

Foreign Settlement Menaced

U. S. WARSHIPS CONVERGING AT SHANGHAI

U. S. S. Borie Reinforces Flotilla of Gunboats And Destroyers.

FOUR SHIPS ON WAY FROM MANILA

Wild Rumors of War Between Japan and America Heard in the Philippine Islands.

WASHINGTON, Jan. 29 (AP)—The U. S. S. Borie, flagship of Admiral Taylor, commander-in-chief of the Asiatic fleet, has been ordered to postpone a scheduled dry docking for repairs at Manila in view of the tense far eastern situation.

BRITISH SHIP ON WAY
BATAVIA, Java, Jan. 29 (AP)—The British cruiser Kent which had been under orders to remain at Priok until February 2, was ordered tonight to leave for China tomorrow.

SHANGHAI, Jan. 29 (AP)—The U. S. S. Borie, one of several warships ordered here, arrived this afternoon, reinforcing the flotilla of seven gunboats and two destroyers now in the vicinity.

The American community welcomed the news of the coming of additional vessels for the feeling is that the situation is distinctly serious.

DESTROYERS LEAVE MANILA
MANILA, Jan. 29 (AP)—Their crews hurriedly rounded up from shore leave, four destroyers of the United States Asiatic fleet were proceeding under forced draft today for Shanghai, latest battleground of the orient.

They left behind in Manila wild rumors that war had been declared between the United States and Japan, and preparations continued aboard the remainder of the Asiatic fleet here to be ready to sail on short notice.

The war rumor apparently arose from activity of shore patrols in rounding up crews of the fighting craft, which were ordered to join other members of the Asiatic fleet in Shanghai waters to protect American interests.

TIGERS GO TO PENDLETON TO TACKLE BUCKS

Coach Ira Woodie will take eleven basketball players to Pendleton tonight for the first of the annual series of two games with the Round-Up City casaba squad. The Tigers are hopeful of winning, with previous game giving them an even break with the 1931 state champions.

Tomorrow night at 8:30 o'clock the Tigers will entertain Wallowa High school's team at the L. D. S. Recreational hall. Earlier in the season La Grande lost at Wallowa 27 to 23 and the blue and white is anxious to even up the count.

Lumber Orders Above Production

SEATTLE, Jan. 29 (AP)—Current new business reported by 215 mills to the West Coast Lumbermen's association for the week ending January 23 was 24 per cent over production, totaling 3,870,000 feet more than the footage received the previous week.

The week was the 13th successive one with orders in excess of production, the longest such continuous period for mills of the state in at least 10 years.

A total of 324 mills reported operations for the week of 23 per cent of capacity, compared to 22.1 per cent for the previous week and 38 per cent for the same week last year.

WEATHER FORECAST

Oregon: Unsettled tonight and Saturday, probably with occasional snow or rain in the west portion and snows in the east portion; continued cold; fresh changeable winds offshore; mostly westerly. Sunday unsettled.

WEATHER TODAY
7 a. m.—18 above.
Minimum: 12 above.
Condition: Cloudy, snowing.

WEATHER YESTERDAY
Maximum 32, minimum 20 above.
Condition: Cloudy, snow two inches, moisture .16 of an inch. Range—12 degrees.

WEATHER JAN. 29, 1931
Maximum 54, minimum 35 above.
Condition: Clear. Range—19 degrees.

Slide of Rock And Ice Fatal To Road Worker

Frank Michael, of Perry, Killed Instantly on Starkey Road Yesterday Afternoon.

Funeral services for Frank Albert Michael Jr., killed on the Starkey road yesterday, will be held at Pilot Rock in the Community church at 2 o'clock Sunday. The body is at the Snodgrass and Zimmerman mortuary.

Mr. Michael was born in Pilot Rock July 4, 1889 and was 42 years, six months and 24 days of age. He leaves his widow, Mrs. Jessie Michael, three children; three brothers, Elery, Charles and John; six sisters, Ella, Marie, Bessie, Nora, Josephine and Ida, and his father, Frank A. Michael Sr., of Pilot Rock.

By Wilmerth Welmer (Observer Correspondent)

HILGARD, Jan. 29 (Special)—An accident that shocked deeply the two communities of Hilgard and Perry occurred Thursday afternoon when Frank Michael, of Perry, was killed by the falling of a large section of ice and rocks on the Starkey road late yesterday, the slide striking him on the head and crushing him.

