

Prompt Action Looms, Treasury Shortage

Counties Seek Lightening of Relief Burden

Aid Amounts Inadequate but Can't Meet Their Share, Contended
Deficit Over Million in Biennium Is Forecast; Remedy Discussed

Counties of Oregon have reached the end of their rope as far as contributions to the state relief program is concerned, spokesmen for the Association of Oregon Counties told a sub-committee of the joint ways and means committee yesterday.

They asked the legislature to provide some means for the counties to meet their obligations and still take care of the relief burdens. They declared inadequate the proposed \$22,000,000 relief budget, their share in which they are unable to meet.

Among plans suggested for relieving the counties was the enactment of a sales tax or gross income tax, the measure to be referred to vote of the people.

Over Million Short, Committee Estimate
The state relief committee estimates the counties will be at least \$500,000 short of their required contribution for 1939 alone or \$1,300,000 for 1939-40. Counties have been told their budgets will govern relief expenditures and that relief will be halted when their funds are exhausted.

Judge Earl B. Day of Jackson county, president of the association, told the legislators that counties had budgeted all they could to relief but that it was not enough. "We have no elasticity in our budgets," he said. "Our road program has taken the top."

Day urged that either the state take over at least ninety percent of the relief load or give the counties a share in state liquor revenues, at present used to defray the state's contribution to relief.

County Commissioner Frank L. Shall, Multnomah, estimated that his county with a requirement of \$1,313,000, would be about \$500,000 short for the 1939-40 biennium.

"We have cut our costs per case to \$15.32, or to \$8.35 per person on direct relief," Shall said. "Some cases get only \$1.50 a week and have no other resources. This is strictly for emergency."

County Commissioner C. A. Biscow, Multnomah, declared that the county relief committee really was a "rubber stamp" for the state committee. Elmer Goudy, state administrator, said the supervision was a federal requirement.

"Costs of relief in states where the burden is carried by the state alone is substantially higher," Goudy said. When questioned he declared federal statistics showed administrative costs in Oregon to be lower than in other states. In reply to another question Goudy said that all counties had received equal proportions of match-money.

Summer Newell of the East Side taxpayers' association, Portland, urged that if the legislature transferred all social security to the state the present county contribution should be deducted from the county tax base because "the taxpayer is entitled to some relief too."

Well Plans Offered To Raise Water Supply

Refugee Hosts Hit by Bombs Of Insurgents

Temporary Capital City of Figueras Target; Toll Is Unknown
100,000 Persons Said Crowded Into Town Near Frontier

FIGUERAS, Spain (By courier to French frontier), Feb. 3.—(AP)—Insurgent warplanes dropped bombs upon the 100,000 refugees crowded into this temporary capital of government Spain in five hours of steady raids today.

First estimates were that 150 were killed and 200 wounded, but the exact toll probably will never be known. (Relief officials reaching the frontier tonight estimated the casualty total as at least 500.)

Gerona, 22 miles south of here, was bombed 16 times today, but no estimate of casualties was given. Houses were destroyed throughout Figueras, which normally has a population of 14,000.

Evacuation of Town Appears Underway
Tonight a general civil evacuation of the town appeared to be underway, but strict control by Spanish government authorities prevented a panic stricken rush to the French border similar to the one which came after the fall of Barcelona.

Figueras was so crowded that people spent last night sleeping in doorways and even in the streets. The bombs could not fall to hit human targets.

The first bombing was shortly after noon. It was the initial attack on the civilian part of Figueras since had become a haven for refugees from Barcelona.

An hour later the planes came back. Despite the gallant efforts of outnumbered government pursuit planes they sped over the town dropping bombs, whirled about, and came over again for another attack.

Salem Resident's Brother Killed

ONTARIO, Calif., Feb. 3.—(AP)—For 77 years, from the time of their birth, Edward and William Shook were inseparable.

