

Weather
Increasing cloudiness, rain today, unsettled Wednesday; Max. Temp. Monday 47, Min. 31, river 18.6 feet, rain .13 inch, south wind.

Council Approves 30-Minute Bus Schedule

Disorder Marks Mexican Oil Industry Range of Control

Crisis Is Seen in Lithuania Over Poland Accord

Two Ministers Offer to Quit; not All Serene Is Warsaw Belief

Neutral Bloc Proposed; Britain Drafts new Pact With Italy

KAUNAS, Lithuania, March 21.—(AP)—Reports were circulated today that the entire Lithuanian cabinet had resigned as the internal situation continued tense over the government's submission to Poland.

Two cabinet members were known to have tendered their resignations. Official circles refused to confirm or deny a rumor that Prime Minister Jona Tubelis had stepped out.

Foreign Minister Stasys Lazoras and Minister of Justice Stasys Silingas offered to resign but it could not be learned whether Pres. Antanas Smetona had allowed them to quit.

The Lithuanian student association declared a 10-day period of mourning in protest to the government's capitulation. The members decided to adorn their caps with black crepe until March 31.

On that date Lithuania has agreed to exchange diplomatic envoys with Poland, as demanded in the Polish ultimatum.

WARSAW, March 21.—(AP)—The feeling prevailed in some quarters tonight that re-establishment of Polish-Lithuanian friendship may not experience smooth sledding.

Negotiations to put the agreement between the two countries into operation and to start border traffic were under way at Tallinn, Estonia, by the Polish and Lithuanian ministers.

WASHINGTON, March 21.—(AP)—Poland will take the initiative in forming a neutral bloc of nations stretching from the Baltic to the Black sea and separating Russia and Germany, Count George Potocki, Polish ambassador to the United States, said tonight.

Ambassador Potocki told newspapermen this was made possible by Poland's settlement of her (Turn to Page 2, Col. 6)

Seder's Kidnapers Pay Upon Gallows

MOUNDSVILLE, W. Va., March 21.—(AP)—Three men died on the gallows tonight, the first to pay the extreme penalty in West Virginia for kidnaping.

James Travis, 25, and Orvil Adkins, 25, fell through the trap together at 9:02 1/2 p. m., and Ernest A. Booth, 36-year-old World war veteran, was hanged 34 minutes later.

The trio, all from Huntington, W. Va., were convicted of abducting Dr. James I. Seder, elderly anti-saloon crusader, who was held captive 11 days, then died four days later of exposure.

Oddities in the News

WASHINGTON, March 21.—(AP)—Representative Lenke (R-ND) said today a good way to save the taxpayers' money would be to reduce the number of congressmen.

He proposed to reduce the membership of the house of representatives from 433 to 155. Smaller states would have a larger representation, proportionately, than they do now.

CLEVELAND, March 21.—(AP)—Judge David Copeland said all was cosmic in the damage suit against Joe Vosmik.

Dismissing Landlord Joseph Kaufman's \$400 suit today against the Boston Red Sox outfielder, in which Kaufman claimed Vosmik's dog did his rug that amount of damage, Judge Copeland wrote: "Ow! thinks the dog that Joe does own."

"Does more than gnaw upon a bone."

He announced the suit was settled out of court, and wound up with: "So Joe paid Joe and let's play ball."

"Dismissed and settled once for all."

TVA Chairman Don't Resign, Tells President He Can't Fire Him



ARTHUR E. MORGAN

Grainger Concert Chairman of TVA In Salem Enjoyed Defies Roosevelt

Leslie Auditorium Filled to Capacity; Musician Receives Applause

By MAXINE BUREN
From the moment that Percy Grainger appeared on the Leslie auditorium stage last night until he had finished his final "Molly on the Shore" a good two hours later the audience sat intent on his hands and the music they made.

Not many musicians can fill Leslie auditorium, few can hold them through a long program, with an encore after almost every number. Grainger showed his fascinating personality at last night's rehearsal. He looks very much like a musician, and one expects temperament with certain mannerisms, but as he discusses each piece, telling a bit about the composer and demonstrating at the piano his explanations he shows utter pleasure in playing. He has few mannerisms, sitting quietly but with a great show of strength.

