resents balanced ne

county, state, national

# New Fight Centers on US Foreign Policy

## First Measure To Amend PUD Setup Appears

Hosch Bill Differs From Long-Considered One Due Today, Senate

New Income Tax Version Hitting top Brackets **Among House Flood** 

Getting the jump on the more conservative advocates of a public utility district law which would permit financing through issuance of revenue bonds, Rep. J. F. Hosch (Ind.-Bend) introduced Wednesday a bill on this subject which was regarded as suiting more specifically the ideas of J D. Ross, Bonneville administrator, although it met some of the other group's objections by providing that the first issue of bonds must be specifically authorized by an

The bill upon which public ownership enthusiasts have been laboring for weeks in an effort to reconcile the vews of the Ross faction with those of Governor Charles A. Sprague and leaders in the grange and Farmers union, will be introduced in the senate today, Senator Lyman Ross announced. The general impression is that this bill will correspond more closely to the ideas of the latter group. Steeper Income Tax

Version Introduced The Hosch measure, as yet unidentified by number along with approximately 70 others of the 118 bills that swamped the house hopper on Wednesday just before the deadline for individual introduction, is intended, its author said, to facilitate formation of PUDs so that Bonneville power may be brought to the people as soon as possible.

Buried also in this heap of unclassified bills was a measure by Rep. Vernon Bull (D-LaGrande) which would greatly increase the receipts from the income tax, but would hit most heavily the upper bracket incomes. On the first \$1000 of taxable income the levy would be 2 per cent as at present, but on the second \$1000 it would increase to 4 instead of 3; on the (Turn to page 2, column 1)

#### Negrin Is Told To Continue War

Spanish Parliament Votes Confidence in Chief; Meet Underground

FIGUERAS, Spain, Feb. 1-(By courier to the French border)-(AP) -In a subterranean vault of an ancient castle, the Spanish parlia-ment today voted confidence in the government of Premier Juan Negrin to carry on the civil war. Only 62 deputies out of 420 who constitute the normal cortes, or

parliament, met in the whitewashed cavern of the 13th century stronghold near Figueras to escape an insurgent bombing of the

the fourth war-time assembly, no two of which have been in the same chamber.

Premier Negrin, appearing healthy and untroubled, told the deputies the fight for Catalonia would continue inch by inch and if the province were lost, the war would continue in the central Madrid-Valencia zone.

Perpignan, France, Feb. 1-(AP)-English and American relief workers who returned to France from Gerona and Figueras said both those Spanish cities were bombed by insurgents several times today.

#### South River Road Crossing Job out

No funds will be available this year for a grade separation proect on the south river road near the end of the hard-surfacing applied last summer, the county court was advised yesterday in a letter from C. B. McCullough, assistant state highway engineer. McCullough suggested that possibility of realigning the road to place it all west of the Oregon Electric tracks might be a suitable alternative to constructing an undercrossing structure. The latter, he said, would be high in cost.

Sprague to Speak at Normal's Commencement

LA GRANDE, Feb. 1.—(P)—Dr. C. A. Howard, president of Eastern Oregon Normal school, said today Governor Charles A. Sprague had accepted an invitation to be the principal speaker at the commencement exercises here June 1.

Duncan of the unemployment committee of the upper house, announced yesterday that 25 representatives of the Portland unemployed would be in Salem today to offer a program to the legislature.

(Turn to page 2, column 2)

WARM IN BERLIN, FRIGID IN CHICAGO





There's no relation between these pictures except the contrast in temperature. Things international were somewhat warm in Berlin when Adolf Hitler, addressing the reichstag, pledged aid to Italy if that nation were attacked and warned the United States to keep hands off German trade with South America. Field Marshal Goering is seated above and behind Hitler. Picture sent by radio from Berlin to New York. Below, a high wind adds to discomforts of pedestrians in downtown Chicago, who have to battle swirling flakes as well as deep drifts as the Great Lakes region experiences its worst storm in years. It was like this two years ago in Salem, but it's different now.—AP Telemats.

