

10 of 13 Aboard Flying Boat Are Rescued

Hopper to Get Weighty Bills Early in Week

Public Utility Change to Appear, Faces Contest Upon Some Details

School Plan, Street Use of Gas Tax Are Some Impending Issues

By SHELDON F. SACKETT

The first fortnight of the 40th legislative session has followed the pattern of previous lawmaking gatherings. Always there is the expectation that the legislature will get down to business early and obviate the usual last-minute consideration of major bills. Actually the first two weeks dwindle to a time for organization, slow introduction of bills and scattering committee meetings. The 40th session has run true to form.

The forthcoming week will see the major legislation introduced and consideration under way. Leading the list will be the submission of public utility district law revision. The kinks in the school reorganization program, drafted by the Oregon Teachers' association, and approved by Governor Sprague and State Superintendent P. C. Hays are to be smoothed out early in the week and the reorganization bills introduced. By the end of the week proposed changes in the state tax laws will be formally before the session, including the revision of the corporation excise tax.

League of Cities Bill Will Appear
The League of Oregon Cities, after two weeks of inaction, will be on hand early this week through its legislative committee, to take its proposal for an allocation of \$1.50 per capita a year of highway funds to municipalities of the state for maintenance and improvement of their streets.

This may lead to a counter-attack by the joint highway committee of the two houses which is substituting a proposal for a constitutional amendment which would thwart such uses of highway funds.

Introduction of a bill to repeal the state milk control act as well as the bakery board law which will bring committee hearings this week on these highly controversial measures and the formal beginnings of a scrap which will not be ended until legislative adjournment.

Public Utility Law Is Most Questioned
While Governor Sprague is on record as favoring amendment of the utility district law to permit revenue bond issuance, the revision of the existing PUD setup is not going to be an easy matter.

The proposed new law substituting for the previously enacted PUD measure, has been gone through with a fine-tooth comb by utility representatives backstage at the session and the flaws in the new proposal which they find are numerous. Power to levy taxes to make up deficiency in income will be fought; power proposed for PUD districts to pay tax levying bodies and offset for real property taxes, at the former's option, will be questioned.

Behind the support of the PUD amendment by the grange and the Farmer's union is the hand of J. D. Ross, Bonneville dam administrator, and Ross was a liberal law such as prevails in Washington, with power concentrated in the hands of the districts' committee. (Turn to page 2, column 1)

Insurgent Bombs Kill 25 Civilians

BARCELONA, Jan. 21.—(AP)—Spanish insurgent war planes ranged over scattered sectors of government Spain today in destructive raids.

Ten persons were killed and 27 wounded in Barcelona.

Fifteen were killed and 30 wounded in a heavy bombing of Malgrat, between Barcelona and Girona.

Valencia, across the insurgent corridor to the sea from Barcelona, was bombed three times.

Government observers said that the aircraft which bombed Barcelona were German-made Heinkel, rarely seen here, and Italian-made Savoia.

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Keys to Barcelona Defense Fall

FRANCO'S TROOPS DRIVE ON BARCELONA



Flooding into action, these insurgents, banded against the cold, made a workmanlike job of their march through the Lerida section in southern Catalonia, during Francisco Franco's drive toward Barcelona. Insurgent headquarters last night claimed the capture of Villanueva y Geltru, important communications center.—Associated Press photo from Associated Press.

League of Cities' Bill Is Prepared

Legislative Committee Is Due Here Tomorrow to Ask Road Funds

The legislative committee of the League of Oregon Cities will meet here tomorrow preparatory to introduction of the league's bill asking reallocation of state highway funds. Mayor H. W. Hand of Corvallis, president of the league, was in Salem yesterday and stated officially that reports that the league would introduce no bill were erroneous.

"We know from talking to many legislators, that the needs of the cities for a share of highway funds are in their minds," Hand said. "We think the entire matter is one of giving consideration to the needs of various instrumentalities of the state to share in income. It has been plainly shown that the cities are not asking for 'diversion' of gasoline taxes; they seek only reallocation of highway revenue."

Mayor Hand said that a number of legislators were expected to put their names on the bill which will be introduced Tuesday or Wednesday of this week. The reallocation proposal calls for the annual payment to cities of \$1.50 per capita for use in repair and maintenance of streets. About \$800,000 annually would be called for from highway funds if the bill carries.

