Marriner S. Eccles, who reversed

himself to declare the budget

ought to be balanced because a

majority of the people think so, although he still contends it

Ernest T. Wier, leading figure in

the steel industry, who advised

an embargo on scrapiron expor-

tation "until such time as we

build up reserves of this basic

raw material to meet any emer-gency."—IIN photo.

Kurt Schuschnigg, former Austrian premier, reported by friends to have been released by the nazis although the nazi propaganda office denies it.

The Oregon Statesman

Generally fair today and Saturday, Max. temp. Thurs-day 70, min. 40. River 9.7

Slovaks Repulse Hungarian Invaders

James J. Hines, Tammany leader, who drew a sentence of four to eight years for conspiracy in connection with "protection" of the gigantic "policy racket" in New York City.

With Artillery, but Quarry Is Gone

Durand Takes Rifle and Shoes from Bodies of two Victims

Advancing posse officers found tonight Earl Durant, 26-year-old slayer of four, escaped from his canyon stronghold while a wartime howitzer and trench mortars were being rushed to blast him

Moving on the raw meat-eating fugitive's boulder fort to recover the bodies of two slain comrades, Sheriff Frank Blackburn and a force of volunteers rushed into the

lair to find Durand had vanished. During the advance of divided

Sheriff Blackburn declared Durand must have scaled during last night the steep ridge wall behind his fortress. Under cover of darkness he probably reached the pinacle formations at the ridge summit.

Taken From Dead

The renegade ranch hand who killed two officers after break- out his chin, and guiped. ing from the Cody jail last Thurslast night may have descended the ridge's west slope into the Sunlight valley country. Sheriff Blackburn said.

On an open slope 50 yards in front of the rocky buttress from which Durant stood off 100 riflebe the issue over which Europe would surely go to war,—IIN men last night Sheriff Blackburn's force found the bodies of Orville Linabary of Cody and Arthur Garlento of Meeteetse, Wyo. Parity Payment Figure Is Both were shot through the stomach. Linabary had fallen with his shoulders across Argento's legs. Sheriff Blackburn said Durand had taken Linabary's shoes off his feet, picked up Linabary's 30-30 rifle and snatched the laces from

> The crafty Durand, slinking in the dark like the mountain wild cats he has tracked, evidently night before scaling the ridge wall to elude the besieging force he had challenged would never take

Howitzer Company **Brings Heavy Guns**

Durand's escape was discovered is a detachment of the howitzer company of the 163rd infantry. Montana national guard, neared the siege scene from Livingston, Mont., with a .337 millimeter howitzer and a three-inch trench

Having failed to get their man with the traditional weapons of the west-rifles and six-shooters -the mountain posse turned to modern military weapons for an assault its leaders had believed would bring out Durand, dead or

But the heavy wartime weapons now were useless, Sheriff Blackburn admitted, unless the cunning slayer was holed up quickly

Durand broke out of the Cody a term for game poaching. He that night.

Price Cut Trend Felt

GRANTS PASS, March 23-(AP) large bread loaves from 15 to appointed by the governor. 14 cents each, the first price cut

Again, Eluding Nearly all Carpenters Congress Act, Posse, Troops In Salem Are Employed Halt Deficits

Howitzer Force Arrives Other Skilled Trades Also Report Small Amount Personal Belief It Will of Unemployment; Optimism Is Felt for Good Season; Construction Active

> A healthy spring pick-up in building operations in and Good Faith of New Deal near Salem was reported yesterday at the Labor temple Virtually all the carpenters affiliated with the Salem

carpenters' union are at work along with most of the mem-CODY, Wyo., March 23-(AP)- bers of the other skilled trades, W. L. Duncan, assistant busio ness agent for the building trades Penalty of Hines "The building laborers are not

ment for them is expected to pick

up soon if this fine weather con-

tinues," Duncan added. "We also

expect that construction of the

Bonneville power line through the

rolls, particularly for linemen."

valley will boost employment

Duncan estimated 100 carpen-

ters registered at the labor tem-

(Turn to page 2, col. 3)

Court; Judges Will

not Tell Names

Reluctant to discuss the cases.

