Unsettled today and Friday with rain; snows over mountains; little change in temperature. Max. temp.

EIGHTY-NINTH YEAR

Salem, Oregon, Thursday Morning, December 28, 1939

Price 3c; Newsstands 5c

No. 237

Finnish Ski Troops Again on Russian Soil

-Paul Hauser's Column

There is something about this war across the way that just isn't cricket, we're beginning to feel,

at least not the playing fields of Eton variety of every boy of ten knows is the best in the world. As a matter of fact there are two boys of ten playing with yo-yos right

yo-yos right here in front of me and they Paul H. Hauser, jr. both say emphatically that Eton cricket is the best. A 12-year-old from the other side of the tracks held out for the Harrow variety.

This war is beginning to look like something H. G. Wells and A. A. Milne collaborated on over a pot of small ale. It's Christopher Robin starring in the War of the

Anyway if we read the pa-pers rightly (and we pride our-selves on our ability to spell out even the longest words) the Germans are going to sell coal to the Belgians so the Belgians can sell coal to the French to run the steel mills to make shells to shoot back at the Germans. It's a vicious circle and any child of ten who has studied a little plane geometry and calculus knows that there's nothing so utterly ennervating as to be on the wrong end of a vicious circle.

Paraphrasing the words of some general after the charge of the light brigade (from the picture of the same name) "It's magnanimous, but it's not war."

Life Insurance Companies Eyed -Capital Journal headline

You're wasting your time, boys. You can't stare down those

Army bells ended with Christmas, but the beli-ringing task has been taken up by its neighbor. Next door to the Salvation Army citadel is the George E. Waters company. For the last two nights the firm's burglar alarm, notably touchy, has been ringing

One of the local bon vivants (name on request) said yesterday that after Christmas there were almost as many dead soldiers on

MARITIME NOTE The commander of the Wheatland Ferry read lately that the been knighted and is in a huff because he has not received simifar honors for his valiant efforts in keeping submarines out of the Willamette and lower Mill creek. 'Just because he went to knight school and I didn't is no reason for discrimination," the commander is reported as saying.

TONSORIAL ITEM H. Gwynn, the barber, has re turned to his clip joint after an lliness. His friends were sad to learn that his vocal cords are un-

Yesterday's shakeup in Los Angeles may cause a shakeup in the Los Angeles chamber of commerce. Somebody pulled a boner by scheduling the LA quake, on the same day as one in Anatolia, which did plenty and consequently got a much better play

McKay Mentioned | If and to close a book store | Fifth Avenue in New York. As Senate Leader

Resignation yesterday of Robort M. Duncan, Burns, as a member of the state senate, has resulted in considerable speculation here as to who will aspire to the presidency of the senate at the 1941 legislative session. Duncan served in this capacity at the 1939

Names mentioned here Wednestay included Douglas McKay, Saiem; Dean Walker, Polk county, and Frank M. Franciscovich, As-

It also was reported that Walker would be a candidate for state treasurer at the next republican primary election. Duncan resigned to become circuit judge of the ninth judicial district, Harney, Malheur and

Crushing Death

escaped churning blocks of marble in a Beaver Portland Cement company rock crusher yesterday with only slight head lacerations,

Evaded by Loader GRANTS PASS, Dec. 27-(P)-William Crockett, 36, Wilderville,

Crockett, unloading marble blocks into the crusher, slipped and plunged head foremost into the machinery. Vernon Fleing legs and pulled him out before legs and pulled him out before legs and pulled him out before the blocks of marble, the size of the crusher, allipped bombers, part of an order of 250 greent on 1939 payrolls the city countributions due bombers, part of an order of 250 greent on 1939 payrolls the city countributions of the city countribution of the city countributions of

At Over 8000

Rush to Open Fields for Most Safety

Los Angeles Has Worst Shock Since 1933 Devastation

LONDON, Dec. 28.-(Thursday)-(P)-Earth shocks spread new terror late last night in eastern and northern Anatolia, Reuters, British news agency, reported today in a dispatch from Ankara, Turkey,

ANKARA, Turkey, Dec. 28-(Thursday) - (P) - Catastrophic earthquakes in northern Anatolia have killed more than 8,000 persons, unofficial advices said early

today. Open fields became the refuge of thousands of panic-stricken Anatolians, shivering in icy winds Turkish army rescue parties and fire brigades searched the smoking debris of towns and villages for bodies.

