

Western Congressmen Protest Cutting Off US Road Funds

Program Here To Be Delayed

Salem Delegation Is Told no Commitment Can Be Made at Present

WASHINGTON, Nov. 30.—(AP)—Pacific northwest congressmen, almost without exception, refused tonight to accept President Roosevelt's proposal to discontinue federal highway aid in 1939 and to drastically curtail expenditures for several years thereafter.

Federal aid, they contended, was vital to the future of western motor transportation. Senator McNary (R-Ore.) said President Roosevelt had been given "some unfortunate advice" and that federal aid in public road construction was one of the government's most valuable expenditures.

Other comment: Representative Pierce (D-Ore.) "I deeply regret the apparent necessity for a reduction in federal aid and hope the president can find other ways of saving money."

Representative Mott (R-Ore.) "Highway aid is the most useful form of aid the government gives to states."

PORTLAND, Nov. 30.—(AP)—President Roosevelt's recommendations for curtailing federal aid highway funds may delay completion and modernization of the Oregon system for at least 15 years, the highway commission said today.

"If congress accepts the president's recommendations," said R. H. Baldoek, engineer, "Oregon will lose approximately \$5,000,000 in 1939 and face reduction of all future authorizations 50 per cent of the funds available for the past few years."

"Such a drastic reduction will seriously cripple the highway program. Computation of the engineering department shows that on the basis of present revenues and federal appropriations all roads on the present system can be completed and all important arteries such as the Pacific highway, Columbia River highway, Old Oregon Trail, The Dalles-California highway, Johnson Coast highway, and the John Day highway modernized in the next 15 years."

"Such a reduction will double the time required."

Saniam Included
"Major highways than can not be completed include the Central Oregon, Wolf Creek, Willamette River, Saniam and the Willamette."

The commission approved the following bids, among others:

Clatsop county—Smith Point-Young's Bay bridge section of the Oregon Coast highway. Mountain States Construction company, Eugene, \$43,972.

Jackson county—Sardine creek section of Pacific highway. Mountain States Construction company, Eugene, \$14,328.

Lake county—Harris creek-Chalk Cliff section of "Emont highway," E. L. Rigdon, Barlow, \$91,719.70.

Lane county—Belknap Springs-McKenzie Summit section of McKenzie highway. A. S. Wallace, Roseburg, \$12,880.

The commission budgeted \$101,160 for 1938 tourist and travel promotion.

Log haulers on the McKenzie River highway will be permitted loads of 450 pounds for a two-week trial period to determine if they will damage the roadbed.

Charles Briggs of the South Kelso Lumber company said reduced limits had worked an economic hardship. The commission held the revenue from hauling probably would not compensate for possible damage.

County and municipal delegations were told the president's message placed the road program in doubt and no commitments could be made. Roseburg sought action on the North Plaquias, Salem on the North Plaquias, Molalla on city street paving and Harney county on the Central Oregon highway.

The commission will consider Lane county's request that a part of \$200,000 turned over to the state after January 5 be earmarked for rock on the Willamette highway.

Owls Blamed for Failure of Power
BEND, Nov. 30.—(AP)—Candles have illuminated Bend homes on several recent evenings, while roasts grew cold in electric ovens.

Four times in the past week the night flying birds have become entangled in power lines in the Crooked river valley, causing suspension of service from the Cove plant to Bend.

Stoddard Mill Closes
BAKER, Nov. 30.—(AP)—Bad weather and a lack of orders caused closure today of the Stoddard mill and logging camps, employing 75 men.

Survey of Flood Problems Sought By Project Group

CORVALLIS, Nov. 30.—(AP)—The Willamette Valley Project committee will seek a survey of flood control problems by members of the board of army engineers in an effort to obtain reconsideration of the board's decision that the program should not be undertaken now.

W. M. McGibbon, federal engineer, said the river has overflowed its banks in the Eugene area 87 times in 47 years. He told the committee here last night a flood such as occurred in 1927 would paralyze transportation and damage 7000 farms, indirectly affecting more than 100,000 people.

H. E. Maxey, Springfield, said increased value of government timber holdings would go far toward paying for the \$55,000,000 project.

