

**The Weather**  
Partly cloudy Sunday and Monday with fog on coast. Little humidity. Max. 80. Min. 48. River 1.6 feet. Northwest wind.

**Softball Coverage**  
The Statesman has improved its softball coverage this year by publishing abbreviated box scores of the night games.

EIGHTY-EIGHTH YEAR

## Britain, France Urge Moderation on Spain

### Bomb Reprisal Threat Causes Fears of War

**Spanish Government Says Bombing of Italian Cities Possible**

**Il Duce Warns That His Troops Would Wipe out Loyalists**

LONDON, June 25.—(AP)—Britain and France strongly urged moderation on both factions in the Spanish war today to prevent insurgent bombing attacks from turning into campaigns of wholesale slaughter which might spread the conflict.

French representations to the embarking upon widespread reprisals against the insurgents and their foreign allies, Italy and Germany, had the support of the British government.

In line with the Anglo-French fears the Spanish conflict might quickly burst its borders if Barcelona should carry out its threats, Italy tonight notified France the Italian air force would wipe Spanish government cities off the map if Italian cities were bombed.

Officials here were silent on the Spanish threat, but France was understood to have used her greater influence in behalf of Britain as well as herself in counseling Barcelona against the threatened course.

In Rome, Virginia Gayda, authoritative fascist editor, wrote in his important *Il Giornale D'Italia* that Italy and Germany would reply to any such bombings "not with diplomatic notes of protest, but with cannon."

PARIS, June 25.—(AP)—Europe was plunged into a new war scare tonight by Spanish government threats of bombing reprisals against Italy and a quick warning from Rome that Italy would meet such reprisals by wiping Spanish government cities off the map.

Loyalists threaten to bomb Barcelona.

The scare started by disclosure the Spanish government at Barcelona had threatened to bomb "Italian-dominated" towns in the Balearic islands, just off Spain's east coast.

It was heightened by reports from Geneva close to the French foreign office that the Barcelona government also had threatened to bomb cities of "those foreign countries" sharing responsibility of bombing of Spanish civilian centers.

Then tonight, creating fear among French and British diplomats that a general European war is imminent.

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**Bombers Kill 100 in Madrid Raids**  
MADRID, June 25.—(AP)—A swift 15-minute raid by insurgent bombers today caused an estimated 100 deaths, injuries to 230 persons, and the destruction of 70 buildings in the Spanish port of Alicante.

The raiders dropped 50 explosive and incendiary bombs before government aircraft could chase them away. The casualties included many women and children who were standing in food lines when the sudden bombardment started.

The master of Alicante harbor declared the raid was not directed against the harbor. The civil governor personally started inspecting the ruins where more bodies were expected to be found.

The outlying workers' quarters were subjected to especially heavy attacks by the raiders in five German-type machines.

(Barcelona dispatches said insurgents again bombed Valencia, destroying several buildings including the Finnish consulate.)

### Nye Faces Fight In N. D. Primary



SEN. GERALD P. NYE

### Langer and Nye Seek Nomination

**North Dakota Primaries Climax of Long Feud Between Pair**

BISMARCK, N. D., June 25.—(AP)—A five-year fight between Gov. William Langer and U. S. Sen. Gerald P. Nye, two nationally prominent North Dakotans seeking the republican senatorial nomination, will go before the North Dakota voters in Tuesday's primary election.

Tossing national issues aside, the former friends whose fight has been symbolic of the internal strife in the nonpartisan league dominant since it regained control of state government in 1932, have fought on state issues.

The Nye versus Langer contest overshadowed an otherwise quiet election in which five district tickets are arrayed for nomination.

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### McCormick Youth Is Still Missing

**ALBUQUERQUE, N. M., June 25.—(AP)—Darkness called a halt tonight to the search of Sandia peak's rugged slopes for Medill McCormick, 21-year-old heir to the McCormick publishing fortune, who has been missing since Wednesday on a mountain-climbing expedition.**

Like birds of ill omen, lazy buzzards wheeled slowly in the darkening sky as the last of the scores of searchers wended a slow way down the treacherous cliffs, on which young McCormick's climbing companion was dashed to death.

