

Correcting Social Security Law Demanded

Bombings Mark Revival Of British-Irish Clash

Council Okehs Billboard Law Over Protests

Company's Requests for More Changes Fail; License Fee Cut

New Law Hopes to Cut Sign Fire Hazards, Unightly Boards

Though representatives of a leading billboard company desired further changes in it, the new billboard ordinance was last night passed by a 9 to 4 vote of the city council.

Awarded Eight Million Legacy

10 Explosions Occur; Illegal Army Suspect



Annie MacDonald, daughter of a Canadian tugboat captain and a \$15-a-week telephone girl, before she married Daniel G. Dodge, 20, last August. Eleven days later he was killed in a dynamite explosion. His widow has just been awarded \$8,000,000 in a settlement of his \$20,000,000 estate.

Japanese Journal Blasts US Moves

Ultra-Nationalistic Organ Warns America Against Fortifying Islands

TOKYO, Jan. 16.—(AP)—A newspaper considered an organ of the army and ultra-nationalistic elements warned the United States today against fortification of Guam and Wake islands if it is intended as the means toward a political foothold in China.

Capitol Grounds Work Due Jan. 30

Landscaping of the grounds between the state capitol and the office buildings to the east will be started by a WPA crew January 30. Notice that \$36,033 in federal funds was now available for the work, to be supplemented by \$10,949 left in the state's building fund, was received at the district WPA offices here yesterday.

City Treasury Is Enriched By \$32,168 in Year of '38

Year's receipts of the city treasury totaled \$32,168.67, according to a report made by City Treasurer Paul H. Hauser, who also pointed out practically all city licenses expire December 31 and that renewals should be made promptly so penalty clauses in ordinances covering issuance of licenses may not have to be invoked.

License collected by Marion county \$751.28.
Gas tax (refunded by state of tax paid by city on gasoline purchased) \$1933.60.
Records (fines, fees, licenses paid to city recorder) \$2524.50.
Public library (fines, fees paid) \$1214.39.
Miscellaneous (incinerator, etc.) \$104.76.
Treasurer (city licenses) \$12,211.27.
Total, \$32,168.67.
License receipts included: Auto wrecking \$50, bill posters \$100, billiards \$210, bowling alley \$35, card room \$110, dance halls \$110, distributors \$50, milk and food \$404, garbage \$1000, junk \$50, pawn brokers \$75, peddlers \$91, public utilities \$7499.64, rooming house \$259, soft drink \$487, taxi \$258.15, theatre and circus \$1054.82 and milk distributors \$75.
Public utilities receipts were: Pacific Telephone and Telegraph \$4382.07, Portland General Electric \$3260, Portland Gas & Coke \$500, Railway Express \$75, Western Union \$151.57, Postal Telegraph \$100.

Three Armies Tighten Noose On Barcelona

Loyalist Capital Feeling Uneasy With Enemy 33 Miles Away

Franco Asks Laying Down of Arms; Refugees Flooding City

HENDAYE, France, Jan. 16.—(AP)—Three Spanish insurgent armies closed in on Barcelona last night after a day of continued advances.

Despite a surface calm, mounting uneasiness was reported in the menaced capital. The nearest insurgent force was barely more than 33 miles away.

(Insurgent Generalissimo Francisco Franco appealed by radio to government Spain to lay down its arms, asserting an insurgent victory was inevitable. His message said the insurgents were marching on Barcelona "not to destroy her, but to save her.")

Rebel Advance Is Ahead of Schedule
Travelers reaching the border from Barcelona declared the insurgent advance, which began December 23, was a full week ahead of the very best the government general staff thought Generalissimo Franco's men could do. Some said the capital might fall within three weeks.

Roads of central and southern Catalonia were jammed with refugees from the zone in which the government's new line of "secret defenses" were built in the mountains along the borders of Barcelona province.

The refugees hampered troop movements and created a serious food shortage in the capital.

150,000 Insurgents Outnumber Loyalists
Against the government's new defense line, to which militiamen fell back after abandoning the important port of Tarragona yesterday, the insurgents pitted three full army corps totaling almost 150,000 men on a front of less than 50 miles.

The largest town to fall during the day was Cervera, a community of 4,000 inhabitants 45 miles northwest of Barcelona on the trunk highway to Lerida.

Today's action marked the first time during the 30 months old civil war that the government has been outnumbered in manpower as well as mechanical equipment.

At Lerida the insurgents estimated their tremendous concentration of artillery was hurling nearly 30,000 shells daily against enemy positions along the entire front. This would be an artillery concentration on a scale comparable to World war engagements.

