

Season's Greetings
The Oregon Statesman
wishes each of its readers a
Merry Christmas and con-
tinuance of blessings enjoy-
ed during the past year.

FOUNDED 1851

Weather
Snow or rain today and
Saturday, continued cold;
Max. Temp. Thursday 41,
Min. 29, river 5.1 feet, rain
.06 inch, southwest wind.

EIGHTY-SEVENTH YEAR

Salem, Oregon, Friday Morning, December 24, 1937

Price 3c; Newsstands 5c

No. 233

Troops' Insult to US Flag Draws Protest

Observance of Yuletide Here To Be General

Week's Church Programs Winding up Christmas Day, Some Sunday

Great Preparations for Spreading Cheer Made by Many Agencies

The old, old but ever satisfying Christmas story will be brought to Salem people today, tomorrow and Sunday in the final programs that have been the contribution of the many local churches to the Christmas season.

Supplementing this spiritual Christmas cheer, local welfare agencies and officials of state institutions are making plans for more material demonstrations in token of the nativity. Hundreds of Christmas baskets, largely containing food, will be delivered today by the Salvation Army and the Red Cross to homes of needy; and the Salem Elks lodge Santa Claus will distribute cheer baskets of toys and food in its Yule charity work.

This morning the State theatre and the Elks lodge will sponsor a 10 o'clock show at the State theatre for needy boys and girls, who received tickets for this showing yesterday. Later these children will march to the Elks temple for distribution of toys and candies made possible by the Salem firemen and the Elks.

Special Services in Many Churches
Church services in the next three days will include:
A midnight Christmas eve service tonight at 11:30 o'clock at Saint Paul's Episcopal church. The choir, under direction of Miss Lena Belle Tartar and with Miss Gladys Edgar at the organ, will participate and solo parts will be taken by Mrs. Louise Robertson, Enoch Maerz, Edward Law and Mrs. Edward Law.

Christmas day masses at St. Joseph's Catholic church will include a solemn high mass at 8 o'clock with the adult choir singing, directed by Mrs. Mary Barton; mass at 7:30 o'clock with special carols by the academy boys; mass at 9 o'clock with music by the academy girls; and another high mass at 10:30 o'clock with the adult choir singing.

The American Lutheran church Sunday school will present a beautiful Christmas program tonight at 7:45 o'clock, and has two other Yule services slated, Christmas morning at 11 o'clock and Sunday morning at 11 o'clock. Pastor P. W. Eriksen announced yesterday.

At Christ Lutheran church, a program honoring the children will be given tonight at 7:30 o'clock and Christmas morning at 9 o'clock. Candlelight services will be held, followed by German worship at 9:30 o'clock and English worship at 11 o'clock. Special services will also be held at 9:30 and 11 o'clock Sunday.
Sunday night at 7:30 o'clock. (Turn to Page 2, Col. 4.)

