

Grand Jury Probe of Dies Letters is Demanded

Many Charges Cited by Hook

Issue of Withdrawal May Come up on Monday; Motion is Filed

WASHINGTON, Feb. 3.—(AP)—Rep. Hook (D-Mich) demanded today a grand jury investigation of all the facts connected with the letters which he placed in the congressional record concerning Rep. Dies (D-Tex).

Hook made the request in a letter to Attorney-General Jackson, saying there had been charges of forgery, perjury, collusion and conspiracy which he thought should be cleared up.

The letters purported to establish a link between Chairman Dies of the house committee on un-American activities and William Boyce Peffer, chief of the Silver Shirt Legion, an organization described by the committee as "fascist."

The Dies committee informed the house that a witness named Mayne of the city had confessed to show the committee how well he could imitate Peffer's signature and that the result was "a masterpiece."

The rules committee will consider Monday a resolution by Rep. Hoffman (R-Mich) to have the hook letters and remarks expunged from the record on the ground that they improperly reflect upon another member of the house.

One member of the committee predicted that "Hook will be pretty well skinned" by the committee, unless he offers to withdraw the matter from the record, apologize and concedes that the documents were forged.

This informant said the "skinning" would take the form of a resolution of censure.

Hook attempted to withdraw the matter from the record Thursday, but Rep. Keefe (R-Wis) blocked the move because Hook refused to say the letters were forgeries.

The Michigan representative said today his position was unchanged and that he would not declare the documents forgeries until they were proved to his satisfaction to be that.

Freezing Sliced Apples Process Held Perfected

SEATTLE, Feb. 3.—(AP)—Government scientists announced today they had perfected a method to freeze sliced apples without the slices discoloring.

C. C. Diehl, senior chemist of the department of agriculture, head of the United States frozen pack laboratories here said the new method "means that frozen, crisp apple slices, ready to drop into a pie, and as white as they were the day they were cut, soon will be pouring into eastern markets from Washington."

Diehl said the new process would open up a new outlet for the state's apple crop which would aid in reducing the surplus caused by the elimination of European shipments.

The research work at the laboratory was done principally by chemists assigned by the WPA, who, Diehl said, were baffled for a long time by the tendency of apples to discolor when sliced.

To overcome this problem a thin layer of ice is frozen over the slices of apples immediately after they are cut. The slices are found to suffer no deterioration in appearance or flavor when thawed for use," he said.

The Seattle frozen pack laboratory has perfected many many important quick-freezing processes and about \$10,000,000 worth of frozen fruits and vegetables were sold from Washington and Oregon last year.

Storm Warnings Posted at Coast

PORTLAND, Feb. 3.—(AP)—Excess in Hood River and Pendleton, thermometers remained above sub-freezing today as rain fell over most of the state.

Without storm warnings were posted along the coast.

The government weather bureau forecast occasional rain for Sunday, with snow over mountains and locally in east portion and little change in temperature.

Hood River's minimum temperature was 23 degrees, one degree above Pendleton's, which was recorded at the airport.

Bette Norwood Is Honorary Colonel

SUGENE, Feb. 3.—(AP)—Dartmouth Bette Norwood, pretty Jamison, Ore., Delta Delta Delta, was acclaimed honorary little colonel at the annual military ball held on the campus tonight under the auspices of Scabbard and Blade, military honorary.