Insurgent planes also were laying down a propaganda barrage, dropping millions of leaflets over government territory declaring an insurgent victory was certain.

Duo Held Guilty Of Aiding Refugee

PORTLAND, Ore., Jan. 16.—(AP)—A federal jury tonight found I. G. Anellis, Portland attorney, and Jean Miller, hotel proprietress, guilty of charges of harboring a fugitive.

Anellis was found guilty on two counts charging harboring and conspiring to harbor a fugitive. Mrs. Miller was directed to pay \$1000 as a fine and to be acquitted on the conspiracy count but was found guilty on the other.

The pair were indicted on a charge of giving refuge to Anthony Gargallo, now a McNeil island convict, when he was being sought by Spokane district federal judge with connection with a notorious kidnap-swindle of an Idaho farmer.

Legislative Sidelights:

Rep. John H. Hall (R-Portland) told the house he was embarrassed this weekend. He was listed as one of the sponsors of a bill to provide regulation of the sale of securities, prepared by the state corporation department, and wasn't aware of it.

When a member asked him the purpose of the bill he had to admit he didn't know. He was granted permission yesterday to have his name removed from the bill.

\$40,000 Hotel Is Burned in Idaho

KETCHUM, Idaho, Jan. 16.—(AP)—Fire destroyed the \$40,000 St. George hotel here tonight. The flames, tossed by a high wind, threatened adjacent buildings for a short time.

Pete Bonis, proprietor, said the fire started on the third floor from a defective fuse, and spread rapidly. Ketchum, village of 200, is two miles north of San Valley, the noted winter resort.

Lane County Boy Dies Along Darkened Highway

EUGENE, Ore., Jan. 16.—(AP)—Danny Anderson, 7, son of Mrs. Alice Anderson of Danebo, three miles south of here, was killed tonight when struck by a car. The driver, who said he was blinded by lights of an approaching car, was not held.

Figure in Sharp Senate Dispute

Edgar Smith's Confirmation Still Held up

Senate Votes 16-14 for Special Committee to Consider Choice

Governor Sends Message Urging Amendment of Job Compensation

The matter of confirming Edgar W. Smith's appointment by Governor Charles H. Martin before he left office, as a member of the state board of higher education, up supposedly for final action at 2 o'clock Monday afternoon in the state senate, was sidetracked again when it was referred to a special committee of five for recommendation, after brief but sharp debate.

Indicating that the vote might be close even after the committee reports back its recommendation, the standing vote to refer was 16 to 14.

Members of the committee, Senators L. W. Wiperman of Grants Pass, Lew Wallace of Portland, W. H. Strayer of Baker, W. H. Steiwer of Fossil and C. H. Zuercher of Portland, planned to meet Monday night and possibly report back to the senate today.

Delay Based Upon Politics, Charged
After Senator Ashby Dickson of Portland had moved for confirmation, Senator W. E. Burke of Yamhill county moved to refer to the special committee, a saying there were matters involved which could be discussed more gracefully in a committee session than on the floor of the senate. Senator J. A. Best of Umatilla charged that the opposition to confirmation was "petty politics," and also that the move for delay was based upon the opposition's doubt as to whether it had a majority. He said he was "willing to stand on a vote now, make or break."

Sensor Burke retorted that he had never acted upon partisan motives in all his senate career, and that he resented the charge.

Sensor Frank Franciscovich of Clatsop introduced a legal question as to whether membership on the state board of higher education was "lucrative," declaring Smith was not eligible to accept if it were, since he is already a member of the milk control board.

Sensor Ronald Jones of Marion found evidence in the "blue book" (Turn to page 2, column 8)

Pacific Highway Rebuilders Meet

Jackson, Lane Pledge Aid to Move to Obtain Federal Funds

Euphuism for promotion of tourist travel on the Pacific highway was in evidence at the first meeting of the Pacific Highway association at Eugene on Monday, it was reported by Clifford Harold who represented the Salem chamber of commerce.

The ultimate goal, stated at the organization meeting last month, is expenditure of \$20,000,000 to rebuild the highway with possibility of extra federal aid because it is an important military route. But at Monday's meeting the talk was of hundreds instead of millions; Lane county enthusiasts had pledged \$600 to support the association's plan and Jackson county delegates pledged that to build a program for making democracy fit human needs.

The president of the General Federation of Women's Clubs said the big job for the sessions here this week would be to build a coordinated program for attacking unsolved social problems.

"There is an increasing demand among women for us to take stands on great questions," she said. "They realize that world conditions, economic conditions and social conditions are affecting them—their homes, their husbands' jobs."