Erb Named Prexy For U of Oregon
(Continued from page 1)

said following a special meeting of the board today.

"Dr. Erb combines the quality of leadership with a keen insight into the problems of the north-west. He already has the cooperation of the University faculty and students."

"The choice of Dr. Erb will meet with universal approval by the faculty," James H. Gilbert, dean of social science, said.

Dr. Boyer, his predecessor, was appointed acting president in January and president in April, 1934, the first to hold the office after reorganization of the university as part of a state system of higher education.

During his tenure enrollment increased from a depression low of 2386 to a record high this fall of 3112, and a million dollar campus building program was completed. He directed a number of educational conferences which attracted national attention.

Open Door Closed Already, Is View
WASHINGTON, Nov. 30.—(AP)—There was growing apprehension in official circles here tonight that Japan, following up her military victories in China, may have begun closing the historic "open door" against the goods of other foreign nations.

Apparently heading toward a showdown with Nippon, Secretary Hull sought to determine officially whether Japanese-controlled North China already had accorded tariff advantages to Japanese imports.

Reports such concessions had been made were published in the United States only a few hours after the secretary of state requested this government had made vigorous representations to Japan against any attempt to alter the existing Chinese maritime customs system.

Reports from Tientsin, north China's principal seaport, said the Japanese-dominated peace maintenance commission there had reduced the tariffs on a wide range of products imported from Japan.

County Budget of \$935,738 Approved
(Continued from page 1)

available to bolster any of the regular "social assistance" services.

No sharp protest at salary increases granted county office workers was voiced, but Ed Jory mildly criticized any granting of higher pay to employees already receiving \$100 a month or more.

Roy Rice, member of the grange legislative committee, said the budget was satisfactory to his group.

Speaking for the salary increases, William Bliven produced figures to show that the total resultant gain in the budget was only approximately \$3000. This expenditure, Bliven said, would mean only 7 1/2 cents tax per \$1000 assessed valuation.

Siegmund's Brother Ill
County Judge J. C. Siegmund has received word that his oldest brother, E. G. Siegmund, has been admitted to a hospital at Longview for treatment of an illness with which he has long been suffering. E. G. Siegmund formerly lived at Stayton.

Beer License Approved
Application of Mandie M. and Wilber G. Flood for a state beer license for Maude's Inn, Salem route one, was approved yesterday by the county court.

Japanese Will Return Launch

If Title Proven; Insult to Flag Is Denied by Shanghai Consul

(Continued from page 1)

anchored off the French concession bund when boarded by Japanese continuing a policy of commandeering vessels for transport of supplies and troops to the interior.

William Hunt, head of the steamship company, made a strong protest to Gause. He declared a Japanese naval force attacked the craft's Chinese crew and then hauled down the American flag and tossed it into the river.

Japanese army communiques reported capture of Kwangteh and the Kiangyin forts, at opposite extremes of the defenses of Nanking, China's almost deserted capital. Kwangteh is about 100 miles southeast of Nanking and Kiangyin about 80 miles east on the Yangtze river.

Japan's forces had taken Kiangyin city and had declared capture of the river forts would signal an attempt by Japanese warships to reach the capital. A "boom" of submerged, concrete-laden bulks across the Yangtze under the protection of Kiangyin's guns has held the Japanese fleet below Nanking.

Defense forces were reported falling back to a line 40 to 60 miles east and southeast of Nanking with Japanese pressing their advance. Japanese officers declared reinforcements were preparing for attacks on Nanking and Wuhu, river port 55 miles up the Yangtze from the capital.

Informed quarters said Japanese propose to complete their control of all communications in Shanghai within a few days through installation of censors and wiretaps in the offices of foreign cable companies.

The portion of revenues previously allocated to the Chinese government will be collected, these sources said.

The destruction of a Catholic orphanage and the death of 86 Chinese children in a Japanese raid at Kashing 15 days ago was reported to French Ambassador Paul Emile Naggiar by two priests. They said 150 refugees, four French sisters and five Chinese sisters also were missing.