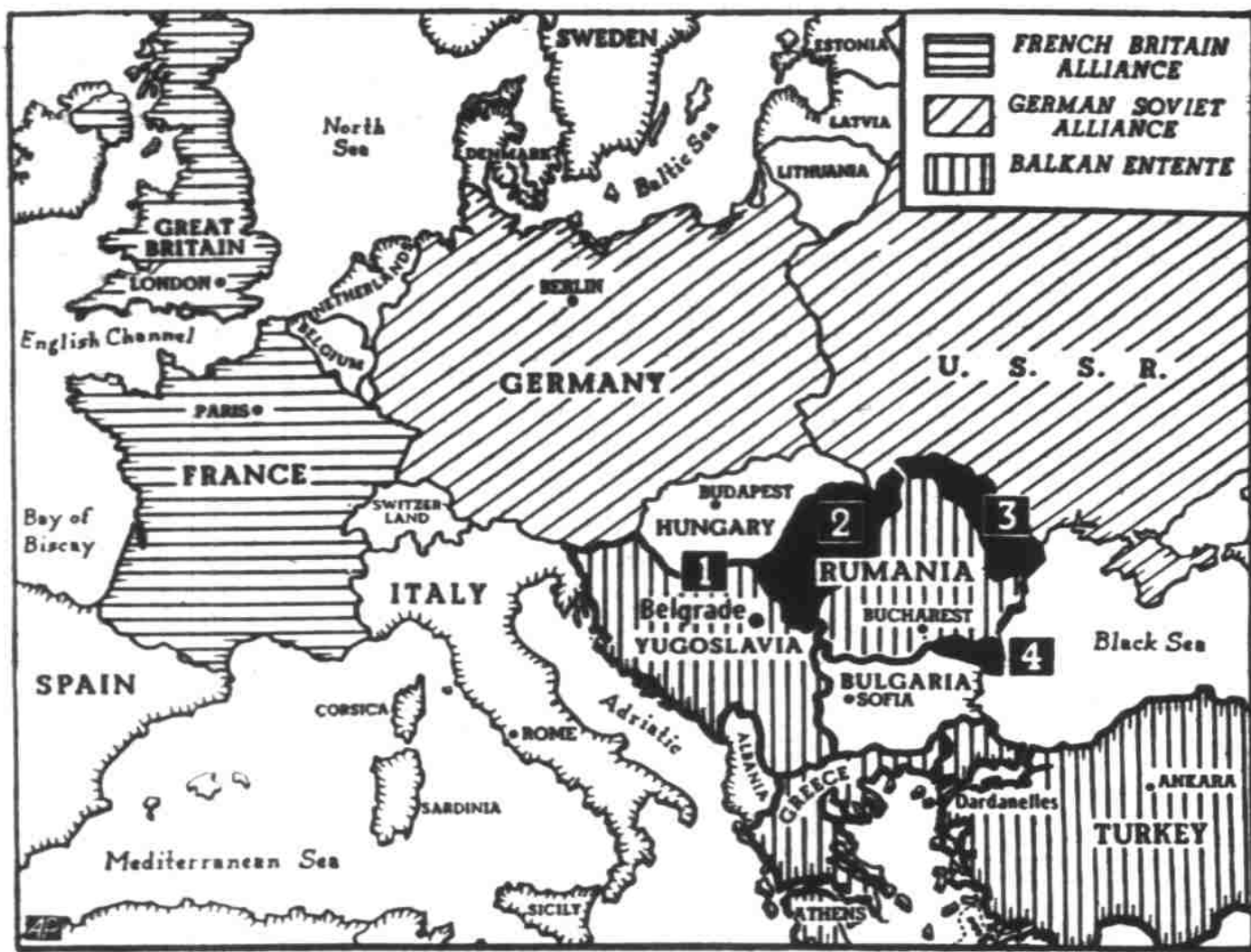
Members of her official staff, runners up in a popularity contest, were: Elmer Soderstrom, Salem; Sadie Yarrist, Boise, Idaho; Tom Hoke, Pendleton, and Jeanne Burf, Colton.

Stanford Winner In Feature Ever

RENO, Nev., Feb. 3.—(AP)—Stanford university won the team title in the downhill race here tonight at the Nevada winter carnival in which 11 teams are competing. The University of Nevada is the defending champion.

