quently carries important news not published in any other morning paper reach-

# Nanking Force and Chang's Rebels Battle

## Beaver Grid Star Jot Seamen Reach

### **Dayton Route** Paving Looms, Group Is Told

Spaulding Corner to Be Straightened With WPA Aid, Plan

Maintenance Budget For Year Is Adopted by Highway Board

Although no definite promises were made, the delegation from Salem, Dayton and those living on the Salem-Dayton highway, felt greatly encouraged with the reception given by the state highway commission at a meeting in Portland when the delegation urged improvement of this greatly traveled road.

Members of the delegation called attention to the heavy traffic on the 23 miles of road between Salem and Dayton, the growth and rapid improvement of farming conditions, larger population and the fact that a free ferry at Wheatland would add more to the already heavy travel.

The statement was made to the commission that residents of no community in Oregon so thickly settled and connecting two-such large cities as Salem and Portland, had to travel partly on gravel roads; that conditions and traffic justified a paved or oiled

members stated man John that application for a WPA project in road building had already been made for the new construction necessary at the Spaulding al committee, corner, where C. K. Spaulding The member had given right of way in order to avoid a sharp turn in the road.

Appearing before the commission were Floyd Willett, postmaster and president of the Dayton chamber of commerce, Earl Coburn, mayor of Dayton, Mr. and Mrs. Clyde La Follette of Wheatland, Mrs. R. W. Craig, Salem; G. B. Foster and Fred Withee living on the road near Dayton, Urie Alderman of Unionvale; Harry Sherman, banker of Dayton, Worth Wiley and Charles

Nelson of Grand Island. The Salem chamber of commerce was represented by C. E.

PORTLAND, Dec. 17-(AP)-The state highway commission adopted a road-maintenance budget of \$3,400,000 for 1937 today awarded six contracts totalling \$256 .-455, and approved a budget of \$100,000 for its tourist promoon committee for next year.

The maintenance budget was about \$150,000 in excess of that for 1936. The increase was at-tributed to additional mileage in the state's highway system. The 1937 figures in the four

maintenance categories included: General maintenance of primary roads \$2,250,000 (\$70,000 increase); special maintenance of primary roads \$350,000 (\$48,000 increase); maintenance of secon dary roads \$600,000 (\$32,000 increase); minor betterments \$200,000 (about the same as for

The \$100,000 for the tourist romotion committee is double ie allotment for the current (Turn to page 16, col. 1)

### Sheriff Suggests

PORTLAND, Dec. 17-(P)-The Oregon Sheriff's association sought clarification of laws to de-

of their anual conference.

The sheriffs, headed by President E. T. Mass of Clackamas county, will ask the legislature are. They said the law as it now stands is costly, slow, and places unnecessary responsibility on

their office.

Another legislative request ill be abolition of medical examination following arrest on drunken driving charges. They slaimed prisoners had time to "sober up" before the physician

The association approved move to bring automatic first de-gree murder charges against any-

Is Kept on Job By Republicans



JOHN D. M. HAMILTON

#### Hamilton Upheld At Party Session

Vote 74-2 to Reject His Resignation; Attack Is Made by Fish

Chicago, Dec. 17-(AP)-Chairceived an overwheming vote of confidence today in a turbulent meeting of the republican nation-

The members voted 74 to 2 to reject his proferred resignation and to retain him at the party helm after three and a half hours of acrimonious debate. Their deliberation room in

loop hotel re-echoed cross ourrents of oratory. Sharp attacks on the Kansan evoked a spirited de-fense. Participants clashed on demands for liberalization of republican policy and criticism of the party's action on social prob-

When the results of the roll call were disclosed, Hamilton "I am gratified. I'll keep right.

on working." Fish Plans no Walk He Tells Winner The chairman shook hands

with his chief critic, Representative Hamilton Fish of New York. "I'm a republican," Fish said. (Turn to page 11, col. 5)

#### Cascade Blizzard Closes McKenzie

divide between the Willamette valley and central Oregon, was closed by a blizzard tonight.

W. S. Hodge, highway maintenance engineer, said the road would be permanently closed for the winter if the storm continued through the night. Warning signs were placed at the east and west

Snow plows punched their way through the white blanket on main highways in the southern end of the range in Oregon. Lofty Sun mountain pass between Klamath Falls and Bend had six inches of snow but was open. Changes in Laws Snow was hurled off the Siskiyou mountain section of the Pacific highway and the Green Springs between Klamath Falls and Ashland remained open. Twenty-five miles of the Wapinitia highway east of Portland had high walls of snow along the edges where

snow plows passed. The storm closed the Santiam routes across the mountains.