Only a handful of forest service rangers remained in the mountains over night, and Gov. Clyde Tingley ordered the hunt resumed tomorrow at daylight. Supplies were trucked into the base camp tonight in readiness for tomorrow's activities.

As the second day of intensive search came to a close, none was able to hazard a guess as to the fate of young McCormick. Most, however, held to the belief his body was caught in a high crevice of the 6000-foot peak.

The battered body of Richard Whitmer, McCormick's climbing companion, was brought into Albuquerque from the mountains 20 miles northeast of Albuquerque. It was found under the towering rock face of a cliff known as "The Shield," near the summit of the peak.

**Sees 10 Year War**  
KYOTO, Japan, June 25.—(AP)—War Minister Seishiro Itagaki, who came here to worship at the grand shrines of Ise, declared in an interview today that Japan must be prepared to fight "at least 10 years."

**Heavy Japanese Buying Here To Continue on Larger Basis**

NEW YORK, June 25.—(AP)—Heavy Japanese buying, which has been a reported factor in some rising commodity prices during the past 10 days, will continue for months to come on an expanding basis, Japanese sources said here today.

In at least two major American commodity fields, cotton and wood pulp, and possibly in others, the new purchasing policy may be an important factor in American markets, Hatushiro Yoshida, manager of Mitsui & Co., merchant bankers and largest Japanese importing firm, predicted in commenting on information gathered by Toyoji Inoue, commercial secretary of the Japanese embassy here.

Japan, he said, plans to increase its foreign sales of fabricated American cotton and Japanese manufactured rayon made of

### Says Roosevelt Distorted Income



FRANK KNOX

### Col. Knox Assails Roosevelt Speech

**Publisher Says Chat Was Weak Demonstration of Statesmanship**

WASHINGTON, June 25.—(AP)—Frank Knox, republican candidate for vice-president in 1936, accused President Roosevelt tonight of "distorting" national income figures in his fireside chat last night.

In a statement issued by the republican national committee, the Chicago publisher said the address was "a weak demonstration of statesmanship as this country has ever seen."

Knox disputed the president's assertion that the income of all persons in the United States was \$38,000,000,000 in 1932. Department of commerce records, Knox said, showed the total to be \$48,362,000,000.

"What is important," Knox added, "is that the national income estimated by the president for this year of \$60,000,000,000—a figure regarded as much too high by some experts—is less than \$12,000,000,000 more than the national income actually paid out in 1932 after three years of worldwide depression. Of greater significance is the fact that this year

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### Two More Hotels Join Strike List

PORTLAND, Ore., June 25.—(AP)—Portland's "struck" hotels jumped to 15 today as union employees left jobs in the Cornelius and Park avenue hotels. Pickets began patrolling in front of the entrances.

Ben C. Grimson, proprietor of both hostleries, said that of his 35 employees, only six maids walked out. They were replaced, he said, by non-union workers. The union board said that other workers not on duty at the time of the strike would not return to work.

In the meantime negotiators representing the culinary unions and restaurant association of Portland will meet again Monday in an effort toward compromising their differences and avoiding arbitration.

### \$30,000 Slush Fund

WASHINGTON, June 25.—(AP)—William E. Dodd, former ambassador to Germany, said tonight he had been informed confidentially the German government had allocated \$30,000,000 for propaganda dissemination in the United States.

### Work on Columbia To Start in August

PORTLAND, Ore., June 25.—(AP)—Deepening of the Columbia river channel from Vancouver to Bonneville sufficient for ocean-going vessels will get under way in August as result of allotment of \$630,800, it was revealed today at the North Pacific division office of the army engineers. The job will require two years.

The sum covers only the first season's costs. Total estimated cost is \$2,650,000.

Work will start at the Bonneville end. A 27-foot channel is the goal.

**Survey Pledged**  
PORTLAND, June 25.—(AP)—A survey in every Oregon county of existing medical needs, services and facilities was pledged today by the Oregon State Medical association through its house of delegates at a mid-year meeting.

