time last year.

LANE COUNTY TEACHER HELD AS CRIMINAL

Former Ruth Ludington And Husband Arrested Today at Berkeley

Stolen Car Carries Burglary Tools; Robberies Admitted by Butler

Berkeley, Calif., Dec. 21 (A.P.)—Two Oregon newlyweds, the woman an expectant mother, were arrested here last night as a bandit team, after a chase along shopper-crowded sidewalks.

They told police they were Lawson Butler, 24, and Mrs. Butler, the former Iowa Ruth Ludington, 25, who added she had been a school teacher at Creswell, Ore. They were married in January and had trapped near Creswell since, they said.

According to police, Butler "told all." Patrolman W. E. Schmidt saw him in the crowd and wanted to question him, but the couple scampered off.

When he caught up with them, Schmidt said, he found in the woman's purse the registration slip of an automobile reported stolen. Nearby was the machine, which Bulter assertedly admitted using.

Schmidt said he found in the car chisels, wire, dynamite caps, fuses,

(Concluded on page 10, column 1)

MOVE AGAINST FLETCHER FAILS

Washington, Dec. 21 (A.P.)—A movement to force Henry P. Fletcher out of the chairmanship of the republican national committee ran into a stone wall today when it became known a poll of the committee showed 43 of the 48 states' representatives against the reorganization move.

A concession of defeat in this movement for what Senator Borah and others call "liberalization" of the party's high command came from a leader in the attempt, Senator Nye of North Dakota. He said "nothing can be done to liberalize the national committee until 1936."

The canvass was conducted by some of the committee members and all but five states—Minnesota, Montana, Idaho and the two Dakotas—had been heard from last night. The members conducting the canvass were said to believe that not more than two of these states would favor an immediate re-organization. Hence the lineup would be 46 to 2.

Borah had contended a reorganization in 1936 would be too late. Fletcher was said to have challenged his foes to force a committee meeting under the 16-state rule if they had the strength they claimed.

Asked what he would do now, Borah merely said:

"I know what I'd do if I had the power. I'd elect another national committee."

QUINTUPLETS ON RADIO BY PROXY

Callander, Ont., Dec. 21 (A.P.)—That famous sister team, the Dionne quintuplets, has yet to make its radio debut, their cries and gurgles were on the air last night over the Canadian radio broadcasting commission chain but only through an electrical recording made earlier.

Plans were made to stage a broadcast from the nursery with the microphones beside the babies' beds, and carry it over an international network, but Dr. Alan Roy DaFoe decided the microphones could not be brought so close to them and, because of a difference between the commission and Columbia broadcasting chain over the hour of the airing, it was carried only in Canada.

New York, Dec. 21 (A.P.)—Broadcasting in this country of the Dionne quintuplets by the CBS chain last night was cancelled because the program originated from an electrical recording instead of the hospital direct. The network has a ruling against transmitting recorded programs.

Thieves, If Alive, May Be Released

Finleyville, Pa., Dec. 21 (A.P.)—Two suspected thieves, believed corralled in the Piney Fork coal mine in Washington county, southwest Pennsylvania, for almost a week, may come out now. Guards were removed and a mine official said "they're free to go now if they're still alive."

The men were caught stealing copper wire and were chased into the mine after which miners set up a voluntary guard at all entrances.

Capital Journal

Cordially invites you and your friends to attend its Open House and inspect its new building, Unitubular press and plant at 444 Chemeketa street, Saturday evening, December 22, from 7:30 to 10 o'clock.

PLAN TO SCRAP 7A DISCLOSED

War Department Aims at Abrogation During Future Wars

Washington, Dec. 21 (U.P.)—Senator Bennett Champ Clark, D., Mo., said today at the senate munitions inquiry that the war department's "industrial mobilization" plan contemplated abrogation of section 7-A of the recovery act if this country became involved in another war.

Asked if that were true, Col. C. T. Harris, army ordnance officer, testified:

"The plan speaks for itself."

"It is my information that section 7-A would be abrogated," Clark said.

