EIGHTY-SEVENTH YEAR

Salem, Oregon, Saturday Morning, August 21, 1937

Price 3c; Newsstands 5c

Congress Winding Up; FR Deteats Viewed

Belligerents Are Wayed to Avoid Shelling US Vessels

Seaman Killed

Protests Are Sent Both of Warring Nations; Battle Rages on

Shot Hitting Augusta Is Japanese, Reported; Property Loss big

SHANGHAI, Aug. 21-(Saturday.)-(A)-Adm. Harry E. Yarnell, commander-in-chief of the United States Asiatic fleet, announced today he had warned both Chinese and Japanese authorities against shellfire over American and foreign warships after an American seaman was killed.

"I asked them especially to refrain from firing over the Augusta," the admiral said.

It was on the Augusta, \$10, 000,000 flagship of the fleet, that Freddie John Falgout, 21, of Raceland, La., was killed and 18 of his 800 crewmates slightly injured, by an anti-aircraft shell

The flagship was lying in the Whangpoo river, near the heart of the international settlement, when the projectile crashed on

Chinese authorities were investigating the incident to determine the source of the shell, said Mayor O. K. Yui, but he added, apparently in conflict with Yarnell's announcement, that no protest had been received from United States authorities.

The mayor is a close associate of Generalissimo Chiang Kai-Shek, head of the Nanking government. Fiercest Duel of

Artillery Staged The Augusta was hit while Chinese air bombers and shore batteries and big guns of the Japanese fleet on the river were fighting the fiercest bomb and artillery duel of the 8-day Shanghai conflict. At Washington it was reported the fatal shell was Jap-

A fourth of Shanghai's densely populated area was set ablaze by bombs and shells and the fires rages furiously into the night with no effort to check them. The largest of them were along the waterfront of Pootung, industrial area across the Whamgpoo from Shanghai's international settlement, where Chinese airmen bombed Japanese properties, and in Honghew, the Japanese section

Three United States citizens and more than 1000 Chinese were killed last Saturday when Chinese bombs fell into international areas of the city.

American losses were believed heavy in the fires roaring through the industrial district on both banks of the Whangpoo. Plants of the Sherwin-Williams Paint company and the Simmons Mattress company were reported burned. In or close to the burning Pootung district are big storage plants of the American Standard-Vacuum and Texas Oil companies. Their fate was not known. The war had driven all firefighting companies out of the burning districts. The flames spread steadily along the waterfronts, close to the anchorages of the \$10,000,000 Augusta, the destroyers Edsall and Parrott and the gunboat Sacramento. Chinese field pieces hidden on

rooftops in Chapei, the native section in northern Shanghai, and batteries well to the south of the international settlement ex-changed steel with the Japanese warships on the river, their shells screaming over or near the international areas where tens of thousands of foreigners remained despite the wholesale evacuations of this week. Warships helped evacuate 1100 United States citizens today.

The international settlement rocked to the explosions. Shells from both sides fell on the border of the French concession, where most of the Americans

lived, adding fresh fears.

The Augusta's wounded were taken ashore, with Falgout's body, and placed in the American

The fatal shell, a one-inch projectile, fell from a high angle at 6:40 a. m., when most of the crew was below at mess. Orders were then given for all officers and men to remain below decks as much as possible. The same was done on the Parrott and Edeign men o' war on the river pre- ditch, instead of disposing pared to move to safer anchor- outright.

One American Refugees Run Into New Terror As Quake Rocks By Projectile Manila; Some in Panic

Nerve-Shocked Women From Shanghai Fear It's new Bombardment; Shocks Worst in Forty Years but Only one Death; Buildings Stand

MANILA, August 20—(AP)—American refugees fled from one terror to another when they left "a hell on earth" in Shanghai five days ago and stepped ashore here tonight into a panic born of earthquakes.

Nerves worn raw by the Shanghai ordeal snapped under the terrifying spectacle of swaying buildings, falling masonbry and sudden darkness a few moments after the 376 refugees

Salem Woman Is stepped ashore in the Philippine Among Refugees Cries of "it's another war" and "the Japanese are bombing us!" came from groups of terrified women refugees as the Manila

to Hankow; Newberg

People on List

liner, the President Jefferson,

Names and addresses, whore known, of those aboard the Jef-

Mrs. J. M. Huppman, Seattle;

Mrs. R. R. Schinazi and daugh-

ter, Portland, Ore.; Mrs. R. L.

Pearce, Portland, Ore.; Mrs. S.

F. Jensen, Seattle; Miss Dorothy

Reierstad, Portland, Ore.; Miss

Mrs. Grace Norman, 160 Le-

(Turn to Page 2, Col. 4.)

