your community's news. Have The Statesman follow

Many families will leave soon on vacation trips. Don't get out of touch with The Oregon Statesman

# Slush Fund Charges Overridden in Senate

### 76 Indicted pon Racketeer Charges in Eastern States

#### Wallace Given Rebuke, Ruling By High Court

Same Principle Declared Applied as in Other Stockyards Case

NLRB Is Upheld in Plea to Withdraw Case of Republic Steel

WASHINGTON, May 31 .- (AP)-Six justices of the supreme court, with Chief Justice Hughes as their spokesman, rebuked Secratary Wallace in sharp language today for contending the court had been inconsistent in a recent

Hughes called the contentions of the secretary of agriculture "unwarranted." His remarks were not addressed directly to Wallace. but were in the form of a categorical reply to Solicitor Gen. Robert H. Jackson, who had represented Wallace before the

At issue was a recent decision of the supreme court invalidating a department of agriculture order reducing commission fees at the Kansas City stockyards. The court, in an April decision also Wallace issued the order on the basis of findings by government prosecutors without giving the livestock agents reasonable opportunity to contest the findings.

Wallace used an unprecedented method of replying. He wrote a leter to Hughes in which he said, in effect, that the chief justice had reversed himself on a point of procedure approved by the court when the stockyards case was before it on another occasion. Jackson stressed this in appealing to the court for a rehearing of the case.

**Hughes Emphasizes** 

Hughes emphatically denied there had been a reversal. "Not only are the two decisions consistent," he declared, "but the rule announced in our former opinion was applied and was deeisive of the present appeal, And the government is in no position

Hughes was supported in his by Justices Brandeis, Stone, McReynolds, Butler and Roberts. Justice Black, one of President Roosevelt's appointees (Turn to page 2, col. 4)

### ddities

ST. PETERSBURG, Fla., May 31-(AP)-A 90-pound tarpon with a nasty disposition turned the table on Fisherman S. L. Walker of

Hooked in the gulf south of here, fishermen said today the big "silver king" flung itself aboard Walker's boat and smacked him into the water with its tail. While Walker floundered in

the gulf, Keith Neville, former governor of Nebraska, subdued the sharp-toothed, thrashing tarpon on the boat deck with a hammer. Walker got a bruised side from the fish.

MOBILE, Ala., May 31-(A)-Old engine No. 32 of the Mobile & Ohio railroad started herself up and toured out of the yards smack into a street last night

without a pilot. The street in the wholesale business district was devoid of traffic at the time and about the only damage the veteran "Iron Horse" did before she derailed was to smash down a

Trainmen concluded the engine's throttle was thrown open by the force of leaking steam

may not be long before an automobile driver will swallow a capsule to help keep him out of motoring accidents at night.

That procedure was hinted at today in experiments reported on navigation and flood control proin an article in the Ohio Medical ject, the Indians at picturesque

tene-in-oil, a potent source of vi- nets and said, dejectedly, with tamin A. Vitamin A improves vi- Sam Starr: sion in the dark, reducing eye strain and fatigue, two big causes six tons a year; last year we did- the Chinook from age-old spawn-

Her Slaying Leads to Solutions Of Other "Brick Murder" Cases



Mrs. Florence Johnson, 34, wife of a Chicago fireman and mother of two children, was beaten to death with a brick, fifth attack-slaving in Chicago in three years. Investigation led to the arrest of Robert Nixon, 18, and Earl Hicks, 19, negroes, said by police to have confessed. Nixon also admitted one other such murder, and was connected by fingerprints to one in California.-IIN photo.

#### Guard Character, Building Permits OSC Seniors Told Up 33 per Cent

Chicago Magazine Editor First 5 Months for City Says Mind Depression Is Most Serious

CORVALLIS, May 31-(AP)-Oregon State college seniors were cautioned against a depression in character today in a commencement address by Joseph Mason Artman of Chicago, editor of the "Character in Every

Day Life." Artman, who urged college trained men to enter politics and public service, asserted the absence of character was more serious than the economic recession. (Turn to page 2, col. 4)

#### People on Relief Must Accept Jobs

PORTLAND, May 31-(AP)-The state relief committee said today that all employable persons receiving relief had to accept employment that the committee felt

County relief committees were instructed to determine the number of persons on relief. Some counties, J. R. Luihn, chairman, said, have succeeded in putting to work all employable persons

Luihn said he expected seasonal work to help reduce the re-

Show Rise Over 1937; May Has \$113,237

Building activity in Salem has been approximately 33 per cent better for the first five months like period in 1937, figures produced by the city building in-

spector's office yesterday show. Last month, with 110 building permits granted, totaling \$113,-237, went over the May, 1937, figure by \$28,561, assisting materially in bringing the fivemonths 1938 total to \$351,125 more than that of 1937.

