

Heavy Rains End Deschutes Forest Blaze

The Weather
Friday with normal temperature, humidity. Max. Temp. Wednesday 86. Min. 50. River.—3.2 West wind.

Republic Steel Spying Probed By Committee

Company Agent Testifies of Organizing Union at Youngstown

Official Says Spies Used to Get Evidence of Mill Sabotage

WASHINGTON, July 27.—(AP)—Grim-faced union men and a former strike breaker filed before the senate civil liberties committee today and, between arguments among themselves, told the story of labor spying as conducted by the Republic Steel corporation.

Harold F. Vargo, who readily conceded that he had operated as a company agent under the names of Richard Brooks and Ira Alberts, testified that while in the employ of Republic's police department he helped organize and became financial secretary of a CIO union in Republic's Youngstown plant.

Later he was on the picket line, during the bitter strike in little steel a year ago, but before that he had resigned his position as a company agent. Vargo was suspected of turning the union's membership roll over to the company.

Vargo testified: "I was asked to resign because they said some members didn't like my attitude, but that wasn't the reason. The real reason was that I wasn't communistic enough."

Earlier Charles M. White, vice president of Republic, said it never had been the policy of the company to use espionage to get information regarding the formation of unions, but that it had been used to get evidence of sabotage and other things.

Seated beside the slender but muscular Vargo was Charles Fagan, an excitable little man with a thick Scotch dialect. Now president of the union, he testified he was still out on strike. He and Vargo engaged in many quarrels, Fagan sputtering in protest at some of Vargo's testimony. The other or Vargo denying Fagan's testimony.

Vargo, who said he held "quite numerous strike breaking jobs," testified that during a strike the company used him to mingle with the men on the picket line for the purpose of picking up information. He said he was given an automatic pistol by Captain Earl Butler of the Republic police.

The union men smiled for the first time when further testimony revealed that this weapon was the instrument of getting Vargo arrested and "slapped around" by the Youngstown police.

During the strike, the testimony, Vargo operated on an expense account from Republic. He couldn't recall how much he received, but he testified that he got "all he could" and "ate well and drank well."

Plan to Rseed Big Clatsop Burn

CORVALLIS, July 27.—(AP)—A plan to reseed sections of 90 to 300 acres of an experimental grazing area wiped out by forest fires in Clatsop county received consideration by state college experts today.

CCC workers saved several valuable test plots containing numerous varieties of grass. Sufficient seed remained to provide for cattle this summer.

The experiment was undertaken on land destroyed or seriously damaged by previous fires.

Indian Drowned In Lake Is Fear

KLAMATH FALLS, July 27.—(AP)—An unidentified Indian woman's search for wocus, the illy-like plant which has provided meal for the Klamath tribe for generations, probably led her to death in upper Klamath lake, state police reported today.

She has been missing for five days. Authorities said if they found the woman's canoe they would start dragging the lake for her body.

Garcia Messenger Honored by Cuba

SAN FRANCISCO, July 27.—(AP)—Colonel Andrew S. Rowan, 51, who threatened his way through Cuban jungles with President McKinley's "message to Garcia," was decorated today by the Cuban government.

The Carlos Manuel de Cespedes award was bestowed upon Colonel Rowan for "eminent services rendered to the republic of Cuba in its fight for independence."

Earle Fighting His Grand Jury



Legislature Bucks Grand Jury Probe

Pennsylvania Governor's Program Virtually Is Given Approval

HARRISBURG, Pa., July 27.—(AP)—Riding roughshod over a flurry of republican opposition, democratic strength today placed the bulk of Governor George H. Earle's program to check a grand jury investigation in position for final consideration in the Pennsylvania house of representatives.

Voting in concert, the big democratic majority amended and passed on second reading four of five administration measures, designed to take over the projected Dauphin county inquiry of Earle and 13 associates.

A fifth bill—providing that all grand jury investigations of civil officers subject to impeachment be held in public—was with held and Floor Leader Herbert Cohen indicated it might be "picketed."

Most significant of the amendments was one which would stiffen the penalty that could be imposed upon anyone who withheld evidence and records the legislature sought.

The bill was changed to allow imprisonment for contempt of this nature until the 1939 regular session discharged the prisoner. Previously, the imprisonment would have been merely "until discharged."

