

## NLRB Order in Portland Case Is Set Aside

### Linn Pioneer Falls Farmhand and Self

#### UCC Activity Investigation Demand Voiced

Pooling of Accounts Is Charged; Merit Basis Deemed Mandatory  
Campbell States Rating Will Be Retained but not yet Operative

Spirited criticism of the administration of the Oregon unemployment insurance act which included a demand by J. B. Kraus, Portland attorney, that no revision in existing statutes on unemployment compensation be made until the legislature could conduct a thoroughgoing investigation of the unemployment commission's activities, featured a hearing Friday night on proposed amendments to the present statute. The hearing was held before the house committee on revision of laws.

"I claim the commission has misused the trust funds set up for employers in the act and has pooled all the reserves," asserted Kraus.

Rep. A. S. Grant, chairman of the committee, called Kraus to order and declared that the committee would listen only to discussions which dealt with proposed amendments. "Any investigation of the unemployment commission's activities is a matter for the governor," he said.

"Pooling" Principal Issue at Hearing  
Bone of contention at the hearing was the alleged "pooling" of all unemployment reserves into one fund and wiping out of merit ratings for employers with a good record for steady employment of their workers.

Ralph Montag, Portland manufacturer, said the proposed amendments would eliminate all benefits to employers who were careful in staggering work and would block all of them in at a virtually uniform tax of 2.7 per cent.

Campbell explained that the merit system set up in the amendments would not be operative until July 1, 1941. Until three years experience has been built up in (Turn to page 2, col. 5)

#### Sprague Approves Valley Committee

Governor Charles A. Sprague Friday signed a bill by Sen. Douglas McKay, Marion county, creating a three-man commission to cooperate with the federal government in connection with the Willamette Valley project.

The cost of the project was estimated at approximately \$62,000,000, of which an \$11,000,000 appropriation has been recommended by federal officials.

### GALE LIKE WINDS DAMAGE SOUTHERN CALIF.



Strong winds of near gale proportions whipped through Southern California, uprooting trees, felling telephone lines, and in some spots creating dust storms that stalled auto traffic. This was a scene in Los Angeles where a huge tree was hurled down upon a house and garage.—AP Telegram.

#### Willamette Speech Teams Win Starts

Two Salem Squads Remain in Regional Debating Meet in Linfield

McMINNVILLE, Ore., Feb. 17.—(AP)—Ten teams still survived in a regional debate meet at Linfield college here today after seven rounds of competition had been completed in division A. They were College of Idaho, Gooding, Idaho; College of Puget Sound, Tacoma; Washington State college; University of Redlands, Calif.; Pacific university, Forest Grove, Ore. (2 teams); Willamette university, Salem, Ore. (2 teams), and Linfield college (2 teams).

In division B: Washington State, U of Redlands, Linfield and Whitman college, Walla Walla, Wash.

In division C: Linfield (3 teams), Northwest Nazarene college (2 teams), Pasadena college (2 teams), Whitman, Washington State, Willamette.

Division D: Whitman, Pacific university (2 teams), Oregon State college (2 teams), College of Puget Sound (2 teams).

Twenty-two colleges and universities of the west had teams entered in the meet.

#### Rep. Dies Declared Recuperating now

WASHINGTON, Feb. 17.—(AP)—Representative Dies (D-Tex.), who underwent an operation this morning after an acute attack of appendicitis, was reported tonight to be out of danger.

Dr. Elliott M. Campbell, who performed the operation, said the patient probably would be able to return to his office within two or three weeks.

#### OC Elks Are Fined

OREGON CITY, Feb. 17.—(AP)—The Elks temple here pleaded guilty through two attorneys today to possession of three slot machines and was fined \$30 by Justice of the Peace Paul C. Fischer.

#### Legislative Sidelights:

If Oregon's legislators want to finish their task quickly, now that pay has stopped, one method is suggested by an incident in the Ohio legislature yesterday. A member arose during debate and said: "I observe that the press is no longer taking notes, so I move that further debate be dispensed with." The motion carried.

#### Old Age Aid List Drops in County

No new clients were added to the old age assistance rolls in January and nine cases were closed, leaving 1464 on the active list at the end of the month, according to the relief office's monthly report. Payments for old age assistance during the month amounted to \$30,625.77.

#### Corvallis Quintet Pulps Paper Mill

Score Is 38 to 36 in AAU Tourney; College Boys Win 63 to 23

Last Night's Results  
Blain's of Albany 48, St. Paul 28.  
Brooks of Salem 44, Sheridan 18.  
Colleagues of Monmouth 68, Toledo 22.  
Corvallis 88, Papermakers 68.