"Well, you can't have two bosses in time of war," Harris replied.

The report of contemplated scraping of section 7-A brought a strong protest from President William Green of the American Federation of Labor.

He said:

"They did not do that during the last war. They carried on collective bargaining to a great extent and as a result brought workingmen's efficiency to a new high point.

"Labor certainly would resist with all the power it possesses the scraping of 7-A, war or no war. What we would do would be to insist on broadening and strengthening 7-A."

Senator Arthur H. Vandenberg asked if there would be "two bosses" if the present NRA set-up were continued in an emergency.

"Certainly," the officer said.

Harris told the committee the war department planned to "utilize" NRA in the event of another conflict, and said existing code authorities were helpful to the mobilization program.

"You would have to assume absolute control over NRA code authorities in wartime," Vandenberg said.

"I should think so," Harris replied.

PURGE STARTED BY JOSEF STALIN

(Copyright, 1934, by United Press)

Attacks in recent days on surviving figures of the Trotskist opposition to the Russian Soviet government, increasing in bitterness, were climaxed today by reports in London that Josef Stalin had started a purge of one time communist opponents.

Two figures who only a few years ago were of world renown, were reported under arrest in their homes at Moscow—Gregory Zinoviev, former head of the communist international, and Leo Kamenev. The government at Moscow refused either to confirm or deny the reports.

Up to today, 103 persons had been executed as the result of the assassination December 1 at Leningrad of Sergei Kirov, a veteran leader and co-worker as a boy with Zinoviev and Kamenev.

These were "class enemies," and it was not asserted that they had anything to do with the assassination. They died because the government determined to suppress its enemies.

Stories that the "purge" had spread to former communists, and to forme roppositionists readmitted to former oppositionists readmitted fraction of their former prominence, would be of much greater importance if true.

SHIP WORKERS AT PORTLAND STRIKE

Portland, Ore., Dec. 21 (A.P.)—After having made demands for higher wages and better food, about 25 members of the crews of two Portland-owned ships loading here were on strike today. The strike was "unofficial" in that it was not sponsored by the International Seaman's union or any of its affiliates.

Seamen and the engine crew of the San Anselmo of the Quaker line struck last night as the vessel was to leave for the east coast. This morning a similar group left work on the Washington of the States line, loading for the Orient.

Phillapaugh Dead From Skull Fracture

Portland, Ore., Dec. 21 (U.P.)—D. C. Phillapaugh, 70, died last night of a fractured skull suffered when he was struck by an automobile driven by Albert Brozities earlier in the day. Brozities was arrested on a charge of involuntary manslaughter.

NOTED PLANE UNIVER FALLS SEVEN KILLED

Triumphant Craft of Air Derby Believed Struck By Lightning

Disaster Overtakes Dutch Airship In Desert Region of Iraq

Baghdad, Iraq, Dec. 21 (A.P.)—The giant American-built airplane "Univer," pride of the royal Dutch air lines, was found wrecked and burned today, its seven occupants killed.

The plane crashed during a desert thunderstorm yesterday, ten miles south of Rutba Wells, Iraq.

Scouting planes of the British royal air force, which had searched for the liner since early yesterday, found the charred wreckage.

Fresh from triumphs in the England to Melbourne air derby, the liner, popularly known as "The Flying Hotel," was seeking new laurels in a speed flight from Amsterdam to Batavia, Java, when disaster overtook it.

Professor Walch of Batavia university; M. Beretti, director of Aneta, official news agency of the Dutch East Indies; and M. Kort, a businessman. M. Beeknan, commander and chief pilot; Second Pilot Van Steenbergen; H. A. Walewyn, engineer; and Wireless Operator C. Van Zadelhogg.

Although the exact cause of the tragedy was not known, air officials here expressed belief it had been struck by lightning. The last radio message from the doomed craft, re-

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EMIL W. BOCK ADMITS CRIME

Seguin, Tex., Dec. 21 (U.P.)—Emil W. Bock, Jr., 17, confessed to detectives today that he killed his father, wealthy business man and retired farmer, with a piece of iron pipe.