Their long association ended today when Edward drove his automobile in front of a Union Pacific passenger train. He was killed instantly.

Survivors, beside the brother, are two sisters, Mrs. Edith Marshall, Erie, Ill., and Mrs. Margaret Marshall, Salem, Ore.

Ohio Valley's Streams Rise; 5 Known Dead

CINCINNATI, Feb. 3.—(AP)—Ohio valley flood relief authorities worked at top speed tonight to get a head start on the task being created by slowly rising streams which already had killed at least five persons.

On the heels of a weather bureau warning of probable stages at least five feet above flood levels from Huntington, W. Va., to Cairo, Ill., at the mouth of the Ohio river, the governors of Kentucky and West Virginia prepared to prevent the widespread suffering, death, and property damage that resulted from the record flood of two years ago.

Disaster relief committees, organized in numerous river cities following the 1937 flood, met to map out programs if the water should start flowing through the streets. No one was alarmed but all were getting prepared.

Ambassador Asks Rome to Explain Light Wanted on Fascist Press Attacks Upon US President

(By the Associated Press)
The United States ambassador to Rome asked Italy for an explanation of violent fascist press attacks on President Roosevelt yesterday at almost the same time the president was denouncing as a "deliberate lie" statements on which the attacks were based.

At the other end of the Rome-Berlin axis Mr. Roosevelt's denial so surprised Nazi officials that they kept silent pending some word from Adolf Hitler who alone determines German foreign policy.

The Nazi press had followed the same line as the fascists in lambasting the American chief executive.

In Washington the president, denying statements attributed to him that the United States frontier was the river Rhine, asserted the American foreign policy still rested upon unchanged, historic foundations.

Both Paris and London maintained official silence. Apart from the furor over the United States foreign policy, British Foreign Secretary Viscount Halifax coupled a disarmament suggestion with Hitler with a warning that Britain swifly was "resuming its ancient strength."

I. G. Angelis Gets Term in Prison

PORTLAND, Ore., Feb. 3.—(AP)—I. G. Angelis, Portland attorney, was sentenced to a year and a day in federal prison and an additional six months in a federal road camp today by Federal Judge C. M. McCulloch.

Angelis was convicted recently of hiding and conspiring to hide Anthony Gargullo, later convicted of kidnaping at Spokane. Judge McCulloch sentenced Jean Miller, hotel owner, charged jointly with Angelis, to three months in jail, suspended on condition she pay a \$500 fine. She was convicted only of harboring Gargullo, the court ruling out the conspiracy charge.

Firm Would Drill Stayton Island Source

"Water or No Pay" Is Offer Put Before City Commission
Bids to Be Opened on new Settling Basin February 24

Possibility of adding to Salem's water supply by developing wells at the Stayton island source was revived last night when the city water commission received a "water-or-no-pay" proposal from the Sterling Pump corporation of Stockton, Calif.

The offer was made a special order of business for the February 17 meeting. To assure the city of a clear, palatable water supply during the coming summer regardless of well developments, the commission called for bids to be opened on February 24 for a concrete settling and screening basin to be used in conjunction with the present underground supply. Its cost was estimated at \$15,000 including a type of construction to which filtration plant units could be added in future years.

Should last night's well bid be accepted and the project prove successful, the heavy investment entailed by a filtration plant would be forestalled indefinitely. It was explained. The proposal came independently of R. E. Koon, consulting engineer for the commission. The pump company offered, in brief, to drill and equip not more than five wells for a flat charge, payable only if 4,000,000 gallons of water per day were produced.

The commission would at its option pay for a lesser quantity produced or a slightly smaller proportionate sum per million gallons for any greater quantity of water developed.

The commissioners withheld the prices quoted, at the request of A. W. Lundy, vice-president of the Sterling corporation, as a protection against other operators who might offer to bid on a similar plan. The official was accompanied at the meeting by A. B. McLaughlin, local agent, Fred Hsieh, Sterling engineer, and Ray and Clyde VanMeter of Malin, Calif., well drillers.