### Higher Wages In Steel Seen As Mart Rises

**Mart Surges Upward for Sixth Day to Outdo Recent History**

**Some Averages Show Gain Bigger Than Since Spring of 1933**

NEW YORK, June 25.—(AP)—Possibility of a wage readjustment in steel was injected into the business recovery picture today as the stock market surged upward for the sixth successive day, completing a week of rising prices unparalleled in recent Wall Street history.

The fresh upward thrust given the stock market caused many to rub their eyes in astonishment as they viewed the extent of the week's climb. Some price averages showed it was a bigger percentage gain than experienced in any week in the spectacular climb in the spring of 1933, when prices ballooned after the banking holiday.

The Associated Press average of 60 stocks—30 industrial, 15 rails and 15 utilities—advanced \$1 today to \$45.50, the highest since March 1, and within \$2.40 of 1933 high. It rose this week \$6.80, or more than 17 per cent. Statisticians estimated that close to \$5,000,000,000 had been added since last Saturday to the total quoted value of all shares listed in the stock exchange.

"Confidence in the new deal and important sectors of business management over the proper wage policy to spur recovery, was high-lighted by the developments of the past 24 hours."

United States Steel Corp. issued a terse statement this morning that none of its officials "has given any assurance" of the sweeping price reductions in its products announced yesterday would not be followed by wage cut.

In his "fireside chat" last night President Roosevelt called for a united stand by capital and labor to resist wage slashings, approved U. S. Steel's price reduction, and added he was "gratified to know" it involved no wage cut. A White House secretary explained today the president was guided by news reports in his assumption wage adjustments would not follow.

Stock market traders began bidding up steel and other industrial shares right after Wall Street financial news tickers carried the corporation statement which left the wage matter open. Advances of \$1 to more than \$4 a share were numerous at the first making many extreme gains for the week of \$10 to \$20. Trading for the two-hour session swelled to 1,161,700 shares, approximately 10 times the sluggish volume of last Saturday.

### Farmhand Hit by Bolt of Lightning

HAMILTON, Mont., June 25.—(AP)—A bolt of lightning ripped the clothes and shoes from Carl Corwin, Hamilton farm worker; left him in what was believed a dying condition and injured three others today.

Corwin, with Mr. and Mrs. Frank Wohman and Alex Ixanoff, was leaving a truck farm field in a rainstorm a mile east of here when the bolt struck. Corwin's body was badly burned and at the hospital here his chance of recovery was held poor by attendants.

Mr. and Mrs. Wohman were burned but their condition was not considered serious. Ixanoff recovered his sight after being blinded by the flash for more than an hour.

### Dismiss Beckman As PUC Attorney

PORTLAND, June 25.—(AP)—Chairman John J. Beckman of the Multnomah county democratic central committee has been dismissed as advisory attorney for the state public utilities commissioner, it was learned today.

He was recently re-elected county chairman, receiving the support of the left-wing Oregon Commonwealth Federation, and had announced he would support the entire democratic ticket, including Henry Hess, victor over Governor Charles H. Martin for the nomination.

Asked whether he felt his tieup with these factions had any bearing on his dismissal, Beckman said he felt sure the dismissal was due to the fact the work had run out. Meanwhile Nadine Strayer, acting democratic state chairman, announced the state central committee would meet here July 9 to elect officers. Several names mentioned frequently for state chairman are Robert Bradford, LaGrande; U. S. Burt, Corvallis; Bill Conrad, Marshfield; Walter Gleason, Portland; B. S. Martin, Salem; John J. Beckman, Portland; Matt Corrigan, McNamville, and Nadine Strayer, Baker.

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### Living Cost \$317 Less \$322,000,000 Of Materials In PWA Order

**Officials Smile at Rise in Stock Market but Make no Comment**

**Orders Part of Program of Lending-Spending Relief Measure**

WASHINGTON, June 25.—(AP)—Public works officials smiled broadly today at the week's gain in stock market quotations and pointed without comment to \$322,000,000 of PWA orders moving into the heavy industries.

That amount of basic construction materials, they said, would be required by the \$440,585,029 of non-federal projects allotted during the last three days and the \$150,000,000 of federal works now in the mill. The two items are a part of the lending-spending program.

Administrator Ickes and others of the PWA high command refrained from official statement that recent bounce in securities reflected PWA preparations to spend, but they said to it that reporters were duly supplied with a breakdown of the materials to be ordered.

