Cloudy today; Thursday, oudy with rain; snow over

ountains, Max. temp. 66, min. 87. River L. South wind.

EIGHTY-NINTH YEAR

Warren Jones Located in San Francisco

Salem, Oregon, Wednesday Morning, November 1, 1939

Russian Premier Warns Finland to Come to Terms

Tells World Soviet Is Drawing Closer to Nazis, Japan

MOSCOW, Oct. 31 - (P) - Premier Molotoff today chided President Roosevelt for lending Finland the "moral support" of the Road Projects to United States, in effect warned the Finns to come to terms, and notified the world that Russia is drawing closer to Germany and Japan, once partners in the anti-

In an exhaustive report on Russia's new foreign policy, the pre-mier and foreign commissar told more than 1100 deputies attending the extraordinary joint session of the soviet council that the United States' move to repeal its arms embargo would "intensify, aggravate and protract" the European war.

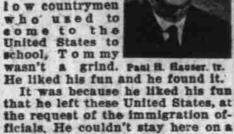
Salient points in Molotoff's 85minute speech:

1. Struck at President Roosevelt for "intervening" in Russia's negotiations with Finland "in contradiction of the United States' policy of neutrality. Russia Unable to

Understand Finland
2. Declared Russia was unable
to understand Finland's refusal of a mutual assistance pact similar to those which made the Baltic states of Estonia, Latvia and (Turn to Page 2, Col. 1.)

-Paul Hauser's Column

ever happened to Tommy Kung. Tommy Kung was a boy from Peiping who went to Willamette university a few years back and was not a very good stu-dent, Unlike most of his fellow countrymen who used to to the



student's permit when he wasn't a Tommy was a flier when the im migration officials finally caught up with " -- sent him back to China. He had just got a limited commercial license that was probably the most expensive ever obtained by any flier. Before he got it he had bought enough worthless

airplane stock from his instructors

to paper a house.

He always had plenty of money for his family back in China was wealthy. It was entirely probable that they had sent him to Ameriea because his august and honorable father had tired of paying his gambling debts. Tommy was a

sucker for the ponies.

Once the immigration authorities ordered him held in Portland after he had been picked up as a suspicious character (which he wasn't). The judge thought bail of \$500 would hold him and calmly named that amount. Just as ealmly Tommy pulled out a bill-fold, counted out five \$100 bills and walked away.

During the infrequent periods that Kung was a college student make a single morning class and the few afternoon classes he managed to struggle into found him in a state of somnolence that the in-structor laid to oriental bashfulness and his friends, more accur-

Johnson was driving north in fog, said State Police Sergeant Earl B. Houston. He apparently applied his brakes quickly as a construction barried loomed. The car left the highway, leaped a ditch and dug into the bank. Johnately, to a hangover.

He was neither stupid nor ignorant. He could and would on all (Turn to Page 2, Col. 8.) son's chest was crushed and his head and face injured.

Molotoff Raps Hallowe'en Party Ends Roosevelt for In Tragedy When Youth Finnish Policy Gets T' e Too Early

Keith Henderso , Dies Tuesday Night After Being St oy two Cars on Pacific

One Hallowe'en party turned into tragedy last night because Keith Henderson, 13-year-old son of Mr. and Mrs. Percy R. Henderson, route seven, got there too early.

Keith Henderson died about 7 o'clock after being struck
by two cars as he walked across the Pacific highway about a

mile north of the city limits to join some young friends, who were on their way to the party at the Hayesville school. He died in the Salem first aid

Young Henderson, according to pean war.

Patrolman Fred LaDue of the He told reporters that this Start This Week state police, was struck first by a Coon Hollow Job to Cost path of a car driven by Mrs. Ver-non Clark, route seven, which ran \$4999; WPA to Pay

Large Share

straightenting, will cost \$4999 of which the WPA will contribute \$4021 and the county \$978.

