

Fourteen Vessels Call for Aid in Storms

Unemployment Compensation Change Voted

Senate Okays Amendment Designed to Fit in Federal Setup

New Income Tax Scheme Lowers Exemptions to \$1250, \$700

With only three "no" votes on final passage, Governor Charles A. Sprague's amendment to the unemployment compensation law was passed by the senate and sent to the house late Monday. This is the bill designed to make the compensation law acceptable to the federal social security board which has delayed certifying it, and to continue the benefits which insured Oregon workers receive when unemployed.

The near-unanimity with which the bill passed in the senate augured its prompt approval by the lower house, but the contest which developed over an additional clause inserted by the senate committee on revision of laws is also likely to carry over to the other end of the capitol.

This clause contains a definite statement that the definition of a labor dispute contained in the picketing regulation law, shall not be applicable to the unemployment compensation act. The amendment as written by Ralph Campbell, attorney for the compensation commission, was designed merely to retract the section of the original act relating to disqualification for benefits, with this clause inserted.

"On and after November 8, 1938, and for the purpose of this act only, the provisions of this subsection shall have the same meaning as the provisions of section 903 (a) (5) of the federal social security act."

Objecting in the senate to the further amendment proposed by the committee was based upon a fear, among members from predominantly agricultural districts, that the reference to the picketing law would weaken it or entangle it in litigation. The vote for inclusion of this amendment was 16 to 13, with the following senators opposed:

Burke, Chaney, Childs, Duncan, Dunn, Jones, Keim, McKay, Stelwer, Walker, Wallace, Wheeler and Zuercher.

On final passage the three "no" voters were Burke, Keim, and Wallace.

The joint committee on assessment and taxation was considering Monday an entire new income tax bill which would lower the exemption for heads of families from \$1500 to \$1250 and for single persons from \$500 to \$700. The bill, prepared by Budget Director David Eccles, would not hit middle incomes as hard as the tax commission measure introduced last week.

Eccles indicated he prepared the bill because of objections to the tax commission measure, which would have taxed all income but would have allowed \$35 to be deducted from the tax of married persons and \$6 to be deducted for each child.

He said his bill would raise as much revenue as now being produced by the intangibles tax, which would be repealed, and the income tax law.

The exemption for children would remain at \$300.

Administration Forces Prepare to Fight for Original WPA Request

FR Maps Out Federal-State Health Setup

Vast Program to Cost \$850,000,000 Year Sent to Solons

Health Insurance Plan; Program "to Reduce Suffering, Death"

WASHINGTON, Jan. 23.—(AP)—A vast program of federal-state health activities, to cost ultimately \$850,000,000 a year, was transmitted to congress today by President Roosevelt with a recommendation that the legislators study it carefully.

Though he did not ask specifically for adoption of any detail of the plan, drawn up by his special committee on health and welfare, he referred to it as a program to reduce "the risks of needless suffering and death."

One step recommended by the committee was an Americanized version of compulsory health insurance as it is now in effect in many European countries.

Health of Nation Held Public Concern

"The health of the people is a public concern," the president said. "All health is a major cause of suffering, economic loss, and dependency; good health is essential to the security and progress of the nation."

Linking the committee's proposals with the social security act, the president added that it was recognized five years ago "that a comprehensive health program was required as an essential link in our national defenses against individual and social insecurity."

He did not discuss in detail any of the recommendations made by the committee and avoided any mention of the compulsory health insurance program.

Health insurance has been the basis of a controversy between the committee and the American Medical association and is the only one of the five recommendations made to the president, which the association failed to endorse.

Climbers Turn up After Chill Night

HOOD RIVER, Ore., Jan. 23.—(AP)—Two mountain climbers, missing since yesterday on Mt. Hood, checked in this morning after spending a snowy night in timber on the mountain.

The men, Blancher Baldwin and Bob Fuller, resumed their journey at daybreak after locating timber to provide a fire and shelter from wind last night. Neither man suffered ill effects and both said they managed to keep warm and dry their clothing.