The lists were accompanied by verbal assurances from Ickes and Howard A. Gray, assistant administrator, that there would be "no official comment" on their relationship to rising prices of steel and other shares.

Big Materials Order Placed  
Coinciding with PWA's plunge into materials markets, the Works Progress Administration asked bids today for an estimated \$12,000,000 of cement, asphalt, sand, gravel, and crushed stone to be delivered during the next six months.

Harry L. Hopkins, WPA administrator, said the materials, one of the largest orders he ever has placed, would be used on Works Progress projects to keep an average of 2,800,000 enrollees at work.

PWA, heading toward \$600,000,000 of construction, announced grants totaling \$49,952,950 for 265 federal projects and allotments of \$4,238,260 in grants and \$24,000 in loans for 22 other non-federal projects.

The first batch of federal works under the 1938 program included: Turn to Page 2, Column 6

### Guns Bark Salute To Honor Martin

CAMP CLATSOP, Ore., June 25.—(AP)—With thousands of visitors looking on, 12 of the big 155 howitzers of Oregon's 218th field artillery wheeled into position on the camp parade ground today after 3500 of Oregon's soldiers had marched past in a grand review.

At an officer's command each of the guns barked one at a time, followed by the white burst of a shrapnel shell in the air. The show opened the guard's combat demonstration.

The gunfire was followed by infantry action, who in turn were followed by machine gun units. Governor Charles H. Martin dropped state and political roles to return to the military atmosphere on visitor's day. Standing bare-headed he reviewed 3600 national guardsmen in the anniversary parade.

He was accorded a 17-gun salute when he arrived at the encampment.

### Mayor not Candidate

NEW YORK, June 25.—(AP)—Mayor LaGuardia's close friends proposed him as a successor to the late U. S. Senator Royal S. Copeland, announced tonight he would not be a candidate this year though he admitted, "I would love to serve in the senate."

### Estabrook Trial In Last Stages

HILLSBORO, Ore., June 25.—(AP)—Oregon's latest "goon" trial reached the closing stage today when the defense rested in the trial of Jack Estabrook, Portland warehousemen's union secretary, indicted on a charge of participating in the Rock Creek store bombing of 1935.

Final arguments are scheduled Monday.

Estabrook testified today, denying any participation in the bombing. He said his car, alleged by the state to have been used to transport dynamite for the bombing, was in The Dalles at the time.

Other defense witnesses said Estabrook was at home at the time of the bombing and that Mrs. Estabrook had driven the car to The Dalles.

### Boy Killed When 2 Trains Smash

**Crack "Olympian" Again in Accident as CCC Special Struck**

INGOMAR, Mont., June 25.—(AP)—A head-on collision between the "Olympian," pride of the Chicago, Milwaukee & St. Paul & Pacific railroad, and a CCC train killed a CCC youth and injured 13 other persons a mile west of Ingomar today.

Last Sunday, when the Olympian crashed through a bridge into a flooded creek approximately 85 miles east of here, an estimated 47 persons lost their lives.

The dead CCC enrollee was identified as Robert Eckert of Portageville, N. Y., a worker in the CCC mess car. Another CCC boy, Edward Kohlbrener of Buffalo, N. Y., was seriously injured.

Railroad officials said the collision occurred when the west-bound Olympian ran through orders to meet the eastbound CCC train at Ingomar.

Both locomotives were badly damaged. The Olympian's coaches were derailed and the CCC train went down an embankment.

The injured included four trainmen and nine passengers, none of whom, besides Kohlbrener, was reported seriously hurt.

The CCC train was on its way to Camp Dix, N. J., from Fort Wright, Spokane.

### Find no Bacteria In Capitol Pipes

**Progress Made Flushing Foreign Matter From Plumbing System**

Water systems of the new capitol and the state office building showed no sign of the presence of dangerous bacteria when the decontamination of test samples taken earlier in the week was completed yesterday by the city water department's chemist, Manager Cuyler VanPatten reported.

The outcome of the state group tests left the water department's record clear. No tests during the city's nearly three years' time as owner of the system have shown contamination.

