

Weather
Unsettled today and Monday, possibly light rain. Max. Temp. Saturday 64. Min. 32, river 21.4 feet, rain .06 feet, northwest wind.

EIGHTY-SEVENTH YEAR

Gosslin Protege Head of Young Democrats

Pipeline Work Inside City to Start Monday

Excavation at West End of Stayton Line Is Due, Announced

Legal Barriers Will Not Be Invoked, Outlook; Pipe Task Speeded

Excavation will start Monday on the west end of the Stayton pipeline contract, Engineer R. E. Koon has been advised by F. P. Jenkins, superintendent for the American Concrete & Steel Pipe company.

The big line will start at Fairmount reservoir and run eastward on Rural avenue past the east city limits.

Jenkins plans to use machinery for most of the excavating but will resort to hand labor at points along Rural avenue where an effort will be made to save rows of walnut trees in the parkings.

Injunction Plan Reported Dropped

Rural avenue residents who were recently contemplating seeking an injunction against the project have decided it probably would not be possible to obtain a restraining order, according to Edward Majek, who spoke on their behalf at a recent city council meeting.

"None of us has any intention of blocking the project," Majek declared, "but if they are going to ruin big shade trees in the parking strip they should replace them or we should be compensated."

Approximately 10 miles of the pipeline eastward from the reservoir will be of quarter-inch steel, ranging from 27 to 36 inches in diameter. All of the 27 and 30 inch pipe has been completed at the shops in Portland and will be ready for delivery as needed, the water department has been advised. Last of the 36-inch pipe is scheduled to be finished by May 15.

New Type Welding Machine Employed

A new type of automatic welding machine is being employed for the first time in the northwest in fabricating the steel pipe in Portland for the Stayton project.

Samples of pipe viewed here yesterday showed a smooth weld seam which the engineer said was highly satisfactory.

Joints between the 32-foot pipe sections as delivered here by truck will also be welded in the trenches.

The contractor has completed approximately 2 1/2 miles of the six-mile concrete section of the line, extending westward from Stayton.

Water development operations on Stayton island will be resumed early this week upon completion of a permanent suspension foot bridge across the Santiam river.

The bridge will swing 15 feet above the high water level.

Gridiron Banquet At Portland Set

PORTLAND, April 17—(AP)—Governor Charles H. Martin and Earl Snell, secretary of state, will head the list of distinguished guests at the annual gridiron banquet here May 12. P. H. Knocland, in charge of distribution, said. Attendance will be limited to 300.

The stag banquet is sponsored each year by the Portland breakfast club.

Dallas High Wins Two Firsts And Franklin One, Forensics

Dallas high school and Franklin high of Portland won all top honors in the final events of the Oregon high school extempore speaking and interpretation contest which ended yesterday afternoon on the Willamette university campus where it has been in session for two days. Dallas received two firsts and a second and Franklin one first, one second and two third places. This is the second time Dallas has won first place in the serious interpretation contest giving them permanent possession of the trophy.

Bernard Shevack of Franklin speaking on "A Little NRA For the Coal Industry" placed first in extempore speaking. Second went to Jeanne Hartman of Dallas talking on "America Administers to Youth" and third to Don Barker of Franklin on the subject "Good Earth Goes With the Wind."

Sams is Winner in Serious Readings

In the serious interpretations, Paul Sams of Dallas won first place with the selection "Beyond the Last Mile." Second was

They Face New Labor Law Test; Strike-Breaking Ban Is Invoked



Pearl L. Bergoff, left, self-styled "king of strike-breakers" and James H. Rand, Jr., president of Remington-Rand, Inc., have been indicted by a federal grand jury at New Haven, Conn., on charges of violating the Byrnes act which forbids interstate transportation of persons to interfere with peaceful picketing or the lawful conduct of a strike.—International Illustrated News photos.

Lumber Workers' Dispute Clearing

Two Carlton Firms Agree to 10 Cent Wage Lift, Other Concessions

PORTLAND, Ore., April 17—(AP)—A possible end of the difficulties between northwest lumber operators and employees was seen in the announcement late tonight by the executive committee of the Columbia river district council of the lumber and sawmill workers' unions of an agreement reached between the two.