The youth said he beat his father to death in the dining room of the palatial Bock home here because the elder Bock refused to sanction his marriage.

The son, who weighs 180 pounds, told San Antonio detectives, summoned here by Sheriff A. W. Saegert, that he quarreled with his father over the youth's proposed marriage.

The father wished his son to continue at Seguin Lutheran college where the boy attended classes until his recent withdrawal without the father's knowledge.

Officers found Bock, 56, clad in night clothes, lying on the floor of the dining room. His skull was crushed. Pieces of silverware from the dining table were scattered about the room.

Detectives said the youth confessed after 15 minutes of questioning and decribed the killing in detail. He said his motive was his father's treatment of him in the past.

40-HOUR-WEEK SET AS UNION MAXIMUM

Indianapolis, Dec. 21 (A.P.)—By a vote of 21,914 to 21,857, the International Typographical union decided that no subordinate union can make a contract for a work week in excess of 40 hours.

The union, by the same vote, made it possible for local unions, if they desire, to levy up to three percent of salaries for unemployment relief. The limit of assessment has been one percent.

The International union voted 31,874 to 11,350 against increasing the salary of its first and second vice presidents.

VOLUNTEER SANTAS ASSURE KIDDIES MERRY CHRISTMAS

Toys, Clothes and Trinkets

Salem citizen[illegible] on the role of Mr. and Mrs. Santa Claus in person. How do we know? For the past three days now the phones at the Marion County Relief and Capital Journal offices have been ringing constantly. The usual request is, "Give me a child or even a family to adopt."

With each mail comes anonymous contributions, ranging from a dollar upward, all signed "A Helper" or "A Friend." Think what a perfectly grand time the needy children of Salem are going to have Christmas eve and Christmas day.

Come on, let's finish the job up with a bang!

Before we go on to some of Salem's "forgotten children" today we want to tell you about a little Swedish girl, four years old with blondish ringlets and wide-open blue eyes. She'd been informed that unless her daddy got a job before Christmas, Santa wouldn't put in an appearance.

The very capable and charming secretary of one of Salem's attor-

(Concluded on page 9, column 5)

SENATORS TALK BARGE TRAFFIC

Portland, Dec. 21 (U.P.)—Improvement of the Columbia river channel for barge navigation above Bonneville dam and deep water below, was discussed by Senators McNary and Steiwer today with Major General Markham, chief of army engineers, and Brigadier General Pillsbury, his chief assistant.

The senators sought to speed early action. General Markham was said to have said he feels both projects should be undertaken but he could not say which would be undertaken first, according to a dispatch from the Journal's Washington correspondent.

The senators were told that the channel survey looking toward a 30 foot depth between Vancouver and the dam may be in its final form in about two months. It was once received but returned to Col. T. M. Robins, division engineer, at his own request.

It was understood that questions being considered included reduction of the depth to 28 feet and erection of dikes for shore protection.

The senators said that in company with Representative Pierce, they will ask Secretary Ickes to urge an early allocation of $400,000 for improvement of the channel for barge navigation between Celilo and Wallula.

WHITE HOUSE HOME ON HOLIDAY CARD

Washington, Dec. 21 (A.P.) — The White House Christmas cards this year show President and Mrs. Roosevelt sitting informally by their fireside.

"A Merry Christmas from the President and Mrs. Roosevelt Christmas 1934" is their simple greeting for their second Yuletide in the White House.

Mr. and Mrs. Roosevelt are shown seated on a large divan. A vase of flowers behind them, the president's favorite ship pictures on the wall, a ship model on the mantel, and official flags flanking the fireplace give at once a homey and official tone to the holiday scene.

CARLOADINGS GAIN

Washington, Dec. 21 (A.P.) — The Association of American Railroads announced today that loadings of revenue freight for the week ending December 15 were 579,935 cars, an increase of 28,924 above the preceding week and 20,516 above the corresponding week in 1933 and 1933 and 64,166 above 1932.