Tonight's Games  
Brooks vs. Blain's, 7:30  
Corvallis vs. Monmouth, 8:30

Only the final fray, between the Corvallis Ramblers and Salem's Papermakers, was close as last night eight teams opened fire before around 2500 basketball fans in Leslie's pavilion. As a result of the four games Brooks Clothiers of Salem will play Blain's Clothiers of Albany, and the Ramblers of Corvallis will play Charley's Colleagues of Monmouth. The winners will be eligible to enter the state AAU tourney that starts in Portland February 28.

#### Medford High Student's Condition Still Serious

MEDFORD, Feb. 17.—(AP)—Ralph Coggins, 17, high school student injured last Wednesday when his bicycle crashed into the rear end of a parked automobile, was still unconscious at a hospital today. Physicians said the youth's condition was serious.

#### Girl's Eye Injured

Miss Audrey Shay, 1036 Saginaw, suffered a cut on the eye when she fell and broke her glasses about 11 o'clock Friday night. The first aid car was called.

#### Hit-Run Case Reported

Police were searching early this morning for an alleged hit-and-run driver who figured in a collision with Edgar Natziger, Salem route 6, on Court street near Capitol. No one was reported injured.

#### Late Sports

BERKELEY, Calif., Feb. 17.—(AP)—California defeated the University of California at Los Angeles in a conference basketball game here tonight, 54 to 32.

LOS ANGELES, Feb. 17.—(AP)—University of Southern California rallied in the last four minutes of play to defeat Stanford's basketball team here tonight, 35 to 23.

#### California Storm Toll Three Lives

\$500,000 Minimum Damage Figure Also Is Set in Howling Gale

LOS ANGELES, Feb. 17.—(AP)—Southern California counted a toll of three lives and property damage of at least \$500,000 tonight from a three-day windstorm.

As the shrieking gale died down, a survey showed citrus groves hardest hit, thousands of urban trees toppled, 2,700 telephones out of order, and losses from numerous fires exceeding \$80,000.

Sixteen buildings were damaged or destroyed by a blaze brought under control in Pasadena early today by 16 fire companies. Battalion Chief Russell Stone said it started from an electrical short circuit, possibly caused by the high winds. He estimated the loss at \$65,000.

A sudden shift in the wind saved many other buildings being menaced by the flames, but it was Pasadena's most disastrous fire in 15 years.

Losses to the citrus industry ran into many thousands of dollars, with 50 per cent of the fruit in some naval orange groves being blown to the ground. Much fruit remaining on the trees were bruised.

#### Portland Magazine Sold

PORTLAND, Feb. 17.—(AP)—Sidney Bartley, publisher and editor of the Analyst, official Masonic lodge publication for 11 years, announced today he had purchased the Spectator, Portland news magazine.

#### Shreck Fights His way Through Snow to Safety Following Crash



Roy Shreck, Spokane, Wash., weather observation pilot, who was missing for three days after beginning a routine flight, is shown with Mrs. Shreck, who is holding the compass the pilot removed from his plane after the crash in the snow-covered northern Idaho mountains, and used it to guide him in his 25-mile struggle through deep snow. He was captured.—AP Telegram.

#### Shoots at Son With Shotgun, Charge Misses

Frank Hughson, 69, and Robert Aerni Found Dead Upon Farm

#### Mental Trouble Blamed; Resident of District Over Fifty Years

ALBANY, Feb. 17.—(Special)—Frank H. Hughson, 69, farmer of the North Albany community in Benton county for 50 years, killed himself with a shotgun in his farm yard tonight after firing two blasts at his son, Chester Hughson. When officers arrived to investigate they found that earlier tonight, the elder Hughson had shot and killed Robert Aerni, 19, a farm hand on the place. Members of the family said Hughson was out of his mind due to illness of long standing.

State Policeman Curtis Chambers, called shortly after 6 o'clock, was told that the elder Hughson, who had been complaining about the house during the day concerning young Aerni who had been hired by his wife, left the house about the time Aerni came in from work in the field. Mrs. Hughson heard two shots shortly afterward but thought little of it.

About 6 o'clock Chester Hughson came to the farmhouse from the adjoining place. Noticing milk buckets on the porch indicating the milking had not been begun, he went to the barn inside, his father fired at him twice with his shotgun at close range but missed. The son ran and called the state police.

When Officer Chambers arrived, it was nearly an hour before either body was found. Hughson evidently had dragged Aerni's body behind a shed and covered it with boards, then had gone behind the milk house and shot himself fatally, falling behind the watering trough in a place where his body was concealed.

