Cloudy, occasional light

rains today and Wednesday. Little temperature change. Max. Temp. Monday 44, Min.

EIGHTY-EIGHTH YEAR

Salem, Oregon, Tuesday Morning, January 17, 1939

Price 3c: Newsstands 5e

Correcting Secial Security Law Demanded

Figure in Sharp Senate Dispute

veteran Senator W. E.

Burke of Yamhill; below, Sen-

whose names are next to each

as a member of the state board

Rebuilders Meet

Jackson, Lane Pledge Aid

to Move to Obtain

Federal Funds

Enthusiasm for promotion of ourist travel on the Pacific high-

way was in evidence at the first

meeting of the Pacific Highway

association at Eugene on Monday

it was reported by Clifford Harold

organization meeting last month,

it is an important military route.

was of hundreds instead of mil-

lions; Lane county enthusiasts

had pledged \$600 to support the

association's plan and Jackson

county delegates matched that to

the extent of \$500. Both pledges

were contingent upon comparable

A number of applications for

EUGENE, Ore., Jan. 16-(AP)-H.

Merriam of Goshen was elected

president of the new Oregon Pa-

cific Highway association today.

named vice-president; Paul Ryn-

ning, Medford, secretary; G. H.

Demaray, Grants Pass, treasurer.

Start Powerhouse Annex

BONNEVILLE, Ore., Jan. 16-

P)-Construction of a \$1,200,000

four more generators was started

front of the scenes at the

40th legislative assembly.

support from other counties along

the post of manager of the asso

ber of commerce.

the route.

ciation were filed.

of higher education.

Pacific Highway

Bombings Mark Kivival Three Armies Of British-Irish Clash On Barcelona

Council Okehs Billboard Law **Over Protests**

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

New Law Hopes to Cut Sign Fire Hazards, **Unsightly 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,

Amendments made in the ordinance before its passage reduce the license fee, from the \$5 per panel per year rate first written, back to the \$50 per year flat rate of the original ordinance, plus one-fifth of 1 per cent of the gross yearly income of the billboards. Local Option Needed In Certain Section

The new ordinance places more stringent fire protection provisions on billboard erections and invokes necessity of local option proceedings in certain zones.

Wood trucks are prohibited from parking on or within 150 feet of any artery in the city or within 200 feet of each other, according to an ordinance receiving cil. Any vehicle loaded to more than 10 per cent of its capacity comes under the ordinance. New Street Flusher Bids To Be Called

The city recorder was author-ized to call for bids for a new city street flusher. Oiling of Turner road between

the east end of the paved portion of Mission and the city limits was asked via petition by residents in the district, and by Neil Brown and a Mr. Parker who were granted courtesy of the chamber floor in behalf of the residents. To allow immediate construc-

tion of two duplex dwellings, an ordinance was passed changing lots 4 and 5 city of Salem, from fire zone 2 to fire zone 3. Sewer work in block 21, Nob Hill addition, was granted upon the request of Alderman Glenn

Petitions, referred to committees, asked for a street light at 19th and Virginia and one-hour parking on Center street between High and Liberty.

A resolution was passed protesting the dropping from the WPA rolls in Marion county of 450 , asking congress to act upon the work and security program of the Workers Alliance of America, and designating that copies of the resolution be sent President Roosevelt, Harry Hopkins, James Mott, Rufus Holman and Charles McNary in Washing- Capitol Grounds

1200 Go Back to Work At Doernbecher Plant PORTLAND, Ore., Jan. 16-(AP)

For the first time since last October 1 the Doernbecher furniture plant here was in full operation today. More than 1200 were at work. The plant was forced down when employes rejected a 10-cent hourly wage cut. An agreement was reached a week ago on a

Awarded Eight Million Legacy



Annie MacDonald, daughter of Canadian tugboat captain and a \$15-a-week telephone girl, be fore she married Daniel G. Dodge, 20, last August, Eleven days later he was killed in dynamite explosion. His wido # 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-(P)-A news-paper 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.