Oddities in the News

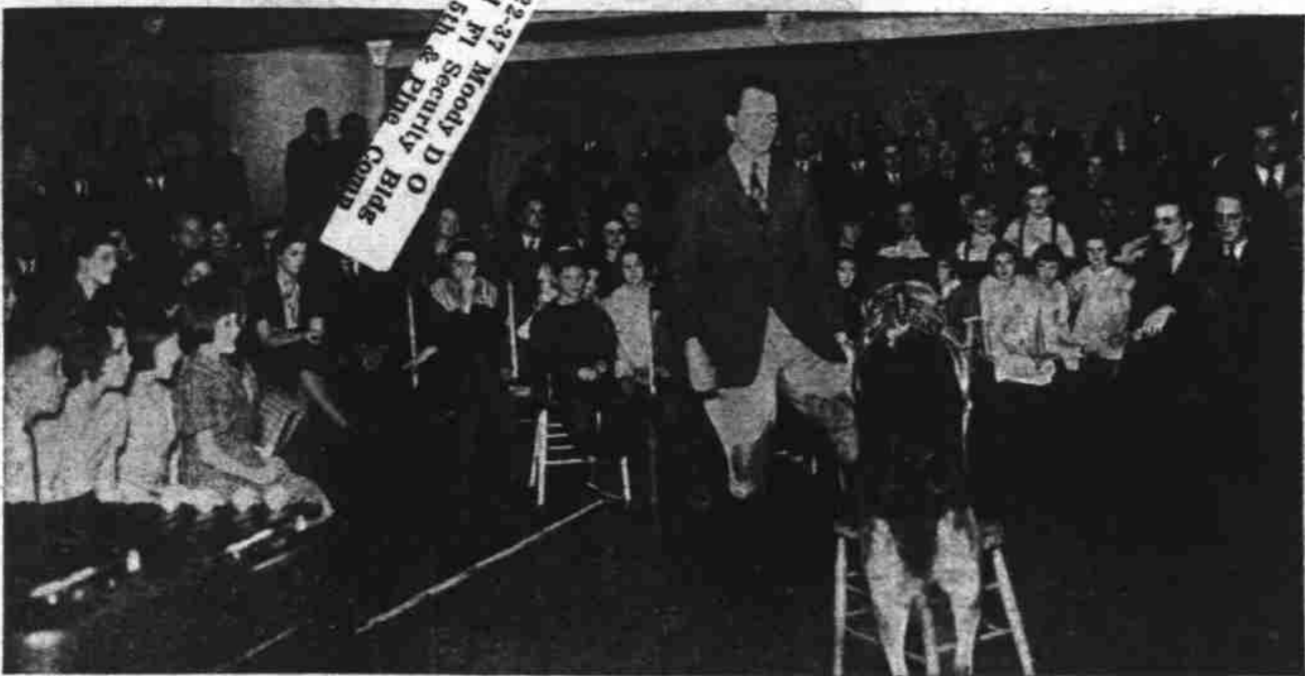
WOONSOCKET, R. I., Dec. 23—(P)—A blaze in a wicker basket at the Kane Furniture company here today caused \$100 fire damage but resulted in what Leo Lamoreaux, store manager, said was \$50,000 water damage. The fire set off the sprinkler system.

GUTHRIE, Okla., Dec. 23—(P)—William Jennings Watson, 36, Falls, Okla., whose legs have been useless since he suffered infantile paralysis years ago, passed a state driver's test here today with a score of 92 out of a possible 100.
"He is one of the best drivers we ever examined," said Charles C. Rice, examiner for the state department of public safety.

KANSAS CITY, Kas., Dec. 23—(P)—Divorce suits will not be in Santa Claus' bag if District Judge Harvey J. Emerson has anything to do with it.
"Undoubtedly there are many who would like divorces as Christmas presents," he said today in announcing his holiday ban, "but granting a divorce on Christmas eve appears to be a travesty on the sanctity of home life."

FORT LAUDERDALE, Fla., Dec. 23—(P)—Matthew Wielogoz of the University of Wisconsin today claimed some sort of hitch-hiking record as he arrived to attend the collegiate aquatic forum.
Wielogoz said he made the 2100-mile hitch-hike here in 72 hours, averaging about 30 miles an hour.

CHILDREN ENJOY LIONS' CHRISTMAS PARTY



Typical of the activities of Salem civic clubs and other groups in making Christmas a merry time for children of Salem and vicinity was the Lions club's annual party in the First Methodist church school rooms Tuesday night. There was a big turkey dinner, Santa Claus appeared in the person of Harry Scott, Justice George Rossman presided and, as shown in the picture, "Thumper," the performing dog, showed his best tricks at the bidding of his master, R. Porter Conger. This and other entertainment was arranged by Tommy Hoxie. "I think I'm dreaming," said one delighted little girl.

Ford Will Appeal Decision of NLRB

Order to Reinstate 29 of Former Employees Given Following Hearing

DETROIT, Dec. 23.—(P)—The Ford Motor company, ordered by the National Labor Relations board to reinstate 29 employees and to stop discouraging its employees from union membership, announced tonight it would appeal the decision to the United States circuit court of appeals.

Leaders of the United Automobile Workers of America, CIO affiliate, whose campaign to organize the 150,000 Ford employees led to filing of the NLRB complaint, hailed the decision as a "victory of the union" and as one of "greatest significance."