Mr. Michael was employed on the county relief work and acted as foreman for one crew of men on the Starkey road. Previously he had been employed for six years by the state highway commission. He moved here with his family two years ago and was at that time employed by the Johnson Construction company. He is survived by his widow and three sons, Kenneth and Louis, at home, and Everett, who is attending the state school for the blind at Salem.

By Wilda O'Neal (Observer Correspondent)

PERRY, Jan. 29 (Special)—Frank Michael, about 40 to 45 years of age, (Continued on Page Two)

Point a Minute Record Made By E. O. N. Quintet

Unless it scores less than 14 points against Whitman college at Walla Walla Saturday night, the Eastern Oregon Normal school basketball team will open its conference play here Monday against Ashland with a record of a point a minute in seven games! And it is very unlikely that the Mountainers will not score 14 in Walla Walla.

In six games played so far the E. O. N. cagers have run up 266 points in 240 minutes of play, and after the Whitman game the minutes will have climbed to 280.

The blue and gold record, not yet marred by defeat, is as follows: E. O. N.—27; Baker Elks—19. E. O. N.—29; Baker Elks—21. (Continued on Page Four)

I. C. C. Refuses Rate Reductions On Apples, Pears

WASHINGTON, Jan. 29 (AP)—The interstate commerce commission today refused to permit the Oregon-Washington Railroad & Navigation company and the Northern Pacific railroad to reduce rates on apples and pears for export from the Yakima valley to Portland.

In the same decision the commission refused to permit the railroads (Continued on Page Five)

Clearing Weather At Klamath Falls

KLAMATH FALLS, Jan. 29 (AP)—Clearing weather was predicted here for today and the minimum temperature this morning was 27 degrees. Four inches of snow fell in Klamath Falls Thursday.

SNOW AT PENDLETON
PENDLETON, Jan. 29 (AP)—A light flurry of snow fell here last night, just barely covering the ground, and the fall continued intermittently today with the temperature around the freezing point.

More snow was reported in the Blue mountains. All highways are open. (Continued on Page Five)

Possibility of War Between Soviet Russia and Japan New Development

TOKYO, Jan. 29 (AP)—A new possibility of direct conflict between Soviet Russia and Japan threatened tonight when the Renko news agency reported from Mukden, Manchuria, that General Jiro Tamon, hero of the previous Manchurian campaign, was ordered to take a division of troops to Harbin, where a Russian railway official blocked transport of Japanese troops over the Chinese Eastern railway.

At the same time the Japanese government planned to hold officials of the Russian-owned Chinese East-

AMERICA AND BRITISH ARE GIVEN WORD

Japanese Have No Intention of Antagonizing Foreign Powers.

FOREIGN RIGHTS TO BE RESPECTED

President Hoover and His Cabinet in Long Session—Situation in Orient Grave.

TOKYO, Jan. 29 (AP)—Japan has no intention of encroaching upon the interests of any foreign powers in Shanghai, a government statement said tonight.

The statement, outlining the events which led to the occupation of Chinese sections of Shanghai, emphasized that the sole aim of the Japanese government is the protection of the lives and interests of its nationals "similar to effective measures taken in these localities by Great Britain and other powers in the past."

AMERICANS, BRITISH ASSURED
WASHINGTON, Jan. 29 (AP)—Under pressure from the American and British governments, Japan has assured that foreign rights in the international settlement at Shanghai will be respected.

Secretary Stimson made the announcement today in a formal statement a short while after meeting with President Hoover and the cabinet in a prolonged session.

It seemed evident a lack of unanimity as to the American course had cropped out at the cabinet meeting but the various department heads kept what had happened to themselves. (Continued on Page Five)

MURDER PLOT SUSPECTED BY AUTHORITIES

PORTLAND, Ore., Jan. 29 (AP)—A murder plot in which the victim barely escaped death from the flames which destroyed his house, was suspected by police today as they investigated a fire in which Antonio Aquino suffered dangerous burns.

His body blistered, his hair singed off and his clothing burned away, Aquino, proprietor of a barber shop and of a barber's supply company, leaped 15 feet to the ground from his second-floor apartment a few minutes before the room collapsed. Semi-conscious, he was found by two men who summoned an ambulance and reported the fire.

