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## Depression Fading

The New Year brings us the certainty that the depression is rapidly fading into oblivion. The rapid progress of recovery can be measured from the federal government's business chart for the important industries seasonally adjusted for November 1935 production in comparison with the production of the same month in 1934, as follows (1926 equals 100):

|                | Nov. 1935 | Nov. 1934 |             | Nov. 1935 | Nov. 1934 |
|----------------|-----------|-----------|-------------|-----------|-----------|
| Iron and Steel | 96        | 49        | Petroleum   | 145       | 121       |
| Textiles       | 107       | 87        | Automobiles | 114       | 40        |
| Food           | 82        | 102       | Silver      | 75        | 35        |

Tobacco, leather and cement were about the same. The increase in building contracts is principally due to PWA whose contract awards have been increasing steadily in recent months, though \$70,000,000 privately financial contracts were let in November against \$118,000,000 publicly financial contracts.

The industrial production dropped from 119 average in 1929 to 64 in 1932, increased to 76 in 1933, 79 in 1934, and in December 1935 to 99; factory employment dropped from 104.8 in 1929, to 64.2 in 1932, increased to 69 in 1933 to 78.7 in 1934 and in December 1935 to 85; payrolls dropped from 109.1 in 1929 to 45.3 in 1932, increased to 47.5 in 1933, to 61.9 in 1934 and to 74 in December 1935; wholesale prices dropped from 95.3 in 1929 to 64.8 in 1932, rose to 65.9 in 1933, to 74.9 in 1934 and to 80.6 in December 1935; department store sales dropped from 111 in 1929 to 67 in 1933, rose to 75 in 1934, and to 82 in December 1935.

The stock and bond figures tell a similar story of gradual recovery and with the resumption of construction inaugurated by the government, necessitated by lack of housing facilities, the depression is on the way out, though the problem of unemployment and the unemployables remains.

## State Supplies Dividends

The Oregon Journal advises us that "there is brilliant promise for the Pacific International Livestock Exposition next year and thereafter. A financial status has been reached on which hopes for better days for the big stock show can be based."

This sudden burst of enthusiasm grows out of the fact that this private corporation, headed by Theodore B. Wilcox, Jr., has just declared a 5 percent dividend on its \$200,000 of preferred stocks. The Journal should have advised its readers that the dividend was not paid out of earnings but out of public funds paid to it by the state racing commission.

The Pacific International Livestock Exposition was originally financed through stock sales to livestock enthusiasts who expected no return. They kissed the money good bye—considering it a contribution to the public good. The money men of Portland, however, when additional funds were needed, took first mortgage bonds to cover their advances.

The purpose of the exposition was to encourage the breeding of better livestock in the northwest, but, in time, the management began to cater to the professional livestock showmen of the east and the local breeders were all but forgotten. As a result of this policy the local breeders lost interest in the show, and notwithstanding the legislature for years provided it with \$37,500 annually for its support the institution went broke. When the bondholders started to move in and take over the property they were induced to take preferred stocks which gave them first call on earnings, if any.

The legislature ceased to make direct appropriations but authorized the payment to it of a certain percentage of the receipts of the state racing commission. It appears that in 1934 the exposition received from this source around \$31,000 and in 1935, \$22,000. These contributions of state money made possible the dividends paid on preferred stock.

The state may, with propriety, contribute money to help a struggling public enterprise but the gift of money to pay dividends on capital stock is carrying things pretty far.

## Governmental Excesses

With statistics revealing that one in every five adult citizens in the United States are in some manner or other connected with the administration of national, state or local government, one is moved to wonder how far and where the tendency toward paternalism is leading the nation.

Heretofore the expansion of state government in Oregon has been kept within fairly narrow confines, but now the spread of social service by governments is extending itself here as elsewhere with a resultant increase in boards, commissions, bureaus and departments for the administration of these functions.

In the past ten years the total number of state employees has nearly doubled, and the end is not in sight.

Without any satisfactory explanation of what is to be done to keep them busy the announcement is made that the new bureau to be established under the industrial accident commission for the administration of unemployment insurance, a cooperative service with the federal government, will give employment to at least 160 persons.

An equal or greater payroll is estimated for a department to administer old age pensions when that function becomes operative.

While the demands of the people for these services are directly responsible for the establishment of the added departments, there is too great a tendency on the part of directing officials to take advantage of the situation to create more jobs than are necessary, and to complicate rather than simplify the tasks of administration. The temptation to create political plums for faithful workers too often outweighs consideration of efficiency and economy.