Terror-maddened cattle and stray dogs stampeded through the area in western Turkey shaken by the quake. Most water mains, railway tracks and viaducts were shaken apart like match sticks. (Turn to page 2, column 4) .

Pearson Doubts Federal Powers

Deduction From Payment on Grazing Land Challenged

State Treasurer Walter E Pearson Wednesday challenged the authority of the comptroller general of the United States to deduct from a grazing land claim of the state of Oregon \$289.75 gasoline tax, alleged to have been paid by federal employes in this state during the preceding bien-

A check for \$41,815.70 received from the comptroller general Tuesday was sent to Senator Mc-Nary by the state treasury department with the request that he urge payment of the state's grazing land claim in full.

The 1939 legislature approved gasoline tax refund of \$289.75 but the item was vetoed by Governor Charles A. Sprague. Pearson asked that the government remit the full amount of Oregon's grazing land claim for 1939 in the amount of \$42,105.45.

2 Russ Citizens To Pay Penalty

WASHINGTON, Dec. 27-(AP)-A federal district court imposed the first penalties under the 16month-old foreign registration act teday by fining Booknig, Inc., a Russian corporation, and two of its officers for withholding information from the state depart-

The defendants vleaded guilty before Justice Jennings Bailey half an hour after a grand jury had indicted them.

Bookniga, Inc., was fined \$1000 and agreed to dissolve immediately and to close a book store on

Boris Nikolsky, vresident of the company, was fined \$1000 and announced that he would leave for Russia on the next available boat. He also svoke for the

I. A. Ilyin, secretary and treas-

Toll of Quake | Commission Believes In Turkey Set | Dams Will Be Benefit To Valley Fish Life

Panic - Stricken Persons Statement of Willamette River Basin Group Is Larger Return From Answer to Objections Put Forward by Oregon State Fish Commission

> Without claiming to know more about fish than the next fellow, members of the Willamette River Basin commission Leader Join 3-Way are confident that the dams to be constructed in connection with the Willamette river project will be beneficial rather than detrimental to fish life, R. H. Kipp, executive secretary, declared while in Salem on Wednesday.

> > swer to recent objections voiced

the Willamette river and offset-

ting to some extent the pollution

below Oregon City which is con-

sidered the greatest detriment to

Sport fishermen have been ap-

faction, that trout fishing will

not suffer from the project's com-pletion, the only loss being about

50 miles, out of 1000, of fishing

streams where they will be in-

set this and promote even more

sport fishing than exists at pres-

hatcheries and building new ones,

from which trout may be distrib-

uted both above and below the

reservoirs. The more steady re-

lease of water will improve con-

ditions below the dams, Kipp

Admitting that a difference of

Criticizing the commercial fish-

ermen for not stating their ob-

(Turn to Page 2, Col. 5.)

Portland District Largest

Proposed; Two not to

Make Primaries

good chance of appearing on the

ballot at the next primary election

in Oregon, officials of the state

hydroelectric commission said

The largest is the proposed

Portland peoples utility project.

Hearing on petitions for this dis-

trict was held several weeks ago

and the commission is now pre-

paring its report. It first was sug-

gested that this proposal be sub-

mitted to the voters at a special

election but this was found im-

practical because of the cost.

County utility district proposals which probably will appear on

the primary ballot, other than the

Portland project, include Benton,

Coos, Lincoln, Yamhill, Washing-

ton and Clackamas. Other pro-

jects are the Nehalem Basin and

the Sand Lake Annexation to the

Tillamook county peoples utility

Officials said it was not likely

that either the Union county nor

the Clatskanie utility district pro-

posals would get on the ballot at

the primary election, but would

Petitions are now in circulation

for the creation of several other

peoples utility projects, officials

Small-statured Bryce B. Smith walked out on his mayor's job today after the dormant Pender-gast democratic machine came to

life and grabbed back the power

Smith, who made a fortune in

bread before he turned to poli-

tics, resigned effective Saturday

following an angry city hall scene

Smith, virtually a figure-head

under the city manager form of

assuming power last April after

a federal grand jury uncovered

graft and political corruption which rocked the powerful Pend-ergast group and sent Boss Tom

and several of his followers to

it gave him last spring.

be referred to the voters at spe-

cial elections to be held later.

On May Ballots

PUD's Likely

opinion exists with respect to com-

mercial fishing, Kipp said he un-

veloping spawning grounds.

larger dams in the system.

