Rain today and Wednestains; Max. Temp. Monday 54, Min. 47, river 13.1 feet,

EIGHTY-SEVENTH YEAR

Salem, Oregon, Tuesday Morning, December 28, 1937

Price 3c; Newsstands 5c

## Northwest's Storm Intensified on Coast

## Tsingtao Fall Likely; Tsinan **Already Taken**

Gunboat Ready to Leave With Americans From Beleaguered City

Punitive Action Planned by Japanese Because Mills Destroyed

SHANGHAI, Dec. 28 .- (Tuesouthward across Shantung prorince today after capturing Tsintao, its great industrial and port

The fall of Tsingtao, cut off from the rest of the province, seemed imminent. The some 300 American civilians remaining in the city were ready to take refuge on three United States warships in the harbor.

A dispatch from Tsingtao said the United States gunboat Sacramento would leave today for Shanghai with any Americans who wanted to flee the province.

The Japanese announced Tsinfall before Nippon's armies, was occupied completely Monday.

Throughout Sunday night heavy Japanese guns implaced on the north bank of the river pounded the city. At midnight the north and east gates were captured and at dawn three columns of infantry began mopping up the feeble resistance.

Chinese asserted the city had not yet fallen.

The capture of Tsinan followed | Court streets. the army's announcement at Tientsin that "drastic punitive action" would be taken for Chinese destruction of some \$100,000,000 fworth of Japanese property at

The property, chiefly cotton mills, had been held by the Chinese since the outbreak of the undeclared war as hostage against

Tsingtao.

Because of the still uncompleted task of cleaning up the country around Nanking, as well as the city itself, the Japanese asked foreign nations not to reopen their embassies at Nanking.

The presence of foreigners, it was pointed out, would be dangerous and undesirable until absolute

Japanese control had been estab-The United States had planned to send two consular officials to Nanking today to reopen the embassy which was abandoned when

the Chinese government left the capital. Washington, however, was understood to be considering the Japanese request. TOKYO, Dec. 27 .- (AP)-Japanese government officials today

praised the peaceful settlement of strating the ability of "two civil-'zed nations' to solve their serious problems. 'Fifteen or 20 years ago."

oreign spokesman said, "such a ragedy (as the Japanese sinking of the United States gunboat Pa- as we have not yet reached the nay) would have been followed large national associations." within a few hours by a declaration of war.

"Japan's prompt apology and the United States' prompt acceptance of the final note, plus a dispassionate searching for facts during the intervening period, should set an example for the waole world."

#### ddities . . in the News

BUFFALO, N. Y., Dec. 27

–(P)-Police officers told today
how a wire-haired fox terrier stood guard over a prostrate Pekinese in a busy Buffalo street, snarling at rushing automobiles that passed too close to its fallen companion.

Detective Arthur J. Gibbons and Liut, Nelson Gateline, approaching in a police patrol car, said they blocked traffic with their machine to relieve the terrier of its vigil and took the injured Pekinese to an animal shelter.

NEW YORK, Dec. 27-(AP)-If turkeys could talk turkey-Talking turkey by proxy, Inspector Thomas F. Morgan of the department of weights and measures gave a tip in court today to housewives who may have suspected that the Yuletide bird would be paid out this winter. waiting period, the unemployed seemed to have lost weight after leaving the butcher's scales-be-

fore being popped into the oven. Thomas said he went into a Lid-town butcher shop and bought a gobbler that weighed 10 pounds and four ounces. In- the amount considerably, the the gobbler, which he officials added. snatched from the scales, he All provide unemployment ben- and pay received by the worker

### Russian Aid For Chinese Is Indicated

HANKOW, China, Dec. 27-(AP) -Foreign diplomats today saw i the arrival of the new soviet ambassador to China, a soldier rather than a diplomat, indications that closer military relations between China and Russia were in prospect.

