EIGHTY-SEVENTH YEAR

Salem, Oregon, Sunday Morning, August 15, 1937

Price 3c; Newsstands 5c

Typhoon Calls Truce in Shanghai Battle

Contracts Offered & Huge New Flax Acreage in Oregon

News Affords Big Climax to **Festival Show**

Governor Martin States 10.000 Acres' Output Will Have Market

Large Crowd on Hand as Leaders Feted; Queen Louann Honored

MT. ANGEL, Aug. 14 .- Governor Charles H. Martin, guest of honor of the second Oregon Flax Festival held at Mt. Angel, announced to a gathering of about 1500 flax enthusiasts this aftermoon, that a Minnesota company was ready to give out contracts for 10,000 acres of flax in Oregon at a rate of \$32 per ton and pay

"The highest peak of produc tion previously reached," he said, "was 3800 acres. This same firm is now buying 2000 of the 5000 tons raised for

this same price of \$32.00 per ton. This price is for the deseeded flax, without retting or scutching. The governor was enthusiastic

the industry had no competition, and that the offer of which he was speaking was a new landmark on the road to sure progress. He ended with the encouraging words "I can just see Oregon fly with its

own wings."
Before leaving to meet other appointments he introduced Victor Elverstrom, representative of the Valley's Fiber company of Minnesota. Elverstrom repeated the offer of his firm and said what was wanted was more pro duction and that he would speak to the farmers to ura increase in

He stated that the company plans to bring machinery into Oregon to process the flax this fall or next spring, thus eliminating the cost of shipping. He hoped that their work "would add another chapter to the flax history

written here." Bright Outlook Is Stressed by Potts

President G. W. Potts of the Oregon Farmers' Union, at the suggestion of the governor, enumpoints of this new deal in flax. E. J. Griffith, state administrator of the WPA stressed the need of finding markets and having the into useless canyon-bottoms. \$100,000,000 of flax products imported annually by the United States replaced by Oregon grown

Rev. Alcuin Heibel, pastor of St. Mary's church at Mt. Angel, voiced his encouraging opinion on the industry. It was at his sug-gestion that a "big hand" was giv-last 24 hours. An area 20 yards en Mrs. Martin by the crowd. Senator McNary, the governor, President Potts and Fr. Alcuin himself were accorded the same honor. Colorful Parade

Saturday Ecature Twenty seven floats, besides a large number of boys and girls on decorated bicycles, formed the colorful parade that wound through the streets of Mt. Angel, ending at the reviewing stand at the ball park. The entries were judged by Mayor Austin of Woorburn, Mayor W. A. Mofflitt of Silverton and Mayor J. Berchtold of

Mayor Austin announced the prize winners as follows: flax Canby: fraternal floats-first North Howell Grange; second, Catholic Daughters of America; third, Catholic Foresters; com(Turn to Page 14, Col. 4.)

Hop Control Plan

hops are picked, or as an alterna-tive, going ahead with the har-vest and impounding hops in a eral shot out horizontally instead

tion at this time. At a meeting of growers here Friday it was agreed als last night will receive prizes that a crop reduction scheme of after a meeting of the West Sa-

Queen Louann, Gracious Ruler Of Second Annual Flax Festival



LOUANN HASSING

Canyon Worrying Black's Approval Farmers of Buhl Probable Monday

to Spoil Irrigation; Spread Is Noted

BUHL, Idaho, Aug. 14-(P)-Harried farmers of this southern acutely alarmed tonight over a tee would vote Monday to apstrange geological quirk that may turn their productive land

The farmers, who have triumphed over meteorological conditions by irrigation, faced an uncombatable foe-land sinking.

That the subterranean disturbance which is causing land to eight miles northwest of here is far from finished was last 24 hours. An area 20 yards wide and 70 yards long sank 75 feet in a day.

H. A. Robertson, farmer, on whose land the sinking is occurring, said the new canyon gives every evidence of spread-

The new depression, which started from a single crack in original "sinking canyon" by the (Turn to Page 14, Col. 1.)

