

Circulation  
Daily average distribution for the  
Month of December, 1934  
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# Capital Journal

Weather  
Rain tonight and Tuesday; moderate temperature; southerly winds.  
Local: Max. 40, min. 39; rain .30 inch. River 3 ft. Cloudy, southerly wind.

47th YEAR, No. 18 Entered as second class matter at Salem, Oregon SALEM, OREGON, MONDAY, JANUARY 21, 1935 2 PRICE THREE CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

## PWA WATER LOAN WITHDRAWN

### HAUPTMANN'S ASSETS GREW AFTER CRIME

Accountant Testifies Account Mounted to \$44,486 Following Crime

Defense Motion for Mistrial Denied After Lindy Name Brought In

(Copyright, 1935, by Associated Press) Flemington, N. J., Jan. 21 (AP)—A government accountant testified today that Mr. and Mrs. Bruno Richard Hauptmann's assets swelled \$44,486 after the futile \$50,000 ransom was paid for Baby Charles A. Lindbergh, Jr.

The state, which accuses Hauptmann of kidnapping and murdering the Lindbergh baby, also brought to a driveway near the court, ready to show to the jury if the court permits, the automobile in which Hauptmann was alleged to have been seen near the Lindbergh home on the day of the kidnapping, March 1, 1932. One witness has testified he saw a ladder in the automobile.

The state also announced itself (Concluded on page 8, column 6)

### COURT DELAYS GOLD DECISION

Washington, Jan. 21 (AP)—The supreme court recessed today after a short session without passing on the gold case.

Failure to act on the case today means that the decision will not be rendered before February 4 at the earliest.

Washington, Jan. 21 (AP)—A direct ruling on constitutionality of the national industrial recovery act was promised by the supreme court today.

The court agreed to hear the Belcher Lumber case, which also carries a direct attack on the validity of the code of fair competition for the lumber industry.

The appeal was brought by the government directly from the ruling of Judge William I. Grubb of the northern district of Alabama that the NIRA and the lumber code violated the constitution.

Unusual interest attached to the case because of the action of the court in setting aside section 9C—the oil control section—of the act in the first test case involving national emergency recovery legislation.

### FORMAL APOLOGY FORWARDED CANADA

Washington, Jan. 21 (AP)—The state department today announced that the United States government had formally apologized to the Canadian government for unlawful sinking of the Canadian run runner "Im Alone" in 1929 by a U. S. coast guard cutter.

The apology was contained in a formal note sent by Secretary of State Cordell Hull to William E. Herridge, Canadian minister here, on Saturday. The text of the note was released for publication today in both Canada and the United States.

### Public Enemy No. 1 Escapes Police Trap While Battle Rages

Atlantic City, N. J., Jan. 21 (AP)—Bullets splattered on the walls of a narrow, dimly lit hotel hallway. Gunfire flashed in the darkness of the hotel stairs, and Alvin Karpis, the nation's public enemy No. 1, was free from one more police trap. He is also wanted as co-leader of the Bremer kidnaping gang.

Outside, in a pouring rain, men waited with guns in their hands, trigger-fingers ready for their part in the battle that raged within.

Every exit was covered. Every door was watched. But Karpis was gone.

While two detectives blazed away from the landing, the "number 1" of America's underworld walked into thin air from the fourth floor of his hotel hideaway—a stone's throw from the Boardwalk, vacation haunt

### Good Evening!

Sips for Supper  
By DON UPJOHN

We had 14 telephone calls Sunday asking us to advise the public to feed the birds.

And Governor Martin worrying about how he is going to feed the 8000 birds who have asked him for jobs.

With the snow practically gone now it looks in each instance like a matter of where the birds will have to take care of themselves.

LOOK OUT GIRLS!  
George Graves was showing us Saturday the swell new car he's added to the Grave's stables of high class, aristocratic and utility automobiles. We bet there's a great fluttering of feminine hearts as George threads his way over the perilous pavements in his new machine.

