

Weather
Showers today and Thursday; Max. Temp. Tuesday 54, Min. 44, river 14.2 feet, rain .80 inch, south-southwesterly wind.

Administration Cracks Down, Wall Street

Delivery Made Despite Picket

Rise of River Is Slower but Rain Is Heavy

Mill Creek and Shelton Ditch Threaten Flood Southeast of City

Two Ferries Stopped and Lower Silverton Road not now Passable

While small streams surged out of their banks in Marion county yesterday, the Willamette river failed to rise sharply and weather bureau predictions of a 20-foot crest this week became less definite. The river rose two-tenths foot in the 24 hours ending at 10:30 o'clock last night to the 14.2 foot mark.

Mill creek and Shelton ditch gave some threat of overflowing the lowlands southeast of Salem late yesterday. City Engineer Hugh Rogers reported, "The creek was spilling over its south bank a short distance below Airport road and the ditch was running almost full."

Showers today and Thursday were forecast by the weather bureau to amount 1.10 inches of rain which fell between 5 p.m. Monday and 5 p.m. yesterday.

With 10:02 inches of precipitation to its credit to date, this November is now the fifth "wettest" on record. November, 1896, set the present record of 16.99 inches.

River Will Continue Rise Until Tonight

The Willamette river will continue rising at least until tonight, the weather bureau predicted early yesterday. R. D. Slater, local observer, expressed doubt that the 20-foot stage forecast Monday would be reached this week.

The Albany-Lyons secondary highway remains closed six miles east of Albany.

The high water has necessitated discontinuance of ferry service at both Wilsonville and Independence.

An unidentified motorist was forced to abandon his automobile yesterday morning when it stalled in water flowing on the Salem-Silverton highway in the low place beyond Pudding river bridge. Three feet of water covered the roadway.

SILVERTON, Nov. 23.—The Pudding river has completely left its banks and is flooding the pavement several feet over the lower Silverton-Salem highway. This highway has not been passable at any time today although it was passable late Monday night.

The upper highway between Silverton and Salem is passable with water over the pavement at no place.

(By the Associated Press)

Continued rain swelled western Oregon rivers today, with increased menace to highway travel.

The coast highway between Coquille and Bandon was under 22 (Turn to Page 2, Col. 3)

Mountain Splitting Apart Held Peril to Los Angeles Dwellers



New deep fissures appeared recently on the crest of a hill overlooking Elysian Park, a Los Angeles residential district, and, according to geologists, is widening at a rate of one-eighth of an inch an hour. A 500,000-ton segment of earth threatens to crash down a 400-foot escarpment on the edge of the district, imperiling many residents in the nearby vicinity. Authorities believe the "moving mountain" may have been started by water seepage from Elysian Park reservoir. Photo shows officials examining the widening fissure.—HIN photo.

Santiam Highway Closure Ordered

Necessary to Avert Harm to Roadway, Decision of County Court

Closing of the North Santiam highway for the winter was ordered by the county court yesterday in response to a federal bureau of public roads inquiry as to whether or not the county intended to keep the road open during the snow season. The court said the closing was necessary to prevent serious damage to the new road grades.

Barricades will be placed at the junction of the North and South Santiam highways and at the new bridge over the North Santiam river 21 miles above Detroit. To warn motorists a sign also will be posted at Detroit.

In a letter to the court Engineer W. H. Lynch said the bureau or roads desired to know (Turn to Page 2, Col. 2)

Minister Is Given Sentence of Life

PITTSFIELD, Ill., Nov. 24.—(Wednesday)—A circuit court jury today convicted the Rev. C. E. Newton of murdering Mrs. Dennis Kelly and fixed his punishment at life imprisonment.

PITTSFIELD, Ill., Nov. 23.—(AP)—Twelve men—10 farmers and two tradesmen—judged a minister tonight with power in their hands to convict him of a charge of murder and send him to the electric chair or prison or to acquit him.

State's Atty. Merrill H. Johnson demanded the death penalty for the Rev. C. E. Newton, accused of slaying his former Sunday school teacher, Mrs. Dennis Kelly.

The preacher's two attorneys pleaded for acquittal, picturing him as a "life-long man of God" who could not have murdered his "best friend."

Varied Services Offered on Thanksgiving, City Churches

Salem residents and visitors who include attendance at church in their Thanksgiving day activity will have the choice of several programs.