#### **NY Pro-Loyalists** Clash With Law

NEW YORK, Feb. 1-(AP)-A few minor clashes between police and several thousand pickets occurred late today in a demonstration for The parliament held a two hour government Spain at the Palazzo session to fulfill requirements of d'Italia, a section of Rockefeller the Spanish republic's constitution center housing the Italian conthat it meet twice a year. It was sulate and other official Italian agencies. Placards demanded that "Mussolfni get out of Spain." None was injured.

> Several hundred police drove back demonstrators who swarmed across the street. Pickets finally were jammed six to eight deep toward the curb, leaving a narrow passage on the sidewalk. Police started about half of them marching around the building. They chanted: "Arms, arms, arms for loyalist Spain."

#### Legislative Here and there behind and in Sidelights:

Tonight all members of the legislature and their wives, if available, will be guests of the Salem Realty board and the state association of real estate boards at the local organization's annual banquet, scheduled for 6:30 p.m. at the Marion hotel. The real estate division of the state insurance department is cooperating in the program-but not, it was emphasized yesterday, to the ex-tent of being joint host to the legislators.

C. V. Johnson, president of the Salem board, will preside at the banquet, which Salem business men as well as real estate brokers and salesmen from nearby counties have been urged to at-tend. As for speakers, the pro-gram doesn't list any. All of the

#### Germany Exhibit | Red Cross to Be Cancelled at NY

NEW YORK, Feb. 1 .- (AP)-Plans for an exhibit at New York world's fair financed by Ameri- President Roosevelt directed the cans showing cultural and scientific Germany before the Hitler regime was cancelled today.

Grover A. Whalen, president of he fair corporation, gave lack of ime and money as reasons for abandoning the three-weeks-old project, known as "freedom pavilion — Germany yesterday — Germany tomorrow."

#### Asks Permanent CCC

WASHINGTON, Feb. 1 .- (AP) Senator Thomas (D-Utah) proposed in the senate today that the Civilian Conservation Corps be States. made permanent.

#### front of the scenes at the 40th legislative assembly.

Ernest Fatland of the house; Hugh H. Earle, real estate com-missioner; William L. Graham, deputy real estate commissioner; Claude H. Murphy, president of the state real estate association; Hillard C. Holbrook, president of the Portland Realty board; Senator Douglas McKay. William McGilchrist, sr., is in charge of

The capitol was all but de serted last night. Members, employes and newshounds all went to Eugene for the big basketball game, which fur-nished more pleasurable ex-citement, no doubt, than all of the legislative proceedings to

Senator Harry M. Kenin, chair-

### Bearing Brunt Of Snowstorms new White Blanket Over big Area

Local Weather Is Mild on 2nd Anniversary of Record Snow

(By The Associated Press) Snow, sleet and rain pelted scattered sections of the west yesterday during the third day of a series of winter storms.

A storm that originated in the Rocky mountain region Tuesday veered north and whisked snow over northern and western Nebraska, the Dakotas, Minnesota and northern Wisconsin.

Gusts attaining a velocity of 35 miles per hour whirled six to 12 inches of snow across South Dakota. Roads drifted so rapidly a statewide highway blockade was feared. Temperatures dropped toward the zero level in the western sector. Minnesota Snows

Close Roads, Schools Strong winds whipped snow up

ists to stay at home. Six inches of new snow were reported in Utah along the west side economic sanctions," Mr. Hoover of the treasury, accidentally of the Wasatch mountains. West- added, "should also think in brought to light, now "threaten to ern Nebraska had a blanket four terms of war." For, he said, "any to nine inches thick.

(Turn to page 2, column 2)

#### Plan Survey for Airmail Run Here

Questionnaire Next Week to Ascertain Extent of **Local Support** 

Salem businessmen next week will be called on to state the extent to which they would utilize airmail service if direct plane connections were established with the present major landing points of the interstate airlines.