Stocks Inch up For Small Gain
NEW YORK, Nov. 30.—(AP)—Leading stocks climbed hand-over-hand to a recovery ledge in today's markets although extreme gains of 1 to more than 3 points were reduced in many cases by profit selling in the final hour.

Steels pointed the way, and selected coppers, building materials, rails, rubbers, farm implements, chemicals, electrical equipments and specialties were in the forefront of the move.

The Associated Press average of 60 stocks was up .6 of a point to 45.4. Transfers totalled 1,152,300 shares compared with 1,145,910 yesterday.

Keizer Stitches to Plan Yuletide Party Thursday
KEIZER — The Keizer sewing club will meet all day Thursday with Mrs. H. M. Broadbent. Plans for the Christmas party will be made.

The Call Board
STATE
"The Lash of the Penitents" with actual cult scenes; Walt Disney in "Woodland Cafe" and Estelle Taylor in "Rhythm Round-Up."

Thursday — Edward Everett Horton in "Wild Money" and on the stage, acts of Eastern Greater Vaudeville circuit.

Saturday — Preview, A. N. Shirley and Phillip Holmes in "Chatter Box."

GRAND
Today — Double bill, the Martin Johnsons "Borneo" and Richard Arlen and Fay Wray in "Murder in Greenwich Village."

Saturday — Double bill, "Lancer Spy" with Dolores Del Rio, and George Sanders and Smith Ballew in "Roll Along Cowboy."

HOLLYWOOD
Today — Double bill, "As Good as Married" with Boles and John and "Meet the Boy Friend" with David Carville and Carol Hughes.

Friday — Double bill, "Find the Witness" with Charles Quigley and Rosalind Keith and Johnny Mack Brown in "Guns in the Dark."

ELSNORE
Today — Jeannette MacDonald and Allan Jones in "The Firefly" Feature starts 2:46, 6:45, 9:24.

Thursday — Double bill, "Alcatraz Island" with John Lillie and Stewart Erwin in "Mr. Boggs Steps Out."

CAPITOL
Today — Double bill, Nino Martini in "Music for Madame" and Bob Steele in "Arizona Gunfighter."

Friday — Stage, five acts Coast-to-Coast vaudeville and Bill Boyd in "The Texas Trail."

Doubled Capacity At Bonneville Is Forecast by Ross

PORTLAND, Nov. 30.—(AP)—J. D. Ross, Bonneville dam administrator, said today the project's initial installed power capacity of 86,400 kilowatts would be doubled as soon as congress appropriates funds.

The Bonneville advisory board, holding its first meeting, considered operation plans including construction of high tension transmission lines from Bonneville to Grand Coulee, Portland and Salem.

The plans were approved Monday by the northwest planning commission.

250 Dogs Signed For Kennel Show

Lions Club Event Opens Saturday, Nearly all Breeds Represented

Variety in dogs is going to be one of the most interesting features of the Lions Kennel club dog show scheduled for Saturday and Sunday of this week at the armory, under the sponsorship of the local Lions club. Proceeds are to go toward the club charity fund.

Indications are that it will be much the largest and finest show ever held in Salem, with some 250 dogs entered, and no expense or effort spared to make it a worthwhile exhibit of the finest dogs in the western states.

Oakie's Dogs Coming
Entries include Afghan hounds from Jack Oakie's kennels in California, a string of blood hounds from the Seattle, Wash., sheriff's office and the nearly extinct Belgian sheep dog, that made a name for itself in the World War. Other entries are pointers, English setters, doberman pinschers, the Borzoi, springer spaniels, cocker spaniels, collies, shelties, dachshunds, Cairn terriers, fox terriers, Irish terriers, Scottish terriers, Sealyham terriers, Pekingese, Pomeranians, Boston terriers, bulldogs, chow chows, schipperkes, standard poodles in white and black, and many other varieties.

Green and Lewis Will Join Parley
(Continued from page 1)

belongs to one big union without regard to traditional AFL craft lines topped the list of controversial points made public by George M. Harrison, chairman of the AFL peace committee.

This industrial union issue was responsible for the split in the AFL ranks that led to formation of the CIO two years ago.

