

Senate Group Seeks Clamp on Relief Costs

Magyars Battle Czechs



FELIX FRANKFURTER is shown with Mrs. Frankfurter at their Cambridge, Mass., home just after receiving word of his appointment to the US supreme court. "Don't call me judge, yet," he quipped. Frankfurter, professor of the Harvard law school, succeeds the late Benjamin N. Cardozo.—(AP Telemat.)



LANCE REVENTLOW, 8, center of a bitter marital dispute last summer between his parents, Count Haugwitz Reventlow and his wife, the former Barbara Hutton, is shown as he was greeted by his father at St. Moritz, Switzerland. The baby was reported to have been taken from London by two nurses, while his mother left for Paris. This picture was radiocast from London to New York.—(AP Telemat.)



WILLIAM GIBBS McADOO (left), former US senator from California, is shown as he assumed his duties as chairman of the board of the American-Prudential Lines in San Francisco. He said his two main objectives would be building up the company's service and in impressing American shippers to use American lines. Temporary McAdoo and Joseph R. Sheehan (right), president of the line, were using the same desk.—(AP Telemat.)



GOV. JOHN E. MILERS (above), of New Mexico, defied court orders and ordered the boggy on the Gila river irrigation ditch opened. The action was the outgrowth of a dispute with the state of Arizona over the water. New Mexico state police carried out the governor's orders and smashed locks off the gates.—(AP Telemat.)

Machine Guns Used in Fight Near Munkacs

Firing Ceased After 8 Hours of Hostility Between Troops

Budapest Protests That Incident Caused by Czech Soldiers

By VIN J. STEINKOFF
BUDAPEST, Jan. 6.—(AP)—Bitter border fighting with machine guns, an armored car and even light artillery fire burst forth today in the neighborhood of Munkacs, a city of 20,000 which Hungary acquired through the November 3 partitioning of Czechoslovakia.

The Hungarian intelligence service asserted it had evidence that Czechoslovak troops deliberately attacked Munkacs and the adjacent village of Orosva, precipitating hostilities which were reported to have caused a dozen or more deaths.

The fighting had stopped tonight, but thousands of Hungarian troops were moving toward border points. Only troops on active duty were involved. No reservists had been called to the colors.

In several Hungarian communities angry crowds demanding aggressive action were dispersed by police.

Czecho-Slovakia and Hungary agreed on a joint investigation of the clash. This step followed presentation of a written Hungarian protest to Minister Plenipotentiary Krieh of the Prague Legation in Budapest.

(The Czecho-Slovak version given in Prague was that Hungarian troops and "terrorists" provoked the clash. Prague reported a Hungarian army officer was killed and that several Czech gendarmes were seriously wounded.)

(The Czecho-Slovak version said the fighting lasted eight hours. It was described as a local incident, and it was said a quick settlement was expected.)

Budapest Says Invaded
The Budapest government protested in Prague, charging the territory had been invaded, and Premier Bela Imredy in an address tonight spoke of "the treacherous attack on Munkacs" and warned Czecho-Slovakia to keep "hands off Hungary."

Hungarian reports said fighting was started at 3:40 a. m. (6:40 p. m. PST Thursday) at Orosva by Czecho-Slovak regulars and irregulars and continued through the day but private advices tonight said a truce had been arranged.

Hungarians said the "invaders" began shelling Munkacs, striking first a hotel, a motion picture theater and the municipal theater, and in intermittent fire in the afternoon were concentrating on the residential district. At 4 p. m., Hungarian military authorities asserted the attackers had been repulsed.

Health Ordinance Aiding The Dalles

THE DALLES, Jan. 6.—(AP)—Health authorities said today a health ordinance approved three years ago had freed The Dalles of food handlers, barbers and beauticians suffering from social diseases and tuberculosis.

Examination of 231 workers in the past two weeks showed only one infection. There were a number of cases when the law went into effect. Several persons changed their residence rather than undergo examinations.

Sheriff Hooker Found Innocent of Larceny Of Polk County Funds

Jury Brings in Acquittal Verdict After Mulling Evidence for Five Hours; Results in Line With Dallas Feeling

DALLAS, Jan. 6.—Sheriff T. B. Hooker of Polk county was cleared of charges of larceny of public funds, brought 15 months ago through a grand jury indictment, by the circuit court jury which heard testimony in his trial, conducted Thursday and part of Friday.

The jury's verdict of "not guilty" was brought in at 3:25 o'clock this afternoon. The case went to the jury shortly after 10 o'clock this morning, following instructions from Judge R. Frank Peters of Hillsboro, who presided.

George Wood of Dallas route one was foreman of the jury. The jury's verdict of not guilty was in line with the general sentiment in Dallas, townspeople generally believing that the sheriff was innocent. Actual testimony in the trial took less than a full day, with only three witnesses, including the defendant, called.

An archaic system of bookkeeping, thrown over last year for a modern method, an lack of sufficient help during the taxpaying rush season, were blamed for the seeming book discrepancy in funds.