Young Aerni, whose parents live on route 8, Albany, had worked at the Hughson place for a number of months.

#### Hudson D. White Is on Way Here

ENTERPRISE, FEB. 17.—(AP)—Sheriff A. B. Miller left today for Salem with Hudson Dodd White, who pleaded guilty to three charges of sodomy and was sentenced to 30 years in prison.

A former school teacher, White was indicted for offenses against two little girls and a boy.

#### Find Forester's Body

EUGENE, Feb. 17.—(AP)—The body of Tom Lewis, 34, Siuslaw national forest employee who was drowned Jan. 2, was recovered today. He lost his life when his boat swamped in the swift current.

#### Azana Demands Spanish Peace On Any Terms

Loyalists' President Is Insisting Resistance Useless, Report

#### Rome Authorities Aver Shooting Near Duce 'Act of Madman'

(By The Associated Press)  
A demand that his government make peace on any terms was reported laid down yesterday (Friday) by President Manuel Azana of Government Spain.

Azana, who conferred in Paris with his foreign minister, Julio Alvarez Del Vayo, was represented by an aide as insisting further resistance to the nationalists "is vain."

At Burgos, Nationalist Generalissimo Franco's capital, British and French actively were rushing negotiations to end the Spanish conflict.

Alvarez Del Vayo was believed awaiting outcome of the Burgos consultations before flying back to Madrid to convey Azana's demands to government military leaders.

A sensational stemming from the war occurred in Brussels when nine Spanish nationalist sympathizers seized the Spanish consulate in a surprise night raid, only to be ejected by police.

US Asks Japan To Explain Late Act  
International developments in the war in the Orient centered on the action of the United States in asking Japan for an explanation (Turn to page 2, col. 2)

#### William O. Douglas Talked for Bench

White House Sounding out Sentiment Upon Choice of Ex-Westerner

WASHINGTON, Feb. 17.—(AP)—There were authoritative reports today that the White House is sounding out sentiment in the senate on the possible appointment of William O. Douglas to the supreme court.

One well-informed senator said he had substantial reasons to believe that Douglas, chairman of the securities and exchange commission, now tops the list of those being considered by the president for appointment to the place vacated by the retirement of Associate Justice Louis D. Brandeis.

This senator said that the question of establishing Douglas as a westerner and thus satisfying the demands of some senators that a western man be appointed to the court was playing a large part in maneuvers behind the scenes.

When President Roosevelt sent up the nomination of Douglas to be a member of the securities and exchange commission on January 16, 1938, he designated him as "William O. Douglas of Connecticut."

Douglas, who is 41 years old, has a western and midwestern background, however. He was born in Maine, Minn., and later moved farther west, attending Whitman college at Walla Walla, Wash., and teaching school at Yakima, Wash.

#### KOY Still Seeks KOAC's Wave Use

CORVALLIS, Feb. 17.—(AP)—Oregon State college officials said today KOY, Arizona radio station, apparently would continue its effort to gain a license granting use of the KOAC station's frequency.

Notification was received that KOY officials had filed a petition asking the federal communications commission to reverse its recent decision granting KOAC a rehearing.

The college, to protect the KOAC regional channel, filed an application to increase the power of the station to 5000 watts. L. E. Brettingham, emergency representative of the college and state board of higher education, said that if Oregon did not develop KOAC, the federal communications commission might grant the facility to some other station.

KOAC is the only educational station with a license to operate full time on a regional cleared channel.

#### Two American Cardinals Will Arrive Tonight

Rome, Feb. 17.—(AP)—Dennis Cardinal Dougherty, Archbishop of Philadelphia, and George Cardinal Mundelein, Archbishop of Chicago, are expected to arrive here tomorrow night, the first American cardinals ever to complete a trans-Atlantic crossing in time to vote in the election of a pope.

The only time heretofore that an American cardinal balloted on a new pope was in 1914 when the late John Cardinal Farley of New York happened to be in Switzerland and reached Rome in time to participate in the election of Pope Benedict XV.

United States embassy officials tonight completed arrangements to receive the prelates.

It announced that Consul General Thomas Bowman would greet them when they arrive at Naples on the liner Rex and that Edward L. Reed, counselor, and Samuel Reber, second secretary of the embassy, would be at the station to welcome them in Rome. Bishop Ralph Hayes, rector of the North American college in Rome, also was expected to be at the station.

#### Townsend Backed By Mott, Angell

Later Congressman Says Pension Better Than Social Security

WASHINGTON, Feb. 17.—(AP)—The Townsend old-age pension plan was supported at a house ways and means committee session yesterday by Oregon's congressional congressman, Homer Angell of Portland and James Mott of Salem.