Practice in Polk

Harmful Logging

son, Bremerton, Wash.

felle street, Salem, Ore.

Hankow included:

route to Kuling.

ferson included:

Mrs. Grace Norman Going customs house twisted and swayed over their heads. The refugees, first of several hundred expected here, told their stories as they awaited transfer to shelter prepared for them here. WASHINGTON, August 20-(AP) Mrs. H. G. Jensen of Seattle The state department said today wife of a Shanghai dentist, said 256 American refugees from she received the fright of her life Shanghai were aboard the Dollar

which arrived at Manila today. Sinking Canyon Is The American embassy in Nanking, meanwhile, informed the had left Nanking on the British Goal of Tourists S. S. Sheshi bound for Hankow. Two other Americans were en-

(Turn to Page 2, Col. 3.)

Robertson Whose Land Caves in, Is not

BUHL, Idaho, Aug. 20 .- (A)-Tourist dollars flowed today from the choking lava dust of southern Idaho's "sinking canyon."

H. Kappell and mother Mrs. F. Farmers and townspeople, as-R. Engdahl, Spokane, Wash.; Mrs. tounded at attention given a ge-Hazel Severns and son, Newberg, ologic quirk that is transforming Ore.; Mrs. P. Severns, Newberg, fertile farm land into a desolate Ore.; Mrs. Mary Putnam, two hole of dirt and lava, are seeking sons and daughter, Pocatello, -and getting-money from hun-Ida.; Mrs. B. Roth, son and three dreds of curious who have flockdaughters, Seattle; M. F. Roth, Seattle: Mrs. Helen M. Joyce and ed to the site from 33 of the nation's 48 states. Those who left Nanking for

For more than 10 days, fertile acres on the farm of H. A. Robertson, seven miles northwest of this town of less than 2.000 persons, have plunged downward Frederick F. Strake, jr., of Inamidst rising clouds of dust and rumbling explosions. Seven acres dependence is a sailor aboard the have disappeared into canyons Augusta, U. S. cruiser which was

struck by a Japanese shell result- more than 250 feet deep. The phenomena, geologists say ing in one death and minor injuries to 18 others. Strake is the is caused by the collapse of lava son of Mr. and Mrs. Frederick strata softened by irrigation wa-Strake of Independence and a ter that turned this near-desert area into one of Idaho's most productive regions.

Mrs. Harry McFarlin, who oper-(Turn to Page 2, Col. 2.)

Is Cited by Mott Schenck Gaining Support, Stated

but is receiving substantial back-

ing from Seattle and Tacoma, the

He was a member of the com-

mittee of civil engineers who di-

gested the army engineers' report

No. 303, showing the feasibility

of deep-sea vessels navigating the

WASHINGTON, Aug. 20 .- (AP) -Representative James Mott of Salem, Ore., said today he had PORTLAND, Aug. 20-(A)-The asked Secretary Ickes to invoke Portland Oregonian said tonight authority granted under a bill that support for F. R. Schenck of sent to the White House this Portland as administrator of Bonweek to halt "harmful" logneville dam was showing increasging operations on grant lands ing strength in Washington, D. C. Schenck, a former government The bill, when signed by the supported by Portland interests,

newspaper said.

president, will set up a new administratica plan for revested Oregon and California grant lands, and will give the secretary of the interior power to halt such operations as he considers harmful, Mott said. Dallas had protested that the

near Dallas, Ore.

logging created a fire hazard and threatened the watershed. Columbia river to The Dalles.

Appraisal of City's Power Plant to Precede Any Deal Disposition of the hydro-elec- | have property adjoining the main

tric generator on Mill creek owned by the Salem water commission will be deferred until after further investigation and appraisal, the commission voted at its meeting last night.

The committee investigating the advisability of selling or otherwise disposing of the plant was authorized to call in competent assistants to aid it in determining both a fair selling price and a fair rental value.

Several of the commissioners expressed the opinion that the the American Water Works ascommission would be wise to sociation to hold its annual conlease the plant, thus maintaining | yention here in 1939. This year's sall, and some of the other fo- its water rights on the mill stream | convention was held in Victoria, | San Diego

Pleas of several persons who Washington city.

pipeline from Stayton island outside of the city limits to have water service direct from the line were considered but the matter was tabled pending further inves-

Manager Cuyler Van Patten and the city attorney were given authority to make final settlements on crop damages on land through which the pipeline is being constructed.