Two major operators—the Trank Logging company and the Flora Logging company—both of Carlton, Ore., have agreed to a 10 cent wage increase without the Gram-Marsh pact which unions have twice rejected in referendum. Don Helmick, secretary of the council, said. Harold Pritchett, president of the federation, concurred in the statement.

The settlement provides for further negotiation of union demands for additional wage increases and a new working agreement. The increase tentatively agreed on calls for 7 1/2 cents. Unions had requested 10 cents. The agreement is retroactive to March 22.

Naval Maneuvers On, South Pacific

ABOARD BATTLESHIP PENNSYLVANIA IN PACIFIC MANEUVERS April 17—(AP)—The United States fleet is fighting its way to the Hawaiian islands.

Every hour is an hour of action. All units are engaged—the battle force, the scouting force, the aircraft squadrons, the destroyer divisions, the cruiser divisions, the submarine divisions, the mine craft and the base force of supply and repair ships.

Far off the southern California coast the warships deploy. This is no cruise. The units form and maneuver in various types of opposing forces to stage every conceivable kind of naval maneuver.

Adm. Arthur J. Heburn, commander-in-chief, took his fleet to sea Friday morning.

Mattson Suspect Sought in South

SAN DIEGO, Calif., April 17—(AP)—Special squads of city detectives were detailed tonight to search rooming houses for a man answering the description of the Mattson kidnaper, Police Chief George Sears announced.

Sears took personal charge of the search when a man, whose name was withheld, reported to him that he had seen the suspect on a Chula Vista bus this afternoon.

The informant told officers that he had studied pictures of the suspect, broadcast by the federal bureau of investigation and posted in postoffice substations here, and that he was sure he had seen him, Sears said. "I started hard at the suspect," Sears quoted the informant as saying. "He got nervous and got up and got off the bus near the edge of the city."

Jenks Hatchery Burns, Loss Is Set at \$13,000

ALBANY, April 17—(AP)—Fire which destroyed Jenks hatchery, near Tangent on the Pacific highway, caused an estimated loss of \$13,000. The burned structure contained 6500 eggs, J. E. Jenks, owner, said. The adjoining residence was saved.

Coast Group to Meet
CORVALLIS, April 17—(AP)—Starting with a breakfast meeting at 7:45 a. m., the Oregon Coast Highway association convention will open at Toledo Monday. The morning's program will be devoted to speakers from Victoria, B. C., and Washington.

Oshawa Strike Peace Parleys Collapse Again

Insistence CIO Be Kept Out of Negotiations Cause of Failure

Further Legislation for Labor Is Discussed at Washington

(By the Associated Press)
A second collapse of projected negotiations dashed hopes of immediate settlement of the General Motors of Canada strike yesterday.

Premier Hepburn of Ontario, trying to compose divergent views in the 10-day-old dispute which has kept 4,000 workers idle at Oshawa, announced the conference broke down over company demands that striker spokesmen come as representatives of only one organization and disclaim affiliation with John L. Lewis' committee for industrial organization.

Scattered labor difficulties marked the American scene. In the national capital, the recently validated Wagner labor relations act was a prominent topic.

U. S. Chamber Says Decisions Limited

The U. S. chamber of commerce contended the supreme court decisions upholding the act did not mean congress could regulate hours and wages in manufacturing operations. Harper Sibley, president of the chamber, criticized sit-down strikes in a speech before newspaper editors.

The capital awaited opening Tuesday of a conference called by Secretary of Labor Perkins for a discussion of problems relative to collective bargaining under the Wagner act. She said 19 of the 33 industrial leaders she invited already had accepted.

Service employees in the Netherlands hotel at Cincinnati struck yesterday, but returned to work after a few hours. Union leaders, after ordering a similar walkout of 3,500 employees in 15 San Francisco hotels, called it off after a tentative agreement was reached.

Tarzan Lads Will Quit Soon, Belief

MEDFORD, Ore., April 17—(AP)—The sheriff's office late today predicted that Edward Harris, 14, and his brother Roy, 10, Dead Hollow district lads, who left their humble home Wednesday, April 7, to take up a juvenile Tarzan role, "would be back in school by next Monday."

Deputy Sheriff Herb Moore made the prediction, and based it upon the belief the lads "have had enough of the Tarzan stuff."

