

**Christmas Week**  
Many activities incident to the observance of Christmas are scheduled this week. Keep posted on events; read The Statesman.

**Weather**  
Cloudy and cool today, becoming unsettled Wednesday; Max. Temp. Monday 36, Min. 34, river 9 feet, cloudy, light northeast wind.

EIGHTY-SEVENTH YEAR

# Refugees Unable to Leave Upper Yangtze

## Need and Value of Willamette Valley Project are Stressed

### Flood Damage Big Each Year Board Is Told

Major Catastrophe Here Possible, Geologist Says at Hearing

### Irrigation Benefits and General Development Here Are Sketched

A picture of a Willamette valley greatly enhanced in value by the engineering works proposed under the \$5,000,000 valley project was drawn vividly by several scores of speakers at the hearing conducted at the Salem army yesterday by the United States board of army engineers.

The speakers sketched their composite story of steadily increasing stream damage and future fears on the one hand and expected benefits on the other not only from the angle of flood control but also from those of irrigation development that would double land values, elimination of erosion losses, expansion of navigation facilities and growth of valley industries.

Startling to an audience that had already heard grave reports on the great floods of 1861 and 1890 and dire predictions of what would happen if they should recur was the assertion of E. T. Hodge, state geologist, yesterday afternoon that these were not the Willamette valley's greatest floods.

### Even 1861 Flood Is Not Greatest

Hodge declared definite evidence existed that within the last 125 years there had been a flood that exceeded even the "great" floods of 1861 and 1890 and dire predictions of what would happen if they should recur was the assertion of E. T. Hodge, state geologist, yesterday afternoon that these were not the Willamette valley's greatest floods.

John E. Cooter, farm placement director for the state, said the Willamette valley, properly developed, could support twice its present population. He emphasized also the value in eliminating present unemployment of the proposed project in contrast to direct relief grants which, he said, have amounted to as much as a million dollars in a month.

The frequent floods experienced in the Willamette valley in the last 50 years have done damage estimated at \$75,000,000, with Multnomah county excluded from the calculations, Governor Charles H. Martin told the engineers, in opening the day's presentations of data. In preventing flood conditions and developing irrigation facilities the Willamette valley project, the governor declared, would make possible the creation of 25,000 new 40-acre farm homes, exceeding in desirability unirrigated farms of 160 acres.

Over Half Those Present Injured  
When R. H. Kipp, Willamette valley advisory board secretary, called on all farmers whose lands had been damaged by floods in the last year, more than one-half the 400 men at the afternoon session rose in unison to emphasize the individual tales of heart-breaking losses of valuable agricultural lands caused by high water.

Four thousand-acre Grand Island, below Salem, is in imminent danger of destruction at the hands of the steadily-encroaching Willamette river, Lynn Gubser of McMinnville told the engineers. He asserted that 250 feet of land remained to be cut away by the waters before the river would take to its old western channel, spread over much of the island and render navigation upstream virtually impossible.

Gubser estimated the 6,000-acre improvement district of which the island is a part was worth \$600,000, all of which might be destroyed by floods. Saving this land and providing it with irrigation facilities would double its value, Gubser said. Roy Will later presented additional testimony for Grand Island.

Speaking especially for the irrigation feature of the valley project, Representative Ronald Jones, Brooks celery grower and state farm union vice-president, declared that small farmers with berries and other specialty crops, to which the valley conditions have been adapted, "can't make a go of it without irrigation in the dry summer months."

Seven hundred thousand acres (Turn to page 2, col. 7)

### Holman in Danger From Law Breakdown; Addresses Republicans

Any Officer's Failure to Preserve Peace Spells Government Failure Says State Treasurer; Hamilton Says Roosevelt Slipping

### Order Committing Fehl to Hospital

PORTLAND, Dec. 20.—Speaking tonight before the Multnomah Republican club, Rufus Holman, state treasurer, who has been listed as a possible candidate for governor, made clear his stand on issues of the day and challenged republicans and citizens generally to rise for the preservation of the American form of government.