Decision to present a questionnaire to secure this information made made at a meeting of civic organization representatives held last night under auspices of the Salem chamber of commerce aviation committee. Arrangements were placed by Clem Howard, chairman, in the hands of Ray Lessard, Kiwanis club; Ralph Coleman, American Legion; Lee S. Ross, Lions club; Fred Thielsen, chamber of commerce, and Alderman Lawrence N. Brown, city **Chile Aid Agency** 

council. Leo Arany, proprietor of the Salem Flying service, reported a new organization was being attempted to provide feeder air service for Portland, Salem, Albany, Eugene, Marshfield, Klamath Falls and Bend.

(Turn to page 2, column 3)

WASHINGTON, Feb. 1-(P)

nation's attention today to the

Chilean earthquake with a sug-

gestion that persons and organ-

izations wishing to help coordinate

their efforts through the Ameri-

it had been advised by George E

Smith, its representative in Chile

that 18,000 injured were in need

of shelter and medicine. The or-

ganization sald 500 army tents

would be shipped tomorrow from

the Canal Zone and that a large

consignment of medicines would

be sent by plane from the United

the Red Cross said the organiza-

tions already had sent \$11,000 in

cash and \$14,000 worth of medi-

Ships at Seattle

Sail After Tieup

SEATTLE, Feb. 1-(AP)-A cargo-handling dispute that tied up two

McCormick Steamship company

vessels here was settled today

within 24 hours after it started.

The Point San Pedro sailed for

sound ports, and the Brookings

was working cargo. Members of

the Sailors Union of the Pacific walked off the two boats yester-

Meantime Capt. Ernest Brinker,

secretary, reiterated members of

the Masters, Mates and Pilots un-

ion would walk off four Alaska

steamships here Friday unless de-

improved working conditions.

mands are met for pay raises and

Chairman Norman H. Davis of

The Red Cross announced that

can Red Cross.

cine to Chile.

#### Quadruplet Girls Arrive in Texas

GALVESTON, Texas, Feb. 1 .-P)-Texas' first quadruplet girls onight were named Joyce, Jeanette, Janice and Geraldine Bad-

The names were given the babies by their parents, Mr. and Mrs. W. E. Badgett, who expected triplets when the quadruplets were orn early today.

Weak, at first, the youngsters were given blood transfusions at noon and immediately began to yell for something to eat.

The second set of quadruplets ever born in Texas, the babies were pronounced in excellent condition by Dr. W. J. Jinkins, attending physician.

Badgett is a construction com-

Supreme Court of Ohio Holds Pinballs Gambling

pany foreman at Houma, La.

The Ohio supreme court held today that slot machines are gambling devices and therefore could not be licensed.

The court specifically invalida-ted a Cleveland ordinance providing for licensing various types of machines, generally the so-called "pinball" variety.

Slayer of Policeman

KOOS Manager Named

COLUMBUS, O., Feb. 1-(P)Without uttering a word, John
Ben Stone, associated with radio station KOOS of this city for 10 years today became its manager, succeeding the late \*. B. Toles.

COLUMBUS, O., Feb. 1-(P)Without uttering a word, John Were 511 or well over half all growers taking loans were 511 or well over half all growers.

Of the 35,945 bales on which loans were taken, Oregon growers taking loans were taken, Oregon growers and older hops, with growers allowed \$7 per bale to spread them on their ground for fertilizer.

Week, the deadline being Tuesday.

Number of growers taking loans will also attend.

A diversion program similar to that to be carried on now was in effect a year or so ago on 1934 all such must be residents of the vicinity. Those who came in this year filled vacancies caused by deaths.

# Midwest Areas Roosevelt Move Is Hit At Home and in Berlin

# Leads to War

Unprecedented Expansion in Foreign Meddling Laid to FDR

Absolute Isolation in World Not Favored, However, Says

CHICAGO, Feb. 1-(AP)-Herbert Hoover tonight accused President Roosevelt of projecting an unprecedented expansion of foreign policy likely to lead to war, and appealed to congress to 'have this adventure clarified before we go blindly into great increases in armament."