Chuck Bier, Dave Adolph and Mickey Mouse are the three attractions which cause the children to flock to the Elinore Saturday afternoons and to watch them flock you'd think they were being led by the old Pied Piper of Hamelin himself. But, Chuck and Dave are getting so adroit in their act they're even outstripping Mickey Mouse himself as an attraction. We wish Chuck and Dave would send the script of their gags over to us after every show and column making would be a cinch.

The lady who writes recipes for our favorite paper, the other night instructed her customers to "cut beets into 14-inch strips" and then do a lot of eaters with them. Ah, in what other country than ours with its famous Lashish basin could a lady recipe editor advise her readers to cut beets into 14-inch strips? And coming from Lake Lashish beets such strips seem so small as to hardly be noticeable.

The way to eat beets cut into 14-inch strips is to put them on a fork and sort of slish them down, like spaghetti, then the full flavor is found.

Three hop growers came to us, for some reason, Saturday and asked us what the proposed hop code is all about. It's too hot, boys, but we've been weaving around the streets for a month or more trying to find somebody who knew what the proposed hop code is all about and are still weaving. In fact seven government officials are here for a couple of days trying to find out what it's all about and we're not sure they'll know much more about it when they leave.

STENOGRAPHERS IN THE SENATE  
Stenographers in the senate and house at Salem get \$5 per day, while their bosses get only \$3. The legislators should strive hard to be worth as much as their secretaries, even if they don't get as much pay.—Klamath Herald.

FRANK BROWN WAS WORRIED TODAY because we called Chris Haight a "reprobate" in our column. Frank figures that's a fightin' word and that the eastern Oregon editor would be at our office some time today with a couple six shooters and make a sieve out of our worthless carcass. Frank doesn't understand that when one newspaperman calls another a "reprobate" it's a term of undying endearment.

He should hear what they call each other up in Eastern Oregon.

CROP LOAN PASSES  
Washington, Jan. 21 (AP)—The senate today passed a bill authorizing \$100,000,000 in crop, feed and seed loans during 1935. The measure doubles the sum authorized for similar purposes last year.

### PROPOSED SERA PROJECTS FOR SALEM LISTED

Total of \$3,108,000 Including \$2,500,000 for Water System

Fire Alarm System, Sanitary and Storm Sewers Included by Mayor

Proposed SERA projects for Salem aggregating \$3,108,000 were completed today by Mayor V. E. Kuhn, City Engineer Hugh Rogers and other officials and were to be sent tonight to state headquarters of the relief administration in Portland.

The projects listed were:

- Water works, \$2,500,000.
- Fire protection, for installation and completion of an electric fire alarm system, \$30,000.
- City parks, including construction of buildings, grading, replanting and re-arrangement, \$5000.
- City hall, for partitioning and re-flooring the basement, \$500.
- Sanitary sewers, including sewerage disposal plant, \$375,000.
- Storm sewer construction, \$60,000.
- Bridge repairing and construction, \$90,000.
- Rebuilding old sewers \$50,000.
- D street sewer project, \$27,500.

The last week "entirely clears up" the Weiss kidnaping case which has puzzled police and federal agents for three months, Philadelphia police Superintendent Joseph A. Le Strange announced early today in New York.

"The Philadelphia police," he said, "will recover the body of Weiss before tonight."

The police chief's statement followed closely a report in the Philadelphia record that Mals and Lezenza had confessed the abduction (Concluded on page 4, column 6)

### WEISS KILLED BY KIDNAPERS

Philadelphia, Jan. 21 (AP)—A machine-gun guarded caravan was ready to speed Robert Mals and three alleged members of his gang to Philadelphia today, as police sought the body of William Weiss, kidnaped night life figure.

The arrest of Mals, his pal, Walter Lezenza, two other men and a woman last week "entirely clears up" the Weiss kidnaping case which has puzzled police and federal agents for three months, Philadelphia police Superintendent Joseph A. Le Strange announced early today in New York.