### Ex-Jackson Judge Held in Jail as Result of Insanity Hearing

MEDFORD, Dec. 20.—(AP)—Circuit Judge H. D. Norton signed and filed an order today committing Earl H. Fehl, former Jackson county judge who served a four-year prison term for ballot theft, to the Oregon state hospital for the insane.

The order states the action was taken on the report of "three competent and disinterested alienists, supported by the testimony of other physicians and laymen, holding Fehl to be insane and dangerous to be at large."

A jury disagreed at a recent insanity hearing. Sheriff Syd I. Brown said Fehl would be guarded in his county jail cell pending arrival of attendants to remove him to the state hospital.

Fehl was an active figure in county politics for more than 20 years. After his release from prison he filed a number of civil suits for damages, including one against Governor Charles H. Martin for \$500,000.

### Hoogerhyde Gets One Year in Jail

License to Drive Is Lost for 5 Years; Cost of Trial Is \$514.10

A one-year county jail sentence was imposed by Circuit Judge Earl C. Latourette upon Clarence Hoogerhyde, 22, of Salem, at Oregon City yesterday for the hit-run accident here October 29 which resulted in the death of Mrs. Fredricka Green and Mrs. Clara Swafford.

The jury which last week found Hoogerhyde guilty recommended leniency. While the charge, preferred by the grand jury, was one of felony, it was within the court's discretion to sentence the young man to the county jail instead of the penitentiary.

The Oregon City trial, on a change of venue from Marion county, cost this county \$514.10 in mileage, meals and fees for jurors, court attaches and witnesses, according to a bill received by County Clerk U. G. Boyer yesterday from Clackamas county.

The jury cost was \$293.90, reporter's fee \$40, bailiffs pay \$24, fees and (Turn to page 2, col. 8)

Perrine and D. O. Lear, and Alderwoman G. F. Lobdell. The bill authorizes merchandise boards by license only. Such license will be five per cent of the gross selling price of the boards or a 50-cent minimum fee. Stamps will be issued by the city recorder.

### Pickets' Trial Is Started in Federal Court

Advisory Jury Is Asked to Rule Upon Facts; Vandalism Noted

### Cleveland Labor Chiefs Indicted; Dearborn Ruling Upheld

PORTLAND, Dec. 20.—(AP)—Trial of Ralph Peoples, CIO organizer, and two others charged with contempt of court for the alleged violation of a federal court order against picketing at the Newport docks, opened today before Federal Judge James Alger Fee and an advisory jury.

Judge Fee asked the jury to decide whether the defendants knew of the restraining order, whether they violated its terms, and whether damage resulted to the plaintiff, the Waterfront Employers' association.

In another case growing out of the CIO-AFL labor dispute, Judge Fee took under advisement the petition of the Plylock corporation for a temporary injunction to restrain the CIO Plywood and Veneer Workers' local from picketing its St. Johns plant.

Albert B. Ridgeway, special master in chancery, recommended that the order be granted. Police received reports of a number of smashed windows over the weekend, attributed to labor troubles. Beer parlors, automobile companies and the home of an AFL Plylock corporation employee were involved.

CLEVELAND, Dec. 20.—(AP)—A grand jury today branded four Cleveland labor leaders "unprincipled racketeers" and charged them with "extorting tribute" by threatening to tie up construction work unless builders met demands totaling \$4,800.

The jury urged the investigation continue and be "vigorously prosecuted until Cleveland is free (Turn to page 2, col. 1)

### Stolen Property Charge Is Added

Habeas Corpus Hearing Is Put off; California Officers Waiting

The case of Jack Graves and Dorsey Rardin, who are in the county jail facing grand jury hearings on vagrancy charges and California officers seeking their extradition on burglary charges, took a new angle yesterday when a complaint was issued in Stayton justice court charging them with receiving and concealing stolen property.

