Sharp Protest Handed Mexico

Extra Congress Session Called by Cardenas; Loan Is Sought

(Continued from page 1)

complaints that continuance of the purchases merely gave Mexico more ammunition for war on British and other foreign capital.

The oil protest, according to the government officials, asked in effect:

"Since Mexico has been unable to pay for lands expropriated from Americans under Mexico's agrarian program, how could it be expected to pay the larger amounts involved in the oil properties?"

Meanwhile, a split in the ranks of oil workers added to Mexico's difficulties as the peso continued to drop, following the Washington silver announcement.

The peso closed at 4.80 to 4.90 to the United States dollar after going as low as 5.15 during the morning. At the lowest point the peso was more than 100 points below Saturday's closing. The market was thin throughout the day with few dollars being offered.

WASHINGTON, March 29—(AP)—The United States increased its financial pressure on Mexico today, making a second cut in the price offered for foreign silver.

By shaving another cent off the figure, the treasury reduced the quotation to 43 cents an ounce. This fulfilled fears of London speculators, whose anticipatory selling drove the European price down 2.6 cents to 41.12 cents today.

For more than two years before Secretary Morgenthau suspended purchases of Mexican silver last Sunday in answer to Mexico's expropriation of American oil properties, the treasury stabilized the world price of the metal at 45 cents an ounce.

By withdrawing support of the world market, the treasury is now making it difficult for Mexico to sell its silver because the price might collapse faster if Mexico poured its silver into the market.

State department officials insisted that the United States' new silver policy was not a reprisal or retaliation.

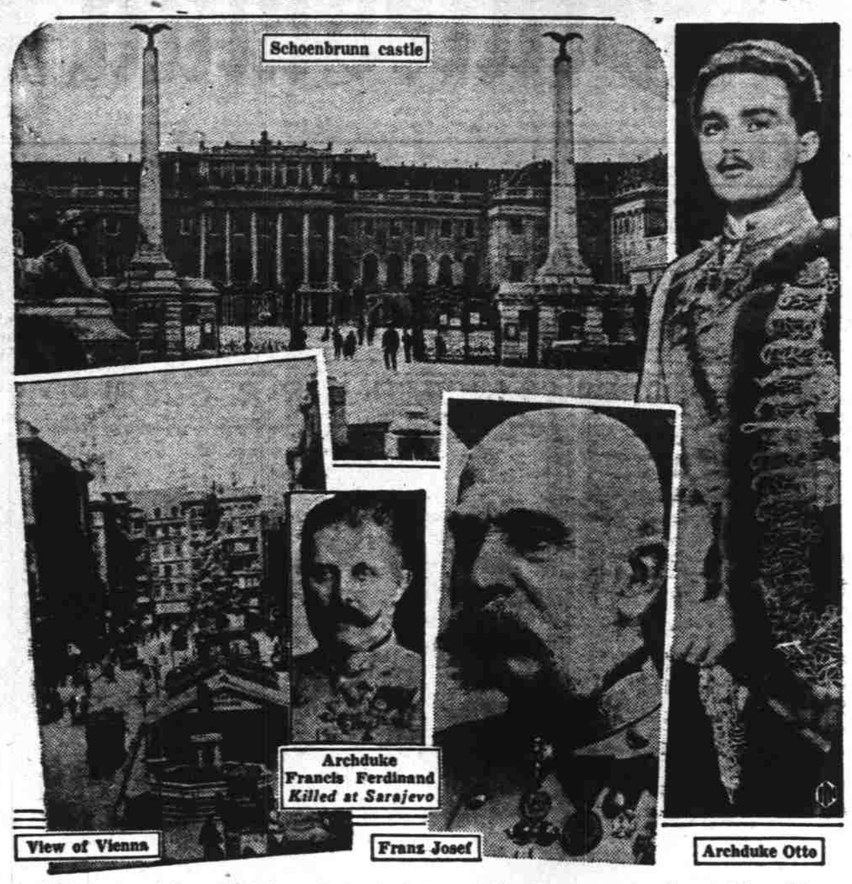
They said this government has steadfastly pursued the policy of the good neighbor toward Mexico and other nations.

In doing so it has extended gratuitous favors to various countries.

When this government sees fit to do so, it can withhold such favors and no reprisal or retaliation would be implied, the officials asserted.

