

WORDY BATTLE IS WAGED OVER C GRADE MILK

Ordinance Discriminatory In Favor of Co-op is Distributor Claim

Proponents of Regulation Base Arguments Upon Health Safeguard

Barring of sale of C grade pasteurized milk to Salem consumers, as proposed in an amendment to the city milk ordinance, was hotly denounced by distributors as discrimination in favor of the Dairy Cooperative association, at the public hearing on the measure held at the city hall last night.

Dr. O. A. Olson presided as chairman of the council committee on the matter and was assisted by Alderman Chris Kowitz and W. B. Evans. The purpose of the ordinance, they explained, is not to prohibit the distributors' handling the C milk in their plants, but to make illegal the sale of this grade to consumers, as recently begun here.

Individual producers and representatives of the cooperative maintained that under the present ordinance they had been obliged to expend funds in bringing their plants up to the prescribed health standards. Sale of the inferior grade of milk, they averred, would nullify the consumer-safety factor and devalue improvements to their plants.

At times the hearing developed into a wordy conflict between the two factions. Distributors averred that were the privilege of selling C grade milk taken away, they would be at the mercy of the cooperative, from which they would have to purchase B grade milk.

Speaking for the present ordinance and the proposed amendment, Dr. Vernon A. Douglas, county health officer, and J. E. Blinkhorn, dairy and food inspector, said they were in favor of prohibiting sale of C grade milk because they were interested in the quality and the consumption of milk by the citizens. Whereas the health officials held that the amendment would result in greater consumption of milk, distributors held that it would decrease consumption.

The major point of a leading speaker for the distributors was grounded on the assertion that sale of the C grade milk, making possible a price under the prevailing 10 cents a quart for the higher grade product, would enable many families to purchase more milk.

W. W. Henry, manager of the (Turn to page 2, col. 3)

FUNERAL IS HELD FOR POLK NATIVE

MONMOUTH, Feb. 24—Funeral services were held this afternoon at 2 o'clock at the Keeney Funeral chapel, Independence, for Mrs. Rhoda Baker, 68, who died Monday at the home of her sister, Mrs. Enoch Chamberlain of Silver, near Monmouth. Mrs. Baker, who was Rhoda Christian, was born Nov. 25, 1863, in Polk county, the daughter of Mr. and Mrs. Harry Christian, early pioneers of this section.

She was married in 1888 to William Baker of Portland, and made her home there until the death of Mr. Baker in 1930. She is survived by a foster daughter, Mrs. Eva West, Los Angeles, two nieces, Mrs. Lillie Gustin, Portland, and Mrs. Henry Oberon, Independence, and two sisters, Mrs. Chamberlain and Mrs. C. C. Baker, Portland.

Dr. H. Charles Dunsmore officiated. Burial was in the I. O. O. F. cemetery at Independence.

Many Housewives Attend As Cooking School Opens

Between four and five hundred people attended the opening session of the Safeway cooking school at the Armory yesterday afternoon. The way the ladies lingered after the two-hour session showed their great interest in the art and science of cookery. The economists in charge, Misses Amelia Sansom and Helen Elizabeth Brown by their pleasant manner and engaging conversational style of lecturing, won the favor of the audience.

Disregard all rules and regulations and put rice in cold water and boil for 15 minutes to make each grain stand out by itself. That children adore eating together if it is colored and served in cubes of different hues. That there is a brand new type of coffee pot. That bread pudding may be made so that it isn't dry if housewives follow the bread pudding recipe of Julia Lee Wright's mother as demonstrated at the cooking school. That magic lemon cream pie with meringue is just the thing to serve on special occasions. That the graham cracker roll is suitable when the simple dessert is desired.

Horrors of War Are Described by Lewis Sisters, W. U. Grads

Japan "Shockingly Aggressive" Letters Aver; Fire and Sniping Worst Features; World Flareup Feared

PORTLAND, Ore., Feb. 24—(AP)—Letters describing conditions in Shanghai were received here today from Margaret and Betty Lewis, daughters of Mr. and Mrs. John H. Lewis, of Portland.