## After Shotgun Wounds Cahill

Clyde Ellis, 14. Fires After Argument With Student, Stated

Stepfather Is Witness: Gridster Has Even Chance to Live

CORVALLIS, Dec. 17-(P)-William Cahill of San Francisco, member of the Oregon State college football team, was critically wounded tonight by two shotgun charges fired at close range. Authorities were searching for Clyde Ellis, 14, who fled from his mother's boarding house soon after the shots were fred. District Attorney Fred McFenra of Ben-ton county said he youngster

fired both shots. The prosecutor, who investigated the incident with state and city police, stated Cahill remonstrated with the boy for scelding his mother, Mrs. Most King, about food for dinner. The football player and the boy went upstairs

when they returned the district attorney said wound Ellis ran to the basement for a shot-gun. He was said to have fired once with little effect and then followed Cahill into the living room and fired again.

ine steptather, police, was quoted as saying he found Ellis standing over the unconscious football player, the gun smoking.

Physicians tonight gave the Beaver guard an even chance to

#### Sergeant polves Larceny

Clayton Notes Similarity of Cases; Crubtree to Face Second Charge

Running competition with Sher-Running competition with Sher-lock Holmes for desective powers, Powell Clayton, state police ser-geant, has solved a Seattle grand larceny case without leaving his desk at the Salem district patrol office. He probably would not have admitted the seat yesterday, however, if a fellow officer had not given him awas.

Clayton, in the reutile of filing criminal records, discerded bits of

similar evidence in several reports, some in connection with the sen-tencing of Lewis, Wayn's Crabtree, PORTLAND, Ore., Dec. 17-(R)

The high McKenzie pass, a major travel route over the Cascade

19, to the Linn county jail November 30 for stealing gasoline, and others regarding the Washington travel route over the Cascade gon recently when a masing Seattle automobile was found in pos-(Turn to page 26, 201. 1)

#### Oysters to Keep Edward in Funds

LONDON, Dec. 17 (P) - The Ducky of Cornwall, which provided the present Duke of Windsor with an estimated \$400,000 annually when he was Prince of Wales and then King of England, will continue to supply him with spending money new that he has quit the throne.

Edward III created the Ducky in 133. Under the terms of a charter which has the full force of an act of parliament, the title

o an act of parliament, the title passes to the eldest son of the

Among other things the ducky produces about 2,700,000 oysters

### Alternates to Cost \$66,184 Added to Capitol Contract

Alternates to the total cost of certain stairs, \$7153; bronze inlay \$66,184 have been added to the of state seal in fotunda, \$701; contract for the construction of the state capitol, it was stated Thursday when Whitehouse and ond floor, \$2155. the state capitol, it was stated Thursday when Whitehouse and

move to bring automatic first de Atlantic and guif coast mark time strike.

Morris Whitehouse and Church, supervising architects, and alton J. Bassett, secretary or time of the Commission, visited Salem, and alton J. Bassett, secretary or time of the Commission, visited Salem, and alton J. Bassett, secretary or time of the Church and uniformation obtained support.

Marking Quake Slight.

### Accord on All Strike Issues

Terms to Be Put Before Union Today, Reports Harry Lundeberg

Officers' Demands Seen as New Obstacle to Lifting Blockade

SAN FRANCISCO, Dec. 17 .- (AP) -Maritime peacemakers took another long step today toward settlement of the shipping tieup, and Harry Lundberg, sailors union spokesman, said he expected to put the terms of a complete accord before his followers by tomorrow,

Lundberg indicated he and conferees representing the marine firemen and the shipowners had reached an agreement on all major issues involved.

T. G. Plant, shipowner negotiator, remained non-committal. J. E. Ferguson, spokesman for the marine firemen, conceded that "considerable progress" had been made and said he probably would return to his home in Portland, to-

offer of "substantial" wage increases aided the new progress toward settlement. McGrady Confirms

Subsequently Assistant Secretary of Labor Edward F. McGrady said a shipowner representative had informed him the employers had reached an agreement "on all fundamentals" with the sailors and firemen.

reported he and Hugh Gallagher. representing the shipowners, had reached "a verbal accord on certain sections dealing with working conditions." They had been discussing union demands for an

eight-hour day.

The Plant-Lundeberg-Ferguson conference previously reached a tentative accord on the two main

and hours. At least one major obstruction remained on the road to peace The masters, mates and pilots union, have asked preferential hiring agreements as well as substantial pay boosts. The operators have held out firmly for the right to choose their own ship's officers, not all of whom are union members.

Sullivan, veteran of 25 years on the force, and accused him of stalking through an industrial neighborhood, blazing away with his service revolver.

They said all of the victims wer nvolved in tangled affairs of Sullivan's life. His girl-wife had left him, and he had been accused of attacking a 12-year-old child.