It would be safe to wager that under private management the functions of the unemployment insurance bureau could be more efficiently administered with half the employees proposed for the new state department.

Silverton—Guests during the holidays of Mr. and Mrs. J. H. McCullough and sons, Vernon and Robert, of Clough have been the family of Mrs. Portland.

## BIG EVENTS IN LITTLE LIVES.



## HIGH COURAGE

by Jeanne Rowman.

SYNOPSIS: Dramatically, Anne Kellogg, Anne Farnsworth's oldest and best friend, has returned from South America and taken charge of Anne's trial. Anne is accused of murdering her foster uncle, Lee Farnsworth. With the help of John Neuman, whom Anne loves, Kellogg has found and produced witnesses who materially alter the trend of events. Now he is asking a chinook to tell where he was at the time of the shooting.

### Chapter 41 THE NET TIGHTENS

"My boat, she behind and at right of that girl's," the Indian told Kellogg.

"What happened there at the time?"

"Lady, she climb up on boat like she get to trap. Somebody say, loud, 'Anne,' she turn 'round. Shot he sound. Think if boat not dip on wave, she shot. Die."

Anne sat horrified; then her surprise was correct. By the grace of a wave which had rolled her boat, Lee Farnsworth and not she, was dead. And Crocker, Rob Crocker, to whom she once entrusted her future, had bought cartridges for the weapon which had fired the shot.

"White Deer, did you see any of the occupants in other boats close to Miss Farnsworth?"

"The Indian's lip set in a stubborn line.

"Come on, Charlie, you wouldn't have this girl hanged because you're afraid to talk?"

"Nikka 'frad,' the man protested. "Don't know sure. Only know girl not shoot."

"Well, tell us what some of the men nearby looked like."

"All dress same. All wear slickers, big hats. One closest to her he wear fancy sweater under coat, Red."

Judge Kellogg reached for a bundle Neuman handed him. He unrolled it, disclosed a turtle neck sweater of scarlet with interwoven lines of purple and blue. After introducing it as an exhibit, he turned to the chinook.

"Could this be it?"

"Yes, pretty." The slack eyes glittered with enjoyment of the gay color.

"Are you sure?"

The bronze brow wrinkled. "No sure," he compromised, "just think. White Deer wish to be right. White Deer American, wrong no man."

"That's a fine idea, Charlie, too bad others haven't the same feeling. You're excused."

"Hale Carson, next, if you please, Mr. Bailiff."

Anne, watching Farley and Rob Crocker, saw them exchange startled glances as the sturdy cannery man entered and was sworn in as a witness.

"Mr. Carson, what are your duties?"

"General caretaker of the Farnsworth cannery."

"Where were you the night of August 3rd?"

"Hanging around the cannery. There was trouble brewing among the fishermen and we figured I'd better keep an eye to the buildings."

"Did you see any of your employees at the time?"

"Sure, that is, the young ones, Mr. Crocker and Mr. Farley. Crocker was there all evening."

Anne sighed with relief. Then the murderer couldn't have been he, and

perhaps her trust hadn't been so flagrant misplaced.

"But Farley took off in a giletter soon after the fishermen left."

"Do you remember how Farley was dressed at the time?"

"Yes, it was kinda chilly, so I loaned him a sweater of mine I keep round the cannery, and a slicker and sou'wester."

"Is this the sweater?"

"Sure, that's it. I wondered what he'd done with it."

"That will be all."

A dead silence settled over the courtroom. Anne looked around. Planked along the railing were the deputy sheriffs, all on the alert. Bewildered, she wondered what would happen next. She turned back to Judge Kellogg. He was facing the district attorney. He was frowning. "Are you ready to ask for a dismissal?" Anne asked.

"There is no motive," the man answered, uneasily.

"Very well," Kellogg turned back to Judge Benson. "If it pleases the court, I will produce a witness who will provide evidence that there is a man present in this court room at this moment who would benefit by the death of Anne Farnsworth. Failing to achieve that, he assisted in having her incarcerated as a felon for the duration of her life."

"May I proceed?"

"Proceed, but first we will have a recess of fifteen minutes, during which time only the jury will leave the court room. Bailiff, will you bar the doors?"

Confusion reigned after the judge had given his instructions to the jury and they had filed out. Farley and Crocker conferred with the district attorney, Farley in heated tones.

Judge Kellogg and Lenholm sat at a table perusing the transcript which Lenholm quickly flipped to pages containing testimony he believed the judge would need.