O The statement was made in an-To Lead League by members of the state fish commission who expressed fear that a large part of the salmon supply would be destroyed by Doctor Elected



DR. HENRY E. MORRIS

Dr. Morris Named League President

Business Men's Session Elects Floyd White Next in Command

Dr. Henry E. Morris was elected president of the Salem Busimeeting held Wednesday afterness Men's league for 1940 at a noon at the chamber of commerce. The president of this organization is ex-officio a member of the chamber's board of direct-

Floyd White was elected vice president, Fred Thielsen secretary-treasurer. Directors choses were E. V. Vernon, Gene Vandeneynde, Edward Bissell, Fred Moxley and Kenneth Perry.

Anticipating greater activity on the league's part, it was decided that its board of directors would meet the second Monday in each month, immediately after the chamber of commerce luncheon. The Salem Business Bureau of which the league was a member last year, has suspended opera-

Untagged Autos To Be Picked Up

Arrest of automobile owners who have not obtained or made application for their 1940 license plates, will get under way early January 1, attaches of the state police department indicated Wed-

County and municipal officers were expected to cooperate with the state police. State police said the law was plain and they have no alternative

than to arrest automobile owners who fail to comply with its provi-

Jobless Emergency Fund Is Set at \$6,000,000 Reserve Mayor Walks Out On Political Job The reserve fund of the state fore January 20 probably will KANSAS CITY, Dec. 27-(A)-

memployment commission, neet emergency demands for jobbenefits from Oregon's 250,-\$6,000,000, the commission anounced Wednesday.

Employers had asked that the reserve be kept above \$3,500,000 union representatives greed upon \$12,000,000 or even

Hearings on the reserve fund were held in Salem, October 17 and December 6. The order fix-ing the reserve fund was signed by T. Morris Dunne, L. O. Arens and C. M. Reynerson, members of the unemployment compensation commission. Dunne is chairman. Despite payment of benefits to 82,514 persons last year and 43,-112 so far in 1939, the fund has increased from \$5,823,552 on

to boost the fund to over \$8,000,000 next month, officials said.

Employer contributions in the workers, has been fixed at first year of \$1,543,840, based on a .9 per cent tax, increased to \$4,216,373 in 1937 when the tax 1938 reaching a maximum of 8 per cent, of which 2.7 per cent went to the state reserve fund, contributions were \$6,014,446, an amount that will equalled this year. Benefit payments during 1938,

first full year of operation, were \$5,916,398, but will be only slightly above the \$4,000,000 mark this year. The reserve fund's highest point of \$8,104,-428, recorded November 4, 1939, may be reached again early in 1940.

Sprague Urges Farm Market, **Buying Power**

Natural Resources Asked in Speech

Leader Join 3-Way Radio Forum

PORTLAND, Ore., Dec. Dec. 27 -(AP)-Better marketing of Oregon's farm products and more buying power from its natural re-sources were urged by Governor Sprague tonight,

"Thus far," he said in a statewide radio broadcast, "we have made our way by the simple pro-cess of cutting down trees, growing farm products, catching fish summertime release of impounded water, increasing the flow of and extracting minerals from our hills. This done we sent them away to the markets, little changed from their original form. We must get more jobs and more buying power from our natural resources. In other words, we must do more of the finishing praised, to their apparent satisourselves and thus build more

factories at home." The governor appeared on the broadcast with Ross McIntyre, Portland chamber of commerce cluded in the reservoirs. To off- president, and E. B. MacNaughton, chairman of the Oregon Economic council. ent, a million dollars will be spent | Council to Report

in increasing the size of fish Direct to Governor He explained the economic council which he appointed re-(Turn to Page 2, Col. 7)

Audit to Furnish **Fund Information**

and that this method had proven satisfactory; and that out of the Will Be Completed million dollars for promoting fish Next Month life, there would be funds for de

Information recently asked by the Marion County Tax associajections when hearings on the tion relative to the conduct of project were held, Kipp said nev- the state forestry department, ertheless every consideration was probably will be supplied in an audit now in progress and other reports, Governor Charles A. Sprague advised O. K. DeWitt, letter Wednesday.

Questions asked by the association dealt principally with the forestry department finances. Besides an audit of the forestry department records now being made by the state department, Governor Sprague said he would request an inventory report from the state property control divi-

Nine proposals for creation of copies utility districts stand a "These reports probably will supply the information you desire so I will not undertake to answer your inquiry," Governor Sprague's letter read. Sprague said the audit would be completed early in January. State Forester J. W. Ferguson

has resigned and will retire Janwill be elected at a meeting of the state forestry board here Friday. Governor Sprague is chairman of the state forestry board.