"Women," she said, "realize that in order to be effective in regard to many problems which affect them that they must express themselves through large groups."

The federation, which includes garden and music clubs as well as those dealing with civic affairs, is an organization of 2,000,000 women in 14,500 clubs.

Its executive committee, trustees and department chairman held separate closed meetings today preliminary to the general board sessions beginning tomorrow.

Start Powerhouse Annex
BONNEVILLE, Ore., Jan. 16.—(AP)—Construction of a \$1,200,000 addition to the Bonneville dam powerhouse to make room for four more generators was started today by L. H. Hoffman, Portland contractor.

Willamette Valley Rail Line Files Bankruptcy
PORTLAND, Jan. 16.—(AP)—Plans for reorganization of the Willamette Valley Railway company have been dropped, it was indicated today when Cassius R. Peek, attorney for the line, filed a petition in bankruptcy in federal court.

The company formerly operated on a line south from Oregon City before discontinuing September 15, 1938.

Kaiser's Honor Banned
BERLIN, Jan. 16.—(AP)—Military decorations honoring the 50th birthday January 27 of former Kaiser Wilhelm II have been forbidden by order of Col. Gen. Wilhelm Krieger, Reichswehr minister's personal deputy in a party matter.

Expansion Favored By Republicans but Revision Need Seen

Liberalization Program of President Approved in Principle; Advancing Old Age Payment Dates Urged

Larger Pensions in Early Years, and Coverage for six Million More Workers, Roosevelt Plea

WASHINGTON, Jan. 16.—(AP)—President Roosevelt asked congress for a broad liberalization of the social security program today and drew an immediate reply from republican quarters that the first necessity was the correction of the "mistakes" in the present system.

The chief executive submitted, with an approving special message, a report by the social security board which recommended that:

Federal old age insurance payments begin in 1940 instead of 1942, the date fixed in the present law.

Old age insurance payments be larger during the early years of the program than the law now requires.

The old age plan be extended as rapidly as possible to some 6,000,000 workers now outside the system.

The unemployment insurance system also be enlarged to embrace millions now uncovered.

"As regards both the federal old age insurance system and the federal-state unemployment compensation system," Mr. Roosevelt said in his message, "equity and sound policy require that the benefits be extended to all of our people as rapidly as administrative experience and public understanding permit."

Errors of Present System Emphasized
Senator Vandenberg (R-Mich.), who has made an extensive study of the problem, commented:

"He ignores the fundamental necessity of putting the existing system on a sound basis before it is expanded. I emphatically agree that there should be an expansion, but manifestly it is logical that we must first correct the mistakes in the existing formula."

Mr. Roosevelt suggested, as did the board, a "two-fold approach" to the problem of old age payments, suggesting that "one way" was to begin insurance payments earlier and make them more liberal, and a second to increase federal grants to states of "limited fiscal capacities, so they may provide adequate coverage."

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48 Sharecroppers Relieved of Guns

NEW MADRID, Mo., Jan. 16.—(AP)—Sheriff A. F. Stanley said he and his deputies confiscated 48 shotguns, rifles and pistols "as a precaution against a possible outbreak of violence" at a Negro share-cropper camp north of here late today.

He said he visited the settlement, where about 500 disgruntled sharecroppers were transferred as state police carried out orders to break up their week-long demonstration at a town on the main highway, after receiving complaints from white families in the vicinity. The sheriff declared threatening reports had emanated from the camp. There have been no arrests.

Channel Work Hit

WASHINGTON, Jan. 16.—(AP)—The war department recommended today congress reject the proposal to increase the depth and dredge a turning basin at Knappaon, Wash.

Roosevelt Asks Earlier Pay In Social Security Benefits

WASHINGTON, Jan. 16.—(AP)—Here is a summary of President Roosevelt's recommended changes in the social security law:

Old age insurance—
Begin payments of benefits Jan. 1, 1940, instead of Jan. 1, 1942, as originally planned.

Increase monthly benefits in early years of the program by supplementary payments to aged dependent wives of retired workers, and calculate benefits on the basis of average wages, instead of total accumulated wages.

Provide benefits for widows and orphans of insured workers.
Allow workers employed after age 45 to continue earning benefit credits.

Extend old age insurance coverage to farm labor, domestic service, employees of non-profit organizations, employees of banks in the federal reserve system, and seaman (excluding foreign crews of American vessels).

Clarification of the program to insure, real estate and traveling salesman.

Unemployment compensation—
Simplify employer tax reporting procedure with a view to combining record keeping for old age in-