Mrs. Mary Vukelja, 49; Jac ukelja, 19, her son; Joseph Benda, 53, Sullivan's father-in-law Mrs. Helen Benda, 45; Mrs. Laura Bacon, 53, a social worker.

accused of the murder of three men who tried to arrest them. Both brothers contended they acted in self-defense when they resisted what they thought was an attack by four men who went to their Horse creek camp on the night of last August 30. In the melee two peace offi-ers and a vacationer were killed.

### **Gangster Slaying**

### TO SALT LAKE WHERE PLANE WAS HEADED MILLARD CO.

It was reported a shipowners'

Progress Report

of the cooks and stewards union Calvary Baptist

issues of the 49-day walkouthiring hall control and a system of penalties for enforcing working contract terms. The principal issues then remaining were wages

#### Policeman Held in Quintuple Slaying that the south area was not congested with churches and that it would be a growing residental dis-

PITTSBURGH, Dec. 17.-(P)-Police in suburban Duquesne arrested a 70-year-old-fellow officer tonight after a series of revolver shots killed five persons, three of

them women

The dead were identified by po

#### Defense Rests in **Brite Boys' Trial**

YREKA, CALIF., Dec. 17-(P)-The defense rested today in the trial of John and Coke Brite,

CLUE FAILS, PLANE SEARCH BROADENS

MILFORD WHERE PLANE LAST REPORTED BEAVER CO.



The entire area shown in the map, left, will be covered by a new search today for the airliner lost since Tuesday morning with seven persons. As the map indicates, it is mostly rough mountain terrain. The last message sent by Pilot S. J. Samson, upper right, stated the ship was passing over Milford. Lower right, Gladys Witt, attractive stewardess who is one of the seven persons missing.

## **Building Planned**

Site Selected, Announced by Pastor; Next Year to See Completion

Calvary Baptist church, which has been worshipping in temporary quarters since it was organized eight years ago, announced yesterday through its pastor, Rev. Arno Q. Weniger, that a site upon which a new church will be built has been selected, and that the church will be constucted during the coming year. The site is at the southeast corner of the intersection at South Liberty and Miller streets. The new church will be designed to house the mem-

bership of 400 persons. For the past year the church through its lot committee has surveyed the city to find an area in which it could locate and carry on an effective ministry. Feeling would be a growing residental district, they chose the site mentioned at South Liberty and Miller streets which is 150x144 feet.

The church in a specially called business meeting last night which was one of its largest attended meetings, instructed the board of trustees to complete fin (Turn to page 11, col. 5)

#### Stanfield Claims He Authored Bill

MEDFORD, Dec. 17-(P)-Former U. S. Senator Robert N. Stanfield, defense witness in William H. Gore's \$88,000 suit against Jackson county, testified today he and his secretary, E. J. Adams of Eugene, framed the Oregon-California land grant tax refund bill passed by congress ten years

The ex-senator said it was through his efforts the bill was approved in the upper chamber. Gore seeks payment for ser-vices on behalf of the measure. The court overruled a defense motion for a non-suit.

Longshore Union Chief Backed by N.Y. Council

NEW YORK, Dec. 17-(A)-Amid scenes of near riot, the central adopted a resolution backing Joangster Slaying
Noted in Chicago

Replaced a resolution backing Joseph P. Ryan, president of the International Longshoremen's association, in his refusal to support the Atlantic and gulf coast maritime strike.

### Inland March of Search Continues Longshore Union Is Hit by Ruling

PORTLAND, Ore., Dec. 17-(P)
-William Green, president of the
American Federation of Labor, in a telegram to the Portland cen-tral labor council tonight cut short the organization activities of the Pacific coast international longshoremen's association.

Gust Anderson, secretary of the council, said the message meant virtually 50 per cent of the longshore membership rightfully beonged to the teamsters' union. Anderson disclosed the tlegram imited longshore union activities to "the waterfront or marine

A conflict in the jurisdiction claims of the I.L.A. and the teamsters devolped here when Harry Bridges, coast L.L.A. president, toured the northwest to stimulate what he termed the "inland march" of his organiza-

### Attack Upon Jury List Is Rejected

PORTLAND, Dec. 17-(P)-Multnomah county circuit judges denied a petition of the Blackstone club to discard the 1937

The club, an organization of trial attorneys, said the list was prepared exclusively from the assessment rolls rather than jointly with the vote registration books.

Bradley Ewers, club executive, said mandamus action to quash the list would be filed before the supreme court.

For Husband's Murder

RED DEER, Alta., Dec. 17 .- (AP) Mrs. Christina Maud Pogmore tonight was sentenced to hang March 3 for the murder of her husband, George, October 18 at their Bymoer, Alta., farm. Emannel Ernst, convicted last week on

Woman Faces Gallows

## For Lost Airliner

Clue Fails; 17 Ships Due to Comb Territory; Storm Hampers

SALT LAKE CITY, Dec. 17.— (P)—Searchers failed tonight to develop their only "clue" in the hunt for an airliner lost with seven persons—and wearily moved to "begin all over."

