

The Weather
Fair today and Sunday with fogs on coast, low humidity and marked fire hazard. Max. Temp. 94. Min. 50. River 3.1 ft. North wind.

Dead Pigeons
Clay pigeons are being shot by the thousands at the Salem Trapshooters club grounds. Full reports of the PITA shoot in The Statesman daily.

EIGHTY-NINTH YEAR

Longshoremen Held Sold out By Labor Head

ILA Organizer Declares Bridges Communist at Hearing

States Bridges' Egotism Made Him Sell Union Down the River

SAN FRANCISCO, July 21.—(AP)—Belief that Harry Bridges "sold" longshoremen "down the river" to satisfy his own egotism when he led them to switch affiliation from the AFL to the CIO was expressed today by a government witness in the Angel Island deportation hearing of the Australian-born labor leader.

Eugene Dietrich, international organizer for the AFL International Longshoremen's association, who had testified that Bridges was a communist and that the coast longshore leader's wife herself had indicated he was a member of the communist party, was asked on cross examination: "Did you and Bridges disagree on the question of CIO affiliation?"

"Like the north and south pole," declared Dietrich, who remained with the ILA as international organizer after most of the coast units, with Bridges as their leader, had switched to the CIO and changed the name of their organization to the International Longshoremen's and Warehousemen's union.

"Is that one of Bridges' policies you thought detrimental to the union?" asked Defense Attorney Richard Gladstein.

"I think he sold them (the longshoremen) down the river," Dietrich replied. "Not for monetary gain but to satisfy his own egotism."

At another point, Dietrich testified that during the 1934 San Francisco general strike he attended a strike committee meeting at which someone suggested dynamiting the steamship city of Los Angeles, which housed "strike breakers" in the bay.

Dietrich said Elaine Black, whom he identified as a communist, interposed this remark: "No, we'll need those ships and docks after the revolution."

The witness said he and everyone else laughed, but that now he did not think the incident was "funny."

Knowles Evading Subpoena

Another development of the day was a defense council charge that Harper Knowles of Ross, Calif., who got national-wide attention when he testified before the Dies committee in Washington last fall that many well-known Californians were communist sympathizers, was dodging a subpoena.

The defense counsel had asked that Knowles be subpoenaed because they wished to "show the improper inducements used by him to procure witnesses in the Bridges case."

Dietrich, under earlier direct examination by Thomas A. Shoemaker, chief government counsel, testified he had talked to Bridges' wife when she "had a little peeve on" and quoted her as saying: "I don't care if he (Bridges) ever comes home. . . I've got his communist book. I'll show it to anybody on the waterfront who doesn't believe he is a communist."

Asked whether he had tried to persuade her not to show it, Dietrich replied, "No. . . I (Turn to page 2, column 1)

Hospital Escape Picks Wrong Car To Thumb a Lift

Sergeant Farley Mogan of the state police, while driving on the North River road near St. Paul Friday, was thumbed for a ride.

The officer stopped and the hiker approached. "Well, you have got me," the stranger said. Questioning by Mogan revealed that the hiker, Paul Cummings, had escaped from a Newberg hospital, where he was confined in a strait jacket.

Cummings previously was an inmate of the Oregon state hospital here.

Hatch Bill Reapproved By Senate After Hatch Rants of Burying Plot

Measure Barring Federal Employees From Politics Goes to President, Was Barred From Politics

WASHINGTON, July 21.—(AP)—The Hatch bill barring federal employees from politics and endorsed finally by the senate today, sped to the White House after its author, Senator Hatch (D-NM), had pounded his desk and warned against what he called a "graveyard" of a conference.

Japan and Russia Continue Battles

"Some Progress" Is Had in Talks Over Block of Tientsin

TOKYO, July 21.—(AP)—Japan assembled war ships in northern waters to back her stand against Soviet Russia in a dispute over vital coal and oil supply sources today while land forces of the two powers remained in conflict along the Manchoukuo-Outer Mongolia frontier.

A naval spokesman called the situation "extremely serious" as the result of a Russian threat to confiscate Japanese-operated oil concessions on the soviet half of Sakhalin island north of Japan.

Another serious quarrel, involving Japan with Britain at Tientsin, was discussed by Foreign Minister Hachiro Arita and British Ambassador Sir Robert Leslie Craigie for the third time in a conference which the foreign office said brought "some progress" toward solution.