Favor 'Ratification; Protests Heard

WASHINGTON, Aug. 14-(AP) Senate judiciary committee members forecast today the commitprove the nomination of Senator Black' (D-Ala) to the supreme court-although there were telegraphed protests and demand for delay.

Senator Burke (D-Neb), one of the few publicly-committed opponents of confirmation, predicted the committee majority would override objections Monday and recommend that the senate approve President Roosevelt's (Turn to Page 14, Col. 7.)

Rattlesnake Antitoxin Is Speeded by Airplane

MEDFORD, Ore., Aug. 14-(AP) Dr. Paul Sharp of Klamath Falls flew his private airplane to the local airport tonight to receive a ing what action, if any would be supply of antitoxin for snake-bite. the ground, is separated from in an effort to save the life of a of the central labor council, said Klamath Falls woman, bitten by a a 25-foot wall. The first de- rattlesnake Saturday afternoon. pression, covering five acres, The antitoxin supply of Klamath already has sunk to 200 feet, Falls was exhausted, Dr. Sharp

Regatta Comes to Brilliant Windup; Races Have Thrills

Despite a decidedly cool tinge A carnival spirit prevailed last in the weather for the night show night, as throughout every night Fehl May Return swamPed four speed boats during the afternoon performance, the West Salem water regatta came to Letter to Go out a brilliant climax with the scheduled fireworks display, preceded by swimming contest finals.

Almost every piece received ap-A hop growers' crop reduction committee, meeting at the Salem the show of the fireworks, once chamber of commerce yesterday, decided to send a form letter to doing what they were supposed to each grower in the state asking do. At the outset one set piece whether growers favor immediate came close o blowing men in restriction of tonnage before charge off the raft into the water.

cooperative marketing setup of going straight up.
which could control sales and High point in the fire display was the American flag shown in Jean Annunsen and Pearl Spears. Stailey, against the estate of Ted the only run batted in by the tain a resume of the hop situa- playing of the national anthem.

Despite a decidedly cool tinge A carnival spirit prevailed last

People of the vicinity were en-thusiastic in commending the West Salem community club upon its resourcefulness in undertaking pose of financing the furtherance of property supervised recreational park areas.

events in the order in which they 50 yard free style for boys 12

Winners of the swimmin

50 yard free style for men George Causey, Bill Laughlin and

100 yard side stroke for girls-Bill Laughlin.

Final Unit of Pipeline Work Due to Start

2200-Foot Stretch Only Remains but Delivery of Water to Wait

Two Months Required to Complete; Shipment Delayed by Error

Delivery of the first carload of 2200 feet of steel pipe, tail-end shipment of pipe for the Stayton-Salem pipeline, Thursday will be the signal for commencing the final stretch of pipe-laying in the 16 mile water conduit from the Stayton island development to Fir street, a few blocks below the new

The 2200 feet stretch, connecting link between the two ends of pipe already ditched, will go into a section between Turner and Aumsville and south of both. While it will 'e a matter of

only four days or so from the time laying starts, probably on Friday, until there will be an unbroken stretch of pipe from Stayton isprospect of Santiam water for thirsty Salem throats for at least

After Pipe Is Laid
Laying of the pipe in the ditch and tack welding it is only pre-paratory to final welding, and joining, a process that will take about 80 days, Sterilizing, flushing and testing the line will take still another month before the line is ready for service.

Shipment of the final lot pipe, on which rolling and welding work was begun in Portland Friday, was delayed because of a mistake in the size of the steel plates shipped from the east, necessitating a wait while a new or-der was placed and filled.

Work on the Stayton island project is nearly completed, Cuy-ler VanPatten, water department manager, reported yesterday. Only a few men are occupied at the island with odd jobs and testing. All heavy machinery, including a large mechanical digger and a caterpillar tractor, were moved from the island last week.

Out of solid rock and into a decomposed strata boring of the tunnel from the Fir street terminus of the pipeline into the reservoir is progressing rapidly.

Sawmill Workers Get CIO Charter

PORTLAND, August 14-(P)-Portland local No. 2532 of the lumber and sawmill workers' union accepted this afternoon a charter from the committee for industrial organization, officially severing its connection with the American Federation of Labor. Officials of AFL organizations here were non-committal regardtaken. Gust Anderson, secretary the council would meet Monday and "take action on the whole thing."