Gov. Earle's chief objective is to force District Attorney Carl B. Shelley, who is conducting the grand jury inquiry, and Former Attorney General Charles J. Margiotti, who first fired the charges, to divulge their material and make it public.

He Wanted Ride And He Got One

TECUMCARI, N. M., July 27.—(AP)—Philip Scoglio, 26-year-old New Yorker, wanted a ride on a train today. Instead, he got transportation to the state penitentiary.

Floundering gallily to placing a wooden tie across the railroad tracks so he could "hook" a ride, Scoglio was sentenced to 10 years in prison.

Chinese-Japanese War Rattles Into Hupeh Area As new Line Is Formed

Province Is 11th of 24 to Be Invaded by Battle; new Chinese Line 20 Miles up River From Kiukiang; Cholera Raging

SHANGHAI, July 28.—(Thursday)—(AP)—The Chinese-Japanese war today rolled into Hupeh province—the 11th of the 24 Chinese provinces to be afflicted by land combat in a struggle just one year and three weeks old.

The Chinese, admitting "a strategic withdrawal" from Kiukiang, gateway to Hupeh and the metropolitan Wuhan area centering on Hankow, dug in on a new defense line 20 miles up the Yangtze river and just ahead of the Japanese offensive.

The new defense line runs south from Lungping, on the north bank of the river, to Tolan, 30 miles south of Kiukiang on the railway to Nanchang, Generalissimo Chiang Kai-Shek's greatest air base. Kiukiang fell Tuesday.

Chinese officials reported that cholera had broken out among refugees from Kiukiang and among the Chinese forces. Thirty nine foreigners, including nine Americans, remained at Kiukiang or aboard the American and British gunboats Monocacy and Cockchafer and the British river steamer Wenchow.

Advancing upriver against the Lungpin-Tolan line, intent upon smashing it and showing 10 miles further westward to Tienkiachen and Wusueh, site of a submerged river boom, the Japanese carried their invasion into eastern Hupeh, part of a province of 71,000 square miles and 29,000,000 population.

At one time, Fly said, Dr. Morgan challenged the "integrity" of defense counsel with accusations they had put TVA engineers "under pressure" for misleading and misrepresenting "evidence. The witness denied the accusations.

The case, in which private utilities attacked constitutionality of the authority, is now pending before the supreme court.

Previously, Dr. Morgan testified engineers were "embarrassed" by requests for evidence which he considered misleading, but which was not used in the trial.

RFC Gets Behind Recovery Setup

Expansion of Projects Made Possible by Jones' Action

WASHINGTON, July 27.—(AP)—Jesse Jones threw huge resources of his reconstruction finance corporation behind the public works program tonight. This made possible a large expansion of the pump-priming operations through which the Roosevelt administration hopes to hasten economic recovery.

Jones and PWA Administrator Harold L. Ickes, two "big money" men of President Roosevelt's spending-lending program, agreed that wherever possible RFC would make loans for public construction and PWA would conserve its money exclusively for outright grants. Hitherto, PWA has been making both loans and grants.

Under the new system it will be possible, officials said, to undertake more big projects such as roads and bridges than if PWA had to furnish all the money itself. The last congress gave Jones' agency power to lend \$1,500,000,000 to states, cities and business men.

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German Press Hits Minority Plan of Hodza

Under Plan Concessions in Schools, Languages Would Be Granted

Germans Complaint That Sudeten Not Treated as "Staatsvolk"

BERLIN, July 27.—(AP)—The Nazi-inspired press today unanimously condemned the Czechoslovak government's newest minority-soothing plan as an evasion of the autonomy demands of Sudeten Germans Adolf Hitler is determined to protect.

Headlines showed plainly the temper in which the press received Premier Milan Hodza's proposed statute granting concessions to the 3,500,000 Germans and other minorities in Czechoslovakia.

Typical of them were: "Scandalous disregard of German demands," "Praha already begins sabotaging British efforts," "No way to peace."

"Evasive maneuvers—wholly unacceptable." The principal German complaint was that the statute regarded and treated the Sudeten Germans as a minority instead of as a "Staatsvolk"—a people with rights and status equal to those of the dominant Czechs and Slovaks who far outnumber the republic's Germans, Poles, Hungarians and other racial groups.

Hodza's minorities statute, which would grant concessions in school administration, government jobs and the use of language, was announced last night only a few hours after the British government appointed Viscount Runciman as unofficial mediator in the Czechoslovak-German dispute.

