

**Weather**  
Generally fair today and Friday, fogs near coast, normal temperature, Max. Temp. Wednesday 79, Min. 49; river -3.2 feet; north wind.

**Fall Opening**  
Everybody will be there—at the Salem Ad club's fall opening in downtown Salem tonight. "Phoney money" auction, auto show, styles, music.

EIGHTY-SEVENTH YEAR

## British Warned to Quit Shanghai Outpost

### Control Board Asked to Help in Solving State Library Problem

#### Four Plans of Construction Are Discussed

Purchase of Eight Pieces of Land Is Approved by Capital Board

#### Opposition Expressed to Combining Office and Library Buildings

PORTLAND, Sept. 1—(AP)—The capital reconstruction commission called the board of control to its aid today to determine the type, cost and purpose of a building to fit the million dollars available for further capital development at Salem.

Following the approval of property purchases amounting to more than \$125,000 on the block adjoining the main capitol structure, the commission considered three schemes for a library building or a library and office building combined.

#### First Discarded As Too Costly

No. 1 went into the discard immediately when Whitehouse & Church, the architects, listed its cost at \$1,213,000. It included space to meet library and office growth for 25 years.

The second plan was similar to the first except that it cut down office and library space to come within the budget. The exterior would be of marble and bronze to conform to the main capitol. It did not allow for funds for landscaping and street changes. The building would cost around \$770,000.

The third proposal provided for a library estimated to cost about \$650,000 and left sufficient funds for heating, landscaping and street adjustment, furnishings, incidental and architect's fees.

The fourth plan was an alternate of the second. It provided for landscaping and street construction by changing the exterior to Indiana limestone and metal exterior sections to steel instead of bronze. Like the second, it included both library and office facilities.

A building for library purposes alone won strong support from Commissioner Robert Sawyer of Bend.

#### Leave Office Plans For Future, Urged

"Let's leave the office building to the development of the highway department or the legislature at a future time," he said. "We cannot meet the full requirements for office space and such action now might delay action on a separate building."

The architects had pointed out the structural difficulties of building a library with book stacks and also providing for offices.

Sawyer, who has recently returned from New York where he inspected the artist's work on designs and sculpturing, said he would rather see some of the money go unexpended than try to get both jobs done at once and fail.

Dr. H. H. Olinger of Salem, regarding office space in a library building as only temporary at the moment, said he favored the single library structure.

It was on Banfield's proposal (Turn to Page 2, Col. 1.)

### Paralysis Case Gain Causes Delay, Chicago School Start

CHICAGO, Sept. 1—(AP)—A sharp increase in infantile paralysis cases inspired prompt action to forestall spread of the dread disease today.

The board of education met in an emergency session and ratified a health department order deferring the reopening of Chicago's schools until the current outbreak wanes. That meant \$15,000 students, originally scheduled to resume classes next Tuesday and Wednesday, would continue their summer vacation indefinitely—possibly for another month.

Forty-two outdoor swimming pools in small parks were closed. Boy Scouts at three camps were sent home. Theatre owners were urged to prevent crowding of children.

Dr. Herman N. Bundesen, president of the board of health, reported 169 cases in the city during August, ten more than the previous high for the month recorded in 1916. Twenty-six fresh cases in the last four days—eight of them in the last 24 hours—emphasized the growing seriousness of the malady.

The death rate so far, Dr. Bundesen announced, was 10 per cent. The United States public health service reported a decided uptrend in the number of cases nationally compared with 1936 but held there was no indication of a widespread epidemic.

Children Under Seven Barred  
Milwaukee, with 26 cases, barred children under seven from public gatherings until September 20.

Omaha, where opening of school was postponed, had 78 cases and 17 deaths since May 1.

Twenty-nine cases were registered in Colorado.

CHICAGO, Sept. 1—(AP)—These precautions against infantile paralysis were urged upon parents today:  
Keep children from crowds.  
Don't allow them to be kissed and fondled.  
Consult a physician at the first manifestation of such symptoms as fever, drowsiness, rigidity of back or neck or tremors of arms or legs.