While European democracies were "consciously or unconsciousto eight inches in depth in Minne- ly flooding us with propaganda," sota. Six inches fell in four hours the former president said in a in the northern part of the state. speech prepared for the council Schools were closed in Hibbing on foreign relations, Mr. Rooseand Grand Rapids. Western roads velt had announced a "new dedrifted shut behind plows. Offi- parture" for dealing with the cials, taking precautions against world which would lead logica traffic tieup, requested motor- ally to pressures such as economic sanctions.

"Those who think in terms of form of direct or indirect cothe straight path to war itself. "Standing Apart" Is Held Best Service

"Our country standing apart," he said, "can make a contribu tion of transcendent service in holding aloft the banner of moral relationships."

Suggesting a procedure, he de clared the American people should express unhesitatingly their indignation against wrong and per-(Turn to page 2, column 1)

#### Social Security's Office Head Here

Stillwell Arrives to Take Manager Position for Salem District

Richard C. Stilwell arrived in Salem from Eugene yesterday to take over duties as manager of the Salem district office of the social security board. He fills the vacancy created by the death late

last year of Ben O. Lipscomb. The local office is not entirely new to Stillwell, as he opened the Salem social security office in July, 1937, going to Eugene the following month, where he has been since. Carl Monroe of the Portland office succeeds him at Eugene. Stillwell was with the US department of labor at Hillsboro

for 12 years. The new manager contemplates no personnel changes in the local office. Edward Foley, who has been acting manager since Mr. assistant manager.

security changes now before congress will become law and believes much advantage will acrue from years in the state penitentiary felswitch in annuity payments from lowing conviction in Polk county 1942 to January 1, 1940; from on a charge of arson in connection the proposal to compute benefits with the burning of a West Saon the average wage rather than lem box factory in November, on total earning; and the move to 1937. Rosser was formerly secrebring the industrial farm worker tary of the Teamster's union, under the act.

AFL, in Oregon.

# Gusts of Wind Carry Hoover Claims Press Brands Secret Plane Foreign Policy Leads to War Agitator

BERLIN, Feb. 1.-(AP)-President Roosevelt was made the center of a new storm today in the German press which called him the world's leading "war agitator" and described his meeting with the senate military affairs committee as unparalleled since world war

Newspapers compared the president's policies to Chancellor Hitler's statement before the reichstag Monday that "I believe in a long peace." The Nachtausgabe put in quotation marks, as if spoken by Mr. Roosevelt, the statement that "America's frontier is on the Rhine."

Officially inspired comment issued by the German news agency, DNB, declared "millions of decent Americans are demanding an investigation into these affairs helping the democracies of the which, if they had not been inspired by the White House, would be branded as high treason."

Mentioning the reported sale America was deemed advisable in order to boost business." DNB hinted that dark dealings

through William C. Bullitt, United States ambassador to France, and Henry Morgenthau, jr., secretary develop into a gigantic scandal.'

#### Stage Hits, Kills **Adolph Engelbart**

Bicyclist Collides With Greyhound Vehicle on South Commercial

Death, from injuries sustained when a northbound Greyhound bus, driven by Walter J. Turner, collided with his bicycle at the intersection of South Commercial and Leffelle streets, came to Adolph A. Engelbart, 69, in the Salem Deaconess hospital shortly before 2 p. m. yesterday.

Engelbart, whose home was at 246 East Leffelle, was said by felle when struck. The bus driver, gressional precedent. according to bystanders, swung his big vehicle to the extreme left side of the street in an effort to avoid the collision.

District Attorney Lyle J. Page said late yesterday afternoon he was awaiting a report from inves-(Turn to page 2, column 1)

Lipscomb's death, continues as allegel failure to file the appeal Stilwell is confident that social court is expected to rule on the petition next Tuesday.