Other issues on the list:

(1) The CIO's insistence it remain a semi-independent agency under the AFL after peace is made. The AFL demands the CIO be dissolved.

(2) The CIO's request the powers of the AFL executive council be curbed by amendment of the AFL constitution if peace is effected.

(3) What machinery should be set up to make an agreement effective. Neither side has made public its views on this question.

(4) How many votes the CIO unions would have in a joint convention that would be called to ratify any agreement the peace commission made.

Philip Murray, chairman of the CIO peace delegation, emphasized even an accord on those five points would not mean the end of the labor war.

Harold S. Hughes Goes to Medford
Mr. and Mrs. Harold S. Hughes leave today for Medford where they will reside. Mr. Hughes, long with the state public utility commission, is now a representative of the interstate commerce commission, is now a representative of the interstate commerce commission and has been assigned to the Medford territory.

Mr. and Mrs. Hughes have sold their home at 912 E street to the J. F. Bradys.

Union Hill Woman's Club Will Gather on Thursday
UNION HILL — The Union Hill Women's club will meet at the Union Hill grange hall Thursday afternoon at 2 o'clock. There will be a no-host lunch with each member bringing their own table service.

Leaders' Date Changed
The county 4H local leaders association meeting scheduled for December 11 has been postponed until December 18 so as not to conflict with the teachers institute to be held at Silverton. Wayne Harding, county club leader, announced yesterday. The December 18 meeting will be held in Miller's hall here at 1:45 p.m. with a demonstration in finishing of seams to be presented by Lucile Gavin, sewing machine expert.

Dairy Subsidy In South Seen

Rep. Boileau Attacks Farm Bill Phase; Sees More Milk as Ruinous

WASHINGTON, Nov. 30.—(AP)—Representative Boileau (R-Wis.) fought in the house today against farm bill provisions which he said would "subsidize" the south's entrance into the dairy business.

The stocky progressive pointed out federal benefits would be paid under the legislation to cotton growers who retired land to grass and legumes, which could be fed to dairy herds.

Boileau shouted at southern members:

"It is neither fair nor honorable for you to ask the taxpayers of the United States to subsidize your entrance into the dairy business."

New Competition Feared
"No one dare trespass on the business of your cotton, corn and wheat farmers under this bill, but it not only permits, it directs you, to go into competition with us."

He urged an amendment forbidding the use of retired cotton, corn and wheat land for dairy production.

Representative Hook (D-Mich.) sent Boileau into a rage with suggestions his real purpose was to play ball with "the big bosses of the feed business."

Hook defended the farm bill, insisting the dairy problem was one of under-consumption rather than over-production.

The national cooperative council issued a statement declaring pending farm legislation was cooperative. The council said it would surrender more and more of foreign markets, ultimately restrict production to domestic needs and place all farm products under government control.

Will Draft Setup For Horticulture

(Continued from page 1)

berry grower; Howard Butterfield, Woodburn bulb grower; Earl Houseweart, president, state nurserymen's association; Woodburn; Frank Hirsbort, leader in Salem Berry Growers association; John Ramage, Woodburn Fruit Growers cooperative; Ray Glatt, cherry and hop grower representative; Ernest Werner, president, Marion County Farm union, Silverton route two.

Remann and R. L. Friberg of Woodburn presented the resolution to the budget committee and urged that adequate provision be made and plans prepared to develop an active horticultural inspection service. The committee as a result restored the budget appropriation for this service to its old figure, \$1488, from the \$1200 sum that had been tentatively allocated.

The delegation suggested a well-qualified young man should be employed as inspector and encouraged to build up the inspection service by keeping in close contact with farmers to protect what the speakers declared one of the county's most important and most rapidly growing industries.

Annual Memorial Elks Service Set
The annual Memorial service of the BPOE, Salem lodge No. 236, will be held next Sunday afternoon at 2 o'clock at the Elks temple, with Dr. Bruce Baxter, president of Willamette university, to bring the address. The public is invited to attend the service.

The complete program follows: Selections by Elks orchestra. Opening ritualistic ceremonies. Song by American Legion auxiliary quartet. Address by Dr. Baxter. Song by Legion auxiliary quartet. Eulogy by Bro. Frank Wrightman. Closing ritualistic ceremonies. Selection by Elks orchestra.