The state police said they had been officially notified of the adventures of the brothers, but had taken no action.

The sheriff's office reports suspicions that the two brothers are receiving food and shelter from neighbors. The state police said their informant indicated "the neighbors were sympathetic."

Daffodils in Bloom Prove That Spring's Here, Despite Doubts



Flowers that bloom in the spring make a pretty picture. Especially this large field of daffodils in Payallup valley, Washington. Growers, however, make more profit from selling the bulbs than they do the flowers.

To Be Honored By Willamette



W. BALLENTINE HENLEY

Special Program Set Monday, W.U.

Dean Henley of U. S. C. to Gain Honorary Degree, Deliver Address

W. Ballentine Henley, acting dean of the school of government at the University of Southern California, will be the principal speaker at the special chapel program to be held at Willamette university Monday forenoon at eleven o'clock.

An academic procession including members of the faculty and board of trustees will precede the exercises. State, city and county officials will be special guests of the morning and will be seated on the platform. The Willamette university songmen will sing several numbers during the program.

One purpose of this assembly is to popularize the new public administration course offered at the university. Henley has chosen for his subject "Democracy Decides" and the honorary degree of doctor of laws will be conferred upon him. He is assistant professor of public administration at Southern California and a member of the California and American bar associations, American Academy of Political and Social science and Academy of Political science.

For ten years Henley has been a public lecturer. He has been instructor in public speaking and debate coach for the American Institute of Banking. His teams have won two national championships in public speaking and one in debate and finished second the other year.

Medford Debate Champ

EUGENE, April 17—(AP)—The Medford high school debate squad defeated Beaverton here today 2 to 1 in the contest at the school of education here for the championship of western Oregon. The subject was "Government Ownership of Electric Utilities."

Whether or not the water commission's recommendation of a \$72,340.45 contract award to supply materials for the 12th street pipeline will be suggested to the council will depend upon action the special water construction committee will take Monday afternoon. There was some indication yesterday that aldermen favoring steel above the more costly cast iron pipe recommended by the commission might put up a fight on the council floor.

Movie Patrons Flee

MUSCODA, Wis., April 17—(AP)—A fire which broke out in the film operator's booth of the Muscoda theatre tonight forced approximately 300 persons to flee to safety.

Blockade Upon Spain to Be in Effect Monday

Aerial Leak and Chance of "Incident" Eyed, Neutrality Plan

Asserted Monks Arrested in "Spy Purge" Within Madrid, Announced

LONDON, April 17—(AP)—Possibility of contraband runners evading an international patrol of Spain through air shipments and danger of an "incident" on the Basque coast appeared tonight to be the gravest of several problems confronting enforcement of Europe's neutrality.

Concern was felt that planes might transport munitions and men, which are embargoed among the 27 nations of the "Hands Off Spain committee," when the Valencia government charged that 36 junkers (German made) planes had been flown to the insurgents.

Starting at midnight Monday warships of Great Britain, France, Germany and Italy will form an international neutrality fleet on the Spanish coast. They will be supplemented by land agents to observe traffic into Spain across the French and Portuguese borders. The plans, neutrality officials pointed out, make no provision for control of aerial shipments.

MADRID, April 17—(AP)—Defence junta asserted monks financed by religious organizations in Italy were arrested today (Turn to page 16, col. 1)

Busy Session For Council Forecast

Committee May Object to Cast Iron Pipe For 12th Street Job

Despite its proximity to last week's adjourned session, the regular city council meeting Monday night will bring before the alderman a heavy calendar of business ranging from water pipe contracts through the gamut of routine to disputed parking and motion picture regulatory measures.

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Captured Gunmen Leave Coin Trail

KANSAS CITY, April 17—(AP)—Federal and city officers backtracked today a trail of money left by two New York gunmen before they were captured by a country sheriff in Nebraska last night as they fled from the scene of a Topeka postoffice battle that left a young G-man gravely wounded.

More than \$17,000, virtually the same amount as was stolen in a bank robbery at Katonah, N. Y., March 17, was found on the trail of Robert Suhay and Alfred Power, New York gangsters brought here after their bloodless arrest at Plattsmouth, Neb., last night.

On the outcome of bullet wounds suffered by Wayne W. Baker, 27, federal bureau of investigation agent, will depend the gravity of charges to be brought against Suhay and Power. District Attorney Alexander said at Topeka.