Included in the league's legislative committee meeting here tomorrow are Frank T. Farrell, city attorney of Medford; C. M. Convil, Astoria; Jay Lewis, city attorney of Corvallis; Commissioner Ormond Bean, Portland; Alden Miller, Oregon City.

McCarthy Holdup \$26 Returnable

PORTLAND, Jan. 21.—(AP)—Standards, Inc., was informed today they could get \$26 from the county clerk on written application.

It was the \$26 Leroy Hershel McCarthy took Aug. 10, 1937, during the holdup when he killed Floyd Fuellner, attendant. McCarthy was executed Friday for the killing.

On a top-heavy vote of 17 to 7, the committee decided to retain the relief appropriation of \$725,000,000—the sum being in the hands and approved by an appropriations subcommittee.

President Roosevelt had asked \$275,000,000 and had warned that a \$150,000,000 cut in the allotment would throw 1,000,000 persons off relief rolls.

Administration leaders obviously were surprised by the big committee majority favoring the \$725,000,000 allotment, but they immediately drafted strategy for a floor fight to increase the bill by \$150,000,000.

They indicated they were not so confident, however, as they had been earlier, that the senate would restore the cut.

One administration follower conceded that economy advocates might have sufficient votes now to retain the \$725,000,000 allotment, but said the picture might be changed next week.

Fish Dinner Is Swept Half-Mile Inland by Wave

NEWPORT, Jan. 21.—(AP)—Alec Gallagher, a state road supervisor, says you needn't believe it if you don't want to—but it did happen.

While a crew was repairing a Popokey creek bridge during the recent storm, a huge breaker rolled up the creekbed, swamped them and ebbed back to sea.

In a rush on the creek bank, fully half a mile from the sea, 12 men and 22-pound red snapper fish, which the crew enjoyed for supper.

Rose Tragedy to Close Tomorrow

Double Funeral Services for Victims of Case Set for Monday

A tearful family circle, sons and daughters of Mr. and Mrs. Herman S. Rose of the Broadacres district, heard from Deputy Sheriff E. G. Honeycutt at 1 o'clock yesterday morning the story of the father's confession of having killed the mother and then of his suicide in the county jail. Behind them Mr. and Mrs. Rose left a \$4000 insurance policy and the farm.

The children, whom Rose had asked, shortly before he killed himself, to have brought to the courthouse yesterday morning for him to "tell the whole story," later yesterday directed that his body be removed to the Beecher & O'Hair mortuary at Woodburn where funeral services will be held at 3 o'clock Monday afternoon. Double burial rites for Mr. and Mrs. Rose will follow at Belle Pass cemetery.

The Rose case, which began when Rose beat his wife fatally with a piece of stove wood last Monday, was considered closed yesterday, it was announced by Deputy Sheriff Honeycutt, whom District Attorney Lyle J. Faye had credited with eliciting the man's confession.

Herman S. Rose, 51, was born in Tennessee, his wife, Ora Pearl Rose, 47, in Oklahoma. They were married in the latter state in 1909. Five sons and two daughters survive.

Senate Committee Rejects Larger WPA Spending Bill

WASHINGTON, Jan. 21.—(AP)—Administration House members suffered another thumping defeat on the relief issue today when the senate appropriations committee rejected a proposal to add \$150,000,000 to the WPA spending bill.

On a top-heavy vote of 17 to 7, the committee decided to retain the relief appropriation of \$725,000,000—the sum being in the hands and approved by an appropriations subcommittee.

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Sponsors to Act in Radio Dispute

Secret Move to Attempt to Avert Threatened Artists' Strike

NEW YORK, Jan. 21.—(AP)—Radio sponsors, in the No Man's Land of a wage battle between 2,000 of their performers and the advertising agencies which employ them, prepared tonight to intervene in a threatened national talent strike.

The move, about which no details were available, was revealed by Charles J. Post, federal labor conciliator, who has been trying to avert the projected walkout of actors, singers and announcers belonging to the American Federation of Radio Artists (AFRA).

In Chicago, an AFRA official announced that one sponsor—P. K. Wrigley, who produces his own broadcast—had signed the union's "code of fair practice."