Representative O'Connell (D-Mont) told the house that stopping silver purchases from Mexico was "a most dastardly act." It was an attempt by the United States to "pull the chestnuts of the oil barons out of the fire," he said.

Monarchist Hopes in Austria Doomed, Nazi Coup



Austria's long and dramatic history, dating back 2,000 years to the time when it became a Roman province, today takes another sudden turn with its incorporation by Hitler as part of the third German Reich. The Nazi coup spells doom to the hopes of Archduke Otto, pretender to the non-existent throne and grandson of Franz Josef, last of the great Hapsburg monarchs who ruled from Schoenbrunn castle for 68 years. The Hapsburgs came into power about the year 1000 and headed the mighty Holy Roman empire without interruption for 500 years. Since then their fortunes, and those of Austria, have risen and fallen, but today are at lowest ebb in centuries.

Saving Bonds Sale Is Big

Local Postoffice Has Sold $660,675, Mature Value of US Issuance

The Salem postoffice has sold nearly two-thirds of a million dollars worth of United States saving bonds since the bond sale was started in March, 1935, figures compiled yesterday by Postmaster H. R. Crawford reveal.

An exact 2575 bonds, representing a maturity value of $660,675, have been sold by the local office to date. Baby bonds, as they are more familiarly known, are issued in small denominations and at the 10-year maturity, value is increased by one third over the purchase price.

197 Sold This Year

To date in this year, 197 bonds have been purchased, representing a maturity value of $66,650.

Last year, 1043 bonds were sold by the Salem office, with the maturity value of these $272,550, the largest year so far.

During the 10 months of 1935 in which the bonds were offered, 461 were bought here for a final value of $125,275 and the following year, 1936, 874 bonds ultimately worth $196,200 were sold.

While the Salem office has no late figures on sale for all Oregon postoffices, a report just received from Washington, D. C., covering the sale of baby bonds from September 1, 1936, through August 31, 1937, shows that total purchases in Oregon in that period reach $5,280,437.50.

Salem Average Good

This figure represents a per capita sale in Oregon (population basis: 953,786) of $5.54.

During the year period of the postoffice department's report, the Salem office ranked second in point of total sales among the first class offices in the entire state; but ninth on a per capita sale basis for the period.

Among the second class postoffices, Silverton ranked fourth in the year report, and was the only town in this county to rank in the first 10 in Oregon. Scio ranked sixth in third class offices and Tigard led the third class group.

Italy Disturbed At Plane's Visit

ROME, March 29.—(AP)—Reserves of the Italian-aircraft force were called out tonight on the eve of Premier Mussolini's important statement of military policy to the Italian senate tomorrow.

The reserve call was seen both as a show of Italy's military preparedness and as emphasis of Italy's annoyance over a mysterious night flight of a French warplane above Italian territory last week.

Counties to Ask Road Fund Shift

League to Work With State to Get Increased Part of Revenue Sum

KLAMATH FALLS, March 29.—(AP)—Officials of the third district of the Oregon Counties association agreed at a meeting here to work toward an agreement with the state for an increased share of highway revenues without crippling the state's road program.

They envisioned increasing revenue possibilities as the state scaled down its highway debt and tax income gained.

In a discussion upon relief and pension problems, alternate suggestions were made that some percentage of liquor income be turned over to counties or the state take over the entire old age assistance program. The officials pointed out that it was no longer necessary for aged persons to establish county residence before applying for aid.

The officials agreed that relief costs have hamstrung road budgets because the 6 per cent budget increase limitation law prevents counties from imposing a property levy sufficient to meet relief costs.

Severe Storm Hits in North

School Bus Driver, Also Garage Man Missing; Blizzard Rages

(Continued from page 1)

roof of the Wright and Jickling garage. Other small buildings were flattened.

KETCHIKAN, Alaska, March 29—(AP)—The coast guard cutter Alert brought the body of Earl Hatch, 23, of Seattle, here today and returned to Grindall island to seek the bodies of three men missing since early yesterday when an unexplained explosion rent the cannery tender Alaska Chief from stem to stern.

The missing, apparently drowned when their skiff lifeboat capsized in a brisk northwest wind and heavy seas, were:

A. A. McCue, superintendent of the Pacific American Fisheries cannery at Kasaan bay.

A. C Delsman, Ketchikan miner.

Henry Andrews, old time Kasaan prospector.