Of last month's total of 110 permits, 19 were for new dwellings at a valuation of \$45,700. New dwelling activity for May, 1937, exceeded, 35 permits being issued for a valuation of \$57,223. It was the total of new construction, both dwellings and (Turn to page 2, col. 2)

#### House Approves Name 'Oregon' for Boulevard

The house approved Representative Nan Wood Honeyman's measure today naming a scenic Rock Creek park boulevard after the who had received relief in the state of Oregon. The bill went to cated the delay was to permit the the senate.

The two-block street formerly called Oregon

#### Salmon Run Failure Serious But Bonneville Is Absolved

(P)-Fishermen, white and Indian fish was played out, the run alike who have lived for generations off the king of the riversthe royal chinook salmon-won-NEW YORK, May 31-(A)-It dered fearfully today whether the world's greatest spring salmon run has vanished from the Colum-

Above Bonneville dam, the government's \$55,000,000 power, Celilo Falls, scene for ages of na-The capsule is filled with Caro- tive fishing, looked at their empty

"Once we used to catch about

ment of the Westinghouse Electron was neighbor officials, called the Westinghouse Electron was neighbor officials, called a public hearing Monday on the tric company.

Salmon's ever-growing graveyards. In the Salem and Mrs. George Speed, was last ferred with labor officials, called a public hearing Monday on the bill and adjourned until then.

Hayter.

The three Salem men were into the description was neighbor officials, called a public hearing Monday on the bill and adjourned until then.

The three Salem men were into the description was neighbor officials, called a public hearing Monday on the bill and adjourned until then.

BONNEVILLE, Ore., May 31- | tions. The silvery pink horde of greatly diminished. From 200 to 500 trollers sought other fishing grounds. For a long time William L.

Finley, noted naturalist, has been predicting the utter destruction of the spring run. People are just beginning to realize, he says, that for 40 years the spring run has been falling off.

Fishermen are salmon farther at sea as it heads clamationists are building dams across headwaters of the Columhia and thus unwittingly cutting motor smashups.

n't do so good; this year there ing grounds, and farmers are digging irrigation ditches off head-

#### **Truckers Held** For Extortion, **Federal Count**

Million Gouged Annually in Merchandise Haul Business, Charge

Officers and Teamsters' Union Members Face Courts, New York

NEW YORK, May 31-(AP)-Complaints from seven eastern states that union truckmen here were using gangster methods to gouge millions out of the rich merchandise-hauling industry resulted today in the indictment of 76 men on federal charges of racketeer-

eight officers and delegates and 62 members of local No. 807 of food rations, the International Brotherhood of Teamsters, Chauffeurs, Stablemen in that section. & Helpers of America and six oth-

fines totaling \$50,000 each. They ed. One building was gashed in were charged with violating the half. The fronts of other strucfederal anti-racketeering act of tures were pitted with steel. 1934, enforced for the first time in New York state, and the Sherman anti-trust act. The indictments alleged the de-

fendants, using force and threats of violence, extorted \$1,000,000 or more annually from the \$100,-000,000-a year business in the trucking of general merchandise FDR Shelves Try and perishable foodstuffs.

Flying squadrons of union men, the grand jury charged, met the trucks of out-of-town shippers On Reorganization is in effect for all water used in excess of 3750 gallons per month. and truckers at the city limits and compelled them to pay \$9.42 apiece for a local 807 driver, used or needed.

In addition, the indictments alleged, "shakedowns" of from \$1,-000 to \$100,000 were demanded from shippers and truck-owners for the privilege of being allowed NC) of to operate without interference. The complaints came from ship-

ping and trucking companies in Massachusetts, Connecticut, New Jersey, Pennsylvania, Delaware, North Carolina and Virginia.

#### **Decision Delayed** On Mooney's Case

SAN QUENTIN PRISON, Calif., May 31-(A)-Thomas J. Mooney, cial committee. For a time that informed today that the supreme was believed to be the end of the court of the United States had measure, but more recently there delayed until November a decision had been reports the controversy as to whether he was guilty of would be reopened. complicity in the San Francisco

"Of course I am deeply disappointed," said Mooney, "but I am grateful for the reason given for the delay.'

