

RESCUE SHIPS STOP SEARCH IN CATTEGAT

Forty Lost When Oberon Hits Aroturus off Danish Coast

Brothers Command two Colliding Vessels; Passengers Asleep in Cabins

By AXEL GERFALK COPENHAGEN, Dec. 20. — (AP) — Rescue vessels that had combed the fog-hidden Cattegat for 24 hours tonight virtually abandoned the search for possible additional survivors of one of the worst marine disasters in the history of the Danish coast, the sinking of the Finnish liner Oberon off Laeso Island.

Commanders of the vessels expressed belief any further search would be unsuccessful.

At least 40 persons, and possibly more, were believed to have been drowned when the Oberon went down, or to have perished later in a gas flame which had escaped from the vessel's hold. The Oberon was rammed and sunk late last night in a dense fog by her sister ship, the Aroturus, of the same line.

Brothers Are Commanders

By a strange coincidence, the two vessels were commanded by brothers, Captains Erik and Ossi Hjelt. The Aroturus, after the tragedy, picked up Captain Erik Hjelt as he swam in the icy waters with the body of his drowned four-year-old daughter in his arms. Captain Erik Hjelt's wife also was drowned.

Among those still missing and for whom hope had about been abandoned were J. W. H. T. Douglas, famous cricket player, and his father, J. H. Douglas. Of 12 English passengers known to have been on the vessel only two were believed to have survived.

Survivors of the disaster who arrived in Copenhagen said that when the crash came the fog was so dense that they could not see.

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M'FADDEN KICKS ON BANK POLICY

Says Federal Reserve Influenced by International Bankers

WASHINGTON, Dec. 20. — (AP) — Broad critics of the federal reserve system for its financial policies and its attitude toward reparations under the Versailles treaty, was placed before the house today by Chairman McFadden of the banking committee.

McFadden asserted international bankers took charge of Versailles treaty negotiations and as a result the "bonds afterward issued are tainted with illegality."

It was "inconceivable," he said, that the government would allow the sale of these bonds and the fact that it did was due wholly to the influence of a powerful group of international bankers.

He charged there was too close an association between the federal reserve bank of New York and international bankers and "economic experts to whose control that bank has been abandoned."

"America's foreign financial policy," McFadden said, "should be fixed for the federal reserve banks by the federal reserve board at Washington and not by one of the 12 coordinate federal reserve banks."

"The industrial stagnation in this country today," he added, "is largely due to the distrust of the people in the foreign policy of our government and in the financial policies of the federal reserve system."

Representative Ramseyer, republican, Iowa, said he doubted the wisdom of America's investing in reparations bonds.

Ramsyer asked if McFadden believed "before there can be peace: the Versailles treaty and the Young plan and substitute something in the place of them."

"We will not get a proper solution of this whole matter until we go back to the very foundation," McFadden replied.

Green Section Out Tuesday

On account of Christmas coming on Thursday, the Salem Advertiser, the green section of The Statesman, will be published on Tuesday instead of Thursday.

Pres. Hoover Signs Three Relief Bills; Jobs Soon Available

Oregon Will get Over Million for Highway aid; More in Sight for Public Lands, Harbors and Forests

By FRANCIS M. STEPHENSON WASHINGTON, Dec. 20. — (AP) — President Hoover late today signed the bill putting \$116,000,000 immediately at his disposal for new jobs on federal improvements throughout the nation.

This emergency measure got through congress early in the afternoon and together with the measure authorizing \$45,000,000 for loans to drought stricken farmers to put in next year's crops was promptly signed.

The \$45,000,000 must still be appropriated. This will be done immediately after the holidays and meanwhile arrangements will be perfected for getting the loans to the farmers.

The \$116,000,000 is available at once and will be put into immediate use. In his recommendations and in his public statements concerning them the president has emphasized that work can begin immediately.

All the technical phases such as obtaining sites, architectural planning and engineering have been completed on all the projects included under the recommendations. Mr. Hoover has said actual employment under the bill can start in most cases within from one to three months.

The bill, in addition to allowing actual labor to start on buildings and other projects, will provide labor in various industries, such as steel, brick, quarrying, and in machinery manufacturing, which will supply materials.

The legislation completed the emergency program recommended by President Hoover but as the senate gave final approval to the \$116,000,000 it heard a new appeal for additional relief.

Senators LaFollette, republican, Wisconsin, and Walsh, democrat, Massachusetts, assailed the appropriation as a "drop in the bucket." They read reports from an independent survey of employment conditions in more than 200 cities conducted by themselves and demanded that congress enact a direct appropriation to be spent in relief work.