"We're trying to solve the

ases for the best interests of each

In the two cases already dispos-

Sugar Quota Act

Amendment Voted

WASHINGTON, March 23 .- (AP)

A rebellious senate overrode ad-

luota act so as to give domestic

Senators from mainland cane

of sugar that Cuba and other for-

eign producers may send to this

The complicated amendments

revised the method for determin-

said they would have the effect of

increasing from 55.59 to 60 per

cent of the total consumption the

producers a larger share of the

United States market.

ministration wishes today and

boy," the judge said.

Juvenile Looters

Is 4 to 8 Years Appeal Is Planned; Noted Political Dynasty Is **Brought to Close**

NEW YORK, March 23-(AP)-A political dynasty begun in the 1870's by a blacksmith whose party faithfulness got him the posse forces, the cross firing business of shoeing the city's caused officers to believe Durand horses was eclipsed today by the was answering their fire. district leader James J. "Jimmy' Hines, to four to eight years in

Judge Charles C. Nott, jr., or-dered Hines to prison for acting as the hired political protector of the old Dutch Schultz policy racket. As the Tammany leader pulled his big, aging body erect to hear the judgment he pushed

It meant the breakup of a ca reer which made Hines one of the most powerful bosses the city ever knew — a supposed dispenser in (Turn to page 2, col. 4)

Farm Aid Amount 750 Millions

250 Million, not in Budget of FDR

WASHINGTON, March 23-(AP)-The house went to work today on a farm benefit appropriation rum (D-Va), leading house exponent of reduced government years. expenditures, asserted the curcrawled down to the bodies last rent economy drive was "out the window."

floor by the appropriations com-\$750,000,000 to promote agri- to blame. cultural recovery. The committee disregarded a request from President Roosevelt for a 30 per cent reduction in the cost of the farm program. Included in the bill was a \$250,000,000 item for "parity payments" which just barely received the approval of the com-

(Parity payments are benefits designed to raise the purchasing (Turn to page 2, col. 1)

Gov. Stark Urges **KC Police Purge**

JEFFERSON CITY, Mo., March 23.-(AP)-Gov. Lloyd C. Stark asked the legislature today for that the change might upset the control of what he termed Kansas administration's reciprocal trade jail last Thursday, while serving City's "politically shackled" police department today and brought shot and killed two peace officers shouts of "Hitlerism" from the enemy camp of "Boss" Tom Pen-

In a surprise personal appearance, Stark urged the legislature -studded with Pendergast's By Grants Pass Bread friends-to lift the police from the control of "political bosses and ward leaders" and place the Grants Pass bakers said today department under a bi-partisan amount to be supplied by domestic they had reduced the price of state board of four members to be "Your plain duty is to emanci-

since establishment of the state bakery control board. The board was abolished by the recent legislature. pate the police department, to free it from political slavery," Stark said while Pendergast-affiliated legislators sat in silence." Hope Is Given up For 12 on Plane

TOKYO, March 24-(AP)-A Domei (Japanese news agency) dispatch from Dairen today said hope had been abandoned for 12 persons aboard a missing Tient-sin-Dairen airliner after pieces of wreckage had been found

The plane disappeared yester-

Infant Is Strangled

scribed the crowd as similar to that of Salem day at the state fair.

Pive bands added aural color to the show. From out of the city came the red and blue uniformed 50-piece Lebanon high school band. The city supplied to be the bride of Johnny Weissmuller, Tarsan of the screen.

Wrs. Berri Scott. who is scheduled to be the bride of Johnny Weissmuller, Tarsan of the screen.

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Wrs. Berri Scott. who is scheduled to the screen.

Wrs. Berri Scott. who is scheduled to the show at the new Liberty street location.

Ad club members were particularly pleased with the general four musical organizations of its own, the Salem Municipal band, (Turn to page 2, col. 3)

Wester," and Dorothy Starkey.

"Young Woman With Picture," all representing a mous paintings.

Motorcar dealers outdid themselves in presenting a blocklong auto show at the new Liberty death late yesterday when she fell from her bed and was caught between the bed fram; and a Sunday.