McLaughlin said hope for securing heavily producing wells on the island was revived by the discovery of an 1852 federal surveyor's map which disclosed that the two favorable test wells, of the eight recently drilled there, lay in the old course of the North Santiam river. The stream has since divided, forming the island owned by this city.

Borah Convalescing

WASHINGTON, Feb. 3.—(AP)—Senator Borah, 73-year-old Idaho republican was reported by physicians today to be convalescing rapidly from an attack of grippe. Borah, now in emergency hospital, is expected to return to his capitol office next week.

3,500 SAN QUENTIN INMATES PROTEST FOOD

Although Warden Court Smith of San Quentin prison said he had acquiesced to demands of 3500 convicts for the removal of corned beef hash from the prison menu, the inmates continued their hunger strike and were kept in their cells. This aerial view of the prison, shows hundreds of prisoners in the yard as the strike began and they refused to eat prison fare.—AP Telegram.

Steiner to Be Buried Monday, Military Rites

Native of Marion County Constantly in Public Service 30 Years
Ill Since 1936 Campaign When He Was Keynote at GOP Convention

WASHINGTON, Feb. 3.—(AP)—Frederick Steiner, Oregon's former soldier-senator, will be buried Monday in Arlington National cemetery, Va., with full military honors.

The tall, broad-shouldered Oregonian died early today in his 86th year, following an illness contracted shortly after the 1936 republican national convention and which caused him to resign from the senate early in 1938.

The funeral services will be held at 6:30 a.m., PST, in the tiny chapel at Fort Myer. Dr. Zehner Phillips, chaplain of the United States senate, will officiate.

PORTLAND, Ore., Feb. 3.—(AP)—A public career which began 30 years ago as a deputy district attorney at Pendleton was recalled with the death at Washington today of Former Senator Frederick Steiner.

Born on a 2000-acre ranch in the Willamette valley near Salem, the senator was elected to the senate in 1926 while a Umatilla county resident. He was reelected in 1932 and announced he would not be a candidate for further public service from his Portland law office on October 23, 1937. He resigned at Washington the following January.

Steiner entered Oregon State college at the age of 15. He was graduated in mechanical engineering (Turn to Page 2, Col. 5)

Philharmonists' Concert Monday

Second Event of Season; Support Is Urged in Talks to Clubs
Salem's greatest musical asset, the Philharmonic symphony orchestra, Edouard Hurlimann conductor, will present its second concert of this season next Monday night, February 6, at the new high school auditorium.

During the past week an active campaign by speakers at service clubs and various local groups urging continued interest in the orchestra's promotion has been conducted.

In the coming concert the orchestra will give a novel program with emphasis on solo features by members of the orchestra, a quartette of French horns, a violin solo with harp accompaniment, and other individual solos by the clarinet, flute and saxophone.

Astoria Fisherman Dies, But Provides for Pet

ASTORIA, Feb. 3.—(AP)—Fluffy the cat will get milk and liver and have a roof to get under when she wishes one although her master, Albert Knudsen, 74, fisherman, is dead.

Former Senator For Oregon Dies



Mooney Marriage Rupture Revealed

Tom Denies Divorce Asked but Says There'll Be no Reconciliation
SAN FRANCISCO, Feb. 3.—(AP)—The collapse of Tom and Rena Mooney's 27-year-old marriage was revealed today with her charge that the labor leader had demanded a divorce, and his report that enemies had deliberately publicized the separation to discredit him.

Mooney, pardoned last month after 22 years in prison for the 1936 Preparedness parade bombing, admitted the domestic rupture, but denied he had demanded his wife divorce him.

Mrs. Mooney, who said she fought for her husband's freedom all during his imprisonment, said she would oppose a divorce because "we've been through too much to think of it."

