

One Structure To Be Erected

Some Office Space Will Be Included, Later Part of Library

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take advantage of the funds available through the extended public works act.

The commission will send Judge Robert Sawyer of Bend to New York to inspect preliminary sketches for murals and sculptors' models for stateroom decorations. He will advise the artists and if the work meets his approval he will authorize them to continue.

The commission will investigate Banfield's suggestions to move all its offices and operations to Salem, probably housing the personnel in buildings on property adjoining the capitol site. Banfield, a leader in capitol affairs, said he thought considerable savings and efficiency could be effected.

An assistant will be employed at \$125 per week to handle office routine for the clerk of the works at Salem. E. C. Dalton said he had information from C. C. Hockley, PWA engineer for Oregon, to the effect the 45 per cent capitol grant will include administrative expenses.

Heally wrote the commission of his regret over the inability of himself and his associates to accept terms to design the new building. The firm, he said, has a deep interest in the capitol development and expressed gratitude for pleasant relations in the past.

An application also came from Harry A. Herzog, Inc., a Portland firm. Commissioner J. H. Lake withdrew a motion asking Whitehouse & Church to associate with other firms after Banfield pressed an amendment seeking the New York designers to serve as critics of the exterior design.

Whitehouse & Church said they would be able to retain the architectural features by reducing the size of the building in the event the federal application fails to gain approval.

The architects will have engineers inspect existing heating plant facilities in view of remodeling at considerable savings rather than constructing a new system.

Purchase of the land stand owned by the city of Salem was authorized.

Call Hearings on Farm Relief Bill

(Continued from page 1)

sas, ranking member of the committee, said during a verbal exchange with O'Neal that all interests would be better served by delaying action.

"None of the proposed legislation," he asserted, "would apply to present crops. We might as well wait until January and write a better bill. That would be time enough to catch the 1938 spring wheat crop. It's too late to do anything about winter wheat now."

"Nevertheless," O'Neal insisted, "if farmers knew there was to be a bill this session they would not break so much ground for wheat. We're headed for another period of surpluses and perhaps 25-cent prices. It's too bad political action—and that's all this is—must wait until the people are in despair. We want to avoid emergency legislation next year by preparing to meet disaster now."

E. Dunivan Rites Said at Mill City

MILL CITY — Mr. and Mrs. Floyd Dunivan and Mr. Lloyd Dunivan of Stockton, Calif., Rev. and Mrs. Bates and Mrs. Marvin, of Elamath Falls, Miss. Lulabel Dunivan of Tacoma, Wash., Mrs. Janice Powell of Salem, and Mrs. Dorthene Wilson of Mehama, were called to Mill City to attend the funeral of their father, E. Dunivan, who passed away suddenly at the Wilson home in Mehama Saturday afternoon.

Mr. Dunivan lived in Mill City about 20 years. Services were held in the Church of Christ, of which he was a member.

The Call Board

- HOLLYWOOD
- Today—Jeanette MacDonald and Nelson Eddy in "May Time."
- Friday—Double bill, Grant Withers and Beatrice Roberts in "Bill Cracks Down" and Rin Tin Tin, Jr., in "Roaming Wild."
- STATE
- Today—Musical comedy "Wake Up and Live."
- Friday—Eastern Circuit Vaudeville plus "Captured in Chinatown."
- GRAND
- Today—Double bill, "Find the Witness" with Rosalind Keith and "Midnight Taxi" with Brian Donlevy.
- Saturday—Harold Bell Wright's "Bill Cracks Down" with Ricardo Cortez.
- ELSINORE
- Today—Marx Brothers in "A Day at the Races."
- Thursday—Double bill, Kay Francis and Errol Flynn in "Another Dawn" and "Pick a Star" with Betty Kelly and Laurel and Hardy.
- CAPITOL
- Today—Double bill, "Talent Scout" with Donald Woods and Clarence Mulford's "Rustlers' Valley" with Bill Boyd.

Sprightly Comedy at Elsinore



Patsy Kelly, Jack Haley and Rosina Lawrence in "Pick a Star," companion feature with "Another Dawn," starring Kay Francis and Errol Flynn, at the Elsinore, three days, starting Thursday.

Underpass Talked To Protect Pupils

(Continued from page 1)

be prevailed upon to help pay for the pedestrian underpass.

The proposed tunnel would be seven feet high inside, eight feet wide and 24 feet long with a total length including approach ramps of 120 feet.

Two high school staff vacancies were filled by the board. Helen Naomi Autrey, former Kansas City teacher who at present is studying at University of Oregon under a Carnegie scholarship, was elected to fill the art instructorship at the senior high school left open by the resignation of Ruth Brauti. Her salary will be \$1363.71. After accepting the resignation of Doris Clarke Hamilton as Parrish Junior High social science teacher, the board voted to employ Mary Catherine Brown, now of Medford, at a salary of \$1482.81, higher than the senior high appointment because she holds a master of arts degree.