The high court took the almost unprecedented step of accepting Mooney's case for study on the script. That one transcript comprises over 13,000 pages and over 6,009 exhibits. The court indithe lengthy transcript.

#### **Hughes Is Always** On Majority Side

WASHINGTON, May 31-(AP)-Chief Justice Hughes was the only the winning side in every case decided this term.

Not once did the 76-year-old jurist dissent during the term that began last October and ended today. The court delivered 180 opin-

Justice McReynolds, former attorney general in the Wilson administration, dissented 28 times, the high record for the eight Justice Black, former Minnesota lawyer, was runner-up with

21 dissents.

Girl's Eye Injured

indirectly by the experimenters:

Of one of the west's major fish
Dr. Ralph C. Wise, eye specialist

Of Mansfield, O., and Dr. O. H.

Shettler, of the medical depart
Shettl

#### 300 Killed in Hundred Planes Battle **Insurgent Air** Raid in Spain

Wrecked; Women and Children Victims

British Resentment Over Bombing of Ships Is Growing, Reported

hrough the bomb-shattered wreckage of this farm town 16 return. miles north of Barcelona seeking hundreds of victims of a devastating insurgent air raid, Ambulance and first aid work-

the sudden attack and an equal number wounded. The mayor of Granollers, with a normal population of 9,000, said mostly women and children

ers estimated 300 were killed in

were killed. Dazed and bandaged residents tonight stood in remaining doorways and pointed to bomb scars on the facades of Grandlers' buildings.

Firemen and rescue workers worked feverishly in wreckage of the marketplace, the heart of Two indictments returned by a the city, where insurgent tombs special federal grand jury named blasted to pieces many women and children waiting in line for

Most of the casualties centered Ten hours after the morning attack the streets were cleared of Each of the defendants, if con- wreckage except for huge heaps victed, faces a possible sentence of stone, glass and mortar. The of 41 years imprisonment and main street was severely punish-

> LONDON, May 31-(AP)-Britain's growing resentment at the Spanish insurgent bombing of British ships in government ports was (Turn to page 2, col. 3)

With President Roosevelt's conwhether or not the driver was sent, his legislative lieutenants pigeon-holed a government reorganization bill today until the next congressional session.

Chairman Byrnes (D-SC) Acting Chairman Warren (Dthe senate and house reorganization committees said in "No effort will be made

pass the reorganization bill at this session." The announcement, officially quashing talk of reviving the bill, definitely ended one of the bitterest rows of the session, smoothed the way toward adjournment, and confirmed a major rebuft the administration suffered last April

8 at the hands of legislators. On that date the house by a Heating Plant Aid organization bill back to a spe-

## Preparedness day bombing of Boy of 12 Helps

BUFFALO, Wyo., May 31.-(AP) The net federal agents had basis of one typewritten tran- spread for James E. Merritt, 26year-old suspect in the kidnagransom of an Ohio farmer, might have struck a snag had it not been for the resourcefulness of nine justices to take turns with 12-year-old Billy Gibbs, son of a Buffalo dude rancher.

> the ranch boy crawled from a window when Merritt appeared at the ranch house Sunday, and ran of the capitol reconstruction com- jury acted in "passion and preju- saying it would be a departure a mile into Buffalo to notify mission said. a mile into Buffalo to notify mission said. Sheriff M. H. Tisdale.

Paul Gibbs, the boy's uncle kept Merritt engaged in conversation until the sheriff arrived. R. D. Brown, agent in charge of the federal bureau of investi member of the supreme court on gation at Denver, said Billy proved himself a "worthy junior

#### Labor Relations Measure Blocked

TRENTON, N. J., May 31 .- (AP)-Hundreds of pickets who marched on the state capitol tonight suc- former chieftain of Oregon and ceeded in blocking assembly action on the Foran labor relations for trial here June 27. bill which would ban sit-down and