Thirty members of the Crag Rats mountain climbing club, had searched the north side. The two mountaineers left Legion camp before dawn yesterday to climb the north side and descend the south to meet friends at Timberline lodge. They checked in at Government Camp.

Senate Finally Okays Hopkins



HARRY HOPKINS

Only Five Demos Desert President

McNary and Holman Vote "no" Along With two of Purge Targets

WASHINGTON, Jan. 23.—(AP)—Harry L. Hopkins was confirmed as secretary of commerce by the senate today after a three-day attack on his administration of work relief. The vote was 88 to 27.

Shortly before the vote, two administration supporters, Senators Barkley (D. Ky.) and Schwelb (D. Wash.) arose to declare that President Roosevelt, not Hopkins, was "the target" of the criticism aimed at Hopkins.

The final vote showed a margin of more than two to one in Hopkins' favor. The republican membership, voting almost solidly against confirmation, polled a total of 21 votes, and received the assistance of one farmer-laborite and five democrats, all of whom have been at odds with the administration from time to time.

Fifty-three democrats were supported by two republicans and in three minor party senators in confirming the appointment.

Of particular interest to the (Turn to page 2, col. 1)

Relief Strike Is Temporarily off

IDAHO FALLS, Idaho, Jan. 23.—(AP)—One hundred and fifty unemployed men and women who "picketed" the Bonneville county commission for eight hours and threatened a relief sit-down strike, left the courthouse peacefully tonight under terms of a compromise agreement.

They were to meet with the very definite promise in business conditions, "there was reason to expect a voluntary decline in the number of relief workers exceeding the 500,000 to 600,000 drop of the spring of 1936 and 1937."

Airship Sabotage Seen by Bridges

SAN FRANCISCO, Jan. 23.—(AP)—Sabotage of American military airplanes by Nazi agents and sympathizers employed in two Southern California aircraft factories was charged today by Harry Bridges, CIO director on the west coast, in a telegram to President Roosevelt.

Bridges' telegram named the North American Aviation company at Los Angeles and the Consolidated Aircraft company at San Diego, and urged that "immediate investigation be conducted by special government representatives from Washington."

Strategic Hill Is Under Fire Of Insurgents

Loyalists Cling Doggedly to Important Knoll Near Barcelona

European Stocks Jittery Over Apprehensions of Loyalists' Loss

HENDAYE, France (At the Spanish Frontier) Jan. 24.—(AP)—Insurgents are advancing along the coastal mountain range laid siege today to the little village of San Boy, nine and a half miles southwest of Barcelona.

The attacking troops descended on the little town from the north after capturing the mountain position of Olesa de Bonesvalls.

San Boy was held doggedly by government militiamen because of its position on a hill above the Llobregat river dominating the coastal highway and the highway from Martorell and Barcelona.

(By the Associated Press) Insurgent legions closed in on Barcelona yesterday as fears of more trouble ahead for Europe drove prices down sharply on the world's major markets.

Gen. Franco's whirlwind drive on the Spanish government capital and nervousness over what might happen in Europe after the end of the Spanish civil war inspired the selling wave which gave the markets their worst setback since the Munich crisis.

Berlin Prices Range Higher

Only on the Berlin Boerse were prices higher in all divisions, traders there viewing the outbreak of Dr. Hjalmar Schacht from the Reichsbank presidency as indicating a possible inflation in Germany.

In Barcelona with the insurgents at one place only 12 miles away, all civilians unable to help defend the capital, were ordered evacuated. The United States cruiser Omaha steamed under forced draft for Barcelona to take out American citizens.

Across the Pyrenees mountains, reports were circulated in France that the French government had agreed to do nothing to prevent an insurgent victory in Spain in exchange for a German promise to induce Italy to call off the fascist campaign for territory in France's African empire.

British Prime Minister Chamberlain in an empire-wide radio broadcast opening a recruiting drive for a huge volunteer home defense force, however, they declared, did not mean he believed war was coming.

Anthony Eden, former foreign minister, in a speech at Coventry, said an insurgent victory in Spain would mean "a foreign victory" for Germany and Italy.