Ivan Tewfimovitch Luganets-Orelsky, 38 years old, with the longest name but shortest diplomatic experience of any foreign envoy in this temporary capital of China, arrived Sunday by air-

Arrangements were in progress for an early meeting with China's leader, Generalissimo Chiang Kai-Shek, at the latter's tay)-(A)-Japanese armies rolled headquarters at an undisclosed spot in the mid-Yangtze valley. Of particular interest to other diplomats was the fact that Luin, its capital, and isolating Tsing- ganets-Orelsky was several weeks on his journey from Moscow to Hankow, apparently spending much time along the great continental highway from Russian Turkestan across Chinese Turkestan (S'nkiang) and Kansu, along (Turn to page 2, col. 6)

#### Dal'as Man Dies After Auto Hits

an, seventh provincial capital to Preston Dickey, World War Veteran, Is Victim of Accident on Street

> DALLAS, Ore, Dec. 27 .- Preston Dickey, about 47, of Dallas, died in the Dallas hospital short-

Benge, witnesses said, stopped within a few feet after striking Dickey and gave such aid as he

Dickey's death was believed due to a fracture of the skull. Employed steadily for the last 14 years by the Willamette Valley during the condemnation suit. Lumber company here, Dickey served overseas during the World war with company L of the Oregon national guard, the Dallas

He is survived by his widow; three children, Guy, Preston and Phillip, all of Dallas; a brother, Noel, of Dallas; three sisters, Mrs. Mary Yocum of Ballston, Mrs. W. E. Martin of Monmouth and a sister of Amity whose name

was not learned. Funeral arrangements have not been completed

### Little Espionage Reported in NW

WASHINGTON, Dec. 27-(AP)-Senator Thomas (D., Utah), memthe Panay crisis between Japan ber of the senate civil liberties and the United States as demon- committee, said today investigations to date had disclosed "comparatively little" evidence of espionage against labor in the Pacific Northwest.

"Of course," he added, "our studies are by no means complete

The committee's report, published recently, listed but one firm in the states of Washington, Oregon, Idaho and Utah. This was the Olympia Forest Products company of Port Angeles, Wash.

Evi'ance also showed the Se attle office of the Pinkerton National Detective agency assigned its investigators to service in the auto mechanics' union, the International Association of Machinists, the International Union of Mine, Mill and Smelter Workers, the marine cooks' and stewards' association, the plywood and veneer workers' union and the sawmill and timber workers' associa-

# McNe Backs

Norris Support Also Is Reported, Indicating Discord Serious

Condemnation Suit Said to Have Brought It out Into Open

NASHVILLE, Tenn., Dec. 27-(AP)-The Tennessean, in a special dispatch from Washington tonight, said a broad investigation of the Tennessee valley authority is under consideration by congressional leaders.

Hints of an investigation have made recently following hearing of a condemnation suit against the purchase of mineral and marble leases in the Norris dam reservoir by Sen. George L. Berry and others.

McNary (R, Ore.) had endorsed here said. the move for an inquiry into operation of the authority. "Senator McNary (ranking minority member of the senate agriculture committee) said that he will bring the TVA controversy to the attention of the committee

the story said. It quoted Sen. George Norris (R, Neb.) as saying he would not object to the investigation.

at its first meeting (after the

January 3 opening of congress),"

"The declaration of Norris, who has spent the greater part of his ly after he was struck by an time and energy in recent years automobile driven by John in fighting for the TVA," it add-Benge, about 6 o'clock tonight ed, "indicated that friends of the at the intersection of Main and project as well as foes fear for the future unless the administration of the gigantic program is gale.

smoothed out. "It was learned from a highly reliable source that President Rossevelt himself is deeply concerned over the outspoken bitterness" between directors of the TVA

### Salvage of Panay Sister Ship's Job

Consuls Also Aboard Oahu Bound for Nanking to Reopen Embassy

SHANGHAI, Dec. 28-(Tuesday)-(P)-The United States gunboat Oahu today sailed up the Yangtze river to start salvage operations on her tragic sister ship, the gunboat Panay, sunk by Japanese bombs December 12. Aboard was Lieut-Comdr. Har-

old Larner, of the naval construction corps, to superintend efforts to salvage valuable and secret naval papers from the ship's safe at the bottom of the Due to the absence of navi-

gation markers and the possibility of river mines, necessitating anchorage at night, the voyage was expected to take until Thursday to reach the Panay attack scene near Hohsien, upriver from Nanking.