Broadacres road, two sections, 1.4

and 2.7 miles; Quinn road, 1.9

county's blanket WPA road pro-

Dies Star Witness

WASHINGTON, Oct. 31 .- (P)-

A star witness of the Dies commit-

tee was in the hands of police to-

night in connection with a New

Orleans killing, while Rep. Dies

(D-Tex) angrily lashed out with

charges that the department of

justice was trying to discredit

William C. McCuistion, former

seafaring communist who came

here to pin the communist label

on various maritime union lead-

ers, was led away by a police lieu-

tenant, at the conclusion of a

which Dies pounded the table and

charged that Henry Schweinhaut,

assistant attorney general in

charge of civil liberties, had gone

out of his jurisdiction to have the

smells to high heaven but it

stinks," said Rep. Starnes (D-Ala)

another committee member. "De-

are not only sordid, but contempt-

Seattle Man Dies

ALBANY, Oct. 21.-(A)—George W. Johnson, Seattle, crushed as his automobile skidded from the

Pacific highway and crashed

against a ditch bank, died in the Albany General hospital today. Johnson was driving north in

"The whole thang not only

stormy committee session

man taken.

his committee's evidence.

The accident happened at Clax-ter corner. Henderson, it was re-ported, had been driven to the Hayesville school to attend a boy scout Hallowe'en party there, but was too early and walked down the highway to Claxter corners. There he met a party of friends bound to the party, walking on the other side of the road, and started to cross, but was hit by Lacey's automobile. Two Marion county road improvement projects costing an ag-\$73,772 will be started within the next week, the district WPA office announced here yes-The first, on Coon Hollow road from its junction with Triumph road one mile east, will be undertaken today. The job, consisting of clearing, grading, widening and

car while being taken to a hos-

Neither driver was held, LaDue The body was taken to the Clough-Barrick mortuary.

Nearly 15 miles of roads will be improved in the Hubbard, St. Paul and Butteville districts at cost of \$68,773 under a project scheduled **Demands of Soviet** to get under a project scheduled to get under way next Menday. The WPA will pay \$53,873 and the county \$14,900 for the work which will include clearing, grub-bing, grading, shoulder construc-tion and gravel surfacing of roads Delay Negotiations tions sub-committee expected the navy budget would approach this

Situation

miles; Case road, 2.6 miles, and market road No. 58, 8 mile. Both projects are part of the HELSINKI, Nov. 1-(Wednes-day) - (P) - The Finnish government announced tonight that publication of soviet Russia's demands on the republic had "created a new situation" and caused

a delay in the negotiations. The exact effect of the unexpected disclosures by soviet Pre-Is Held by Police mier-Foreign Commissar Vyacheslaff Molotoff in his speech to the Russian parliament yesterday was not clear early today, but it was certain he had profoundly shocked Finnish officials.

It was probable a cabinet meet ing would be held today to consider the new situation. The communique did not say whether Finland's delegation to Moscow, which left Helsinki last

night, would continue its jour-

ney or return here for new inscheduled to arrive in Leningrad The Finnish government had kept the negotiations a matter of

Holman Slated for Main McNary Talk

PORTLAND, Ore., Oct. \$1-(A) Senator Rufus Holman will give tails surrounding this procedure the key speech tomorrow night in Portland's first Charles Mc-Nary-for-president rally. Other speakers will be State Senator Douglas McKay of Salem; Col. A. N. Clark, Portland; William Ekwald, ex-representative in congress; John R. Latourette, Port-land, and O. M. Plummer, sec-retary of the McNary-for-presi-In Albany Crash

Governor Sprague will be unable to attend.

friends of Senator McNary had signed up by Tuesday night to participate in the caravan to Portland tonight for the rally. Mayor W. W. Chadwick was not able to estimate the number going, as many more are expected to sign up today.

The caravan will leave from

the chamber of commerce at 6:30 p.m. Those going should notify Manager Fred Thielsen at the chamber early today so that Portland leaders of the McNary-forpresident movement may be given an accurate estimate of the number going from Salem.

