

Worthy Causes

When a Bible project of general benefit is being promoted in the Willamette valley, The Statesman will always be found helping.

The Weather

Fair today, partly cloudy Wed., morning fog; slightly warmer; Max. Temp. Monday 56, Min. 33, river 3.0 feet, rain .15 inch, south wind.

Start Work This Week, Mt. Angel Flax Plant

Britain Warns Hitler But Agrees to Study His Peace Plan

Nation's Duty To Aid France Cited by Eden

Present Situation Isn't Threat; No Mention of Punishment

Germany and France are Both Disappointed at Trend of Events

LONDON, March 9.—(AP)—Great Britain linked a plain warning to Adolf Hitler not to make war today with an agreement to examine his security proposals following the scrapping of the Locarno treaty.

Foreign Secretary Anthony Eden, in a pronouncement to the house of commons just before entering for Paris, said Great Britain is honor-bound to march to the assistance of France and Belgium if Germany should attack them.

There is no reason to suppose the German action threatened war, he said, however, and he pledged that Great Britain would make the best of an admittedly serious situation by trying to rebuild Europe's shaken peace structure.

Failure to mention sanctions significant

Eden's failure to mention sanctions or any other possible punishment of Germany was considered significant in diplomatic quarters. They interpreted his speech as definitely conciliatory and as indicating that Britain is not prepared to take any strong measures against Germany on the basis of the present situation.

Prime Minister Stanley Baldwin, following Eden in the packed house, said peace in Europe is impossible so long as Franco-German suspicion continues. He pledged that Britain would bend her energies toward greater cooperation in the hope of achieving a tri-partite friendship.

BERLIN, March 9.—(AP)—Germany, expressing disappointment at France's curtailment of her offer of a peace pact, looked today to a meeting of the council of the league of nations Friday.

Adolf Hitler's offer to sign peace treaties with his neighbors, a foreign office spokesman said, stands or falls on the manner in which the council will handle the Franco-Belgian charge of a violation of the treaty. Whether Germany will rejoin the league also may depend upon the outcome in Geneva.

The spokesman said Germany must receive a formal invitation if she is to attend the council session.

(The league invitation, sent by Secretary-General Joseph Avenol. (Turn to page 10, col. 6)

Oregon Security Program Is Eyed

WASHINGTON, March 9.—(AP)—The federal social security board began today a study of Oregon's newly-devised social security program.

Elmer R. Goudy, administrator of the state's relief commission, submitted a study of the program calling for old age assistance, aid to blind, to crippled and dependent children.

He declined to discuss whether a method of financing had been devised to assure state participation up to the full extent of benefits available under the federal social security act.

The board withholds all information about state programs submitted to it until after it has taken final action.

A spokesman for the board said a study of the Oregon program would be completed in several days.

Taxpayer League To Decide Policy

The Salem Taxpayers league will meet either today or Wednesday to determine its next step in efforts to demonstrate that the North Santiam water supply plans of the city council are inadvisable, league members indicated yesterday. The council's water construction committee may be invited to attend the meeting or to confer with league members at another session in the near future.

The league has sought to have the council attempt to develop a well water supply on the assumption that money could be saved thereby.

Permits Pass Million Mark for First Time Since 1929 in Salem

Pre-Depression Year's Total Not Far Above That for Little Over Two Months of 1936; Grade School Latest; 21st New Home Noted

THE \$125,621.75 cost of the new Salem grade school became a part of the city building department records yesterday with the issuance of a permit for the project and thereby sent the city's 1936 construction total over the million mark.

Not since 1929 has the million dollar point in building operations been reached. The entire 12 months in that year pushed permit figures to \$1,259,175.15.

The 1936 building total with yesterday's permits included is \$1,034,100.75. Had a permit been taken out by the state for the state hospital unit now under construction, the total would have been \$1,390,035.75.

In the smaller but important employment-giving field, residential construction received a fresh boost yesterday when the 21st permit of the year for erection of operations was reached.

Just Too Bad; Motorist Hits Trindle's Car

District Attorney William H. Trindle is "plenty mad," city police reported last night, and that is "too bad" for a certain motorist.

That motorist is V. J. Barnett, about 55, of Salem Heights, who allegedly smashed a fender on the district attorney's automobile while it was parked in front of Trindle's home, 1965 South Commercial street, and kept on traveling. As a result he landed in the city jail on charges of driving while drunk and hit-and-run d.i.v.i.g.

Barnett's arrest was brought about by Joseph Reiton, assistant in Trindle's office, who reported the crash to police and then followed Barnett until officers caught up with the erring motorist. Felton lived at the Trindle residence.

