

JAPANESE NAVY SHELLING NANKING

AMERICANS TO BE TAKEN FROM CHINA

Evacuation of 4000 from Five Trouble Points Held Likely

OTHER NATIONS JOIN WITH U. S. A.

Cruiser Houston and Four Destroyers Sail from Manila — Other Ships Will Follow.

WASHINGTON, Feb. 1 (AP)—Naval officials said today they were unable to explain the basis for the frequently recurring rumors that naval reserves were being mobilized.

These directly in charge of naval reserves said no such orders had gone out and none were contemplated.

READY TO EVACUATE AMERICANS
WASHINGTON, Feb. 1 (AP)—The destroyer Simpson at Nanking told the navy today it would evacuate Americans at that city on Feb. 3 if the consul general so ordered.

WASHINGTON, Feb. 1 (AP)—Evacuation of some 4000 Americans from five trouble points in China appeared an imminent likelihood today with reports growing more and more serious.

Highly disturbing reports of increased tension at Nanking, Shanghai, Swatow, Chefoo and Amoy, were received by the navy and state departments.

The state department formally announced today that American ships and troops en route to Shanghai were

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HESS BLAMES RICH MEN AND ADMINISTRATION

Placing some of the blame for the present unemployment situation on the men in control of the United States government, Henry Hess, local attorney, was the main speaker at today's luncheon of the Lions club at the Sackajawea Inn. He compared conditions in America and France, with the former in a period of depression without direct government assistance for certain phases of the unemployment situation, and the latter in a comparative good condition and with the government taking an active hand in matters.

He also declared that the Democratic plan of placing higher income tax on the richer men would decrease the cost of collecting revenue as well as serving in a measure to turn the tide against depression through tending to prevent further concentration of wealth and at the same time giving the government funds for creation of new jobs through launching of new projects.

In his talk, Mr. Hess quoted from two prominent authorities, declaring that during a period ending in 1929 the value of manufactured articles in America gained 1267 per cent more than did wages of the men who produced the articles. "Reduction of wages has served to kill the goose that laid the golden egg," Mr. Hess declared.

Arthur Lawrence To Hold Meeting

Arthur W. Lawrence, former printer but at present a member of the state industrial accident commission with headquarters at Salem, will hold a meeting in La Grande tomorrow night at 7:30 in the city hall.

The public will be handled, four by representatives of the Mt. Emily and Bowman-Hicks lumber companies, the E. O. L. & P. Co. and Dr. Haun, of La Grande, and the fifth—"Causes and Costs of Accidents"—by Mr. Lawrence. Following the talks discussions will be held.

February Term of Court Is Opened

Judge J. W. Knowles swung the official gavel at 10 o'clock this morning to open the February term in the circuit court. Eleven cases are set for trial at present, the first of which opened this morning.

George Carlyle, who was found guilty of possession of intoxicating liquor in the justice court, appealed his case and it was being tried today, with Green and Hess attorneys for the defendant, and Carl Helm, district attorney, representing the state.

The George Carlyle case will be completed this evening, it is believed, and tomorrow the case of the U. S. National bank, of La Grande, vs. Archie Cooley, in an action to collect money on a promissory note, will be tried.

Marvin Case Jury Fails To Agree

The circuit court jury in the case of the state vs. County Judge Marvin, at Enterprise, failed to reach an agreement according to word reaching here today. Mr. Marvin was on trial for alleged violations of the law while an officer of the Joseph State bank.

It is presumed locally that the case will be tried again in the near future.

A mid-winter concert was present-

Fire Destroys Building That Housed Academy

Stubborn Blaze Defies Efforts of Fire Department—Smoke Prevents Inside Work.

A spectacular fire, and one which stubbornly defied every attempt made by firemen to extinguish it, completely destroyed the old three-story, wooden building used to house the Sacred Heart academy until a year ago last spring. The building had been condemned and had not been in use of late. The extent of the loss is difficult to determine because of the condemnation of the building for school purpose, although everything was destroyed.

Fire that continued to smoulder and break out behind beaver board frustrated all attempts of the fire fighting force. A blaze in one section of the building would be extinguished only to have another break out elsewhere, and soon the smoke inside was so thick that it was impossible to combat the flames within.

