

## Typhoon Calls Truce in Shanghai Battle

### Contracts Offered for 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

#### Queen Louann, Gracious Ruler Of Second Annual Flax Festival



Courtesy Mt. Angel News  
LOUANN HASSING

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 afternoon, 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 cash.

"The highest peak of production previously reached," he said, "was 2800 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 over the coming industry. He said 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 "that we 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 that what was wanted was more production and that he would speak to the farmers to urge increase in flax planting.

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, enumerated some of the promising points of this new deal in flax.

E. J. Griffith, state administrator of the WPA stressed the need of finding markets and having the \$100,000,000 of flax products imported annually by the United States replaced by Oregon grown flax.

Rev. Alcun Heibel, pastor of St. Mary's church at Mt. Angel, introduced the speakers and voiced his encouraging opinion on the present promising aspect of the industry. It was at his suggestion that a "big hand" was given Mrs. Martin by the crowd. Senator McNary, the governor, President Potts and Fr. Alcun himself were accorded the same honor.

Colorful Parade  
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. Moffitt of Silverton and Mayor J. Berchold of Mt. Angel.

Mayor Austin announced the prize winners as follows: flax floats—first, Vancouver Line a mills; second, Mt. Angel; third, Canby; fraternal floats—first, North Howell Grange; second, Catholic Daughters of America; third, Catholic Foresters; committee.

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Hop Control Plan Letter to Go out  
A hop growers' crop reduction committee, meeting at the Salem chamber of commerce yesterday, decided to send a form letter to each grower in the state asking whether growers favor immediate restriction of tonnage before hops are picked, or as an alternative, going ahead with the harvest and impounding hops in a cooperative marketing setup which could control sales and prices.

The letters will reach growers no later than Tuesday, and contain a resume of the hop situation at this time. At a meeting of growers here Friday it was agreed that a crop reduction scheme of some kind is necessary to prevent a glut on the hop market.

### Canyon Worrying Farmers of Buhl Black's Approval Probable Monday

Land Sinking Held Likely to Spoil Irrigation; Spread Is Noted

BUHL, Idaho, Aug. 14.—(AP)—Harried farmers of this southern Idaho agricultural region were acutely alarmed tonight over a strange geological quirk that may turn their productive land into useless canyon-bottoms.

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

That the subsidence disturbance which is causing land to sink eight miles northwest of here is far from finished was shown when a new "sinking canyon" was formed within the 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 spreading. The new depression, which started from a single crack in the ground, is separated from the original "sinking canyon" by a 25-foot wall. The first depression, covering five acres, already has sunk to 200 feet.

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### Regatta Comes to Brilliant Windup; Races Have Thrills

Despite a decidedly cool time in the weather for the night show and choppy river conditions which swamped four speed boats during the afternoon performance, the West Salem water regatta came to a brilliant climax with the scheduled fireworks display, preceded by swimming contest finals.

Almost every piece received applause from the bleachers during the show of the fireworks, once again close to blowing men in doing what they were supposed to do. At the outset one set piece came close to blowing men in charge off the raft into the water. Another, by some queer quirk, exploded underneath the raft. Several shot out horizontally instead of going straight up.

High point in the fire display was the American flag shown in colored flame from the top of the diving tower, heralded by the playing of the national anthem. Winners of the swimming finals last night will receive prizes after a meeting of the West Salem community club committee Monday morning.

### 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 city reservoir.

The 2200 foot stretch, connecting link between the two ends of pipe already dished, will go into a section between Turner and Aumaville and south of both.

While it will be 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 island to Fir street there will be no prospect of Sattiam water for thirty Salem throats for at least 60 days.

Mech Work Remains After Pipe is Laid  
Laying of the pipe in the ditch and tack welding it is only preparatory to final welding and joining, a process that will take about 30 days. Sterilizing, flushing and testing the line will take still another month before the line is ready for service.

Shipment of the final lot of 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 used in packing and testing. The vessel was abandoned and one message said all hands were picked up by the steamer British Commodore.

Advices to Lloyd's from the British freighter Mostyn, which arrived at the next 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 British Commodore. Ship still burning; nothing can be done with it."

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

### Sawmill Workers Get CIO Charter

PORTLAND, August 14.—(AP)—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 regarding what action, if any would be taken. Gust Anderson, secretary of the central labor council, said 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," an official of the new union said. "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 against bosses."

### Fehl May Return As Parole Ended

MEDFORD, Ore., Aug. 14.—(AP)—The parole of Earl H. Fehl, former county judge, sentenced to serve four years in state prison 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 here.

Fehl, according to county authorities will attend and be a witness in the jury trial starting Monday of the trial action of his mother-in-law, Mrs. Corlitha E. Staley, against the estate of Ted Helmer, for collection of \$3400. Allegedly due under a rental agreement. Fehl is not a party in the action, but is a former part owner of the building involved.

The case will be heard by Circuit Judge E. B. Ashurst of Klamath Falls.

### 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.—(AP)—The American Legion, department of Oregon, ended its 19th annual convention here tonight with the bitterest election battle in the history of the department.

