

Vacation Days
Are here promising plenty of pleasure. Your trip will be more pleasant if you call 6101 and have The Statesman follow you with the news of home.

The Weather
Showers today followed by clearing Saturday. Rising temperature. Max. temp. Thursday 68, min. 47. River -1.7 feet. SW wind.

EIGHTY-NINTH YEAR

Salem, Oregon, Saturday Morning, June 17, 1939

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No Traces Found of Lost French Submarine

State Ends Testimony After Officials Heard

Drager Is Due To Take Stand In Trial Today

Judge Seigmund, Hewlett Testify Shortage Was News to Them
Drager to Relate Story of Checks Written on Private Business

Three county officials, a former county commissioner, two bankers and a Salem man interested in the Salem Mining company were called to the witness stand at the trial of W. Y. "York" Richardson, former deputy county treasurer, in circuit court yesterday afternoon as the state wound up its direct testimony. Richardson and County Treasurer D. G. Drager are charged jointly with larceny of \$23,520.41 of public money.

"The state rests," Francis E. Marsh, prosecutor, announced at 3:15 p.m. after C. C. Ward, deputy county clerk, had testified that Richardson's salary had ranged from \$3 a day in 1915 to \$100 a month in 1920, \$110 in 1925 and \$115 from 1930 until his dismissal last November. Testimony had been adduced Thursday to show his yearly personal expenditures from 1924 to 1932, inclusive, ranged between \$1,435.95 and \$3335.45.

The treasurer is expected to be one of the first witnesses the defense will call when the trial resumes at 10 o'clock Monday morning.

Drager to Take Stand Today
Drager's attorneys agreed yesterday that he should waive immunity and testify at the request of Edwin Keoch, Richardson's counsel, regarding checks the treasurer wrote on county funds for what Keoch contends was private business.

J. C. Slegmund, Marion county judge since 1927, was the first county official to testify at the afternoon session. He was first to state that the county court had employed the state auditors who found the treasury shortage and then Marsh asked:

"Prior to about the time they completed the audit did you have any knowledge of a shortage or book discrepancy in the treasurer's office?"

"No, sir," answered the elderly judge. "The first time I knew about the shortage was when the auditors brought in their report."

"Did Mr. Richardson make any statement there that he knew there was a shortage?" Marsh inquired, after Judge Slegmund had told of a conference last November attended by the auditors, District Attorney Lyle J. Page and the court.

"I think there was some statement to the effect that there was a shortage or an error," the judge replied.

Where Trouble Brews in East



Tientsin, China, is the newest "hot spot" in the far east. A Japanese blockade of the British and French concessions there threatens international complications with Japanese adamant to British demands that search and seizure of British subjects cease. (IIN)

Officials Question Kin of Dead Child

Lie Detector Is Brought to Unravel Story of Tiny Babe

FREMONT, O., June 16.—(P)—Authorities questioned relatives of slain Haldon "Buster" Fink with the aid of a lie detector tonight in an effort to unravel the perplexing slaying of the 10-week-old Clyde O. baby.

The mother, Mrs. Velma Baker Fink, 22, and her 20-year-old brother, Edwin Baker, 20, were the first to undergo the tests. Results were inconclusive although Howard G. Robinson of Newark, O., former superintendent of the Ohio bureau of criminal investigation and operator of the psychograph, asserted "I am satisfied with my progress."

The baby was stolen from his carriage Tuesday night. A dozen hours later his body was found floating in a creek between Clyde and Fremont, apparently thrown from a bridge.

Tie-up of Harbor in Frisco Looms

SAN FRANCISCO, June 16.—(P)—Tie-up of the port of San Francisco at 8 a.m. Saturday appeared inevitable tonight after a conference seeking settlement of a waterfront dispute closed without agreement.

Following the meeting the dock checkers' employers' group announced it would be "compelled" to carry out its announced intention of suspending relations with the ships clerks association at its previously announced deadline—5 a.m.—if pickets were not withdrawn from American-Hawaiian docks by that time.

The union countered with a statement that clerks would report for duty tomorrow as usual and "if refused employment" by reason of severance of relations would remain on the docks to see the work went on.

Another meeting was called for 10 a.m., however.

Food Dwindles In Concession From Blockade

British Press Japanese; Food Situation May Be Serious

Japanese Urge Chinese to Bring Pressure on English

(By the Associated Press)
TIENSIN, June 17.—(Saturday)—The Japanese blockade of the British and French concessions entered the fourth day today with Japanese urging Chinese to bring independent pressure on the British to bow to Japanese demands and the British pressing representations against obstacles to the flow of foodstuffs.

The British foreign office warned in a communique that if "the new demands foreshadowed from official Japanese sources in north China should be persisted in, then it must be said at once that an extremely serious situation will arise and that the British government will have to consider what immediate and active steps they can take for the protection of British interests in China."

