

Weather
Increasingly cloudy today, unsettled with rain Wednesday; Max. Temp. Monday 64, Min. 48, river 2.5 feet, light southerly wind.

Auto Hits Pulp-Laden Trailer, Three Die

Governor Declines to Call Special Session of Legislature

Referendum Is Certain if Tax Voted, Asserts

Proposals of Townsend Advocates Are not Accepted, Says

State Will Have Needed Funds for Assistance Statement Asserts

Governor Charles H. Martin on Monday declined to call a special session of the legislature as prayed for in a petition, signed by many thousands of voters, sponsored by the Townsend movement in Oregon.

In a lengthy statement the governor listed his reasons against the program outlined in a letter from the Townsend committee's chairman, Glen C. Wade, and stated:

"My program for social security activity by the state has been enacted into law and appropriations have been made that exhaust existing sources of revenue. This scrapes the till."

The twin purposes of the special session requested by the Townsend movement were endorsement by the state legislature of the Townsend constitutional amendment and the increase of pensions now being paid to \$30 a month minimum. For financing the increased cost the Wade letter recommended a two per cent transactions tax.

In the statement in which he refuses to make the session call, Governor Martin praises the sincerity of the members of the presentation committee and recognizes the need of caring for deserving aged people. The governor then goes on to say:

"In examining the original petitions I find certain misconceptions of the federal social security program which misconceptions apparently have arisen through inadvertence.

"Under the national social security act providing for old age assistance the basis of need is a controlling factor and this state cannot ignore that factor without foregoing federal appropriations in paying the \$11,188,800 for old age assistance in the current biennium. The importance of the federal participation can be appreciated when it is understood that it totals \$5,594,400.

"Payment of a \$30 minimum regardless of the basis of need (Turn to Page 10, Col. 1)

Alibi Is Offered by Family when Golf Phenom Charged with Holdup



LaVerne Moore, alias John Montague, mystery golf wizard, pictured on trial at Elizabethtown, N. Y., on a charge of participating in a tavern robbery in 1930. At right is his cousin, James Noonan.

Criminal Charges Proposed by CIO

Sawmill Operators, Heads of AFL Threatened by Union Secretary

PORTLAND, Oct. 25.—(AP)—Don Helmick, secretary of the CIO, said today that criminal complaints would be filed against mill operators and AFL officials who "continue to interfere with our civil rights as confirmed by the action of the federal government."

The statement was in protest to the failure of Portland sawmills (Turn to Page 10, Col. 3)

Decision on Flax Subsidy Is Near

WASHINGTON, Oct. 25.—(AP)—George E. Farrell, western division agricultural adjustment administrator, will confer with other officials here this week before announcing a decision on the continuation of flax subsidies for Oregon farmers through 1938.

Farrell, who returned today from an inspection of Oregon flax fields, said a decision was not expected before the end of the week.

Farrell's inspection was at the request of Senator Charles McNary of Oregon, after farmers of that state had protested an order discontinuing the subsidies after this year.

Fehl-Martin Case Demurrer Argued

PORTLAND, Oct. 25.—(AP)—President Circuit Judge James W. Crawford today heard argument on the demurrer to a \$548,000 damage suit brought against Governor Charles H. Martin by Earl Fehl, former Jackson county judge.

Fehl charged the governor violated the constitution in denying 480 days "good time credit" on a four year sentence for the theft of ballots at Medford.

Art Appreciation Campaign Popular; Second Series Out

Public response during the first two days since it has been possible to purchase the sets of art reproductions offered by The Statesman through cooperation with the National Committee for Art Appreciation, has been such as to insure success of the campaign. Many residents of Salem and vicinity have obtained the first set of four pictures.

The first series was devoted to the work of outstanding American painters, the pictures including "Bahama Tornado" by Winslow Homer, "Mother and Child" by Mary Cassatt, "Lady With a Setter" by Thomas Eakins and "Lassoing Horses" by Thomas Benton.

The second set of four, made available at The Statesman office this week, is if anything even more noteworthy than the first for the reason that it includes the work of four great painters of the Italian Renaissance.

The pictures are the famous "Mona Lisa" by Leonardo da Vinci, "Madonna Tempi" by Raphael

Audit Advises Some Changes In City Books

Daily Posting and More Data on Budget Sheet Are Recommended

More Rigid Policy Upon Sidewalk Liens Need, Auditors Declare

The audit report for the city of Salem from January 1, 1936, to December 31, 1936, released yesterday by the state department division of audits, recommends that the city's accounts and bookkeeping should be kept up to date, stating that otherwise much of their value is lost.