If such is the case, Kokumin Shimbun declared, "the Japanese people are determined to smash the American fleet." The newspaper demanded to

know "the real intentions of the American people in the western Pacific-not those of the president or the state department." If the United States wants only

o increase trade with China, the editorial continued, then Japan will assist but if the United States seeks to interfere with Japan's China policy, even resorting to (Turn to page 2, column 1)

Work Due Jan. 30 ics could tavor unity the side in the Spanish civil war. The entire fascist press unloosed sharp attacks on France as,

ween the state capitol and the office buildings to the east will be started by a WPA crew January 30. Notice that \$26,052 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. The crew's first task will be

to remove several large trees.

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

promptly so penalty clauses in icenses may not have to be in-

the city council last night passes, the office of license inspector will be created by the city, the office being consolidated with the office of sanitary inspector. Of the \$1,211.27 in license receipts for the year, \$7609.64 was

Treasurer (city licenses) \$12,-

Total, \$32,168.67.
License receipts included: Auto wrecking \$60, bill posters \$100, billiards \$210, bowling alley \$65, ceipts for the year, \$7609.64 was paid by public utilities and the balance by 17 different sources, according to Treasurer Hauser's report.

Itemized receipts for 1938:

Airport (rentals and fees re-

Tighten Noose Loyalist Capital Feeling 10 Explosions

Occur; Illegal

Only one Death Results

so far: Damage Light

From Most Blasts

Liverpool, Manchester,

Belfast, Birmingham

Sabotage Scenes

LONDON, Jan. 16 .- (AP)-Guards

watched nearly every power sta-

tion and reservoir in the United

Kingdom tonight following ten

explosions in England and North-

ern Ireland which authorities be-

lieved resulted from enmity be

ween Irish and British patriots.

The tenth explosion occurred to-

night at the huge water tower at

Birmingham's power station. An-

other damaged an electricity py-

Earlier, bombs shook the elec-

tric plant at Southwark, and ex-

ploded on the cable bridge over

the Grand Junction canal at Har-

Three blasts rocked Manchester.

One workman was killed and

another occurred in Liverpool and

two were injured at Manchester

fighting flames caused by the ex-

plosives wrecking gas mains, but

Scotland Yard officials investi-

gating the dynamitings voiced sus

picion that the illegal Irish repub-

lican army organization was re-

At Belfast, where two explo-

sions occurred, the northern Ire-

land ministry of home affairs charged the organization "planned

for the overthrow by force of the

Many of those arrested are be

ing held in Belfast prison. The two

blasts today were near the prison.

Italian Press Turns Eye

on Spanish Conflict;

Protests 'Insults'

Newspapers also called on the

Italian people to be ready to

In a third development, L'Os-

servatore Romano, Vatican city newspaper, asserted that Cathol-

turned her attention from Afri-

y that a column of Italian sold-

iers was among the first Spanish

insurgent troops to enter Tarra-

gona. Spanish seaport which fell

The press protested against

statement attributed by the Paris

newspaper L'Ordre to an anony-mous French officer that ten Ital-

ian soldiers were hardly enough to

fight one retired Frenchman. Virginio Gayda, editor of Il Gi-

to the insurgents yesterday.

Rome-Berlin axis.

their national honor.

Warn France on

established government."

two bombs exploded in Belfast.

lon near Alnwick.

lesden in London.

tively little damage.

Uneasy With Enemy 33 Miles Away

Franco Asks Laying Down of Arms; Refugees Army Suspect Flooding City

> HENDAYE, France, Jan. 16 .-(AP)-Three Spanish insurgent armies closed in on Barcelona tonight after a day of continued

Despite a surface calm, mount ing 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 refugovernment'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. **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 The largest town to fall during

the day was Cervera, a community of 4,000 inhabitants 65 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 **Aiding Loyalists** At Lerida the insurgents esti mated 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 lay ROME, Jan. 16. - (AP) - France was warned today in the fascist ing down a propaganda barrage, press that any French attempt to dropping millions of leaflets over save the Barcelona government government territory declaring an would dash itself against the insurgent victory was certain.