"There will be no reconciliation," declared Mooney, who bitterly attacked what he said were newspaper and other inimical factions involved in revelation of his domestic troubles.

Mrs. Mooney told newspapermen her husband had demanded a divorce as soon as he got out of San Quentin penitentiary.

Klamath Man Dies In Own Gas Cell

KLAMATH FALLS, Ore., Feb. 3.—(AP)—A home-made gas chamber ended the life of Windsor L. Richards, 50, auto repair shop operator, last night.

Richards was found dead in the bedroom of his suburban home by his brother, Edward, who ignored a warning sign on the door: "Death—keep out."

On a table at the side of the bed was a nearly empty carton of potassium cyanide tablets. On the floor below was a crockery pot containing acid.

Richards had been dead more than an hour when he was found. Coroner George H. Adler said. Contents of two notes found in the house were not revealed, but Sheriff Lloyd Low said he was inclined to believe ill health might have been the motive for the apparent suicide.

Grand Jury to Get Case Soon; Larger Discrepancy Found

"Rolling" of Large Items at Year End Concealed Condition Says Report Supplementing First Audit
Amounts Close to \$1000 Added Each of Recent Years to Total; Cash Disbursement Dates Changed

"Immediate action will be taken," District Attorney Lyle J. Page promised yesterday afternoon when state auditors filed their supplementary report enlarging on their previous disclosure that a shortage existed in the office of the Marion county treasurer.

The new report raised to \$23,534.23 the aggregate alleged shortage, declared \$18,554.78 of the discrepancy between cash and fund balances existed December 31, 1932, beginning of the period covered by the audit, and itemized additional shortages discovered for each year to an including 1938.

Attempts to conceal the shortages by "manipulated or rolled" bookkeeping entries and alter "paid" dates on treasury checks was evidenced by records found, the report asserted.

District Attorney Page, who had been in consultation with the auditors most of the week, said the grand jury would be convened next week. He will decide on his course of action before that time.

Officials Deny They Know Where Money Went
Both Treasurer D. G. Drager and his former deputy, W. Y. Richardson, continued to maintain they did not know where the money had gone and Drager, a county official reported, asserted he had not known any discrepancy existed in his accounts. Richardson was discharged soon after the original audit was filed last November.

While first book discrepancies occurred in the office as long ago as 1917, the auditors traced into the first aid crew to the Deschutes hospital.

Mrs. Newbry's injuries were the more serious, including a back injury and a slight fracture of the sacrum. Rep. Newbry suffered abrasions of the cheek, right knee and right thigh.

Tabor told the investigating police officer that visibility was impaired by extremely heavy rain and the approach of another car. Mr. and Mrs. Newbry were walking across Center street when struck by the car which was turning west from Capitol.

Two Boys in Boat Object of Search

VICTORIA, B. C., Feb. 3.—(AP)—Searchers hunted on sea and land today for two boys who have remained unreported since Wednesday when they set out in a small gasboat from Cape Scott, northern tip of Vancouver island, for Scott island, five miles distant.

British Columbia police headquarters here learned of the search today in a wireless message from Constable W. Lockwood, stationed at Port Alice.

The report gave the last name of the missing boys as Frederickson, but did not disclose their first names or ages. It was presumed they were brothers. All boats in the vicinity had joined the search, police said.

Newry and Wife Are Both Injured

Knocked Down by Auto, Go to Hospital but Hurts not Deemed Serious
Rep. Earl T. Newbry, legislator from Ashland, and Mrs. Newbry were injured early Friday when they were knocked down by an automobile driven by Leonard Tabor, 754 South Commercial, a college student, at the intersection of Capitol and Center streets. The representative and his wife were first taken to their Salem residence, 607 North Capitol, and then after treatment by the first aid crew, to the Deschutes hospital.

Rain or Snow Is Billed for State

PORTLAND, Ore., Feb. 3.—(AP)—Despite a warm sun here today, the federal weather bureau predicts rain and snow for Oregon tonight and tomorrow, giving the lie to groundhog prognostications of yesterday.

