

HOPSON DEFIES LOBBY PROBERS

FLAX REQUIRES INVESTMENT OF MANY MILLIONS

Lippman Outlines Efforts
To Enlist Federal Co-
operation for Industry

Capital for Manufactur-
ing and Scratching Of-
fered by McDonald

By WILL F. LIPMAN
With all the interest that is evi-
dently being taken by the public in
the development of a flax and linen
industry in Oregon and the many
newspaper articles telling about this
it is rather strange that the people
of Oregon and the newspapers do
not know more about a real opportunity
for the development of the flax
industry in our state which has
been within reach of the Oregon
people for some time.
I am not opposing government
loans. I do not mean to depreciate
the sincere efforts of those who are
honestly trying to promote the flax
industry. However, the plans as pre-
sented in the newspapers, according
to the testimony of experts are im-
practical and cannot lead to success.
For that reason I am publishing
the following in a sincere effort to
unite all forces in Oregon for a real
(Continued on page 8, column 1)

URGES ACTION ON POWER BILL

Portland, Ore., Aug. 13 (P)—Sec-
retary of War George W. Dern to-
day sent to the senate committee
a report requesting with-
out reservations enactment as soon
as possible of the McNary-Bonne-
ville power bill, a Washington dis-
patch to the Journal said.
"It is desirable that legislation
authorizing disposal of the power
output be enacted as early as prac-
ticable in order that potential con-
sumers may know the terms and
conditions upon which it may be
obtained," Dern's report read.
"This bill has been very carefully
prepared and its provisions cover-
ing completion and operation of the
power plant, the fixing of rates and
the making of contracts are satis-
factory to this department. Enact-
ment of the measure is earnestly
recommended."
A report from the federal power
commission is awaiting consultation
with the president regarding the
Grange proposal, which Senator
McNary approves, would hold one-
half the power until the end of
next year for contracts with mun-
icipalities or power districts.
The project will be completed
about July 1, 1937.

LIQUOR CONTROL BILL PASSED BY HOUSE

Washington, Aug. 13 (P)—A bill
setting up a new alcohol control ad-
ministration to replace the one
thrown out by the supreme court in
the Schechter NRA decision was
passed today by the senate.
The bill eliminated the provision
carried in the bill as it passed the
house permitting sale of distilled li-
quor in barrels instead of only in
bottles as permitted under present
regulations.
The measure differed in other de-
tails from the form in which it
passed the house, including the type
of administration.
Contrary to treasury wishes, the
house bill put the administration in
that department. The senate, how-
ever, amended the measure by set-
ting up an independent commission
of three.

ROGERS AND POST REACH FAIRBANKS

Fairbanks, Alaska, Aug. 13 (P)—
Wilby Post and Will Rogers, wan-
dering flier and humorist, were here
today, after a leisurely flight from
Akhiavik, northwest territory.
Post landed his twin, pontooned
Lockhead monoplane on Chena river
here. A large crowd lined the river
bank to witness their arrival.
The pair's immediate destination
was unknown. It was believed Post
would hunt and fish near Fairbanks
before continuing his proposed flight
to Siberia.

Good Evening!

Sips for Supper
By DON UPJOHN

"What is worse than that paper
mill smell?" we heard a young lady
ask last evening. It seems she's
never seen the paper mill softball
team in action.

THE DEPRESSION FADES.
(Rotary Club Bulletin)
In the good old days, there was a
Rotary fine of 10 cents for those
who were late at luncheon. Today,
with the return of prosperity, there
is a fine of 25 cents for those who
miss a luncheon and do not make it
up by attending elsewhere.

If anything further is needed to
show the passing of the depression
there is the report from Clackamas
county that robbers entered a store
there and took a dollar and a half
from the till and two hundred dol-
lars from slot machines.

Gazing in our crystal ball last
evening we saw Sheriff Andy Burk
get up from having an ice cream
soda in a local refectory and leave
so excited he forgot to take his hat.
When Andy wants his hat back we
can tell him where he forgot it.

The state fair is less than three
weeks away and we can assure you
without looking that it'll be the
greatest state fair with the best ex-
hibits in history. If you think we
don't know what we're talking about
just check in the newspapers the
day the fair opens and you'll read
the same thing. Anyway, the
grounds never looked nicer and
there never was a better chance for
the world's top notch state fair
right here in Salem.

Harry Collins, softball maven,
tells us that hereafter during the
championship city play-off, the
championship games, or game, will
be played first and the exhibition
games last. A wise and timely de-
cision in light of mutterings heard
from the huge mob on hand yester-
evening.