"As far as Portland sawmill workers are concerned, the CIO charter does not mean a split, "We will continue to work with the AFL as we have in the past. Of course ,we won't recognize jurisdictional picket lines, but we will recognize picket lines

As Parole Ended

MEDFORD, Ore., Aug. 14-(R)-The parole of Earl H. Fehl, former county judge, sentenced to for conviction of ballot-theft conspiracy, expires at midnight Sunday, after which under the terms of a parole granted by Governor Charles H. Martin, he can return

Fehl, according to county authorities will attend and be a witness in the jury trial starting Monday of the civil action of his Allegedly due under a rental agreement. Fehl is not a party in the action, but is a former part to such an extent that the speaker said it might that the speaker said it might that the speaker said it might to consider a senate-approved to such an extent agriculture committee will meet to consider a senate-approved to such an extent that the speaker said it might to the speaker said it might to the floor resolution pledging congress to when congress meets next year.

The case will be heard by Circuit Judge E. B. Ashurst of Klam-regular or special the United States urged today. some kind is necessary to prevent lem community club committee —George Causey, Oliver Glen and cuit Judge E. B. Ashurst of Klam-a glut on the hop market. Monday morning.

Palmateer Is Commander of **Oregon Legion**

Local Man Is Unopposed; Koehn Defeats George for Committeeman

Mrs. Mae Waters, Salem, Will Head Auxiliary for Coming Year

ALBANY, August 14-(P)-The American Legion, department of Oregon, ended its 19th annual convention here tonight with the bitterest election

tory of the department. O. E. "Mose" Palmateer of Salem, became department com-

battle in the his-

mander without opposition. The convention battle centered around the selection of a na-

tional commitseeman, the post going to Past Commander George Koehn of Portland after nearly four hours of debate. Koehn won when

George of Eugene, incumbent, withdrew saying that the position "isn't worth the feeling the race has developed."

Other department officers elect-(Turn to Page 14, Col. 1.)

Panama Tanker Is Shelled, Set Fire

Mystery Warship Figures in new Episode; all of Crew Rescued

LNDON, Aug. 15.-(Sunday)-P)-The Panamanian motor tanker George W. McKnight was reported in messages received early today by Lloyd's to be blazing off the Tunistan coast after she was shelled by an unidentified war-

The vessel was abandoned and one message said all hands were picked up by the steamer British

Advices to Lloyd's from the British freighter Mostyn, which relayed a message from a Tunisan radio station, said the George W. McKnight sent out her first distress signal at 9:13 p. m. last night.

A later message said: "Now cleared. All hands picked up safe by British tank steamer Commodore. Ship still burning; nothing can be done

The tanker, a vessel of 7,097 ons, was bound for Le Havre, France, from Tripoli and Syria.

HENDAYE, Franco-Spanish Frantier, Aug. 14.-(P)-The insurgent radio at Salamanaca said toaight their "big push" to capture Santander and the remainder of government territory in northwest Spain already had resulted in capture of several villages in North Valencia province.

The broadcast, from Generalissimo Francisco Franco's headquarters city, said heavy losses had been inflicted on government

Insurgent officers at Irun said three columns, one of which was Italian was participating in the 'supreme drive' to eliminate all government opposition in northwest Spain. They said 30,000 men engaged, supported by a large number of tanks and ar mored cars.

In the Madrid sector, government troops regained a mile of lost ground toward the war-torn town of Brunete, 15 miles west of Madrid, in a surprise attack. There had been little activity in this area recently. WASHINGTON, Aug. 14-(P)- islation be junked. In special Speaker Bankhead signaled a committee report, the chamber

Late Sports

PORTLAND, Aug. 14 - (P) Kenny Richardson's home run on Bill Posedel's first pitch in the 13th inning gave Los Angeles tonight's game over the slumping Portlanders, 3 to 2.

