

FUEL SHORTAGE MAY END SOON MILL MEN SAY

Snow Which Blocks Logging Roads Melting; Sawing Resumption Looms

Substitutes Generally in Use Here With "Hog" Material Lacking

If the rains continue for several days longer, the serious shortage in hog fuel soon may come to an end, a local dealer predicted yesterday. Operators of the Willamette Valley Lumber company mill at Dallas have reported that a week of rain would melt the heavy fall of snow which has prevented them from obtaining logs from their timber holdings.

If the snow, which in the logging road cuts, has reached a depth of 18 feet, continues to melt, production of hog fuel can be resumed within 10 to 12 days, they said. The Silvertown sawmill, which also produces the ground fuel for Salem consumers, may open again within from two to four weeks, it was said. The mill closed down on February 4.

Substitutes in Use In Many Furnaces

In the meantime, industrial operators and home owners are having to seek other types of fuel. Oil, coal and wood already have been called into service whenever the change is made possible by furnace construction.

The Oregon Pulp and Paper company boilers, which ordinarily require 13 carloads of hog fuel each day, have for several months been fired partly with oil. The company's storage supply of hog fuel at West Salem has dwindled to 50 carloads, scarcely sufficient for four days' operations.

Power Generated With Oil as Fuel

The Portland General Electric company, another of the large users of hog fuel, changed to oil several days ago when its storage bins were depleted. Y. M. C. A. officials brought their coal stoker into use for nearly a week on the coal-fired boiler, after the sawdust supply ran out. Finding this too expensive, they are planning to resort to cord wood as soon as a temporary supply of hog is used up.

A number of downtown buildings, equipped for hog fuel heating, have been changed to wood or coal firing. Willamette university officials, threatened for a time with no fuel for the boiler, have arranged for a steady supply of sawdust from Eugene.

Predictions are that the price of cordwood, which farmers have been putting on the market at unusually low quotations, soon will go soaring.

MEMORIAL HOME'S OFFICERS ELECTED

SILVERTOWN, Feb. 12.—(Special)—H. H. Rogen of Monitor was elected president of the Silvertown Memorial Home association, at its annual meeting here today. Rev. A. J. Jensen of Silvertown was chosen vice president, Rev. R. Boegstad of Eugene treasurer and S. P. Ness of Portland secretary.

The board of directors elected included P. A. Bruland of Portland, C. L. Foss of Silvertown, M. Lendahl of Bend, Arnt Roe of Eugene.

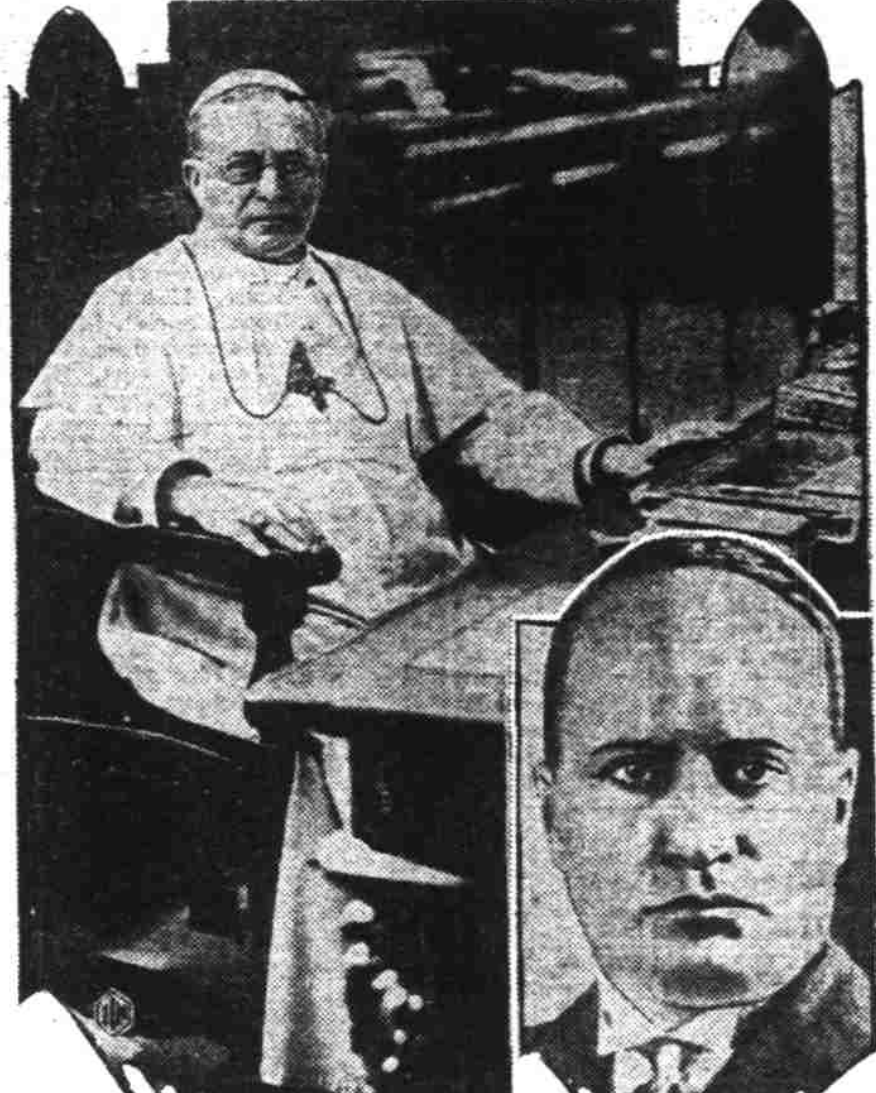
The board approved a program for acquiring more property for the home, which is situated at Eugene.