Senator Gillett, republican, Massachusetts, supported the contention of the administration that the cities and communities with the aid of the Red Cross could meet their own problems.

He urged that American self reliance be fostered as "the sure way to continued growth and prosperity for America."

Division of Funds The emergency appropriation bill allocates the fund as follows:

- Federal and highway system — \$80,000,000
- Rivers and harbors work — \$22,500,000
- Mississippi flood control — \$3,000,000
- National forest improvements — \$3,000,000
- Construction forest highways — \$3,000,000
- Road in unreserved public lands and Indiana reservations — \$5,000,000

However, the legislation gives to President Hoover the right to alter the apportionment in the event of emergencies develop. Democrats and republican independents in the senate fought this provision but finally were defeated by a roll call.

Oregon Gets Share The federal aid highway allotments under the emergency measure include:

- California 3,108,233.
  - Idaho 1,008,036.
  - Montana 1,671,930.
  - Oregon 1,329,287.
  - Washington 1,270,933.
- The river and harbor allotments include:
- South Pacific division \$933,000.
  - North Pacific division \$1,555,000.
  - Total \$22,500,000.

EUGENE Y WINS Eugene, Ore., Dec. 20. — (AP) — Eugene Y. M. C. A. basketball finalist defeated the Portland Y. M. C. A. team, 46 to 45, in an overtime period here tonight.

Unions Seek to Affiliate Two Large Labor Bodies

CLEVELAND, O., Dec. 20. — (AP) — A new campaign was in progress tonight to affiliate the major railroad labor brotherhoods with the American Federation of Labor to enable organized labor to meet its future problems with a "solid front" of 3,500,000 members.

Negotiations to this end, instituted by William Green, president of the federation, were disclosed today by Alexander F. Whitney, president of the Brotherhood of Railroad Trainmen, when he announced the appointment of a trainmen's committee to confer with a committee from the federation.

In the belief of many labor leaders, the proposed affiliation of the brotherhoods and the federation is one of the most important undertakings in the history of organized labor in this country.

ASSAIL LUCAS OVER CAMPAIGN IN NEBRASKA

Progressives Demand That Republican Committee Director Resign

Conservatives Defend; Lucas Brands Norris as Democrat

By HAROLD D. OLIVER WASHINGTON, Dec. 20. — (AP) — A republican demagogue that Robert H. Lucas of Kentucky, resign as executive director of the republican national committee, was made during heated debate in the senate late today after Lucas' frank admission that he helped finance the last campaign against Senator Norris, republican, in Nebraska.

Senator Howell, Norris' colleague, demanded that Lucas resign. Senator Glenn, republican, Illinois, challenged the republicanism of Norris and the latter replied with a denunciation of Lucas. He gave his reasons for supporting Alfred E. Smith in 1928, told the senate he had no apology for opposing Herbert Hoover and would do it again.

"If the republican national committee has any respect for its reputation it will ask for Lucas' resignation immediately," Howell said.

Lucas Admits Work Lucas had told the senate campaign funds committee earlier in the day he paid more than \$4,000 out of his own pocket for anti-Norris literature last October for circulation in Nebraska. He said the national committee had nothing to do with it, but he wanted to see Norris defeated because he was a democrat.

Norris defended his actions in opposing Hoover two years ago. He said Hoover was on the side of the "power trust" and was opposed to farm relief.

"He was wrong on both issues," he asserted.

Fess in Mess Senator Cutting, republican, New Mexico, introduced a resolution asking Senator Fess, of Ohio, in his capacity as chairman of the republican national committee, if a report were true that Lucas had tendered his resignation, Fess, who had refused to denounce newspapermen all day, denied it.

Cutting then called attention to Lucas' testimony before the Nye investigators and asked Fess if he intended doing anything about it.

"I do not," Fess replied curtly. Nye earlier had informed the newspapermen he had invited Fess to appear before his committee but that Fess said he had no information on the subject and saw no reason to testify.

CHEAPER MILK IS IN PROSPECT

Prospects for a one-cent reduction in the retail price of milk delivered to Salem consumers were favorable yesterday, the cut to become effective January 1.

No surety that the drop in prices from the 11-12c basis to a 10c basis will rest until a meeting of producers with distributing men here Monday night in the chamber of commerce rooms.

Mr. Hurley of the Capitol dairies said Saturday that he favored such a reduction and would go to urge it at the meeting tomorrow. Hurley indicated that drops in the prices of other commodities made one in milk necessary.

The existing price of 11 cents a quart for milk delivered at home-cash in advance, was established July 17 of this year. For milk paid for after delivery, the charge is 12 cents a quart, the increase effective in July boosting the price two cents a quart for credit users as the former scale was 10 cents a quart irrespective of whether cash was paid in advance.