"It is the old, old story that despite our desire to arrive at an agreement by negotiation, we must show our force," said Eddie Cantor, big-eyed comedian and president of the American Federation of Radio Artists, in Hollywood.

Among those subject to a strike call, as members of the federation, are Edgar "Charlie" McCarthy, Bergen, Bing Crosby, Rudy Vallee, Jack Benny, Phil Baker and many Hollywood movie stars. Lawrence Tibbett, the opera singer, and Jascha Heifetz, violinist, are vice presidents.

The wage dispute arising between the AFRA and the "Four A" American Association of Advertising Agencies led the Chicago local to strike unopposed in favor of a strike upon orders from the federation's national executive board.

The New York local had taken similar action earlier this week, and balloting was scheduled late tonight in Hollywood and tomorrow in San Francisco.

Small Poodle Is House Fire Hero

COUER D'ALENE, Idaho, Jan. 21.—(AP)—A tiny poodle was a hero today to Mr. and Mrs. Edward Andreen.

The Andreens retired in their home shortly after midnight last night. An hour later they were awakened by their pet dog which leaped on the bed and barked persistently. Mrs. Andreen found the cottage ablaze.

She grabbed up the dog and fled to safety. Her husband grabbed up his shoes and trousers and likewise fled.

The house was destroyed. Reward for the dog—daily rations of wetters and dog biscuits, his favorite fare.

\$1,000,000 Voted Idaho's Counties

BOISE, Jan. 21.—(AP)—The Idaho senate voted unanimously today to approve a bill designed to permit distribution of \$1,000,000 in gasoline tax revenue to the 44 counties.

The bill, a companion of the \$5 automobile license measure approved by the senate yesterday, would reimburse counties for losses they would suffer by reduction from an average of \$14.55 to \$5 in passenger automobile license.

Rebel Armies Are 22 Miles From Capital

Insurgents Say Loyalists Forced to Back up to Avoid Trap

Barcelona's Gates Being Sandbagged in Event of Last Stand

HENDAYE, France (At the Spanish Frontier), Jan. 21.—(AP)—A Spanish insurgent army smashing toward Barcelona announced late tonight the capture of the important communications center of Villanueva y Geltru—the second of four key points in the government capital's defenses to fall today.

Villanueva y Geltru, on the Mediterranean coast about 23 miles southwest of Barcelona, was reported captured by a column which almost kept pace with the one which was said to have taken Villanueva del Panades, 23 miles west and south of the capital and to have pushed on two miles beyond the town.

The reported advances at these two points came after insurgents were driven back from a third key, Igualada, 23 miles west and north of Barcelona. Late tonight, however, insurgents reported that Igualada was surrounded.

Government Forces Reported in Retreat
Capture of the two towns was said to have forced government troops once again to retreat in haste toward Barcelona. They had formed a defense line running from Villanueva y Geltru, on the coast, through Villanueva del Panades, Igualada, and Manresa, 23 miles northwest of Barcelona. Just after midnight the insurgents were within 10 miles of Manresa.

Unofficial sources in Barcelona said earlier tonight that Igualada and Villanueva del Panades were menaced, but the official communiques said only that fighting in these sectors was heavy.

Barcelona Defense Installed at Gates
Reports to the border added artillery batteries were being installed at Barcelona's gates and sandbag fortifications within the city.

A Lerida dispatch said the insurgent government, anticipating capture of the capital, ordered establishment of governmental machinery to take over the city.

The United States naval attaché in Paris, Captain Francis C. Cogswell, left for Barcelona accompanied by a military aide familiar with the Spanish situation. The US cruiser Omaha was at Villefranche, on the French Riviera, 300 miles from Barcelona, in a position to rush to the Spanish coast to remove US citizens in an emergency. The Paris embassy listed about 100 persons entitled to aid, including about 70 Puerto Ricans and Filipinos.

Japanese Vessels' Pickets Disperse

LONG BEACH, Calif., Jan. 21.—(AP)—Twenty-five hours of peaceful but serious and singing picketing last night and day, which thousands of sailors protested against shipment of scrapiron to warring Japan ended on schedule today noon and longshoremen resumed loading metal into two Japanese-bound ships.

The longshoremen quit work for reasons of personal safety, they said, when the demonstration started at 11 a. m. yesterday at piers where the Japanese freighter Aratama Maru and the Norwegian Stjerneborg were being loaded.