The commission moved that the San Francisco manager be instructed to invite Oakland the Pacific Northwest section of it B. C., in May and the 1938 meet- Sacramento

Labor Board's. Aid Unwanted, Muir Asserts

"Hands off" Warning for C. W. Hope but Trades Council Differs

Audit Desired; Politics Charge Is Hurled at Longview Session

PORTLAND, Ore., Aug. 20-(AP) The United Brotherhood of Carpenters and Joiners, through its vice-president, Abe served notice on the national labor relations board today to keep hands off the AFL-CIO dispute which had closed seven Portland itol site, the planned location of

"The labor relations board has no legal right to interfere," Muir

"The brotherhood is going to intangle its own affairs. Portland mill owners have no right to break existing agreements with the AFL and we won't recognize any pretended right of the labor board to step in.'

Muir's statement followed word that Charles W. Hope, regional director of the board, had expressed willingness to conduct in Plans Must Be the Portland mills a "courtesy Ready November 1 audit" of union membership rolls such as was held in the St. Paul and Tacoma Lumber company Neighbors Cashing in but plant at Tacoma. Wash. Audit Is Desired

The Portland mills closed when AFL pickets from the building trades council appeared following (Turn to Page 2, Col. 1.)

Glendale Lumber Plant With Loss Around \$200,000

GLENDALE, Ore., Aug. 20-(AP)-Fire destroyed five dry kilns, the planing mill and about 400,000 feet of finished lumber at the Ingham Lumber company mill here

Damage was estimated at about Volunteer firemen, aided by a

pumper from the Grants Pass fire iepartment and a favorable wind, saved the main plant. The blaze was believed to have originated in one of the kilns, which were filled with pine lum-

Company officials said the planing mill would be rebuilt, and that the loss was covered by in-

The company employs about 250 men.

Late Sports

-Portland's Ducks gave righthander Bill Posedel, their pitcher, ample support with their bats here tonight to hang up a 4 to 1 victory over the Missions.

Posedel sat down the Missions without a great deal of trouble in all innings but the third, when the hometowners, aided by a pair of Portland errors and an infield hit, put over their lone tally of the game.

The Ducks smashed Walter the outset, but did not score until Three singles in a row by John

Frederick, John Clabaugh and catcher Tresh produced a run. Clabaugh tripled in the sixth with two on the bases, for two more Posedel and Tresh; Beck, Osforne and Frankovich, Outen.

First night game-10 innings: Osborn, Pickrel and Fernandes; Prim and Collins. Second night game-7 innings: Seattle Los Angeles

Opelt, Pickrel, Gregory and Evans, Garland, Overman and Collins, Gibson and Monzo; LaRocca

and Raimondi. Night game-11 innings:

State Library **Grant Okehed** By Roosevelt

Last Barrier to Needed Project Here Removed as Funds Provided

Will Speed up Optioning of Site; Plans Being Prepared Already

Information that President Roosevelt had approved the allocation of \$450 as a PWA grant for construction of new state library building in Salem, was received by Senator Charles L. Mc-Nary Friday in a telegram from Harold L. Ickes, PWA admin-

This approval, recently viewed as doubtful in view of official statements from officials at the national capital, removes the last possible obstacle in the path of the long-advocated library building project. Its immediate result will be to speed up the capitol reconstruction commission's negotiations to purchase property in the block across Court street to the north from the present capthe library structure. State funds in the amount of

\$550,000 for construction and \$300,000 for site purchase were authorized by the 1937 legislature. closed and negotiations with other property owners are being carried on by Commissioner Harry Banfield, who said he would be ready to submit further options to the commission for final approval next week.

Work on the detailed plans for the structure, the estimated total cost of which is \$1,000,000 along with a central heating plant for the entire group of state buildings, is already under way by Whitehouse & Church, Portland architects.

Under the terms of an agreement with PWA officials they are to be submitted for approval by November 1 and construction operations are scheduled to start within 60 days from that date. Completion of the library is set for not later than June 30, 1939.

"There is no reason why the library project cannot proceed uninterruptedly now," said Ralph E Moody, assistant attorney general and special counsel of the commission who recently spent several weeks in Washington ironing out details in connection with the grant application. "We know what PWA requires

(Turn to Page 2, Col. 4.)

Chinese General **Predicts Victory**

By MORRIS J. HARRIS SHANGHAI, Aug. 20-(AP)-Gen. Chang Chi-Chung, commander-inchief of the Chinese armies de fending Shanghai, told me tonight that the Sino-Japanese conflict would end soon with a smashing victory for China.