Capt. Frank Ford, who swam ashore, was recovering in a hospital today from shock, exposure and water in the lungs. He had been bringing the Alaska Chief here to pick up a cannery crew when the explosion occurred within two miles of Grindal island about 6:30 a.m. yesterday.

Music and Signal Army Posts Open

Major H. D. Bagnall, the army recruiting officer at Portland, has announced that the suspension of army recruiting ordered by the war department early in February is still in force, and that enlistments are being made to fill special quotas only.

Major Bagnall announced that he has received a special quota for musicians for infantry bands in Panama, and for three radio operators for the signal corps in Panama, to operate on the war department network. Applicants for enlistment as musicians should be qualified with the clarinet, cornet, snare drum, saxophone or French horn, and will be tested by Warrant Officer Arthur S. Haynes, leader of the famous 7th infantry band at Vancouver barracks, Wash., to determine their musical ability prior to enlistment.

During the present suspension of recruiting, Major Bagnall advises young men here who are interested in army service to call at the recruiting office in the Salem postoffice and have their names placed on the waiting list.

Spring Tornadoes Take Seven Lives

FERRIDAY, La., March 29—(AP)—Spring tornadoes left seven persons dead and more than a score injured in the deep south today. Property damage was estimated unofficially at about $100,000.

Striking late last night and early today, the winds took heaviest toll—the lives of a father and his three sons — at Turtle Lake, La. Three children were killed near Texarkana, Ark.

At Turtle Lake, Hanson Ourso, 38, and his sons, Johnny, 15, Clifford, nine, and Wilbur, eight, were killed. The father and the two oldest boys were carried hundreds of feet from their demolished home.

Mrs. Ourso and a daughter, lifted clear of the wreckage on a mattress, were deposited hundreds of feet away, unhurt.

Insurgents Take Lerida's Heights

HENDAYE, France, at the Spanish Frontier, March 29.—(AP)—Spanish insurgent troops captured the heights dominating Lerida today and prepared to storm the "gateway" to Barcelona, government capital.

While Lerida's civilian populace fled toward the Mediterranean coast, the government desperately rallied its shattered forces to defend the city against Gen. Juan Yague's approaching army. Opposing troops were in contact west of the city.

Roads leading from Lerida to the coast were clogged with disorganized government troops hastily reforming for the impending battle, and thousands of civilians scurrying to safety. Insurgent warplanes strafed the troops.

Quantity Gasoline Purchases Puzzle

(Continued From Page 1)

employes would pay the other half, that in 1884-86 the court was besieged with an epidemic of claims from citizens for injuries suffered in falling off bridges or tripping on loose boards, that in the early '80s the court sold to a private buyer block 83 of Salem, where the state blind school now stands, for $140, that in the 1850s the court was kept busy appointing new constables and justices of the peace to fill the places of officials who went away to the Indian wars.

Relief, now running at $35,600 a month, is far from a new phenomenon, the records show. For from the early days of the county the court each month approved large numbers of "pauper account" bills, allowing from $10 to $30 a month per family.

The index workers wondered why the court in the 1880s carried only $30,000 insurance on what was then the new courthouse. The same structure that is in use today, it was built in 1872 with the county court agreeing, according to the records, to pay the contractor $89,500 in gold.

Despite their age, the old records are uniformly well preserved. Some of the volumes have been rebound, others remain in their old leather or heavy cloth coverings. Much of the written matter resembles copybook perfection in penmanship and the ink is little faded.

Burt and Snook have nearly a year's work ahead of them. Their task is to go through the journals of the probate and commissioners' courts from 1849 to 1912, when detailed indexing was begun. After condensed notes of proceedings have been assembled, they will be classified under approximately 50 headings and recorded in permanent fashion.

The Call Board

GRAND

Today — "Mr. Moto's Gamble" with Peter Lorre.

Saturday — "Penitentiary" with Jean Parker and Walter Connolly.

ELSINORE

Today — Double bill, W. C. Fields and Martha Raye in "Big Broadcast of 1938" and "Arson Gang Busters" with Bob Livingston.

Capitol

Today — Nelson Eddy and Jeanette MacDonald in "Girl of the Golden West," plus March of Time.

Friday—Double bill, "Dangerous to Knok" with Gail Patrick and Akis Tahiroff and "Varsity Show" with Dick Powell.