Food prices were skyrocketing; the shortage of milk for children was causing sharp resentment among foreigners; and two Chinese were reported killed yesterday morning by Japanese soldiers while handling up a basket of vegetables into the British concession near the United States marine barracks.

Japanese Balloon Advises Chinese
An illuminated captive balloon hoisted by the Japanese military was seen last night in the sky by huge placard urging the Chinese.

Murphy's Payroll Speech Approved

Pay Cutting Suggestion Greeted by Economy Bloc Warmly

WASHINGTON, June 16.—(P)—Attorney General Murphy's suggestion that government payrolls—federal, state and local—should be trimmed by a billion dollars was heartily applauded today by members of the congressional "economy bloc."

Containing that was just what they had been endeavoring to make a start on, they said they welcomed the attorney general's help.

Senator Adams (D-Colo.), one of those who have sought to cut this year's appropriations, observed, however, that it would be "difficult if not impossible to accomplish such a program" as Murphy advanced and still comply with the attorney general's condition—that governmental functions not be curtailed.

Murphy discussed government costs in an address last night at Asbury Park, N.J. He asserted it was time to end the "practice of passing out government jobs in payment of political debts," and expressed belief that three million workers could do the job now handled by four millions on payrolls of the federal, state and local governments.

House Passes Relief Funds; WPA Limited

Total Is \$1,735,000,000 for WPA, NYA, FSA Activities

WPA Is Told Just How It Can Spend Funds Allowed It

WASHINGTON, June 17.—(Saturday)—(P)—At the ragged end of a turbulent 13-hour session the house passed the new relief bill before 10 p.m. today, appropriating \$1,477,000,000 for WPA and, for the first time, telling that much criticized agency just how it should spend the money.

In addition, the measure included an additional \$258,000,000 for related activities such as those of the national youth administration, and the farm security administration, running the total appropriated to \$1,735,000,000.

The roll call vote on final passage was announced as 373 to 21. To all intents and purposes the measure revamped and revolutionized the administration of relief in the United States by imposing a long series of rigid restrictions upon the expenditure of the money and ordering the federal theater project abandoned.

The bill now goes to the senate. GOP Combine in Command
A gigantic combination of republicans, voting solidly, and of democrats, held complete command of the situation.

Pitted against them was a small group, fighting hard, but futilely, to increase the appropriations, to soften the restrictions imposed, and finally to save the federal theater from destruction.

What support they might have expected from the moderates of the membership had been swept away by a series of compromises offered during the day by Chairman Woodrum (D-Va.) and his colleagues of the appropriations subcommittee in charge of the bill.

These added \$19,000,000 to the appropriation for the national WPA administration, to bring that allotment about halfway between the \$81,000,000 recommended by the committee and the \$123,000,000 requested by the president, and did take some of the severe rigidity from a few restrictive sections.

But, primarily, the committee had secured its support in advance by attaching its restrictive clauses to a bill which otherwise appropriated almost every cent which the administration had asked for relief—\$1,477,000,000 for WPA, \$123,000,000 for farm security administration, and varying smaller sums for other agencies.

Workers Alliance Given Rebuff
Early in the day, the CIO and the Workers Alliance, a union of WPA workers, which has been attacked on the floor as under communist leadership, received a resounding rebuff. The house refused to increase the WPA appropriation from \$1,477,000,000 to \$2,250,000,000, as asked by those organizations.

By a tally vote of 201 to 82, it voted against the lower figure recommended by the administration.

CLOUDBURST INUNDATES FRESNO



Flooded by unseasonable rains, Fresno, Cal., streets were recently converted into fast flowing rivers after one and one-half inches of rain fell in less than an hour. Experiencing the worst cloudburst in its history Fresno and nearby territory upon checking up found damage in estimate of \$1,000,000. Only casualty was Mrs. Eleanor McMurry, 68, who died of what physicians described as a cerebral hemorrhage induced by fright.—(IIN).

Water Deal Audit Sought by Olson

Resolution Asks Complete Audit of Transaction of Purchase

A special audit of "the transaction whereby the city of Salem acquired the present water system" was proposed in a resolution Commissioner O. A. Olson presented to the Salem water commission for consideration last night. Action was delayed until after the return of Chairman I. M. Doughton, who is in California.

Introduction of the resolution coincided with presentation of two opinions by City Attorney Paul R. Hendricks ruling that the water commission is obligated to pay a Marion tax bill for \$27,517.05 and a city street assessment amounting to approximately \$1500. Both obligations transferred to the city along with title to the water system when it was purchased from the Oregon-Washington Water Service, company August 1, 1935.

The resolution calls for "a complete audit of all transactions, books, records, and accounts" pertaining to the water system purchase and "including particularly all transactions, contracts, books, records, and accounts, preceding and to the 30th day of October, 1937," the day the city council formally turned all control of the system and its funds over to the commission.