Peruvian Fliers

GUAYAQUIL, Ecuador, Oct. \$1 -(P)-Forced down by the loss of 220 gallons of gasoline while lit-tle more than 700 miles from

FR Estimates \$275,000,000 Neutral Cost

Congress to Be Asked for Sum as Deficiency Appropriation

Amount Will Cover First Ten Months of War in Europe

WASHINGTON, Oct. \$1-(P)President Roosevelt estimated today that it would cost \$275,000,000 to safeguard and enforce American neutrality during the first 10 months of the Euro-

sum would be asked of congress car driven by Jon Francis Lacey, would be asked of congress as a deficiency appropriation in January. This strengthened the path of a car driven by Mrs. Verbeller of some officials that the total national defense appropria-tion for the next session would exceed \$2,000,000,000.

The extra \$275,000,000, Mr. Roosevelt told his press conference, is needed chiefly to pay for ence, is needed chiefly to pay for increases in the armed forces ordered September 8 when he proclaimed a limited national emergency. The expense covers maintenance of the Atlantic coast neutrality patrol and the mass training of troops ordered by the war department.

A short time before the president spoke, Chairman Sheppard (D-Tex) of the senate military affairs committee predicted the expanding army would require \$1,000,000,000 next year, and Chairman Scrugham (D-Nev) said the house naval appropriations sub-committee expected the

another defense develop-Finnish Cabinet to Meet ment the war department announced that the first new aerial fighting unit to be formed since congress approved a \$300,000,000 November to reinforce defenses en that Caribbean outpost. It is the 27th reconnaissance squadron of 28 officers, 228 enlisted men and 9 planes.

Mr. Roosevelt said the \$275,-000,000 deficiency was for extra expenses and would be spent before the end of the fiscal year. He explained that the defici-ency appropriation would finance increases of about 100,000 or-dered in the army, navy, marine cors and justice departments and recommissioning more than 50 long-idle World war destroyers to reinforce the neutrality pa-

Hinting at additional further defense proposals, he said means of training the army must be incilities for the navy were needed on the west coast. He menstructions. The delegation was tioned specifically Puget sound, San Francisco and southern California.

In this connection Mr. Roosevelt said that for years he had tack. been trying to prevail upon steel companies to build a plant on the west coast and added that since development of the electric furnace this appeared to be econom-

Il Duce Removes **Three War Chiefs**

ROME, Oct. \$1-(P)-Premier Mussolini in a sweeping overhaul-ing of the fascist leadership today removed three military chiefs who had conducted staff talks with German officers and two cabinet members popularly regarded as

The shuffling of military chiefs, army leaders, and cabinet ministers, however, was regarded in foreign circles as primarily designed to reinforce the fascist regime at home with the international aspect incidental to do-mestic factors.

Whether there was any deliberate thought of shelving those in the government who had been looked on as pro-German could not be ascertained.

President Albert LeBrun Visits Naval Headquarters of French



France's president, Albert LeBrun, is shown, center, during his visit to French naval headquarters, somewhere on the French coast. He is shaking hands with members of the staff of Admiral Darlan.

No Major Tax Increase Expected, Says Melson Thief Sends Loot

Commissioner Predicts Committee to Find Offsets to Meet Necessary Budget Increases; First Department Requests Show Gain

Prediction that the 1940 Marion county budget would not require a tax levy materially greater than that levied for the current year was made yesterday by County Commissioner Roy S. Melson.

some items to offset increases in

First department requests dis-

closed at the courthouse yester-

the same items in the 1939 bud-

A further offset in addition to

any cuts the budget committee

will be able to effect is antici-

pated in the form of increased

receipts from sources outside the

Next year's primary and gen-

eral elections will require an

\$11,415 increase in appropria-

tion over the \$4100 sum budget-

ed for 1939, the county clerk is

informing the budget committee.

For his other departmental activi-

ties Clerk U. G. Boyer is request-

ing a \$543 increase to provide

much - needed office equipment

and services, he said yesterday.

The county recorder's office

has requested an increase of

Auditing expenses run up this

up of a new delinquent tax record

system in the sheriff's tax depart-

(Turn to Page 2, Col. 2.)