A financial report showed receipts of \$31,857.77 and expenditures of \$24,565.12 the past year, with net assets of \$60,542.99 at the close of the year.

Latky of Willamette is State Extempore Champ

CORVALLIS, Ore., Feb. 12.—(AP)—Ray Latky, Willamette university's entrant in the state extempore speaking contest, won first place in the annual meet held at Oregon State college tonight.

Meeting of Pope and Il Duce Pleasing to Catholic People



Though they had conducted many negotiations between church and state, Pope Pius XIII and Premier Benito Mussolini had never met personally until Thursday when the Italian dictator visited the Vatican. The event is considered by Catholic people as a hopeful sign for peace and mutual understanding between the church and the government, which were at odds several months ago due to activities of the Catholic Action societies in Italy.

METHODIST EVENT DRAWS BIG CROWD

District Convention Opens With 160 Present; to Continue Today

The opening banquet of the Salem district convention of Methodist youth, held at the First Methodist church last night, was attended by over 160 youths. President Hayes Beall reported. A majority of this number were registered delegates. He anticipated registration today of at least 200.

Rev. Cecil F. Ristow, pastor of the First Methodist church of Eugene, addressed the youths at the session following the banquet, on the subject, "How Can Youth Take Jesus Seriously?" Music was provided by the Willamette university string quartet and Miss Carolyn Parker, organist. Miss Mabel Warrell of Dallas, in place of Miss Dorothy Atwood of Corvallis, responded for the district to the Salem welcoming speaker, Miss Betty Parker.

The only change expected in today's program is that Dr. S. B. Laughlin, head of the Willamette university social science department, instead of Dean Roy R. Hewitt of the college of law, will conduct the discussion group on the topic, "Will War Restore Prosperity?"

The program for today will be (Turn to page 2, col. 2)

Chinese Use of American Flag Claim of Japan

SHANGHAI, Feb. 13.—(Saturday)—(AP)—Japanese military authorities declared today that a group of Chinese soldiers bearing an American flag crossed Woonung creek in a small boat Friday morning and attacked the Japanese positions.

The Chinese were repulsed, these authorities said, although the Japanese withheld their fire when they first saw the boat because they were confused at the display of the United States flag.

win for Willamette in that event. Last year the contest was taken by John Rudin. Two years ago Willamette was in the running with Chuck Campbell taking second place.

In addition to the honors won in the contest, Ray Latky carried away a \$25 cash prize. In a joking statement following the contest he let slip the remark, "I had that \$25 all spent, I had to win."

Ray is the son of Mr. and Mrs. F. J. Latky of Salem. He is now a senior at Willamette, having been outstanding in forensic work during his entire college career. He was also one of the two who won the Linfield Invitational tournament debate contest for Willamette, his partner being Ralph McCullough.

HUGE RUM RING EARMARKED AS CAPONE'S WORK

Scheme Is Revealed as 104 Indictments Returned By Federal Jury

Shiploads of Liquor Enter U. S. at New Orleans, Agents Disclose

NEW ORLEANS, Feb. 12.—(AP)—An international rum ring which federal prohibition agents say bore signs of Al Capone's guiding hand was revealed here today in 104 indictments made by a grand jury in United States district court.