Rosser was sentenced to 12

### **Another Hearing** Asked for Rosser

Attorneys for Al E. Rosser filed late Wednesday in the state supreme court a petition for rehearing on the court's recent refusal to consider his appeal, based on his within the statutory time. The

## Large Quantity of 1936 and Older Hops Diverted at \$7

to stabilize the Pacific coast hop industry was authorized this week, with approval by the secretary of agriculture of diversion of up to states not sold by the growers. 10,000 bales of 1936 and older Not more than 3000 bales of 1938 hops at \$7 a bale, it was an- hops, and possibly nearer 2000 nounced here yesterday by John bales, are yet held by growers. Throne, assistant manager of the Pacific Coast Hop Stabilization corporation.

Word to that end was receive ed from M. J. Newhouse, Oakland, secretary-manager of the coast corporation, and also from C. W Paulus of the hop control offices who is now in Portland.

At the same time, Throne an sounced that loans under the fed- older hops. eral commodity credit corporation on 1938 hops were taken on 35,- lem will be W. H. Anderson, who Prof Policeman

Dies in Ohio's Chair

Dies i

Another move in the program | Washington growers, 5604 bales. These loans, for which advances were made by the PCHSC, cover practically all hops in the coast At the present time, effort is being made also to get a federal

loan on 1937 hops. The director of the hop stabilization corporation will meet in Oakland, Calif., February 5 and 6, at which time final check on the loans covering 1938 hops will be made, and the program mapped out for the diversion of 1936 and

Attending this meeting from Sa-

# Sales Target, Senate Attack

Holman Joins Others of Military Committee, **Publicity Demand** 

Purchase Rights May Be Made Equal for Every Country, Proposed

WASHINGTON, Feb. 1 - (AP) -The sale of American warplanes to France stirred up a storm of argument in the senate today as congress weighed the implications of a foreign policy frankly aimed at world arm themselves against the dictator states.

While German newspapers denounced President Roosevelt as a of "700 USA warplanes" to leading "war agitator" and ap-France, the press release suggest- plause was heard in Paris and ed that "perhaps the starting of a London, one senator after anothfresh inflammatory campaign in er arose to condemn the transaction in some times tense and

bitter language. They objected that it involved the United States directly in the threatening affairs of Europe, and opposed giving other nations the benefits of American military progress. And, even more severely, they berated the administration for throwing a cloak of se-

"Good God," Senator Johnson (R-Calif), veteran senate isolationist, shouted at one point, 'don't you think the American people have the right to know if they are going down the road to

war?' The administration's course was stoutly defended by Senator Barkley (D-Ky), the democratic leader, against opponents who sought constantly to interrupt with replies to his arguments. He contended that there was nothing in the proposed sale of planes to a friendly power that might be expected to carry the country into

In addition, he held that no revelations of American military secrets were involved, and asserted that the senate's military committee, in holding secret hearings witnesses to have been riding his upon the circumstances of the bicycle across Commercial on Lef- sale, was merely following com-

would move to make the transcript public when the committee meets again on Friday. Chairman. Sheppard (D-Tex) of the committee said eventual publication of the hearings had been intended.

The five republican members of the committee on military affairs - Senator Austin (Vt), Nye (ND), Bridges (NH), Gurney (SD) and Holman (Ore) — met late today and decided to support Clark's movement to open future hearings to the public and to make public the previous record on the plans transaction.

To this was attached a reservation that military secrets were not to be divulged.

The republicans agreed, Austin said, that all nations should have a like opportunity to purchase planes or anything else in this country, subject to these condi-That the United States should

have priority in connection with all new devices and new air-That the United States should retain the right to cancel foreign

contracts if it became apparent that they were injurious to this That all such purchases be paid for in cash.

#### **Groundhog Club** Pledges Garner; Ritual Is Today

QUARRYVILLE, Pa., Feb. 1-(P)-Telegrams and latters applying for membership in this tiny community's Slumbering Groundhog lodge cluttered up the offices where the faithful planned tomerrow's weather forecasting ceremony — but only Vice-President John Garner crashed the organ-

zation's closely guarded gates. He was voted honorary member, one of seven men thus adopted by the lodge which annually parades to a groundhog hole down in the Swamp Hollow country and finds out to its own satisfaction what weather is in store for the