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### QUINTS PUT TOES INTO THEIR MOUTHS

Callander, Ont., Jan. 21 (AP)—The Dionne quintuplets, in the opinion of their physician, Dr. Allan Roy DaFoe, are perfect examples of limp freedom and muscular development.

"They can put their toes in their mouths as easily as anything," Dr. DaFoe boasts. "You can't imagine their strength and liveliness. You only need to handle them to learn of limb freedom and muscular development."

The babies are now spending much of their time putting their toes in their mouths. The toes act as a relief to sore gums caused by the imminent arrival of teeth. The infants are in perfect health. Seven months and 24 days old today, they will be visited by Premier Mitchell F. Hepburn some time this week. It will be the prime minister's first sight of the famous girls.

### FATAL EXPLOSION TRAPS COAL MINERS

Shenandoah, Pa., Jan. 21 (AP)—Nine men were killed and 50 others were overcome by after-damp in an explosion today at the Bilbort colliery of the Philadelphia Coal and Iron company.

Shenandoah, Pa., Jan. 21 (AP)—Three men were reported killed and 30 others trapped today by an explosion in the Gilbert collieries of the Philadelphia and Reading Coal and Iron company.

Calls for ambulances, doctors and nurses were sent out to hospitals at Mahanoy City, Shenandoah, Tamaqua, Pottsville and other cities in Schuylkill county.

The nature of the explosion was uncertain. First reports said it was caused by gas.

### REVOLT IN HOUSE DELAYS RELIEF BILL

Washington, Jan. 21 (AP)—A revolt in the powerful house rules committee today against a gag rule forced the house leadership to delay planned consideration of the \$4,880,000,000 work relief bill until Wednesday.

Several democrats were reported to have rebelled against a "gag" due to opposition to some features of the drastic bill which gives the president "dictatorial" powers over relief of unemployment.

### Chinook Wind Puts An End To Cold Wave

A blustering but bland chinook wind, arch-enemy of the snows, eddyed into western Oregon under cover of night to end a three-day cold spell which brought zero temperatures to some points for the first time in several years.

Winter's forces were completely routed by the strong wind from the southwest. At Portland today the temperature was 39 degrees higher than it was Sunday morning. In a period of five hours from midnight the temperature here increased from 22 to 43 degrees.

In the Columbia gorge, however, cold was not so easily displaced. At Crown Point the morning reading was 10 degrees; it was 9 at The Dalles and Umatilla.

In the Willamette valley and in southern Oregon warmer weather (Concluded on page 4, column 1)

### MIDDLE WEST SHIVERS IN COLD

Chicago, Jan. 21 (AP)—A three-day delayed cold wave swept southward over the Central United States almost to the Gulf today, with bitter northwest winds from the Canadian Rockies rushing the frigid air eastward toward the Ohio valley.

Temperatures in Illinois, Missouri, Kansas and Oklahoma dropped 20 to 40 degrees overnight.

Snow and sleet tangled traffic in Chicago, St. Louis and other large cities of the northern midwest and disrupted telephone and telegraph communication. Precipitation was expected to increase in extent today.

Thermometer columns tumbled to the lowest points of the winter over the huge territory between the Pacific coast and the great "Jakes." While no place in the United States approached the 66 below mark of Battleford, Sask., it was 24 below at Williston, N. D., 22 below at Havre, Mont.; 20 below at Rapid City, S. D.; Helena, Mont., and St. Paul, Minn.

Advance of the blanket of arctic air sent the mercury skidding from 35 to 15 degrees in Chicago in six hours, with perhaps 10 below predicted by night. The previous minimum of the season was 3 above.

### FLAMES RAGING ABOARD TANKER

Halifax, Jan. 21 (AP)—The British oil tanker Valverde, afire at sea, continued her calls for help today with flames threatening momentarily to silence her wireless equipment.

"Don't expect electrical equipment to hold out much longer," said the latest message from the stricken ship.