Contrasting the strong first number on the program, "Fantasia and Fugue G minor," Grainger played "Blithe Bells," also by Bach as an encore. "Symphonies Studies" by Schumann was explained as a robustly athletic composition, quite unlike the usual romantic character of the composer's nature. As an encore Grainger played "Romance in F Sharp Major" also by Schumann. "Ballade op 24" by Grieg is distinctly Norwegian and was (Turn to page 2, col. 2)

Zimmerman Presents Issue Of 7-County Power District

Peter Zimmerman, former state senator from Yamhill county, upheld the proposed seven-county utility district which is to be voted upon April 6, in an address at the Salem chamber of commerce luncheon Monday noon.

The district if created will include portions of Polk, Yamhill, Clackamas, Washington, Clatsop, Columbia and Lincoln counties.

Zimmerman assailed the unfavorable report of the state hydroelectric commission, declaring: "Change the governor of Oregon and you'll change that report." He said the report assumed that the district would pay a considerable amount for promotion but allowed nothing for the expansion such promotion would bring, and also assumed that the project would be paid for twice in 20 years, through replacements to offset depreciation at the same time that the cost was being amortized.

Zimmerman devoted the major part of his talk to answering statements made by Franklin T. Griffith, president of the Portland

One American Held Prisoner In Pay Dispute

Agrarians Cause Trouble in Sonora but Troops Control Situation

US Protests Seizure of Oil Plants but Will Still Buy Silver

NOGALES, Ariz., March 21.—(AP)—Federal troops controlled the city of Ciudad Obregon, Son. Mex., tonight, reports reaching the border said, after armed agrarians relinquished possession of mills and municipal buildings they had seized earlier in the day as a protest against the policies of the local administration.

The Nogales Herald reported three rice and flour mills, closed when 200 armed agrarians took complete control of the city, were reopened after federal troops under Col. Avila Bianco assumed control of the city. No property damage was reported.

Agrarian leaders, border dispatches said, agreed to surrender the mills and municipal buildings and withdraw from the city pending outcome of a petition asking Gov. Ramon Yocopico of Sonora to oust the city administration of Presidente (Mayor) Felix Verdugo.

MEXICO CITY, March 21.—(AP)—An American and two Mexican oil company executives were reported to be held prisoners today by Tampico workers in the first disorders developing from Pres. Lazaro Cardenas' expropriation of the foreign petroleum industry.

Tampico advices said Edward Borrego, American superintendent of the Standard Oil company of New Jersey refinery there, and the Mexicans were held "within a building" by workers demanding payment of back pay.

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Raising of Money Orders Admitted By Dean Maxwell

DALLAS, March 21.—Dean Maxwell, who was arrested here Saturday by Sheriff T. B. Hooker, charged with forgery of an American Express money order, has confessed to 18 such forgeries, officers here said. The confession was made to O. H. Montgomery, special agent of the express company, State Police Officer Webb and Sheriff T. B. Hooker.

Maxwell was arraigned before Justice of the Peace Charles Gregory, here today and waived preliminary hearing. He was bound over to the grand jury. He is being held in the Polk county jail.

Maxwell was arrested here Saturday afternoon by Sheriff Hooker for passing an American Express company money order at the Guy's Hardware store. The order had been issued for \$1.48 and had been raised to \$17.48. It is charged.

House Passes Big Navy Bill Nearly 3 to 1

46 Warships, 22 Smaller Vessels, 950 Planes, Cost One Billion

Reorganization Bill Hit by Green; Amendment by Byrd Defeated

WASHINGTON, March 21.—(AP)—The administration's billion-dollar naval expansion bill won house approval today by a majority of nearly three to one. Thirty republicans joined one progressive and 261 democrats in swamping the opposition, 292 to 100.

The measure would authorize construction of 46 warships, 22 auxiliary vessels and 950 airplanes. Experts say its authorizations could be carried out in four to six years.

It now goes to the senate, where Senator La Follette (Prof-Wis), Senator Borah (R-Ida) and some others have indicated they will fight it vigorously, and administration leaders have predicted passage by another large majority.

As approved by the house, the bill carried no special funds for construction. President Roosevelt has recommended, however, that work be started this year on some of the vessels it would authorize—two of the three battleships and two of the nine cruisers. To make this possible congress would have to approve a separate appropriation bill.