When that occurred, there was nothing the firemen could do except attempt to keep the fire under control while it continued to burn.

The alarm was turned in at 6:10 Saturday night and the blaze in the basement on the south side was extinguished, only to have the fire creep up through the walls and ignite the roof. Soon the smoke inside thickened and the building was doomed.

The structure was a part of the Catholic church property here and was erected many years ago, serving to house the Sacred Heart academy for a long period of time.

The recall was sounded at 11:50 p. m. but the fire continued throughout the night.

A second alarm that followed the original one at 6:10 came when someone pulled a box in the neighborhood, although firemen were on the scene at the time.

Tigers Wallop Wallowa Quint Here 25 to 11

Breaking loose with a series of startling shots in the last quarter, after Wallowa had made it a ding-dong race for more than half of the game, the Tigers Saturday night trimmed the visiting Braves, 25 to 11.

At half time La Grande was leading only 3 to 5.

It was Lyman Stoddard and Munnell, subbing for Torrence, who were on the score-making end of the winning rally here Saturday, the three counting 16 points in the last two periods, Lyman making half of the number to bring his total to 12 for high point honors.

So tight was the Tiger defense during the rally that Wallowa scored but

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Sons To Tackle Normal School Quintet Tonight

With a record of more than a point a minute scored against independent teams and two Northwest conference colleges, the Eastern Oregon Normal school will open its conference season at 8 o'clock tonight against the Astoria Normal school.

The game will be played in the L. E. S. Recreational hall and will be followed by a second contest Tuesday night at 8.

On the strength of its strong showing against Whitman Saturday night at Walla Walla, the Mountaineer aggregation will enter the game with

Weather Forecast

Oregon: Cloudy tonight and Tuesday; light snow in the east and southwest portions; continued cold; fresh east winds offshore.

WEATHER TODAY
7 a. m.—10 above.
Minimum: 8 above.
Condition: Cloudy.

WEATHER YESTERDAY
Maximum 34, minimum 18 above.
Condition: Cloudy, traces of snow, windy, moderate .05 of inch. Range—16 degrees.

WEATHER FEB. 1, 1931
Maximum 45, minimum 21 above.
Condition: Clear. Range—24 degrees.

RAIL LABOR TAKES WAGE CUT TODAY

All Agree On 10 Per Cent Reduction — Papers Signed Sunday

CHICAGO, Feb. 1 (AP)—Railway labor, from section hand to engineer, takes a 10 per cent wage cut today, with the hope it will give work to its jobless and speed the return of better times.

The agreement which authorized the nation's railroads to take \$218,000,000 out of the pay envelopes of the workers for one year was signed last night by leaders of both sides.

It was a voluntary concession on the part of labor at the request of the rails. Had the workers chosen, they could have forced the carriers to take the reduction demand before a board of arbitration with consequent months of delay. Their rate of pay is protected by contract.

In return the workers received certain concessions to a compromising program they proposed, chief among them being the assurance the rails would do as much as conditions would justify to use the wage cut savings toward relieving the distress of 700,000 jobless and 600,000 only partly employed.

Before signing the pact, the carriers promised to meet the conditions of labor, that they withdraw the notice of 150 fire calls, of which 20 were outside of the city limits. These cut-of-city fires were not considered in checking the amount of insurance at risk and the amount lost.

The amount of actual fire loss during the year was \$38,912.86 and to reimburse the losers a total of \$29,969.36 insurance was paid. Indicative of the effectiveness of the fire department is the fact that property

1931 FIRE LOSS HERE \$38,912.86

Fire Department In La Grande Answers 130 Calls During the Last Year.

During the year of 1931 the La Grande fire department answered a total of 130 fire calls, of which 20 were outside of the city limits. These cut-of-city fires were not considered in checking the amount of insurance at risk and the amount lost.

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Grange Meeting Has Good Start Despite Weather

In spite of the storms which blocked many of the county roads last night, making it impossible for great numbers of grangers to get in, the La Grande, and which also detained various officers attempting to drive to La Grande from other sections of the state, the fifth annual grange lecturers school started off today very well.