He added that if a general na tionwide war should break out, time would be on the side of the Chinese who were now Prepared to continue the struggle for

I interviewed him in the camouflaged offices of army general headquarters. The gate leading to his offices bore Chinese characters meaning "house of peace." General Chang, veteran of the

1932 Shanghai war, appeared confident that the Japanese forces would shortly be driven south of Soochow creek into the midst of the international settlement. He asserted that in that event

he would expect the international Beck, Mission pitcher, hard from authorities to disarm the Jap-

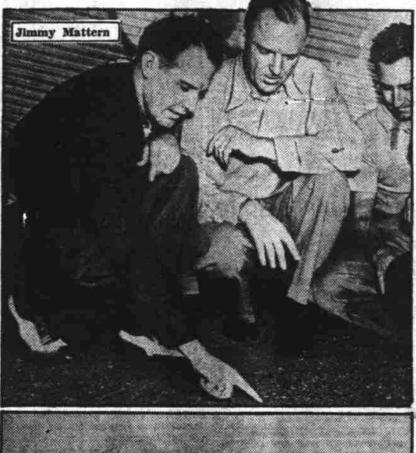
Munchausen Rival Arrested, Seattle

SEATTLE, Aug. 20-(AP)-He was a famous doctor who had "ex-amined the Lindbergh baby." He owned a racing stable and gave his wife a notarized bill of sale to the famed horse, "Pom-

He had a million dollars on deposit to help sponsor a national lotteries bill which would make him the national lottery king. And he was Mayor John F. Dore's "cousin."

All this and more, Dep. Pros Henry Clay Agnew charged in a grand laceny complaint today. Jack P. Mills, 43, clerk, told an unnamed Seattle |woman whom he is accused of defrauding of \$2000 in what Agnew termed 'marriage bunco racket." They married last month. Agnew said Mills confessed to

Mattern Dares Arctic Fogs While Seeking Lost Fliers From Russia



Four years ago Sigismund Levaneffsky, "Lindbergh of Russia," rescued Jimmy Mattern when he was forced down in Siberia on a round-the-world flight. Yesterday Mattern started his attempt at repayment by braving fog over the arctic ocean as he sought to find the Russian ace and his companions, lost for a week on their Moscow-to-San Francisco flight. For a time fear was felt for Mattern's safety but he was later reported as continuing his flight. With him in the upper picture is his co-pilot, Frank Jones.

Mattern's plane

Search in Arctic | Congress Passes Made by Mattern Grant Lands Bill

Safe: Finds Breaks in Bank of Fog BARROW, Alaska, Aug. 20 .-

through heavy patches of fog, transpolar fliers, was winging his way over the Arctic ocean late lands in their state. Norman Lott, Pacific Alaska

airways radio operator at Flat, Alaska, reported intercepting a message from Mattern at 5:15 p. m. (PST), saying the flier, his co-pilot, Frank Jones, and radio operator John A. Stump, found the heavy fog broken in spots. Lott said apparently the plane was isfied" with terms of the measure over the arctic.

Receipt of Lott's message relieved the slight anxiety which arose when Mattern failed to report after 8:20 p. m., when he wirelessed he was over the treacherous Endicott mountains between Fairbanks and the Arctic ocean. His sleek, aluminum - colored twin-motored plane left Fairbanks at 1:10 p. m. for the arctic.

Mattern carried with him a letter of greeting to Lost Pilot Sigismund Levaneffsky and his five companions from soviet agents at Fairbanks. It was to be delivered in case the fliers, who vanished last Friday, were found.

Sir George Hubert Wilkins and his aerial search party of four in en stove. a flying boat landed at Fort

Zadkoff, the Canadian aviator, and to so notify her parents. sive search of the polar ice floes. of Oregon.

Unreported for Time but Oregon Measure Expected to Receive Approval

at White House

WASHINGTON, Aug. 20-(AP)-(P)-Flying by instruments Oregon congressmen Predicted tonight presidential approval of a immy Mattern, American airman bill setting up a sustained-yield searching for the lost soviet management of some 2,500,000 forested acres of revested grant

The bill, sent to the White House yesterday, also provides for a redistribution of revenue from the western Oregon lands which interior department officials said would put their administration on a business basis."

Representative James Mott, Salem, Ore., said he was "well satwhich will provide approximately \$400,000 annually for the grant land counties in lieu of taxes re (Turn to Page 2, Col. 2.)