Also aboard the Oahu were (Turn to page 2, col. 8)

#### Gaiser Slated to **Head Association**

Supt. Silas Gatser, head of the Salem public school system, is sociation at the annual convention opening in Portland Wednesday He is now vice-president; elevation to the presidency from this office is automatic.

A large number of Salem teachers are expected to attend con-

## Unemployment Benefits to Help Business, Is Forecast

WASHINGTON, D. C., Dec. 27 | whose employers also employed fits in 21 states and the District

Board officials said today time idea until insured workers who suitable job that turns up. have lost their jobs begin to register after January 1. An immediate upswing in

business probably would reduce

found three pieces of lead weigh- efits only for persons who have during the previous year.

P)-Officials of the social se- at least seven others. This lets curity board say they expect out the single clerk in a grocery business to receive a lift about store, for instance. Only in the February 1 from the payment of District of Columbia, Minnesota unemployment insurance bene- and Pennsylvania are single emplayes covered.

All the systems required the insured unemployed to register said, "I don't think they called alone would tell how much of at an employment office and to him Gus.' the \$437,800,000 reserve of the wait several weeks before reunemployment insurance systems ceiving benefits. During that They said they would have no man, or woman, must take any

Michigan's maximum weekly benefit is \$16. The maximum of all the others is \$15. Some have no minimums, but the minimums of most range from \$5 to \$7. depending on the time worked

were held in \$1,000 ball each. | Most of them cover workers | (Turn to page 2, col. 4)

## Valley Streams Continue Their Rise Profes of TVA By Cale Reaches 75 Miles Per

Near Astoria

That City Entirely Cut off Communication Except by Radio

Grand Island, Wheatland Threatened; Many of Highways Blocked

PORTLAND, Dec. 27.-(AP)-A southeast gale which struck the Oregon coast Sunday reached a velocity of from 65 to 75 miles an hour at Astoria tonight, a dispatch received via the naval The dispatch said Sen. Charles communications reserve station

Four inches of rain fell today in one of the heaviest storms on

Astoria was entirely cut off from wire communication. Two vessels lay outside the Co lumbia river mouth and several inside. Coach guard officials said no distress calls had been re-

ceived. New slides halted traffic on the Spokane, Portland & Seattle railway at Broadwood and piled additional debris on the lower Columbia river highway at Westport, closed by slides Sunday.

The Danish East Asiatic motorship Europa, moored at the Astoria docks with two dozen lines, threatened to break away in the

Traffic proceeded cautiously over the Portland-Astoria highway, menaced by slides and falling trees which halted wire communications for the past 24 hours. Emergency messages were carried by the naval radio.

At Coos Bay, to the south, a 50-mile an hour gale continued for the second day, but rainfall was lighter. Stages continued on schedule but trains ran only during the day to guard against acci- when the 75-car freight train dents from possible washouts and drawn by two engines, piled up on

More than a dozen streets were blocked in Portland and traffic hazards from floods, slides and (Turn to page 2, col. 4)

#### Northern Idaho's Storm Is Severe

WALLACE, Idaho, Dec. 27 (AP)-A two-day snowstorm which pioneers described as the worst in the history of the Coeur d'Alenes closed three of the region's major mines today, cut paralyzed off communications, highway travel and brought a last night.