The school which is being held at the L. D. S. Recreational hall, is jointly sponsored by the state grange and by the extension department of the Oregon State college. Prominent grange officials here to assist are national lecturer, J. H. Farmer, of New Hampshire, state master, C. C. Hulet, state lecturer, Mrs. Marie McCall. Miss Charibel Nye, state leader of home economics extension, represents the college, Paul V. Maris, having been detained in Portland by college duties.

Banquet Tonight
At six o'clock this evening the first social event is being held, when members of the seven granges of the county, Blue Mountain, Pleasant Grove, Rock Walk, Cricket Flat, Mt. Fannie, Medical Springs and Wolf Creek are cooperating in a banquet to be held under the direct supervision of Mrs. L. P. Wright, Pomona lecturer. Members of the last two named groups will not be able to come on account of drifted roads, but have assisted in the preliminary

Difference In Time Between Shanghai, Oregon Is 16 Hours

Since the armed conflict flared in Shanghai there has been confusion in the minds of some readers of the Observer as to the difference in time between Shanghai and the Pacific coast. This difference in time permits the Observer to print on Monday events occurring in Shanghai on Tuesday.

There is a difference of 16 hours in time between the coast time belt and Shanghai. The difference between Shanghai and Washington is 13 hours.

The sun rises in Shanghai 15 hours before it rises in La Grande. The international date line lies between the Pacific coast and Shanghai, marking the break between one day and the succeeding one.

The day is two-thirds done in Shanghai when the same day dawns in Oregon.

Many Outstanding Programs Given In La Grande Churches on Sunday

Sunday was marked by activities of unusual interest in La Grande churches, both in the morning and in the evening. The choir of the Methodist church presented a musical program last night at 8 o'clock, the young people of the Presbyterian church furnished the evening program, and at the Central Church of Christ, Rev. C. F. Swander delivered the evening address. A revival meeting opened at the Church of the Nazarene, with an out-of-town evangelistic party holding services all day.

A mid-winter concert was present-

SENATE OKEH ON FEDERAL BANK BILL

Approves \$125,000,000 Appropriation to Increase Capitalization

WASHINGTON, Feb. 1 (AP)—The senate today approved the \$125,000,000 appropriation for increasing the capitalization of the federal land banks.

TREATY NAVY IS URGED BY HALE

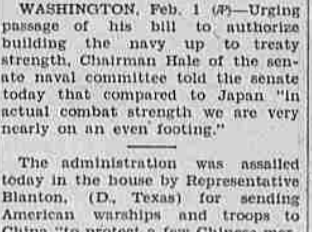
While Chairman of Naval Committee Speaks, Blanton, In House, Assails Administration.

WASHINGTON, Feb. 1 (AP)—Urging passage of his bill to authorize building the navy up to treaty strength, Chairman Hale of the senate naval committee told the senate today that compared to Japan "in actual combat strength we are very nearly on an even footing."

The administration was assailed today in the house by Representative Blanton, (D., Texas) for sending American warships and troops to China "to protect a few Chinese merchants."

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AT THE FRONT AT SHANGHAI



War Declaration Denial Made By Chinese Official

League of Nations Informed by Lo Wen-Kan; America Replies to League's Invitation.

GENEVA, Switzerland, Feb. 1 (AP)—Lo Wen-Kan, China's foreign minister, informed the league of nations by cable today that there is no foundation for reports that China is preparing to declare war on Japan.

INTERPRET "WAR DECLARATION"
LONDON, Feb. 1 (AP)—A dispatch to the Reuter's news agency from Nanking today said the intention of the Chinese government when it decided

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Trial of Winnie Judd Under Way Again at Phoenix

PHOENIX, Ariz., Feb. 1 (AP)—Trial of Winnie Ruth Judd for the murder of Agnes Anne Lerol was resumed this morning after matrons forcibly had dressed her in her jail cell for appearance in court.

Judge Howard C. Speakman declined to grant a continuance when Dr. J. D. Mauldin, county physician, reported Mrs. Judd was physically able to come into the courtroom.