School band. The city supplied four musical organizations of its own, the Salem Municipal band, (Turn to page 2, col. 3)

Be "Disastrous" but Majority to Rule

Spokesman Questioned but Approval Given

WASHINGTON, March 23 .- (AP) -One of the most paradoxical situations in recent years arose today when Marriner Eccles, a foremost advocate of government spending, virtually urged congress to proceed at once to balance the budget.

The chairman of the federal reserve board said there was strong sentiment in the country for such a program, and that a majority of congress appeared to favor it While he expressed belief it would be "disastrous," he took the posi-

ple were at work throughout the district represented by the local tion that the majority should rule. To this he added a statement unions. The district extends to that substantial reductions in gov-McMinnville in Yamhill county, to ernment spending could come only Falls City, Dallas, Monmouth and through cutting appropriations for relief, for CCC camps, public Independence in Polk county and works, veterans compensation farm benefit payments and national defense, and that for such cuts congress "should assume full re-Good Faith Doubted

Committed, Word By Economy Advocates His statement, made before a special senate committee on silver Two Cases Disposed of in legislation, was promptly interpreted by some members of the County Judge J. C. Siegmund ment, as an effort to put congress yesterday said that cases of two "on the spot" and absolve the adof the 12 boys recently rounded ministration of blame.

up by city and state police in a Others argued that Eccles' cleanup of automobile looting had straightforward language on some boys come up for juvenile court ferred particularly to his asser-(Turn to page 2, col. 1)

Judge Siegmund declared it his belief it was for the good of the boys involved that little publicity Slated by Eccles

Suspicious that a number of

ed of, the boys were committed salary increases in state departto the state training school. Ages ments were approved without of all 12 range from 15 to 17 merit in the closing weeks of the democratic administration. Reporting an unusually large David Eccles, newly named state number of cases of delinquent budget director, announced boys brought before him during Thursday that he was going to the last year, Judge Siegmund probe these increases and if he said that in many instances he found them unneeded, order salconsidered their parents largely aries reduced. The utilities department is reported to have advanced a number of its administrative workers before the new state administration took office nounced he would cut out the monthly budgets required the last three years from all state for a three months' budget. Too much bookkeeping was required under the former system, Eccles opined. He also said he thought head to guage accurately his month-to-month expenditures. A sible a soundly planned budget. three months' period makes pos-Eccles believes.

and beet regions pushed through their amendments without a record vote after three hours of tur-Richberg Reports bulent debate despite a plea from Majority Leader Barkley (D-Ky) **Progress Is Made** program by reducing the amount

MEXICO CITY, March 23-(AP)-Donald Richberg left for Washington today "neither encouraged nor discouraged" over prospects of a settlement with Mexico on the nation's expropriated foreign oil industry.

"It's a long road between the United States and Mexico," commented Richberg, representative of the major United States oil companies expropriated last March

He added, however, that he "knew the road better now" after two weeks of inconclusive conferences with President Lazaro Car-

La 'e Sports

(P) Seventeen boxers from var-

Tarzan' Flits Build' Pickup Noted; Eccles Urges Surrender of Madrid Is Reported Imminent

One infantry battalion went to

the frontier line, a second infantry

battalion and one bicycle unit pushed to Ubla and Stakcin, a

short distance across the border.

and a motorized regiment with

tanks advanced to Sobrance, 12

A group of Hungarian planes

was said to have flown shead of

the advance, circling over Mich-

and proceeded toward Presov, 30

(Turn to page 2, col. 4)

Wallingford and Bozarth

Freed but Face Other

Charges, Portland

HILLSBORO, Ore., March 23-

(AP)-Leon V. Wallingford and Mel-

vin A. Bozarth, who pleaded

guilty to participating in the

bombing of the Fugey store at

Rock Creek, May, 1935, were each

sentenced to a year in the county

cause they already had spent more

The men, arrested in the 1937-

AFL warehouse union official at

same bombing. The incident was

Jake Minsky, who also pleaded

guilty to taking part in the Tigard

(Turn to page 2, col. 2)

Schuschnigg Isn't

Released, Claimed

VIENNA, March 23-(AP)-Ru-

mors described as originating

with friends of the family said

today that ex-Chancellor Kurt

Schuschnigg of Austria had been

released early this week from

quarters at the Hotel Metropole.

er since shortly after annexation

of Austria by Germany March 13

Inquiries at the Vienna propa

ganda office brought the reply

According to one report he had

been sent to a village near Leip-

zig where a small bouse with a

Schuschnigg has been a prison-

(secret police) head-

miles to the southwest.