Both girls are teachers in the Mary Farnham Presbyterian college of Shanghai. They are graduates of Willamette university, Margaret in 1928 and Betty in 1931.

Although the letters indicated the girls had seen nothing of the actual warfare, they told of seeing the Commercial press burn and watching "thousands of people pouring into the settlement." They also told of seeing Japanese planes flying over the city.

"We're all fine and the American consul keeping us posted so don't worry about us—but don't hesitate to believe that Japan has been shockingly aggressive," wrote Margaret on January 31. "I don't know what the American press says about the situation but I've seen enough in this city to make me feel that everyone must lend support to any agency that is trying to avert a world disaster."

"The worst features so far have been the awful fire and (Turn to page 2, col. 5)

GRAND JURY PROBE OF MOTT IS ASKED

Prudential Operation Held Illegal by Attorney For Stockholders

Grand jury investigation of the acts of James W. Mott, state corporation commissioner, and J. R. Callahan, assistant to Mott, in taking over and operating the Prudential group of savings and loan associations, was requested Wednesday by Tison Kinzell, Portland attorney.

Kinzell, who represented G. A. Southwick, trustee of the shareholders committee of the savings and loan group, spent more than an hour conferring with District Attorney Carson.

Kinzell charged that Callahan participated in the alleged diversion of savings funds to the extent of \$30,000, and Mott, having knowledge of this participation, had refused to act. He also told the district attorney that Mott had used his office to throttle any public statements in connection with the transaction.

Kinzell informed Carson that the associations were solvent when taken over by the state corporation commissioner. Carson said he had taken the matter under consideration.

DARROW ASKED TO DEFEND FORTESCUE

HONOLULU, Feb. 24—(AP)—Negotiations have been entered into with Clarence Darrow, noted criminal lawyer, to defend Mrs. Grinnell Fortescue and three others against second degree murder charges March 10. It was learned today by the Associated Press.

The defendants are accused of shooting to death Joseph Kahahawai, one of five men who had been charged with assaulting Mrs. Fortescue's daughter, Mrs. M. M. Fortescue, on the night of Feb. 10. The U. S. navy, Massie and two enlisted men of the navy, E. J. Lord and Albert O. Jones, are the other charges with Mrs. Fortescue.

Darrow was in conference with Dudley Field Malone in New York yesterday, it was learned, and was reported favorable to coming to Honolulu to take charge of the defense.

Platform Plans To be Discussed

F. N. Derby, chairman of the republican precinct committee, will confer here Friday with William Elzins, another member of the group, when Zorn is in Salem for a meeting of the Marion County Tax Equalization and Reduction league. Derby said yesterday that he had not yet called any of the group together for a meeting. The idea of forming a republican platform before the primaries was agreed upon at a republican conference here Saturday afternoon.

Members of the state board of control Wednesday signed deeds which will transfer the old soldiers home property at Roseburg to the federal government. The property will be used in connection with the new million dollar federal soldiers home to be erected in Roseburg during the current year.

Transfer of this property to the federal government will save the state approximately \$86,000 biennially.

OREGON DENTAL SESSIONS HERE TO OPEN TODAY

President Epley to Greet Expected 300 Guests At Elks' Temple

Outstanding Speakers are Scheduled; Banquet Slated Tonight

Opening sessions of the 39th annual convention of the Oregon State Dental Society will be held at the Elks Temple here this morning at 9 o'clock, with Dr. H. C. Epley of Salem, president, in the chair and extending welcome to the 300 visitors expected.

The convention will extend through three days, with two outstanding guest clinicians handling highlights of the lecture program. Only one session, Friday night, will be open to the public. At 7 o'clock the hobby exhibit of various phases of dentistry including old dental and surgical instruments will be open to the public, and following this motion pictures on child life shown by Dr. D. B. Hill.

One of the main lecturers will be Dr. Guy S. Millberry, San Francisco, dean of the University of California college of dentistry and member of the board of directors of the Child Health association and follow-up committee of section one on the White House conference on child health and protection. He has been co-editor of Hodges' Practical Dental Metallurgy. Subjects he will discuss will be outstanding achievements in dentistry in the past 10 years, and forecast for the next 10 years.

