

The Weather

Fair today and Friday except for fog; slightly warmer; Max. Temp. Wednesday 46. Min. 41, river 4.1 feet, rain .04 inch.

Flax is Made to Reopen Trade Channels

Flax Crop for 1936 Exceeds Subsidy Quota

Payment to Growers May Run Slightly Under Proposed Amount

Industry Outlook Bright Says Laws as Season Results Scanned

Although the Willamette valley flax crop did not come up to some of the predictions made early in the summer, still it was so large that the allotment made for the federal subsidy of \$5 a ton will, from present appearances, not be sufficient to make full payment on the crop. The subsidy was granted on 5063 tons, based on a five-year production average, but the crop this year was 5133 tons with the result that the growers will probably only receive \$4.88 a ton from the government.

L. L. Laws, who is in charge of the flax-plan at the state penitentiary, is now compiling the accounts of the growers to be forwarded to the government or certification. Payment will be made when the record is completed. The average yield on 2463 acres that were planted in flax this year was 2.1 tons per acre. It was estimated early in the season that the crop would run around three tons to the acre but loss from unfavorable weather just before harvest cut down the yield.

Industry Prospect Declared Bright

With the prospect that the government subsidy will be continued and with three new flax plants located at Mt. Angel, Canby and Eugene, prospects for the development of the industry are bright, Laws said.

Asked if there was not a possibility of over-production Laws pointed out that the two Salem linen mills will probably use close to 350 tons of flax fiber this year and production will only be around 145 tons. The balance will have to be imported.

The flax fiber amounts to only about 10 per cent of the flax crop after it has been processed. The current year's crop does not go into production until the following season. Last year's flax crop was short so the fiber this season will fall below normal.

Laws also pointed out that approximately 5000 tons of fiber are imported each year into the United States and that inquiries are being received on Oregon flax from eastern dealers. Dealers would rather use Oregon flax than the imported fiber because of its better quality, he said.

The Willamette valley fiber compares well with the best flax in the world, which is produced in Belgium, as good as the Holland fiber and far exceeds the Russian crop which is short, dry and generally of poor quality. But, because Russia produces almost 80 per cent of the flax of the world, the largest portion of importations come from that nation.

"It is estimated that we could plant between 50,000 and 60,000 acres of flax in the Willamette valley," Laws said. "This is on the basis of a five year rotation plan. I think that it will be quite a while before we reach the saturation point."

Flax does not take any more out of the ground than any other grain, Laws said. The ground is damaged only because nothing is put back. This comes because the flax is pulled instead of cut. For this reason it has been found advisable to rotate the crop and to fertilize the off-growing cover crop rather than to flax it.

That flax growing does pay the farmers well is shown by a tabulation of costs and returns made up from reports received from flax growers in the Willamette valley.

(Turn to page 2, col. 5)

BRAIN TRUST NO. 1 QUILTS HIS JOB



Rexford Tugwell, resettlement administrator, quizzically strokes his chin as he and President Roosevelt inspect the Greenbelt community built by the resettlement administration near Berwyn, Md. Perhaps Prof. Tugwell was thinking at the time of just how he'd tell his boss he was quitting just as soon as the election was over. Announcement of his resignation was made yesterday after being rumored the previous day.

Tugwell Quits to Take Private Job

Molasses Executive Task Awaits; Delays Word During Campaign

WASHINGTON, Nov. 18.—(AP)—Announcement today that Rexford G. Tugwell soon will step out of the Roosevelt administration to become a molasses company executive stirred widespread speculation in the capital today on its possible significance.

Reasons for the retirement of the young "brain trust" from his dual post as undersecretary of agriculture and resettlement administrator were hidden in a carefully phrased exchange of letters given out by the White House.

Tugwell's letter of resignation to the president, referred only to "reasons which have been discussed between us more than once." The president's reply addressed to "Dear Rex" said "I fully understand and the reasons that make you feel you should for a time at least return to private life for a few months."

President Expresses To-Call Him Back

But the president praised Tugwell's service and said "I fully expect to ask you to come back to me in a few additional months."