Emperor Haile Selassie, we take
it, wants to fight Mussolini just
about as much as we bet Max Baer
wants to fight Bomber Lewis. But
there the situation is turned around.
One can't forget what the Ethiopian
did to the Italian in the case of the
Bomber and Primo Carnera. If the
Emperor Haile would abdicate in
favor of the Bomber we'd think bet-
ter of Ethiopia's chances.

It didn't take the senate long to
backtrack on the exemptions in the
lower brackets of the income tax
when they began to hear from their
respective homes. We'd thought the
senators would have known by now
that folks don't care how new tax-
es are paid as long as someone else
is paying them. Some day the little
guy will find out he's paying the
big chap's income tax himself and
that will be a different story.

A wild man has been arrested out
in the Hazel Green sector. But up
to date the officers have considered
it the part of discretion not to ar-
rest any of the wild women here-
abouts.

After all if the courthouse is re-
modeled with its present front en-
volved how it will look a few years
from now stacked up against a new
postoffice and a new statehouse?
The arguments now seem to be sen-
timental against sense. A remodeled
courthouse will cost \$175,000. By
adding \$75,000 to the pot a quarter
of a million dollars will build some-
thing worth while inside and out.
But then, this is only the private
idea of an old fogey.

IT ISN'T A GAG
Charleston, S. C., Aug. 13 (P)—The
births of Pete and Repeat Jones, ne-
gro twins, have been duly recorded
here.

Dr. Morris Fishbein Says Freezing Trick Is Pure Poppycock

Chicago, Aug. 12 (U.P.)—The American Medical association today warned Ralph S. Willard, Los Angeles chemist preparing to bring a "human icicle" back to life, that it will expose his claims publicly as "a vicious hoax."
The threat brought an immediate re-
tort from Willard that the association's spokesman, Dr. Morris Fishbein, was talking about some-
thing of which he was utterly ig-
norant.
Dr. Fishbein, editor of the Journal of the American Medical association, in which the threatened ex-
pose will appear this week, called Willard "a faker pure and simple."
"His claim of freezing revivifica-
tion experiments having been suc-
cessfully applied to a Rheuma mon-

ITALY SPURNS ALL OFFERS OF COMPROMISE

Mussolini Refuses to
Abate Demands or to
Grant Concessions

Both Britain and France
Plan to Uphold League
Of Nations

(By Associated Press)
Home — Informed circles report
Mussolini's policy to be "no com-
promise" at tri-power conference on
Ethiopian crisis.

London—Lord Robert Cecil urges
Britain to show Italy it will uphold
League of Nations by force if neces-
sary.

Addis Ababa—Women take over
jobs of men recruited to army.

Rome, Aug. 11 (P)—Informed cir-
cles described Italy's policy today in
the forthcoming tri-power confer-
ence on the Ethiopian situation as
one of "no compromise."

These sources said Premier Mus-
solini outlined this policy yesterday
in discussions with his aides and of-
ficials who will attend the Paris
conversations, beginning Thursday,
with representatives of Great Britain
and France.

It was said that Italy will neither
abate her demands for a definite
settlement of her dispute with Ethio-
pia nor give further heed to sug-
gestions of compromise, which in-
volve concessions on her part.

In the light of this policy, an of-
ficial announcement in the weekly
review Affari Esteri was regarded as
not presenting the point of view of
(Continued on page 6, column 3)

MAJOR BLAZES UNDER CONTROL

Spokane, Wash., Aug. 13 (P)—Al-
though numerous new fires were re-
ported in scattered sections of the
Pacific northwest, forest service and
other fighters held their own on
major blazes today.
With one exception, fighting crews
reported they had control of the
larger blazes, scattered from the Pa-
cific coast to Montana and Wyoming.
Fire conditions grew steadily
worse throughout the area, however,
with humidity low and high tempera-
tures scorching the timberlands.
The only major outbreak out of
control was the 14,000-acre Idaho
national forest in central Idaho.
More than 600 men struggled through
the night to trench it, but it
remained out of bounds.
A new fire roared through a tourist
camp, destroying all cabins and
other facilities and consuming about
150 acres of timber between St. Regis
and Superior, Mont. This blaze
and nine others in region No. 1, in-
cluding western Montana, north Idaho
and eastern Washington, were
checked. The other blazes were west
and southwest of Missoula, Mont.