O. E. "Mose" Palmateer of Salem, became department commander without opposition. The convention battle centered around the selection of a national committeeman, the post Palmateer going to Past Commander George Koehn of Portland after nearly four hours of debate.

Koehn won when Sidney George of Eugene, incumbent, withdrew saying that the position "isn't worth the feeling the race has wrought here."

Other department officers elected: (Turn to Page 14, Col. 1.)

### Panama Tanker Is Shelled, Set Fire

Mystery Warship Figures in new Episode; all of Crew Rescued

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

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

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### Late Sports

PORTLAND, Aug. 14.—(AP)—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 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 advantage of the generosity of Wesley Flowers, who walked eight men and hit one.

Portland's first run counted on a wild pitch by Flowers and the only run batted in by the Beavers was the tying tally in the eighth when two out and Tresh on base, Bedore belted a two-bagger.

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

#### May Evacuate 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 area to determine when and how many of the 4,000 nationals should be evacuated.

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

The secretary also made a head American officials to close their offices and "unhesitatingly leave" whenever they consider danger imminent.

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

LONDON, Aug. 14.—(AP)—The Admiralty announced tonight that the British China squadron, which had been bombed by Chinese aircraft at Woosung, gateway to Shanghai, the Chinese mistaking it for a Japanese vessel. The Cumberland, flagship of the British China squadron, arrived at Woosung early today and put ashore 200 marines to reinforce the 950 British infantry defending positions around the settlement's borders.

NANKING, China, Aug. 14.—(AP)—This capital city remained calm tonight but foreign observers feared it was destined to be drawn into the conflict.

### Wagner Tells FR Where to Get off

WASHINGTON, Aug. 14.—(AP)—State Representative Jack Wagner of Multnomah county, Ore., carried the protest of relief-certified truck owners of his vicinity to the loss of their preferred status on WPA projects to President Roosevelt today in a letter handed to Marvin McIntyre, secretary to the president.

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

Wagner has been in the capital 12 days conferring 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 Francis Cramer, prominent The Dalles educator, as superintendent of the city school system today, succeeding Howard R. Gould, who ended a nine-year term to become superintendent of schools at Tacoma.

Cramer has served schools at Milton-Freewater, La Grande, Colquille, Bandon and The Dalles.

### Wage and Hour Bill Appears Blocked, Adjournment Near

WASHINGTON, Aug. 14.—(AP)—Speaker Bankhead signaled a pell-mell rush toward adjournment today with a virtual admission that the administration's wage and hour bill could not be passed this session.

"There is every appearance of a definite impasse in the rules committee and no indication that members will change their minds, at least at this session," Bankhead told reporters.

The wage-hour measure apparently was headed toward the same limbo to which this congress has sent President Roosevelt's supreme court and governmental department reorganization proposals.

### Storm Reduces Bombarding and City Tension Relieved Although big Guns Still Boom on Whangpoo

#### Prominent U. S. Citizens Are Victims 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 international city.

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

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 its hospitals crowded with suffering wounded.

### Find no Trace of Lost Russ Fliers

Matters, Once Rescued by Levanefsky, Seeks to Repay, Joins Hunt

FAIRBANKS, Alaska, Aug. 14.—(AP)—Three aerial searching parties which covered a wide expanse of the bleak Alaskan wilderness but finding a trace of the missing soviet transpolar plane and its six-man crew returned here tonight, their future plans uncertain.

Chartered by Russian agents after army signal corps listen-ers at Anchorage intercepted a message giving hope the Russian airmen were safe, the three planes sped northward in a fan-wise 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 covered the ocean as he flew 50 miles east along the desolate coast, but Crosson said he believed there was open water below. He returned to Fairbanks on a line 50 miles east of the Canning river, stopping at Beaver on the Yukon river.

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### Douglas Pinball Cleanup Blocked

ROSEBURG, Aug. 14.—(AP)—A midnight deadline for the operation of pinball machines in Douglas 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 the district attorney and sheriff, who had ordered removal of all machines by midnight, complained that the games are authorized by law and unless the authorities are restrained, "established business will be wrongfully seized."

A temporary restraining order was issued by the county court.

### Rudeness Charged Against Governor

PORTLAND, Aug. 14.—(AP)—A Workers' Alliance committee issued a statement today describing the failure of Governor Martin to meet with 200 members and WPA employes in Salem Friday as a "discourtesy and affront to the unemployed citizens of this state."

The statement signed by T. A. Phillips, chairman, said the "dishonorable and careless action of the governor can be considered only as a callous disregard to the welfare of Oregon's citizenry."

The committee wired Senator McNary and Representative Nance Honeymay asking that the Workers' Alliance be allowed an official member on a committee to make a WPA survey in the state. McNary has asked E. J. Griffith, WPA administrator, to make the survey.

**BALLADE**  
By R. Q.  
No respecters of persons are aerial bombs, they fall on the just and the unjust alike, we civilians in Shanghai feel justified qualms lest they should be standing where fliers' shells strike.