Baker's condition early tonight was reported unchanged. With his intestines perforated by bullets as he attempted to make his first major arrest, his recovery was said to be doubtful.

Dwight Brantley, in charge of the Kansas City division of the federal bureau of investigation, disclosed that a Kansas doctor, presumed to be Dr. S. M. Hubbard, Sabetha, led officers to \$6,954.15 left by the two men in a hotel room here.

Greenwood Wins in Bitter Tussle Over Statehouse Regime

Willis Mahoney's Talk Interpreted as Virtual Announcement He'll Seek Governorship; Hits Mugwumps

Martin Will Seek Second Term, Says Backstage Gossip, But May Try as Independent; Attendance Big

NORTH BEND, Ore., April 17—(Special)—After an hour's heated skirmish over qualifications of delegates reminiscent of a similar battle at the Salem convention last year, the W. L. Gosslin wing of Young Democrats prevailed late today and selected Allan Greenwood, young Oswego aviator, as the next president of their state organization.

Greenwood won out over A. Ray Martin of Eugene by a 31-to-19 vote despite the fact that Walter Toozee, III, withdrew with the avowed purpose of throwing his support to Martin in an effort to loosen the Gosslin grip on young democratic politics in Oregon. The further fact that such substantial leaders as U. S. Burt of Corvallis, Vernon Bull of Pendleton and Ellis Barnes of Portland indicated they favored an anti-Gosslin selection also failed to turn the tide.

Nominations before the convention were featured by an eloquent plea on Greenwood's behalf by George McLeod of Salem.

George Kronenberg of Bandon defeated L. H. Hagen of Oregon City, outgoing secretary, for treasurer, 33 to 19. Pendleton was unanimous choice for next year's convention city.

Resolutions referred to the executive committee included endorsement of President Roosevelt and the Charles H. Martin administration in Oregon, a pledge in support of the Roosevelt court plan, and a proposed change in the organization's setup to provide only one vice-president for each congressional district rather than two.

Backstage talk at this convention, largest the Young Democrats have ever had, indicated that Governor Martin would be a candidate for reelection. There was a rumor that he might run as an independent if too strong opposition developed in his own party.

Reading between the lines of Willis Mahoney's talk here today, it was evident that he referred to a candidacy for the governorship rather than senator when he promised that "republican mugwumps" would be driven out of state appointive offices, since a United States senator has nothing to do with state patronage.

NORTH BEND, April 17—(AP)—Young democrats attending the state convention here tonight had an "incident" which was reported will Willis E. Mahoney do in next year's elections?" In the tacit statement by the Klamath Falls man that he would be a candidate "for a major office" in 1938.

The governorship and "senatorship" are the only major offices to be refilled, which narrowed his choice to those two.

Governor Charles H. Martin has not definitely announced yet whether he will seek reelection. Senator Frederick Steiwer, keynote speaker at the last republican national convention is expected to seek another term in congress.

"Mugwump" Office Holders Assailed
Mahoney launched his campaign openly by blasting "mugwump republican" office holders under democratic administrations and by making a flaming pro-labor speech.

"The WPA and PWA and other alphabetical organizations are saturated with these mugwump republicans," Mahoney said, "but (Turn to page 9, column 1)

Additional separation from fixed assets is recommended in the amount of a \$148,465 variation between a department inventory (Turn to page 9, column 4)

Water Department Books in Good Order, Auditors Report

Generally well ordered accounts following with one exception federally approved utility practices were found in the Salem water department by the state division of audits, the auditors' report released yesterday indicated. The audit covered the first 17 months of municipal operation, or from August 1, 1935, to December 31, 1936.

While they suggest a number of changes the auditors state that "the commission's system as now established is very commendable."

The auditors disagree with the water department accounting system in one major practice, that of prorating a \$49,898.60 organization expense item among the fixed capital assets. The organization expense figure represents expenditures for legal and engineering services and arbitration costs in-

BALLADE OF TODAY

By R. C.

It's natural, one must conclude, that when a group of politicians, or almost any other gathering like Legion, bankers or physicians convene to talk of mutual aims they seem to think that no convention can be complete without a lot of meaningless but fierce contention.