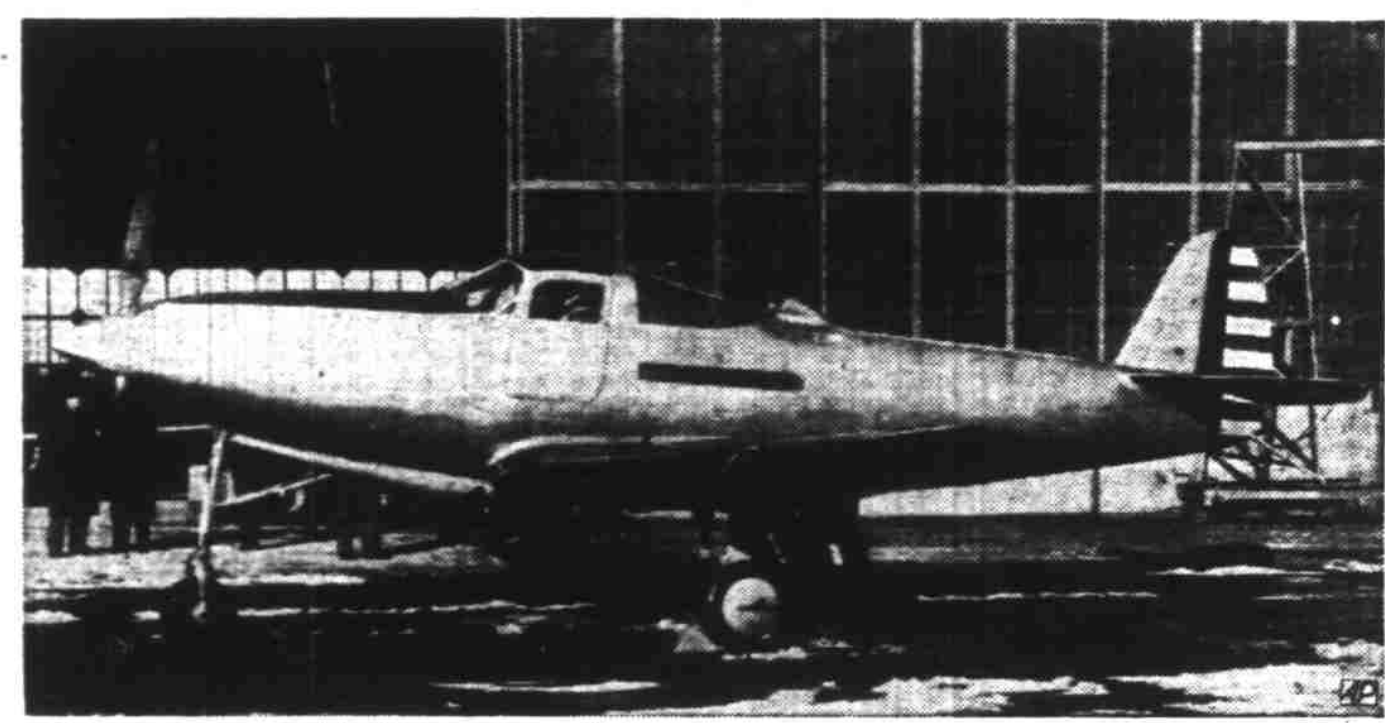
Stanford was credited with 100 points in the downhill race. Nevada was next with 91.6.

Balkan Entente Studies Neutrality Plans



Map of Europe showing the Balkan Entente (1) where representatives of the four "Balkan Entente" powers—Rumania, Greece, Turkey and Yugoslavia—assembled to find a way to keep out of war. Plan for "economic neutrality" was first discussed. Caught in the middle of the conflict, Rumania was faced with the prospect of Hungary's striking at Transylvania (2), Russia's marching into Bessarabia (3) and Bulgaria's cry for part of Dobruja (4). German pressure on Rumania for oil, industrial and agricultural products was reported.

Vibrations Delay "Flying Bullet" Tests



Engine and propeller vibrations delayed test flights on one of the army's newest and fastest pursuit planes, known as the "Aircobra" and nicknamed the "Flying Bullet." The new plane, shown at Bolling field, Washington, D.C., is of ultra-streamline design, capable of carrying a one-pound cannon and four machine guns, all fired automatically from the pilot's cockpit.

First Birthday for Texas Quads; Colds Bar Party



Texas' Budget quadruplets celebrated their first birthday at the Galveston home of their parents, Mr. and Mrs. W. Ellis Badgett, recently, but a siege of sniffing colds prevented them from having a party. At one year, Geraldine, left, is largest, weighing 26 pounds. Others average 18 pounds each. Geraldine, Joan, Jeannette and Joyce received scholarships to Texas' Baylor university among other birthday gifts.

Firm Declaration Made by Stanley

War Must Go on Till Peril Represented by Nazis Is Broken, Asserts

NEWCASTLE-ON-TYNE, England, Feb. 3.—(AP)—Giving a blunt answer to advocates of peace negotiations, War Secretary Oliver Stanley declared today that the war must go on to end forever the power of Germans "to inflict upon the world the misery twice in our life they have done."

Vehement in his first speech since taking office, Stanley said that a halt now would bring "no lasting peace but only a troubled truce," with "no assurance for the present and no security for the future."

"Within a few months, at the most within a few years," he said, "we should find we had not won peace but had sacrificed victory."