The fire marshal said investigators found at the rear of the building a strip of gasoline-soaked canvas along which the fire was creeping, and which extended beneath the door of Aquino's garage next to his apartment. This canvas, they said, led directly into the gasoline tank of the automobile. Firemen said that had not the creeping blaze been extinguished a terrific explosion would have resulted when the first reached the fuel tank. (Continued on Page Five)

ASSASSIN STABS EIGHT TO DEATH

Two Others in Critical Condition at Elma, Man., South of Winnipeg.

WINNIPEG, Man., Jan. 29 (AP)—An assassin crept into the home of Martin Sitar at Elma, Man., early this morning and stabbed to death eight persons—Sitar, 55-year-old farmer, his wife and six children.

Two other Sitar children were in critical condition with knife wounds. They were rescued from their beds by an uncle, John Sitar, who lives nearby, when he rushed to the house which was set afire by the killer.

Elma is in the southern part of Manitoba, about 55 miles from Winnipeg. Police were searching for the Sitar hired man, whose name is not known here. He has been missing since morning. (Continued on Page Five)

MARVIN TRIAL NEAR END IS WORD TODAY

News from Enterprise this morning was that the case of the state vs. County Judge Marvin, indicted in connection with his operations with the Joseph State bank, would go to the jury late tonight.

Testimony had not been completed early today, but the beginning of arguments was expected sometime this afternoon.

The case has attracted state-wide attention during the present week. Judge C. H. McCulloch, of Baker, is presiding. (Continued on Page Three)

New Jersey Will Survey State On Hoover Sentiment

Report on Political Situation to Determine Whether Convention Delegation is Pledged.

WASHINGTON, Jan. 29 (AP)—President Hoover today named Wilson McCarthy of Salt Lake City, as the third Democratic director of the Reconstruction corporation, thereby completing the full membership of the board.

TRENTON, N. J., Jan. 29 (AP)—The Republican state committee today determined to sound public sentiment before deciding whether to send to the national convention a delegation pledged to President Hoover.

A committee was named to survey the political situation and report at a meeting February 26, when decision will be made whether to send a pledged delegation to the convention.

E. Bertram Nott, chairman of the state committee, retained the view the delegation should be unpledged, but pointed out such an agreement would not necessarily mean opposition to present Hoover.

HOOPER CONSIDERS MCCARTHY
WASHINGTON, Jan. 29 (AP)—President Hoover is seriously considering Wilson McCarthy, of Salt Lake City, as the fourth member of the board of directors of the reconstruction finance corporation. McCarthy is a Democrat and a former judge. He bears the endorsement of both Republican and Democratic leaders.

The post must go to a Democrat under terms of the legislation. The president has been looking for a lawyer. (Continued on Page Five)

LOSS OF LIFE AT SHANGHAI HEAVY

Bombs and Bullets Take Toll—Pitiful Scenes at Dressing Stations.

HORRIBLE SCENES
SHANGHAI, Jan. 29 (AP)—Eye-witnesses returning to the international settlement this evening described horrible scenes at the dressing stations, which for the most part, were filled by civilians. Among the dead brought in, they said, were a number of babies and bodies of children riddled by bullets.

The Chinese doctors were working under the highest pressure and endeavoring to cope with the constant flow of wounded soldiers and civilians. (Continued on Page Five)

Three Jurors In Judd Trial Sick; Case Postponed

PHOENIX, Ariz., Jan. 29 (AP)—Illness of three jurors forced postponement of the trial of Winnie Ruth Judd for murder today until Monday. (Continued on Page Two)

Joint Session Of Rail Leaders And Unions In Deadlock

CHICAGO, Jan. 29 (AP)—A compromise proposal that railway labor take a 5 1/2 per cent cut in wages for a year was refused by the railway presidents today.