Police Chief Joe McLaughlin denied a request that picketing be permitted to continue until 5 p. m. today, five hours longer than first scheduled.

Lumber Shipments From State Grow

PORTLAND, Ore., Jan. 21.—(AP)—Oregon's lumber industry was a big boy last year. It has grown to such an extent during the last five years that 1937 water-borne shipments to foreign and domestic markets were 78 per cent above those of 1934.

During the same period, according to Pacific Lumber Inspection bureau reports, Washington's shipments declined and British Columbia gained only 27 per cent.

In 1938 Oregon loaded in ships 1,467,812,537 board feet, or 56 per cent of the total of 2,615,677,483 feet shipped by the two north Pacific states and British Columbia. In 1934 Oregon's share was only 21 1/2 per cent.

Eight Victims Of Suffocation In Iowa Blaze

Four Children Included in Group Trapped at McGregor, Ia.

Residents of Apartment Scream at Windows for Assistance

McGREGOR, Ia., Jan. 21.—(AP)—Eight persons, including four children, died of suffocation here late tonight in a blazing two-story brick building.

Coroner Leslie Oelko said the dead, all residents of the apartments on the second floor of the structure, were:

Harvey Mariett, 21; Mrs. Ida Davis, 40; E. Leslie Spaulding, 45; Mrs. Charles Long, 25, and her three children whose ages were two, five and nine years, and Mrs. Long's grandson, 12 years of age.

Boy, 12, Is Only Occupant to Escape
Spaulding's son, Cedric, 12, was the only occupant who escaped from the smoke filled structure.

Two high school youths, Eldon Staples and Junior O'Neill, discovered the flames were issuing from the rear of the building about 11 p. m.

They reported several persons were at the windows of the structure, screaming for help.

The boys turned in a fire alarm and members of the volunteer fire department removed the bodies of the eight to a hospital here where the coroner pronounced them dead of suffocation.

The crew, handicapped by a high wind and an eight above zero temperature, then put out the fire.

Foreign Minister Target in Japan

Artia's Speech Is Held too Vague on Answer to US Protests

TOKYO, Jan. 22.—(Sunday)—(AP)—The Japanese press today criticized Foreign Minister Hachiro Arita for failure to state concretely his plans for meeting protests by the United States, Great Britain and France.

The press expressed almost unanimous disappointment in Arita's foreign policy speech to parliament yesterday. The United States, Great Britain and France have opposed Japan's new order in eastern Asia and warned Japan to maintain the open door in China.

Yomiuri asked why Arita failed "frankly to clarify what is actually meant by moral diplomacy" and said that his statement was "too vague." The newspaper said Arita's most important task was to correct his understandings in the United States, Great Britain and France.

Chugai declared that speeches (Turn to page 2, column 2)

Mercury Sliding In Midwest, East

CHICAGO, Jan. 21.—(AP)—Temperatures started dropping tonight as the weather bureau predicted it would be "much colder" in the midwest and east by Sunday night.

The cold wave, official forecasts said, will cross the Ohio river, extend into Tennessee and reach the middle and northern Atlantic coasts by Sunday night.

Automobile Industry Labor Crisis Appears Impending

DETROIT, Jan. 21.—(AP)—Impending battles, in law courts and in local union ranks, for control of the busy young automobile workers' union threatened the automotive industry tonight with its most critical labor problem since the widespread sitdown strikes of 1937.

The industry which for three years has but one dominant union—the CIO's United Automobile Workers—now has two unions, in everything but name.

Two factions, each claiming "official" status, contested for the authority of UAW contracts with manufacturers, for title to the UAW name and to its treasury, and for allegiance of a claimed membership of nearly 400,000 workers.

A costly internecine struggle in local union ranks appeared a certainty, in effect on automobile plant operations unpredictable.

Leaders of the contesting groups were reported in conference with attorneys preparatory to seeking court injunctions against interference by the opposition.

Survivors Are Found Clinging to Wrecked Ship; 3 Feared Lost

Exhausted by 10-Hour Battle Against Waves, First Aid and Rest Needed Before Identification Sought

Dozen Air and Surface Craft Engage in Search, Oil Tanker First to Arrive; Quest Is Continued

NEW YORK, Jan. 22.—(Sunday)—(AP)—Ten of 13 persons aboard the giant British flying boat Cavalier, forced down in chill seas between New York and Bermuda, were rescued early today. Three other persons were missing.