The union services, under auspices of the Salem Ministerial association will be held at the First Baptist church at 10:30 o'clock Thanksgiving morning, with Rev. George H. Swift, pastor of St. Paul's Episcopal church, to bring the seasonal message. Rev. J. E. Campbell, pastor of the First Evangelical will be soloist and Rev. Irving A. Fox, First Baptist pastor, will preside.

Rev. Swift will develop his sermon from the theme, "The Christian Yardsick of Prosperity for Which We May be Thankful."

Services of the Holy Eucharist will be observed at 9 o'clock Thursday morning at St. Paul's Episcopal church, corner North Church and Chemeketa streets, Rev. Swift announces.

The American Lutheran church, on Church street between Cheme-

Provisions Are Said Unloaded At Restaurant

Truck Company Manager Denies any Change in Situation

Parcel Post Is Used in one Instance; More Complaints Due

Reports of a direct delivery of provisions to one of the two picketed Salem restaurants last night indicated a possible break in the crisis facing union trucking firms under the conflicting demands of a public utilities commissioner's order for common carriers to give services required and of Teamsters union ban on its member drivers' passing picket lines.

The delivery was said to have been made at the Golden Pheasant cafe shortly before 7 p.m. A truck of the Willamette Valley Transfer company stopped there, while a picket paced the sidewalk, and a driver unloaded approximately 150 pounds of canned goods, it was reported.

Joe H. Randall, proprietor of the cafe, identified the driver of the truck as Robert E. Bailey of Portland manager of the trucking company. Bailey, however, questioned earlier, had denied that any delivery had been made, or that the situation had changed in any way.

Parcel Post Used To Make Delivery

The Silver Wheel Motor Freight, Inc., resorted to the United States parcel post service earlier in the day to effect delivery of six cases of canned goods weighing approximately 50 pounds each to Frank H. Chatas, proprietor of the Queen cafe. The maximum package weight accepted by the mail service is 70 pounds.

The reported delivery to Randall last night was the first made directly by either of the two truck lines since N. G. Wallace, public utilities commissioner. (Turn to Page 2, Col. 4)

Dictatorship Plot Foiled by France

Monarchist Setup Similar to Italy's Proposed, Claim of Dormoy

PARIS, Nov. 23.—(AP)—A plot to overthrow the republican government and restore a king to the ancient throne of France was uncovered, the government announced tonight, in an inquiry into an armed revolutionary body.

Minister of Interior Max Dormoy in a statement assured the nation plans for the coup d'etat had been "nipped in the bud."

Raids extending from the German frontier through the capital to southern regions near insurgent-held Spain continued, however, indicating that the people's front government was still on the hunt for leaders of the conspiracy.

Papers found in the office of Edouard Deloncle, prominent engineering consultant, finally broke the case after raids disclosed arms caches and underground fortifications, officials said.

The papers revealed plans for an uprising like that which plunged Spain into civil war with the goal of establishing a dictatorship under a monarchy similar to the Italian regime, these officials stated.

Jackson Enforces Punchboard Laws

MEDFORD, Nov. 23.—(AP)—Deputy District Attorney George W. Nielson said today punchboards would be banned in Jackson county under the Oregon anti-lottery law.

The sheriff's office was instructed to notify business houses to remove the boards.

Nielson said numerous complaints and queries as to the legality of the devices had been received.

Stockman Hits at Exchange of Land

PORTLAND, Nov. 23.—(AP)—Al Hollingshead, Malheur county stockman, said today he would protest to the state land board in Salem the program of grazing land exchange between the state and the federal government in eastern Oregon as being ruinous to small cattlemen.

He said the transfer would block off about 700,000 acres into areas of not less than 10 sections each, centered around water holes, permitting large operators to lease the areas and drive out the small stockmen.

Provisions of the Taylor grazing act, whereby owners paid a head for animals grazed on the public domain were preferable, he asserted.

Bus Drivers Strike

CLEVELAND, Nov. 24.—(Wednesday)—A strike of 1,300 members of the Brotherhood of Railroad Trainmen employed by eight Greyhound bus lines was called today effective at noon.