While Dr. Francis E. Townsend sat nearby attentive to witnesses supporting his philosophies, Congressman Mott asserted he saw little necessity for creating the special fund provided for in the welfare bill to handle payments under the proposed transactions tax.

Representative Crowther (R-New York) asserted he had been advised by Townsend supporters the measure passed without change.

"I have heard that," Mott replied. "I've also heard they want \$200 a month, not \$150 or \$199, (Turn to page 2, col. 2)

#### Roosevelt Okehed Showing of Ship

Army Men's Protest Over Display for French Overridden, Report

WASHINGTON, Feb. 17.—(AP)—As a result of the senate military committee's long-standing and still-continuing opposition to secret proceedings, a transcript of testimony taken in its investigation of the sale of war planes to France was made public today, revealing that:

President Roosevelt, at a White House conference, personally gave instructions that a newly developed airplane be demonstrated for a French military mission.

He did so over the protest of the war department, and of Maj. Gen. H. H. Arnold, chief of the army air corps.

The aeronautical board of the army and navy, established to control the demonstration or sale of military planes to foreigners, was not consulted.

The French mission apparently had prior knowledge of the plane in question, a light bomber, built by the Douglas Aircraft company.

Arnold was assured that the sale of such planes to the French would not be permitted to delay the pending administration plane-building program.

#### Court Decides M&M Mill not Unfair to CIO

Board Ruling That AFL Contract Was Void Is Overruled

#### Former AFL Members Charged Closed Shop Discriminatory

SAN FRANCISCO, Feb. 17.—(AP)—The U. S. circuit court today set aside a national labor relations board order which had declared void a closed shop contract between the AFL and the M and M Woodworking company of Portland, Ore.

The court, in a two to one decision, held that charges of company discrimination against the CIO local 102, International Woodworkers of America, were not supported by the evidence.

The suit grew out of a labor dispute in which 450 members of the AFL local 2531, United Brotherhood of Carpenters and Joiners, assertedly withdrew from the organization Sept. 12, 1937, and affiliated with the CIO.

Following an NLRB hearing of CIO charges that the company had violated the labor act by restricting employment to AFL unionists, the board ordered the company to discharge certain members of the AFL and employ CIO men who were awarded back pay.

The circuit court decision said the company had acted in compliance with its closed shop contract with the AFL, which was legal, and therefore had not discriminated against the CIO.

The company pointed out in its petition to the court that the AFL closed shop contract was made in February, 1936, and had five months to remain in effect when the 450 AFL members withdrew to the CIO in September, 1937.

Justices Curtis D. Wilbur and Clifton Mathews said in the majority opinion that the withdrawal of the union as a whole was not legal because 39 members did not withdraw, and the by-laws of the AFL union stated a local union cannot withdraw as long as 10 members in good standing object.

#### Father, 7 Children Are Fire Victims

PORTLAND, Ore., Feb. 17.—(AP)—Tom Malarky, M & M Woodworking company official, said tonight the plant had been operating since April 11, 1938, with 270 employees, 80 per cent of whom are affiliated with the CIO and the remaining 90 with the AFL.

"We can't say what our position will be until we read the decision," Malarky stated in commenting on a U. S. circuit court order setting aside a national labor relations board ruling voiding a closed shop contract between the company and AFL.

Ed Hansborough, 40, a carpenter, perished with his five daughters and two sons in an attempt to rescue them from the flames. The dead were Harriet, Molly, Beulah, Lena, Effie, Buddy and Sam. Harriet, the eldest, was 12.

Mrs. Hansborough, who was sitting downstairs with her husband reading when the couple became aware of the blaze, carried her 2-year-old boy, John, from the flaming home. The father first rushed out of the house for help, but returned immediately to aid the children asleep upstairs.

#### Solons Decline to Adjourn And Force Special Session

The legislature Friday ended its 40-day pay period but resisted a movement to adjourn sine die and to force Governor Charles A. Sprague to call a special session for which the members would be paid. Senator Lyman A. Ross, after futile efforts to get 16 signers for his resolution calling for adjournment by midnight Friday, did not introduce the resolution.

The session was getting into full swing as the week drew to a close with observers agreeing that two more weeks would bring the session to an end. Hereafter none of the members will receive a \$3 daily compensation.

Progress in solving the vexing problem of handling greater relief demands in 1939 and 1940 without additional taxes was seen when the house taxation and revenue committee asked Robert Boyd, state liquor commission attorney, to draft a substitute measure for the bill of Senator Rex Ellis which would have increased liquor prices 10 per cent.