Advising further, the report says that a complete estimate for receipts and expenditures should be included in the budget for all funds, and that estimates should be made for collections on overdue taxes and ample provision should be made with regard to the levy for the ensuing year for interest and discounts, uncollected taxes and uncollectible taxes.

Figures that led the auditors to make these recommendations in regard to estimates are to be found in the advance of actual receipts over those estimated. Receipts for 1936 were over the estimated amount by \$15,036.88, in the general fund alone. Total receipts from all funds were over the estimate by \$1,332,045.84. Estimated expenditures were over by \$452,975.35.

Largest contributor to the advance in actual receipts over the estimate was the delinquent tax item—over by \$102,904.88.

Due to Water Funds
Not increase in assets and liabilities during the year was attributed by \$452,975.35.

When Al Hartung of the CIO charged that representatives of his organization had been refused a hearing at an IEU meeting here some weeks ago, members of that organization pointed out that there was no IEU local in Silverton at that time, and that the meeting had been called by and for local mill workers.

Another CIO speaker was Ward Wilmarth, who declared the tie-up in Portland sawmills at present was not due to the trouble between his organization and local mill workers.

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SHANGHAI, Oct. 26.—(Tuesday)—Chinese bombing planes carried the fight to Japanese positions on Shanghai's northern fringe early today while Chinese infantrymen held doggedly against the onslaughts of some 160,000 Japanese along the twisting front north of the city.

A Japanese army spokesman admitted the Japanese drive had "slowed down" after six days of fiercest offensive operations. Foreign experts estimated some 300,000 Chinese troops were held (Turn to Page 2, Col. 6)

Piracy Renewed, Threat to Peace

PARIS, Oct. 25.—(AP)—Aerial "piracy" confronted Europe with a new Mediterranean crisis tonight. One French vessel was bombed and sunk and another bombed and burned by planes marked with a black cross.

The Spanish government declared. The Spanish government embassy here said the black cross was the mark of the Spanish insurgent air force. Insurgent representatives said they could not describe the standard markings of their planes.

A cross-marked air raider bombed and set fire to a French submarine chaser today just outside the port of Fornells, on the island of Minorca off the eastern coast of Spain, less than 48 hours after a similarly-marked seaplane had sunk the French freighter Oued Mellah in the northern-Mediterranean.

The French government ordered its heavy destroyer Milan, which had just arrived at Toulon with 11 survivors of the Oued Mellah, to speed immediately to Fornells.

McAvoy Retains Title
MANCHESTER, England, Oct. 25.—(AP)—Jock McAvoy retained his British middleweight boxing title tonight by scoring a technical knockout over Jack Hyams, London bantam, in the eleventh round. The referee stopped the desultory fight because of Hyams' badly injured left eye.

Oil Lease Fraud Charged to Him



William A. Broome of Seattle, indicted by a federal grand jury on charges of fraud and conspiracy in connection with sale of leases on supposed oil-bearing land in the Frenchman Hills district of eastern Washington. —IIN photo.

Rehearing Asked, Orey Coffey Case

Start of Prison Term Is Delayed as Petition Filed, Final Day

A supreme court mandate under which Orey G. Coffey, ex-Salem police sergeant, would have started today a three-year penitentiary sentence for accepting a bribe was stayed off yesterday afternoon when a petition for rehearing was filed with the court. Coffey's 20-day period for applying for the rehearing expired last night.

The effect of the petition will be to delay for a short time at least Coffey's being taken into custody and delivered to the prison warden. Should the court grant the petition, the delay would be greater and the former officer would have the chance that the court might reconsider its action under which on October 5 it handed down an opinion upholding Coffey's conviction by a circuit court jury here last year.

PORTLAND, Oct. 25.—(AP)—The Oregon Merchants' Legislative league, in session here, authorized Walter L. Tooze, league attorney, to prepare an initiative measure to amend the state constitution to permit operation of "trade stimulators" such as pinball games.

Three purposes underlie the measure, Tooze said at a league meeting tonight.

Tooze declared a prime objective is to provide a basis for legislation dealing with gambling and "alleged gambling" which will:

First, reduce gambling to an irreducible minimum.

Second, protect youth from active contact with all forms of gambling.