RUST HITS WHEAT
Ottawa, Ont., Aug. 13 (P)—The
greatest damage to the wheat crop
from rust, is in Manitoba, bureau
of statistics' July survey of Cana-
dian crops, said today. Outlook at
the end of the month was poorer
than a year ago. In Saskatchewan,
the condition index declined to 85
from 97 but no alarm was expressed.

LAND BOARD HALTS PAYMENT OF LAKE BED TITLE SUITS

Claims of \$10,827 Outstanding and Unpaid
Put up to Legislature; \$12,418 Already Paid
Liljeqvist; Balk at Payment of \$10,827 to
Special Master as Fixed by Court

By HARRY N. CRAIN
With a balance of \$5581.10 remaining out of a fund of
\$18,000 appropriated by the 1933 legislature for defense of
the suits of the United States government against the state
of Oregon to secure title to the beds and waters of Malheur,
Mud and Harney lakes, and with claims of \$10,827.28 out-
standing and unpaid, the state
land board has instructed its sec-
retary to pay no more claims and
has referred the whole matter of
the unpaid balance to the legisla-
ture.

Members of the present land board
expressed the opinion that they have
expended all they are justified in
spending in the \$12,418.90 paid out
for the salary and expenses of L. A.
Liljeqvist, special assistant attorney
general who has handled the litiga-
tion.
They balk at payment of \$10,
827.28, the state's share of the fee
and disbursements of Garrett W.
McEnerny, special master, as fixed
and allowed by order of the U. S.
(Continued on page 5, column 3)

FEDERAL HELP FOR STUDENTS

Portland, Ore., Aug. 13 (P)—All
haste was being made today to per-
fect the setup under which 12 per
cent of the college students of Ore-
gon may obtain federal aid work up
to as high as \$20 a month.

College officials meeting here yester-
day with Paul T. Jackson of the
Klamath Falls, state director of the
national youth administration, urged
that the program be completed
soon so beginning or returning stu-
dents could make their plans.

The group asked that the allot-
ment plan be made simple so the
program could be carried out un-
hindered by red tape.

The group also asked that half-
month allotments be granted for
September and June in addition to
full allotments for the intervening
months.

An advisory board to confer with
Jackson was nominated by the group.

Each school will send lists of the
types of work projects performed in
the past under the old FERA stu-
dent works program to the state
NYA office which will compile them
for the reference of all colleges, it
was agreed.

Final rules for the new program
under the NYA will be formulated
at Washington, D. C., for which
Jackson left last night.

Vancouver, Wash., Aug. 13 (P)—
Coroner E. H. Rider said today he is
satisfied the case was one of murder
and suicide and that he does not
plan to hold an inquest into the
deaths last week of Mr. and Mrs.
George C. Cates of Vancouver.

The coroner revealed that an au-
topsy by Dr. F. R. Menne, pathologist
at University of Oregon Medical
School, disclosed sufficient poison in
Cates' stomach to have caused his
death. A wound on Mrs. Cates' head, probably inflicted by a
poker, was said to have caused her death.

The Cateses, each 55 years old, died
early Friday. Three tires started in
their residence attracted police and
revealed the tragedy. One fire had
been started in a pile of records of
two lodges of which Cates was sec-
retary and for which he collected
dues.

SHINGLE MILLS SIGN UP WITH UNION

Longview, Aug. 13 (P)—Eighty-
five percent of the northwest shingle
production industry is under
agreement with unions affiliated
with the northwest shingle weavers
council and operating a survey com-
pleted by J. B. Cole, secretary of the
local shingle weavers' union, dis-
closed today.
One hundred and twenty-three
shingle mills in Oregon and Wash-
ington have resumed operations and
are accepting the employers' union
council agreement, which is retro-
active to May 6, daily. Principal
points of the agreement are a 36-
hour week, 60 cents an hour mini-
mum wage, time and a half for over-
time, and union recognition

KINGFISH SEEKS PRESIDENCY IN 1936 ELECTION

Huey Announces Candi-
dacy for Democratic
Nomination

If Roosevelt Nominated,
Will Run as Independ-
ent Candidate

(Copyright, 1935, by Associated Press)
Washington, Aug. 13 (P)—Sen-
ator Long (D., La.), has told col-
leagues in the senate that he has
decided definitely to run for the
democratic presidential nomination
in 1936.

He told them, furthermore, that
if President Roosevelt was renomi-
nated, he would run as an indepen-
dent, unless the republicans
nominated someone he could sup-
port.