Election Plan Again Spurned By Federation

CIO Willing to Vote on Jurisdiction; Martin Critical of Board

Demands Immediate End of Deadlock; Relief Burden Is Cited

PORTLAND, Nov. 23.—(AP)—The policy committee of the Portland central labor council turned down flatly tonight a proposal by the national labor relations board for an employee election to settle the AFL-CIO sawmill dispute.

The board, authority of which in the jurisdictional dispute has been challenged by the AFL, Mayor Joe Carson and Gov. Chas. Martin, telegraphed instructions today to Charles W. Hope, regional director, to attempt to gain the consent of all factions to the election.

It asked that employers agree to open the mills regardless of the outcome, that the AFL cease its boycott on CIO lumber and picketing, and that each labor group agree to abide by the result of the vote.

The AFL group refused to consider lifting its boycott, contending that "a national controversy cannot be settled by any local vote."

The board's recommendation (Turn to Page 2, Col. 1)

McNary Leader in Farm Bill Attack

Cost Uncertain, Might Be Billion a Year; Move for Caution Seen

WASHINGTON, Nov. 23.—(AP)—The senate decided to make haste slowly on the new farm control bill today after hearing Senator McNary (R-Ore) declare it might cost the treasury a billion dollars a year.

This would mean the proposal to control surpluses by an ever-normal granary, subsidies and other devices would cost twice as much as the present system of paying farmers for "soil conservation."

The senate ordered a clerk to read to the new measure's 97 pages, a procedure usually passed over. The agriculture committee had not completed a report on the hurriedly-drafted legislation, but one was promised tomorrow.

Sensors subjected the bill to critical questioning from the moment Chairman Smith (D-S.C.) outlined its provisions, frankly conceding he did not know whether they would produce the results President Roosevelt had in mind when he called the special session.

Senator Borah (R-Ida) expressed the hope "this measure will not be rushed to conclusion until we have had an opportunity to read both the bill and the report."

Distress Call Is Sent by Steamer

JACKSONVILLE, Fla., Nov. 23.—(AP)—Two vessels steamed tonight toward the British freighter Nollington Court, which flashed a distress call after striking a submerged object in Mochori passage, Turks Island, the Bahamas.

Coast guard divisional headquarters ordered the cutter Mojave, patrolling at sea, to aid the vessel. Another English ship, the Chagres, reported she would arrive alongside the Nollington Court tomorrow.

The MacKay radio station at Jupiter, Fla., reported intercepting a message that the distressed craft had nine feet of water in her forward hold, but was in no grave danger.

After sending an initial SOS, the Nollington Court told other ships she did not need immediate assistance, but an hour later again asked for help.

Janitors' School Receives Backing

Salem public school janitors will receive a one-day respite from broom-pushing December 3 to permit them to attend a school for janitors to be conducted here under auspices of the state department of vocational education, the school board decided last night. A \$60 appropriation to pay substitute janitors for the day was voted.

If the janitors wish to attend the second day of the school, December 4, they will have to do their Saturday cleaning on Sunday or make other arrangements of their own.

State Officer Wounded Slightly; 'Sock Bandit' Captured by Detectives

Earl Sears, 29, and Two-Time Loser, Again Faces Charges; Shoots After Sergeant Ira Warren Searches Group of Robbery Suspects

PORTLAND, Nov. 23.—(AP)—Detective Lieutenant T. Schulpus said Earl Sears, 29, former convict known as the "sock bandit," was captured by Detective A. G. Heckman after he had shot Sergeant Ira Warren of the state police in the cheek tonight.

Lieut. Schulpus said Heckman and Warren went to a hotel on Fourth avenue to arrest Herman Brand McCarthy, 35, on charges of robbing an Oregon City establishment last week.

While the officers questioned McCarthy, he said, Sears and a companion, Francis Patriquin, entered the room and were searched. Heckman left the room to telephone, he related, and Sears produced a small automatic and fired at Warren, inflicting a superficial wound.

Heckman, hearing the shots, returned and captured Sears and McCarthy, Patriquin escaping.

Schulpus said Sears had served two terms in the state penitentiary, and was known as the "sock bandit" because of an alleged habit of making robbery victims put their money in a sock.

Police said the arrests had cleared up at least six recent hold-ups and one burglary. Further arrests were expected.

Japanese Control Shanghai Customs

But Under Arrangements Made as Compromise by British Chief

SHANGHAI, Nov. 23.—(AP)—Control of Shanghai's customs passed into Japanese hands today by an arrangement with Sir Frederick Maze, British inspector general of Chinese customs.