Veterans to Meet
An all-day session of the Marion County Veterans association will be held Thursday at Miller's hall here. A no-host luncheon will be served at noon. All patriotic orders have been invited to participate.

HOLLYWOOD FAMILY NIGHT
TWO FEATURES 40c
BLOND GETS MAN!
AS GOOD AS MARRIED
—DORIS NOLAN JOHN BOLES

And 2nd Feature
Meet THE BOY FRIEND
with DAVID CARLYLE CAROL HUGHES

LEARN TO FLY!
Low Cost Terms
Salem Flying Service
SALEM AIRPORT
Phone 6561

Governor Benson To Discuss Power Friday, Portland

Minnesota's farmer-labor leader, will address a mass meeting in the Portland public auditorium Friday, December 3. Sharing the program will be Carl D. Thompson, president of the Public Ownership League of America. Mr. Thompson is touring Oregon, speaking at McMinnville, Salem, Albany, Eugene and Klamath Falls. Both the Portland meeting and Mr. Thompson's speaking tour are being sponsored by the Oregon Commonwealth federation.

People of Salem and other valley cities are arranging caravans to Portland for the mass meeting. Locally details are in the hands of Mrs. Nathalie E. Panek, 2125 South Church street. Persons lacking transportation should call Mrs. Panek who will be able to put them in touch with others attending the meeting.

Play by Sterling Guild Is Tonight
The Sterling World Wide Guild, an organization of young women in the Calvary Baptist church, will present a Missionary play, "Such Stuff as Dreams Are Made Of" in the auditorium of the Calvary church tonight at 7:30 o'clock.

The following is the cast of characters in order of their appearance: Hannah, a girl of 1871, Miss Velma Alexander; La Vinia, a friend of Hannah, Miss La Vinia Burley; Peggy, president of the WWC, Miss Florence Foster; Reddy, a budding author, Miss Marie White, Dorothy, a 1937 Guild girl, Florence Tull, Helen, a white cross worker, Prudence Foster; Madge, interested in scrap books, Isabella Mischler.

The director of the play is Mrs. Wilma Wright. A silver offering for missions will be taken at the service to which the public is invited.

WU Buys Former Federal Building
(Continued from page 1)

mas. In case this is not granted the building will be taken off at once.

To move the building it first will be lifted from its foundations on heavy timbers. Then tracks will be laid consisting of cross ties of wood and steel rails on top of them. The timbers supporting the building will then rest on small steel rollers bars on top of the steel track. Motion for moving the building will be supplied by big truck engines operating winches which pull cables at each corner of the building.

In its new location on the campus the building will face the supreme court building across State street. It will house the law library, classrooms, the moot courtroom, and offices.

Serving of hot Lunches Commences at Aumsville; Executive Session Called
AUMSVILLE—Mrs. Fred Steiner, president of the Parent-Teacher association, has announced a meeting of the PTA executive board for Thursday at 8 o'clock at the schoolhouse.

The hot lunch for the school children began Monday morning with WPA cooks in charge. This project is sponsored by the PTA.

Butter Stocks on Coast Drop More
SAN FRANCISCO, Nov. 30.—(AP)—Stocks of butter at Pacific coast markets went down further last week, to 5,590,151 pounds from 5,869,731 a week earlier and 7,147,897 a year ago, the federal-state market service reported today.

Supplies on hand at San Francisco and Oakland were a little higher than a year ago, but lower at all other important coast markets from Seattle to San Diego.

Grand Jury Recedes Without Making Report
After calling in several more witnesses, presumably in connection with its probe of allegedly indecent entertainments, the Marion county grand jury adjourned again late yesterday. Sessions will be resumed again next Monday.

by PUBLIC DEMAND HELD OVER! 3 MORE DAYS
THE MADDEST LOVERS OF THE SCREEN
Cary Grant
THE COWBOY TRUTH
with Ralph Bellamy
A Columbia Picture

STRANGEST FILM EVER MADE
THE PICTURE THAT AWAKENED AMERICA
TO WEIRD MIDDEVAL PRACTICES OF A SADISTIC CULT

Postively Last Day!
Salem's Grand Theatre
The LAST OF THE PENITENTS

No One Under 16 Years Will Be Admitted Unaccompanied.