Long's plans were reported to the
Associated Press today by several
senators with whom he talked. The
Louisianan, however, refused to
discuss them, saying he had no
comment. He did say, though,
that if he ran, it would not be to
"beat Roosevelt," but to elect him-
self.

Republican senators in whom
Long confided were elated. They
felt his decision was a "big break"
for the G. O. P., and might swing
the election their way. For a long
(Continued on page 7, column 7)

SILVER BUYING PROFITS LARGE

Washington, Aug. 13 (P)—The
Roosevelt administration's silver
rehabilitation program has netted
the treasury a profit of nearly a
quarter billion dollars to date, of-
ficial figures showed today.

Against market purchases, which
have ranged from 40 to 60 cents
an ounce over the past 18 months,
the treasury prints or coins money
on the basis of \$1.20 to \$1.35 per
ounce. The difference between the
cost price and the monetary price
is taken as a profit and written
on the treasury books as "seignior-
age."

On August 10 this profit was
\$216,568,067 of which \$147,299,833
came from purchases under the
silver purchase act of 1934 and the
balance from newly mined silver
purchases under the executive or-
der of December 21, 1933.

Since the beginning of the gov-
ernment, treasury officials es-
timated today, the treasury has re-
ceived a total of nearly \$900,000,000
in seigniorage including that taken
under the present administration.

The five, together with M. J.
Jones, A. D. Jones and several
other men, were indicted by the
Nevada federal grand jury, charged
with violating the securities and ex-
change laws and with using the
mails to defraud.

More than 1,000 Portland resi-
dents invested sums ranging from
\$10 to \$2,000 in the venture which
the United States attorney here has
described as "a swindle."

STATE OFFICIALS DAY'S AIR JAUNT

A tri-motored airplane left here
shortly after 9 a. m. today taking
many leading officials on a full
day's trip over the entire state and
into Washington for a view of de-
velopment projects started or com-
pleted during the past few years.

Among the projects to be visited
were Bonneville, Grand Coulee, the
Owyhee project, the state highway
system, and the five Oregon coast
bridges. The trip will cover more
than 1,500 miles.

Those on the flight included Earl
Snell, secretary of state; Rufus C.
Holman, state treasurer; Henry Cab-
ell, chairman state highway com-
mission; R. H. Baldock, highway
engineer; C. B. McCullough, bridge
engineer; C. A. Howard, superinten-
dent of schools; D. O. Hood, state
budget director, and Dan Fry, state
purchasing agent. Governor Martin
was invited but stated it was impos-
sible for him to get away. He was
reported in Portland today.

The chief pilot of the plane, Shir-
ley Bruhn, is a nephew of Mr. and
Mrs. Paul Hansen of Salem, who
greeted him at the Salem airport
this morning to visit with him until
the plane took off.

Heat Wave Waning
With Cool Weather
Forecast Wednesday

Portland, Ore., Aug. 13 (U.P.)—It will probably be "cool-
er" today, with only about 100 degrees as the highest north-
west temperature, the weather bureau optimistically fore-
cast this morning. Wednesday will
be practically cold with the tempera-
tures away down in the eighties.
Monday the temperature hit 100
degrees here for the third time
this year, and set an annual re-
cord. It was the first year of re-
corded weather history when 100
degrees was reached three times.
The all time record was 104.7 on
July 21, 1913.

On the Spot



H. C. HOPSON
exclusive president of the Associated
Gas and Electric Co., who after a
month's hiding out testified today
in the house lobby probe.

CUT RED TAPE TO SPEED WORK

(Copyright, 1935, by United Press)
Washington, Aug. 13 (P)—Work-
relief officials today sought to cut
red tape that has permitted creation
of only 550,000 jobs despite approval
by President Roosevelt of ex-
penditures totaling \$1,924,215,169.

A survey of the drive's progress
revealed the administration has
succeeded in making work for just
one-sixth of the 3,500,000 needy is
promised to employ. However, al-
most one-half the \$4,000,000,000
works fund has been definitely al-
located.

The program's goal—ending the
dole by November 1—has not been
changed. Officials hoped more ex-
pedient action by acting budget
director Daniel Bell and comptrol-
ler general John R. McCarl in mak-
ing the money available will solve
chief difficulties.

There was an outside possibility
that works progress administrator
Harry L. Hopkins will ask the presi-
dent to instruct McCarl to write
him a check for \$500,000,000 to
shortcut the red tape.

Hopkins was represented, how-
ever, to believe such a move un-
necessary unless further delays are en-
countered. McCarl has promised to
expedite projects. So has Bell.