Shouting demands that Sen. of local 324 of the teamsters, with said has regained complete con-Arthur Foran's proposal be killed headquarters in Salem, and War- trol of its affairs and is now oper-Sustaining a painful eyt in- in favor of another measure pat- die Earl Graham, member of the ating on a democratic basis. driving machine" was indicated Downstream at Astoria, home water streams without screening jury while playing with a pair terned after the Wagner act, the local, were dismissed for insuffi-

fought high over Hankow. GRANOLLERS, Spain, May 31- planes raided Generalissimo Ch (R)-Rescue workers tonight dug shot down 20 Chinese planes while only one of their own failed to Ransom Paid but China's aviation headquarters, **Boy not Returned** however, declared 54 Japanese planes attempted the raid but were beaten off with a loss of 15 planes. Disputing Japanese reports that the Hankow airfield

> was heavily bombed, Chinese declared the Japanese were prevent-May Begin Search ed from carrying out the raid. While Japanese planes struck at Hankow and Canton, ground forces of both armies apparently were deadlocked again in the vicinity of Lanfeng, along the Lunghai railroad in central China. Severe fighting was reported among the mudwalled villages

> between the Lunghai and the Yellow river with Chinese troops still (Turn to page 2, col. 2) Water Rates for **Summer Reduced**

Drop One-Third Amount Over 3750 Gallons, Is Redlands. Notice to Users

Printed notices that summer tonight. vater rates had been reduced were being mailed out to custom ers yesterday by the Salem water commission. The notices state that for water billed in the fourmonth period, June to September, a rate reduction of 33 1/2 per cent popularly known.

the vicinity.

"The first 3750 gallons cost you \$1.55." the notice exclains, For all in excess of this amount you pay at the rate of only five

cents per 750 gallons." As an example the notice points out that "if your water bill was \$3 for the month of June last year, the same amount of water used in June this year w'll cost you only \$2.52, a saving of 16 per cent . . . based on inside the city rate."

The notice urges the commission's customers to use more wa-

Handy printed rate cards, list summer and regular, domestic and commercial, city and suburban schedules also have been obtained by the commission

## For State Sought

The state board of control Tuesday approved an application of the state capitol reconstruction commission for a federal grant of approximately \$55,000, for construction of a central heat-In Kidnaper Case ing plant for the state capitol group of buildings.

The site, to be located a short distance from the state capitol grounds, would be purchased by the state. Officials said the state \$5000 to \$20,000. The cost of the proposed heat-

ing plant was estimated at \$125,-000, provided the present heating Aware that Merritt was sought, plant is scrapped. Action on the grant was expect-

#### Sides Claim Advantage City of Granollers Said Japanese Say 20 of Defenders' Ships Shot Down, Chinese Claim Raiders Beaten off With Loss of 15; Ground Forces Deadlocked Again

Over Hankow and Both

SHANGHAI, June 1-(Wednesday)-(AP)-Both Chinese and Japanese claimed victory today in one of the greatest air battles of the war in which more than 100 planes

A Japanese naval communique declared 30 Japanese planes raided Generalissimo Chiang Kai-Shek's capital and

> Crowd Assembled Around Cash Home Dispersed;

> PRINCETON, Fla., May 31-(AP) Several hundred persons who had assembled here to search for kidnaped James Baily Cash, jr., dispersed tonight upon request of the federal bureau of investigation and the parents of the fiveyear-old child.

took the pajama-clad boy from by the house. his father's apartment house on the Miami-K West highway Sat- tion on the Iowa democratic priurday. Cash reported he paid, mary once more by charging that early today, the \$10,000 ransom an NEC official, I. T. Jones, was The crowd was told to be ready

at daybreak if called upon to be- Party Is Damaged gin a search of the flat surround- Declared Wheeler ing farming country known as the W. P. Cash, uncle of James, jr., White Ho

Neighbors were divided in opinons as to whether a search should

death warrant for the tow-head- party a disservice" by trying to ed, blue-eyed "Skeegle," as he is Others believed the boy may

#### \$35,000 Fire Hits **Coburg Buildings**

COBURG, May 31-(AP)-A \$35, 000 fire destroyed four business structures and the Odd Fellows hall here today.

Fire fighters, unable to swing into action because of an inadequate water supply, stood by almost helplessly while the flames engulfed nearly a lock. A brisk wind carried sparks from the store buildings to the lodge hall. Sparks also threatened & number of residences.

The fire, the second major blaze here in 20 years, burned the postoffice but the mell was rescued. Contents of other buildings were lost.

The flames broke out on the second floor of the Walter E. Drury general store. Investigators were unable to establish the

#### **New Trial Sought** By Agnes Ledford

ST. HELENS, Ore., May 31.-(P)-Mrs. Agnes Joan Ledford. death of her stepdaughter, Ruth fers of a site varying in price from 13, filed motion for a new trial in circuit court today.