Fighting Resumed After Brief Halt

Stopped to Await Action on Peace, Explained; All Fronts Busy

ASMARA, Eritrea, March 9.—(AP)—Italians resumed offensive operations on all Ethiopian fronts today after a one-day suspension.

Italian officers had announced the halting of offensive movements at 8 a.m. yesterday to await developments on the League of Nations' recommendation for peace talks, accepted "in principle" by Italy and without reservation by Ethiopia.

Logger Is Killed

ASTORIA, Ore., March 9.—(AP)—Louis Johnson, 55, a logger employed at the Markham and Callow camp near Seaside, died today shortly after he was crushed by a falling tree.

Excavation Bids Called March 23

The city council will hold a special meeting the night of Monday, March 23, to open bids for the excavation for the proposed 10,000,000 gallon reservoir at Rural and John streets, Mayor V. E. Kuhn announced yesterday. Bids for the excavation job were advertised for yesterday. They will close at the city recorder's office at 2:30 p. m. March 23.

Student Strike Epidemic Hits Oregon at St. Helens

ST. HELENS, Ore., March 9.—(AP)—Glen W. Metaker, Jr., student body president of the St. Helens high school, said tonight nearly 400 students will be absent from their classes tomorrow as a protest against the school board's failure to re-hire Supt. Jay R. Austin.

The students paraded through town to a special board meeting at which directors said they would consider the question with a citizen's committee. The decision failed to satisfy the students, who demanded the board cite reasons for failing to retain Austin.

Austin has been superintendent for three years.

Talks to students by board members today failed to alter their determination to "strike." Parents of pupils attended tonight's meeting.

ALAMEDA, Calif., March 9.—(AP)—Alameda's strike of 1400 high school students, which threatened

Charges Faced By Eight Over Seaside Clash

All's Quiet as Probe is Arranged by Governor and Clatsop D. A.

Sabotage at Paper Firm Camp; Strike on at Cathlamet, Word

ASTORIA, Ore., March 9.—(AP)—State police kept a tight grip on Clatsop county communities tonight as investigations of Saturday's outbreak at the Crown-Willamette camp near Seaside got underway.

Formal charges were placed today against eight persons alleged to have figured in the armed clash which cost the lives of two men. Eighteen others were held in the county and city jails.

District Attorney Willis West said the grand jury probe probably would not start until an investigating committee named by Gov. Charles Martin, began its work.

Probes by the state police, county officials and the sheriff's office continued.

Checkup on City Licenses Slated

Only 38 Per Cent Paid Up Says Mundt; Official Complaints Loom

The license collector, in the form of a city bluecoat armed with a warrant, is liable to visit more than 400 Salem businesses of varying types soon of the necessary annual licenses are not obtained promptly, Alfred Mundt, acting city treasurer, warned yesterday. Only 38 per cent of the food, recreation and rooming establishments subject to city license have paid the 1936 fee, Mundt estimated.

"We are going to check up in about two weeks and turn over to the city attorney the names of establishments that have not obtained 1936 licenses," Mundt said. "The attorney will prepare complaints and turn them over to police for action."

Townsend Board Increased; Five

KANSAS CITY, March 4.—(AP)—The board of directors of the Townsend pension plan organization was increased from three to five at a meeting here tonight.

Dr. Francis E. Townsend, originator of the \$200 a month old-age pension plan bearing his name, announced the new directors are Gilmour Young of San Francisco, formerly with an advertising agency there, and the Rev. A. J. Wright, pastor of Wickliffe Presbyterian church in Cleveland, O.

The other directors are Dr. Townsend, president; Gomer Smith of Oklahoma, vice president, who were present, and R. E. Clements of California, who was not. Young and Dr. Wright also attended.

Bulletin

A 25-year-old bus passenger from California was being held in Salem General hospital by state police early today for investigation in connection with the holdup and robbery of the Woods service station at Albany at 8:20 o'clock last night.

He had been present at a morning bus about five miles north of Jefferson at 10:15 p. m. and suffered a fractured skull when he either tried to board or to flag down a moving private automobile, state officers said. The bus driver grabbed the fleeing man's leg but his grip slipped as the suspect jumped out the door.

Brought to the hospital here by a passing truck driver, the young man, who gave the name of Stein Malm, escaped from the institution but was quickly recaptured by police before he could run from the front yard. An operation for a depressed fracture on the top of the head will be performed upon him this morning.

The suspect was unable to talk coherently but state officers said "it looks like a pretty good case," referring to Malm's alleged connection with the Albany holdup.

Sheriff Herbert Shelton of Linn county, who caught Charles W. Harris, 32, and Bert Blackmon, 20, both of Bellingham, Wash., on charges of stealing an automobile from J. L. Henderson of Salem, while working on the holdup case, said about \$15 was taken from the station.