Reliable quarters predicted the conference would result in a joint statement—probably tomorrow—announcing an agreement on agenda and fundamental issues for continuing the conferences.

Extreme satisfaction was registered in Japanese official circles where it was said such an agreement would constitute a diplomatic victory for Japan.

Some quarters said Britain had agreed that the scope of the conferences should be broadened to go beyond the Tientsin dispute and that she was ready to recognize that "extraordinary" conditions exist in China.

Observers interpreted the latter move would constitute British recognition that a state of war existed in China.

Gervais Station Not to Be Shut

The proposal of the Southern Pacific company to close its depot at Gervais August 1 has been abandoned. State Utilities Commissioner Ormond R. Bean was advised Friday.

Sam Brown, Gervais farmer, while in Salem recently, discovered an old deed conveying to the Oregon & California Railroad company and its successors certain property in and near Gervais to be used for right-of-way and depot facilities. The deed was recorded in November, 1870, and was signed by Ben Holliday, prominent in early railroad construction in this state.

A condition of the deed was that the Gervais depot would be perpetual. The railroad later passed into control of the Southern Pacific company.

Measure for Japan Embargo Collapses When Hull Frowns

WASHINGTON, July 21.—(AP)—A movement to slap an embargo on shipment of war supplies to Japan because of her campaign in China collapsed in the senate today when Secretary of State Hull studiously avoided an expression of opinion on it.

Hull sent to the author of the embargo resolution, Senator Pittman (D-Ore.), a letter saying that since it seemed clear that congress had no disposition to act on this or kindred proposals at this session, it would be better for the state department to defer any comment.

Limits Hedged About Lending Plan of FDR

Senate Restrictions Are Designed to Protect Businesses

\$310,000,000 Is Slashed From Original Scheme by Bank Body

WASHINGTON, July 21.—(AP)—After chopping \$310,000,000 off the Roosevelt administration's big lending bill, the senate banking committee voted tonight to hedge it around with restrictions to prevent the funds from being used in competition with existing businesses.

The committee also rejected a proposal by Senator Mead (D-NY) under which the reconstruction finance corporation would insure loans to small business. Mead and Senator Wagner (D-NY) had said the idea had the endorsement of President Roosevelt but the committee beat back an attempt to include the provision as an amendment.

Also rejected was a proposal by Senator Maloney (D-Conn) to provide \$300,000,000 for additional public works grants to hospitals.

Under restrictions voted tonight, no part of the \$2,800,000,000 could be used on projects which would be in "substantial competition" with existing private enterprise. Non-profit hospitals would be the only exceptions to this rule.

During the day, committee critics of the lending measure made a net reduction of \$110,000,000 in its total. Moreover, Senator Taft (R-Ohio) and another republican said they still were "not satisfied."

Before the house banking committee meanwhile, Jesse H. Jones, federal lending administrator, declared that it was "ridiculous" to infer from previous testimony he had given that the president's lending legislation was unnecessary.

After Jones had appeared before the senate banking committee in executive session yesterday, members of that group reported that he had said, in response to questions, that the reconstruction finance corporation, which is under his direction, has \$1,400,000,000 available while the first year's cost of the president's new program would be \$770,000,000.

Senator Barkley (D-Ky), majority leader and author of the bill, told reporters that while the bill would probably not be ready for action in the senate until Tuesday, adjournment by the following Saturday was "not impossible."

The principal changes made by the senate committee were: reduction from \$750,000,000 to \$500,000,000 in the authorization for toll roads.

A cut from \$500,000,000 to \$350,000,000 in the amount for the railroad equipment program.

The addition of \$30,000,000 for western reclamation projects.