Argentina Denies Release Request

BUENOS AIRES, Dec. 27-(AP)-The Argentine government announced tonight rejection of a German protest against internment of the crew of the scuttled Nazi pocket battleship, the Ad-Graf Spee.

Interment of the crew, totaling 1,039 officers and men, was ordered by President Robert M. Oritz December 19, two days after the damaged sea raider was blown up in the River Plate following a battle with British cruisers. Members of the crew now are

quartered in the Argentine naval arsenal, pending their distribution in interior provinces. The presidential decree order ing their internment, presumably

for the course of the war, said that cost of maintaining the seamen would be charged against

Huge War Stores Set for Shipment NEW YORK, Dec. 27-(AP)-

American-made bombing planes, trucks and trench diggers and South American corned beefsome \$18,500,000 worth in allare stored in the New York foreign trade zone on Staten Island pending shipment to Great Britain and France in British ships. Included in the vast collection of equipment for the European war, operators of the "free port" said tonight, were 60 Lockheed

Willamette Grad in Training to Become Pilot in Army Air Corps



LEROY V. CASEY

Ex-Salem Youth Likes Air Course

Army Training in "West Teachers Complain of Too Point of Air" Makes

Choice Agreeable Well on the way to becoming

one of Uncle Sam's airplane pilots, and he "likes it very much," is Leroy V. Casey, Willamette university graduate, who was in Salem yesterday while on furlough from Randolph Field, Tex., the US army's "West Point president.

main in the nine-months course Redford, Ashland, of aviation training that started were being hatched artificially Forestry Department Quiz with a class of 400 fast July. The other 180, nearly 50 per cent, have been "washed out."

"Strangely," Casey told Statesman reporter yesterday, wasn't interested in flying before suddenly, because it offered a quick method of making money, decided to take the entrance examinations last June."

decision," said Casey, who was graduated in biology from Wilsecretary of the association, in a lamette, "for I like flying very

> Hood River. His mother now resides in Long Beach, Calif. He expects to continue his work in biology in graduate school, when he finishes his flying course, which he hopes to do in March. He and the members of his class not "washed out" completed the elementary phase of flying instruction in September, which dual flying and 40 hours of sold cı a medium power biplane, with only the barely necessary instruments. Upon graduation to Ran-dolph Field, they also graduated to a 400-horse powered low wing monoplane, embodying many of the flying qualities they will later find in the modern day planes in

> ase throughout the service. Casey and his class will shortly be moved to Kelly Field, the advanced flying school, located near San Antonio. There they will receive their final three months of flight training before being awarded the coveted set of wings, emblem of a military pilot,

Late Sports

Scattle's revamped hockey line-up clicked from the start to-night and the Scahawks routed the Portland Buckaroos, 5 to 1, in their Pacific Coast league

Astorian Named OSTA President

Little State Aid for Oregon Schools PORTLAND, Dec. 27-(AP)-E. D.

Towler, Astoria, became president of the Oregon State Teachers' association today amid convention complaints of inadequate state aid Towler was first vice president killed and another injured. Twelve

ath county, was elected a vice Bombs of 17 Planes Casey is one of the 220 who rerectors were filled by Dr. Walter attacked Turku, but most of the Southern Oregon College of Edu-

> large; Ada McLoughlin, Portland, District No. 2, and E. H. Gondit, Vernonia, District No. 3. The 40th annual convention opened with J. T. Longfellow's statement to the representative

council that financial difficulties were caused by the narrow tax The Oregon City man said 90 by revenue accruing directly from property taxes levied by the dis-

ricts and only 2.2 per cent from the state's irreducible school fund. Only Kansas gives less assistthan Oregon, Longfellow said. Schools there receive 1.9 per cent state aid. California, on the other hand, provides 63.5 per (Turn to page 2, column 3)

British Disable

oastal aircraft were reported tonight by the air ministry to have disabled a German patrol vessel with a direct bomb hit and to have put three enemy bombers out of action in a series of North

The attack on the patrol vessel took place near the German coast, where a British pilot ennaval ships, including several de-

Despite heavy fire from the ships, the British plane dived to the attack, and made "at least one direct hit," the air ministry said. The British raider returned

At another point, British air-craft were engaged by three German bombers which "flew in a tight circle to bring the cross fire of their front and rear guns to bear" on their opponents.