Czechoslovak acceptance of the appointment was seen as a triumph for Germany by Germans who regarded Praha as yielding a decree of sovereignty.

Arguments Ended In Eugene Trial

Picket Ordinance Seen as Free Speech Violation by Labor Lawyer

EUGENE, July 27.—(AP)—Circuit Judge G. F. Skipworth took under advisement today the arguments of attorneys in a case offered as a test for the validity of a city ordinance regulating pickets.

B. A. Green, Portland labor attorney, said the law would prevent free speech and delegate undue power to the city attorney. The city's counsel described the ordinance as "one that would enable police to determine who is picketing and the purpose of the picket line."

Green asserted the city recorder had been given power to say what constituted a labor controversy. He attacked the regulation as discriminatory.

S. M. Calkins, city attorney, argued that the act would only determine if pickets had legal reason for establishing a picket line.

20-Day-Old Babe Killed In Oregon Car Crash

COQUILLE, July 27.—(AP)—An automobile accident at Carpenterville resulted in the death of Robert Byron Kughler, 20-day-old son of Mr. and Mrs. Howard Kughler of Long Beach, Calif. The child's mother was seriously injured.

Late Sports

SAN DIEGO, Calif., July 27.—(AP)—Score: Hollywood.....0 7 1 San Diego.....1 5 0 Post and Brenzel; Chaplin and Hogan, Detore (9).

SACRAMENTO, Calif., July 27.—(AP)—Night game: Seattle.....6 13 1 Sacramento.....3 8 2 Pickett, Gregory (4) and Spindel; Newsome, Walker (9) and Franks.

OAKLAND, Calif., July 27.—(AP)—Night game: San Francisco.....12 19 2 Oakland.....5 15 3 Stutz and Sprinz; Van Fleet, olds (3), Lindell (3) and Conroy.

LOS ANGELES, July 27.—(AP)—Night game: Portland.....4 9 1 Los Angeles.....12 12 1 Darrow, Douglas (3), Liska (7), Shealy (7) and Cronin; Dickey, Salvason, Bush (1) and Collins.

Loyalists Take Gandesa In Surprise Thrust as Insurgents Rain Bombs

Steam-Roller Drive Covers 15 Miles and Results in Capture of 4000 Prisoners Despite Bombing of 150 Rebel Planes

HENDAYE, France.—(At The Spanish Frontier)—July 27.—(AP)—The Spanish government announced tonight that its three-day-old Ebro river offensive had carried Catalan shock troops into the streets of Gandesa, Generalissimo Francisco Franco's south Catalan headquarters since April 2.

Roosevelt Views Hermit's Island

Volunteers Carry Food and Papers to Few Inhabitants

ABOARD U.S.S. HOUSTON. In Galapagos Archipelago, July 27.—(AP)—President Roosevelt, viewing tragic, mysterious Charles Island from the Houston, today sent precious fresh food and other gifts to the few inhabitants.

The chief executive reached the outermost point of his equatorial Pacific fishing cruise when the Houston dropped anchor in Post Office bay, Charles Island's "waterfront."

Mr. Roosevelt asked his naval aide, Commander Daniel J. Callaghan, to head a group of volunteers from the ship's crew. Members of the presidential party, together with about 50 bluejacket volunteers, went ashore with foodstuffs, magazines, newspapers and medical supplies.

The party struggled up steep mountain slopes to the crude home of Heinrich Wittmer, his wife and their family of three.

While ashore they also found Elmer A. Conway and his wife, who left California 13 months ago and for ten months had been struggling to exist on Charles Island.

The shore party signalled the cruiser about the Conways and another boatload of supplies was sent for them. Additional gifts also were sent to the five Ecuadorian Indians who, with the Wittmers and the Conways, make up the island's population.

First Power Sale To Utilities Made

PORTLAND, Ore., July 27.—(AP)—The Northwestern Electric company signed a contract with Project Administrator J. D. Ross today for the first private utility purchase of electrical energy from Bonneville dam.

Ross said the dam would deliver power to the Northwestern's \$6,000-volt line on the Washington side of the Columbia river where it will be distributed to the Portland General Electric and the Pacific Power & Light systems, thus tying three firms with the dam for experimental purposes.

The Northwestern will pay the regular \$11.50 per kilowatt year rate for 2500 kilowatts and the secondary rate of \$11.50 for the remainder.