The other central speaker will be Dr. James W. Troper, member of the Washington State Dental Examiners, a well-known specialist of Seattle. He has studied under Doctors Tench of New York, Campbell of Kansas City and F. E. Roach, of Salem, and is purely technical. Full and Partial Denture Construction" and (Turn to page 2, col. 1)

LIMIT PLACED ON TRAVEL EXPENSES

State Employees Must Exist On \$4.50 for Board And Room, Ruled

State employees traveling on official business hereafter will have to be satisfied with a 50 cent breakfast, 65 cent lunch, 85 cent dinner and hotel room costing not more than \$2.50 per night.

This was decided by the state board of control Wednesday, when a resolution offered by Rufus C. Holman, state treasurer, fixing the maximum schedule for meals and hotel rooms at \$4.50 per day was adopted by a two to one vote. Governor Meier joined with Holman in support of the resolution, while Hal E. Hoss, secretary of state, voted in the negative.

Holman declared that vouchers filed with the secretary of state indicate that the state employees had charged as much as \$3 for a meal and \$4 for a room.

"Such a charge is excessive and out of reason under existing conditions," Holman said.

Hoss believes it may increase cost. Hoss protested the resolution on the ground that the board of control has no jurisdiction over state departments outside of institutions, and that the maximum expense limitation would have a tendency to increase rather than reduce the living costs.

Coordination in the conduct of the several state institutions was stressed by Holman as a means of bringing about substantial savings.

The accident was indirectly responsible for another mishap, E. W. Manning, father of Ward Manning, summoned from his chores at the barn on account of the accident, dropped down from the hay loft, landing on the upturned tip of a pitchfork. He ran the times through his left foot, but was able to be around today.

Ted Stevens is a brother of Mrs. Ward Manning.

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Assassinated as Traitor, Report



MAH CHAN-SHAN* SHANGHAI, Feb. 25—(Thursday)—Chinese dispatches from Harbin, Manchuria, reported today that General Mah Chan-shan, Chinese hero of the battle of Nonni River bridge last fall, had been assassinated in Harbin. From a national hero, General Mah fell low in Chinese public opinion recently when he called on General Jui Tzong, Japanese commander at Mukden, whose forces General Mah's army opposed at Nonni river, and said he regretted having caused General Tzong "inconvenience."

SAYS NAVAL PACTS IMPERILED BY WAR

Nation "Free to Pursue its Own Course" is Comment On Stimson's Note

WASHINGTON, Feb. 24—(AP)—Secretary Stimson issued a forceful reminder today that world naval ratios are dependent upon treaties affecting the Orient and asserted these pacts are threatened by the Sino-Japanese conflict.

In a vigorous reaffirmation of American policy on the far eastern crisis, contained in a letter to Chairman Borah of the senate foreign relations committee, he said the United States stands firmly by these treaties and that present troubles could have been avoided by their strict observance.

Borah declined to comment on the Stimson pronouncement. Senator Johnson, California, ranking republican on the foreign relations committee, endorsed the secretary's statement and said "the implication that we are free now to pursue our own course is fully justified and I trust will become a reality."

COMMITTEE VIEWS LAW SCHOOL HERE

A special committee named by the Willamette university board of trustees to investigate the status of the law school here, met in Salem on Wednesday for an all-day session. Judge Charles H. Carey of Portland, chairman of the committee, headed the group in its investigation of the school.

The library, classrooms, working equipment were all investigated as well as the school's record. The committee is expected to report at an early date. The trustees, meeting last week in Portland, decided to hold an adjourned gathering when the committee's report was made. Judge Carey did not indicate yesterday when his group would be ready to report.

Other members of the committee included A. R. Watzek and Roy Shields of Portland and Justice John Rand and Walter E. Keyes of Salem. E. B. McNaughton, another member from Portland, was unable to be present Wednesday.

Railroad Takes Back Employees As Work Gains

PORTLAND, Ore., Feb. 24—(AP)—W. F. Turner, president of the Spokane, Portland & Seattle railroad, announced today that about 70 men were being returned to work on the company's lines.