The Ford company's only comment was contained in a brief statement which said:
"The decision of the board is based on prejudice. It is not founded on the facts in the record. It is wrong and unjust. The company will appeal the decision to the United States circuit court of appeals."

Louis Colombo, sr., Ford company attorney, said it was undetermined yet whether an immediate appeal would be taken, or whether the company would wait until the labor board sought a court order to enforce its demands on the company.

WASHINGTON, Dec. 23.—(P)—The National Labor Relations board, deciding today that at the Ford Motor company violated the Wagner labor disputes act, de- (Turn to Page 2, Col. 1.)

Jane Goldade Is Handed \$500 Fine

SILVERTON, Dec. 23.—(P)—Jane Goldade, 73, was handed the maximum penalty and a severe lecture when she appeared in Justice Alf O. Nelson's court here this forenoon.

On charges of selling liquor to minors and selling liquor without a license, the woman was fined \$500 and sentenced to six months in jail on each count. But because she was old and feeble and suffering from a heart ailment, Justice Nelson suspended the jail sentence and placed the woman under five years probation.

"Your crime is one of the worst because it strikes at the foundation of society," the judge said. "When you sold to the children you did not consider their health. But because you are old and feeble we will suspend your jail sentence and instead give you a five year parole."
It was brought out in court that the woman had been selling wine to school pupils in Salem, at her home near Parrish junior high.

Punchboard Ruling in 1930 Not Applicable Says Moody

A 1930 Oregon supreme court decision that held certain types of punchboards legal appeared as a lucky number to would-be operators under city license here yesterday until Special Prosecutor Ralph E. Moody issued a new pronouncement and rendered their draw a blank. The prosecutor said he didn't deem the 1930 decision applicable.

The court ruled definitely that the checkerboard type of punchboard was not a gambling or lottery device and therefore was legal. "Every court that has ever passed upon these punchboards has held them to be lotteries," Moody asserted, on the other hand. "I don't think that that decision is applicable to these boards

Martin Releases Text of Charges By AFL Leaders

Governor Charles H. Martin released Thursday the text of a letter from AFL officials which asked an investigation into whether the national labor relations board had influenced Immanuel Pousen mill employees to favor the CIO in a plant election recently held under auspices of the governor.

It quoted a "special bulletin" alleged to have been circulated by the CIO officials and Charles W. Pope, regional director of the NLRB. It was quoted in part: "He (Hope) said the board itself holds that we are still employees of the plant and the way he can see it we would be entitled to return to work with a recommendation from the board for back pay and this should be determined within the next 10 or 12 days."

The letter said Hope had refused to confirm or deny the statement, and continued:
"The spectacle, sir, of a federal agency presumed to be impartial dangle such vicious, poisoned bait as 'back pay' in front of the idle workers is as staggering as it is reprehensible. . . . Did the workers of the Immanuel Pousen plant believe that the labor board would get them back pay and remove the AFL boycott?"

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Weather Grounds First Lady; Takes Train to Seattle

PORTLAND, Dec. 23.—(P)—Mrs. Franklin D. Roosevelt arrived here by transport plane at 11:50 p. m., en route to Seattle to spend Christmas with her daughter, Mrs. Anna Boatright.

The flight, which followed her sudden decision last night to "surprise" her daughter who was unable to come to Washington for the holidays, was delayed by storms west of Cheyenne.

A northbound passenger train which was scheduled to leave at 11:30, awaited the plane's arrival. The train pulled out 45 minutes later, after the flying first lady and a woman companion purchased tickets for Seattle.

The companion was Mrs. S. Evans Hedge of Council Bluffs, Iowa, a passenger on the transcontinental plane with Mrs. Roosevelt.
McNary Offers Support To Stream Cleanup Bill
WASHINGTON, Dec. 23.—(P)—Senator Lonergan (D. Conn.) said today Senator McNary (R. Ore.) had promised to support him in his efforts to obtain federal stream pollution legislation. A bill now is pending in a house-energetic conference committee, Lonergan said.

Late Sports

HAVANA, Dec. 23.—(P)—Kid Chocolate, former featherweight champion, knocked out Johnny Mirabella, of New York, in the fourth round of their ten-round feature bout at the Crystal arena tonight.