Water department and state employees worked yesterday morning flushing out the plumbing system in the new capitol and reported progress in clearing sediment from the water. Several days or possibly weeks are expected to pass before the condition is entirely eliminated.

### Circus to Return To Florida Home

SCRANTON, Pa., June 25.—(AP)—John Ringling North, head of the Ringling, Barnum & Bailey circus, and Ralph Whitehead, head of the American Federation of Actors, tonight signed an agreement for the return of the circus to its winter quarters at Sarasota, Fla.

The signing of the agreement officially ended the summer tour of the circus which was halted abruptly last Wednesday when 1,600 workmen went on strike rather than accept a proposed 25 per cent reduction in wages.

Spokesmen for the union said the circus was released to go to its winter quarters "as soon as possible." Plans were made for packing the big tent and animals on southbound trains, probably tomorrow.

### Presses Roar as News Strike Ends

PITTSBURGH, June 25.—(AP)—Giant presses rolled again tonight and heralded the end of a nine-day strike that kept some 2,000 newspaper workers idle.

Settlement of the strike at the Sun-Telegraph and the Press assured more than a half-million readers their hometown Sunday newspapers tomorrow. Last Sunday morning the had none.

Sleepy-eyed fathers and mothers who get up early to read the comics to the kiddies faced a double task. The Sun-Telegraph announced it would publish two comic sections, including the one that otherwise would have appeared last Sunday.

Publication of both papers was suspended June 17 after an AL office workers union went on strike and 10 craft unions refused to pass through picket lines.

### Chinese Fight to Keep Yangtze

**Bloody Battle Rages on Bank Below Hankow**

**Boom Across River Goal of Japanese Boats and Infantry**

SHANGHAI, June 26.—(Sunday)—Chinese a Japanese forces fought desperately today for mastery of the Yangtze river valley about 200 miles downstream from Hankow, the provisional capital.

Bloody battles were reported on the south bank at Shiangkwochang, 20 miles below the Chinese-defended boom at Matowchen.

This barrier of sunken boats, timbers, rocks and concrete was the first barrier to Japanese gunboats pointing the river offensive against Hankow.

Japanese infantrymen thrust overland through the hills of An-hwei province to assist in the river offensive being conducted primarily by landing parties borne upstream under protection of the attacking gunboats.

The Chinese claimed the Yangtze offensive had been halted. Shore batteries aided by fast Chinese bombing planes were said to have driven the attacking gunboats down the river after they managed once to get within shelling range of the Matowchen boom.

The Chinese asserted two Japanese gunboats were sunk in an air raid there yesterday.

(The Chinese army headquarters at Hankow announced more than half of a Japanese landing force of 5000 men were killed or wounded when it was counter-attacked near Matowchen yesterday.)

Blocked by widespread Yellow river floods in Honan province, the Japanese were 200 miles from Generalissimo Chiang Kai-Shek's provisional capital, Hankow.

If the river continues to rise the Japanese may find it impassable. Military observers wondered whether the Japanese, should the thrust along the Yangtze fail, would attempt an invasion of south China to keep the conflict on an active basis.

### WPA Survey in 31 Industrial Centers to Be Basis for Wage Fixing Under Terms of new Wage and Hour Law Just Passed

WASHINGTON, June 25.—(AP)—It costs a manual laborer's family of four \$317 less to live for a year in Mobile than it does in Detroit.

Those were the cities that stood at the top and bottom of a living cost study made in 31 cities by WPA. The figures were drawn from March 15 prices, compiled by WPA and the bureau of labor statistics.

Living costs will play a part in the wage fixing that eventually will be done under the new wage and hour law.

The report said the laborer with three dependents could live for \$1144.31 annually in Mobile, as compared with \$1461.40 in Detroit.

Mobile was the only city of the group studied which fell below \$1200 a year. Seven other southern cities ranged between \$1200 and \$1300 a year. They were Birmingham, Houston, Jacksonville, Memphis, New Orleans, Norfolk and Richmond. Atlanta was just across that line with \$1306.

In other sections, the cities in which living costs were less than \$1300 were Denver, Indianapolis, Kansas City and Portland, Me.

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