Budapest Denies Intent | Close of Long Of Military Operations War Heralded

Vague Status of Border Is Reported as Cause of Troops' Entry; Skirmishes, no Casualty, Is Official Report at Bratislava

BRATISLAVA, March 24-(AP)-(Friday)-The Slovak government announced early today that Hungarian forces had been thrown back after penetrating 12 miles into eastern Slovakia from Carpatho-Ukraine.

The official press bureau said there had been skirmishes, but no casualties. Details of the fighting were lacking. -o An official communique last

night said the Hungarians sent Al Capone Admits three columns acress the frontier early yesterday from Berezny Need of Religion (Beregszasz), three miles across the frontier in Carpatho-Ukraine. Starina, 12 miles northwest of

Is First of 17 to Answer Invitation, Baptist Minister Reports LOS ANGELES, March 23-(AP)

-Al Capone has embraced religion and is attending church services regularly at the federal prison on Terminal island. alovce, 22 miles from the border,

The Rev. Silas A. Thweatt, pastor of the First Baptist church of San Pedro, disclosed tonight congressional group which has that Chicago's former No. 1 pubbeen urging economy and the removal of "oppressive" taxes to stimulate business and reemploystimulate business and reemploy-"Died Abner as a fool dieth?" The sermon was taken from II Samuel, III, 33.

"At the end of my sermon I asked the 73 men at the service in the prison if they felt the need of prayer," the minister said. "Capone, among many oth-ers, raised his hand, and we

prayed for them. "Then I asked if any of the prisoners felt the need of the Saviour. I asked those who did to stand. Capone was the first to rise. He was followed by 16 others. We prayed again for the men who arose and then closed the services with a hymn.'

jail today but were released be The Rev. Thweatt explained that prison rules forbid approaching closer than 10 feet from the 38 investigation of labor terrorinmates, and said he was unable to talk directly with the oneism, were state witnesses at the trial of Jack Estabrook, former time underworld chieftain about Portland who was convicted at his

third trial in connection with the Wenatchee Valley the outgrowth of a beer-labor dis-Flood Is Harmful

WENATCHEE, Wash., March 23-(A)-Floods which today are ravaging Moses Coulee homes and Bozarth was paroled from the destroying orchards and farm bench. Both Wallingford and lands also had blocked the Great Bozarth will be transferred to Northern trains to Mansfield as Portland to enter pleas to charges confronting them in Multnomah neighbors on higher ground. The United States soil conser-

vation service may send officials here in an airplane tomorrow to survey the area, George Dunning, Spokane official, telephoned to-

Fed by melting snow from Big Bend wheatfields, and with no immediate prospect of cooler weawashed out a mile of road, a quarter-mile of pipe-line and a section of railroad track. All egress from the canyon except by foot or horseback has been blocked.

Tractor Running

tractor he was operating at his father's farm north of here struck down and kille! Ernest Brunner, 35, today. Brunner, who had been letting the tractor run by itself while he loaded limbs from trees he was pruning, apparently slipped and fell garden was placed at his dis-in front of the machine. . posal.

On Both Sides

Hitler's Talk at Memel Somewhat Reassuring but Meaning Vague

Britain Receives Soviet Support on Agreement, Poland Holds out

HENDAYE, France (at the Spanish frontier), March 24-(Friday)-(AP)-Border reports early today said that both Spanish republicans and nationalists were speeding preparations for surrender of Madrid and the end of the 22months-old civil war.

One report was that a Madrid radio speaker had declared surrender of Madrid was "a question of minutes" but this report was denied in the republican capital by General Segismundo Casada, de fense minister in the government

headed by General Jose Miaja. Obvious plans for surrender of the capital were being made, according to the border advices. The nationalist municipal council, Madrid administration, was in In Bombing Case continuous session at Valladolid, between Madrid and the nationalist capital, Burgos.