SAN FRANCISCO, Dec. 23.—(P)—Dr. Harold "Brock" Muller, former California football star who threw the famed winning touchdown pass to Brodie Stephens in the 1921 Rose Bowl game against Ohio State, revealed today he was refused a pair of tickets for this year's Pasadena clash between California and Alabama.
Brock didn't say whether he failed to state his university affiliation or whether he mailed his application too late.

Pickets Gone but Loading Delayed

Longshoremen Quit After Seamen Protest; Case Is Given to Jury

PORTLAND, Dec. 23.—(P)—An advisory jury in federal court here found against the defendants tonight in the trial of Ralph Peoples, CIO organizer, and M. A. Walters and Jacob Dexter, union members, charged with picketing lumber on the Newport docks in violation of a federal restraining order.

The jury, asked by Judge James Alger Fee to decide whether the defendants had been served with the restraining order, and whether they thereafter knowingly ignored it in continued picketing, answered yes to both questions. It set damages to the steamer Anna Schaefer which was prevented from loading the disputed lumber at \$200 a day.
Judge Fee was expected to hand down a verdict tomorrow.

TOLEDO, Ore., Dec. 23.—(P)—The steamer Anna Schaefer remained unloaded tonight, despite withdrawal of CIO pickets from the C. D. Johnson Lumber company dock at Newport.
Seamen protested and longshoremen quit work a few hours ago. Both awaited instructions from Portland headquarters.
Picketing had continued for more than a week despite a federal court restraining order.
At Portland, contempt cases (Turn to Page 2, Col. 1.)

Total Cleanup of Mail Is Promised

Every incoming package received at the Salem postoffice will be delivered before the postal force calls its work through today, Postmaster H. R. Crawford announced last night.

At the same time he made an appeal for Salem residents who expect to receive mail packages today to be sure that someone is at home to accept the package when the postman calls. Otherwise the packages may be returned to the postoffice for a subsequent delivery on the busiest day in the whole year. Patrons will also facilitate mailmen's work if they will refrain from calling at the postoffice today.

With 85,000 outgoing letters cancelled at the local postoffice Wednesday, veteran workers at the postoffice say that fully 30,000 more letters and greeting cards than ever before handled at the Christmas mailing peak went through the office here the first three days of this week. The Wednesday total brought to 262,500 the letters and cards mailed at the local office in the three-day period. Tuesday's mailing set an all-time record of 95,600 letters and cards.

Heppner Postoffice Employee Is Held

HEPPNER, Dec. 23.—(P)—Kenneth Oviatt, 26, postal clerk, was taken to the Penitentiary jail today after allegedly signing a confession that he took \$445 in postal funds Tuesday night, Sheriff C. J. D. Bauman said.
Oviatt was questioned by Postal Inspector R. C. Sheldon of Portland. He first told authorities he was robbed by a man who forced closing hours.

Farouk and Pasha Factions in Clash

CAIRO, Egypt, Dec. 23.—(P)—A clash between supporters of King Farouk and Premier Mustapha Nahas Pasha injured five persons tonight as the deadlock in the king-premier struggle for power continued.

The disturbance occurred outside the opera house where Farouk attended a charity performance. Police dispersed the demonstrators.

Seven Injured In 2 Smashups On North 17th

Two Are Seriously Hurt in Crash Demolishing One of Machines

Salem Man Is Held Upon Drunk Driving Charge After Two Injured

OREGON CITY, Dec. 23.—(P)—Mr. and Mrs. C. G. Thurlow of route 11, Portland, were in the Oregon City hospital with critical injuries and Albert Ernest Anderson, Salem, faced drunken driving charges tonight following a head-on collision on the Pudding river bridge early today.

Anderson, who was arrested by State Trooper T. Mitrovich, pleaded innocent in justice court and was ordered held under \$1000 bond for trial Tuesday.
Mrs. Thurlow, who suffered a fractured skull, fractured pelvis and internal injuries, underwent a blood transfusion at the hospital.
Her husband suffered a fractured nose, fractured sternum and a lacerated face.

Two persons were definitely hospitalized, three others received hospital treatment and one car was almost completely demolished when machines driven by John Wesley, sr., and John Methoff, collided at 17th and D streets about 4:30 yesterday afternoon.