Wintry Blast Blown From Rockies to Atlantic Coast The only official information on the progress of the war in Fin-

(By the Associated Press) Winter puffed cheeks and blew blast of cold Wednesday which rolled off the Rockies all the way east to the Atlantic. Snow rode the blast out of the already blanketed mountain and

and south into Virginia. The southeast's farmers welcomed drought-breaking rain with the same gusto that farmers of "dust bowl" greeted droughtbreaking snows.

plains country east in New York

It was bitter cold over a wide range, Havre, Mont., and El Mor-ro, N. M., shivered in 16 below zero. In New York, the forest ranger's school at Wanakena made even that look like warm weather by reporting 35 below. New York city's thermometers hung around 15 above yesterday a d were exepcted to dip to 10 above during last night,
The thickly populated east,
where transportation is its life

of that state had eight inches of snow and more was forecast. Many Pennsylvania roads were impassable and some of its planes were grounded because of the season's biggest snow. In Maryland, experiencing its first snow of the winter, plane and ship traffic was halted in and out of Bal-

A three-inch snow made Washington, DC, government clerks titled "White Finland on the Even late to work and brought out 20 of its End." The article especially trucks. Six hundred men worked nish minister to Moscow, calling to keep clear the arteries of the nation's capital. snowsweepers and as many sand

It was snowing in New Jersey where the highway department down to eight above, Rainfall, amounting to two

inches in some areas, was said by weather observers to have "completely broken" a drought in 27.-Georgia. The rains extended old

Effort to Cut Murmansk Rail Supplies Made

Supply Trains to North Troops Object of Defender Thrust

New Blows Dealt by Soviet Air Force in Bombings

COPENHAGEN, Dec. 27-(AP)-A daring battalion of Finnish ski troops was reported driving through Russia tonight about 115 miles north of Lake Ladoga in an attempt to cut the important

Red army forces in the far northern sectors receive most of their war materials and supplies over this railroad, which runs from 50 to 150 miles east of the However, the soviet air force

Murmansk railroad.

dealt new blows to Finland's cities, attacking Tampere, a munitions center 100 miles northwest of Helsinki; Turku, southern Finnish port, and Viipuri, ancient Karelian isthmus city. The Finnish ski soldiers jumped

off in their dash toward the Murmansk railroad east of Lieska, where the Finns reported Monday their troops had crossed the bor-Soviet bombers showered more than 50 bombs on Tampere in

two raids. Some dwellings were

destroyed with one person being

last year. Isabelle Brixner, Klam- bombers participated in the raid. Drop in Water Vacancies on the board of di- Seventeen Russian war planes

the water. One plane was sighted over Hel cation, representing the state at sinki, but no bombs were dropped Other soviet planes again ap-

peared over Viipuri. In the far north, reports from the Norwegian - Finnish border terials abandoned by the retreating Russians. Tanks and trucks

were found stalled in the snow The temperature remained around four below zero Fahrenhelt and the forests east of Kemi jarvi, central Finland, were Russian soldiers.

Russia Calls More Troops to Arms MOSCOW, Dec. 27-(AP)-Soviet Russia called more men to arms tonight, poured large reinforce-ments into the Finnish fighting and revived her active interest the neutral Balkans.

bilized were intended for the Finnish campaign. There was no esti-Nazi Patrol Ship nish campaign. There was no estiserved to bolster at least 4,500,-000 men already on duty on war ious frontiers. (Finnish general headquarters said last night that 300,000 picked red army soldiers had been rushed up to turn the tide of recent reverses, in which the Finns said at least 4000 Russians had been slain in three

> Arrival in Moscow of a Bulgar-ian trade delegation stirred speculation in foreign quarters as t be demanding a Black Sea naval base from Bulgaria. The USSE has been concerned about its position in the Black Sea, where its navy is known to be weak, ever since Turkey turned to the west and signed mutual assistance and France.

> **Bulgarians Want** The Bulgarians want Soviet of from Baku, especially since Germany began diversion of both Rumanian and Soviet oil from Balkan trade channels. If the Soviet Union wants ex-

plicit trade advantages from Bulyears in Ohio. Southern sectors

brief communique which said: "December 27-Nothing in portant occurred on the front. Soviet aviation made reconnoitering

Minute communiques printed Soviet newspapers remained the sian people of the Finnish wer, Izvestia, the government organ however, ran a special article entitled "White Finland on the Eve assailed Eljas Errko, former Fin-

Ex-Doorkeeper of US Senate Dead

CHARLESTON, W. Va., Dec. 27.-(A)-William W. Cole, 73-year-old doorkeeper of the US senate