Resignation of Irene McEwan, Washington fifth grade teacher, also was accepted.

The board ordered salaries of Harold Hauk and Gurnee Fleisher as city playground directors raised from \$90 to \$110 a month and of Vernon Gilmore as recreation superintendent, from \$110 to \$125, to place them above the level of janitors, who in recently receiving an increase of pay were placed on nearly the same scale as the recreation executives.

Other actions taken by the board included the following: Building and grounds committee authorized to have indirect lighting installed throughout Richmond school and the old Richmond fixtures transferred to Washington school; negotiations with WPA regarding use of part of old high school building for WPA offices and sewing unit placed in same committee's hands; District 1 approval of First Christian church for zone change to permit construction of new church building at northwest corner of Cottage and Marion streets given; tuition contract with county non-high school board signed; employment committee directed to investigate proposal of T. T. McKenzie, vocational director, for establishment of building trades vocational course in new high school shops unit; request of Emmanuel church for use of room in old high school referred to Superintendent Geiser and building and grounds committee.

Holding Company Curb Is Favored

WASHINGTON, July 27.—(AP)—More drastic treatment of personal holding companies received the tentative approval today of the senate-house tax investigating committee.

The treasury contends the use of these "incorporated pocket-books" by taxpayers has cost the government huge sums in revenue.

Chairman Doughton (D-NC) said the committee decided on increasing personal holding company taxes and "considerably restricting" deductions the present law allows them.

Ingenuous use of deductions, the treasury says, has made possible further avoidance of taxes. Personal holding companies now may deduct 20 per cent of adjusted net income, minus dividends received from other personal holding companies, reasonable amounts applied to retirement of debts incurred before Jan. 1, 1934, and (in reaching adjusted net income) losses from sales or exchange of capital assets.

Fengtai Taken by Chinese, Claimed

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said heavy fighting was going on in the vicinity of Wanpinghsien, a western suburb of Peiping. It was here that the first extended engagement of the present crisis occurred on July 7, resulting in the Japanese determination to drive Chinese troops out of the area.

Fengtai is the base for some 5,000 Japanese troops and field headquarters for the brigade which has seen the heaviest fighting in the series of engagements.

Stealing His Own Daughter Charged

EUGENE, July 27.—(AP)—Sheriff C. A. Swarts said Harold W. Cotter of Modesto, Calif., was arrested here today on a warrant issued in the California city charging child stealing.

The sheriff said his eight months old daughter was with him, and that the complaint had been filed by his wife, with whom he had had a disagreement.

Chinese Driven Back, Nanyuan

45 War Planes Roar out of Tientsin to Take Part in Fighting

(Continued from page 1)

ping, and "large losses were inflicted on the enemy," a Japanese communiqué said. The attack was at 8:30 a. m.

Troops moved against the Chinese barracks of Hsiyuan just three miles northwest on ancient Peiping itself.

The Japanese, it was believed, had delayed a previous encircling movement about Peiping, begun ten days ago, because of the small force then at their command.

The present Japanese force in north China was estimated today to number 20,000 troops, most of them in the Tientsin unit, 5,000 at field headquarters at Fengtai and the remaining 800 comprising the normal garrison within Peiping.

The Chinese, foreign military sources said, have an estimated seventeen divisions in all Hoph province, numbering 150,000 men. The estimate includes 50,000 in the Chinese 29th army, but the positions of all are obscure. Ten thousand are believed in the vicinity of Tientsin, 5,000 in the Peiping area, and the remainder at Paotingfu—35 miles south of the battle zone.

The Japanese took action six hours before their ultimatum to the Chinese troops to withdraw had expired—noon had been set as the deadline.

Insurgent Attack On Madrid Halted

(Continued from page 1)

who have been lying in the city's western outskirts since last November, had been definitely by the insurgent conquest of Brunete.

HENDAYE, Franco-Spanish Border, July 27.—(AP)—Gen. Francisco Franco's soldiers battled the insurgents of Villanueva de la Canada today, leaving the government brigades wrecked in their path, insurgent advisers said tonight.

They swung north from conquered Brunete after repulsing two government counter attacks and virtually destroying the Lister and the 16th brigades, the accounts stated. Only about 300 of an estimated 3,000 men in the two units came through the struggle, the insurgents said.

Government advisers received here from Madrid acknowledged that Franco's men were attacking a mile south of Brunete. The latter town fell into insurgent hands Saturday when the government offensive west of Madrid was rolled back.

Capture of the Villanueva de la Canada would virtually wipe out all the government's gains in the advance which started early this month.