Mrs. Judd had been ill with a cold, having a temperature yesterday of 101. This morning she protested she still was unable to come to court.

Paul Schenk, chief of the defense counsel, agreed with the court there was no necessity for a recess.

Mrs. Judd fought against leaving her cell until told handcuffs would be placed on her wrists to take her into the trial chamber.

In the courtroom she coughed continually. She sat quietly, however, as the proceedings reopened.

The two jurors who had been ill were back in their places in the jury box.

The defense continued the reading of depositions relating to a purported strain of insanity in Mrs. Judd's family.

Mrs. Judd was pictured from the witness stand by her husband, Dr. W. C. Judd, as a frustrated woman, "who from first day of our marriage dwelt upon thoughts of a child."

Dr. Judd, first witness of the day to be called by the defense, told of his wife's plans, while they lived in Mexico, for a child which never materialized, and her arguments over whether it should be named "Moses, Caesar, or Napoleon."

Mrs. Judd, he said, several times

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PROTESTS TO JAPAN CAUSE NO CHANGES

Action by U. S., British, French Merely Stiffen Japanese Attitude

TOKYO, Feb. 1 (AP)—Concerted action by the United States, Great Britain and France in protesting use of the Shanghai International settlement as a base for Japanese operations seemed today only to have stiffened the Japanese attitude against China.

A foreign office spokesman expressed the government's attitude in a nutshell when he said he could see no cause for any change in Japan's policy.

Japan does not regard her cause as unworthy, and therefore has no guilty conscience, the spokesman said, adding that "Japan is determined to show China that she will stand for no nonsense."

He emphasized the Japanese contention that the government of China is corrupt and said that Japan is willing to do her share to thwart "the greedy war lords who are responsible for a large share of China's troubles."

CHINESE THROWN INTO PANIC

NANKING, Feb. 2 (AP) (Tuesday)—Thousands of terrified Chinese were thrown into a panic early this morning by the roar of guns from Japanese warships firing on the Lion Hill forts five miles from the city. The Japanese landed marines under cover of fire from two gunners and a destroyer.

The cruisers Takahama and Tenryu

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MEIER GUEST OF MR. HOOVER SUNDAY NIGHT

WASHINGTON, Feb. 1 (AP)—Governor Julius L. Meier of Oregon who was received by President Hoover today, informed the president he believes the reconstruction finance corporation should aid materially in Oregon in bringing business back to normal.

SALEM, Feb. 1 (AP)—Governor Julius L. Meier and Colonel A. E. Clark appeared before the United States army engineers today and presented their requests for power development on the Columbia river, the governor informed the executive offices here today by long distance telephone from Washington, D. C.

The governor expressed optimism over the situation.

In his conversation the governor said he and Mrs. Meier were dinner guests of President and Mrs. Hoover last night, after which the governor conferred with the president for more than an hour.

Governor Meier said he expected to leave Washington tonight for New York. He expects to be gone about two weeks longer.

Aged Indian Burns To Death Saturday

PENDLETON, Ore., Feb. 1 (AP)—Charlie Bennett, 73, prominent Cayuse Indian tribe member on the Umatilla reservation, was burned to death Saturday night when his home was destroyed by fire. An overheated stove was believed to have started the blaze.

Wheat Today

CHICAGO, Feb. 1 (AP)—War developments took the place of crop damage as the chief factor today in the grain markets.

Largely as the result of a rapid succession of reports indicating broader clashes in the Orient, wheat jumped 2 1/2 c a bushel. Active general buying of wheat future deliveries accompanied the bulge in prices, but heavy selling to realize profits led to material reactions from the day's top level.

Wheat closed unsettled 1/4-1 1/2 above Saturday's finish. Corn 1/4-3/4 up. Oats 1/2-3/4 advanced, and provisions unchanged to a rise of 10 cents.

Portland, Feb. 1 (AP)—While some of the advance was lost during the last moments of trading in domestic markets, wheat generally closed higher. On the Portland grain exchange futures showed an advance of 3/4 c for May, 1/2 c for July and 10 for September.

On the merchants exchange cash wheat advanced 1/2 c a bushel. Sales of futures totaled 5,000 bushels May.