CURB ON BEER SALES VOTED

Grocers Forbidden To Sell by Glass; Drug Stores Limited

Portland, Dec. 21 (A.P.)—With a sudden, bold stroke, not generally predicted, the Oregon liquor commission has ruled that after January 1, drugstores and groceries in cities of 5000 population or more must discontinue sale of draft beer.

In such cities drug stores may sell bottle beer which they can open and dispense at counters. Grocers, however, will be permitted to sell package beer only, and it may not be consumed on the premises.

The commission further announced that consideration was being given a proposal to ban beer sales on Sunday from 1 a.m. to 6 p.m.

The ruling was promulgated by the commission in what was described as a move to "eliminate the beer saloon in residential districts."

That it would meet with vigorous and consolidated opposition of druggists and grocers' organizations was a foregone conclusion. In some quarters it was suggested the commission may have issued the order on a "tentative" basis as it has been known

(Concluded on page 9, column 4)

DEATHS IN RACE RIOT NOW FOUR

Shelbyville, Tenn., Dec. 21 (U.P.)—The death toll in Wednesday's race rioting here rose to four today when Pat Lawes, farmer, died of wounds suffered when national guardsmen fired into a mob that stormed the courthouse in an attempt to seize a negro assault suspect.

National guardsmen remained billeted here today while citizens formed a vigilante group to prevent a recurrence of Wednesday's lawlessness.

"Vigilantes would assist city and county authorities in maintaining peace and order," said City Judge C. C. Smith, "They would serve as an armed body, if necessary, after guardsmen leave."

Gilford Freeman, 45-year-old machinist, died late yesterday, making the third fatality from gunfire with which guardsmen met the mob's third attempt to storm the courthouse.

HOLIDAY BUSINESS ON RAILROADS GOOD

Los Angeles, Dec. 21 (A.P.)—A great flood of holiday business has created hundreds of jobs on railroads operating into Los Angeles.

The situation, tersely:

Southern Pacific—All trains filled to capacity; extra pullmans on east and westward bount trains.

Union Pacific—Mail and express business up 25 per cent over last year; passenger traffic 50 per cent increased; shortage of baggage cars.

Santa Fe—Extra cars on all trains running into Los Angeles. Extra cars to California booked December 19 and 20.

Central Terminal—200 extra men employed to handle mail and express and 500 additional trainmen employed out of Los Angeles terminals.

QUIZZING FAILS IN SOLUTION OF PLOT

Los Angeles, Dec. 21 (U.P.)—Questioning of a man and a woman has failed to solve a possible kidnap plot against William F. Gettle, Beverly Hills millionaire who was kidnaped for $60,000 ransom last May, the Los Angeles Times said today.

The pair, who live at Long Beach, were questioned concerning an incoherent letter Gettle received several days ago and then released, the newspaper said. Another man is being sought, it was said.

The letter, postmarked in Long Beach, hinted Gettle might be kidnaped unless he paid an unspecified sum of money to an unnamed woman intermediary.

KILLED IN CRASH

Vancouver, Wash., Dec. 21 (A.P.)—H. C. Campbell, about 70, of Portland, was killed, and his son, L. D. Campbell, was injured late yesterday when their truck plunged from the Rock Creek bridge.

RIVER DUE AT FLOOD STAGE BY SATURDAY

Water Covers Highways In Low Places; More Rain Promised

Storm Condition General Over Willamette and Columbia Valleys

Lowlands which have been accumulating full quotas of water during the past few days were unable to hold additional amounts with the result that outpourings into creeks contributary to the Willamette river brought that stream up to the 14 foot mark at noon Friday, eight feet greater in depth than shown at the reading Thursday morning and 10½ feet over the Wednesday reading.

With .85 inches of rain falling during the day and night and no promise of cessation Friday, the Portland weather observation office advises that it is possible the river will reach its flood stage Saturday. Little damage occurs if the river keeps under the 20 foot mark

(Concluded on page 10, column 4)

THREAT OF RAIL STRIKE AVERTED

Los Angeles, Dec. 21 (A.P.)—Settlement of the threatened strike of the Pacific Electric company trainmen was announced today by William E. Leiserson, national mediation board chairman.