(Turn to page 2, col. 4)

Federal Prison Term Faced by Two Salem Men

Discovering Slot Machines Cannot Be Beaten Even with Counterfeit Money, Ernest White, 24, and Dexter E. Boles, 20, both of Salem, Ore., faced 18-months sentences in McNeil Island federal penitentiary today.

The pair pleaded guilty in United States district court here to charges of possessing and passing a quantity of counterfeit nickels. The information asserted White and Boles attempted to pass the coins by playing slot machines in stores and taverns.

Having played for some time, they assertedly approached the operators asking for change for handfuls of counterfeit nickels they claimed the machines had "paid off."

Both were arrested in Longview, Wash., last week.

Fund Provided to Complete Survey

\$15,000 Allotment Allows Final Work on River Study, Announced

WASHINGTON, Nov. 18.—(AP)—The war department announced today an additional allotment of \$15,000 had been made to complete the water conservation survey in the Willamette valley, Ore.

The \$15,000 appropriation authorized by the war department for the Willamette river survey is in addition to \$300,000 already used by the war department for the work. More than 200 men have been working on the project for over a year. The work is being done under the direction of Thomas M. Robins, division engineer.

If approved, the flood control and irrigation project contemplates a total expenditure in excess of \$50,000,000. Seven dams are to be constructed on the tributaries of the Willamette with water flow to be controlled by the reservoirs created.

The survey has been supported and publicized by the Greater Willamette valley project committee. Senator Douglas McKay is chairman of the group. The report will be published.

(Turn to page 2, col. 1)

Martin to Oppose New Fiscal Ideas

ALBANY, Ore., Nov. 18.—(AP)—Governor Charles Martin, speaking before the Albany chamber of commerce tonight, asked members of the state legislature to refrain from interfering with the state fiscal program.

He recommended that they also keep "hands off" the gasoline tax.

"Hope you'll let the good old ship stay on an even keel," he said. "I'm not going to try to change a single thing and hope you won't either."

He said he was opposed to new taxes and bonds.

Fruit Industry Is Harmed by Strike

PORTLAND, Nov. 18.—(AP)—Fruit growers released today by the Portland chamber of commerce revealing mounting losses in the fruit industry as a result of the maritime strike.

Increased shipping costs in re-routing fruit to Canadian ports have cut the Hood River apple growers' returns by about \$10,000, the chamber said, and Medford pear shippers are out of pocket to the extent of \$15,000.

The North Pacific cooperative prune exchange told chamber officials 70 per cent of the north-west crop was still tied up. The value of the unshipped fruit was set at \$1,575,000. The inability to deliver has cut down orders, the cooperative said, and warehouse and insurance costs have been high.

Tillamook Mills Continue to Saw

TILLAMOOK, Nov. 18.—(AP)—While mills and logging companies in other sections of the Northwest have been seriously handicapped by the maritime strike production has not been curtailed here. All operators in this territory ship their output by rail.

Mill representatives said production was moving at capacity with an increasing number of orders.

Exhibit of Stamp Society on Today

PORTLAND, Ore., Nov. 18.—(AP)—Last frames were put into place tonight in preparation for the opening of the fifth annual exhibit of the Oregon Stamp society, which opens tomorrow.

The displays will be open to the public from 10 a. m. until 11 p. m., in the Georgian room of the Heathman hotel.

Salem exhibitors include J. C. Formick and R. C. Schott.

Market Invaded by Burglars, Police Told

Burglars who broke into Zwicker's cash market, 1120 S. 12th street, sometime Tuesday night stole a large quantity of lunch meats, tobacco and other goods. Fred Zwicker, proprietor, last night said he had not yet estimated the extent of his loss.

Bandon Streets Lighted

BANDON, Nov. 18.—(AP)—Bandon has street light service for the first time since the disastrous fire of September 25. Repairs were completed to the system this week and the lights turned on last night.