Fifty-six men already are back at work and 13 more will be employed about April 1 when freight service is inaugurated over the Santiam extension. The present increase in work has resulted from the railroad's nightly operation of three trains of 20 cars from near Fisher, Wash., to the mouth of the Columbia river. The rock is to be used in repairing the south jetties.

DIVORCE MADE LEGAL MADRID, Feb. 24—(AP)—Spain's first divorce law, a product of the revolution that set up its new republic, was approved in its final details by the national assembly tonight.

CHINA'S LEADER SAYS JAPANESE CAN NEVER WIN

General Tsal Entertains at Tea; Reporters Shown Defense Trenches

They're Deep and Equipped Strongly; Offensive not Chinese Plan

By MORRIS J. HARRIS (Copyright, 1932, The Associated Press)

SHANGHAI, Feb. 24—Sixty thousand additional men are being sent here from Japan to reinforce the 25,000 already here, General Tsal Ting-kai, commander of the 19th Chinese route army defending Shanghai, today told 40 newspaper correspondents who made a hazardous motor trip to his headquarters at Chanju.

The general had invited the reporters to tea—although it developed he didn't have any tea—when he learned that the Japanese command had cancelled all passes allowing foreign correspondents to go into the Japanese lines.

The general had invited the reporters to tea—although it developed he didn't have any tea—when he learned that the Japanese command had cancelled all passes allowing foreign correspondents to go into the Japanese lines.

Those were surprisingly strong. The trenches were deep and well equipped with dugouts with earthen roofs, which afforded excellent protection from bombs and artillery fire.

"Tell the world this truth! My army could force the Japanese out of Chinese territory quickly, but we are not taking the offensive because we want peace and we want to preserve the neutrality of the international settlement," said General Tsal.

"The Japanese may win after a long fight, but we will be winners in principle. We will resist to the last bullet and to the last minute."

CURRY BANK WILL REOPEN SATURDAY

Formal approval has been given by A. Schramm, state superintendent of banks, for resumption of business of the Curry County bank at Gold Beach. The bank will reopen Saturday.

The affairs of this bank were placed in the hands of the state banking department at the close of business January 20. In the plan of reorganization the old stockholders surrendered their stock and this has been taken up by new stockholders who have paid in cash \$120 per share.

This gives the bank a new capital of \$25,000, surplus of \$5000 and places the institution in excellent financial condition, Schramm said. The depositors receive the full amount of their deposit. The stock was all subscribed locally.

Directors of the bank include C. H. Bailey, C. H. Buffington and C. H. Young, Gold Beach; Louis L. Knapp and Frank H. Seal, Port Orford; W. J. Work, Brookings, and F. B. Postel, Wedderburn.

TO GUARANTEE PRICE

LONDON, Feb. 24—(AP)—The government today revealed a project to guarantee wheat growers in the British Isles a standard price of 10 shillings per hundredweight as a part of its general 10 per cent tariff policy.

MINNEAPOLIS, Minn., Feb. 24—(AP)—W. B. Foshy, enterpriser, was pictured as having been carefully managed and financed in testimony today by H. H. Henley, on trial with Foshy on mail fraud charges growing out of the 1929 collapse of the companies.

Earlier in the day Fred Meindl, former chief examiner for the Oregon corporation commission, joint-former Commissioner, Mark McCallister in denying that "inducements" were made by representatives of W. B. Foshy enterprises to qualify securities for sale in Oregon.

CHINESE ATTACK BEATEN BACK IN FIERCE FIGHTING

Japanese Concentrate all Available men on Kiangwan Front in Response to Rumors of Great Offensive Planned by Home Troops in Advance of Arrival of Reinforcements Ordered at Tokyo

Foreign Vessels Warned to Keep Away From Japan Base Of Attack, Indicating Plans to Shell and Prevent Landing of Reinforcements Under Protection of the Neutral Zone; Rumors Flying Again

SHANGHAI, Feb. 25—(AP)—Japanese forces crushed the Chinese offensive late this afternoon northwest of Kiangwan and were sweeping forward in an encircling movement toward Tachang in the fiercest battle of nearly a week of fighting.