STATE

Today — Double bill, Ian Hunter, Lee Carillo and Zasu Pitts in "52nd Street" and Robert Taylor and Virginia Bruce in "Times Square Lday."

Friday—Four acts Eastern circuit vaudeville and Melburne Stone and Helen MacKellar in "Federal Bullets."

HOLLYWOOD

Today — "Stella Dallas" with Barbara Stanwyck, John Boles and Anne Shirley.

Friday — Hopalong Cassidy story "Texas Trail" with William Boyd and "A Girl With Ideas" with Wendy Barrie and Kent Taylor.

Only two Filings Comply With Law

(Continued From Page 1)

Those office seekers who have the required number of signatures on their petitions from any one precinct will not be obliged to recirculate their petitions. A good number of candidates for the city council have far over their required number of signatures, and it is possible that most of them have sufficient signatures from one specific precinct in the respective wards in which they are seeking nomination.

All who have filed petitions of candidacy will be notified by the recorder's office today should it be necessary for them to recirculate petitions.

A. A. Geer, 1535 State street, yesterday filed to oppose L. F. LeGarie, incumbent, and Dr. S. B. Laughlin for nomination to the city council from ward 2.

League of Cities To Convene Here

(Continued From Page 1)

securing revenues to offset the pinball decision; building codes and zoning with reference to federal housing loans; regulation of curb cutting and driveways; advisability of amending present budget laws to permit cities to build up reserve funds for specific municipal purposes; and federal policies as affecting airport construction.

Officials from the following cities are expected to take part in the conference: Salem, Albany, Dallas, Independence, Jefferson, Lebanon, Monmouth, Mt. Angel, Scio, Silverton, Stayton, Turner, Woodburn, Falls City, Scotts Mills, St. Paul, Sublimity and West Salem.

Regional meetings will be held in McMinnville Thursday and Oregon City Friday.

Skiis Only Clue, Gueffroy Search

(Continued From Page 1)

found parked where he had left it a mile east of Government Camp, showed it still contained his jacket and ski mittens. Fear was expressed by searchers that he was not dressed to withstand the intense cold.

Twenty searchers, led by Harold Engles, district forest ranger, and hero of the Varney tragery, were joined tonight by 40 others. Eight portable radios were carried in so the rescue parties could keep in communication with Timberline Lodge.

In addition to his parents, Rev. and Mrs. W. A. Gueffroy, 1120 North 15th street, Russell Gueffroy has a number of other relatives in Salem and vicinity, including two sisters, Marguerite Gueffroy, employed in the Montgomery Ward store, and Carmen Gueffroy, Silverton teacher.

Czechs' Freedom Imperiled Again

BERLIN, March 29.—(AP)—Highly placed Nazis remarked privately tonight that only a fundamental change in Czechoslovakia's inner political structure could rescue that country's independence.

Discussing Czech Premier Milan Hodza's assertion last night that Czechoslovakia was "ready to do her share" in reaching a friendly accord with Germany, the high nazis said the time for weak promises had gone.

The foreign office mouthpiece, Diplomatische Politische Korrespondenz, icly described Hodza's radio appeal as "hardly satisfactory."

Meanwhile, usually well-informed quarters asserted progress is being made toward extension of the nazi peace with the Catholic church to include all Catholics of greater Germany as well as Austria.

Five Bands Listed In Spring Opening

(Continued From Page 1)

Albany chamber of commerce is sending the Albany high school band. Loren Luper is director.

The Cherrians, Tom Hill, King Bing, the American Legion drum corps, and a detachment of 150 Boy Scouts comprise the marching units to parade tomorrow night.

Spring opening throngs can witness a radio broadcasting according to plans announced by KSLM The local radio station will set up a temporary studio in C. S. Hamilton Furniture company windows and will broadcast an hour's program from there, starting at 7:30 p. m. Don Huckabee of the "Friendly Circle" program and other KSLM favorites are scheduled to be on the air at that time. Salem will also have an opportunity to see one of the new electric organs in action at that time.

Following spring opening proper, Otto Klett's Crystal Gardens is to be the scene of a big public dance.

A public address truck, operated by Ray Moore, will make a circuit of valley towns issuing invitations to their citizenry to visit Salem tomorrow night. This is the first time, according to Chairman Sharkey, this means of publicizing Spring Opening has been employed.