### Worst Typhoon Since 1926 Hits Hongkong; Sends Ships Aground

Coastal Steamer Dumped Onto Roadway by High Tide; Four SOS Calls Sounded; Gale Causes Fatal Tenement Fire; Believe 40 Dead

HONGKONG, Sept. 2—(Thursday)—(AP)—The most violent typhoon since 1926 lashed Hongkong early today, spreading maritime and land destruction. It was believed to have taken about 40 lives.

Fifteen persons perished when a fire caused by the Chinese tenement block.

Other casualty reports were compiled slowly with indications that the total number of dead would be about 40.

Four ships in the harbor sent out SOS calls. The Japanese liner Asamu Maru was aground in Junk bay and the Kausin was aground off Green Island.

The harbor was crowded with shipping, including liners sheltering here because of the Japanese blockade of China's coast. The Chinese steamer "Anlee" piled up, first reports said, and a government tug was set adrift.

A witness said he saw scores of Chinese struggling in the water, apparently having been forced from their ships. Waterfront shops were flooded waist deep, and revenue officers assisted civilians many of whom had been trapped in crowded buildings along narrow streets.

Details still were meager, because the storm struck in darkness and a thorough check of (Turn to Page 2, Col. 3.)

### Teamsters Keep Waterfront Idle

500 Drivers Ceasing Work Along San Francisco's Shipping Docks

SAN FRANCISCO, Sept. 1—(AP)—Rolling picket lines of AFL teamsters virtually isolated the San Francisco waterfront from inland commerce and threatened coastwide shipping complications today in an effort to force a showdown in a controversy with CIO element.

Teamster leaders announced the drivers of 500 heavy waterfront trucks were ceasing work and that only perishables and goods already in transit would be moved to or from the docks pending settlement of the dispute.

Almon E. Roth, president of the Waterfront Employers association, said "a serious situation" would develop in a few days if the impasse continued.

The teamsters called their move a "finish fight" against CIO-affiliated warehousemen, backed by equally-strong CIO-longshoremen, who have prevented the trucking of canned goods from a packing company involved in an alleged (Turn to Page 2, Col. 5.)

### Fall Opening to Start at Seven

What the man, woman, child, house and automobile will wear this fall will be shown by the Salem Ad club in downtown Salem tonight at its annual fall opening program, starting at 7 p. m.

The feature of the opening, the "phoney money" auction, will be a traveling, multiple affair. Three auctioneers will take stands in the business district, approximately as follows:

7 p. m., Chemeketa and Commercial streets; 8 p. m., Court and Liberty streets; 9 p. m., on State street; 10 p. m., on High street between State and Court, scene of the automobile show.

Music for the evening will be provided by the Salem Municipal band and the Albany high school band. The Ad club's dance will start at Crystal on State at 9 p. m.

Virtually all downtown business men are cooperating in the event by distributing "phoney money" and by arranging special window displays for tonight.

### Fight for Pay Boosts Due at Tonight's Meet

Marshall Announces Plan, Make Small Increase in Pay Possible

Budget Group Faces Task of Deducting \$5185 as First Move

Balancing the 1938 city budget will be the main task facing the citizen-council budget committee at its final meeting tonight but the issue of restoring depression salary cuts to city employees will be raised again with greater insistence than it was at earlier sessions.

Revised computation of salaries as restored to pre-depression levels indicate the total increase necessary would be approximately \$7600, Alderman Frank P. Marshall announced last night. He said he believed earlier estimates, of \$17,000, were based on a 10 per cent increase, whereas the city's workers already had had restored half the 10 per cent depression cut.

Marshall Claims Support, Salary Stand  
Marshall declared he intended to insist on the salary restoration and said he felt certain he would find decided support among the budget committee's 30 members.

"If they are of a mind to, they can restore all those salary cuts," Marshall asserted. "They can anticipate more revenue or cut other budget items. They'll spend \$5000 or \$8000 for a piece of machinery they don't use many times in a year and never put an eye but they think they are doing the city's employes a big favor in just letting them work."

Inquiry at the city recorder's office brought the statement from Recorder A. Warren Jones that (Turn to Page 2, Col. 5.)