Third, regulate and control the "minimum play so achieved" in a manner to repay cities and the state for policing, and to produce a revenue to aid "social and economic security of our people, particularly those of advanced years."

Bulletin

SHANGHAI, Oct. 26.—(AP)—A Chinese army spokesman admitted today that Japanese had occupied Tsang, key Chinese defense position five miles northwest of Shanghai.

The occupation came after seven days of heavy fighting. Chinese had repulsed repeated frontal assaults on the town, a main point on communication lines to the Chapei section of Shanghai.

The Japanese army spokesman announced that a Japanese flying column meanwhile had reached the north side of the Shanghai-Nanking railway and was preparing to destroy the tracks to cut off Chinese defenders in Chapei.

Proposals for Uniting Labor Are Submitted

Basis for Peace May Be Suggested as Groups Meet Again Today

Data About new Groups and Members Sought Upon Both Sides

WASHINGTON, Oct. 25.—(AP)—Spokesmen for the AFL and the CIO pushed through a mass of preliminary questions today and reached the point of submitting their proposals for peace and unity in the ranks of labor.

Gathered about a conference table for the first time, representatives of the two embattled factions devoted two sessions today to a discussion of procedural problems, some of them highly controversial.

A joint statement was issued, saying it was "hoped" when the conference reconvened tomorrow, each side would be ready to suggest a "basis" for peace negotiations.

Both Harrison and Phillip Murray, leading CIO spokesmen, told reporters since the CIO delegation of 10 men and the AFL delegation of three had full authority respectively to negotiate any kind of a settlement the 13 constituted a "full-fledged" delegation.

In addition to this and other procedural matters, the question of what new members each has taken in since the organizations split apart two years ago was raised.

Both parties found that they needed certain information in order to advance discussions in the conference and it is expected that information will be available by (Turn to Page 7, Col. 7)

Deaths by Elixir Estimated at 46

CHICAGO, Oct. 25.—(AP)—Deaths ascribed to an elixir of sulfanilamide were placed at 46 tonight by the American Medical association as J. O. Clarke, chief of the central states division of the U. S. food and drug administration, said "practically every bit" of the solution had been removed from the market.

The medical profession announced through Dr. Morris Fishbein it had confirmed reports the wine colored solution, distributed in the Midwest and a Utah west since September 1, was responsible for 10 additional deaths—five at Atlanta, Ga., and one each at Madisonville, Tex.; Copley, O.; Cary, Miss.; Clayton, Ala.; and St. Louis, Mo.

The elixir contains diethylene glycol, which Dr. Fishbein said made it deadly.

Deer Hunter Found Safe After Missing Two Days

BEND, Oct. 25.—(AP)—George Grigby, Portland deer hunter lost since Saturday in the Cascade mountains west of the Metolius river, was found unharmed today. State police, forest service officials, Sisters residents and woodworkers had aided in the search.

Chicken Hawk Is Killed With Club

As George Fletcher, Salem, and George Bachmayer, Oregon State college student, traversed a quiet lane on the Joe Garbarino farm five miles south of Hubbard yesterday morning, a rush of giant wings in the air attracted their attention and a big chicken hawk swooped down.

Apparently after a mouse, the hawk seemed hypnotized by sight of the two men. Bachmayer, approaching from the side, seized it while Fletcher ended the struggle with a four-foot club.

The hawk's wings spread measured four feet, Fletcher said.

Oldest, Newest Fire Engine To Have Place, Water Fete

Recognizing the importance of Salem's new water supply for fire protection as well as for domestic uses, the chamber of commerce water celebration committee has arranged to have the city's oldest and newest fire fighting equipment as features of the celebration parade Saturday afternoon.

A search of the rambling old city barns at 13th and Ferry streets, he said, brought to light that the city still possesses one of the hand-operated fire pumps with which the old Tiger and Capitol volunteer companies used to vie in battling blazes throughout the city in the late '50s. The old pump wagon had been hidden away for so long few city officials knew the city still had it.

More modern but also outdated, the Capitol company's smoke-belching steam pumper also will be dusted off and placed in the parade. The old steamer boasts a copper boiler, twin cylinder pumps and a glitter of brass trimmings.

"We also hope to exhibit one of the oldest types of municipal water systems in this parade," Knapp added, "but that will be kept as a surprise feature."