The indictments, charging conspiracy to violate the tariff act and violation of the prohibition law, were based on evidence gathered by agents after months of work.

The agents—a small army of them—claim they have proof that Capone's Chicago gang organized a gigantic syndicate two years ago for the purpose of bringing Canadian liquor into the United States through the New Orleans area. It began operations after Canadian authorities banned the shipping of liquor across the international boundary line.

Liquor Goes First To Honduras Ports

Thousands of gallons of liquor, the agents said, have been smuggled through the gulf coast marshes in the last two years. Under the plan, they said, Canadian distilleries shipped the liquor to Belize, British Honduras. There it was picked up by "mother ships" of the syndicate and reshipped to the gulf coast. Small craft would bring the liquor either into Mississippi streams or into Louisiana bayous. Then the cargoes were distributed by trucks or box cars.

Directors of the syndicate's operations made headquarters in New Orleans and worked two gangs of boatmen, loaders, truckers and runners, one in Louisiana and one in Mississippi. The syndicate owned its own boats and contacted the ships through outboard radio stations, one of which was seized on the outskirts of New Orleans last spring.

The agents said liquor shipped in box cars was seized by authorities in Mississippi, Illinois and Indiana.

PORTLAND, Feb. 12.—(AP)—The Oregonian says today that J. C. Ainsworth, chairman of the commission, and William Hanley, commissioner, had resigned because of the disharmony created within the commission by Charles K. Spaulding, third member of the commission.

The Oregonian declares it is "practically certain" that Spaulding will be removed from the commission. Ainsworth and Hanley resign Governor Meier will remove Spaulding from the commission on the other hand, the report said, should Ainsworth and Hanley remain on the commission Spaulding nevertheless would be removed.

Governor Meier declined to comment.

Animal Farm Offers Poor Tusko Home

PORTLAND, Feb. 12.—(AP)—Tusko has been offered a home. Mrs. F. W. Swanton, general manager of the Oregon Humane society, today received the following telegram from the Los Angeles animal farm:

"At suggestion of S. J. Lee, humane officer here, we are wiring you about Tusko elephant. Have facilities to take care of him here. His former trainer now in our employ can take charge of him in Portland. Advise details at our expense. This company now owns Luna park too."

Mrs. Swanton, in an answering telegram, declared Tusko's ownership at present is in doubt but that after a meeting next Tuesday, when the matter is expected to be cleared up, she will again communicate with the animal farm.

Thirsty Ones Rally 'Round Liquor Cache

A. F. Marriott, state prohibition agent, was back here yesterday after an interesting week spent at Whale Cove, 12 miles north of Newport, where he was called last Monday night to help dig up the liquor buried in the sands there when the Sea Island caught fire and grounded after the liquor was taken off. H. H. Hogan of Salem was with Marriott.

Six federal men were on the job there until the end of the week, and had some exciting times holding off the flock of men who came and went in efforts to get some of the buried cargo right out from under the nose of the officers.

Marriott tells of a quartet wading out into the ocean chest-high in an effort to make a successful getaway with a case of liquor apiece.

A had storm raged at the coast the early part of the week, and at no time was the weather really pleasant.

The officers dug up 400 cases of assorted liquors and 900 gallons of alcohol. Part of the stuff was destroyed, and part held as evidence.

TUITION LAW SUIT COMMITTEE NAMED

Group Will go Ahead With Test of Transportation and District Levies

Personnel of the committee which will launch a friendly suit in the court here to test validity of the high school tuition and bus transportation laws was announced yesterday by Fred Schwab of Mt. Angel, who was authorized to do so at a mass meeting held February 1 at Mt. Angel.

M. C. Weinacht of McKee district, father of the move, was named chairman. The other four members are: Earl Gibbons of Belle Pass; George Miller of Woodburn; W. A. Homann of Monitor and Joseph Keber of Mt. Angel.

Expect to File Suit Within Week

Mr. Schwab said the committee had held a short meeting, but legal counsel had not been employed. It is probable the injunction suit will be filed in another week or 10 days, he intimated.

At the meeting at Mt. Angel, a vote of 49 to 14 was cast in favor of going ahead with the friendly test suit. Districts represented there included Grassy Pond, Belle Pass, McKee, Central Howell, Valley View, Harmony, North Howell, Hazel Dell, and Mt. Angel. Central and North Howell and Hazel Dell, in prior meetings within their own districts, voted not to join the injunction movement.