menacing threat of avalanches. A small girl, Jennie Carle, suffered a back injury, an ankle fracture and internal injuries, when she was buried under snow and debris for a half hour. The porch roof collapsed on her in

Montgomery Gulch. The snowfall here for Sunday and today was 35 inches, at Mullan 36 and at Kellogg 20. The snow measured 96 inches at Mile High lookout summit on the Portland Bridge

Idaho-Montana divide. The Hecla mine at Burke and the Morning at Mullan shut down operations because snow kept crews short-handed. scheduled for election as president of the Oregon State Teachers aswas closed down by power shut-

#### Gus not Suitable Name for Pastor, Is Judge's Advice

TACOMA, Wash., Dec. 27-(AP)-"Gus" is no name for a minister, in the eyes of Federal District Judge Edward Everett Cushman. He so advised the Rev. Gustav Lue Freigang today when the minister applied for United States citizenship and requested that "Gus" be substituted for his natal "Gustav."

"But I like short names," the minister replied. "When Gustavus Adolphus was king of Sweden," Judge Cushman

"Your honor," said Mr. Freigang, "I will take your advice. I will remain Gustav Freigang."

#### Licensing Detectives Is Talked to Halt Spying

WASHINGTON, Dec. 27 .- (AP)-Senator Thomas (D-Utah) said with equal success. today the senate civil liberties | The halftime score was 31 to committee was considering the 10 for Oregon.

### Warns "Seagoing" Valley Motorists



H. Hamilton, state highway department employe stationed near the "shore," flags motorists on the Salem-Dallas highway to warn them that water reaches a depth of more than a foot in the quarter-mile stretch beyond. Later it rose to 18 inches. Photo was taken two miles west of Brunk's Corner. A pilot car helped traffic get through to Dallas part of the day Monday.-Ben Maxwell photo.

#### Four Deaths Are Caused by Storm

2 Trainmen Killed When SP&S Train Wrecked Washougal

PORTLAND, Dec. 27 .- (AP)-Four deaths in Oregon, and two more across the Columbia river at Washougal, Wash., where an SP&S train crashed into a slide last night, were left in the wake of the Christmas storm which swept the northwest this weekend

John Malloy, 27, of Vancouver, brakeman, and Everett S. Wilson, 59, Portland, a fireman, died the slide four miles east of Wash ougal, caught fire and burned.

Jack Raab, engineer, was in Vancouver hospital with both legs scalded and head lacerations. N. P. Larson, Portland, engineer suffered a scalded face. Three other crew members were uninjured Wreckage was cleared and traf-

fic resumed late today. The head engine rolled 100 feet down an embankment. Five of the cars were smashed to kindling and their cargo, principally wheat, scattered.

The wreckage continued to burn briskly today as wrecking crews 34 Arraigned on cleared the track. Ambulances could only get within a mile and a half of the wreck

At Portland Rash Hubert Mc-Cullough was electrocuted in the flooded basement of his home to-

Clarence Thompson, 17, of Walterville, was fatally injured Sunday when his automobile skidded from the McKenzie river highway near Leaburg. Aftert Parrottee, (Turn to page 2, col. 6)

SEATTLE, Dec. 27-(AP)-Portland's team of four contract bridge experts today ended a twoday exhibition match by defeating a Seattle quartet by a gross score of 4000.

Frank Gates, Warren Abercrombie, William Leary and Stanley Jaloff were on the Rose City team which defeated Lillian Thompson, Bill Savery, Joe Muckley and John Stablein in the 64hand match. A return exhibition will be

played next month in Portland.

C. C. Colt Will Retire PORTLAND, Dec. 27-(AP)-C. C. Colt, First National bank director and vice-president for 18 years, will retire January 1. He was president of the Oregon Bankers association in 1933.

### Late Sports

inbeaten University of Oregon basketball team turned in its ninth pre-conference win tonight defeating Union Oil of Portland 49 to 21.