The presidents likewise turned down a suggestion advanced by the Brotherhood of Railroad Trainmen that the railroads refrain from any attempt to trim wages for a year after the twelve-month reduction. (Continued on Page Two)

McCulloch Seeks Seat on Tribunal

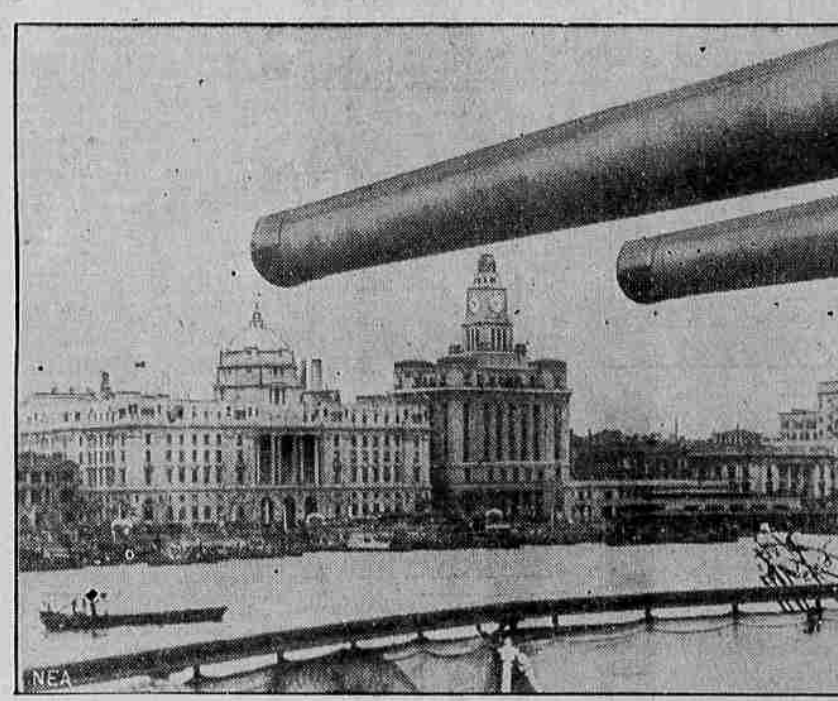
SALEM, Jan. 29 (AP)—John W. McCulloch, former assistant United States district attorney at Portland, today filed his declaration of candidacy for justice of the supreme court to succeed Chief Justice Henry J. Bean, whose term expires.

McCulloch's name will appear on the non-partisan judicial ballot at the May 20 primary. (Continued on Page Five)

MRS. FORTESCUE, NAVY MEN TURNED OVER TO POLICE

HONOLULU, Jan. 29 (AP)—Mrs. Granville Fortescue and three navy men accused of lynching a young native were temporarily turned over to the custody of Honolulu police today pending an exchange of messages with Washington relative to fixing their bonds on a second degree murder charge. (Continued on Page Five)

JAPANESE GUNS BEAR DOWN ON SHANGHAI



Here is Shanghai—"The New York City of China"—now under the guns of the Japanese warships and in control of the Japanese marines. Bloody fighting raged through the city today, followed by fires that added to the loss of life. Shanghai has a population of nearly 3,000,000 and is China's most important outlet to the Pacific. The map at the right shows the city and vicinity.

Last Straw Of Hope For Crew Of Sub Vanishes

PORTLAND, England, Jan. 29 (AP)—The last straw of hope for the rescue alive of any of the sixty-one men and officers who went down with the British submarine M-2 last Tuesday was snatched away today by the publication of an admiralty statement saying it was no longer possible to hope.

The statement, which was based upon a report of the rear admiral in charge of submarines, said, however, that the search of the sea floor for the ill-fated submarine would be continued.

The object sought by divers yesterday on the theory it might be the M-2 was found to be an old wreck, the admiral said, and the succeeding search will be conducted at another spot where a former sweep brought up two submarine hand flags in a canvas case.

Distressed wives and relatives of the men, groups of whom have been waiting tearfully but hopefully at the gates of the dockyard here since (Continued on Page Two)

Dartmoor Convicts Again In Mutiny

DARTMOOR, Eng., Jan. 29 (AP)—Dartmoor prison convicts rioted last night for the second time this week. The night in the prison was described as "huldaous," with scores of prisoners standing for hours at the doors of their cells to shout threats at their wardens.

The first mutiny occurred last Sunday. (Continued on Page Five)

Re-elect Reynolds Country Club Head

C. H. Reynolds was re-elected president of the La Grande country club when the board of directors met yesterday. W. C. Perkins will fill the position of vice president for another term, and Paul Meyers will again act in the capacity of secretary. (Continued on Page Five)

Americans and British To Take Joint Action In Protecting Rights

WASHINGTON, Jan. 29 (AP)—The United States and Great Britain are preparing to take joint action to assure that their rights in the international settlement at Shanghai are safeguarded.