Sir Frederick appointed Yoshiyuki Akatani administrative commissioner of customs for Shanghai, China's wealthiest port, and Keiichi Kato revenue accountant for the Shanghai area.

The appointments, it was believed, were made to prevent Shanghai customs administration from becoming an international issue.

(Japan has demanded control of all government functions in Shanghai, including customs. Chinese revenues have been pledged to foreign governments to guarantee government loans made abroad.)

U. S. Ambassador Nelson T. Johnson and most of his staff sailed from Nanking aboard the gunboat Luzon, following the central government into the interior.

Johnson planned to establish a temporary office at Hankow, about 1,000 miles west of Nanking.

Wonder Where He Stored This Loot

CHICAGO, Nov. 23.—(AP)—Edward Rockwood, 43, wrecking company owner, was sentenced today to 10 years in prison today for collecting (the law called it larceny) a few knick-knacks, including:

A steel derrick with 90-foot boom, weight, 30,000 pounds, value, \$2,000.

A slightly larger derrick worth \$5,000.

An electric traveling crane and its steel track.

A three-car garage, a brick mill, two sheds and a building half a block square.

When Rockwood asked that he be allowed his freedom on bond until after Thanksgiving Judge Cornelius J. Harrington replied, "I'd like to find the court's building here when I return to work after Thanksgiving. You'll have to stay where you are."

Portland Candy Stores Sign Clerks' Agreement

PORTLAND, Nov. 23.—(AP)—Closed shop agreements with 69 Portland candy stores, providing minimum pay of \$18 for a 44-hour week and other features, were announced today by Thomas Lenhart, president of the Retail Grocery Clerks' union.

New Tax Formula Is Devised To Help Small, Big Business

WASHINGTON, Nov. 23.—(AP)—A new tax formula, designed to help both big and little business, took firm outline today in response to loud congressional clamor.

While the house saw a renewed drive for enactment of wage and hour legislation and the senate began debate on the crop control bill, the house subcommittee on taxation reached its most important decision of the session to date.

Tentatively, it agreed upon a plan that all but abandons the much-denounced tax on "the profits which a corporation retains to put back into its business or to provide a 'depression cushion.'"

The formula would apply, instead, a normal income tax rate of 12 1/2 to 14 per cent on corporations with net income of less than \$25,000. Larger corporations would pay up to 20 per cent, in proportion to the extent to which it disburses its profits as dividends.

At present, there is a normal income tax rate ranging from 11 to 15 per cent. But it is supplemented by a levy of 7 to 27 per cent on earnings withheld from stockholders. The latter feature has been widely condemned as an important factor in the current business recession.

Chairman Vinson (D-Ky) of the subcommittee said the revision would prove "particularly helpful to the hardship cases"—corporations needing money for the purpose of debt payment, plant expansion, to repair capital structure and the like. The change, he added, would result in no loss of revenue to the treasury.

Administration leaders were wrestling with another pressing problem, how to get the wages and hours bill out of the rules committee, which there is a majority against it, and on to the floor for action there.

They tried arguing with the recalcitrants of the committee, but that failed. Finally, Representatives (Turn to Page 2, Col. 3)

Drastic Rules Threatened by SEC Chairman

Truce With Power Is in Prospect as FR and Wilkie Confer

Home Building, Revision of Profit Tax Talked as Business Aids

WASHINGTON, Nov. 23.—(AP)—The Roosevelt administration cracked down on Wall Street tonight, serving an ultimatum that the stock exchange must reorganize or be regulated much more drastically.

"Adequate safeguards" must be thrown about this and other exchanges, either by the markets themselves or the securities commission, said William O. Douglas, chairman of the commission.

The surprise move recalled that Wall streeters and new dealers have been hurling recriminations, blaming each other in part for the present business recession. Some administration advisers have accused Wall street of "leaning on its shovel," while their critics have blamed restrictions imposed by the government.