In addition to providing for the new ships, the bill would authorize the navy to: 1. Build a \$3,000,000 dirigible (Turn to page 2, col. 3)

Witnesses Appear In Relief Inquiry

Several More Subpoenas Issued; Maxwell Case may Get Attention

Investigation of the Marion county relief organization went into its second day before the grand jury yesterday and indications were that the probe would last for at least two or three days longer.

Joseph B. Felton, deputy district attorney, said he didn't know how much more time the investigation would consume.

C. A. Sprague, publisher of The Statesman, appeared before the grand jury during the day by request to explain the nature of complaints against the handling of relief as made in editorials which appeared in The Statesman last month.

Walter S. Shrock of Hubbard filed in the state department Monday for the democratic nomination for Marion county state representative. Shrock was the first democrat to file for the house in this county.

Circuit Judge L. G. Lewelling filed for renomination for his present office in the nonpartisan primary.

There were two filings for governor: Charles A. Plaine, Eugene real estate man, republican, and Ralph M. Erwin, Malinoma county coroner, democrat.

Other filings, all for republican nomination for the lower house in the legislature, were A. J. Swett of Tillamook, third district; Malcolm L. Wilkinson of The Dalles, 21st district; L. D. Nash of Nashville, Lincoln county, ninth district.

Perrine Files to Succeed Himself; Nicholson to Run

With the preliminary filing yesterday of E. B. Perrine, as a candidate to succeed himself to the four-year term on the city council from ward 1, and the announced intention to file today or tomorrow by J. H. Nicholson, for the two-year unexpired term from ward 1, all 10 potential vacancies, with the exception of that of Fred A. Williams of ward 5, have one candidate each in the field.

City Recorder A. Warren Jones, completing his second term in office, yesterday formally filed his preliminary petition as a candidate to succeed himself for a third term. His announced campaign slogan is: "My record is my platform."

Storm Drain Problem In Council Limelight; Prompt Relief Sought

Aldermen Testify as to Early Morning Calls From Irrate Citizens; Sewer Committee Asked to Bring in Plans at Next Meeting

Fully a half dozen council members reiterated last night how they had been besieged by irate citizens in their respective wards—all the way from midnight to 5 o'clock in the morning—concerning flood waters and sewage backing up into their basements and causing untold damage and grief.

While Alderman Fred A. Williams, in a lengthy speech, was vehement in his demands that the council take immediate action, Mayor Kuhn and several of the council were of the belief that definite plans of procedure should be adopted—although they were of the same general opinion as Williams.

Although Williams was for making an attempt to give flood-provoked citizens immediate relief, it was his citation that the city had in years past appropriated and spent \$500,000 on sewage disposal outlays for which they now had very little to show, that caused fellow council members to point more firmly to the necessity of having well-devised plans of operation.

Mayor Kuhn's announcement that word had been received that a WPA grant of \$15,000, which the city has to match, had been appropriated, was a signal for expression of disgust from Williams concerning WPA projects. Citing Shelton ditch as his example, Williams said it always would be an eyesore and "no earthly good."

Action was ultimately taken by the council, demanding that the (Turn to page 2, col. 5)

Group Organized, Back Art Center

Mrs. V. A. Douglas Head of Association; School Will Be Opened

Mrs. Vernon A. Douglas was unanimously elected president of the Salem Art Center association at a meeting at the YMCA last night at which it was announced the campaign to raise \$2000 for a federal art school project here had gone over the top. Contributions totaling \$2196.02 were announced with further reports to be received.

Other officers named by the association included Otto K. Paulsen, vice-president; Edward W. Acklin, secretary, and Tinkham Gilbert, treasurer. A governing board consisting of 60 people representing interested organizations is being formed.

Definite announcement of a date for starting the project and opening the art school to be located on the ground floor of the old senior high school building is expected to be made at a meeting of the board of directors with D. S. Deffenbacher, national art project director, and Coast Supervisor Danahy at the YMCA at 7:30 o'clock Thursday evening. Two executives were unable to keep appointments to attend last night's meeting.

Dr. Burt Brown Barker, state chairman of art projects, who discussed the movement last night, will confer at the YMCA at 5 o'clock this afternoon with the officers.