The conversations between the two countries were described by a high authority here today as not having dealt with the broad problem of Japanese activities in Manchuria or at Shanghai, but as having been restricted to the international settlement. (Continued on Page Two)

JAPS INVADE M. E. MISSION AT SHANGHAI

Chinese Warn Foreigners To Use Their Influence, Or Face Attack.

TALK OF A TRUCE IS MERELY RUMOR

Japanese Plan Bomb Chinese City—Chapel District in Flames—Hundreds Killed.

SHANGHAI, 2:45 A. M., Saturday, Jan. 30 (AP)—Japanese soldiers invaded the quarters of the American Southern Methodist mission early this morning, demolishing the furnishings. (Continued on Page Three)

CHINESE WARN FOREIGNERS
SHANGHAI, Saturday, Jan. 30 (AP)—A new menace came across the boundaries of the international settlement today in the form of a warning by the Chinese military command that if the Japanese occupation was not ended the Chinese would attack the settlement.

This definitely put an end to reports that the opposing forces had signed a truce. The warning served upon the international settlement authorities said that if they did not use their influence to end the occupation of (Continued on Page Three)

COLD, HUNGER IN NEBRASKA FARMING AREA

OMAHA, Jan. 29 (AP)—Livestock, already emaciated, was faced by a double menace—cold and hunger—in Nebraska's region of misery today. Severe cold, accompanied by drifting snow, struck a new blow at the defenseless farmers and animals in a dozen northeastern counties already ravaged and laid waste by drought and grass hoppers.

Five below zero was registered in parts of the area today. Roads were blocked and it was virtually impossible for relief agencies to deliver contributed stock feed to the farm animals, freezing and starving in the fields. (Continued on Page Three)

Young Portland Man Shoots Wife

Timothy Donovan Kills Girl, 22, Then Fires Two Bullets Into His Head

PORTLAND, Jan. 29 (AP)—Driven into a murderous frenzy by jealous rage, Timothy Donovan, 23, late Thursday shot and instantly killed his 22-year-old wife, Ida, and then sent two bullets into his own head, with fatal results.

Donovan's jealousy earlier in the week had prompted his young wife to leave him and visit her mother. Thursday she was visiting another friend, Mrs. E. A. Schlickeler, when Donovan came to the house to see her. Mrs. Schlickeler said they talked for an hour or so and she invited the two to dinner. Donovan and his wife then left the house for a walk. Shortly after two shots were heard and neighbors saw Mrs. Donovan prone on the ground. Her husband (Continued on Page Five)

Veterans' Bureau Man At Roseburg

ROSEBURG, Ore., Jan. 29 (AP)—Colonel William H. Radcliff, head of the engineering department of the veterans' bureau on the Pacific coast, arrived at Roseburg today from Palo Alto for the purpose of obtaining data on soil and rock strata on the site of the \$2,000,000 northwest national soldiers' home which is to be built here.

The information is being obtained in order to complete plans for the foundations of buildings which, according to reports from Washington, D. C., will be started in April. One million dollars will be spent on the first unit. (Continued on Page Five)

Wheat Today

CHICAGO, Jan. 29 (AP)—Sharp upturns in wheat prices late today accompanied forecasts of much colder weather over the entire domestic grain belt.

The trade was apprehensive as to likelihood of crop damage. Increased anxiety also was shown regarding military developments at Shanghai. Wheat closed strong at the day's topmost level 2 1/4¢ above yesterday's finish, corn 3/4¢ up, oats 3/4¢ up, advanced, and provisions unchanged to 5 cents down. (Continued on Page Five)

PORTLAND, Jan. 29 (AP)—Determination on the part of the Pacific northwest trade to force values here eventually to a lower basis than Chicago, thereby placing the market on an export basis, caused the September option to lose 1/4¢ but today while May was up 1/4¢ and July 1/2¢ but sales included 1,000 bu. each May and July. (Continued on Page Two)

On the merchants exchange cash wheat was unchanged. Seattle options continue to show a lower mark than Portland. (Continued on Page Two)