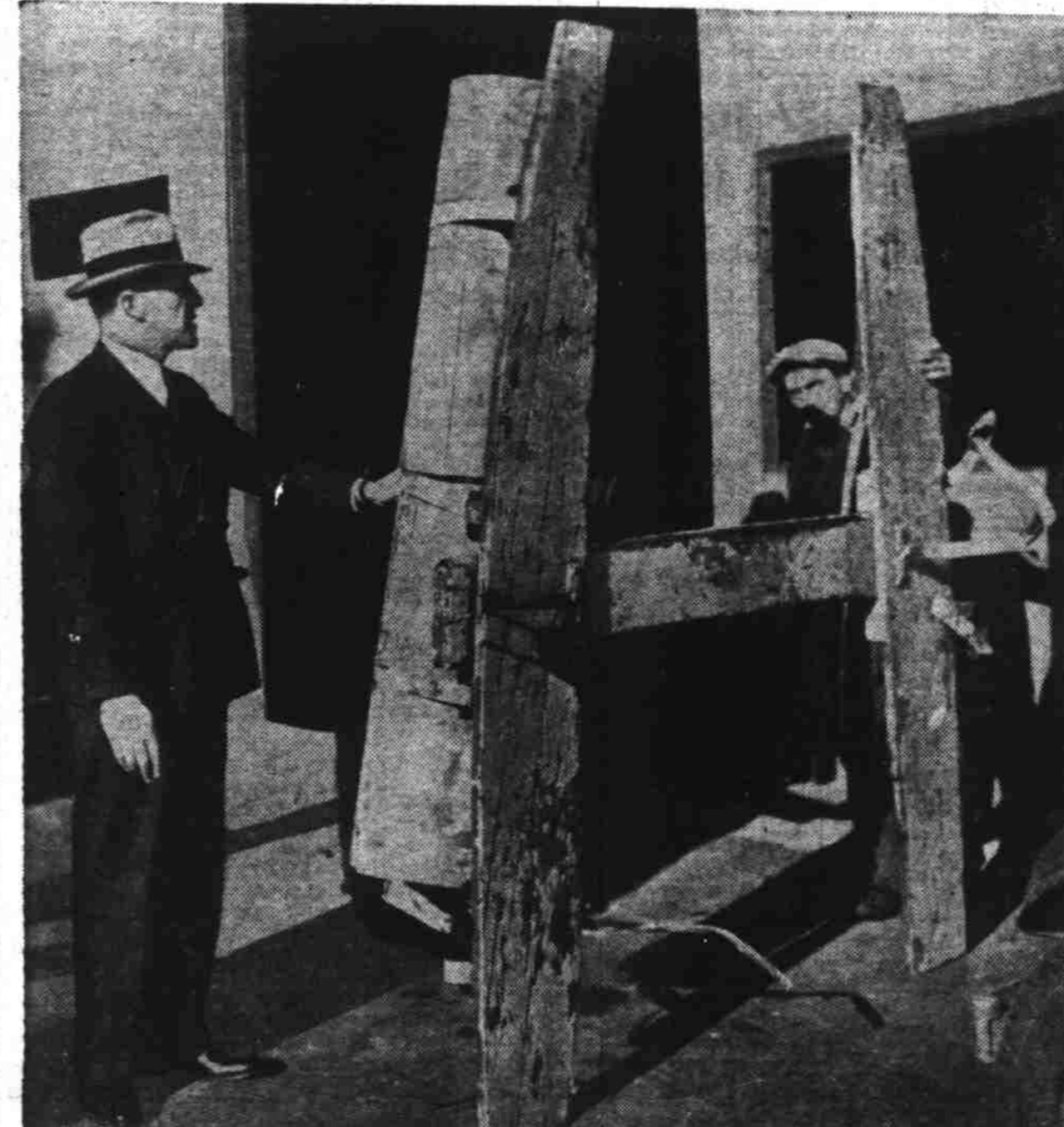
Lieutenant Max Alford of the state police, who signed the complaint, alleged that electric razors found in possession of the pair were stolen goods.