Accord Sought Near

On Power Policies

The Douglas announcement capped a series of rapid-fire developments, all bearing on the business situation:

1. President Roosevelt conferred with Pres. Wendell L. Wilkie of Commonwealth & Southern corporation, and reported progress toward an understanding which, if reached, might end the feud between private power and government, and embark the companies on a vast construction program. Mr. Roosevelt announced that Wilkie personally sided with the president in the latter's contention that utility rates should be based on common law (prudent investment) theories of valuation, rather than reproduction or original cost.
2. Mr. Roosevelt announced that to encourage home-building he favored permitting the federal housing administration to insure mortgages up to 90 per cent of the value of homes, instead of 80 per cent as at present.
3. A house committee decided tentatively to wipe out all but a trace of the undistributed profits tax, target of business criticism. Sixty-two house republicans unanimously demanded outright repeal of the levy.

Douglas, in announcing his ultimatum to the exchanges, said figures on the activity of exchange members in recent stock market slumps "serve only to fortify further the conclusion, indicated repeatedly in our studies, that members of the exchange trading for their own account either create the daily price fluctuations or else contribute materially to their severity."

Jeffrey Removal Sought by Board

PORTLAND, Nov. 23.—(AP)—Members of the Townsend board of directors of the third congressional district considered methods—"Force if necessary"—of removing John Jeffrey, district manager, Tom M. Monks, organizer and Harry Hawkins, Monks' assistant.

Mrs. E. J. Greenwood, wife of a board member and Mrs. Jewel Bruce, a member, claiming to speak for the majority of the board, said the three had been "fired" by a 6 to 5 vote of the directors but had refused to relinquish office.

The three were supported last week by the Officers club, composed of presidents of the various clubs, which voted to remove the district board.

Assessor Refuses To Levy '38 Taxes

HOOD RIVER, Nov. 23.—(AP)—George M. Knox, Hood River county assessor, said in a signed statement posted in the court-house today he would not levy the county 1937-38 taxes.

His action followed final hearing on the budget, in which Knox contended his office had been discriminated against. The salary of Mrs. Knox, his deputy, was cut \$200 and his department's car expense item lowered \$100.

Knox said Oregon laws permitted his action and provided for a budget audit and investigation by the state tax commission.

Navy Men Die in Crash of Bomber

SAN DIEGO, Calif., Nov. 23.—(AP)—Two navy men were killed almost instantly this afternoon when their bombing plane crashed at Benson's dry lake, 59 miles east of San Diego, fleet air headquarters at North Island reported.

The dead:

Junior Grade Lieut. Vernon R. Hain, pilot, of Coronado, Calif.

Yeoman G. M. Keller, seaman, second class, passenger.

The plane was one of the squadron maneuvering over eastern San Diego county when the accident occurred. The bomber, piloted by Hain, apparently lost a piece of cowling and went into a dive from about 3500 feet, witnesses said.

Other planes of the squadron landed nearby and their crews rushed to the scene of the crash. Both men were dead when found.

Forest Grove Bank to Be Branch of First National

PORTLAND, Nov. 23.—(AP)—E. B. McNaughton, president of the First National bank of Portland, announced today the Gianni interests had purchased all the stock of the First National bank of Forest Grove, to be sold eventually to the Portland institution.

No changes in the management or personnel were contemplated.

ALL DAY TODAY
By R. O.

SEC cracks down on the wolf of the fold—reversing the classic illusion—with threats to put stock traders out in the cold if it finds any threats of collusion.

Oddities in the News

ST. PAUL, Nov. 23.—(AP)—The government weather bureau, accustomed to deciding whether it will be safe to hang the washing out tomorrow and how many coats to wear to the football game, performed a new service today.

A business man telephoned the airport meteorological station and inquired: "Is there any snow in southern Wyoming?"

Scanning his maps and reports, Observer William Finlayson replied: "No, the ground is bare."

"Aha, exactly as I thought," the caller came back. "One of my salesmen wired me, 'Stalled in a snowbank—please send money.' I just wanted to check up."

CUMBERLAND, Md., Nov. 23.—(AP)—Two injured persons were brought to the hospital here from a Sandlot football game.

Both were spectators.

One broke his leg wrestling with another spectator.

The second hit his tongue at a tussle moment.

HOUSTON, Nov. 23.—(AP)—The Rev. Robert Lee Grundy, 86-year-old negro, applied for a marriage license.

"What's the idea of getting married at this age?" the clerk asked.

"I'm taking over the pastorate of my late friend, Rev. William Gillian, and I'm taking it over lock, stock and barrel," he said.

The clerk issued a license to the Reverend Grundy and Ella A. Gillian, 70, widow of the late pastor.