The Valverde's wireless operator added he would have to call on an emergency power supply to keep his radio going.

At least six ships were concentrating on the spot 1,000 miles east of the Florida coast where she was last reported. The British cruiser Frohisher, apparently in the van, was approaching 30 knots and expected to reach the Valverde at midnight.

Close behind was the German steamer Saarland which reported she hoped to reach the burning ship in the early morning hours.

### RESIGNATION OF EINZIG ACCEPTED

The resignation of William Einzig as secretary of the state board of control and state purchasing agent was accepted by the board at its executive session here this afternoon, it was authentically learned.

Einzig's resignation takes effect tomorrow and he was granted a two weeks' advance pay, it was further learned.

The board continued in star chamber session where it was expected a successor to Einzig was being considered.

### MISS RUTH GUPPY, FORMER DEAN, DIES

Portland, Jan. 21 (AP)—Miss M. Ruth Guppy, 74, former dean of women at University of Oregon, died at a hospital here Sunday. She was critically injured by a fall last week.

Miss Guppy received her B. A. degree at the University of Michigan and eight years ago was granted her master's degree by Columbia University.

She is survived by three sisters, Mrs. W. O. Stevens and Miss Estelle Guppy of Monterey, Cal., and Miss Mabel Guppy, a teacher in Japan.

14 DEGREES BELOW  
Baker, Ore., Jan. 21 (AP)—The temperature skidded in Baker to 14 degrees below zero Sunday morning to give local residents their coldest weather since January, 1930. The weather moderated last night, however, and the minimum this morning was only seven degrees above zero.

### MARTIN ASKS STATE CONTROL OF IDLE LANDS

Aims To Make Unreserved And Forfeited Property Revenue Producing

To Authorize Counties To Exchange Lands and Purchase or Convey

Legislation to correlate the control of publicly owned idle and unreserved national, state and county lands and to make them revenue producing through sale or lease was urged today by the legislature by Governor Charles H. Martin in a special message today.

He advocated:

"1.—An act authorizing county courts to grant an option to purchase, contract to sell and convey, or donate real property owned by the county to the state of Oregon or to the United States.

"2.—An act authorizing counties to exchange lands with private individuals, partnerships or corporations.

"3.—An amendment to Section 1 of Chapter 102, Oregon Laws, 1933, authorizing county courts to lease county owned lands for a maximum of 10 years, instead of five years as at present.

"4.—An act permitting the county to quiet title on large blocks of county owned tax title lands in one (Concluded on page 8, column 1)

### SENATE HOLDS BRIEF SESSION

Continuing its abbreviated meeting policy the senate convened for 20 minutes this morning and adjourned after adopting one house resolution and listening to first reading of two bills and one senate joint memorial.

Senator F. M. Francisovich of Astoria introduced the two new measures, one of which would provide for the establishment and maintenance of ferry service across the Columbia river between Astoria and a point at or near Megler in the state of Washington.

The measure would further authorize the state highway commission in cooperation with Washington authorities to establish rules and regulations for the use and operation of the ferry service.

Francisovich's second bill would provide for the immediate collection of taxes on land upon which there is standing timber, when in the opinion of the county assessor it is necessary to employ such a method to prevent loss of such taxes due to removal of the timber before the tax payment is due.

The senate joint memorial written by Senators Stringer, Dickson and Wallace, petitioned congress to provide by appropriate legislation adequate pensions for all aged and indigent persons. It was referred to the committee on resolutions.

The senate unanimously adopted the house concurrent resolution providing for the furnishing of certain law books to the house committee on highways and highway revenues and the senate committee on roads and highways.

### JAP STEAMER TAKING WATER

San Francisco, Jan. 21 (AP)—Globe Wireless reported intercepting a distress call from the Japanese freighter, Hokuman Maru, bound from Vancouver, B. C., for Osaka, Japan, today, saying it has a "starboard list of 17 degrees" and was "taking water."