Terms agreed to by company and union officials include pay increases of around five cents an hour and establishment of an eight hour day. The heaviest wage increase was for interurban trainmen stepping their hourly wage up from 55½ cents to 60 cents January 1 and 63 cents July 1.

The threatened strike would have tied up service for 150,000 Los Angeles commuters and might have extended to a sympathetic walkout of western trainmen on three transcontinental railroads.

WATSON DENIES AID TO DU PONTS

Washington, Dec. 21 (U.P.)—Former Senate Republican Leader James E. Watson of Indiana told the senate munitions committee today he resented implications that he was "involved" in a campaign in 1920 to seek congressional favors for the Du Pont company's dye industry.

His name was mentioned in earlier testimony relating to tariff legislation on dyes.

"Nobody ever needed to urge me to be a protectionist," he said, "but no member of the Du Pont family ever spoke to me about the tariff question at any time."

Watson, a voluntary witness, told the committee he was "nettled" by newspaper reports linking his name to "lobbying" activities.

"I was chairman of a sub-committee which considered a tariff on dyes," he said, "and after much discussion reported unanimously in favor of an embargo on dyes.

"I was for the embargo but I don't want to be put in a false light. There never was a cleaner, straighter fight on any tariff legislation."

More New Regional Code Agencies Plan

Washington, Dec. 21 (A.P.) —The Washington Post says NRA plans to create 10 or more regional administrative agencies to tighten up on code compliance by such service industries as hotels, cleaners, barbers and laundries.

The drastic reorganization to spur the enforcement of labor provisions, affecting 3,000,000 workers is expected to be announced formally before January 1.

Roosevelt Hopes to Cut Nation's Electric Bill by 50 Per Cent

Washington, Dec. 21 (A.P.)—A cut of about 50 per cent in the electricity bill of America was described today as the ultimate goal of the Roosevelt power program. Frank R. McNinch, chairman of the federal power commission, made this declaration, emphasizing that accomplishment of the aim cannot be expected for several years.

After Secretary Ickes made known he is considering an effort to find public works funds for proposed municipal plants in other cities besides New York, McNinch declared rates to be excessive "in most of the larger cities."

Negotiations already have been started by Mayor Fiorello La Guardia looking toward a grant for the erection of a power plant for the metropolis.

Plans for public works financing of a municipal plant at Columbus, Ohio, have received approval. Others are being discussed. If built, they would be part of the "yardstick" system.

McNinch based his statement about long-range rate reduction on the contention that Canadians, on the average, pay two and one-fifth cents for the same amount of electricity which costs Americans five and one-half cents.

"We are trying to narrow the gap between the cost of production and consumption and bring the price down to what Canada has proven power can be generated and sold

(Concluded on page 10, column 4)

Morgenthau Proposes To Impose Taxes On Securities Now Exempt

Washington, Dec. 21 (U.P.)—Legislation to remove tax exemption on future federal, state, and municipal bonds will be urged of congress by Secretary of Treasury Henry Morgenthau, Jr., the United Press learned today.

Now outstanding are $35,000,000,000 to $50,000,000,000 in tax-exempt government securities. The exemption on these could not be removed but future issues would be affected under the plan.

The tax-exempt security problem was believed today the most important subject in comprehensive tax survey ordered yesterday by President Roosevelt to determine means of eliminating overlapping taxes and more economical methods of collection.

The treasury program probably will take the form of recommendations to the house ways and means and the house judiciary committees.

Secretary Morgenthau last March recommended enactment of a "21st amendment" to the constitution to permit states to tax the interest from federal securities and the federal government to tax the income from state and municipal securities.

"The treasury department," Morgenthau said, "favors as a permanent policy the elimination of federal income tax exemption of interest on future issues of federal, state

(Concluded on page 10, column 8)