Bank Deposits In Oregon Show Drop

SALEM, Feb. 1 (AP)—Deposits of all banks in Oregon at the close of business at the end of 1931 totaled \$238,263,984 or \$42,555,430 less than at the same time in 1930. The annual bank statement issued today by the state banking department showed a drop.

There are 28 less banks doing business at the close of last year than the year before the report showed. At the end of 1931, 198 state and national banking institutions were in operation.

To offset the decrease in deposits and resources, the statement showed that banks had decreased their loans and discounts by about \$33,000,000 but increased their investments in United States government securities by more than \$15,000,000. Banks decreased holdings in other bonds and securities by about \$9,000,000. Reduced their banking fixtures by more than a million and reduced real estate holdings a half million dollars.

Standard Oil Co. Declares Dividend

NEW YORK, Feb. 1 (AP)—The Standard Oil company of New Jersey today declared the regular quarterly dividend of 25 cents and the usual extra of 25 cents.

The declaration of the usual extra dividend on Standard Oil of New Jersey was regarded as one of the important favorable developments of the day in Wall street.

Standard of New Jersey has more than 25,000,000 shares outstanding. Extra dividends of 25 cents quarterly have been paid since 1929.

Hard Wind Hits Valley But All Roads Are Open

Although a stiff wind howled over the Grande Ronde valley throughout last night and was continuing, but with not so much fury today, all state highways radiating from La Grande remained open to travel.

Snowplows were called out east of La Grande and although travel was difficult at times, it was kept open, state highway office reports say.

Shortly before 10 o'clock this morning County Judge U. G. Couch announced that no reports had been received of any county roads being blocked by drifts, although county snowplows were on duty.

The wind brought with it a sudden drop in temperature from 34 above yesterday afternoon to a minimum of eight above before dawn today. At 7 o'clock the mercury was moving higher and had reached 10 above zero. This was the fourth

Rankin Edgar Is Dead Near Cove

Came to Oregon in 1846—Funeral Services to Be Held Tomorrow

Funeral services for the late Rankin Edgar, who passed away last night at the home of his daughter, Mrs. Ella Fisher, in Lower Cove will be held tomorrow. A short service will be held at the Fisher home for the benefit of the aged widow who will be unable to leave the home and for any others in that neighborhood who wish to attend. The funeral service proper will be held tomorrow afternoon at 2 o'clock at the Walker funeral home in La Grande. Rev. J. George Walls will be in charge of the service. Burial will follow in the family plot in the Odd Fellows cemetery.

Mr. Edgar, one of the oldest of the pioneers, had just passed his 87th birthday anniversary and his death

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Insane Trapper Kills Constable, Eludes Mounties

AKLAVIK, N. W. T., Feb. 1 (AP)—Albert Johnson, demented trapper of the Rat river country, shot and killed Constable E. Miller of the Northwest Mounted police Saturday, word received here from a portable field radio carried by the patrol seeking him revealed.

Miller was a member of the detail sent out to capture the trapper after he had held a posse at bay in his cabin for 15 hours, although the police had nearly demolished the cabin with bombs. After the fight the officers retired to outfit for an intensive drive. Meanwhile Johnson slipped away and was not heard of for several days until the "Mounties" encountered him Saturday, when Miller was killed. More officers will be sent from here to aid in the manhunt.

Johnson first came to the attention of the authorities when Indians complained their trap lines were being molested. He wounded a con-

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Gun Club To Hold Clam Feed Feb. 12

The La Grande Gun club today announced that it will hold its annual clam feed Feb. 12 at the club house. Annual membership cards will admit those wishing to attend. Those with life memberships will be charged a small fee to cover expenses.

The game commission will be through La Grande about the middle of February and any grievances should be prepared for presentation to the commissioners at that time. Officials of the club said today.

Infant Son Buried This Afternoon

The funeral of the infant son of Mr. and Mrs. Frank C. Wells, of Cove was held from the chapel of Walkers funeral home this afternoon at 2 o'clock with Rev. J. George Walls in charge of the services and burial was in the family plot in Summerville cemetery.

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