It was the third straight for the minds, at least at this session, Bankhead told reporters. angels, and the fifth consecutive loss for the Beavers, who in the last 21 games have scored only 61 runs. Tonight, with only five hits, the locals could not take adently was headed toward the same limbo to which this congress has sent President Roose vantage of the generosity of Wesley Flowers, who walked eight velt's supreme court and governmen and hit one.

mother-in-law, Mrs. Corinthia E. on a wild pitch by Flowers and from the rules committee had The letters will reach growers colored flame from the top of the 100 yard backstroke for men— Heimroth, for collection of \$3400. Beavers was the tying tally in the disappeared to such an extent

Three or More Americans Die As Bombs Dropped by Chinese Planes Burst in Foreign Area

All Americans

Protest Against Warlike Activity There Sent Both Belligerents

WASHINGTON, Aug. 14 -(AP)-Orders of the state and navy departments held America's Asiatic fleet ready tonight to evacuate American citizens from war-endangered Shanghai.

Secretary Hull said the government directed naval and consular officials in the troubled areas to determine when and how many of the 4,000 nationals should be evacuated.

At the same time, the state department Secretary said, this government made "earnest representations" to both Japan and China against "any kind of military operations or military bases at Shanghai.

The secretary admonished American officials to close their offices and "unhesitatingly leave" whenever they consider danger imminent.

Standing instuctions were issued to American officers to warn all citizens to leave threatened places and seek reasonable safety.

LONDON, Aus. 14-(P)-The Admirality announced tonight that the British China squadron, arcraft at Woosung, gateway to Shanghai, the Chinese mistaking it for a Japanese vessel. The Cumberland was not hit. (The Cumberland, flagship of

the British Chint squadron, arrived at Woosung early today and -(A)-Three aerial searching parput ashore 200 marines to rein-force the 950 British infantry defending positions around the set- out finding a trace of the misstlement's borders.)

NANKING, China, Aug. 14-(P) tonight, their future plans un-This capital city remained calm certain. (Turn to page 8, Col. 4)

Wagner Tells FR Where to Get off

WASHINGTON, Aug. 14 -(AP)-State Representative Jack Wagner of Multnomah county, Ore., cartruck owners of his vicinity to the miles east along the desolate loss of their preferred status on WPA projects to President Roose- lieved there was open water bevelt today in a letter handed to low. He returned to Fairbanks Marvin McIntyre, secretary to the

"If this relief situation is not corrected," the letter said, "the democrats are going to be in the minority at the next election."

2 days conferrng with WPA officials in an effort to secure the revocation of a recent order Permitting truck owner-operators not on relief to bid on WPA jobs.

Cramer Selected For School Chief

EUGENE, Aug. 14. - (AP) - The Eugene school board chose John

"There is every appearance of

ommittee and no indication that

nembers will change their

The wage-hour measure appar-

mental department reorganiza-

Hopes of wrenching the bill

that pending wage and hour leg- | tion.

passed this session.

pell-mell rush toward adjourn- said that any wage and hour

definite impasse in the rules that congress would reach its

from tonight.

May Evacuate Storm Reduces Bombarding and City Tension Relieved Although big **Guns Still Boom on Whangpoo**

> of Attack; 40 Foreigners Slain but Checkup Is not Complete

SHANGHAI, August 15—(Sunday)—(AP)—A Chinese typhoon today swallowed the war horrors of Shanghai where Chinese air bombs killed 863 civilians, including three Americans, and injured at least 1140 in this teeming inter-

Police of the international quarter said 40 foreigners vere among the dead, but that a complete check had not been

Japanese naval guns thundered spasmodically from ships anchored in the Whangpoo river and machine guns rattled in answer in isolated sections.

Otherwise blood-soaked peace settled on the stricken city, heaped with the broken bodies of bombing victims and ts hospitals crowded with suffering wounded. -

Find no Trace of

had been bombed by Chinese air- Mattern, Once Rescued by ther contending Chinese or Japa-Levaneffsky, Seeks to Repay, Joins Hunt

> FAIRBANKS, Alaska, Aug. 14 ties which covered a wide expanse of the bleak Arctic withing soviet transpolar plane and its six-man crew returned here

tonight but foreign observers Chartered by Russian agents feared it was destined to be drawn after army signal corps listeners at Anchorage intercepted a message giving hope the Russian airmen were safe, the three planes sped northward in a fanwise search, stopped at far north outposts, and brought back the same report-"No word."