Another British official, Robert Spear Hudson, secretary of the overseas trade department, cautiously offered Germany trade peace in exchange for political appeasement.

The Rome-Berlin axis picked up strength when an authoritative Italian editor declared Yugoslavia was now Italy's friend and virtual ally.

In China, an estimated 20,000 Chinese were fleeing Chungking, Chinese provisional capital, which Japanese have declared they would bomb until Generalissimo Chiang Kai-Shek's government is driven out.

Social Security Board Suggests Act's Revision

WASHINGTON, Jan. 23.—(AP)—The social security board suggested to congress today revision of the social security act to require cooperating state agencies receiving federal funds to install the merit system and prohibit political activity.

Hymn Sung by Survivors Guides Rescuers to Plane Wreck Scene

Ten Supported By Four Belts Till Aid Comes

Injured Captain of Ship Is Saved by Woman; Group Praised

LIFEBOAT GUIDED AT LAST BY SONG BUT NOBODY REMEMBERS NAME

NEW YORK, Jan. 23.—(AP)—Only a song from the 10 survivors of the lost Imperial Airways plane Cavalier guided the lifeboat which edged through utter blackness to pull them heroically from the Atlantic.

This was told tonight as the 10 reached port aboard the rescue tanker Esso Baytown, which saved them early yesterday after they had spent nearly 10 hours in the waters of the Gulf Stream in which their three companions perished.

Stanley Taylor, a seaman who stood in the bow of the lifeboat as it put out from the Baytown, said that without that last desperate and almost tuneless chorus from the victims they might not have been pulled from the sea in time.

"We were without stars, moon or sextant—in complete darkness," he said, "and then the whole crowd of them started singing. We listened and the song guided us to the spot."

Then, he added, as the lifeboat pulled toward the four life preservers upon which the 10 had clung so long in the near presence of death, two members of the Cavalier's crew—Well Richards, the first officer, and Patrick Chapman, radio officers—struck out and swam to the Esso Baytown.

All save Capt. M. R. Alderson of the flying boat still were able to cry out. Alderson was unconscious, Taylor reported, and had been saved only through the heroic efforts of Mrs. Edna Watson of Montreal and Bermuda, one of the Cavalier's passengers. For hours—no one knew how long—she had held the pilot aloft.

The Esso Baytown was welcomed by a great shrieking of harbor whistles and by saluting airplanes overhead as she pushed her ice-coated prow into the pier.

Taylor said eight of the survivors were hanging to four life preservers when the lifeboat pushed into sight through almost total darkness.

"They must have lost the other life preservers when the plane (Turn to page 2, col. 8.)

Small Plane Forced Down, Kings Valley

Gales Kill 12 On Southwest Britain Coast

Eastern US Reports 17 Deaths as Weather Remains Frigid

30 Below Is Recorded in Adirondacks; Relief From Cold Near

PORTLAND, Ore., Jan. 23.—(AP)—Airport officials here said tonight they had been informed a small cabin plane flown by a pilot named Wilson had made a forced landing in the fog tonight in Kings Valley, west of Albany, Ore. It was undamaged.

According to word here the ship was being ferried from Redding, Calif., to Aberdeen, Wash. Earlier in the day it was forced down by fog near Klamath Falls but continued the journey north when the weather cleared.

KLAMATH FALLS, Jan. 23.—(AP)—Suburban housewives dropped Monday washings and dived for cover today when a light cabin plane hedgehopped rooftops and stalled to a landing at the edge of town.

The plane, being ferried from Redding, Calif., to Aberdeen, Wash., became lost in the dense fog and was a far off its course. When its pilot managed to get down through the haze to a landing, he had less than a gallon of gasoline left.

The pilot, a man named Wilson, and the ship's owner, Duffy, were aboard. They took off for Portland when the fog lifted, after they had replenished their gasoline supply.

SEATTLE, Jan. 23.—(AP)—The weather bureau reported southwest storm warnings were hoisted tonight on the Washington coast and at the mouth of the Columbia river. The forecast was for increasing southeast wind becoming of gale force tonight and Tuesday morning.

