Moscow Aptimistic for Peaceful Settlement

by Retirement Act to Be Replaced Soon

District Attorney Hopes for Release of Order of Restraint

The Salem school board will be advised soon to proceed with hiring one instructor and three principals to fill the four positions affected by the state retirement act which went into effect last February 1, District Attorney Lyle J. Page announced yesterday.

The board has taken no steps toward replacing the four faculty members involved because of the suit pending in circuit court here to upset the retirement act. Order Release

Expected Soon The district attorney said he hoped to obtain a release for the board next week from the order issued last winter restraining it from enforcing the act, which forbids employing or retaining fac-ulty members after they have reached the age of 65 years. It applies only to the Salem and

Portland school districts. The positions involved are those of E. A. Miller, Grant school principal: LaMoine R. Clark, Leslie junior high principal; Anna Fischer, Richmond principal, and Adona Cochrane, Richmond third

Ellen M. Currin, Grant primary teacher, and U. S. Dotson, senior high commercial instructor, who also were subject to retirement and Charles W. Robison, attorwhen the act became effective, neys for Rosser, alleged misconsubmitted their resignations last duct on the part of attorneys for

Stipulation Was Never Filed

A stipulation between the plaintiff instructors and the board providing that their case follow the men who admitted setting the fire decisions made by the court in a similar action originating in Port- son questioned testimony of Al N. land exists but has never been filed, the district attorney said.

The Portland case resulted in a state supreme court decision upholding constitutionality of the retirement act. Although notice of appeal to the United States supreme court has been filed in this case, it is Page's belief, he said, that it is unlikely the appeal will prevent the Salem board from proceeding under the retirement

Indications were yesterday that the local instructors affected would contest any effort to have the restraining order protecting their positions dissolved until the Portland case has gone before the

No other faculty members will become subject to retirement during the 1938-39 school year, it was reported at the school administration offices.

7-Year-Old Boy Is on WPA List

UNIONTOWN, Pa., Aug. 11-(P)-Two timekeepers on Fayette county works progress adminis tration projects were suspended today as state WPA officials opened an investigation of the hiring and firing of a 7-year-old boy from a road laboring job.

At Harrisburg, the state WPA headquarters announced Gilbert Colley and Max Whoolery were suspended after a preliminary investigation "turned up information that pointed toward collu-

A statement from the office of J. Banks Hudson, state administrator, said Whollery was "reputedly related" to Mrs. Arthur E. Malone, the mother of the boy who had been mistakenly certified as a "priority worker" of the

Portland Hotels

PORTLAND, Ore., Aug. 11 .- (A) | tive immediately. land posted notices to employes today its members "will in the afternoon by C. W. Paulus, in future operate on the open shop charge of central offices for the The association's hotels have

Earl McInnes, head of the or-ganization, said the notices were tional bank building.

Way Is Clear Man Lically Injured Camp Election For Hiring of When His Coupe Strikes In Georgia Is New Teachers Passenger Bus Head-on Urged by FDR

Four Teachers Affected Badly Fractured Skull, Broken Leg Received by Defeat of Sen. George Portland Man in Highway Crash North of Salem; Dog Guards Master

> Robert Ross Griffith, about 50, of 7022 Northeast Siskiyou street, Portland, was critically injured when his light coupe collided headon with a Dollar Lines bus on the Pacific highway 21/2 miles north of Salem at 8:04 o'clock

last night. His terrier dog escaped unhurt. Griffith's injuries included 15 distinct fractures of the oskull in the forehead region,

in First Trial of

DALLAS, Aug. 11.-(AP)-Cor

given in the trial of Al E./Rosser

former secretary of the Join t

council of teamsters for Oregon,

on a charge of arson, was stressed

today by Ralph Moody in com-

Moody, special prosecutor ap-

Rosser was convicted last

burning of the West Salem Box

Two reasons for a new trial

were added to an original list with

the consent of Circuit Judge Arlie

G. Walker. George Vanderveer

the state and misconduct on the

part of the jury in disobeying in-

Vanderveer assailed the testi-

mony of Cecil Moore, one of three

which destroyed the factory. Robi-

now serving a 12-year prison sen-

tence for hiring the alleged ar-

Vanderveer also declared a \$50

check given Jack Estabrook by

Rosser was for payment of pickets

and should not have been ad-

mitted as evidence in the arson

Law on Rustlers

RAINIER, Ore., Aug. 11 .- (AP)-

I'wo men had a cow's mother in-

stinct to blame for landing them

in the arms of the law this week.

ing to a Fern Hill community

farmer. The mother of the slain

animal followed its carcass to the

home of Dick Bennett and set up

vestigat's n revealed the veal.