Hearing on a habeas corpus writ secured by the two young men's attorney was continued indefinitely yesterday afternoon by Circuit Judge L. H. McMahan when he was informed the attorney, Ray Rhoten, had been unable to prepare his case because of illness in his family.

The local proceedings are dragging along, two San Diego county, California, deputy sheriffs are waiting impatiently for an opportunity to take custody of Rardin and Graves on an extradition order from the governor. They also have been named defendants along with state troopers in a civil action, set for December 27 in Salem justice court, for recovery of the razors involved in the Stayton complaint, now being held by state police.

Schrunk Funeral Scheduled Today

### RAFT MAY BE CLUE IN ALCATRAZ ESCAPE



This raft, picked up in the San Francisco Bay by fishermen, may prove a valuable clue to the two escaped federal prisoners from Alcatraz Island. The men, Ralph Roe and Theodore Cole, Oklahoma bandits, made their getaway under cloak of a heavy fog. Whether the escaped desperadoes took their chances in the water or were aided by outsiders could not be ascertained. Visibility was extremely poor at the time of the sensational break. Since the men worked in a machine shop, they may have engineered this raft to aid their break for freedom, authorities said. Inspectors John Engler (left) and George Page of the San Francisco police, are shown examining the raft.—H.N. photo.

### Bus Loading Zone Changes Ratified

Highway Commission Asks City Pay Half Cost of Undercrossing Light

A resolution adopted by the city council last night provides for the abandonment of certain bus loading zones and the reservation of bus lines was cited as the reason for the loading zone changes. Zones that will be abandoned are: southeast corner of State and Commercial; southwest corner of High and State; and 30 feet of the present 60 feet at the northwest corner of State and Commercial.

New reserves include: 30 additional feet on the northeast corner of State and Commercial; 60 additional feet on the northwest corner of State and Commercial; 30 additional feet on the southwest corner of Court and Liberty; and 60 feet on the southwest corner of Court and High.

Petitions for street lights at the intersections of South Liberty and Trade streets, and South Liberty and Bellevue streets were referred to the committee on lights.

A communication from the Oregon state highway commission, asking the city to pay half the lighting bill on the north Salem undercrossing and advising the city that half of the lights there would be turned out if the city did not take care of the expense, was tabled.

Alderman E. B. Perrine, chairman of the lights and electric signs committee, said (Turn to page 2, col. 8)

### Downtown Blaze Loss Is \$25,000

Fire of unknown origin but apparently starting at the rear of the main floor, caused damage to stocks and building of the Metropolitan store, 148 North Liberty, amounting to an estimated \$25,000 Sunday afternoon. Nat Kuznets, store manager, estimated damage to the stock at \$20,000 and building damage has been estimated at around \$5000.

Flames did not get outside of the building but smoke density was a barrier to firemen. Much of the damage was caused by water, the use of which was necessary because of the location of the building.

Simon Director of Portland was owner of the store and the building is owned by the P. H. D'Arcy estate.

### Salem Youth Dies Of Crash Injuries

WOODLAND, Calif., Dec. 20.—(AP)—Injuries suffered when he was struck by a truck on a highway near here Saturday were fatal today to Glenn Elerich, 18, of 1337 Market street, Salem, Ore.

Elerich was hitch hiking from the Monterey CCC camp to Salem for the holidays. The body was held awaiting word from his parents.

Authorities, attributing the accident to poor visibility caused by fog, held the driver blameless.

### Project Approval Urged at Banquet

PORTLAND, Dec. 21.—(AP)—Governor Charles Martin and Mayor Joseph K. Carson renewed pleas for quick approval of the Willamette valley project, previously expressed at a hearing in Salem at a banquet honoring members of the board of army engineers here tonight.

Describing the development of the Columbia river as the result of a partnership between the federal agency and the district, the governor urged continuation of the cooperation in the Willamette valley.