Pilot Joe Crosson, speeding more than 200 miles an hour, passed over the Endicott mountains and down the Canning river to the Arctic coast. Fog ried the protest of relief-certified covered the ocean as he flew 50 coast, but Crosson said he beon a line 50 miles east of the Canning river, stopping at Beaver on the Yukon river. (Turn to Page 14, Col. 3.)

Wagner has been in the capital days conferring with WPA of-Cleanup Blocked

ROSEBURG, Aug. 14-(P)-A midnight deadline for the operation of pinball machines in Dougles county was blocked today by an injunction suit filed by Earl Bush, distributor operating about 50 machines in the county.

Bush, filing the action against Francis Cramer, prominent The the district attorney and sheriff, Dalles educator, as superintendent who had ordered removal of all of the city school system today, machines by midnight, complainsucceeding Howard R. Goold, who ed that the games are authorized ended a nine-year term to become by law and unless the authorities superintendent of schools at Ta- are restrained, "established business will be destroyed and prop-Cramer has served schools at erty will be wrongfully seized. Milton-Freewater, La Grande, Co- A temporary restraining order quille, Bandon and The Dalles was issued by the county court.

adjournment goal by a week

Some capitol leaders were in-

clined to believe August 24 or

it could be revised to meet ad-ministration objections. The

house probably will send it to conference with the senate Mon-

Also on Monday, the house

25 would be the final day

Prominent U. S. Citizens Are Victims

national city.

Tension in the international quarter, scene of the worst carnage in Saturday's tragic aerial attack, seemed relieved as heavy wind and rain swept in from the Lost Russ Fliers wind and rain swept in from the seemed to allay fears of any immediate renewal of action by ei-

> Japanese sources declared the island empire's naval bombers had penetrated into the interior behind Shanghai and destroyed at least 40 Chinese planes at aircraft bases. The Japanese reported they had effected destruction of the two Chinese bombers blamed for the lethal attack on

> Shanghai's foreign section. The Chinese bombs tell into the city of 3,500,000 persons when the airmen missed their Japanese warship target anchored near the Japanese concession.

> Inquiry Conducted By Chiang Kai-shek Chinese sources said General-issimo Chiang Kai-shek, strong man of the Nanking regime, was conducting a strict inquiry into the bombing. These sources said that Japanese anti-aircraft bullets striking bomb racks of the low-flying planes released the projectiles prematurely.

Whatever the cause of the attack, two or more Americans were wounded in Shanghai Saturday in the attack that drover scores of others from their homes. Every one of the 4,-000 Americans in the bleeding international community was in

Destruction spread through Shanghai as Sunday dawn ap-Machine guns were chattering fiercely along the land battlefront on Shanghai's north-ern fringe and big guns of Japanese warships on the Whangpoo river fired steadily at land

Fires were increasing, noticeably in eastern Chapel, Chinese section, and apparently were eating into northern parts of the international settlement.

Three recklessly-dropped Chinese bombs plunged into densely packed street intersections of Shanghai's foreign areas, Apparently, they were aimed at (Turn to Page 14, Col. 6.)

Rudeness Charged Against Governor

PORTLAND, Aug. 14 -(P)- A Workers' Alliance committee is-Wage and Hour Bill Appears Blocked, Adjournment Near WPA employes in Salem Friday as a "discourtesy and affrent to the unemployed citizens of this

The statement signed by T. A. ment today with a virtual ad- abuses should be corrected by dainful and careless action of the mission that the administration's state legislation, with congress governor can be considered only wage and hour bill could not be enacting some federal law to as a callous disregard to the welgive support to state programs. Bankhead would not forecast

fare of Oregon's citizenry. McNary and Representative Nam Honeyman asking that the Workers' Alliance be allowed an exofficio member on a committee to make a WPA survey in the state. McNary has asked E. J. Griffith, WPA administrator, to make the

BALLADE

No respecters of persons are aerial bombs, they fall on the just and the unjust alike, se civilians in Shanghai feel justified qualms lest they should