Claim Tuition Law Is Discriminatory

The main contention on the tuition law is that it is unjust in that it levies higher tax on the non-high school district than on the high school district. Mt. Angel, for instance, this year pays more than \$5,000 into the (Turn to page 2, col. 2)

Expansion Bill Gets Approval Of Committees

WASHINGTON, Feb. 12.—(AP)—Backed by an administration promise that it would start business on the long awaited upward trend, the emergency credit expansion bill today received the approval of senate and house banking committees.

Arrangements were made to bring it up for debate in both branches early next week, with swift passage in prospect. It has the support of leaders of both parties. The house will take up the bill on Monday and the senate will begin consideration on the floor Tuesday.

Soldiers' Home Is Transferred To Government

All deeds and other papers in connection with the transfer of the old soldiers home at Roseburg to the federal government, have been completed by the state board of control and have been sent to Roseburg.

BOMBS BREAK UP COUNTER-ATTACK JAPANESE CLAIM

Chapei Blasted by Heaviest Bombardment of Fortnight Of Fighting; Report of Peace Negotiations is Also Smashed; American, French and British Ministers On Hand, but Only Viewing Situation now

Question of "Losing Face" Principal Obstacle to Move For Halting war, Says Johnson; Will Confer With Japanese Minister Soon; Airmen Pick off Groups of Chinese Forming for Advance

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SHANGHAI, Feb. 13.—(Saturday)—(AP)—The Chapei section of Shanghai was blasted and torn today by howitzer shells and air bombs, and at the conclusion of the bombardment the Japanese command announced they had succeeded in breaking up a threatening Chinese counter-attack before it got started.

Reports that promising peace negotiations were in progress were blasted as effectively as the Chinese positions in Chapei. Nelson T. Johnson, United States minister to China, whose arrival here with the French and British ministers gave rise to optimistic rumors that a Pacific settlement was in the making, said so far as he knew there were no concrete peace proposals anywhere on the horizon.

Heavy Shell Fire Shakes Entire City

The bombardment of Chapei, started by Japanese howitzers in the fog and mist at 8:05 a. m. and followed up by six big air bombers succeeded in scattering menacing Chinese troop concentrations, the Japanese naval command said.

For a brief period all Shanghai, even to the business district, shook to the heaviest cannoning since the fighting started more than two weeks ago. Then, as the fog cleared away, the Japanese bombers could be seen over Chapei where for an hour or so, they searched out their objectives and, as they picked them up, dropped their loads of destruction and death.

The guns and the airplanes awakened Mr. Johnson and his diplomatic colleagues. — British Minister Sir Miles Lampson and French Minister Widen. Each grabbed a telephone and called to his consulate to find out what it was all about.

Seeking Solution to "Save Face" of Parties

Mr. Johnson announced that he and the British and French envoys were in Shanghai to learn exact conditions here. The greatest difficulty, he said, would be encountered in endeavoring to arrive at a proposal satisfactory to both sides.

"It is a question of face," he explained. "Neither side wants to lose face. Face is everything in the far east. If any individual or group were capable of formulating some scheme by which face would be saved all around then perhaps eventually a way might be opened for talk designed to bring about a cessation of hostilities."

The American minister expected to see Mamoru Shigemitsu, Japanese minister to China, today or tomorrow. Although not making any positive assertions, he apparently did not believe the Shanghai international settlement to be in any immediate danger.

Argument Upon Federal Relief Bill is Closed

WASHINGTON, Feb. 12.—(AP)—Hiram Johnson's eloquence today was added to the demand in the senate for direct federal relief to the unemployed. The California republican called attention to President Hoover's own appeal 12 years ago for relief for European children.

"For the love of God," he shouted, "let us be for 'em in this administration. American-minded and look after Americans."

His appeal concluded two weeks of debate on the LaFollette-Costigan bill.

Charges Against Miss Burroughs And Cannon Void

WASHINGTON, Feb. 12.—(AP)—Indictments charging Bishop James Cannon, Jr., and his former secretary, Miss Ada Burroughs, with conspiracy to violate the corrupt practices law, were ruled invalid today in the District of Columbia supreme court and the government immediately began preparing an appeal.

Justice James Proctor handed down a decision holding the indictments were void because they did not say Miss Burroughs had knowledge of certain sums of money given the Southern Methodist church for his campaign against Alfred E. Smith in 1924.

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