PORTLAND, Jan. 23.—(AP)—A thick fog held some 10 freighters at anchor in the Columbia river near here tonight. Some were loaded and ready to proceed down river to sea. Others were en route upriver for cargo when the fog caught them.

Elective Auditor's Office Is Urged

Letter to Senate Asserts County Officials Wish Changes in Bill

Sheriff A. C. Burk carried to the state senate yesterday objections to the bill now before that body to create the office of Marion county auditor. In a letter being sent to all senators, the sheriff declared "very few" county officials had been consulted concerning the bill and asserted that if the office of auditor were created it should be made elective and not subject to the control of any other officer.

The letter read in full as follows: "It has come to the attention of this office that a bill has been introduced creating the office of county auditor for Marion county."

"I find from a canvass of the officers for this county that very few of them were consulted about this matter and that most of them feel that it should not become a law as it now stands. We feel that the proposed office should be an independent office and not under (Turn to Page 2, Col. 5.)

Wilhelm Gives Firewood

DOORN, The Netherlands, Jan. 23.—(AP)—Firewood cut by former Kaiser Wilhelm of Germany on his estate was among the gifts he and his wife, Princess Hermine, presented today to the 6 poorest Doorn families.

Chamberlain, Eden Agree About Peril

LONDON, Jan. 23.—(AP)—Prime Minister Neville Chamberlain and his former foreign secretary, Anthony Eden, issued a common warning tonight of dangers to Britain at home and abroad.

Chamberlain, in an empire-wide radio address opening a recruiting drive for a huge volunteer home defense army, said his remarks did not mean he thought war was coming.

"But," he said, "we might be forced to take part in a war begun by others, or we might be attacked ourselves if the government of some other country were to think we could not defend ourselves effectively."

Eden, addressing his constituency at Coventry in a speech unconnected with the Chamberlain plea, said that if the insurgents should win the Spanish civil war it would be "a foreign victory."

Knudsen Sees Upturn

LOS ANGELES, Jan. 23.—(AP)—William S. Knudsen, president of General Motors, today predicted a "2 to 3 per cent improvement" in the automobile industry this year, and a corresponding upswing in business in general.

Legislative Sidelights:

Legislators maintain "banking hours" or less in session, but they put in long hours on committee work and in the drafting of bills and conferring with constituents and others. A good many members and employees of the legislature "burn the midnight oil" at the capitol. But the capitol telephone switchboard operates only up to 8 p. m. After that it is impossible to call the capitol, although persons there can call out. It may help the members to get their work done, but is irritating to those who want to get in touch with persons in the building.

Rep. John Steelhammer, Marion county's ace vote-getter, wielded the gavel with fluency and dispatch for a brief period yesterday while Speaker Patland took a vacation from the rostrum. Steelhammer is the youngest member of the house.

There were 40 cigars for 60 house members yesterday, the gift of John Keegan, a former em-

Here and there behind and in front of the scenes at the 40th legislative assembly.

plays of the house who was congratulated by resolution last week on the birth of a son. Those who did not get cigars were supplied with candy, which Rep. Hannah Martin had a happy time distributing.

Dr. R. E. Lee Steiner and Judge L. H. McClahan were among visitors on the floor of the house yesterday after adjournment.

Meetings of the state board of control, previously held on Mondays, hereafter will be held on Tuesdays, Governor Charles A. Sprague announced Monday. Sprague said the change in the time of holding these meetings would be more convenient to all three members of the board.

Columbia county goals will have to stay home. The house on Monday passed the bill prohibiting their running at large. A similar bill was introduced in the senate. Exact relation of cause and effect are obscure, but there (Turn to page 2, col. 4)

HOW US NAVY PROTECTS BOTH OCEANS ON WAY TO WARGAMES

Through closely guarded Panama canal and into Limon bay for a brief anchorage, 80 men of war recently slipped, including US craft shown in transit. Mine-sweepers went first, to insure safe passage. Then the aircraft carrier Lexington led the fleet through the canal, on way to Caribbean war games.