Youngsters Don't

The younger generation didn't

forget that last night was Hal-

Besieged householders passed

out many a treat to the "trick or

treat" artists and many of them

The police department was kep

busy trying to enforce a ten

o'clock curfew, enforced only one

The traditional appurtenances

ed on State street at the alley between Liberty and High. Widow soapers exercised more

got the tricks as well.

night a year.

\$1015, to a total of \$8960 for

county taxation field.

The county budget committee will hold its first meeting

For Aid in Atlantic

Coulmore Believed to Have Been Attacked by Submarine

BOSTON, Nov. 1-(Wednesday) (A)-Coast guard division headquarters said today it had identified a vessel which sent an SOS in the north Atlantic as the 8670ton British vessel Coulmore, owned by the Dornach Shipping

company, limited. The coast guard said it made the identification by means of the call letters sent out in the vessel's distress call, which included the phrase "Esss Submarine," taken to be a reference to a submarine at-

The letters GYXC given in the message are registered to the Coulmore, the coast guard said. She was built in 1936 and is 352 feet

Tropical radio, of Hingham Mass., said it had learned from a Canadian radio station at Campderdown, NS, that the US coast guard cutter Campbell, 200 mfles from the Coulmore, was proceeding to her side and expected to reach the scene about 8:30 a.m.

Tropical added that the Canad ian station's messages said the Coulmore had sighted a submarine. There was nothing in the Canadian messages to indicate the vessel's plight.

The Boston coast guard said that according to its records the Coulmore touched Baltimore October 15.

Spain Faces Shortage

MADRID, Oct. \$1-(AP)-Ramon Serrano Suner, minister of gov-ernment, tonight acknowledged that Spain faced a major food shortage and told the nation the government would take "absolute" control of basic supplies to from a WPA project, was dump-

Activity Sets new Record shop window bore the soaped remark: "Better bargains next door." Another with a display of furs bore the label "Bear or rabbit?" Cooking School Will Start or Patrick or October 1988 or October 198 Salem Residential Building

Residential building in Salem, \$105,692. The totals for October

control of the proposed programs, it was an integrated by Walter E. Say, does not related any programs, which at many schools will feature American Legions against with the point to sincer at any time; Friendly, open to risitors at any time; Wednesday, open to risitors any time; Tuesday, open to risitors any time; Tu

Missing Recorder Telephones Word

'Shocked' at Audit Charge of Faulty Books, Taking Salem Train at Once, He Tells Secretary

Will Be Given to Grand Jury; **Auditor to Be Called**

A. Warren Jones is in San Francisco. He is leaving for Salem on the first train this morning.

Salem's city recorder, not seen or heard from since October 21, telephoned Caroyl Braden, his secretary, at 7:15 o'clock last night that he was heading home.

unaccounted for in a special audit by Lester W. Barr, before

Page said Jones' return would not affect the case, except that the recorder would have an opportunity to appear be-fore the grand jury.

Jones told Miss Braden that he was "shocked and sur-

Back to Victim

Mrs. L. R. Richards Gets Articles Along With Unsigned Note

Mrs. L. R. Richards, 1580 Market street, can thank the condespite increased requests from home about two weeks ago, for his friends that "there is nothing budget could be kept within or

budget could be kept within or near the 1939 figure by cutting stricles taken. She found three of the missng articles wrapped in a package with an unsigned note in which the burglar said he was day indicated a 14 per cent in-crease. Department budget pro-"very sorry for what I have done" on her front porch yes-

posals a vailable aggregated terday. \$144,261 as against \$122,885 for Returned were a wrist watch, man's ring and two and a half dollar gold pieces. Still missing, said Mrs. Richards, were a child's diamond ring, a child's signet ring, a man's signet ring and two gold chains. She said they were of sentimental value and hoped

they would also be returned. The typewritten note said: "I am very sorry for what I have done and am doing everything in my power to straighten up. By the help of God I mean to go to heaven, "Enclosed are the two gold

pieces which I took and also the watch. promised God I will never, never do it again in my life. I hope you will forgive me.