### One Pilot Feared Lost, Salt Lake

SALT LAKE CITY, Sept. 1—(AP)—Searchers by land and water clung doggedly tonight to the slight hope that Private Henry W. Pearson, 23, who escaped death in a plane crash, might have lived through the night in storm-tossed Great Salt Lake.

His companion, Lieut. Lucian N. Powell, pilot of the ship, fought high waves and biting cold water for more than eight hours to bring the story of the crash and send searchers out into the lake for Pearson.

Powell and Pearson were returning to the airport from Wendover, Nev., on a training flight. At 5,000 feet, Powell said, the motor of the ship "cooked" and they plunged to the water.

Both fought clear of the plane. Powell, electing to swim to the south shore, attempted to persuade his mechanic-observer to go with him, but Pearson refused, electing to stay with the plane. Powell pulled off his clothes, excepting a belt, and started for shore.

For more than eight hours he battled through high waves, trying desperately to keep the choking salt water out of his throat and eyes.

### Woman Surprises, Chases Burglars

Surprised by Mrs. Lue Beall in the act of ransacking a dresser drawer in her home at 1670 South Church street, two burglars last night dashed away with an Iver-Johnson revolver and a box of shells as their only loot.

Mrs. Beall, who told Officer Walter Kestly that the burglars were both young men, said that they ran past her as she entered her house and made their exit through the back door. They had gained entrance through the same door.

The revolver and shells, Mrs. Beall said, were on top of the dresser and the burglars had only started to go through the drawers. The burglary occurred about 8:45 o'clock.

### Sugar Bill Is Signed; Law's Terms Scored

Assurance Given Alliance Has Been Terminated, Roosevelt Explains

Monopoly Clause Repeal at Next Session Will Be Asked, States

HYDE PARK, N. Y., Sept. 1—(AP)—President Roosevelt tonight signed the sugar quota bill, but with an understanding that the "unholy alliance between the cane and beet growers on the one hand and the Seaboard refining monopoly on the other, has been terminated by another two and half years, the president said.

In a statement bitterly assailing the bill's provisions to restrict refined imports from Hawaii, Puerto Rico and the Virgin Islands for another two and half years, the president said the measure's value had been seriously impaired in value by legalizing a "virtual monopoly in the hands of a small group of seaboard refiners."

He added, however, he had received assurances from responsible leaders of the senate and house and asserted: "In view of these assurances, therefore, I am approving the bill with what amounts to a gentleman's agreement that the unholy alliance between the cane and beet growers on the one (Turn to Page 2, Col. 1.)

### Dr. Gilstrap to Recover, Wounds

LA GRANDE, Aug. 31—(AP)—Dr. Clarence L. Gilstrap, wounded in the back in a shooting affray yesterday which ended with the suicide of William McWilliams, 70, can expect an early recovery, physicians said today following an operation for the removal of the bullet.

Coroner L. L. Snodgrass said that as officers reconstructed the shooting, McWilliams fired four shots at Gilstrap as the latter emerged from an anteroom on the second floor of the Somner building, then stepped into the nearby janitors' quarters and shot himself between the eyes.

Officers attributed McWilliams to brooding over the fear of losing his job as janitor.

Services will be held at Summerville tomorrow for McWilliams.

### Bride of 9 Years Denies Parting

SNEEDSVILLE, Tenn., Sept. 1—(AP)—Yellow-haired Eunice Winstead Johns, Tennessee's famous nine-year-old bride, and her strapping 23-year-old husband, Charlie, sprawled under the shade of an old apple tree at her father's home near here today and denied they had "fussed" and separated.

An earlier report from the isolated mountain section, near the Virginia line, said Eunice had left Charlie and gone back to the farm home of her father, Lewis Winstead.

### Ty Cobb Coming

PENDLETON, Sept. 1—(AP)—Pendleton will entertain Ty Cobb, famous major league baseball star, during the annual round-up opening September 16. Cobb reserved seats for himself and a friend.

### Late Sports

PORTLAND, Sept. 1—(AP)—Seattle took both games of a double header from Portland tonight, winning seven to five and three to two. Hunt hit two homers for Seattle in the first game.