Old Crab Apples Inspired Famous Apple Tree Song

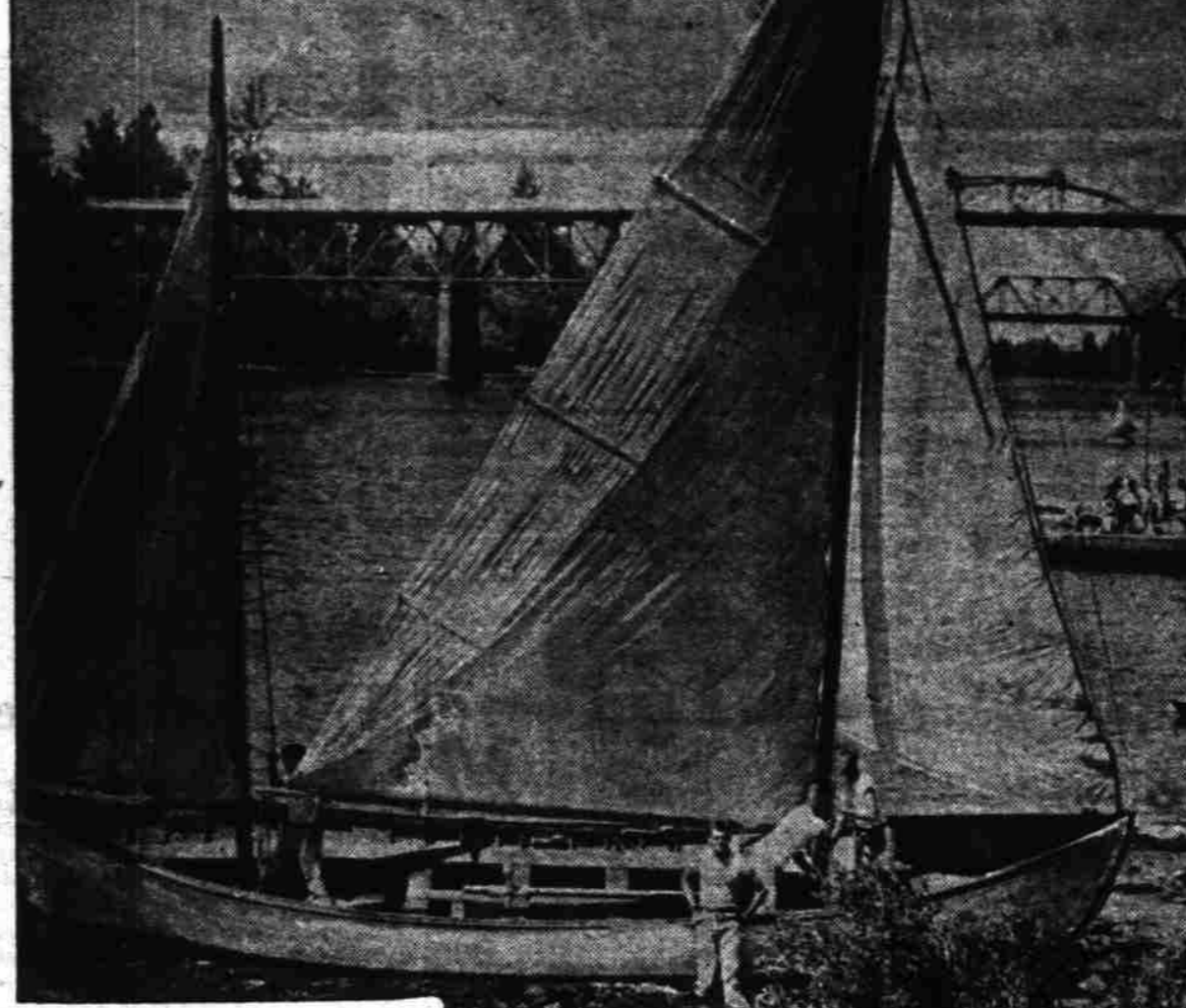
PORTLAND, July 21.—(AP)—Egbert Van Alstyne of Chicago, writer of 500 published songs that sold more than 26,000,000 copies, disclosed today the "inspiration" for his famous "Old Apple Tree" was inspired by a couple of spindly crabapple saplings in Central park.

He said he and his partner, Harry Williams went to New York to make their fortunes in 1903 and were on the verge of expiring from hunger and homelessness when they chanced on the crabapple trees in the park. Their nostalgia became unbearable and they gave vent to it in composition. The "Old Apple Tree" was the result.

It clicked in a hurry and sent Alstyne and Williams on a brilliant career in the pop alley. However, it wasn't their best seller. That honor went to "Memories," which sold 8,000,000 copies.

Van Alstyne is en route to the San Francisco fair and Hollywood.

SEA SCOUTS LEAVE ON CRUISE TODAY



Sea Scouts Leave For 3-Day Cruise

Craft Will Make Voyage on Willamette and Columbia

Main, jib and mizensails clewed to the yardarms and running under power supplied by a large outboard motor, the local sea scout ship "Willamette" leaves her berth at the foot of Chemeketa street at 6 a.m. today for a first leg of a three day training cruise which will also include a sail up the Columbia probably as far as Government Island. While in Portland the scouts will put up at the sea scout base, and will plan to visit vessels of the United States fleet before returning home Monday evening.