Anne watched the audience with interest. John was in the first row, beside Teela, talking to her earnestly. Once he looked up, looked at her a long moment, then smiled. Anne felt a flood of happiness rush through her. He hadn't doubted her; he had neglected her only in

## News Behind The News

By Paul Mallon

Washington, Jan. 1.—New dealers have been notably gun-shy on official business prophesies. They remember the backfire which poked a lot of prophetic faces around here during the depression. But this year, they have an official prophecy for the first time.

It is properly screened for protection against reverse explosions and housed in a spot where you would least expect to find it—an announcement from the department of agriculture.

That department prophesies anything and everything. It even announces in advance how hungry and prolific the corn-borer will be. Perhaps this practice accounts for the scant attention paid to its forecast the other day that industrial activity will be 10 per cent better in 1936.

The estimate was much more important than it pretended to be. It really represented a studied composite estimate by all the top-notch government economists in other bureaus which have far more to do with industrial activity. It was arrived at by private consultation among them.

Spread—The 10 per cent guess is as good a one as you can get, in view of the clouds ahead (supreme court decisions, war, gold fluctuations and political campaigns). Furthermore, it seems to fit in with what the well known economists are predicting publicly and privately.

As far as anyone can see, however, the high level of present industrial production figures will probably slide off a little during the first quarter. This is solely because automobile production has been at a peak and cannot be maintained at this level. Furthermore, it would not be surprising if the estimates of auto production for the coming year slipped somewhat below current grand expectations.

The broad spread of activity in the heavy goods industries is nevertheless almost certain to continue. The spread is general in all lines. The only thing that can stop it is something of sufficient national importance to stop everything. No is betting on anything like that.

Demand—The most extraordinary thing about the figures of the government monthly business chart, is the estimate that industrial production was 99 per cent of normal last month. A secret of that figure is that it is heavily weighted with automobile production, for which the season has lately been changed.

But the real balanced picture is this: all industrial activity failed to slide off around the year-end season as it usually does. The hurried production of autos brought an abnormal seasonal demand for steel, glass, rubber and all the other products which go into autos. But beyond that, there was no slackening in demand for steel from the other durable goods industries, machine tools, etc. This is the important point: it means the demand spread is still sufficiently strong to offset a seasonal trend.

Prices—A notable factor in the existing situation is the stability of prices. Virtually no change has

order to save her. She hugged the thought to her. He had stayed beside her until she was passed the danger line, then rushed forth for evidence which might be lost if he waited too long.

The time sped by. The judge returned to his bench, the jury to its box, and silence lay over the court room without need of the bailiff's gavel.

Judge Kellogg arose—"I will call Thomas J. Farley," he said.

Tom Farley arose. Anne thought his face was unnaturally white as he went to the witness chair.

"Mr. Farley," Kellogg's voice was stern, bitter, "on direct examination, you said Miss Farnsworth was angry at having been cut out of Luke Farnsworth's will, and that she sought to cause trouble among the fishermen because she wished to destroy the morale of the fishermen. Is this true?"

"It is," snapped Farley.

"According to your testimony, you first noticed her activities on or around July 15th. Is this date correct?"

"I—I was."

"You knew the conditions of that will, did you not?"

"I, well, I didn't know all of them. I reached Luke's bedside a little late for the first part."

"But you were there early enough to know that Anne Farnsworth would come into control of the cannery upon the marriage of Rob Crocker to any person other than Anne Farnsworth, did you not?"

"Yes."

"Then why didn't you, between June 15 and August 3, inform Miss Farnsworth of her ownership?"

"I didn't know that there was any occasion to do so," snapped Farley.

Judge Kellogg motioned to Lenholm, who brought a long, white envelope to him. He opened it and from it took a photograph.

"Mr. Farley, I hold here the photograph of a marriage license, recorded on the books of the city clerk at Hoquiam, Washington."

Farley started. His face flooded crimson, then paled, to a sickly white.

"I believe your signature is here, as witness. The photograph shows that on June 1st, Sharlee Jane Farnsworth was married to Robert Crocker."

John was watching her anxiously. It was to him she gave her smile of confidence, and unconcern over the news.

"Tom Farley, why did you keep Anne Farnsworth from her legal rights? Why have you persecuted her in this trial?"

Farley was silent.

"I'll tell you why, because you hoped to put her out of the way before anyone who knew of her rights could find her. That's why. And I hereby charge you with an attempt to murder Anne Farnsworth and the actual murder of Lee Farnsworth."

Anne, stupefied by what she had heard, looked at Tom Farley. Had he tried to kill her that night in the dark? Could this man, who had known her since babyhood, who had lived on her foster father's bounty actually have fired the shot intended for her?