Heavy Bombing Is Resumed at Madrid Today

Fascist Planes Fly Low and Loose Death Upon Fleeing Populace

Germany, Italy Announce Recognition of New Regime in Spain

MADRID, Nov. 18, Thursday.—(AP)—Fascist aviators, in an early morning raid, dropped at least twelve bombs in the center of the city today.

One of the bombs landed near the telephone building—highest structure in Madrid—shattering many windows.

Men, women and children from nearby houses rushed into basements.

Firemen dashed through the streets in automobiles as smoke and flames rose from several buildings.

The raiders flew very low, and the planes could be heard zooming overhead.

As the city's lights were darkened at the first warning of the attack, details of the bombing could not be learned immediately.

It was reported, however, that bombs fell on the building of the leftist newspaper El Liberal, on Anton Martin square and on Penedarral street.

Men were summoned from the telephone building to give aid to injured persons.

(By the Associated Press)

Nazi Germany and fascist Italy formally approved the fascist cause of the insurgent general Francisco Franco of Spain yesterday.

By joint action the two nations recognized Franco's provisional junta as the legal Spanish government.

The action was not unexpected.

(Turn to page 2, col. 7)

Barnes Supports Bull Against Boivin; House Speaker Race Livelier

Klamath Man's Early Victory Claims Taken With Grain of Salt; Multnomah Demos Cool to Him; Candidates Swarm; G.O.P. Holds Balance

By JOHN D. MINTO

IN an apparent effort to stop the election of Harry Boivin, Klamath Falls, to the speakership of the house of representatives of the next session of the state legislature, Ellis Barnes, Multnomah candidate for the position, announced to Marion legislators that he had thrown his support to Vernon Bull, Union county, and withdrawn from the race. Barnes was one of the first candidates to announce himself. Barnes and Bull are now on a trip over the state contacting members for support of Bull.

However, the support of Barnes for the eastern Oregon man, even carrying with it the apparent tacit support of Howard Latourette, state democratic committee chairman, does not assure his election. Boivin has announced that he has a minimum of 33 votes and that he is proceeding with the organization of committees. Only 21 are needed to elect. This move is taken by political observers to mean not final assurance of Boivin's selection but rather an attempt to get (Turn to page 2, col. 2)

Fay Webb Vallee Career Is Ended

Dies Due to Complications After Operation; Rudy Lays Down Baton

SANTA MONICA, Calif., Nov. 18.—(AP)—Fay Webb, former wife of Rudy Vallee, radio crooner and orchestra leader, died at a hospital here tonight of complications following a surgical operation.

The end came at 8:40 p. m. after she had lain in a coma for 41 hours. Her father, Police Captain Clarence E. Webb, and her uncle, Perry Webb, were at her bedside.

Peritonitis followed a major operation performed last week and she had been kept alive for several hours by the use of oxygen.

The tall, exotic appearing young woman was 27 years of age.

After playing small parts in motion pictures, she married Rudy Vallee, the orchestra leader and singer, July 6, 1931, in East Orange, N. J., beginning a tumultuous relationship that ended May 20, 1935, when she won a divorce in Los Angeles.

NEW YORK, Nov. 18.—(AP)—Rudy Vallee, informed of the death of his former wife, Fay Webb Vallee.

(Turn to page 2, col. 4)

Rare Scout Honor Handed to Nelson

W. U. Student Given Rank of Quartermaster at Court Held Here

A Boy Scout award which is so rare that only 836 have been presented throughout the nation was given last night to Robert S. Nelson, Willamette university student and former scoutmaster of Oregon.

At the monthly court of honor held in the chamber of commerce auditorium, Nelson became the 336th young man to receive the quartermaster ranking. He earned it as a member of the Seascout "ship" Columbia of Portland.

Sixty three other awards were presented last night by Salem business and professional men serving with Judge H. H. Belt, presiding officer, as the court of honor. Four boys, Harold Blakeley, Ted Cochran, James McKnight and James O'Brien, all of troop 14, were given the life scout award and five others, all of troop 9, Richard Barton, Lyle Brown, Robert East, Arthur Feilen and Glen Robinson received the star rating.