Wilburn found the cow and in-

Benuett and Christian Boysen

were arrested, pleaded guilty and

were sentenced to six months in

jail, suspended on condition they

reimburse Wilburn for the calf.

elected treasurer of the republi-

at a meeting of the executive

committee to plan finances for the

Kern Crandall, state chairman,

said an executive secretary would

be selected later. The committee

analyzed the political situation in

ports of district committeemen.

November campaign.

They butchered a calf belong-

Calf's Mama Has

structions of the court.

sonists.

pointed by Governor Charles H.

Martin, will complete his presen-

tation tomorrow.

batting a motion for new trial.

Teamster Head

roborative value of tes

compound fractures of the right Moody Combats leg, a severe thumb laceration and multiple bruises, First Aid Captain Percy L. Clark and Salem Rosser's Motion General hospital reported. Mrs. Pearl Knight, Long Beach, Stresses Testimony Value

Calif., who had taken the northbound bus after her automobile overturned south of here Wednesday, was also brought to the hospital but examination disclosed she was only bruised.

She resumed her journey to Bremerten, Wash., to meet her husband, a member of the crew of the USS California,

State police said Griffith appeared to have been driving on the wrong side of the highway. Griffith's dog attempted to keep first aid men from approaching his master, Captain Clark said, and finally dog, master and the blanket on which they had been placed were packed into the month in connection with the Salem Taxi ambulance and sent to the hospital. City police later

took charge of the dog. The bus, driven by Cooper. proceeded on toward Portland after emergency repairs had been made. The motor and hood assembly of the coupe was demol-

Heavy Death Toll In Raid on Wuhan

400 Killed or Injured in Banks, Salem teamster official **Bombing of Industrial** Center of China

> HANKOW, China, Aug. 11-(AP) Japanese air raiders today exacted a heavy toll of dead and injured in a swift attack on the industrial heart of China-the Wu-

> Unofficial estimates said 400 persons were killed or injured. Three United States mission properties were badly damaged when 27 Japanese planes, heavily loaded, dropped their cargoes on Hanyan and Wuchang at the confluence of the Han and Yangtze

Only one of the three cities Hankow, the provisional capital, escaped the attack on the last great central industrial region remaining under Chinese control.

Boone university and St. Hilda's school for girls, both operated by the American church (Episcopal) mission, were hard hit. A direct strike demolfshed the Boone boy scout's building where a number of Chinese had taken

Walls of the girls' school were blown in by concussion of a bomb striking nearby.

Smith Reelected War Anniversary **GOP's Treasurer** Marked by Bombs PORTLAND, Ore., Aug. 11-(P) Lloyd Smith, Portland, was re-

SHANGHAI, Aug. 12-(Friday) -(AP)-Anti-Japanese agitators tocan state central committee today day opened a terroristic celebration of the anniversary of the outbreak of Chinese-Japanese warfare in Shanghai Aug. 13.

Two bombs, thrown at a Japanese cotton mill in the Italian defense sector of the international settlement, fell back into the all sectors of the state from re- street and exploded. Two Chinese were killed and 15 injured.

WPA director, said the youngster, Richard Malone, had been assigned to a job because of a "cler-A \$6.54 check made out to him To Hop Marketing Agreement

the marketing agreement for the hop industry and issuance of an of Pacific coast hops in inter-Adopt Open Shop state and foreign commerce, was made yesterday, with the agreement program and order effec-

> Announcement to this effect was received here late yesterday hop control board.

been involved in a two-month that the AAA had given final on 1939 production, carryover strike with hotel unions. approval, central offices were set and total consumptive demand.

Final approval by the AAA of fornia and Washington. At the same time, the first meeting of the control board was order to regulate the handling called for next Tuesday at 10

The hop marketing agreement was developed by growers with cooperation of dealers and brewers. Under the program, the salable quantity of 147,500 bales of hops will be established for the form of government." 1938 season, and the salable quantity for 1939 hops will be letermined by the secretary on the basis of available information

The program provides for the Earl Melnnes, head of the organization, said the notices were posted in all 16 hotels be in a picketed.