He declared the proposed flood control, navigation, irrigation and power development to be of prime economic and social importance.

Mayor Carson asserted the improvement of farm lands in the area would result in better social security than could be provided by any other means.

scouting force squadrons, including three squadrons of heavy patrol planes, had been ordered to report to North Island prepared for flight to an unnamed destination. Aircraft officials ashore answered all questions with the brief comment, "no information."

### Three Injured in Head-on Smashup

Mr. and Mrs. A. Winslow of Jefferson Are in Local Hospital

A head-on automobile collision, that occurred five miles south of Salem on the fog-bound Pacific highway about 10 o'clock last night, put Mr. and Mrs. Arthur Winslow in the Deaconess hospital and severely injured Roy J. Burnett, Jr., whose father operates the Roy Burnett Motor Co. in Portland.

Mr. Winslow, 31, sustained internal injuries, the extent of which were not learned last night, and a broken arm.

Mrs. Winslow, 31, who is said to be a teacher in the Jefferson school, was cut severely by the broken glass about her face and hands.

Roy Burnett, 21, sustained a fractured nose and severe cuts and bruises on his knees and chest.

Burnett, a junior at the University of Oregon, said he was returning to his home at 3713 N. E. 33rd Ave., Portland, from Eugene. On his own side of the highway when the accident happened, according to his testimony, a car approaching him from the north temporarily stopped to get its bearings in the fog and the Winslow machine whipped around back of the stopped car to hit Burnett's machine almost head-on.

The motor in the Winslow machine was knocked entirely out of the car, and was lying alongside (Turn to page 2, col. 6)

### British Vessel Is Blocked By Boom in River

Hankow Region Becomes Dangerous. Civilians May Be Evacuated

### Japanese Official Files Denials; Civilians Pledged by Hull

SHANGHAI, Dec. 21.—(Tuesday)—(AP)—Three hundred American and British women and children attempting to flee war threats in central China today were turned back by a military boom obstructing passage down the Yangtze river.

The refugee-laden British steamer Woosung was unable to pass a new obstruction at Matung, more than 100 miles up the Yangtze from Nanjing, and turned back toward war-menaced Hankow.

Foreign officials in Hankow, one of China's three temporary capitals, were attempting to arrange evacuation of the refugees on an international train to Canton, southern metropolis, before Japan's war machine launches an expected attack in central China.

The British cruiser Capetown, part of the Woosung's convoy, was able, however, to clear the river boom and reach Wuhu.

It was not known whether the cruiser could pass other military obstructions in the Yangtze, including the partly destroyed boom at Kiangyin, blocking passage to Shanghai.

The cruiser has been bottled up in the Yangtze for months by the Chinese-Japanese war.

Embassy Prepares To Leave Hankow  
Hankow dispatches Sunday said the United States embassy was preparing for its own evacuation and that of 200 of its nationals from Hankow in view of the Japanese armies' advance up the Yangtze valley toward that provisional capital of China.

Hankow is about 600 miles by river from Shanghai and 400 miles above Nanjing, the former capital, captured by the Japanese a week ago.

Gen. Iwane Matsui, commanding Japanese forces in the Yangtze valley, announced the advance into the interior would be continued shortly unless the Chinese ceased all resistance. He said Japanese troops were resting now but soon would begin new drives into Anhui and Chekiang provinces.

SHANGHAI, Dec. 20.—(AP)—The Japanese army today denied it had attacked the United States gunboat Panay, flatly contradicting official American reports Japanese troops had machine-gunned the sinking warship after it had been bombed by naval planes.

At almost the same time Maj. Gen. Kumakichi Harada issued the army statement in Shanghai, a foreign office spokesman in Tokyo reversed the government's previous stand and admitted Japanese army craft on the Yangtze river had fired on the Panay.

The report of General Harada, Japanese military attaché, denied virtually every statement (Turn to page 2, col. 4)

Everybody Buys and uses Christmas Seals

4 Shopping Days Left