Klamath Falls, the Columbia River highway eastward from Crown Point and the Siskiyou summit received snow today which hampered but failed to halt traffic.

Other roads were open and in good winter driving condition, although several were covered with packed snow.

Burns and Siskiyou summit had the lowest temperatures of points reporting to the federal weather bureau. They were tied at 18 degrees above zero. Other low readings: Baker 20, Bend 26, Brookings 28, Hood River 30, Lakeview 22, Medford 32, Newport 38, Pendleton 30 and Roseburg 26.

Coos Flying Club Asks US Subsidy

MARSHFIELD, Feb. 3.—(AP)—The federal government was asked by the Coos Bay Aero club, amateur aviators' association, today to initiate a subsidy for student pilots.

Payment of \$50 to any student pilot completing his solo test and an additional \$50 when 10 hours flying time was recorded was suggested.

The club asserted the plan would make available an increasing supply of war-time aviators.

Ross' PUD Bills Held Best By Legislative Committees

Support for PUD bills introduced by Senator Lyman Ross of Hillsboro was voiced Friday by legislative committees of the grange, the Farmers' union, and the Bonneville federation of Oregon. In a formal statement, the three groups declared that the Ross measures "incorporate the best features of laws now operative in other states."

During the day Governor Charles A. Sprague had indicated that he would not take any part in the PUD discussions unless the legislative committees before whom the three pending measures are to be heard fail to arrive at an agreement on a satisfactory bill. In that event the governor indicated he might use his office to smooth out a bill which would provide for the issuance of revenue bonds protected by satisfactory safeguards for citizens of the district where the PUD district was formed.

Legislative Sidelights:

Nonchalant visitor in the senate was Philip Jackson, editor and publisher of The Oregon Journal. Jackson sat on the rail adjoining the senate floor and listened with interest to the senate debate on the optometry bill. His father came down from Pendleton 80 years ago to take over The Journal when it was laboring in financial distress. He built the property into one of the most valuable newspapers on the Pacific coast.

Bruce Spaulding, deputy district attorney from Polk county, visited Senator Dea Walker yesterday and was introduced to the senate. Spaulding received his baptism of fire in the goon labor cases in Polk county, headed by the case against Al Rosser. He is a graduate of the Willamette university law school and started his legal work with Oscar Hyster, dean of the Polk county bar.

The ways and means committee hearing on relief problems

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

drew numerous prominent Portlanders. Seen in the committee room were E. C. Sammons, vice-president and sales manager of the Iron Fireman Co. and Burt Brown Barker, vice-president of the University of Oregon and a director in the First National bank of Portland.

Ralph Cake, president of the Equitable Savings and Loan association of Portland, is in town for a look-see at the session. Cake's arrival was almost simultaneous with the proposal that deficiency judgments be abolished in mortgage foreclosure actions. He has fought that measure successfully in many previous sessions.

The house adopted Friday a resolution calling for a joint session of the legislature February 14 to celebrate the 50th anniversary of Oregon's admission into the union on February 14, 1859.

Late Sports

FALO ALTO, Calif., Feb. 3.—(AP)—The University of California at Los Angeles kept its record of not winning a southern division Pacific coast conference basketball game this season intact tonight by losing to Stanford university 56 to 44 in the opener of a two game series.

Stanford led at half time, 23 to 17.

BASKETBALL SCORES (Catholic Tournament)
St. Mary's Medford 22, Mt. Angel 26.
St. Mary's (The Dalles) 22, St. John's (Milwaukie) 14.
St. Stephens (Portland) 22, Star-of-the-Sea (Astoria) 29.

High School
Hillsboro 34, Tigard 27.
Gresham 32, Canby 25.
Sandy 25, Parkrose 27.
St. Helens 33, Clatskanie 26.