Britain, he said, is ready to "grasp with both hands at a peace which is both secure and honorable," but only victory can assure such an end to the conflict.

Criticizes Hertzog Stanley singled out Gen. J. B. M. Hertzog, former prime minister of the Union of South Africa, as one of the advocates of peace and an "apologist" for Adolf Hitler.

Hertzog went out of office Sept. 6 after losing a campaign for a separate peace with Germany, and defeated recently when he revived the issue in the Union parliament.

Stanley said "distance had lent enchantment" to Hertzog's views on Europe, and suggested that "we call as our witnesses not people thousands of miles away but people a little nearer the scene" for judgment of Hitler.

Ask Neutrals, Urges "Let us go around Europe," Stanley said, "and ask the small neutral countries if they feel this

Europe Is Closer By Air as Horta Stop Eliminated

MIAMI, Fla., Feb. 3.—(AP)—It's just an overnight jaunt now from Florida's resort area to Europe.

The American Clipper of Pan American Airways' transatlantic service took off at dawn today and was scheduled to reach Lisbon, Portugal, early tomorrow morning.

The transatlantic service was started last June, and the 100th crossing was completed a week ago. More than eighteen hundred passengers and many thousands of pounds of mail have been transported.

In the past, flights have required 27 to 30 hours, with stops at Bermuda and at Horta, the Azores, on the way from New York to Lisbon.

Now, with seven months' experience, Pan American has arranged for heavier gasoline loads and will omit Horta from the itinerary. The handling of passengers and mail was speeded. These innovations are expected to reduce the flying time to 24 hours in good weather.

Pan American officials hope to maintain the one-day schedule whether the western terminals are in the north or south.

confidence in Hitler." His voice sharp with sarcasm, the war minister continued: "Are we just a little inconsistent? No, General Hertzog—just 2000 miles nearer the facts."

"Millions of different races, of different language and of different creed bear witness to the fact that with this man (Hitler) leading and with his nation allowing him to lead, there will be no peace and there will be no security for Britain or Europe or for the world."

Stanley was interrupted several times by hecklers, leaflets headed "war is vain" were showered from the balcony.

Indians Lay Claim To All of Seattle

But Willing to Settle for Mere Three Millions; Bill in Congress

SEATTLE, Feb. 3.—(AP)—The Duwamish Indian tribe claimed today to be the real owner of "all the land in the city of Seattle," but expressed willingness to settle for \$3,076,800 from the federal government.

Superior Judge J. T. Ronald acknowledged a contract in which the Indians retained Attorney Arthur E. Griffin to press their claim for such an amount at sessions of congress.

Chief Peter J. James of the Duwamish tribe, who lives at Marletta, Whatcom county, declared and will omit Horta from the Indian claim was based on a treaty signed in the 1850s by Gov. Isaac Stevens of the Territory of Washington, whereby the Indians relinquished their ownership of all the Puget Sound country in return for the promise of a reservation. Stevens subsequently was killed in the Civil war; and the chief claims, the agreement was never kept and no lands were assigned the tribesmen.

Bill is in Congress Hence, the Indians argue, their prior ownership of King county land—particularly that on which the city is built—should still be recognized.

Sen. Lewis E. Schwellenbach (D-Wash) introduced a bill in congress last year authorizing payment of \$3,076,800 to the tribesmen. The current action is another attempt to obtain that settlement.

Judge Ronald pointed out that Griffin obtained a substantial settlement for Yakima Indians under similar circumstances some time ago.

Drager's Trial Opens Monday

Nine Days Required for Testimony, Forecast; Grand Jury Meets

(Continued from Page 1)

ended at that time with a hung jury, and Richardson is again to go on trial February 19.

Meeting of the grand jury will be given over in large part to routine matters to be presented by District Attorney Lyle J. Page, it is understood, but may again be concerned with the probe into the affairs of City Recorder A. Warren Jones begun last November.

Prior to its adjournment in December, the grand jury handed a presentment to Judge McMahan advising him of certain facts discovered in the course of the investigation and asking for instruction as to whether under such facts any law had been violated.

To date the judge has declined comment on the presentment, but is expected to make some reference to it in the course of the new session of the grand jury.

Study of the city recorder's office began last fall when an auditor alleged that \$481 was unaccounted for. Jones was absent in San Francisco at the time.