No explanation of the resolution was offered by its sponsors. (Turn to page 2, col. 3)

He Was Clearing Land and He Did Really Clear It

TILLAMOOK, Ore., June 16.—(P)—Bruce Kellow of Tillamook believes in sufficiency.

He was preparing to blast his first stump while aiding his father clear some land. He asked his father if 19 sticks of dynamite were enough.

The elder Kellow thought his son was joking.

"Why don't you do a good job," he yelled, "use 90."

Young Kellow figured if 90 would do a good job 120 would be better so he used 120.

Today, where once stood a small stump there is now a crater big enough to hold a house. Nobody was hurt.

Child, 5, Drowns In Storm Sewer

Police Pull Boy's Body From Manhole Two Miles Away

ATLANTIC CITY, N.J., June 16.—(P)—Five-year-old Tommy Leopold, fell screaming into a huge storm sewer today and was carried underground by the swift currents until—police men extracted his lifeless body in a manhole two miles away.

When the child fell in, seven-year-old Jimmie Brennan, ran to a fire station. Firemen John Duffy and Joseph Kernaghan got a rowboat and entered the sewer, which is big enough to accommodate an automobile.

Fatal Shot's Shell Found Miles Away

State Police Trace Shot Which Felled Woman at Mt. Angel

The shell of Mt. Angel's "mystery bullet," that caused the death of Mrs. Frank D. Hittner, was discovered yesterday by state police two miles from the house its lead pierced and fatally wounded the 72-year-old woman.

Sgt. Farley Mogan last night revealed the shell was found in the woods of the Frank Fessler place, two miles due north of the Joseph Brockhaus home in Mt. Angel, where Mrs. Hittner was sitting when wounded. Police established the location by throwing a transit line from the spot where the bullet entered the house, using the bullet taken by a doctor from Mrs. Hittner's lung.

Her death in a Portland hospital June 5 to postmortally identify the shell as the one that encased it.

Mogan said Mrs. Fessler remembered that on the afternoon Mrs. Hittner was wounded she had chased several young men, who had been firing rifles, out of the woods in which the shell was found, but was unable to identify any of them.

The bullet was fired from a 30.06 government rifle, according to state police ballistic experts, who yesterday were checking guns in the Mt. Angel area.

4-H Youths Quit College's Campus

CORVALLIS, June 16.—(P)—Two thousand 4-H club boys, girls and leaders moved homeward today at the conclusion of their annual summer session at Oregon State college.

Judging contest results included: Livestock—Delbert King, Marion, first; Ronald Wood and Loren Wiederkehr, Marion, tied for fourth.

Homemaking—Rita Wellman, Marion, tied for third. Clothing—Verle Duke, Marion, tied for first. Cooking—Laurel Krens, Marion, tied for third.

63 Are Aboard Craft Missing In China Seas

No Life-Saving Fixtures Believed Carried by Missing Ship

Great Depth of Sea in Bay Would Hamper Rescue Effort

HAIGON, French Indo-China, June 17.—(Saturday)—(P)—French naval authorities after a prolonged search for the submarine Phenix, lost with 63 men aboard, announced today there was not a single trace of the underwater craft.

The submarine submerged Thursday morning in the China sea off the Bay of Cam-Ranh, Indo-China, and was scheduled to appear last Friday morning.

The search with all available naval units and French airplanes was continued today.

However, virtually all hope of saving the men was abandoned by authorities. It was not known whether life-saving apparatus was aboard.

The sea where the search was carried out had a depth of about 100 meters (328 feet). An immediate naval inquiry was planned, but officers first needed to locate the craft.

PARIS, June 16.—(P)—The 2000-ton French submarine Phenix has been missing since making a routine dive Thursday morning off the coast of Indo-China with four officers and 59 men aboard, the navy ministry announced today.

The Phenix and its crew were feared lost. The dive was made in Cam-Ranh bay, where the mountains of eastern Indo-China drop hard down to the coast making one of the deepest stretches of water in the China sea, tonight.

The great depth of the water, coupled with unavailability of proper rescue equipment and failure to locate the craft after nearly two full days of search, left little hope for rescue.

The incident was the fourth in the swiftness of major tragedies in submarine history. Only 16 days ago, on June 1, the British submarine Thetis sank in Liverpool bay with a loss of 99 lives; on May 23 the American submarine Squalus sank off the New Hampshire coast with death of 26 and rescue of 33; and on February 2, 81 died in the sinking of the Japanese submarine I-63 400 miles southwest of Tokyo.

First Communique Made at Paris
The first communique was issued by the navy ministry at 3 p.m. (11 a.m. PST). It said:

"There is serious anxiety concerning the fate of the first-class submarine Phenix, at present attached to Indo-China."