The freighter gave its position as 49.37 north latitude, 129.54 west longitude, estimated to be several hundred miles west of Cape Flattery. Its SOS asked if any ships are in our vicinity to render us immediate aid.

The vessel was able to make but three knots an hour, the message said. Another Japanese vessel, the Kasku Maru, Globe Wireless said, 145 miles away, answered that it was coming to aid the stricken vessel. The rescue ship was making 9.5 knots an hour.

The Hokuman Maru is of 4003 tons and carries a crew of about 35 men. It was uncertain how long it would take the Kasku Maru to reach the Hokuman Maru.

### HUGE PROFITS IN WAR-SHIP BUILDING

Washington, Jan. 21 (AP)—The New York Ship Building Corporation made a net income of \$24,296,957 from 1917 to 1921, internal revenue bureau officials disclosed today at resumption of the senate munitions investigation.

Walter J. Mitchell, bureau accountant, testified that the company's reports were corrected in 1925 by government agents, with the resulting figure \$15,852,068 higher than that carried on the company's books.

The investigators disclosed that the corporation located at Camden, N. J., sought to include bills for cigars, wines, liquors and Christmas presents in the cost of war time ship construction for the government.

### HOP MEN DISCUSS PROPOSED MARKET CODE FOR INDUSTRY

400 Growers Hear Production Costs, Grades And Identifications Argued Before Federal AAA Representatives; Code Taken Up Section By Section; To Require Two Days

Assurance that the hop code hearing which got under way here today would consume at least two days came from Harry C. Cook, presiding officer for the AAA at the meeting when he warned those present there would be no arguments allowed for or against the code as a whole until tomorrow afternoon. In the meantime, he stated, the proposed code would be taken up section by section and arguments as to each section would take their logical order.

The army today accommodated nearly 400 hop growers and others as the hearing opened this morning. An array of federal representatives were present including Harry C. Cook, the presiding officer; R. H. McGrew, general crops section AAA; Walter Sheif, clerk, AAA; Mathew Tobiner, AAA attorney and Walter Packard, western AAA representative. In addition were representatives of the hop growers' associations; representatives of big brewing (Concluded on page 8, column 5)

### PLAN BOARD BILL REVISED

By HARRY N. CRAIN  
Re-written to eliminate some of its most sweeping features and restricting the planning board it would create to purely advisory authority, Governor Martin today turned house bill No. 2 back to the legislature through a sub-committee of the ways and means committee which had been instructed to amend or rewrite the measure.

The requested appropriation has been reduced from \$40,000 to \$30,000 and the much-disputed grant of authority over other state boards and commissions is eliminated.

In its new form the bill is expected to pass both senate and house and pave the way for the governor to appoint a commission of nine members to advise and counsel with him in the preparation of a long-term plan for state development, and to prepare a coordinate program for the utilization of federal public works money as requested by Secretary Ickes.

The new bill leaves the way open for appointment to the board of members of existing boards and commissions, thus creating in effect an unofficial cabinet, and the executive is understood to have such a procedure in mind.

Advice and recommendations of the planning board would also be made available to the legislature upon its request.

While members of the ways and means sub-committee had not had (Concluded on page 7, column 4)

### BRIEF SESSION HELD BY HOUSE

The voice of the people shall rule the land under provisions of a resolution introduced in the house Monday morning by Representative Fred E. Harrison, Linn. HJR 8 specifies that after the electorate, through use of the initiative or referendum, have spoken, their action cannot be reversed by a legislative assembly. Not less than 8 percent of the legal voters must sign the initiative petition at least four months prior to the election.

Representative Harrison also introduced HJR 5 which would add a new section to article 5 of the constitution creating the office of lieutenant governor, qualifications and term to be the same as those for governor.

Under suspension of rules followed by a moment of silence, the representatives adopted HR 8, a memorial to Hon. Ralph W. Horan, whose death occurred since the last special session. The resolution was introduced by Representative Harry D. Bolvin, of Klamath Falls, which district Horan formerly represented.