First game, 10 innings:  
Seattle.....7 9 1  
Portland.....5 11 1  
Gregory and Fendles, Spin-  
dell; Thomas and Cronin.  
Seattle.....3 7 1  
Portland.....2 8 1  
(Seven innings.)  
Barrett, Pickrel and Spindel;  
Liska, Hare and Tresh.

SACRAMENTO, Sept. 1—(AP)—Sacramento took another close one to maintain its league lead over San Diego by half a game when the Solons defeated Oakland 7-6 here tonight. A single by Vestlich in the ninth with a runner on third broke up the ball game.

Oakland.....6 10 9  
Sacramento.....7 11 1  
Olds and Raimondi; Pippen and Franks.

SAN DIEGO, Calif., Sept. 1—(AP)—The San Diego Padres made it two straight over the San Francisco Seals, 10 to 5, here today. Lefty Wally Hebert chalked up his 15th win of the year.

Los Angeles.....5 14 1  
Missions.....10 19 1  
Evans, Garland, Campbell and Collins; Nicholas and Outen.

SAN FRANCISCO, Sept. 1—(AP)—The Missions pounded three Los Angeles pitchers for a 19-5 victory here today.

San Francisco.....5 9 0  
San Diego.....10 11 2  
Sheehan, Gibson, O'Doul and Monzo; Hebert and Starr.

### Japanese Authorities Say Bombing of District Near Settlement to Start Soon

#### Eden Summons Cabinet, Act

Fleet Authorized to Sink Submarine Which Fired Upon Destroyer

LONDON, Sept. 2—(Thursday)—(AP)—While Britain's war ships scoured the Mediterranean today for a mystery submarine, Foreign Secretary Anthony Eden summoned a meeting of cabinet ministers to consider repeated naval incidents in that area.

The war fleet searched with bare guns and had official freedom to sink the submarine, which fired a torpedo at the destroyer Havoc.

Highly informed sources said that the government faces the task of devising a more definite course of action to assure safety of British shipping in the Mediterranean, endangered since the Spanish civil war.

The cabinet also is expected to act on reported French proposals to neutral shipping the past few weeks.

The foreign secretary conferred also yesterday with the admiralty on the possibility of establishing an Anglo-French convoy system in the Mediterranean, which was understood in reliable quarters. This proposed convoy was expected to be a major point in today's cabinet deliberations.

Quarters close to the admiralty indicated that the mysterious submarine would be sunk if possible. The government considered such a step "entirely justified" after the submarine's crew had been removed.

Britain was incensed by the attack off the Spanish coast, the latest of a series of raids on ships flying the British flag on the eastern coast of Spain.

At least eight swift destroyers were rushed into the search and each commander was told explicitly that he was free to use his own judgment.

Almost at the same time the Havoc was attacked, Spanish insurgent planes bombed the Greek freighter Teapo, about 20 miles north of Barcelona. The Teapo, carrying a munitions cargo to the Spanish government, was beached on the coast of the island. Her helmsman was killed and another seaman wounded.

#### Denies Parting

WASHINGTON, Sept. 1—(AP)—Republican chieftains claimed credit today for helping defeat President Roosevelt's supreme court reorganization bill.

Senate Minority Leader McNary of Oregon, in a statement issued for republican national headquarters, praised the senate democrats who opposed the legislation.

"They were only a minority of their party's senators," he said, adding, "they would have been powerless without us even though their opposition was valiant and unyielding. We are proud to have worked with them in preserving a free and independent judiciary."

#### Trucks Upset in Spokane Rioting

Spokane, Sept. 1—(AP)—Two delivery trucks were overturned, the telephone tower from the wall of a Spokane delivery company and 2900 or more men dispersed by police from around the Davenport hotel here tonight as the Spokane laundry strike tension increased.

The crowd at the Davenport, strikers and sympathizers, prevented guests from the hotel from obtaining their baggage. Police Sergeant Lee Markwood said after he had cleared the street.

The two trucks overturned belonged to a delivery company which hauled baggage for the hotel. The office of the same company was entered and the telephone pulled from the wall.

Sergeant Markwood said a no other violence had occurred and the crowd at the hotel was "fairly orderly."

Feeling in the nearly three-week old strike has turned largely against the hotel since it reopened its laundry department after it was closed by a walkout of union employees.