She watched his face, eyes narrowed in thought. He was a lawyer. Although he had practised but little, he knew the evidence brought against him would convict. Suddenly his shoulders straightened, and a smile crossed his face.

"I fired the shot," he admitted, and over the audience a ripple of indignation sounded. "And I am sure when I have introduced my witness and the testimony they will give, any jury will agree with me that it was the defendant in this case who was guilty of the death of Lee Farnsworth."

(To be continued.)

## CHAIN STORE SALES AT 5 YEAR PEAK

New York, Jan. 1 (UP)—Chain store trade in November was the highest for any corresponding month in 5 years, with a gain over the 1929-31 average, the Chain Store Age said today.

The publication's index, based on 1929-31 as 100, stood at 100.4 for the month, against 99.8 in October. All groups except groceries were over 100 in the index, with drugs leading at 188.9. Groceries were 92.3.

Seattle—Mrs. A. W. Ehlen and mother, Mrs. Bertha Scholtz, are spending the holiday season with Mr. and Mrs. Walter Scholtz and family in Seattle.

SEATTLE VISITORS

Aurora—Mrs. A. W. Ehlen and mother, Mrs. Bertha Scholtz, are spending the holiday season with Mr. and Mrs. Walter Scholtz and family in Seattle.

Q. Please describe the feijoa tree. A. The feijoa (Feijoa sellowiana) is a small tree of the myrtle family sometimes 15 feet high. It is native to Brazil, Paraguay, Uruguay and Argentina, and is closely related to the guava. The feijoa has olive-like leaves, glossy green above and silver-gray beneath, and large flowers, white outside and purplish crimson within. The oval, dull green fruit is marked with crimson. It is about two inches long, with a translucent melting pulp and pineapple flavor. It was introduced into Europe in 1890 and brought to the United States about 1900 where it is widely planted in California.

Q. How much tin is mined in the United States? A. Most of the tin used in the United States is imported. In 1934, the domestic output of tin was 82 long tons, valued at \$9600, most of it mined in Alaska. There were 39,885 long tons imported, valued at nearly \$45,000,000.

Q. How many people visit Washington, D. C. during the year? W.P.R. A. The number is estimated at two million.

Q. Please give a biography of the late Charlotte Perkins Gilman. E.J. A. Charlotte Perkins Gilman, feminist, was prominent in the woman suffrage and social problem movements. She was best known for her work, Women and Economics, published in 1898. Mrs. Carrie Chapman Catt listed her as one of the twelve greatest American women. Born at Hartford, Conn., July 3, 1860, she was twice married—in 1884 to C. W. Stetson and in 1900 to George H. Gilman. From 1909 to 1918 she edited the Forerunner. She died by what she termed "justifiable suicide" in Pasadena, Calif., August 17, 1935.

Q. How did the cracker industry develop? J.H.P. A. It has had a phenomenal growth in the United States since its beginning a little more than a century ago. The first crackers were large round unsweetened and unleavened cakes, baked until they were very hard, something like the water cracker of today. Because they kept much better than ordinary bread, they were in great demand for ship supplies and were often called ship bread. At first they were made entirely by hand, but at the time of the great gold rush to California the demand for this convenient food became so great that machinery was invented to roll the dough and stamp it into cakes. During the Civil war in America the army and navy called for such quantities of this hardback, as it was called, that an improved oven was invented which increased the capacity of the bakeries by four or five times. This invention, which revolutionized the cracker industry and is used today in virtually the same form, is called the mechanical roll oven.

Q. Who started the custom of answering a telephone call by saying "hello"? J.F.H. A. According to biographers of Thomas A. Edison, Mr. P. P. Fish, president of the American Telephone and Telegraph company, gives the credit for the use of "hello" on the telephone to Thomas A. Edison. When the telephone was first used people were accustomed to say "are you there?" "are you ready to talk," etc. One day Edison took up the receiver and said "hello." The word immediately became popular.

Q. Do many students take the course in marriage given at the University of Iowa? P.M. A. There are 120 students enrolled in the course of modern marriage.

Q. How many pulp magazines are published in this country? Of these, how many are devoted to detective and Western stories? P.M. A. There are more than 200 pulp magazines which are published monthly or more frequently. In this

Q. How many people who attended the Century of Progress had themselves weighed in the concession run for this purpose? E.F. A. In the two summers, 2,419,848 persons stepped on the scales. If the attendant had guessed within three pounds of the correct weight, the person paid 15 cents; otherwise he paid nothing. Usually, the fee was collected.

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