Lambert Estate In Equity Court In addition to the grand jury hearing and the Drager trial, the courtroom will also see taking of a deposition in the Lambert estate matter before Judge Lewelling tomorrow. On Tuesday the judge holds his regular motion day, and on Wednesday the case of Kubine vs. state unemployment commission is set for hearing.

Trial of Bedient vs. Anderson on Friday will be followed on the next day by the case of Union Pacific and other railroads vs. Ormond R. Bean, public utilities commissioner, to which virtually all truck lines operating in this state, together with the AF of L Teamsters union, have been admitted as intervenors.

The case concerns the power of the utilities commissioner to suspend announced rates for transport of petroleum by railroad. Trucking companies in their petitions for intervention have alleged that if such rates are allowed to stand, they will have a depressing effect on their business.

France Indignant At Rail Bombing

Prompt Protest Promised as Report Says Five Europeans Killed

PARIS, Feb. 3.—(AP)—Government spokesmen voiced "indignant surprise" today at reports that Japanese warplanes had bombed a train on the French-operated Kuning-Hai railway in southern western China and said the matter would be "taken up" at once with Tokyo.

Five Europeans were reported killed in the bombing, which destroyed 100 yards of track and wrecked a bridge over which the train was passing. Most of these victims were believed French, although details were lacking.

Authorized quarters said the bombing was a surprise, because France had been giving no indication that attacks on the railway, which have occurred several times in the past, would not be repeated. This was in response to French protests in Tokyo.

US Protest Reported These sources said the United States also had protested previous bombings, and declared that the French ambassador to Japan, Charles Arsene Henry, had pointed out that the railway is of wide international interests.

French quarters said that United States protests against attacks on the railway (presumably registered by Ambassador Joseph G. Grew in Tokyo) were based on the contention that the line is the only means for transporting American merchandise into central China and the only means of communication between Americans in Chungking and the outside world.

Budget Reduction Slight Says Glass

(Continued from Page 1)

be cut from the \$1,800,000,000 defense estimates and used in part for farm benefits.

He said that the appropriations committee would have to hear numerous witnesses on the farm legislation, and that it might not reach the senate floor before May.

A senate-approved conference committee approved today legislation authorizing a \$251,200,000 emergency expenditure for establishment of the neutrality patrol and expansion of other military activities, paving the way for final congressional action on the first of more than a dozen appropriations bills.

Restoring only about \$600,000 of \$12,785,664 lopped off by the bill by the senate, the conferees agreed on a figure approximately \$19,500,000 below the president's budget request.

Sons Beat Humboldt

ASHLAND, Ore., Feb. 3.—(AP)—Southern Oregon College of Education outran Humboldt State college in a furious second half tonight to win a basketball game, 50 to 44. Baseman of Southern Oregon was high scorer with 12. Sether got 11 and Lee 10 for Humboldt.

Lansing's War Plan Revealed

Preparing 2 Years Before US Entered War, Shown by Secret Letters

By ANDRUE BERDING WASHINGTON, Feb. 3.—(AP)—Robert Lansing, World War secretary of state, was preparing for the United States' entry into the war on the side of the allies nearly two years before this country finally broke with Germany, his secret correspondence reveals.

It is understood that the correspondence is to be published by the state department within a few weeks, and authoritative sources said, will disclose this fact and many others throwing new light on the trying 1914-18 period of American neutrality and belligerency.

It was taken by Lansing from his files in the state department when he fell out with President Wilson and resigned in 1920. After his death his relatives returned it to the state department and congress authorized an appropriation to publish it. The letters will appear in two volumes of about 700 pages each.

Notes Exchanged Many exchanges of private memoranda between the secretary of state and his president are included. In one, written in August, 1915, Lansing stated his belief that a rupture of diplomatic relations with Germany was probable and analyzed the advantages the United States would receive from such a break.

One of the most striking sections centers around the British nurse, Edith Cavell, whom the Germans shot on suspicion of spying and aiding prisoners to escape. At that time, the American minister to Belgium, Brand Whitlock, took energetic steps to save the nurse's life and delivered a strong protest to the Germans against the execution. Publication of the correspondence will show he took the action without authorization of the state department, indeed without notifying the department until after he had taken it.