The rescued passengers were: Mrs. Donald Miller, Lincoln, Neb. Charles M. Talbot, 23, Brookline, Mass. Miss Nellie Tucker Smith, 41, Pembroke, Bermuda. Mrs. J. Gordon Noakes, Malba, N.Y. Mrs. Edna Watson, 45, Bermuda. Mrs. George Ingham, 24, Hamilton, Bermuda.

The rescued crew members, all Englishmen, were: M. R. Alderson, captain. Neil Richardson, first officer. Patrick Chapman, radio officer. David Williams, steward.

The following passengers were missing: Donald Miller, husband of Mrs. Miller. J. Gordon Noakes, husband of Mrs. Noakes.

Also missing was Robert Spence, steward, according to a wireless from the Esso Baytown, which effected the rescue. The message was received by the coast guard here.

Cold and exhausted by a life-and-death battle of more than 10 hours against battering waves, the survivors were found clinging to the battered wreckage of the once-luxurious airliner by the tanker Esso Baytown.

Urgent messages for a doctor were sent to the US gunboat Erie, which was nearby. Immediate aid was asked for the shaken survivors, some of them reported unconscious.

At the coast guard cutter Champlain arrived on the scene, piercing searchlights swept the desolate sea in search of the three missing persons.

12 Surface Ships, Planes Join Quest
Lieut. Philip Short, executive officer of the Champlain, and the pharmacist's mate boarded the Esso Baytown a short time later.

Before the Esso Baytown arrived, two ships and a coast guard plane had scouted the position given by the Cavalier when it was forced down by heavy icing on its motors at 1:15 p. m. (EST) yesterday. They saw nothing, they reported.

Large armadas of at least 13 surface ships and several army and coast guard planes were pooled for a dawn search of the area when the Esso Baytown messaged the coast guard at 11:25 p. m. (EST): "Sighted wreckage of plane. Lowered lifeboat."

For 10 hours nothing had been heard on the wireless lanes from the 20-ton seaplane, capable of carrying 20 passengers. Its last message at 1:13 p. m., when it was about halfway to Bermuda from Port Washington, N.Y., was one desperate word: "Sinking."

The position given by the stricken plane was approximately 322 miles southeast of Cape May, N.J., and every craft in the vicinity turned to join the rescue race.

News of the rescue caused cancellation of a more extensive search. Orders to send seven army bombers from Langley field, Virginia, into the hunt were rescinded, but Major E. E. Glenn, executive officer of the second wing, air corps, said the flight was organized "to take off at a minute's notice" if needed.

Other air and sea craft—from both the United States and Bermuda—which were turned back by darkness were expected to abandon plans to resume the search at daybreak.

'Wandering Buoy' Quits Its Home, Wanders to Sea

PORTLAND, Ore., Jan. 21.—(AP)—District Lighthouse Superintendent F. C. Hingsburg was singing the old song tonight: "Where Is My Wandering Buoy?"

The \$6000 lighted whistling buoy at the Columbia river entrance broke from its anchorage recently. It was last sighted off North Head, its light out but its whistle still sounding.

Landon Hits out At Nation's Debt

TOPEKA, Kan., Jan. 21.—(AP)—Democratic and totalitarian governments are almost at death grips in an economic war, and any nation "head over heels in debt is in a bad position to demand itself," Alfred M. Landon told the Kansas Press association tonight.

This clash may never come to open military violence, but it is just as bitter and just as real, none the less. It is an economic war, based on new methods of economic penetration. These new methods are just as dangerous to representative government as new war machines. Jobs and opportunity for millions of free men are at stake.

"In today's modern warfare," the 1936 republican presidential nominee said in a nation-wide broadcast, "financial reserves are just as important as military reserves."

He previously has charged CIO leaders with destroying the autonomy of the UAW.

Insurgent board members who claim Martin's suspensions were illegal, said today that 16 CIO directors and organizers headed by Allan Haywood, New York regional director, and Hugh Thompson, Buffalo, director, had arrived for strategy conferences.