Duo Held Guilty avenge French "insults" against Of Aiding Refugee PORTLAND, Ore., Jan. 16-(AP)

A federal jury tonight found l G. Ankelis, Portland attorney, and Jean Miller, hotel proprietress, for the time being at least, Italy guilty of charges of harboring a fugitive. can aspirations to the Spanish Ankelis was found guilty on

two counts charging harboring and conspiring to harbor a fugitives. Mrs. Miller won a directed verdict of acquittal on the conspiracy count but was found guilty on the other. The pair were indicted on a charge of giving refuge to An-

tony Garguilo, now a McNeil island convict, when he was being sought by Spokane district federal officers in connection with the alleged kidnap-swindle of an Idaho

ornale D'Italia, wrote that French hatred of Italy was breeding Ital-ian hatred of France until "fi-nally the rifles will go off by Legislative Here and there behind and in Sidelights: Rep. John H. Hall (R-Port-

land) told the house he was em-barrassed this weekend. He was barrassed 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 broker friends asked him the purport of the bill he had to admit he didn't know. He was stranted permission yesterday to

Motorists will henceforth know when they get in a traffic jam with a legislator. The house passed a resolution ordering the state printer to prepare windshield stickers bearing the legends "Senator" and "Representative."

Eastern Oregon members of the legislature blossomed out with boutonnieres yester day morning signifying they were from the wide open spaces where the copotes howl and the sage blossoms. The ornaments consisted of a sprig of sage and a twig of juniper.

Roy Ritner, Pendleton, former-ly a member of the Oregon legis-lature for several terms, received the courtesies of the senate Mon-day, Ritner at one time served as president of the senate. He con-ferred with a number of state of-ficials while here,

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 Members of the committee, Sen-

ators L. W. Wipperman of Grants Pass, Lew Wallace of Portland, W. H. Strayer of Baker, W. H Steiwer of Fossil and C. H. Zurcher 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, saying there were matters involved which could be discussed more graceator J. A. Best of U matilla, fully in a committee session than on the floor of the senate. Senaother on the senate roll call but tor J. A. Best of Umatilla charged who were far apart yesterday that the opposition to confirma- chairman of the council. on the issue of confirmation of tion was "petty politics," and also 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." Senator Burke retorted that he

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

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

Women's Leaders

Need for Program to Assist Democracy WASHINGTON, Jan. 16-(AP)-

Mrs. Saidie Orr Dunbar of Portland, Ore., called on women club leaders of the 48 states today to build a program for making de mocracy fit human needs. The president of the General Federation of Women's Clubs said the big job for the sessions tere this week o. the federation's board would be to build a coordinated program for at-

tacking unsolved social problems. "There is an increasing demand among women for us to take stands on great questions," day at a five per cent wage reduc A. C. Marsters, Roseburg, was she said. "They realize that world conditions, economic conditions and social conditions are affecting them—their their husbands' jobs."

"Women," she said, "realize that in order to be effective in regard to many roblems which affect them that they must exaddition to the Bonneville dam press powerhouse to make room for groups. The federation, which includes today by L. H. Hoffman, Portland garden and music clubs as well

as those dealing with civic af-fairs, is an organization of 2,000,000 women in 14,500 clubs. Its executive committee, trustees and department chairman beld separate closed meetings separate closed meetings preliminary to the general today preliminary to the general board sessions beginning tomor-

Willamette Valley Rail Line Files Bankruptcy

PORTLAND, Jan. 18-(R)-Plans for reorganization of the Willamette Valley Railway company have been dropped, it was indicated today when Cassius R. Peck, attorney for the line, filed a petition in bankruptcy in federal court.

Itemized receipts for 1938:
Along Darkened Highesty
Al

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.

O'Reilly Says Organization

Did not Start Picket

Bill Movement

PORTLAND, Ore., Jan. 16-(AP)

-The Oregon Business Council

was defended from attacks of

labor groups today by John F.

picketing bill passed at the

eral election.