Forgery Cases Here Increase

Merchants Seek to Have Money Returned From Itinerant Pair

(Continued from page 1)

night by City Attorney Paul R. Hendricks to get the money that was in possession of McDonald and Novotney, at the time of their arrests Monday night, turned over to him for payment to the merchants in town who were allegedly bilked by the pair.

Attorney Hendricks obtained signed documents from McDonald and Novotney, in which they agreed to turn over what money they had in addition to clothing and articles purchased with the alleged bogus checks.

Suit for Recovery Held Impracticable
Hendricks' action grew out of an approach by merchants, he said, to bring suit for recovery of funds advanced on the raised checks. In view of the fact that it is next to impossible, according to the city attorney, to trace money, he advised the businessmen that such action would gain them nothing.

Officers said yesterday that Tacoma police had sent a query on McDonald and Novotney and that they had been sent pictures and descriptions. Sales slips found among possessions of the pair would indicate, police said, that they had been in both Seattle and Tacoma not later than Saturday, the 27th.

Giving no basis for their suspicions, city police also indicated yesterday that McDonald and Novotney "might be wanted for something worse than forgery."

Boundary Hearing Set
The district boundary board has scheduled a hearing for 10 a.m. December 10 on a petition for the shifting of property occupied by C. A. Spranger from the Pratum to the Bethel school district.

ELSNORE LAST TIMES TODAY
JEANETTE MACDONALD ALLAN JONES IN "THE FIREFLY"

THURS. - FRI. - SAT. Two Ace Hits
You're sentenced for the thrill of your life!

ALCATRAZ ISLAND
TWO WORDS THAT STRIKE FEAR IN EVERY RAT IN AMERICA!

Another hot-from-the-headlines scoop for WARNER BROS. A COSMOPOLITAN PRODUCTION A First National Picture

AND SECOND HIT CLARENCE BUDINGTON KELLAND'S "MR. BOGGS STEPS OUT" with STUART ERWIN TOBY WING

CAPITOL TODAY AND THURSDAY 2 BIG FEATURES
ROMANCE ABLAZE WITH MELODY

NINO MARTINI MUSIC FOR MADAME
Alon Hale Erik Rhodes JOAN FONTAINE ALAN MOWBRAY

—AND SECOND HIT—
BOB STEELE in "Arizona Gunfighters"

Peace Pact on Power Is Seen

Eliminating "Write-ups" of Capital Structure Said Agreed Upon

(Continued from page 1)

future—Willkie advocated a compromise arrangement for the generation and distribution of power, by both the government and private utilities. In part, these proposals were:

That a municipality, if it establishes its own system to obtain power from TVA, shall be required to buy out the existing private system at a price determined by a "fair tribunal";

That such municipal purchases shall be made without any gift or grant from the federal government;

That private companies and the government shall allocate territories in building rural lines or promoting rural cooperatives; and

That disputes arising between utilities and federal agencies should be submitted under rules to the federal power commission.

Gill Is Uncertain Of Starting Quint

CORVALLIS, Nov. 30.—(AP)—The "centie, meenie, minie, mo" system will determine the Oregon State college basketball starting lineup when the Beavers open the season's play Friday night against Multnomah club of Portland. Coach Slat Gill indicated today.

Then, he said, he will "let the boys take turns and find out just who is the best."

Mal Harris, veteran guard, was teamed with four sophomores in practice today. Frank Mandic, six feet, four inches of center from Los Angeles; Tony Romano from Long Beach Junior college at guard, and Merle Krueger of Corvallis and Alex Hunter of Everett, forwards, completed the team.

Arf Certificate
No 39
This Certificate entitles you to one week's Set of Four Pictures upon payment of only 39c (46c if by mail).

Be sure to order Set No. 1—if you have that or subsequent sets, order the next numbered Set of Four.

Arf Certificate
No 39
This Certificate entitles you to one week's Set of Four Pictures upon payment of only 39c (46c if by mail).