Smashup Occurs at Fog-Dimmed Curve On Dallas Highway

Mrs. C. LaChappelle Dies Instantly, Her Daughter and Noyes, Driver, Succumb Later in Hospital

Woman's Husband to Recover; two in Truck not Hurt; Passenger Car Is Totally Demolished

Three passengers in a private automobile were fatally injured and a fourth was brought to a local hospital for treatment of head lacerations as a result of a collision with a pulpwood-laden truck and semi-trailer on a foggy curve of the Salem-Dallas highway three miles west of Salem shortly before 10:30 o'clock last night.

The dead: Mrs. Clara LaChappelle, about 43, who lived at the B. O. Schucking hop yard half a mile beyond the scene of the crash.

Vera LaChappelle, about 11, daughter of Mrs. LaChappelle.

Joseph Milton Vivian Noyes, driver of the car, about 42, of Chehalis, Wash., formerly an employe at the Williams-Thacker hopyard in Polk county.

The injured: Ernest LaChappelle, about 44, husband of Mrs. LaChappelle.

The driver of the truck, K. C. Laudahl, 23, of Dallas, and his brother, Clarence, escaped injury as Noyes' light coach, westbound, swerved on the highway curve and crashed sideways against the east-bound pulpwood trailer.

The impact tore the trailer away from the truck, scattered cordwood over the highway and sent the Noyes car careening 100 yards down the road to come to a stop in reversed direction against a retaining wall in front of the Ben Maxwell residence.

State police who investigated the Noyes car apparently was traveling at a high rate of speed.

"It steered over toward the wrong side of the highway then swerved back just in time to miss the cab of my truck," Laudahl, the truck driver, told a reporter. "Then it apparently hit the trailer sideways."

The load of pulpwood, more than four cords, was being hauled to the Oregon Pulp & Paper company mill here.

Mrs. LaChappelle died within a few minutes after the accident and her body was taken to Dallas by Coroner C. W. Henkle. The other three were brought to Salem Deaconess hospital, where Noyes and Vera LaChappelle died within an hour.

The attending physician said Mr. LaChappelle's injuries did not appear to be serious. They consisted largely of lacerations about the nose and scalp.

The crew of the Salem first aid car assisted police at the scene of the accident, helped bring the injured to Salem and stood by to assist at the hospital.

The body of the Noyes' auto (Turn to Page 7, Col. 8)

Hockley Selects Aides, new Office

PORTLAND, Oct. 25.—(AP)—Claude C. Hockley, regional director of the public works administration, completed reorganization in the newly consolidated region No. 7, comprising Oregon, Washington and Idaho, with announcements of appointments of aides.

In the regional office will be Guene Hoffman, assistant director, now state director of Washington; Ross A. Gridley, engineer, now engineer inspector for Alaska, and Edward C. Kelly, counsel, now counsel in the state director's Oregon office.

State offices will be abolished November 1. The construction program, with 3000 projects valued at an estimated \$2,000,000,000 under contract or with allotted funds, will be assumed by the new office.

BALLADE of TODAY

By R. C.
The governor, though lacking old-age pensions, declines to call a special session now; he feels a special only cause, some new devices—oh well, there'll likely be some anyhow.

Oddities in the News

PERU, Ind., Oct. 25.—(AP)—Frank Furner, police chief of the neighboring city of Wabash, fumbling with papers piled on his desk Sunday, found a telegram announcing the death of a Peru officer with whom he was acquainted.

The chief telegraphed flowers and ordered four of his men to attend funeral services. When the four arrived here today they found the chief apparently had picked up an old telegram because the officer to whom they were to pay last respects died last January.

Omaha, Neb., Oct. 25.—(AP)—The city council decided today that trailer colonies were health menaces and ordered all families living in portable homes to leave the city.

City Building Inspector Rodney Brown estimated there were 50 to 75 families living in trailers within the city limits.

INDEPENDENCE, Kan., Oct. 25.—(AP)—With an eye on the coming visit of the duke and duchess of Windsor to America, a group of Independence men today launched, in a modest way, a new political party—the royalist party of America.

The group filed a charter application with the Kansas secretary of state and declared its motto would be "We want Wales." The party's auxiliary will take "We want Wallis" for its motto.

Incorporators included Donald Stewart and Earl Todd, past commanders of the Kansas American Legion, and Charles Spencer, publisher, all of Independence—former home town of Alf M. Landon, republican presidential nominee in 1936.

"If we are to have one-man rule in our country why not have a king, duly elected as such," said Stewart as spokesman for the group.