Reilly, Portland attorney and

The council supported the anti-

"An attack is made on certain

individuals charging that they organized the Oregon Business

Council solely to gather sub-

scriptions to aid in publicizing

the picketing bill and demand

publish the name of every per-

son from whom it has ever re-

ceived any money," Reilly said in

is an unincorporated association,

just as the Oregon state federa-

The attorney said the council

was formed before the bill reg-

ulating strikes, picketing and

were "to insist upon and pro-

lic opinion to bring about these

was active in the campaign be-

cause it was convinced "the

measure would advance the cause

of law and order and industrial

Go on cut Wage Scale

PORTLAND, Ore., Jan. 16-(AP)

Three thousand Portland res-

taurant workers went to work to-

tion, following an agreement last

restaurant strike. The cut was put

week that ended the threat of a

that privileged the operators to

Portland Eating Houses

Reilly said the group had no

He said the council's aims

The Oregon Business Council

a public statement.

boycotts was initiated.

tion of labor.'

been made that the council

The old age plan be extended as rapidly as possible to some Leader Champions 6,000,000 workers now outside The unemployment insurance **Business Council** system also be enlarged to em-

brace 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 ecessity 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 pro-(Turn to page 2, column 7)

48 Sharecroppers Relieved of Guns NEW MADRID, Mo., Jan. 16-

(AP)-Sheriff A. F. Stanley said he shotguns, rifles and pistols "as a precaution against a possible outbreak of violence" at a negro share-cropper camp north of here late today. part in drawing up the bill, but He said he visited the settle-

ment, where about 500 disgruntled sharecroppers were transferred as state police carried out orders to break up their weeklong demonstration along the main highways, after receiving complaints from white families in the vicinity. The sheriff declared threatening reports had emanated from the camp. There have been

Channel Work Hit WASHINGTON, Jan. 16 .- (P)-The war department recommend

into effect under a union contract ed today congress reject the proposal to increase the channel request a lower scale if business deptth and dredge a turning basin at Knappton, Wash.

Apply payroll tax for unemploy-

Calculate the payroll tax or wages paid instead of wages pay-

Extend compensation coverage

to farm labor, domestic service.

employes of non-profit organiza-tions and banks in the federal re-

Set up a federal system of job-

one or more employes. (At pres-

ess insurance for seamen. Extend coverage to employes o

first 3,000 of wages paid.

serve system.

themselves through large Roosevelt Asks Earlier Pay In Social Security Benefits WASHINGTON, Jan. 16-(P)- surance and unemployment con

loosevelt's recommended changes

Begin payments of benefits Jan., 1940, instead of Jan. 1, 1942, as riginally planned.

Increase monthly benefits in

early years of the program by sup-plementary payments to aged de-pendent wives of retired workers, and calculate benefits on the basis of average wages, instead of total accumulated wages.

ent it applies to firms with eight or more employes.) Require placing of personnel in state unemployment compensation agencies on a merit basis as a con-dition for receiving federal grants for administrative expenses.

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 cut practically all city licenses expire December 31 and that renewals should be made that renewals should be mad tax paid by city on gasoline pur- \$40,000 Hotel Is

Public library (fines, fees ordinances covering issuance of paid) \$1214.39. If an ordinance introduced to

card room \$110, dance halls \$110, distributors \$50, milk and

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 biuldings for

a short time.

Pete Bonin, proprietor, said the fire started on the third floor from a defective flue, and spread rap-idly. Ketchum, village of 200, is two miles north of Sun Valley,

Along Darkened Highway

mote the preservation of law and who represented the Salem chamorder; to discourage the use of force or intimidation as a means The ultimate goal, stated at the Are Called Upon for preventing any person from engaging his services for hire to is expenditure of \$20,000,000 to any other person; in all lawful rebuild the highway, with possi-Federation President Sees ways to promote and protect the bility of extra federal aid because business interests and welfare of the community; to enlist the aid But at Monday's meeting the talk of our several groups and pub-