Presentations were made by (Turn to page 2, col. 5)

Bank at Junction City Now Branch

EUGENE, Nov. 18.—(AP)—Acquisition of the First National bank of Junction City, a pioneer financial firm of Lane county, by the United States National bank interests of Portland was made known here today.

The announcement said W. C. Washburne, president for many years, would retire. He will be succeeded by Claude B. Washburne, now cashier.

Deposits at the Junction City branch were listed at approximately \$750,000.

It was organized in 1893 as the Farmers and Merchants bank.

Strike Effects Felt Here, Heavy Loss May Be Avoided

Although the creeping tentacles of the maritime strike are spreading slowly and may eventually extend practically all of the United States, effect of the tie-up on the Willamette valley has not yet become serious and there appears a good possibility that it may not.

One of the generally used commodities, a shortage of which would affect all of the people of the district, is being shipped on boats working under a separate agreement from the general maritime contract. That is gasoline. In the 1934 strike it was necessary to ship gasoline by railroad before the strike was over at increased cost to the motorists, but to date tankers delivering the gasoline and fuel oils are still coming into port and being allowed to unload.

Inconvenience is Already Apparent

On the other hand, though there appears no immediate possibility of heavy loss from the tie-up there is and will be immediate inconvenience. Cannerymen are holding all eastern shipments and are making coast deliveries by rail. The paper mills are delivering

U. S. Railroad Will Operate Ships, Alaska

Roosevelt Authority for Prevention of Flood Shortage Given

Law Similar to Federal Railway Act Favored to Avoid Strikes

SAN FRANCISCO, Nov. 18.—(AP)—Civil and business groups moved in several directions today to reopen strike-clogged industrial channels for emergency operations, while assistant secretary of labor E. F. McGrady went patiently on with his efforts to settle the maritime walkout.

President Roosevelt authorized the government-owned Alaska railroad to operate government and private ships for transportation of necessities to Alaska, where a food shortage was threatened.

The city governments of Oakland and Berkeley announced they would take over the operation of strike-affected milk distributing plants in view of the owners' decision to close them at midnight.

A committee of the San Francisco industrial association began preparations to unload 150 carloads of merchandise destined for firms not involved in the local warehousemen's strike but which is tied up because of the stoppage of work.

Arbitration Board Appeal Is Planned

In Los Angeles 160 representatives of business and consumers organizations went on record in favor of an appeal to President Roosevelt for appointment of an arbitration board to settle the maritime strike.

Besides the ship walkout involving 37,000 coast maritime workers, the Pacific seaboard had a dozen or more other strikes in progress, including 900 warehousemen, 6,000 shipyard workers, 450 milk wagon drivers and about 150 textile workers.

Relief for most of 700 passengers stranded in Hawaii appeared when the Matson Navigation company agreed to move them to the mainland next week aboard the liner Monterey, which will anchor offshore.

The Matson company agreed to take over ticket contracts of the Dollar Line, many passengers of which are among those marooned, and said it would convey the travelers out to the Monterey by barge. Should the liner dock, its crew probably would join the strike.

McGrady, who brought seagoing unions and shipowners together yesterday for the first time since the walkout started October 30, sought an agreement from the organized ships officers and radio operators to meet the employers. They asked him to wait until tomorrow for an answer. The conference yesterday was unproductive. The U. S. peace negotiators were concerned.

The assistant labor secretary also conferred with union representatives on the Alaska railroad situation.

Unsuccessful in a move to bring about arbitration of the maritime walkout, the United States conference of mayors in Washington asked extension of the federal railway labor act to embrace all means of transportation in interstate and foreign commerce. They pointed out there had been no interruption of railroad transportation since the act was put into effect.

Quadruple Slayer Quickly Convicted

ELKO, Nev., Nov. 18.—(AP)—Luther Jones, 32-year-old former Indiana and Montana convict, was convicted of first degree murder here tonight. The jury of 10 ranchers and two government employees fixed the penalty at death after deliberating only 35 minutes.