Mrs. Ledford, who was tenced to life imprisonment, alleged through her attorney that there had been errors in law and insufficient evidence to warrant ed prior to September 1, members her conviction. She asserted the jected to Vandenberg's proposal

#### Two Arson Charges Dropped; Foree and Rosser Cases Set Iron Fireman company said quarterly dividend checks of 30 cents

ster union members were dismissed and that against a third, Walker here today.

son charge against Al E. Rossen, southwest Washington teamsters, Arson indictments against Lou-

bail, with Force remaining under \$5000 bail at present. The arson charges grew out of

Lisle B. Force, was set for trial the destruction of the Salem Box June 21, by Circuit Judge Arlie G. & Manufacturing company plant 3-Months Leave and damaging of the Copeland The court also docketed the ar- yards, both in West Salem, by firs last November.

Harkins declared here yesterday he felt the two indictment dismissals removed another cloud is Charles Harkins, business agent from his organization, which he

#### NEC Declared Political but **Fund Is Voted**

Wheeler Says Officials Meddling, Harmful to Democratic Cause

50 Million Granted for Relief; Vandenberg Says too Little

WASHINGTON, May 31 .- (AP)-With a shout of angry determination, administration forces in the senate increased funds for the national emergency council today despite protests by democratic critics that the agency was actually a political organization.

Senator Wheeler (D-Mont.) told the senate that the NEC, set up by the president to coordinate work of all federal emergency agencies in the states, had participated chiefly in politics "in

my state." Senator Clark (D-Mo.) added that the agency's only purpose

was "political," Majority Leader Barkley (D-Ky.) and half a dozen other administration men sharply denied this. By a resounding voice vote, they and their supporters awarded It was feared a demonstration the agency \$850,000, an increase would frighten the abductors who of \$600,000 over the sum voted

> Wheeler centered senate attentrying "to stab Guy Gillette in the back."

The Montanan said Jones, along with Harry Hopkins and other said there was hope of making an- porting Representative Wearing other contact with the kidnapers (D-Ia.), primary opponent of Senator Gillette, the democratic incumbent.

Wheeler said a "certain little be made immediately. Some said group" was doing "the president such a move might serve as a a disservice, and the democratic influence state political affairs. "It ought to be stopped or the democratic party is going to be have been released to wander in defeated," the Montanan warned

his colleagues. He said that if "some of these pseudo politicians have their way" n Iowa and Gillette is defeated by Wearin "you can bet all the tea in China that Iowa will go republican."

President Roosevelt, at his press conference, declined to comment on Hopkins' apparent backing of Wearin in the Iowa race. saying any answer would be misinterpreted. He added that in the future he would refuse to answer similar questions either from candidates or the press.

The senate voted today to make \$50,000,000 of WPA funds available for direct relief in event of emergency, but rejected a proposal by Senator Vandenberg (R-Mich.) that the amount be increased to \$150,000,000. The emergency cash would he

WASHINGTON, May 31 .- (AP

set aside from the proposed WPA appropriation of \$1,425,000,000 provided in the \$3,000,000,000 lending-spending bill. (Direct relief, which consists of outright grants of money and is sometimes called the "dole," differs from the WPA policy of providing relief through jobs. The WPA policy now is to leave the task of direct relief for unemploy-

ables to states and other political subdivisions,) Vandenberg said the plight of the larger industrial cities was a convicted of murder in the poison "clear indication" that more direct relief would be necessary to supplement the existing system.

Inclusion of even \$50,000,000 Vandenberg said constitute "recognition that the relief prelem may become too large to be handled by work relief alone." Senator Byrnes (D-SC) ohfrom WPA policy.

Fireman Pays Dividend PORTLAND, May 31 .- (AP)-The Iron Fireman company said quara share would be paid tomorrow DALLAS, May 30 — Arson Polk county grand jury April 5. 10. The regular 1938 dividend charges against two Salem Team. All three have been at liberty on totaled \$1.20 a share.

### Columnist Takes

Dorothy Thompson, popular columnist whose writings have appeared regularly in The Statesman in the last two years, is taking a three months' vacation, Her column which appeared Tuesday morning was, the last to appear until Septem-

Mark Sullivan's column, also devoted to national and world Statesman's editorial page three days a week while Miss Thompson is on her vacation.