Secret Accord Bared Release of the Lansing papers also will bring greater clarification to one of the few items of "secret diplomacy" in American history—the so-called Lansing-Ishih agreement between the United States and Japan, in the agreement, signed in 1917, the United States agreed to Japan's "special interests" in China. But in exchange Japan agreed that all nations should be on the same footing in China. This second point was made a secret clause and Lansing had frequent occasion to regret having consented to keep it secret, especially after the Japanese translated the phrase "special interests" into "paramount interests."

Another front-page highlight of American foreign policy thrown into greater relief in the correspondence is the American effort to force Japan out of Chantung, China, which Japan had seized from Germany at the outbreak of the World War.

The papers are understood also to throw new light on the differences of opinion which led to the break between Lansing and Wilson and Lansing's resignation in February, 1920.

The two volumes will begin with March, 1914, when Lansing became counselor of the state department, and continue through his tenure as secretary of state starting in June, 1915, after the resignation of William Jennings Bryan.



That seems to be the opinion of Louise Chue (left), 8, and her sister, Shirley, 3, bewildered and frightened as they arrived in New York with their grandfather, Chew Saang, en route from Jamaica, British West Indies, the children's birthplace, for a visit to Hongkong, home of their ancestors.

Labor Federation Criticizes NLRB

Incompetence, Stupidity and Bias Are Charged by High Command

MIAMI, Fla., Feb. 3.—(AP)—The Miami Federation of Labor high command accused the national labor relations board today of "bias, stupidity and incompetence" and called for sharp curtailment of its power.

In a statement made public by President William Green, the federation said labor, industry and the public had lost confidence in the board, as now constituted, and added:

"The present board and its staff are totally unfit for their important duties. "The governmental agency has never been an impartial umpire but has assumed powers never granted to them by law in an effort to impose their own particular philosophies on labor and industry."

Wants Bill Passed Green urged that the Walsh-Barden bill to amend the national labor relations act be passed at this session of congress. He said it would abolish the present three-man board, provide "a complete housecleaning of its staff," and create a new five-man board.

He said the new board then would be required to let the workers pick their own bargaining agency, would be bound to

recognize bona fide contracts, and would be compelled to avoid delays now charged against the board.

The AFL expressed sharp opposition to amendments backed by employer groups, "because we believe they intended to nullify the basic principles of the law."

Green urged immediate action by congress so the issue would not become a "political football" in the forthcoming campaign.

Cooperative Land Use Plan in Coos

CORVALLIS, Feb. 3.—(AP)—Ten federal and state agencies will participate in a cooperative land use adjustment program in Coos county.

The program was approved by the Oregon State Land Use committee. Three objectives of the committee follow:

1. To protect and perpetuate the forest industry and establish its permanent relationship with agriculture in the communities.

2. To establish sound farming systems in areas suitable for agriculture through desirable shifts in management or types of farming which will increase farm income, maintain soil fertility and prevent erosion.

3. To prevent further decrease in the tax base in order that essential public services may be provided without undue burdens on property owners.

AGAIN

Headlines Shout of Construction Records Broken!!

Day by day—Week by week—Month by month—new home construction has been steadily on the march.

Again we ask you to look about you and see how many of your friends and neighbors have built their own homes in 1939. YOU CAN DO THIS SAME THING IN 1940.

Wouldn't it be far better to OWN YOUR OWN HOME than to merely have a HANDFUL OF RENT RECEIPTS at the end of 25 years.

4 1/2% F.H.A. LOAN

25 Year - 90% Appraisal

Is Your Building Answer

January building in Salem was nearly double that of a year ago, the monthly totalling of the city building inspection department shows.

There were 81 permits issued last month for a valuation of \$99,416 as compared with 56 permits in January, 1939, for a valuation of \$52,984.

Permits were issued for erection of 18 new dwellings at an estimated valuation of \$60,100 as compared with 16 permits a year ago for a valuation of \$34,038.

There was also \$20,300 of new construction in warehouses and store buildings.

Fifty-two permits for repairs, totaling \$15,366, were issued.

From the Oregon Statesman Feb. 1st

Building Doubles Here in January

\$2500 Loan	\$3000 Loan	\$4000 Loan
13.90	16.68	22.24
Month	Month	Month
\$2800 Loan	\$3500 Loan	\$5000 Loan
15.57	19.46	27.80
Month	Month	Month

For That Home of Less Than \$2,500 There's a NEW F.H.A. - 95% - 15 YEAR LOAN

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