Petitions Seeking Gaiser Retention

Bradfield Says no Plans Made to Consider Act on School Head

Petitions urging the reappointment of Silas Gaiser as superintendent of the Salem public schools were reported in circulation yesterday and intended to be presented to the school board within the near future. Gaiser's present contract expires June 30.

Although Board Chairman E. A. Bradfield declared yesterday he had "heard of no plan to consider the Gaiser appointment" at next Tuesday night's regular directors' meetings, there were indications yesterday that a large delegation of men and women who contend Gaiser is highly qualified for his position and should be retained would attend the session.

Opening move in the campaign to keep Gaiser in the Salem system was a resolution adopted by the Salem Lions club Thursday expressing belief in his ability and urging his retention.

Efforts to secure solid support for the present superintendent are not being directed at Chairman Bradfield and Director Percy A. Culpney, who have frequently disagreed with him. Directors L. E. Barrick and W. F. Neptune have received several callers in Gaiser's behalf. Mrs. David Wright has backed the superintendent consistently.

Death of Peters Is Held Accident

Coroner's Jury Absolves Stepson of Blame in Financier's End

LOS ANGELES, Jan. 6.—(AP)—The death of James Peters, 57, Portland, Ore., financier, today was termed accidental by a coroner's jury which exonerated his stepson, George Phillips, from any responsibility.

Phillips, held on a police booking of "suspicion of murder," was ordered released when the jury decided Peters died from injuries suffered in a fall.

Speaking quietly and clearly, Phillips, 33, told the jury of making the rounds of Hollywood night spots on Tuesday night in company with Peters, Mrs. Peters; his wife, Helen Phillips, and Peters' adopted daughter, Betty, 16.

After having several drinks, a family quarrel developed in a parking lot. He said his stepfather hit him on the chin.

"Then he grabbed me by the throat," Phillips testified. "I reached out and pushed him away and me—I don't know just how it happened, but there he was, face down on the ground."

Mrs. Peters said an argument occurred about "Betty having too much to drink."

"I did not see any blows struck," she said. "The first I knew that he was in trouble was when I saw him lying on the ground."

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Rebel's Front Cracked Open By new Drive

Surprise Offensive Gets Strategic Town for Loyal Troops

FRANCO'S CATALONIA MOVE HALTED BY LOYALIST STRENGTH

HENDAYE, France, (At The Spanish Frontier), Jan. 6.—(AP)—The Spanish government reported tonight that its surprise offensive on the Estremadura front, in southwestern Spain, has shattered insurgent lines and regained strategic Valsequillo.

The government apparently had succeeded, at least momentarily, after hours of halting the insurgent campaign in Catalonia, which is directed against Barcelona on the other side of the country.

The Estremadura drive was launched to divert the insurgents from their Catalonia offensive and today after hours of halting the insurgent campaign in Catalonia, which is directed against Barcelona on the other side of the country.

Reports reaching the frontier said the government's whirlwind southwestern offensive had cracked the insurgent front in three places and that the government had recaptured the strategic communications center of Valsequillo, where a north-south trunk railroad crosses four highways.

Valsequillo, about 200 miles southwest of Madrid and 50 miles northwest of Cordoba, was lost by the government a few months ago.

Shortly before midnight dispatches from Madrid said the insurgents had captured the town of Los Blasques and La Granjuela to the west and south of Valsequillo were captured by the government.

Loyalists Make Great Gains
The dispatches also said that since yesterday government troops had recaptured all the territory lost to insurgents in the July campaign and in addition penetrated several miles behind the insurgents' summer jump-off line.

The attack swung to the south against Fuente Ovejuna, communications and manufacturing center of a rich mining area.

Despite reinforcements rushed by the insurgents, said dispatches to the border, the government advance was gathering momentum and spreading out fan-like along the border of Badajoz province.

The insurgents' two main lines of trenches were reported to be in government hands for a distance of many miles on each side of Valsequillo.

Bill Would Affect Umpqua Fishermen

ROSEBURG, Jan. 6.—(AP)—Two bills affecting commercial fishing on the Umpqua river were prepared today for submission to the state legislature by a central organization of Douglas county sportsmen, acting for the county conservation council.

One would prohibit net fishing on the river, but would permit sale of the legal catch of salmon taken on troll. The second would classify steelheads as game fish and would prohibit their netting and sale.

Portland Police Chief's Condition Reported Same

SAN FRANCISCO, Jan. 6.—(AP)—St. Mary's hospital attaches reported today Captain Fred West, chief of the Portland police traffic division, was "just about the same and holding his own."

The captain has been in the hospital for a week suffering from a bilateral mastoid infection and meningitis.

Late Sports

CORVALLIS, Jan. 6.—(Special)—Salem's Viking basketballers scored a 30 to 25 No-Name league basketball win over the Spartans here tonight, the Vikings forging ahead in the second half after being down 8-5 at the intermission.

Hand, Spartan forward, led the firing with 12, trailed by Gosser and Quackenbush of the invaders, with 11 each.

Salem junior varsity, with Bob McKee gathering 7 counters, beat the Spartans 30 to 24 in a preliminary.