Mrs. John Wesley, 56, sustained a two-inch long cut on the right side of her head that severed an artery and received other cuts and bruises about her face and head.
Three WPA men, who were returning from work on the 12th street water main, were the occupants of the car colliding with the Wesley machine. The driver, (Turn to Page 2, Col. 1.)

Southern Mexico Suffers in Quake

Three Known Dead, Added Casualties Probable in Oaxaca Region

MEXICO CITY, Dec. 23.—(P)—A heavy earthquake shook Mexico City and most of southern Mexico today from nine seconds to more than five minutes.

Three persons were known dead and minor damage to buildings and streets was widespread.
The epicenter of the shock, the strongest in several years, was believed to be either in Oaxaca state, 250 miles south, or in the Pacific ocean off Guerrero state.

Through communications with the first shocks which started at 7:18 a. m. (8:18 a. m. EST), reports received later in the day from a score of places in the quake area said damage was little. At least 10 southern states felt the shocks.

One aged woman was killed here when the roof of her adobe house fell and crushed her. Two men were electrocuted by broken high tension wires.
A dispatch from Guernaca said a George Mansfield, described as an American, died of a heart attack during the disturbance.

A survey of the capital showed the walls of many buildings with gaping cracks, sidewalks and streets with large crevices and a few water mains broken. A number of outlying adobe houses were shaken down.

Mexican Slain by Section Foreman

KLAMATH FALLS, Ore., Dec. 23.—(P)—Sheriff Lloyd Low said Jose Garcia, Mexican section hand, was shot and killed at Squaw Flat, east of here, today.
The sheriff said Sam Marrone, section foreman, admitted he fired two shot, Marrone said, Low related, that he had gone to the section house to hurry up Garcia's brother, Pablo, when an argument started and he shot Jose after the Mexican pulled a knife. Marrone was taken into custody.

Furor Rages Over Martin's Criticism, FR Labor Policy

ASTORIA, Dec. 23.—(P)—Merle R. Chessman, publisher of the Astorian-Budget, defended in an editorial today Governor Martin's speech before Clatsop county democrats in which he criticized the administration's handling of the Oregon labor controversy.
The editorial assailed "certain self-seeking politicians" for the alleged distortion of the governor's remarks "in an attempt to make it appear he revealed himself clothed in an entirely new philosophy."
"Martin did not denounce Roosevelt or serve notice that he was anti-administration, but he did blame the president for turning the maritime strike situation over to the secretary of labor, and when he used the word 'misérable' in describing the latter, he left no doubt as to his opinion of

White Christmas Held Likely in Large Part Of Pacific Northwest

Snow or Rain and Continued Cold Are Predicted; Astoria Coolest in Seven Years; County Awaits Arrival of Three Snowplows

(By The Associated Press)
Prospects for a white Christmas landscape in parts of the Pacific Northwest increased yesterday as snow, rain and falling temperatures were reported in Washington, Oregon and Idaho.

Highway travel became hazardous at several points when freezing weather accompanied the precipitation.
Snow was general in eastern Washington and central Idaho, and was expected in eastern Oregon. The western Oregon forecast was snow or rain and continued cold.

Slippery highways hindered motorists in the vicinity of Spokane, Yakima, Walla Walla and Lewiston, Idaho.
At Seattle, Olympia, Everett and other western Washington cities there were snow flurries. Snow totaled two inches last night at Bellingham.
Astoria, Ore., reported a light snowfall and a minimum temperature (Turn to Page 2, Col. 2.)

Lottery Measure Title Is Changed

Supreme Court Writes It; Does not Virtually Repeal, Ruling

A new ballot title for the proposed constitutional amendment designed to legalize and tax certain lotteries and other forms of gambling in Oregon, was written Thursday by the state supreme court in deciding the appeal of the Oregon Merchants' Legislative league from the original ballot title written by I. H. Van Winkle, attorney general.