Jones was charged specifically with shooting Walter Godecke, 22. He was also accused of killing Otto Heitman, Manuel Arrascaeta and an elderly itinerant in the latter's cabin just outside Elko last October 16.

District Judge James Dysart did not immediately announce the time for passing of sentence, but under terms of the verdict a death sentence is mandatory. Execution would be by lethal gas at the state penitentiary near Carson City.

Defense Attorney C. B. Tapscott based the plea for his client on grounds Jones was mentally unbalanced and suffered a lapse of memory.

Roadside Group Meets

PORTLAND, Nov. 18.—(AP)—The roadside beautification committee of the Oregon planning commission will meet here tomorrow afternoon. Chairman Robert Sawyer of Bend will preside.

WPA Lists to Be Pruned, Planned

PORTLAND, Nov. 18.—(AP)—The state relief committee was asked today to certify the relief lists to determine the eligibility of WPA workers. The WPA office here said it was necessary to clear the rolls to bring them within the curtailed quota outlined under a new national plan of redistribution.

Officials said the redistribution was a result of emergency aid given drought victims.

The WPA stated persons over 65 would be released.

In clearing the lists jobs for persons returning from seasonal employment will be considered.

Pioneer of '53 Dies

PORT FORD, Nov. 18.—(AP)—Mrs. Mary Holt, who crossed the plains to Oregon by ox team in 1853, died at Myrtle Point. She was 85.

Paper Dividend Voted

SAN FRANCISCO, Nov. 18.—(AP)—Crown Willamette Paper company declared a dividend today of \$1.75 a share, applying on arrearage of unpaid dividends.

Fog Is Blamed in Serious Accident

The first serious automobile accident blamed on foggy road conditions which set in Monday sent Chester F. Smith, 37, of Jefferson route one, to Salem Deaconess hospital early last night for treatment of internal and hip injuries. The full extent and seriousness of his injuries had not been fully determined at a late hour.

Smith told state police he suddenly came upon a wood truck driven by George Doran, Salem route three, on the Pacific highway four miles south of Salem at 6:15 p. m. and attempted to avoid a collision by swerving to the right. The left side of his car, however, struck Doran's and was virtually ripped off and Smith was dragged out of the car along with the wreckage.

Doran was not hurt and his truck but slightly damaged.

Schumann-Heink Funeral Set Friday; Visit Here Recalled

HOLLYWOOD, Calif., Nov. 18.—(AP)—A funeral with full military honors will be conducted for Mme. Ernestine Schumann-Heink Friday morning, members of the diva's family said tonight.

Services will be directed by the American Legion, post 43, of Hollywood and by the Hollywood post of the Disabled Veterans of the World War. Father Patrick Keating will deliver the eulogy and Willard Stewart, post chaplain, the prayer.

Following the rites, her body will be taken to San Diego where she made her home, for interment at Greenwood cemetery.

The world-renowned singer died Tuesday night after a lingering illness caused by a blood disorder. Four of the six living members of her family were present when she died. Today, Walter Schumann of Chicago arrived. Mmes. Schumann-Heink's sixth child, Mrs. Charlotte Grief-Heink, of Leipzig, Germany, will be the only one not present at the funeral.

A huge wreath of flowers was scheduled to reach Hollywood by airplane tonight, sent by the Ernestine Schumann-Heink chapter of the Disabled Veterans of the World War in Kansas City. An American Legion guard of honor was prepared to meet the plane.

Messages of condolence reached the family from all parts of the world today.

Friends recalled today one of her last conscious expressions, as she looked at the flowers heaped in her bedroom:

"If they would only take the money they spend on this and do some good with it."

In her heyday she earned upwards of \$15,000 a year, spending it lavishly on her family and above all on the world war veterans who regarded her as "mother."

Typical of her benefactions was the donating of her \$230,000 home, "Glossmont," near San Diego, to disabled soldiers.

The great contralto died at 7:21 last night. Three sons and a daughter were at the bedside. The 75-year-old artist was about to be (Turn to page 2, col. 6)