Takes Up Reins Of Government



KOKI HIROTA

Hirota Regime Is Started in Japan

New Government Sworn in as Compromise Breaks Army's Opposition

TOKYO, March 9.—(AP)—A new Japanese government replacing one broken up by assassins' bullets 12 days ago was formally installed tonight in a ceremony in the Phoenix hall of the imperial palace.

Emperor Hirohito attended the installation of Koki Hirota and the men he picked to aid him in guiding the course of the empire.

Hirota, former foreign minister, had compromised with army and navy leaders in the selection of the cabinet. The military clique deemed a "positive, independent readjustment of foreign relations."

Promise Reforms to Prevent Uprisings

In turn, the militarists promised reforms in military education to prevent such uprisings as that of February 26, when rebellious soldiers killed four government leaders.

Hirota will serve as premier and foreign minister in the new government. His cabinet includes representatives of both major parties, the Minseitō and the Seiyūkai.

Pact Unimportant Is Claim in Rome

ROME, March 9.—(AP)—Italy and Germany signed a treaty today giving mutual recognition to civil and juridical codes of their countries.

The agreement was initiated by Premier Mussolini and Ulrich von Hassell, the German ambassador. Despite reports that Berlin and Rome are seeking a rapprochement in the current European crisis, officials said the meeting was limited to this point.

Italian diplomats turned their attention from Ethiopia to the Rhineland tonight as they sought to define their official position in the Locarno treaty controversy.

Authoritative sources declared the fascist negotiators had not yet formulated a policy in respect to the French and Belgian protests to German reoccupation of the Rhine zone.

Youth Is Held in Mutilation Case

CHARLESTON, W. Va., March 9.—(AP)—State police tonight arrested Ronald Parsons, 24, charged with the mutilation slaying of attractive 34-year-old Mrs. Dorothy Reedy.

The officers cleared Charles Reedy, 47, held for questioning about the death of his wife.

Earlier, 13-year-old Robert Hoffman, a caddy who found Mrs. Reedy's body near a golf course, had identified Reedy as a man he saw with the slain woman in an automobile.

Police Chief W. A. Talby of Charleston said Parsons, a young chemical company workman, admitted quarreling with a woman in a ravine on the Kanawha Country club grounds.

Crew Rescued As Leaky Ship Crashes Beach

Phyllis is Sent Aground Deliberately to Save Men Says Captain

Boat Total Loss; Flares Guide Coast Guards to Wreck Scene

PORT ORFORD, Ore., March 9.—(AP)—The 19-year-old steamer Phyllis tonight crashed on a rock-strewn beach five miles south of Port Orford.

It crashed full steam ahead and with a definite purpose—to save the lives of the 22 members of its crew. All hands were rescued by coast guardsmen.

Captain Victor Jacobsen, veteran commander for the ship's owners—the W. R. Chamberlain company—gave the order when he saw a mad race to port would fail.

Captain Jacobsen said the ship was about a mile offshore when three feet of water was discovered in the hold, and the level rising rapidly.

Tried to Make Port Orford, Failed

"We tried hard to make Port Orford but it was just impossible," the captain said. "We finally had to turn to the beach, avoided rocks and jumped to lifeboats when the Phyllis struck."

"We sent up flares immediately and the Port Orford coast guard responded. We were picked up within an hour and had no trouble reaching shore."

The freighter was carrying 400 tons of general cargo from San Francisco, bound for Portland.

Maud Covington's Resignation Is In

City Librarian 12 Years to Leave; Health Is Believed Reason

Miss Maud Covington, city librarian, presented her resignation, effective April 1, to the library board last night.

Miss Covington had served 12 years as head of the Salem Public Library. Members of the library board expressed the belief that ill health was the reason for her resignation. She had been given three months' leave of absence last year to recuperate.

The library board has taken no action regarding her resignation. Board members had only praise for her work. Dr. H. H. Olinger, chairman of the board, expressed surprise and regret at her request that she be released from her work. David Eyr, chairman of the board's employment committee, likewise expressed regret in regard to her resignation and said that no action had been taken in regard to appointment of a successor. Miss Covington said that she had no immediate plans for the future.

Since Miss Covington came here from Portland 12 years ago, the number of books in the library has increased to 35,813 volumes. The library is now serving 14,979 patrons. Last month, 13,525 books were loaned from the library.

Dock Work Starts

MARSHFIELD, Ore., March 9.—(AP)—Crews began work repairing 1,000 feet of floating dock here today. Construction of the new wharf, allowed under a \$10,000 WPA allocation, is scheduled to start within a few days. The channel at the dock is to be deepened.