Twenty-five minutes were sufficient to wind up the affairs of the house Monday morning. No new bills were received and a recess taken until 2 o'clock.

### MOONEY MUST STAY IN PRISON

Washington, Jan. 21 (AP)—Thomas J. Mooney must remain in San Quentin penitentiary.

His latest effort to escape serving the remainder of his life term for complicity in the 1916 San Francisco Preparedness day parade bombing failed today when the supreme court refused to review the case.

The 51 year old convict, who has waged an 18 year campaign for freedom, asked the court to permit him to file habeas corpus proceedings, thus compelling California to defend its actions in keeping him imprisoned.

In asking a review, Mooney contended he had been sent to prison on perjured evidence following the death of 10 persons and the injury of 44 in the bombing.

U. S. Webb, state attorney general, insisted that under present laws California could not reopen the case and that Mooney's only avenue of relief was through amendment of the laws by the legislature or a pardon by the governor.

Four governors have refused to pardon Mooney.

### STEAMER VICTORIA HITS STRAITS REEF

Seattle, Jan. 21 (AP)—The passenger steamer Victoria of the Alaska line struck a reef in Johnson Strait between Vancouver Island and the mainland today. She was taking water in No. 2 hold but pumps were handling the inflow. The vessel turned back and is due here tomorrow. No danger for passengers or crew existed officials of the line said.

### Gloomy Picture Given Board of Control of State Institutions

Superintendents of the state's 11 institutions today painted a gloomy picture of over-crowded, run-down buildings unable to operate on their present budgets at the first board of control meeting under the new administration.

State Treasurer Rufus C. Holman, who said he had invited the institution heads to attend the meeting, took charge of the session although Governor Charles H. Martin sat at the head of the table and presided as chairman.

Holman questioned each superintendent and "ran the show," but the governor began to take part in the discussions when the meeting was about half over.

"I caution you," the governor said at the close of the board meeting, "we must take care of our wards but expenses must be kept down to the last penny. We have a very serious problem on our hands." The governor was referring to the problem of relief, the federal government having told the state it must put up \$4,000,000 this year.

Secretary William Einzig, whose resignation is before the board, was not present when the meeting opened.

"Do you have such loose meetings of the board that the secretary is not present?" Governor Martin asked Holman. "What is the board (Concluded on page 4, column 7)

### ICKES CANCELS \$2,500,000 TO CITY OF SALEM

Loan and Grant Forfeited Because of Failure of Municipality To Act

New Application Likely To Be Made Assert Officials of City

Developments today in Salem's water works controversy were:

Secretary of the Interior Harold L. Ickes canceled Salem's \$2,500,000 water works allotment.

City officials immediately began making preparations to make a new application for a federal loan.

Attorneys for the city and the Oregon-Washington Water Service company argued motions in the condemnation suit before Federal Judge J. A. Fee in Portland.

A special committee of the city council prepared to report to the city council tonight on all unnecessary attorneys and employes being paid by the city in the water case and the fees being paid them.

Secretary Harold L. Ickes of the department of the interior today rescinded Salem's water works allotment of \$2,500,000. News dispatches with this announcement were received at the Capital Journal office (Concluded on page 8, column 7)

### SAYS OFFICIALS FINANCING REDS

Washington, Jan. 21 (AP)—High government officials have been contributing funds enabling communist organizations to carry on activities here, Rep. Hamilton Fish, R. N. Y., charged in the house today.

"I will give the names and expect to have photostatic copies of checks ready and will present this evidence within a week," Fish said.

His threat came shortly before the house approved a resolution by Rep. John J. Cochran, D. Mo., designed to prevent use of government funds for housing or feeding communist agitators in the District of Columbia.

Fish's specific charge of "red aid" was in connection with activities here of the "Frank and file" veterans movement. Fish said this group had received contributions from high officials ranging from \$20 to \$100.

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