Today's run will require from 8 to 10 hours, Skipper Thompson said last night, because of the extra length of the water route to the down-river city. Ted Roake, third mate of the ship, and F. R. Smith are expected to come aboard the craft when it touches at Willamette ferry for the passage downstream.

(Turn to page 2, column 1)

White Is Queried On Bridges Probe

PORTLAND, July 21.—(AP)—Major George A. White, commander of the Oregon National Guard, was asked today for information on labor investigations by intelligence officers.

The CIO Portland Industrial Union council made the request. Major Laurence A. Milner testified at the deportation hearing of Harry Bridges in San Francisco he served as a national guard investigator of civilian subversive activities.

Council Secretary J. E. Lutz asked if national guard funds could be used for such inquiries and whether such information could be supplied persons "interested in breaking up labor organizations."

Late Sports

PORTLAND, July 21.—(AP)—Three-hit pitching by Wayne Osborne gave Hollywood a 2-1 victory over the Portland Beavers in the Pacific Coast league tonight.

The Stars scored in the first inning on a single by Uhalt, a wild pitch by Clarence Pickrel, a sacrifice by Morehouse and an infield out by Gabrielson. Hoover scored the other run in the seventh on an infield hit, a stolen base, an out and Osborne's sacrifice.

Portland's lone tally came in the eighth when Ed Coleman pinch-hit for Pickrel, smacked out of double. Thomas, running for him, got home on two infield outs. Hollywood 2 7 1 Portland 1 5 1 Osborne and Brenzel; Pickrel, Radonits (9) and Fernandes.

LOS ANGELES, July 21.—(AP)—First eight games in the Sacramento 7 10 1 Los Angeles, 4 7 3 Sherer, Smith (7) and Griik; Flores, Berry (10) and R. Collins.

Second game: Sacramento 4 5 1 Los Angeles (7 innings) 1 5 1 Hubbell and Griik; Thomas, Esperry (6) and Seemo.

Arctic Expedition Ship Runs Ashore

Pandora and Her Crew Off of Rocks

SEWARD, Alaska, July 21.—(AP)—The coast guard received a report from the St. Elias Lighthouse today that the Pandora, carrying the Oklahoma Kellems expedition on a projected trip to New York through the "northwest passage," had run aground on rocks off Cape Stellas.

The coast guard cutter Morris was dispatched on the 13-hour trip seen at 3:50 p.m. There was no explanation of why the rebuilt 38-foot halibut boat, heavily loaded.

(Turn to page 2, column 2)

Peace Pact Held Made by Powers

Paper Says Agreement Is Tentatively Made for 25-Year Peace

PHILADELPHIA, July 21.—(AP)—The Inquirer in a copyright dispatch from its Washington bureau said tonight it had learned a five-power agreement seeking to preserve peace in Europe for 25 years "has been tentatively reached by Great Britain, France, Germany, Italy and Poland."

The newspaper said: "The agreement, expected to be ratified within the next two weeks, settles every outstanding European problem."

The newspaper said it was told "that the text of the agreement in its tentative form, has been received in Washington for the information of President Roosevelt and Secretary of State Hull. It was emphasized that the United States was in no way to be considered as a party to the agreement, or that it was even to know officially what is going on."

WPA Protesters All Back on Jobs

All the 225 WPA workers that Thursday quit work in Marion and Polk counties to protest congressional action lengthening monthly working hours were back on their jobs yesterday, local officials reported.

The telegram which demonstrators gathered in Marion square Thursday decided to send President Roosevelt is expected to end local action for the present.

The walkout, directed by the local unit of the Workers' Alliance, was contrary to the orders of the state organization. Those joining in the protest action made up only a small percentage of the WPA workers in Marion and Polk counties, which number approximately 1800.

Lifting of Thetis Reported Failure

LIVERPOOL, July 22.—(Saturday)—(AP)—The salvage ship Zephus wirelessly early today that it had failed to free the heavy wreck of the submarine Thetis from the mud of Liverpool bay. Lifting timbers broke, the message said.

An earlier report had said the Thetis, which sank June 1 with the loss of 99 of her crew of 103, had been brought up by the salvage boat and was headed for shore.

Water Board Makes no Move For Appointing new Manager

No breath was uttered in reference to the appointment of a new manager of the municipal water department at the regular meeting of the water commission last night at the water office. Routine business instead occupied the attention of the commissioners throughout.