The ballot title, as certified to the secretary of state by the supreme court, reads:
"Purpose: Amendment limits present constitutional prohibition of lotteries. Legalizes certain lotteries and other forms of gambling and gaming and authorizes state exclusively to license them."
"Authorizes licensing and regulation of bowling alleys, bridge studios, pool and billiard rooms, shooting galleries, horse and dog racing, other forms of racing, bank nights, punchboards, pinball games, vending machines and raffles and bazaars for local charitable purposes."

"Authorizes legislature to provide for distribution of 40 per cent of license tax to municipalities, 10 per cent to public fairs and exhibitions, and remainder for old age security or other purposes specified by law. Defines law."
The court said:
"In our opinion it is not the purpose of this measure to virtually repeal the constitutional provision prohibiting lotteries although it does limit or restrict such provisions."

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McKinneys Are Injured When Struck by Auto

Mr. and Mrs. William McKinney, route 6, box 575, suffered injuries which sent them to the Salem General hospital for treatment, when they were struck by an automobile after they had stopped their car to help other motorists get a machine out of the ditch on a road east of Salem early Thursday night. Their injuries were not considered serious.

Miss Perkins' Policies, Chessman Wrote

"When did Governor Martin ever show any hesitancy in taking a firm stand against things or individuals which he holds inimical to the welfare of the state? When did he ever appear as a yellow-bellied politician . . . trying to be all things to all men? When has he ever disclosed himself as such a partisan democrat as to subscribe to a doctrine that the party can do no wrong? Those democrats now rapping at his heels are but betraying how they would act if they were governor, and God save the state from such."
Howard Latourette, democratic national committeeman for Oregon, and Dr. J. F. Hoesch of Bend, president of the people's power (Turn to Page 2, Col. 4.)

Hospital Boat Near Wuhu Is Seized, Claim

New Commission Manned by Obscure Chinese to Rule Nanking

Americans Being Warned to Flee Hangchow as Japanese Drive in

SHANGHAI, Dec. 24.—(Friday)—(P)—United States Consul General Clarence E. Guass made strong representations to Japanese authorities today over a reported insult to the American flag by Japanese soldiers at Wuhu, 60 miles up the Yangtze from Nanking.

He also requested a complete investigation of the incident which allegedly occurred December 13, the day after Japanese bombs sank the U. S. gunboat Panay, when Japanese soldiers were completing their occupation of the important river port.

According to reports received here Japanese soldiers seized a boat owned by the American missionary-operated general hospital there, pulled down the American flag and threw it in the river.
When members of the hospital staff rescued the flag and brought the matter to the attention of the Japanese commander at Wuhu he was reported to have expressed his regrets.

There were reports that widespread disorder prevailed when Japanese troops captured the city, Japanese-Sponsored Commission Set Up
A new "autonomous commission" manned by obscure Chinese, but sponsored by the Japanese army, held away in conquered Nanking today while Japanese forces drew a cordon tighter about Hangchow, capital of Chekiang province, 100 miles southwest of Shanghai.

Americans and other foreigners were warned by Japanese authorities to flee Hangchow before Japanese columns driving toward the city from northeast, north and northwest, completed their conquest. Five Americans and 26 other foreigners were believed to be in Hangchow.
Ninety-seven Americans fleeing war threats in central China were among 300 refugees who started by an international "Christmas express" train from Hankow, on the middle Yangtze, for Canton and Hongkong.

Japanese officials indicated the new Nanking commission was instituted primarily to be an administrative unit for the Nanking district, taking over local functions of the regime of Generalissimo Chiang Kai-shek which fled the former capital of all China a month ago.

TOKYO, Dec. 23.—(P)—High officers of the Japanese army and navy tonight conferred with the American ambassador in last-minute efforts to frame a reply that would meet the United States' demands for full amends for the sinking of the gunboat Panay.
It was indicated authoritatively the reply, probably in two sections, would be presented tomorrow and Saturday and that it would meet all points of the American representations on the sinking of the little warship on the Yangtze river December 12 by Japanese warplanes.

BALLADE OF TODAY

By R. C.

A Christmas scene decked out in snowy white, by folks in eastern states is much preferred; in Salem we can do without it quite, although this year the "boom" may be confounded; we don't associate the date with snow; no more did Bethlehem, some years ago.

Everybody Buys and uses Christmas Seals



Shopping Day Left