The Webfoots alternated a zone with a man to man defense

ing one pound and 10 ounces. had jobs since the systems were from 12 to 22.6 weeks, most of a means of helting labor esfrom 12 to 22.6 weeks, most of a means of halting labor es-(Turn to page 2, col. 4) plonage was high with 13 points, followed board while the crew looked on, by Bob Hardy with 11.

#### Tillamook Region Ralph McCullough Is Badly Flooded Live Wire Victim When Dikes Burst

PORTLAND, Dec. 27-(P)-Shortwave radio messages from Tillamook picked up by amateur operators here tonight said Trask, Kilches and Wilson rivers had overflowed, bursting dikes, flooding farm lands and highways and washing livestock out to sea.

highway north of Tillamook with four feet of water for a mile and a half, Slides and fallen trees blocked the Wilson river highway and a log jam 30 feet high

The messages said the Kil-

ches river had covered the

was reported to have dammed the river. KELSO, Wash., Dec. 27-(A)-Runoff water from surrounding hills flooded nearly a dozen homes in north Kelso and threatened more than 50 oth-

ers tonight. Families were evacuating to higher ground. A flood control project to protect the area, damaged several times in recent years, was held up several weeks by a

## **Contempt Charge**

wage dispute.

PORTLAND, Dec. 27 .- (AP)-Thirty-four men accused of contempt for the alfeged violation of a restraining order against picketing at the Newport docks appeared in federal court today.

Taking of statements began before Judge James Alger Fee on stipulation between attorneys for the defendants and the Waterfront Employers association, who brought the complaints.

Experts Win out of Ralph Peoples, Jacob Dexter and M. A. Walters, held guilty by an advisory jury last week, will be used in the pending cases. The defendants were released until Wednesday in custody of

their counsel.

250 Accidents Occur PORTLAND, Dec. 27 .- (AP)-Policeman William St. Claire Tully said 250 Christmas eve accidents, in which 74 persons were injured, had been reported.

## cers of the battery were present.

042-ton south seas freighter Beulah into Victoria's outer harbor life of one of his crew and injured another.

The little motor-vessel, which southern tip of Vancouver island on her outward voyage.

Electrocuted or Drowned in Home at Portland; Recently Married

Ralph Hubert McCullough, 25. graduate of the Willamette university law school in 1926, was electrocuted or drowned after he came in contact with a live wire in the flooded basement of street in Portland early Monday.

McCullough had gone into the basement, in which there were 40 inches of water, to remove a pump which the flood had submerged, shortly after 5 o'clock Monday morning.

Mrs. McCullough, formerly Gwen Gallaher of Salem, heard him scream; then he shouted to switch. She did so immediately, find her husband dead and lying

Depty Coroner Snook said he was unable to determine whether McCullough died from the electric shocks or from drowning after the shock rendered him unconscious.

a deputy sheriff and two PGE

company linemen tried artificial respiration without success. Mr. and Mrs. McCullough had been planning to entertain friends at a party at which they were to announce their marriage, performed September 24 in Stevenson, Wash., and kept

secret even from Mr. McCullough's office associates. Mrs. McCullough, a 1937 graduate of Willamette and daughter of Mrs. Elizabeth Gallaher, who until recently was secretary of (Turn to page 2, col. 6)

#### Headquarters Battery Has Banquet; General White Guest Speaker

Major General George A. White, adjutant-general of Oregon, was guest speaker at the annual banquet of the Headquarters Battery, 249th Coast artillery, held at the Quelle restau-

rant last night. Captain Arthur B. Bates was toastmaster for the affair at which 44 enlisted men and seven offi-

#### Freighter Beulah Wins Over Angry Sea; Reaches Victoria

VICTORIA, Dec. 27-(AP)-Cap- kulasi was hurt. ain S. Erickson piloted his 1,--Captain Erickson's distress call was answered by the United States coastguard cutters Redtoday, victor in a 56-hour battle wing and Samuel H. Ingham. The against the sea which took the Pacific Salvage complay tugboat Salvage King also was sent from Victoria.