Utility District Law is Proposed

PORTLAND, March 29.—(AP)—The Bonneville Federation of Oregon proposed an initiative measure today to finance utility districts. The plan suggested a system of certificates payable solely from electric revenues.

J. L. Steinbach, vice-president, said the certificates would not be general obligations of the district or liens against property. All the funds would be derived from the sale of electricity, not from taxes.

Bynon to Quit Politics In Favor of Law Work

PORTLAND, March 29.—(AP)—Former State Senator Allan Bynon announced today he had withdrawn from political activity to give his full time to law practice. He had been mentioned as a possible candidate for congressman from the third district.

BALLADE of TODAY

By R. C.

The seizure of oil lands by Mexico's chief is causing that country a great load of grief;
yet property's subject to rights to condemn—that is if they're able to pay cash—ahem!

Pendergast Holds Kansas City Rule

(Continued from page 1)

Fred E. Whitten, a lawyer and World war veteran.

Late tonight Pendergast issued this statement:

"If it is true, as the Kansas City Star and the coalition speakers reported, that the democratic president of the United States was against us, that the attorney general of the United States was against us, that the governor of the state of Missouri was against us, that the bipartisan election board was against us, that the independent Kansas City Star newspaper was against us—I think under those conditions we made a wonderful showing."

Aumsville Has Clinic Set Friday Morning; Sophs to Honor Frosh

AUMSVILLE — A clinic conducted by the county health center, will be held at the school house Friday beginning at 10 o'clock. Toxin anti-toxin for diphtheria and vaccination for small pox will be given. This will care for both school children and pre-school children and all parents of the district are urged to cooperate.

The freshmen and sophomore classes are preparing for a delightful evening Friday in the school dining room when the latter will be hosts at a banquet honoring the freshman class.

Jews Praise US Policy

GENEVA, March 29.—(AP)—The executive committee of the world Jewish congress today praised the United States for proposing to aid European political refugees.

Blanket Project Items Divided up

(Continued from page 1)

Pete Jensen, foreman; 64 men, $44,648.

Salem-Turner road—Two crews, Onie Martin and Leonard Walker, foremen, working 70 and 50 men near pen annex and on narrow road two miles southeast of Turner, respectively; total cost, $35,403.

Fairfield-St. Paul road—E. Rogers, foreman; 50 men, $18,926.

Pratum road—M. M. Magee, foreman; 85 men, $36,878.

The units' total estimated cost is $154,129.

At the latest count 1036 men were employed on county road WPA projects.

Col. Huston, Once Yank Owner Dies

BRUNSWICK, Ga., March 29—(AP)—Col. Tillinghast L. Huston, 71, who made more than a million dollars as co-owner of the New York Yankees before retiring to a Georgia plantation, died unexpectedly in his home today.

As partner of Col. Jacob Ruppert, present owner of the world champions, he was instrumental in the deal that put the now-retired Babe Ruth in a Yankee uniform.

Arthur Huston, a son, said Huston was at his desk with Miss Alice Johnston, his secretary, when he slumped over and died "from what is believed to have been sudden heart failure."

Big Utility Firm Finally Signs up

WASHINGTON, March 29—(AP)—Associated Gas & Electric company an $1,000,000,000 utility system bowed today to the supreme court decision upholding the 1935 utility holding company law by registering with the securities commission.

Associated was the largest holdout from registration.

United Gas Improvement company, an $817,000,000 system, also registered today.

Committee Backs Probe Resolution

WASHINGTON, March 29.—(AP)—The first congressional investigation of a new deal agency—the Tennessee Valley Authority—moved nearer reality today.

A senate resolution authorizing such an inquiry was approved by the house rules committee. Leaders said they would bring it before the house tomorrow and that its adoption was a foregone conclusion.

While the rules committee made several changes in the senate resolution, all were intended, members said, to assure the widest possible inquiry.

Six Projects Are Started by WPA

(Continued from Page 1)

under a new allotment of funds expected to operate it for a year. The project employs 22 women.

At the Buena Crest school $3070 worth of improvements will be made to the grounds, chiefly enlargement of the parking lot and playground.

Ledford Jury Has Case; not Agreed

(Continued From Page 1)

the state, Attorney John L. Foote declared a defense contention that the girls died from eating blackberries coated with poison spray from an adjacent potato field was impossible.