"On and after this date it will not be necessary for any of our employes to maintain membership in any labor organization in order to hold their jobs in our employ." the notices read.

"In postedial assurance that allotments to each grower of the salable government as they are constituted today after ratification of the Chaco peace treaty. In his heart would allotment to each grower of the salable government as they are constituted today after ratification of the Chaco peace treaty in the Objectives of the party and the government as they are constituted today after ratification of the Chaco peace treaty in the Objectives of the party and the government as they are constituted today after ratification of the Chaco peace treaty in the Objectives of the party and the government as they are constituted today after ratification of the Chaco peace treaty in the Chaco peace treaty in the Objectives of the party and the government as they are constituted today after ratification of the Chaco peace treaty in the Objectives of the party and the government as they are constituted today after ratification of the Chaco peace treaty. In his heart was morning, with members of the allotments to each grower of his government as they are constituted today after ratification of the Chaco peace treaty. In his heart today in 1939 crops) based on the produces Allotments to each grower of his allotments to each grower of the salable quantities for the chain, and in the definition of the Chaco peace treaty. It was a distance the allotments to each grower of his produced is allotments to each grower of the blanks and secondly does the charily of the produce Allotment to a produce Allotment to a produce Allotment to a produ

for Non-Liberalism Asked in Speech

George, on Platform, Is Unmoved as President Attacks Record

BARNESVILLE, Ga., Aug. 11-(AP)-President Roosevelt for the first time called vigorously today for the defeat of a democratic senator he feels does not meet the tests of liberalism-and his challenge was promptly accepted.

Mr. Roosevelt told perspiring and cheering thousands assembled for a rural electrification celebration he felt Sen. Walter F. George should not be returned to the seat he has occupied 16 years and added firmly "I most assuredly would vote for Lawrence Camp" in Georgia's September 14 primary. George Impassive

Through Speech Senator George sat impassively on the platform through the president's hard-hitting speech and at its conclusion walked across to the party chief, shook hands with him and said: "Mr. Roosevelt, I regret that

you have taken this occasion to question my democracy and to attack my public record. I want you to know that I accept the challenge." In making the young federal district attorney from Atlanta his choice for the office, the chief executive frowned also on

the candidacy of former Gov. Eugene Talmadge. He did not mention the fourth man in the race, William G. McRae, Atlanta attorney and Townsend plan ad-It was the second Georgia speech of the day for the Wash-ington-bound president who is

returning from a cross-country vacation and a Pacific fishing cruise. This morning at Athens he received an honorary doctorate of laws from the state university, renewed previous appeals for a sharp improvement in southern economic standards and called for "constant progressive action" in the national government. Calls Senator

"My Friend" Mr. Roosevelt frequently called George "my friend" and said he beyond doubt a gentleman ap : a scholar" and his personal friend, but "I am impelled to make it clear that on most public questions he and I do not

speak the same language." Senator George fought the supreme court reorganization plan, last important position between ganization and the wage-hour and Almaden. The latter is in the till as well as some lesser ad- highway running east from Casministration proposals.

Camp as well as George sat on the platform—although neither had a part in the programwhile the chief executive took the offensive for the first time in this year's primary battles. Heretofore he has said good words for administration stalwarts but has not publicly sought the defeat of incumbent dissent-

The president referred to Talmadge's sharp attacks against the new deal in the latter part of his governorship in 1935 and 1936, said this "concerns me not at all" but added "I have read many of his promises, so many of his panaceas that I am very certain in my mind that his elec- attacks were repulsed. tion would contribute little to practical government." Says George Not

Liberal School After saying "my friend, the senior senator from this state, can not in my judgment be classified as belonging to the liberal school of thought," president referred again to the personal friendship theme when he told his listeners:

"What I am about to say will respondence with him and, as a result of it, he fully knows my Then he proceeded to an ex-

position of his conception of the responsibility of a legislator to the president, when that president also is his party chief.

as president it is clear that there should be cooperation between members of my own party and myself." he said. "That is one of the essentials of the party

"The test is not measured, in the case of the individual, by his vote onndmery bill. The test lies rather in two questions: has the record shown, while differing perhaps in de-