River Drops From Peak of 18.7 Feet

Cool weather and a cessation of heavy rains over the weekend at least temporarily halted a Willamette river flood threat, and the stream began falling yesterday after having reached an 18.7 foot crest recorded at 7 a. m. Sunday. The river was dropping at the rate of one-tenth foot an hour last night. At 10:30 p. m. it stood at 18.1 feet.

A weather bureau forecast of rising temperature for today and cloudiness followed by rain made it possible the river's drop might be checked by melting snows. Only .03 inch of rain fell in the 24-hour period ended at 7 a. m. Sunday and .13 inch more up to the same hour yesterday.

Thornburgh, 105, Oldest Resident of Oregon Dies

FOREST GROVE, Ore., March 21.—(AP)—Ambers Thornburgh, 105, listed in Who's Who in Oregon as the state's oldest resident, died today.

Thornburgh crossed the plains to California in 1859 and came here two years later.

Route Changes Also Provided, New Ordinance

Vote Is Unanimous With two Qualified "Ayes" on Firm's Request

Refunding Airport Bonds Approved; Hain Given Riverfront Lease

Without a dissenting vote, but with two qualified "ayes," the city council last night passed the ordinance amendment calling for specifications of bus routes and designating the schedules upon which city buses will operate at more than 30-minute intervals.

Alderman David O'Hara qualified his assenting vote by saying he so voted with the stage company's assurance in mind that north Salem would receive 15-minute service during the morning and evening rush hours.

Stating that he didn't approve of the procedure and thought it all wrong, Alderman M. D. Ohling further qualified his "aye" by saying that because citizens in his ward demanded bus service he had no alternative.

The public utilities committee returned both the bill regulating busses and the bill changing bus routes without recommendation. Alderman L. F. LeGarie, chairman, said while the committee felt that the Oregon Motor Stages company was justified in asking for the change in routes and 30-minute schedule, it did not wish to go on record.

Airport Refunding Bonds Are Authorized

By a unanimous vote the ordinance providing for an issue of city of Salem general obligation airport refunding bonds, in amount of \$25,000, was passed.

Upon the withdrawal by the Hotel New Salem of all objections, the license committee tendered its approval of the application for a bowling alley at Ferry and High streets, made by J. H. Coe and L. Y. Congdon. The council accepted its recommendation to license the establishment.

Although the special committee reported back to the council as in favor of leasing the city property along the river bank, at the end of Chemskeka street, to W. L. Hain of the Salem Navigation company for five years at \$1 per year rental, and tendered a lease to the council for approval, the council referred the lease to the dock committee for a report and revising. Mayor V. E. Kuhn objected to the lease in that there was no clause in it giving the council assurance that Hain would build there as he promised, and Alderman Evans objected in that there was no clause directing disposal of the building at the end of the five-year period should the city not renew the lease.

The report and the sanitation committee recommending passage of a bill prohibiting the drainage of roofs of buildings or surface water into sanitary sewers, was adopted.

Zone Change Voted At 17th and Market

Both a petition, from approximately 150 residents of the zone, and a resolution, tendered by Alderman Fred A. Williams, asking the council to restore the southeast and northwest corners of 17th and Market streets to original class one residential district from the class three business zone it now is, appeared before the council. The resolution was adopted, and both it and the petition directed to the planning and zoning commission, along with the passage of a motion by Alderman Evans prohibiting the city building (Turn to page 2, col. 1)

Charges of Jury Tampering Heard

OREGON CITY, March 21.—(AP)—A statement by District Attorney Fred A. Miller that he had submitted to a county grand jury evidence of alleged jury tampering in the recent trial of Sheriff E. T. Mass drew demands for a speedy investigation today from Charles T. Selvers and Arthur G. Beattie, Mass' attorneys.

The jury in the trial of the sheriff on a charge of larceny of public funds failed to reach a verdict and the case will be retried April 5.

"If any part of this purported investigation by the grand jury were published, the decent thing would have been to have stated all of the facts concerning the investigation so that those persons connected with the trial who are not guilty of misconduct would not be under the cloud of this veiled accusation," Selvers said.

He added that he had offered "every assistance" in the investigation.