- Erickson said his crew became north for a cargo of lum- haved "wonderfully" during the ber, salmon and general freight tense period from Saturday night while the copra season was at a to Sanday afternoon when the standstill, developed rudder trou- steering gear was repaired temble off Carmanah point at the porarily and the Benlah began her slow trip to Victoria.

When she reached here, the During Saturday night, while freighter was listing heavily, and the converted barquentine all but one of her lifeboats were dragged two anchors and just washed away. Launched as a missed pounding herself to pieces barquentine in 1923, the Beuon sharp rocks, first officer lah is now a twin engined mo-

## County Roads **And Highways** Here Flooded

Pilot Car Is Needed on Salem-Dallas Route; Rain to Continue

River Level Climbs but Flood Mark Unlikely; 13.1 Feet Latest

Storm - drenched mid - Willamette valley citizens yesterday saw county roads and state highways flooded, small streams overrunning their banks and the rivers rising rapidly as the day brought .63 inch of rain in addition to 2.90 inches which fell in Salem during the 24-hour period ending at 7:30 a. m.

Many Marion county roads were washed out in varying extent. Several important thoroughfares were covered by overflow water. In Polk county pilot cars led motorists through water on the Salem-Dallas highway and several farmers were isolated when small bridges near Rickreall

were carried away. The Willamette steadily yesterday at the rate of nearly three-tenths foot an hour to reach 13.1 feet by 10:30 p. m. The weather bureau at Portland predicted the river would reach 17 feet at Albany and 15 1/2 feet in Salem tonight. The late fore cast stated that flood stage was not indicated for Salem although the upper river was still rising.

December Rainfall Is Above Average The weekend's rains brought the total precipitation for the his home at 15504 SE Martins month to 8.54 inches, slightly less than one-half the all-time record established in 1933 but 3.21 inches above the mean average for December. Rainfall since

Wednesday, the last dry day in Salem, has totaled 4.94 inches. Near Derry on the Salem-Dallas highway, water from everflowing Rickreall creek reached a depth of nearly two feet yesterher to cut off the electric light day afternoon and traffic was directed by a state department pilot then went into the basement to car. The same stream flooded the highway in Rickreall from the Haunted Mill dance hall to the Richfield service station before it

receded three feet from its peak Bridges washed out by the Rickreall left the families of J. P. Hamilton and Charles Larkins Delayed by storm conditions,

marooned on their farms. In Marion county the Turner highway was flooded to runningboard depth in the flats south of the state penitentiary annex, water flowed across Turner read near the Salem airport for the first time in several years and the lower Salem - Silverton highway was again inundated. At last report the North Santiam highway remained open as far as Detroit. Breaks in Roads

Reported Serious County Engineer N. C. Hubbs said numerous reports of minor county road washouts and several of a serious nature were being received. Among the most serious were believed to be breaks in a road a short distance northwest and another east of St. Paul.

Although Sunday night's wind storm reached 38-mile an hour velocity, no serious damage was reported in Salem. The accompanying torrential rains, however, kept the city sewer department's crew busy attempting to clear up trouble in isolated zones, Assistant City Engineer J. H. Davis reported. The storm caused flooded basements in the vicinity of 17th and Center streets for the first time in the memory of engineering department employes.

Basements were flooded on North Capitol street between D and Nebraska because the sewer in that area runs north into the Belmont system rather than into the newly-constructed D street line, Engineer Davis said. The Walnut park district, always a trouble zone in other years, brought no complaints from the (Turn to page 2, col. 1)

## BALLADE TODAY

They held a hearing just a week ago, at which some scores of witnesses described how high Willamette valley floods might go, if funds for flood control were not prescribed; now nature takes her turn at testifying and valley project's friends approve, no doubt; we hope ing will stop before the roads are all washed out.