Named as Leader Of Water Bureau

Doughton Chosen Water Board Top

Veteran Member Succeeds Gabriel as Chairman of Commission

I. M. DOUGHTON

I. M. Doughton, veteran member of the Salem Water commission, was unanimously elected chairman today by his fellow commissioners last night to succeed E. B. Gabriel, who served during the last two years. Doughton was a member of the board before the city acquired the water system.

The system will benefit rather than suffer from construction of the North Santiam river flood control dam near Detroit, for which Senator Charles L. McNary expects to seek an appropriation this year, the commission was advised by its consulting engineer, R. E. Koon. The question was raised by Commissioner E. E. Grabenhorst.

"It will be beneficial, will increase the summer flow of water," Koon said. "The lake back of the dam if anything will improve the (Turn to page 10, col. 2)

Grand Jury Probe On Picket Bill up

Complaints of Violation of Corrupt Practice Law Go to Jury

Complaints that expenditures made by the Oregon Business council in support of the anti-picketing bill at the November election were not reported as required by law will be submitted to the Marion county grand jury for investigation, District Attorney Lyle J. Page announced yesterday afternoon.

"We haven't enough information now to know whether a crime has been committed or not," Page said. "But the matter will be put before the grand jury and witnesses will be called."

Oregon state federation of labor executives complained recently to Secretary of State Earl Snell that contributors to a \$32,000 fund turned over by the council to the Associated Farmers of Oregon and a \$3000 sum given the Eastern Oregon Wheat League were not identified and contributions not itemized as required by the corrupt practices act. Attorney General I. H. Van Winkle advised Snell the matter should be called to District Attorney Page's attention. Snell delivered exhibits available at his office to Page Thursday.

The same day D. E. Nickerson, secretary of the federation of labor, petitioned the circuit court here to compel the filing of names of contributors to the two funds.

Both house and senate were in recess today.

If immediate changes are made in the methods of administering relief, it will be against President Roosevelt's advice.

In his request for the emergency fund yesterday, President Roosevelt observed that congress might want to change the method of distributing relief, but urged that this not be done until the appropriations bill for the new fiscal year is considered later.

Although members of the senate committee pointed out that the relief formula was only in the discussion stage, some said they believed the committee could agree on a simple amendment in time to insert it in the emergency bill.

Chairman Byrnes (D-NC) said the committee would meet a next week to go over individual suggestions. Senator Clark said some such formula as is used for the distribution of federal highway funds might be worked out.

Road funds are distributed according to highway mileage, population and area. It was suggested that need might be substituted for mileage in evolving a similar formula for relief.

Plan Formulas Of Giving out Relief Moneys

House Group Talks With WPA Had on Need of Appropriation

Roosevelt Reveals Move Being Made to Probe Nazi Violations

THE DAY IN WASHINGTON
(By The Associated Press)
Senate movement grows for tighter congressional control over relief spending. House committee questions Col. F. C. Harrington, WPA administrator, on need for \$875,000,000 supplemental appropriation.

President Roosevelt discloses Justice department is investigating possible law violations by Nazi and communist organizations. Chairman Dies (D-Tex) says administration is at last taking "serious attitude" toward disclosures by house committee on un-American activities.

Harry Hopkins, now secretary of commerce, announced he has conferred with some business leaders and will talk with others before formulating policies of his department.

Senate committees call hearings tomorrow on nominations of Felix Frankfurter to be a justice of the supreme court.

WASHINGTON, Jan. 6.—(AP)—Powerful members of congress made plans today that they mean to tighten congressional control over relief spending by laying down an iron-clad formula for the distribution of funds to the states.

While a house committee questioned WPA Administrator F. C. Harrington closely about the need for a proposed \$875,000,000 appropriation to last until July, members of the senate unemployment committee agreed informally to attempt to earmark future funds so that there would be no "discrimination" as between states.

Three members of this latter committee, Senator Clark (D-Mo), Murray (D-Mont) and Hatch (D-NM), said they favored putting a distribution formula in the emergency appropriation bill, if one could be worked out in time.

Probe Law-breaking by un-Americans
While these committees struggled with the relief problem, developments elsewhere in the capital included a disclosure by President Roosevelt that the justice department is investigating possible law violations by Nazi, communist and other organizations.

Chairman Dies (D-Tex) of the house committee on un-American activities had contended such groups should be prosecuted for failure to register with the state department as agents for foreign principals.

Dies promptly halted the president's disclosure as marking a change, on the part of the administration, from an attitude of ridicule to one of seriousness toward his committee's findings.

Harry Hopkins, whose appointment as secretary of commerce was criticized by some because he has had no experience in business, told his first press conference in his new office that he was consulting business leaders before formulating department policies.

Hopkins said he had talked with W. Averell Harriman, chairman of the department's business advisory council, and would confer with others.

Committee to Null Hopkins Naming
Chairman Bailey (D-NC) called a meeting of the senate commerce committee for Monday to consider Hopkins' nomination. A senate judiciary-sub-committee agreed to begin hearings tomorrow on the nomination of Felix Frankfurter to be a justice of the supreme court.

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