They had claimed they had broken the Chinese first line defenses completely and that the Chinese troops were forced into a disorderly retreat marked by confusion and panic. The village of Kiangwan was still held by the Chinese but it was virtually surrounded. The Japanese artillery moved forward to two new positions during the afternoon and the infantry had long since left the locations it occupied in the morning.

(Copyright, 1932, by The Associated Press) SHANGHAI, Feb. 25—(Thursday)—Japan hurled all her S forces in Shanghai against the Chinese defenses of Kiangwan today in a conflict that rose to new heights of fury.

Threat of a Chinese offensive to smash Japanese lines and block the landing of more troops drove the Nipponese forces against the Chinese strongholds in the heaviest fighting yet of the five-day drive on the Kiangwan front.

The village of Miaochungchen was in flames with infantry and machine gunners of both sides locked in combat roundabout.

The Japanese said that they had broken the Chinese lines at Miaochungchen, that the Chinese were retreating from that area and that the Japanese had achieved an appreciable advance slightly north of Kiangwan.

The Japanese said they had pursued farther toward Tazang, a sizable town five miles due west of Kiangwan. There was no confirmation of this advance. Tazang already was virtually destroyed by Jap a few days ago, although strong Chinese entrenchments were still there.

None was allowed to enter the Japanese zone without the closest inspection by sentries stationed outside the trench. Officers said they were unable to get into the area because of the continued firing of Chinese snipers whom they had been unable to eradicate.

Reports of additional Japanese forces having arrived continued to circulate feverishly, but none had appeared this morning. The Japanese docks in the international settlement were cleared, some interpreting this as evidence that the reinforcements soon would arrive.

With gasoline selling at Portland for as low as 13 cents a gallon, in contrast with the 18 1/2 cent price in Salem, a change but not another gas war is expected here soon. In at least one string of distributor-owned stations, pumps have been installed for a new brand of gasoline which will sell at a lower price. Other companies are believed planning to follow suit.

Sale of the supposedly lower grade gas at reduced price has been taken up by major distributors at Portland as a means of competing with "bootleg" dealers. This practice has been common in California for a number of years, it is reported.

Lower Gasoline Price Likely in This City Soon

WOODBURN, Feb. 24—It has been announced that a special meeting of persons interested in the improvement of the Pacific highway from Salem to Portland will be held here in the St. Luke's community hall Thursday night, starting at 7:30 p.m.

The meeting is for the Portland-Salem division of the Oregon Pacific Highway association. Everyone who is interested in the widening and improvement of the highway between Oregon's two principal cities is invited to attend the meeting.

Reports from other towns along the route signify that a large crowd will be present. Dr. Gerald B. Smith of Woodburn will be chairman. There is to be no formal speaker, general discussions being the order of the meet.

MILLER WILL RUN BEND, Ore., Feb. 24—(AP)—H. A. Miller, Bend lumber dealer, announced today he will seek the republican nomination for state representative from Deschutes county.

ROBERT SHORT IS HERO TO CHINESE

Claim he Shot Down Japan Plane; no Protest by Japanese Planned

SHANGHAI, Feb. 25—(AP)—(Thursday)—Japanese authorities denied today that they were considering a protest against Americans participating in the struggle with Chinese, as a result of Robert Short, an American aviator, having been killed in an air battle at Soochow.

Reports had circulated here that the Japanese planned to ask Edwin S. Cunningham, United States consul general, to prevent Americans from participating in the fighting in any way, the protest to be based on the ground that Short was serving in the Chinese army at the time he was shot down. Inquiries at the Japanese consulate brought the denial.

"Meanwhile, the Chinese made the American aviator into a national hero. The vernacular press lauded him as 'a great friend of China, seeking to assist her against Japanese aggression,'" and T. V. Soong, former finance minister of the nationalist government, said he was requesting Short's mother to allow the body of her son to be buried in China.

The Kuomintang (Chinese) news agency said that the day before Short's plane was brought down in flames by the Japanese he accounted for a Japanese ship. Short scored this victory, the agency reported, in an engagement near Woosung during which his own plane was riddled with bullets.

Pacific Highway Widening Topic At Meet Tonight

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