Violence Marks Building Workers Strike at Newark

(By the Associated Press)

As operators of New York buildings rejected last night the proposals of Mayor Fiorello La Guardia to arbitrate the strike of building employees there, disorder broke out in a similar strike in Newark, N. J.

Two men were injured in violence which followed the Newark walkout of union workers demanding higher wages and reduced working hours. Union leaders claimed 11 buildings were affected, but operators denied there were that many.

More Workers to Be Called Out, Warns

Failure of the latest conciliation efforts in Manhattan brought a curt statement from James J. Bambrick, union chief. "They'll give me an answer tomorrow," he said, referring to the operators. Bambrick had postponed calling

Funds Are Assured, Announcement Made At Gathering There

Construction to Commence This Week Says E. J. Griffith, WPA Chief

For Oregon; Group Pleased

Governor and Other State Officials, Chamber of Commerce Leaders Attend; Money Is Pledged

MT. ANGEL, March 9.—Assurance that construction of the first of the three proposed flax retting and scutching plants for Oregon will be started at Mt. Angel within the present week was given by E. J. Griffith, Oregon WPA director, at an enthusiastic meeting here tonight.

This was the outstanding development in a gathering of flax committeemen and leaders from Mt. Angel, Canby and Eugene—the three proposed plant centers—with bankers, business men and chamber of commerce representatives from Portland and Salem. Governor Charles H. Martin and Secretary of State Earl Snell were in attendance, each lending support to efforts to get the retting and scutching plants. For these WPA has offered to put up \$19,500 each for construction of building and tanks, with the towns to raise about

\$11,000 for installation of machinery and equipment to provide the sites.

Director Griffith's promise to start work on the Mt. Angel plant this week came following a pledge by Joe Berndt, chairman of the Mt. Angel flax committee, to Griffith that Mt. Angel was ready to guarantee its share in the government project.

Mt. Angel has not completely finished its financing, but has over \$7000 in preferred stock subscribed to date and has definite assurance of the balance. Growers will meet to vote their financial support this week. Ninety-five growers have signed up over 800 acres of flax for this plant.

Governor Martin, whom the nearly 50 persons present stood and applauded twice during the evening, emphatically urged that these plants be established that the fibre flax industry may go forward. He warned that the deadline is fast approaching on planting of flax seed.

Opportunity for Oregon is Viewed

"We can demonstrate that we are the favored land in this flax industry... it is no longer an experiment here," the governor. (Turn to page 10, col. 1)

Clarifying Water Authority Sought

Measure on Ballot Asked by Board Members as Question Raised

A proposal that the city council submit a measure to the voters to eliminate alleged overlapping of authority on the part of the council and the water commission came from Edward Rostein, commission chairman, yesterday. Rostein in an interview with a Statesman reporter Saturday night expressed a belief the council was usurping authority rightfully belonging to the commission in assuming supervision of water system construction activities.

The measure, which would be in the form of a charter amendment, should be submitted to the electorate as soon as possible, Rostein said.

Attorneys' Opinions Followed, Cited

Mayor V. E. Kuhn took issue yesterday with Rostein's remarks Saturday night by declaring that "we are abiding by the city attorney's decision" in handling the water system expansion program. The city attorney's decision, he said, was given after opinions from three other attorneys here had been obtained and compared. It was held in these opinions that the council should retain charge of construction operations paid for out of water bond funds.

Kuhn said he believed the attorney's decision was correct. (Turn to page 10, col. 4)

Two Arrested in Auto Theft Case

ALBANY, Ore., March 9.—(AP)—Two men, one flourishing a gun, robbed the Woods Brothers service station of about \$15 in cash at 8:20 p. m. tonight. Police said they were seeking a car stolen at Salem earlier this evening in the belief it may have been used by the pair. The men appeared at the service station on foot.

Salem police believed the Albany gunmen had stolen a sedan here last night until Sheriff Herbert Shelton of Linn county notified them shortly before midnight that he had recovered the Salem machine at Halsey and arrested two men on a charge of its theft. They were not the same men who robbed the Albany service station, the sheriff said.

The car, belonging to J. L. Henderson, 745 Commercial street, was stolen from in front of the owner's residence at 7 o'clock last night. Police were not informed as to whether or not a \$400 surveyor's transient which Henderson had left in the machine was recovered along with the car.

Smith Will Seek School Job Here

W. M. Smith, county school superintendent here prior to the incumbent, Mrs. Mary L. Fulkerson, let it be known yesterday while visiting at the courthouse that he will seek the republican nomination for this same position at the coming primaries.

Smith resigned as county superintendent to accept a state position, and upon his resignation Mrs. Fulkerson became superintendent and subsequently sought for and obtained the office at the polls. Smith has not yet filed for the post.