HAWAII DOCK RIOT BRINGS INQUIRY



An inquiry into a labor riot, in which 86 persons were wounded, was launched at Hilo, T. H., recently by the Hawaiian bureau of the National Labor Relations Board. Rioting began when police blocked an attempt to picket an incoming steamer from Honolulu. Unionists said the steamer carried a strikebreaking crew. According to reports, the pier is territorial, therefore public property from which no-body can be excluded. Photo shows police firing tear gas at the unionists. Later, shotguns and rifles and Japanese Ambassador Mamwere brought into play .- (IIN).

was the flight that it had been

By one of aviation's pioneers,

Way Across US

NEW YORK, Aug. 11-(AP)-

Michael C. Bird, 24, Seattle, re-

fight two weeks ago. Bird lost,

so, using his vacation, he started

made plans to start back to Se-

Urge Easy Terms

R. D. Brisbane, president of the

Association of California Hospi-

tals, said hospitals should meet

editor, lost, and likes it.

attle in a day or so.

Al Williams, the feat was de-

German Plane Hops Sea Heavy Offensive To NY in 25 Hour Span

3942 Mile Flight Is First Westward Hop From Berlin to New York: Was Experimental to Show Feasibility of Route

NEW YORK, Aug. 11.—(AP)—Four German fliers, who had dinner last night in Berlin, dropped in on New York this afternoon to complete in 25 hours aviation's lirst westward flight between the two cities. .

Over 3,942 miles of land and water their 24-passenger Focke-Wulf transport flew to demonstrate, it was explained, the feasibility of air service between Germany and America. But so unheralded and casual

flying boat.

Insurgent Armies In Drive to Mines under way hours before it came to the public's notice.

Pitched Battle Reported in Progress About Town of Almaden

HENDAYE, France (at the Spanish frontier), Aug. 11-(P)insurgent armies in southwest Spain drove today to within range of Cabeza Del Buey, key to the rich government-held Almaden Reporter Thumbs mercury mines. A pitched battle was reported

in progress around the town, 24 miles west of Almaden. It is the the executive department reor- the insurgents' Estremadura front

Insurgent dispatches told of a general advance while government advices acknowledged the campaign had moved into the outskirts of Cabeza el Buey. The government forces which

have fallen back steadily before the insurgent offensive for several weeks, have fortified the town strongly as a main line de-

On the northeastern Ebro front the insurgents advanced in the Pandols mountains, tightening their hold around government positions in the vicinity of Gandesa. so many of his proposals, so The government acknowledged the loss of two hill positions but reported other insurgent counter-

Crest Trail Hike Ends at Border

SEATTLE, Aug. 11 -(AP)- A "three year" hike along the Pacific Grest trail ended at the ed." Peace arch at Blaine today and completed a border-to-border trek along the coast mountain range. The trip started in 1935 at the Mexican border and was carried on by 38 coast YMCA groups. Five Seattle youths and Warren Rogers, Portland, Ore., covered the last leg of the hike from

Otto M. Bowman and Arthur Boeschen representing the Salem YMCA carried the Odell lake to Elk lake section of the Pacific crest relay, a hike of 54 miles, and delivered to Governor Martin a letter from Governor Merriam of California. Their part in the relay was performed last August.

der, a distance of 90 miles.

Bolivian Cabinet out After Signing Treaty

Opens on Yangtze

60,000 Japanese Troops in Action to Crack Nanchang Lines

SHANGHAI, Aug. 11 .- (AP)-A A Japanese army estimated as

Nanchang, about 90 miles south of the Yangtze river, stands as a threat to the left flank of the

Fierce fighting raged through hochen and Mahulling, about 70 miles north of Nanchang.

From Mahuiling, foreign observers reported the whole panorama of the offensive was visscribed as "one of the most sigible, with the Japanese shoving nificant developments in modern southward from the gray fringe flying." He stressed that Alfred of the river to widen their valley. Henke, the skipper, and his crew

of three had made the trip in a From hilltop observation posts, land plane, not a seaplane or the observers saw a long line of stretcher-bearers walking back from the Japanese front.

Numerous coolies stumbling equipment, were a further indi-cation that the Japanese were Scarcely 75 yards divided them heavily taxed by the Chinese re- at one point.

porter, made a bet with his city tremendous toll in Japanese lives. China. tinental hitch-hiking trip, with a boxing glove on his hitch-hiking hand, against his editor's \$10 on the Al Hostak-Freddie Steele North of the Yangtze, facing the Japanese right wing, Chinese counter attacks were holding up the Japanese advance near the Siberian frontier fighting Hwangmei, 110 air miles from Hankow.