#### Four Men Knifed as Sawmill Union Strife Is Continued

PORTLAND, Sept. 1—(AP)—Four men were knifed, one seriously, two fuel trucks were dumped and noses were bloodied in spasmodic fighting at most of Portland's large sawmills today, overshadowing possibilities several mills may again be closed while CIO and AFL groups fight for control.

Truck Drivers Complain of Wounds  
City police reported F. White, driver of a fuel truck; Lorenzo Ferguson, his assistant; and Robert Trowbridge, driver of a CIO convey car, complained of minor knife wounds.

An unidentified AFL teamster, most seriously wounded, also made a complaint, police said, although he has not since been located.

### No Reply Made by British; Outposts Mentioned Are Extension of Line U. S. Marines Hold

Battle Rages From Lotien as Far as Woosung; Nipponese Soldiers Meet Strong Resistance

SHANGHAI, Sept. 2—(Thursday)—(AP)—Japanese naval authorities warned the British army today to evacuate its outposts on the western boundary of the international settlement as they were preparing to bomb the Chinese communication lines in the adjacent Jessfield park district. The British did not reply.

The endangered British outposts are an extension of the line held by American marines. St. John's university is a scant few hundred yards from the Jessfield park station and the railroad and highway bridges across Soochow creek.

In a desperate effort to bolster her blocked offensive on the Yangtze front 12 miles north of Shanghai, Japan was attempting to land approximately 42,000 fresh troops from the homeland on the Liuho and Woosung shores.

American naval observers reported 14 Japanese transports off Liuho and 14 others off Woosung, endeavoring to discharge troops, tanks and heavy artillery.

#### Plane, Train Rush Artificial Lungs

SHANGHAI, Sept. 1—(AP)—Crack Chinese divisions today were holding back the Japanese advance all along the Yangtze river battle front 12 miles north of Shanghai on a fiercely fought line from historic Woosung through Paishan to Lotien.

The Japanese army has landed 60,000 troops for the big push to sweep the Chinese out of the rich Shanghai commercial area; but at midday they were making no headway against the desperate Chinese resistance. China has an estimated 200,000 troops in the Shanghai area.

The Japanese army spokesman admitted that the Japanese army was encountering unexpectedly heavy resistance and confessed that the reported Japanese occupation of the walled city of Paoshan yesterday was incorrect.

#### Denver Doctors on Spot as Two Tots Need Only Respirator There

DENVER, Sept. 1—(AP)—The outcome of a 1000-mile race to bring two artificial lungs to a Denver hospital tonight depended on frail 30-month-old Shirley Krause.

Shirley is one of two infantile paralysis patients now relying for their lives on the Rocky mountain region's only respirator.

Dr. T. L. Williams, deputy Denver health commissioner, said the condition of Maybelle Outkalt, 15, the other patient, became so grave tonight she had to be kept constantly in the one "iron lung" at Steele memorial hospital.

But Shirley, suffering like Maybelle from a paralysis attacking her chest muscles, rallied so well during the day she did not need to be placed in the ton-and-a-half respirator since afternoon, the doctor declared.

While transport planes carried one additional respirator toward Denver and a streamlined train another, hospital doctors hoped little Shirley would suffer no relapse (Turn to Page 2, Col. 7.)

#### Anti-Court Bill Senators Lauded

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"They were only a minority of their party's senators," he said, adding, "they would have been powerless without us even though their opposition was valiant and unyielding. We are proud to have worked with them in preserving a free and independent judiciary."

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Banners were ripped from AFL pickets at the mills, but new recruits appeared as fast as others retreated for repairs.

### DEATH RAINS FROM SKIES IN WAR ZONE



Shattered ruins and death lie in the doorway of Shanghai's famed Palace Hotel after a recent Japanese air raid. The newest form of warfare wrecked one of China's oldest methods of transportation, a rickshaw. During this air raid thousands of civilian Chinese were killed and numerous foreigners injured. Three Americans were killed and scores perished. The two victims of the blast lying on the sidewalk were rickshaw pullers.—I.N. photo.

WESTERN INTL. SCORES  
Spokane 10; Lewiston 2.  
Vancouver 5; Tacoma 6.  
Wenatchee 1; Yakima 0.