"P.S. I am not signing my name because of my parents." **President Denies**

year in connection with the special investigation of the county treasurer's office and the setting

idea that a proposed conference on the west coast might be in-tended to promote a third term Forget Hallowe'en for the new deal.

The chief executive was ques-

tioned at his press conference about the statement made yesterday by John L. Lewis that two administration officials were organizing a meeting of western "progressive leaders" in January for the secret purpose of starting a third term boom.

Mr. Roosevelt said all he knew about the matter was that there had been talk last August of a non-political parley on the west coast for discussion of such matters as liberal government, social welfare, old age pensions and agricultural problems.

He's Coming Home

District Attorney Announces Facts

He is heading home to face a grand jury investigation. District Attorney Lyle J. Page said last night he would place the case of Jones, whose books were stated to have \$4081.39

prised" at developments here, she said. He had apparently learned of

said. He had apparently learned of them from newspaper accounts.

Jones told Miss Braden that he had "holed up" to cure a cold as he intended to do on his departure. He said he had not intended to leave San Francisco, where he was registered at the Ambassador hotel, until Sunday, but would leave for Salem as soon as possible. Jones later telephoned Gerald W. Mason, state parole beard

member and state chaplain of the Eagles lodge, of which Jones was recently state president.

Mason said Jones was greatly surprised to learn of the "great excitement" in Salem. Shortly after Miss Braden received Jones' first call, Mason and a group of Jones' friends attempted to contact him in Sant

Francisco. They learned that he had checked out of the hotel where he was staying. Efforts to contact him at the Ferry building

also failed. At 12:45 Jones phoned Mason from San Francisco and said he had been unable to catch the last northbound train and that airline accommodations were booked solid. He said he would take the first train in the morning unless an airline cancellation made it possible for him to come by air.

District Attorney Page said that the charge against Jones when the case goes before the grand jury will be "larceny of public funds." The report of Lester W. Barr, accountant who audited Jones

records for the city council, will be placed before the grand jury and Barr will be called to testify on the audit.

Someone from the recorder's office who is familiar with the office routine, probably Alfred Third Term Meet | Mundt, temporary acting recorder, will also be called to testify, Page indicated.

WASHINGTON, Oct. 31-(A)President Roosevelt today branded as somebody's invention any State Has Return Of Indian Summer

PORTLAND, Oct. 31-(P)-In-dian summer returned to Oregon today, thoroughly warming the western portion and lifting the east section's mercury far above the sub-freezing morning read

Low readings today included Baker 23, Bend 25, Burns 28, Brookings 43, Eugene 40, Hood River 29, Lakeview 29, Medford 40, Newport 50, Pendleton 36, Portland 51, Roseburg 48 and Siskiyou summit 46.

Lower temperatures and feg were expected in the west-of-the-Cascades country Wednesday.

At Capitol Theatre Today

One of the busiest places in New menus, new methods of pr Salem yesterday afternoon was the back stage of the Capitol theater where Miss Barbara Mil-ler completed final arrangements for the presentation of The Oregon

and gadgets to save time an

American Education Week

Local Schools Will Notice

Salem schools will observe American Education week, Nov. 5 to 11 inclusive, with open houses and special programs, it was announced yesterday by Walter E. Snyder, curriculum coordinator. Lemistice day programs, which at many schools will feature American Legion speakers, will be held in conjunction as will radio programs throughout the week.

The schedule by schools:

Bush—Monday, open to visitors are any time; Tuesday, open to visitors at any time; Tuesday, open to visitors at any time; Thursday, open to visitors any time; Friday, assembly at 2:30 with all parents invited.

Englewood—Monday, open to visitors any time; Tuesday, open to visitors any time; Thursday, open house 7:30 to 3 p. m.; Friday, assembly at 1 p. m. with all parents invited.

Reported Safe

AQUIL, Ecuador, Oct. 31

reed down by the loss of

The fire department came in for action when a false alarm was put in from an alarm box outside the state library build-All in all, it was a very suc