Seventeen planes covered an esimated 100 square miles today while ground crews fought snow and ice where the hunt centered in the Wasatch mountains south-

"Tomorrow," said A. E. Cahlan, spokesman for Western Air "the search will be broadened. "The plane is to make a detailed hunt all along the airline route between Milford and Salt Lake City, extending 25 miles out or either side of the course." Over Milford, 180 miles south

west of Salt Lake City, Pilot S. J. Sampson sent the last radio repor heard from the lost liner at 3:27
a. m., Mountain Standard time,
Tuesday. The ship was due here
from Los Angeles at 4:10 a. m.
Search at Alpine
Where Plane Heard

The hunt was centered in the to the press, Chang Hsueh-Liang favors the adoption of commuvicinity of the mountain-shadowed village of Alpine, 25 miles southeast of Utah's capital, because (Turn to page 11, col. 4) nist toleration."

#### Fairmount Tank Gets First Test

Initial testing of the new 100,-Fairmount hill showed the structure to be unusually well constructed, Water Manager Cuyler VanPatten announced yesterday. The tank was filled for the first time Wednesday, was emptied to permit calking of a few leaky rivet holes and was to be refilled

late yesterday for a second test. The new tank, however, under present plans will not be placed in service until the new 10,000. 000 gallon reservoir and John street and Rural avenue is ready for use. The old wooden tank, of the same charge, is under sen- 50,000 gallons capacity, will them tence to hang on the same day. | be torn down.

### **Advance Made** On Shensi by Loyal Troops

The Weather

today and Saturday; Temp. Thursday 51,

Cloudy with occasio

Conferences on Chiang's Release Continued; Leaders Defiant

Condemn 'Bandit'; Japan Keeping Close Watch; Fears Communism

NANKING, China, Dec. 18—
(Friday-(P)-Two armies fought today while secret negloators debated settement of a civil war that may cost the lives of both leaders, Generalissimo Chiang Kai-shek and his captor, Marshall Chang Hsueh-Liang.

The Nanking regime, although assenting its armies were highly successful on the Shensi battle-front and declaring its refusal to compromise with the rebel Mar-shall Chang, was known to be considering terms on which the leader of the uprising at Sianfu, capital of Shensi, proposed to

free Chiang and end the civil war, Loyal divisions were reported steadily driving the rebel troops back on Sianfu, over which gov-ernment planes were flying in awesome demonstrations, It is in Sianfu that the government asserts the generalissimo is held captive, with several of his generals, by the rebel "Young Mar-

Conferences Kept

Entirely Secret Deep interest centered in the closey guarded conferences at Nanking, where James Elder, British adviser to Marshall Chang was closeted with Madame Chiang Kai-Shek; her brother-in-law, Dr. H. H. Kung, minister of finance Soong, ex-minister of finance and

high in government councils. The government, however, out-wardly maintained an unyielding attitude toward Marshall Chang. The Control Yuan (council) voted that the rebel chieftan should be condemned to public execution

for his rebellion. It was announced that General Chiang Ting-Wen, captured at Sianfu last week with the generalissimo, had been freed by Marshall Chang and permitted to carry to the Nanking leaders a statement of his terms.

The government continued to publish evidence supporting its contention that the generalissima is alive and unharmed, although a vrisoner, at Sianfu.

TOYKO, Dec. 18(Friday)-(A)-Japan served notice on China to-day she will consider her own security and the peace of the Far East seriously endangered "if the Young Marshall's (Chang Hsueh-Liang's) program is carried out and China turns red," the Domei

(Japanese) News agency reported,
Hachiro Arita, foreign minister, told Chinese Ambassador
Hsu Shih-Ying that "pending
clarification of the situation the Japanese government is watching developments in the Sianfu cour with serious concern."

He pointed out that 'according

#### **Federal Building** Contract Signed

Contract for the construction been signed by L. H. Hoffman construction company and been forwarded to Washington for approval. Along with the contract for approval of the treasury de-

L. H. Hoffman was in Salem Wednesday looking over the ground for the start of work. It is not believed that actual excavation for the new building will start before January 1 and may wait one or two weeks after the first of the year before all necessary documents are approved

#### By the Way~ Burglars Use Pass Keys and SHOPPING Enter Two Ministers' Homes DAYS LEFT The burglars who have begun other articles on the floor in their operating in Salem within the last few days are adept at using pass keys as well as at wielding an axe to gain entry to local residences, additional information obtained on the cases by The Statesman indicates. The burgiars who have begin other articles on the floor in the last search for money. The combined loot in the two cases was approximately \$15. Between \$3 and \$5 in tithe money was obtained at the Olthoff residence and about \$12 from the Johnson house. A PLANT FOR THE Boss WIFE

BUY CHRISTMAS