He arrived here today after nine days a a cost of \$12.50, and Aluminum Firm Is Contract Winner

PORTLAND, Ore., Aug. 11 .-(A)-The Aluminum company of es resulting in violation of the America today was awarded the agreement." On Hospital Bill contract for construction of the "backbone" transmission line (AP)-Installment buying of hospi-tal care was advocated today at the Stanford conference of the western institute of hospital ad-

934.28. The award was announced by J. D. Ross, administrator. The line will carry 220,000 volts of Bonneville power on its first lap to western Oregon and Washing-

Bids will be opened Monday for 35,400 insulators.

Police Puzzled by Mystery Of Deaths in Niagara Falls

NIAGARA FALLS, NY, Aug. the man might have waded back in two weeks, produced three new Strangest was Patrolman Sam

Rhodes' report that he saw a m_n about 35 years old, heavily Robinson island.

Rhodes, knowing that the rocks are slippery and the current treacherous, ran to a better vantage point, but the man had disappeared.

Another patrolman and a state

11-(P)-Roaring Niagara Falls to shore during the few moments he was invisible to Rhodes, or might have been rwept to death four women may have perished over the falls. There was no clue

ing Niagara Falls, Ont., were investigating another puzzling case. m_n about 35 years old, heavily built, wading across the perilous police had searched the region brink of the falls toward tiny for John R. Sutherland, 20, a college student, of Butler, Pa. Sutherland, he said, disappeared Tuesday night rfom a tourist

Din of Battle Ends as Tense Peace Is Kept

Opposing Military Chiefs Meet in No-Man Land to Set Boundary

Cessation of Hostilities Welcomed by Diplomat Corps in Russia

MOSCOW, Aug. 11 .- (A)-Optiwith an official announcement that Soviet - Japanese hostilities had ceased on the disputed frontier between eastern Siberia and Japanese-supported Manchoukuo A soviet communique said fighting on the Changkufeng front time Wednesday) in accordance with a truce agreed upon by Fororu Shigemitsu after long peace negotiations. Battlefield Enjoys

Peace and Quiet The still of a summer's eve ning prevailed on the battlefield where for days artillery had roared, machine-guns had barked and tanks had smashed through

that the fighting stop at noon today, the soviet communique said it was an hour and a half later that the guns ceased firing.

The opposing military leaders 60,000 strong today opened an met a few hours later south of offensive designed to crack the Changkufeng Hill and adjourned Chinese lines defending Nan- to meet again at noon tomorrow chang, Gen. Chiang Kai-Shek's to fix a line to be occupied by amination of the boundary by mixed Russian-Japanese commis

> News of the cessation of hostilities was welcomed in foreign diplomatic circles which had been apprehensive lest some last-min ute hitch might prevent practical fulfillment of the truce reached

> A difficult period of negotiations still lies ahead for the two powers, but the beginning of the armistice was considered a vital step for peaceful solution of the velop into a major war.

(By the Associated Press) TOKYO, Aug. 11 .- Japane and Russian troops kept a tense peace tonight separated by only a back from the Chinese line, bear- few hundred yards of shell-torn ing loads of captured Japanese no-man's land on the Manchou

A feeling of general relief was The observers expressed the apparent throughout Tokyo, alopinion that storming the Chi- ready deeply involved in the secnese hill defenses would take a ond year of an undeclared war in There was no surprise ex-

pressed, however, for authoritie consistently have maintained that merely was a magnified border incident which would be settled stead of on the battlefield. Domei (Japanese News Agen

cy) dispatches from Hsingking, Manchoukuo, declared "border patrol authoritites believe a strict watch on soviet troops movements must be maintained as a precau-tion against possible armed clash-

from Bonneville dam on the Co-lumbia river to Vancouver, Wash. The winning bid was \$286,-**Tuna Jaunt North**

NEWPORT, Ore., Aug. 11.-(P)
-The rich schools of albacors tunn that have wandered from their customary semi-tropic waters into cific, have lured their enemy, the

Oregon fishermen have re-ported sighting innumerable big sharks, much larger than the species usually found in these waters, following the tuna schools. They have dorsal fine that extend as much as three feat out of the water. Fishermen say some of the sharks are six feet in width and 20 feet in length.

Bayarians Upset By Troop Moves

MUNICH, Germany, Aug. 11-A)-The Bavarian population was nuch upset today over military preparations along the border be-ween Germany and Czechoslova-