Quail Build Home Near Mill Motor

MEDFORD, July 27.—(AP)—James H. Owen, general manager of a planing mill here, told today how a hen quail built her nest at the base of a huge electric motor and hatched her 16 chicks within three feet of two workmen, unperturbed by the racket of the machinery.

Owen was impressed because, he said, he had fed 200 quail daily at his home and had never been able to get within 50 feet of the birds.

The mother bird, he related, would walk nonchalantly between the feet of workmen in going to and from her nest, leaving only when approached by strangers.

Her brood hatched, she has taken her young to a nearby meadow. The nest remains deserted.

Midnight Taxi

BRIAN DONLEVY FRANCES DRAKE

GRAND

Marconi Mourned

Death in Rome of Guglielmo Marconi of Paralysis of the Heart Brought to an End the Career of One of the Most Famous of Modern Scientists and Inventors.

(Continued from page 1)

buildings today, after members of six unions which walked out May 1 had accepted peace terms by an overwhelming vote.

Negotiations between the operators, and engineers and laundrymen, last groups to present demands, were completed early tonight, and a joint statement said all the agreements would be formally signed at 10 a. m. tomorrow, after which the hotels would reopen.

Operators estimated the strike had deprived them of revenue which would have totaled \$5,500,000 for the 88 days, and strike headquarters placed the loss in wages at more than \$500,000.

Deny Judge Long Given Invitation

WASHINGTON, July 27.—(AP)—Officials of the department of justice denied today that Donald E. Long, judge of the court of domestic relations at Portland, Ore., had been invited to come to Washington for consultation regarding his possible appointment to the post of federal judge.

Reports reached here that Judge Long was on his way to the capital.

Other names recently mentioned as possible appointees included Robert Rankin, law partner of Erskine Wood, brother of Representative Nan Wood Honeyman; Vera Dusenberry, Portland; Miss Cella Gavin, The Dalles, and Carl Donagh, United States attorney.

Game Law Setup Declared Faulty

PORTLAND, July 27.—(AP)—Members and officials of the state fish commission agreed today there were weaknesses in the cooperative enforcement arrangements with the state police.

Master Fish Warden Mike Hoy complained that payment of \$1300 a month to the police left the fish commission with a net loss, saying the state police made only a "superficial investigation" on occasions when a complaint was received.

Hugh C. Mitchell, director of hatches, commented that the trouble was that "we can't get the salmon to use the highways and we can't get the state police along the rivers."

SF Hotel Strike Brought to Close

SAN FRANCISCO, July 27.—(AP)—San Francisco's 19 major hotels, closed 88 days by a record-breaking strike, will reopen tomorrow, operators and union spokesmen announced tonight after a long conference had settled difficulties involving non-striking groups.

New contract demands of unions not on strike thwarted plans to reopen the darkened, dreary

Home Owned Hollywood Held Over

Today and Thursday MATINEE EACH DAY 2 P. M.

Jeanette MacDonald NELSON EDDY. "MAYTIME"

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"FIND THE WITNESS" with Chas. Quigley Rosalind Keith

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Portland 3 10 1
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Flax Subsidy May Continue in 1938

Continuance of the federal subsidy of \$7.50 a ton on Oregon flax in 1938 was indicated in a telegram received Tuesday at the executive department from Senator Charles L. McNary.

"This morning I held an extended conference with the agricultural adjustment administration authorities and urged continuance of flax benefit payments for 1938 and a reasonable time thereafter," Senator McNary's telegram read.

"As a result of the conference George E. Farrell, director of the western division of the agricultural adjustment administration will come to Oregon and make a personal investigation of the flax situation. He expressed a desire to come after I have returned home so that I might accompany him in the investigation.

"I expect to return to Oregon not later than the middle of August and shortly thereafter arrangements will be had for Mr. Farrell's visit.

"Farrell is much interested in the industry and in obtaining for 1938 and 1937. I feel greatly encouraged that benefit payments will be extended."

Lone Union Seeks Solution by Vote

TACOMA, Wash., July 27.—(AP)—Tacoma longshoremen sought an answer to the dilemma of a deserted union tonight while one group of local woodworkers voted their preferences between the American Federation of Labor and the committee for industrial organization.

The longshoremen, who voted three to one several weeks ago to remain in the AFL rather than join the CIO, found themselves the only local of their union on the Pacific coast with that sentiment. All the rest followed fiery Harry Davis, San Francisco leader, in advocating immediate affiliation with CIO.

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Tom Holman of Salem was named first vice-president.

Coos Union Given Council Support

MARSHFIELD, July 27.—(AP)—The Coos Bay central labor council voted full support to the local of the lumber and sawmill workers' union despite a recent move by the union to affiliate with the CIO.

The council voted to extend the lumber workers all possible support "until such time as our allegiance to the AFL makes it impossible for us to continue."

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