Foote said no trace of poison was found on berries from the patch, although potato plants showed traces.

Foote charged that at the time of the deaths, Mrs. Ledford believed death of the girls would yield $1000 in insurance.

Defense Attorney Glenn Metsker described Mrs. Ledford as a "kind and loving mother," and demanded an acquittal. He asserted the state had presented "only suspicion," and not a motive for the deaths.

County Will Sue On Disputed Tax

Dist. Atty. Lyle J. Page received written instructions from the county court yesterday to take steps to enforce collection of $11,268.99 in taxes alleged to be due and unpaid on built-in fixtures in the First National bank building here. Attorneys for the bank have protested the taxes, averring the fixtures were personal property and therefore, belonging to a national bank, not taxable, and have repudiated the county's assessment, according to T. J. Brabec, deputy sheriff in charge of tax collection.

The court was advised in a letter from Brabec that $10,483.50 in taxes and $785.49 in interest had accumulated against the disputed property. Court members said similar taxes had been paid regularly by other local banks.

Drive by Chinese Stalled, big Guns

SHANGHAI, March 30—(Wednesday)—(AP)—Japanese bombs and big guns today apparently had stalled the Chinese counterattack which pushed back Japanese along a 100-mile front in central China.

More than 200,000 Chinese and Japanese were engaged in the battle, which observers said might decide the fate of the Lunghai railway area separating Japanese-conquered portions of north China and the Yangtze river valley. Casualties were said to be heavy.

Clay Subject of Science Speaker

"Clays" constituted the subject matter of a lecture given before Willamette university science students Tuesday afternoon by Dr. Elmer H. Evans of Bethesda School of Mines and Caramics, Oshkosh, Wis.

Dr. Evans developed the subject from the historical and artistic viewpoints and also discussed the therapeutic value of clays.

Hoxie Taken Ill While Broadcasting Mat Bout

Tommy Hoxie, program manager and sportscaster for radio station KSLM, suffered an attack of appendicitis while broadcasting the wrestling show at the armory Tuesday night. He stuck to the "mike" until the last round of the main event, then turned it over to an assistant and was taken to the hospital. It had not been announced last night whether an operation would be necessary.

ELSINORE FEATURES
4 BIG DAYS STARTS TODAY
Gangway, my little chickadees for the super-colossal wonder show!

W. C. Fields
Martha Raye
in
"THE BIG BROADCAST OF 1938"
—With—
DOROTHY LAMOUR
SHIRLEY ROSS
BEN BLUE
BOB HOPE
LYNNE OVERMAN
RUFE DAVIS
LEIF ERIKSON
GRACE BRADLEY
AND HIT NO. 2
Expose Arson Racket
"ARSON GANG BUSTERS"
with Bob Livingston
Rosalind Keith

Moves Today TO THE CAPITOL
—FOR A FEW DAYS—
It Packs Thrills of the Wild West!
Romance . . . on wings of song . . . with singing sweethearts in danger . . .

Plus March of Time
Popeye Cartoon
Prices 35c
Loges 40c
Jeanette MacDONALD • Nelson EDDY
"The GIRL of the GOLDEN WEST"
RAY BOLGER • LEO CARRILLO • WALTER PIDGEON • BUDDY EBSEN
M-G-M PICTURE

NOW 2 BIG HITS
"52nd. St."
Kenny Baker - Leo Carrillo
Zasu Pitts
ROBT. TAYLOR
"TIMES SQUARE LADY"
Pinky Tomlin
Virginia Bruce
New STATE
SALEM'S STAR THEATRE

HOLLYWOOD PHONE 6058
FAMILY NIGHT 40c
STELLA DALLAS
WITH
Barbara Stanwyck
John Boles and Anne Shirley
ALSO
Leon Errol in
"A Rented Riot" and News

TRAGEDY ...STALKS THE ARENA AS FISTIC CHAMPIONS FALL BEFORE UNSEEN GLOVES!

PETER LORRE
MR. MOTO'S GAMBLE
KEYE LUKE
DICK BALDWIN
LYNN BARI
GRAND

Art Certificate
No 141
This Certificate entitles you to one week's Set of Four Pictures upon payment of only 39c (46c if by mail).
IMPORTANT
Be sure to order Set No. 1—if you have that or subsequent sets, order the next numbered Set of Four.