Producers in this area now are being paid \$2.50 for class B milk. Hurley feels that a cut to \$2.25 would be only a reasonable drop inasmuch as raw milk, ungraded, is selling as low as \$1.50 a hundred. The milk now sold through the Salem dairies is principally Class B grade and tests four per cent butterfat content.

Select Rossi As Successor To Mayor Rolph

SAN FRANCISCO, Dec. 20. — (AP) — Selection of Supervisor Angelo J. Rossi as the next mayor of San Francisco to succeed Governor-elect James Rolph, Jr., was assured today.

Ten of the 13 supervisors signed a resolution to be introduced Monday providing for the appointment of Rossi as mayor January 6, simultaneously with Rolph's inauguration as governor. Four more supervisors said they would sign.

Rossi, who has been acting mayor of the city during periods of Rolph's absence, is the governor-elect's choice as his successor.

Soviet Purchases In United States Show Big Increase

NEW YORK, Dec. 20. — (AP) — Soviet purchases in the United States in the year ending September 30 (revised) \$149,255,000, and increased 51.9 per cent over the preceding 12 months, according to a statistical analysis published today by the Amtorg trading corporation. This is the commercial representative of the soviet government in the United States.

More than four-fifths of the day's purchases consisted of industrial and agricultural machinery, and an article in the current issue of the economic review of the soviet union.

LEASE SCANDALS TALKED ABOUT

Senate Rejects Conference Bill Account of Postoffice Leases

WASHINGTON, Dec. 20. — The senate today rejected a conference report on the \$1,034,000 treasury postoffice appropriation bill after Senator Blaine, republican, Wisconsin, charged it would "perpetuate" a system of postoffice leases which constitutes an annual "raid on the treasury" of from \$10,000,000 to \$15,000,000.

Some senators also voted against the report because it did not carry the usual appropriations for salary increases to government employees. The bill was sent back to conference by a vote of 43 to 24.

Blaine, chairman of a senate committee which is investigating postoffice leases, objected to the report because it had eliminated a provision to require competitive bidding for leases on postoffice garages.

He charged the postoffice department with awarding leases to "favorites" without competitive bidding.

Blaine said the government was paying exorbitant rentals on 500 buildings and the annual rentals ranged from 15 to 60 per cent of the value of the properties, with an average of about 25 per cent.

He cited a statement by Postmaster General Brown that eight per cent of the value of a building is "reasonable rental" and 16 per cent excessive.

Blaine said his committee had found a lease for a postoffice garage in Indianapolis, valued at \$37,000, for which the government was paying a rental of \$20,100 yearly.

FARM BOARD GETS BORAH PANNING

Farmers Union President Blames Low Prices on Farm Board

WASHINGTON, Dec. 20. — (AP) — Senator Borah, republican, Idaho, demanded in the senate tonight an explanation why the farm board "ceased" wheat stabilization operations last spring when the price was around a dollar and did not start them again until the price reached a point "where the farmer could not live."

Speaking on the house bill to appropriate another \$150,000,000 for the board for immediate use, the Idahoan asserted the board stopped its attempt to peg the price last spring "the day after" Julius Barnes of the United States chamber of commerce reached Washington.

Smoot Offers Defense Senator Smoot, republican, of Utah, said the board "held the price last spring as long as it possibly could."

Borah added the only hope held out by Chairman Legge for the farmers was "to reduce acreage, yet he doesn't know how much they could reduce."

"We certainly can get that kind of advice cheaper than \$500,000,000," he said, referring to the total authorized for the board by congress.

Borah said the average price of wheat in Idaho in the last 10 days was 43 cents a bushel, and wanted to know why the board should seek to stabilize that price.

GAS WELL BURNS ON

WEWOKA, Okla., Dec. 20. — (AP) — The giant torch of "Wild Abe" being gasser at the city's edge continued to light up the countryside tonight.

FOR CHRISTMAS

A good used car would make a very appropriate Christmas gift for any member of the entire family. Why not buy one now when the prices are so low and the selection is good.

Just turn to the classified page of this paper and you will find a hundred or more cars offered by reliable dealers of Salem. If you buy from one of these dealers you are assured of value and service.

THREATS AND SNARLS MARK CONGRESS END

Adjourns for Christmas After Voting \$311,000,000 Relief

Cordial Mood Toward President Changes; Extra Session Feared

WASHINGTON, Dec. 21. — (AP) — (Sunday) — Clockhands had crept past midnight when congress quit early today for the holidays after voting \$311,000,000 in emergency relief as its Christmas gift to the nation.