Former UO Girl Takes Own Life

NEW YORK, Aug. 20-(P)-Beau-tiful Adelaide Hughes, |20-year-old Glendale, Calif., girl who came tion. east to "make her own way," was found dead this morning in her mid-town apartment from gas fumes which poured from a kitch-A former member of the follies,

Smith, N. W. T., at 2:30 p. m. Miss Hughes, tall and blonde, park in California, and wrote in (PST) to join a search for the shared the apartment in which missing Russians. They flew non- her body was found with two stop 1,200 miles from Port Ar- other girls. Police said she left her roommates a note asking them At Barrow, the soviet pilot, to "consider this an accident," Bob Randall and the Russian ice- Police were told Miss Hughes

breaker Krassin, with four planes came to New York about a year aboard it, prepared for an exten- ago after attending the University

Recall Case Demurrer Taken Under Advisement by Peters

Demurrer to the writ of man- | tered" elector as compared to a damus filed by sponsors of the Siegmund recal movement against U. G. Boyer, county clerk, was taken under advisement yesterday by Judge R. Frank Peters of Hillsboro, assigned by the supreme court to hear the manda-

Much of the force of the demurrer, which had reference to the sufficiency of the writ, was taken away, District Attorney Page, its filer, admitted when Roy Hewitt, attorney for the recall committee, asked and was granted interlineation in the writ. recall petitions which Boyer chalenged are in fact "legal regis- over individually. tered voters" was the chief allegation contained in the interlin-

910 names certified to by J. S Baker, head of the recall committee, as genuine only 350 appear on the registration lists at all Hewitt stated that there was bills he had asked this congress to every reason to believe the evi- pass. dence would show that all of the 910 are registered voters.

While figures in the county

clerk's office indicate that of the

It is possible the allegation that all of the questioned signatures are those of registered voters may result in a long drawn out court case in which the registration That the 910 signatures to the lists will be brought into court and the challenged names gone That registered electors only

are qualified to sign recall petieation. It changed abruptly the tions was stated by the district aspect of the case, in which pre- attorney. In regard to Baker's

John Lewis Is Irate at Wage Bill's Failure

Complaint Against Demo Failures Regarded as Significant

Adjournment Is Set for Today; Items Added to Finance Bill

By RICHARD L. TURNER WASHINGTON, August 20-(AP -Congress coasted comfortably along toward adjournment today with just a few more issues to be settled before the legislators say

a willing farewell to the steamy

heat of a Washington summer

and the even more torrid controversies of the past session. Officially and definitely, party leaders in both houses fixed the adjournment hour at late tomorrow afternoon, or sometime to-

morrow evening. Senate leaders clung during the day to a hope the adjournment might be reached tonight. When the house refused, the upper branch recessed until noon

Houses Debate on Minor Problems Throughout the afternoon, the senate happily added items to the \$138,000,000 third deficiency appropriation bill, while the house debated the advisability of buying reindeer for the Alaskan eskimos and of sending a delegation on an autumnal junket to

Hononlulu. Then, into this idyllic situation strode John L. Lewis of the committee for industrial organization, irate and storming at the democratic leadership because of the fact that the wage-hour bill, passed by the senate, is now inextricably trapped in the house

rules committee. The program which they party promised in last year's campaign has been sabotaged by "a small group of its more conservative members," he said in a prepared statement issued in his capacity as chairman of labor's non-parti-

san league. He referred to last night's abortive house democratic caucus at which many hoped by party action to get the wage-hour bill out of the committee and

Challenge Hurled "To the leaders of the democratic party," Lewis continued, "it presents the challenge whether to restore sufficient party discipline to permit government to function under their guidance, or to confess that their party is not the vehicle by which the people of the country may progress to a solution of their pressing social problems."

In that last sentence the homing legislators found material for speculation. Washingtogn has buzzed with reports that Lewis is on the outs with President Roose-

The senate got to work on the deficiency bill, last appropriation measure of the session, carrying some \$138,000,000 for purposes which have arisen since the regular departmental appropriation bills were passed or which were overlooked in the bills' prepara-

To this the senate added \$500 to meet emergencies arising from the war in China, ordered earmarked the sum of \$2,005,000 for the purchase of land increasing the area of the Yosemite National an item of \$50,000,000 for benefit payments under the sugar marketing bill. Customs Funds to Provide Cotton Benefit

Then with southern senators assuring senators from the wheat states that they will help if an emergency arises in wheat, the senate ordered \$65,000,000 of customs receipts made available for subsidy payments on this year's cotton crop.

The house meanwhile approved the sugar control bill and sent ft to the White House where it is assured of a cold reception because of restrictions imposed upon imports of sugar from Hawaii and Puerto Rico. This done, the house quickly

approved senate amendments to the bill to strengthen the tax laws against evasions and avoidances, sending that measure likewise to the president. It was one of the

After that, there was nothing ressing so the house turned to (Turn to Page 2, Col. 3.)

ALLADE of TODAY

Although they flee safely from Shanghai's grave strife, American refugees still are pursued by additional perils to