Rosser Sentence Delay Is Granted

DALLAS, July 27.—(AP)—Sentencing of Albert E. Rosser, former Portland AFL seaman official, was postponed indefinitely today by Circuit Judge A. G. Walker. Rosser would have appeared Thursday to hear sentence on an arson conviction.

Judge Walker said the delay was necessary because of the pressure of court duties in Yamhill county.

Sage to Go in and on Air To Reenact Felon's Taking

The Sage of Salem is going up in and on the air—if an overnight pondering over a telegram recognizing The Oregon Statesman columnist's scintilla of an entertaining incident brings an affirmative answer this morning.

The answer will be to a telegram the Sage, otherwise D. H. "Dave" Talmadge, received yesterday from Jack Johnston, radio director, Rockefeller Plaza, New York city, inviting him to attend a network dramatization of Talmadge's capture 52 years ago of one Clark Street Ed, notorious Chicago gunman, in a little Iowa town.

If the Sage accepts, he will fly to Gotham, where he last visited in 1886. His expenses will be paid by the sponsor of the Phil Morris radio program.

"Would present your story as example of fine work by county reporter getting scoop on big pa-

Smoke Cleared From Skies as Fires Die out

All Major Blazes Under Control as Moderate Temperature Comes

Ferguson Says Situation Best in two Weeks; 50 Fires Are Reported

BEND, Ore., July 27.—(AP)—Heavy rains drenched the Deschutes national forest tonight and aerial fire spotters said rain laden clouds were sweeping over the partially controlled 100,000-acre Warm Springs Indian reservation fire.

Precipitation here was a third of an inch, the rain clearing smoke from the sky.

(By The Associated Press) The stalwart efforts of fire fighters, reinforced by the return of Oregon's traditionally temperate climate, had conquered virtually every major blaze in the forests today.

Fog along the Cascade peaks and rain at lower altitudes checked the 100,000-acre timber, high and grass fire in the Warm Springs reservation region. Crews expected to complete trenching the menace Wednesday night.

Lightning struck about 70 smaller fires in the Deschutes and Ochoco forests. Detection was hampered by haze.

State forester Ferguson said the Oregon situation was the best in two weeks. Fifty per cent of the fighters at the Valslets fire, where one man lost his life, and the Smith River burn were withdrawn.

Cooler weather and the control work reduced the number of fires to 50, compared with more than 200 a week ago.

Logging operations resumed in Jackson county. The majority of the 1000 men who checked the Galice fire in the Siskiyou national forest were transferred to smaller blazes.

Forty-seven men battled a 500-acre fire on Bull and Murphy creeks in Josephine county. A lightning hot blaze burned over 250 acres of grass on the west side of the lava beds national monument in northern Clatsop near Klamath Falls.

Ontario Premier In Missing Plane

JUNEAU, Alaska, July 27.—(AP)—Premier Mitchell Heppburn of Ontario and his aerial touring party were unreported at 10:45 a.m. tonight, five and a half hours after they left Whitehorse, Y. T., for Juneau on another leg of their \$800-mile journey.

A check of hotels and airports disclosed the plane and party had not arrived. It was believed here the Heppburn party was stranded at Skagway because there was a low ceiling in this vicinity about 6 p.m. There was no means of communication with Skagway after 5 p.m., and word was awaited from there tomorrow.

The premier had said before his Whitehorse departure the party intended to stay overnight here, flying tomorrow to Campbell River, B. C., on the east coast of Vancouver island.

Mother Brings in Stabbing Suspect

She promised an officer she would, so last night Mrs. Rosetta Farlow walked into the city police station with her 15-year-old son, Everett, wanted for the alleged killing of Howard Nelson Hunsaker in Marion Square park Tuesday night.