> (By the Associated Press) Adolph Hitler formally took Memel under his wing Thursday with a typical nazi flourish and left the world more puzzled than ever on what next to expect.

Within two brief hours the fuehrer sailed majestically into the Baltic port, welcomed Memelland's 150,000 citizens and 1099 square miles into greater Germany and pledged his empire's readiness and determination "te master its own fate."

Then he sailed away again for an undisclosed destination leaving behind a mystery over a hint in his speech that Germany had come to a halt in her territorial expansion.

"I believe that now, in the main, we have arrived at an end (Turn to page 2, col. 1)

Memel's Cession Bozarth, however, was sentenced to 30 months in the state prison by Circuit Judge R. Frank Under 'Suspicion' Peters on charges of participating ing pleaded guilty to the count,

WASHINGTON, March 23-(AP)-The state department accepted Adolf Hitler's acquisition of Memel as a fact today, but broadly hinted that it believed the reichsfuehrer's latest triumph was accomplished through threat or

The Lithuanian minister, Povilas Zadeikis, notified the department of the newest change in Europe's map. He said his government had decided to cede the territory to Germany, and that this decision had been approved by the Lithuanian parliament.

Sumner Welles, acting secretary of state, indicated that in view of the constitutional action taken by Lithuania, it was not up to the United States to take an active step against recognition of Germany's acquisition. He gave a clear idea of the government's attitude, however, by saying that its views with regard to the acquisition of territory through threat or duress had already been made clear on various occasio

Theory in Slaying Case Found False

SPOKANE, March 23.-(P)-Deputy Prosecutor Carl Quacken bush's "jealous lover" theory blewup today and left the sheriff's of fice without a clue to the double alaying of Mrs. Maude Jansen and Dan Patchett in the woods east town Monday night.

The deputy prosecutor admitted tonight that the man he referred to last night us the "probabilities" and a "jealous p" frewho watched outside a beer parwhile the slain pair drank instant had been arrested questioned that definitely established an align the time the killing was of

But no Casualties Known

RUCUMAN, Argentina, March 24-(A)-This northern Argentina city was rocked by a strong carthquake at 9 p.m. last night. Residents were badly frightened. The temblor cracked many walls,

Spring Opening Sets Record As Season Styles Exhibited

downtown Salem streets last night to view merchants' colorful window offerings for the season of flowers and showers, Stanley E. Keith, charter member of the Salem Ad club, sponsoring organization, reported. Estimates of the number of people at the various centers of attraction ranged from 14,00° to 25,000. City police officers, harassed Lee Holmes, "Mile Charlotte:"

The plane disappeared yesterday when it took off with nine passengers and a crew of three on a 250-mile hop across the Gulf of Chihli.

Among the wreckage was a part of the plane's fuselage and irrector, under sponsorship of the junior chamber of commerce. Children participating were Dessa Lee Holmes, "Mile Charlotte:"

The largest spring opening crowd in bistory gathered on downtown Salem streets last night to view merchants' color-

various centers of attraction ranged from 14,00° to 25,000.
City police officers, harassed by the task of coordinating heavy motor and pedestrian traffic, demotor and pedestrian traffic, described the crowd as similar to vester." Marvin Kuhn, "The Harassed the crowd as similar to vester." and Dorothy Starkey

ious parts of Oregon chalked up first-round victories in the Ore-gon state high school boxing tournament tonight. The tournament will continue Friday and Saturand at the same weight Dahrnes of Sandy, decisioned Ireland of

Alone Kills Man EUGENE, March 33-(AP)-A

Student Revolt in Ecuador Attains Serious Proportions

QUITO, Ecuador, March 23- close to the government said (F)-Students, strikers and police vigorous federal police measures clashed here early today in what

building for 12 days. Causes of their strike against the government have been clouded in official language speaking of "dissension" with the ministry of education.

vigorous federal police measures were inspired by the "discovery" of a program of action which left wing factions intended to amploy should their "Marxist" revolution succeed.

The students have been hold- when federal police unlesshed ing out at the National university surprise attack on the university. Seventy four students were trapped within the university buildings when "carabineros" with fixed bayonets broke through

locked doors.
Students promptly hauled
(Turn to page 2, col. 2)