The single meter petition, to the effect that meter readings for the city schools be grouped together into a single block reading as an expense-cutting move for the schools, was unanimously rejected by the five members of the commission. Unwillingness to initiate a precedent in a matter of this kind and the contrary practice of other cities, notably Eugene, were determining objections to the request.

A letter from Herman E. Lafky, representing himself and other interested parties was read demanding that a tax claim of over \$50,000 not be paid by the commission. An acknowledgment of receipt was voted and the communication placed on file.

The commission decided to purchase a pump already operating in a municipal well southeast of Salem, and agreed to pay its owner, A. E. MacLachlan, \$355 for it following improvements to be installed by him. Carl Guenther, operations superintendent, was also requested to run all wells at maximum during the remainder of the summer in order to provide a sound check on the capacity of the system during the dry season.

The body passed a resolution stating appreciation for the contributions of the late Cuyler Van Patten, former water manager, to the establishment of the present system. A contract for sale of water from the city mains to the Vista Heights water system was also read and the chairman, I. M. Doughton, empowered to sign it.

Discussion was held as to the advisability of altering regulations and rates to favor the installation of automatic sprinkler systems for fire protection. No decision was reached.

Nazis Declare They Are Sure War Isn't Due

Statement Is Interpreted as Appeasement Invitation

Attitude Shows Germany Expects Britain Will Force Poles

BERLIN, July 21.—(AP)—Nazi Germany spoke out tonight in an official statement of her government to declare she was "100 per cent optimistic" that there will be "no war" over the free city of Danzig.

"On the contrary," an official spokesman told the foreign press in one of the most unequivocal statements yet issued here on the free city. "We believe in the common sense of mankind and feel sincerely convinced that the Danzig question soon will be solved without compromise but also without bloodshed."

The spokesman made it obvious beyond peradventure of doubt that by an uncompromising solution he meant the unconditional return of Danzig to Germany. Germany lost Danzig under the treaty of Versailles.

His attitude disclosed that Germany expected this solution would be attained by pressure by Great Britain on Poland. Believed Invitation to Appeasement

(The statement was interpreted in London as an invitation to the British government to return to the policy of appeasement but one official said the situation was not too hopeful as long as Germany insisted Danzig must return to her.

"Fascists in Rome said they concurred wholeheartedly in the German spokesman's declaration. Officials in Paris were guarded in their comment, pending a report from their ambassador to Berlin, but said they were inclined to regard the statement as a "possible change" in the situation.)

"Rather than plunge all Europe into war," the spokesman said, "Some power will brutally call Polish chauvinists to order and tell them Danzig is not worth a world war."

His reference to "some power" was taken as an obvious allusion to Britain which, along with France, has given a pledge to aid Poland.

"As for ourselves," he went on, "We have not the slightest desire to provoke a crisis. Solution Must Come in 'Months'"

"It is obvious, however, that the present state of things cannot go on indefinitely. The solution must come not in years but in months and possibly weeks."

In emphasizing Germany's attitude, the spokesman said: "Our fuhrer is 100 per cent for peace. . . . Germany has not the least desire for a conflict of arms to bring about the uncompromising solution which we confidently expect. We reject 100 per cent a warlike solution and would regard extremely if that were the only way."

He conceded that the European air was "heavily laden with crisis possibilities."

Pressed to reduce the German demand for a peaceful solution to simple formula, the spokesman said: "Danzig is German and belongs unconditionally to Germany."

Then he predicted that Britain, as a country of realism, would press Poland to recognize Germany's demands.

So certain is Germany of ultimate British mediation, he indicated, that plans are going full speed for making the navy party convention Sept. 2-11 in Nuremberg truly "the party day of peace" as it was designated by Hitler months ago.

Renaming of Pray Is Due Next Week

Reappointment of Charles P. Pray, as superintendent of state police, was expected next week, according to persons close to the executive department.

Pray originally was appointed head of the state police department a time of its creation under the Julius Meier administration. He was reappointed four years later by ex-Governor Charles H. Martin.

Friends of Pray said he had made an outstanding official and as far as they knew no serious opposition to his reappointment had developed. Pray's current term expires August 1.

Board Will Choose Two College Heads

PORTLAND, Ore., July 21.—(AP)—The state board of higher education, meeting here Monday, July 24, will begin the job of selecting presidents for Eastern Oregon college of education and Oregon State college.