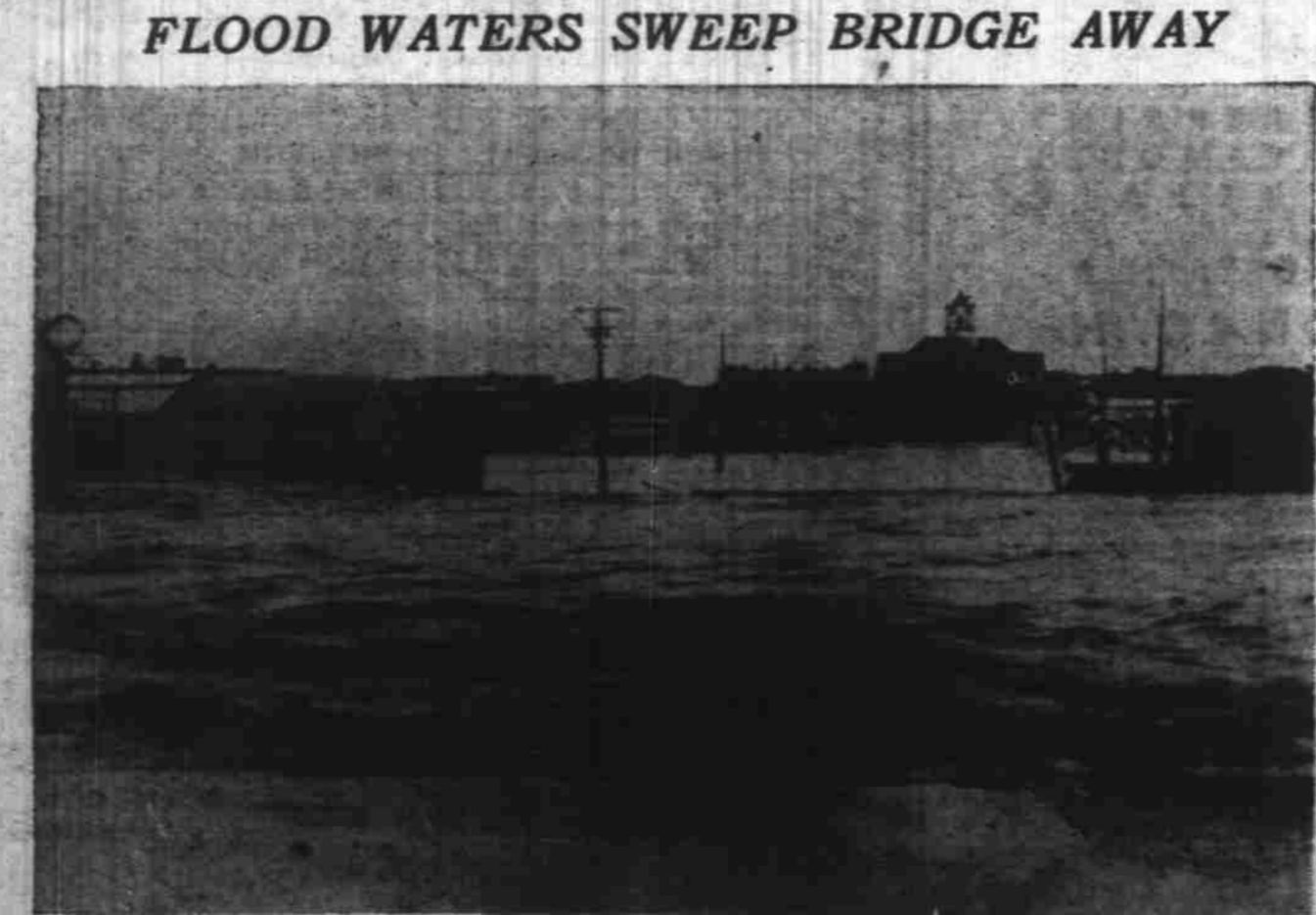
"I promised Officer Edwards I'd bring him in if he showed up," Mrs. Farlow was quoted as saying when she delivered the boy for whom officers spent a considerable portion of Tuesday night scouring the town.

The boy, alleged to have sliced young Hunsaker in the shoulder blade following an argument between the two, was turned over to juvenile authorities.

Britain Considers Japanese Actions

LONDON, July 27.—(AP)—Viscount Halifax, foreign secretary, told the house of lords today that the government was considering "possible action" if Japan refused to recognize Britain's interests in China.

"We are quite ready to consider and already are considering possible action open to us if we do not secure adequate consideration for interests we have a right to protect," the foreign secretary said.



Swirling flood waters recently swept away a bridge from Brady, Tex., leaving the entire town inundated. Business was halted and residential districts were cut off of communication with the central parts of town. In the foreground in the buttress which held the bridge before it collapsed and was carried away by the high water. The courthouse, in background, was completely isolated. Residences were undermined and general havoc was wrought. The Colorado River, fed by flood tributary streams, threatened Austin, Tex., state capital.