It was a snarling, strife-torn senate that yielded to permit enactment of the emergency legislation, and anxious leaders looked ahead with misgivings to the prospect of finishing the regular business before March 4.

The senate began its session at 11 a. m., Saturday and made progress throughout the day and into the night. The last action was the passage of the \$150,000,000 farm board appropriation which was fought to completion while house members, their own work long since finished, watched the clock, told stories, and yawned.

Parties in Dissension The heralded republican-democratic cooperation movement to speed legislation and to avoid an extra session of congress in the spring was all but buried under the dissension which flared into both parties.

None of the regular appropriation bills carrying the funds to meet the government's expenses during the administration got through the senate for final enactment—and these must be disposed of before March 4 if the extra session is to be avoided.

Beginning with apparent cordiality toward the president, the mood of many senators changed quickly after he issued a statement that "the senate was playing politics at the expense of human misery."

The senate had passed a drought relief bill for \$60,000,000, instead of the lower figure wanted by the administration, and amendments to the \$116,000,000 for immediate use on public improvements had not been to Mr. Hoover's liking.

Hoover is Criticized In addition, bills carrying authorization for hundreds of millions beyond the program outlined had been introduced. Hardly a day passed after the lash fell that Mr. Hoover was not criticized and assailed on the senate floor, western progressives joining democrats in the attacks.

The substance of the accomplishments for the first three weeks of this session—and most of it was enacted today in the closing hours of the senate—included:

Passed \$116,000,000 appropriation (Turn to page 2, col. 1)

MISSOURI MOB STORMS JAIL SEEKING NEGRO

Sheriff Calls on Tank Company to Protect His Prisoner

Negro Confesses Slaying School Teacher Near Maryville

Coming to Coast Soon



Prof. Albert Einstein, noted German scientist, who is coming to California.

EINSTEIN PARTY STOP AT HAVANA

HAVANA, Dec. 20. — (AP) — Professor Albert Einstein, world famous physicist, and his party sailed this afternoon on the liner Belgenland for California, where the scientist will pursue his astronomical studies at the Mount Wilson observatory.

Professor Einstein, who arrived here yesterday, was the guest of honor at receptions tendered him by the scientific, engineering and astronomical societies of this city. He also was a guest of the Hebrew association of Havana, the directors of which paid their respects to him.

Leave Choice To Mrs. Hoover PHILADELPHIA, Dec. 20. — (AP) — Two portraits of President Hoover, painted by a noted artist engaged by the Union League of Philadelphia, will be shown to Mrs. Hoover Monday so that she may select the one she prefers.

One portrait will be presented to the president by the league and the other will be hung in the halls of the league's home here.

Oregon Briefs.

KLATHA IMPROVEMENT KILMATH FALLS, Ore., Dec. 20. — (AP) — Authorization for the Southern Pacific railroad to begin filling in 220 acres of land on the west side of Lake Ewauna was received here today.

Dredging of the Lake bottom to fill the land will be started at once, officials of the road said, and it will be completed immediately by a \$200,000 industrial project including spur tracks running out to the property.

HAS 55 GALLONS MEDFORD, Ore., Dec. 20. — (AP) — Prohibition agents here today failed to approve Charles Dryer's Christmas "spirits."

Dryer, an electric appliance salesman, was arrested as he came across the state line from California. The agents said they found 55 gallons of liquor in his car.

Dryer said the Christmas spirit he moved him to bring the liquor north and he intended to give a gallon to each of his customers.

G. A. R. IN LAST SESSION OREGON CITY, Ore., Dec. 20. — (AP) — Members of Meade post No. 2, Grand Army of the Republic, met here today for the last time. Retiring ranks moved the veterans to adopt a resolution to give up their charter and disbanded.

Only nine of the 17 members of the post were physically able to attend the last meeting. Philander Meade, 73, is the youngest of the 17 and George W. Wendever, 102, the oldest.

All property of the post was turned over to the Waldo Campfield post, Veterans of Foreign Wars—all except the post colors. These were carried home by David McArthur, color-bearer for the past 27 years.

TAKE BANNAN BACK PORTLAND, Ore., Dec. 20. — (AP) — James F. Bannan, 55, charged with first degree murder, left tonight for Watford City, N. D., in custody of two North Dakota peace officers.

Bannan was arrested at Waldport, Ore., week ago in connection with the death of six members of the Albert E. Haven family near Williston, N. D. His son, Charles, allegedly has confessed the murders.

Julius S. Taylor, state's attorney, and Sheriff Charles A. Jacobson, both of McKenzie county, N. D., did not question Bannan here but said they probably would do so en route home.