GOODYEAR FACES VIOLATION CASE

Washington, Aug. 13 (P)—A price
discrimination of \$7,985,440, or 4.46
per cent on the selling price of
tires sold to Sears-Roebuck & Co.,
was admitted in a brief filed with
the federal trade commission by
the Goodyear Tire & Rubber com-
pany.

The trade commission has sought
to show that through alleged price
discrimination, Goodyear is cutting
competition in sale of tires and
tubes between other manufacturers
and between Sears-Roebuck & Co.
and other competing retail tire
dealers, including those selling
Goodyear products.

The complaint against Goodyear
charges a violation of the Clayton
act by discriminating in tire prices,
which it sells in interstate com-
merce to Sears-Roebuck, and also to
its dealers, "with the fact of less-
ening competition and tending to cre-
ate a monopoly."

The Institute of American Meat
Packers said, "If there is a nation-
wide effort to misrepresent the ef-
fect of the AAA program on the
consumers' interest, the packing in-
dustry is not a participant."

Wallace said consumers would be
paying more for pork if there had
been no pig purchase plan in 1933.

CLIPPER PLANE ON FLIGHT TO MIDWAY

Honolulu, Aug. 13 (P)—The Pan-
American Clipper plane hopped for
Midway Island, 123 miles westward,
at 4:08 a. m. today (8:28 a. m. Pacific
standard time). Eight men and 3,000
pounds of cargo were aboard.

With hardly a breath of wind in
the Pearl Harbor channel, the Clip-
per required two runs to get off the
water.

The first run started at 6 a. m., but
Captain R. O. D. Sullivan halted the
plane when she failed to lift readi-
ly and turned back.

On the second start the big plane
roared off perfectly.

UTILITY CHIEF DOESN'T KNOW OWN INCOME

Says Profits of Depres-
sion Years Distorted
—Inquiries Unfair

Eludes Senate Subpoena
Bearers with Aid of
House Committee

Washington, Aug. 13 (P)—Possi-
bly that H. C. Hopson of the As-
sociation Gas and Electric system
might be cited for contempt of the
senate arose today after an agent
of the lobby committee was pre-
vented from serving a subpoena on
him.

The utility leader had just wound
up some occasionally biting testi-
mony to the house rules committee,
in which he acknowledged "neg-
ness" to have work done against
proposed control of "unnecessary"
holding companies. He attacked
congressional "prying" into his per-
sonal affairs.

Chairman Black of the senate
side acted quickly after his commit-
tee agents reported activities of
those surrounding Hopson on leav-
ing the house hearing had prevent-
ed handing him a subpoena.

Joseph P. McCarthy, committee
investigator, reported that he had
been jostled by men around Hopson,
but there was no doubt that Hop-
son knew of his identity and his
purpose.

Before going into executive ses-
sion, however, it held a brief public
hearing at which McCarthy told of
his vain effort to serve the sub-
poena.

Paul Y. Anderson, Washington
newspaperman, testified he saw Mc-
Carthy's attempt to serve it, and
said a capitol policeman interfered.

Washington, Aug. 13 (P)—Asser-
tions that he or his associates had
taken profits of \$2,800,000 in de-
(Continued on page 6, column 4)

BUSINESS TAX ON UTILITIES UPHELD

Olympia, Wash., Aug. 13 (P)—
The state supreme court today up-
held the state tax commission's
right to collect approximately \$2-
000,000 in business tax from rail-
roads and telephone companies.

The court reversed Thurston su-
perior court decisions in four cases
brought by the Great Northern
and Northern Pacific railroads, the
Pacific Telephone and Telegraph Co.,
and Home Telephone Co., of
Spokane.

The companies sought to escape
paying the business tax on grounds
it was a tax on interstate com-
merce. The supreme court held the
state could tax property used in
interstate business which is per-
manently located in the state and
used for interstate business.

PACKERS REPLY TO WALLACE CHARGE

Chicago, Aug. 13 (P)—The na-
tion's large packers today answered
with a sharp denial the charges of
Secretary of Agriculture Henry A.
Wallace that they are spreading
"malicious propaganda" blaming the
AAA program for higher pork prices.

The Institute of American Meat
Packers said, "If there is a nation-
wide effort to misrepresent the ef-
fect of the AAA program on the
consumers' interest, the packing in-
dustry is not a participant."

Wallace said consumers would be
paying more for pork if there had
been no pig purchase plan in 1933.