

Storm Damage Is Widespread

Wheatland Ferry Service Halted; Breakwater Out at Newport

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The 24-hour period ended at 7 p. m. The airport weather bureau said 25 inch of rain fell between midnight Monday and midnight last night.

Shelton ditch, often sent on a rampage by heavy rains, remained within its banks. Newly constructed masonry retaining walls prevented its spread over the old city auto camp grounds.

NEWPORT, Feb. 6.—(AP)—Rain-loosened soil behind the Yaquina bay seawall caused 400 feet of the breakwater to give way and slide into the bay today. Damage was estimated at \$10,000.

The wall collapsed below Bay boulevard, three blocks north of the Abbey house. About half of the concrete wall broke loose.

Although the wall supports the boulevard at this point the slide created no immediate hazard to traffic.

PORTLAND, Ore., Feb. 6.—(AP)—Heavy rain fell over all of Oregon today and was blamed for a slide that derailed one car and almost buried the engine of an eastbound SP&S freight train east of Astoria.

The company's chief dispatcher said the track would be cleared early tonight. More than 70 feet of track was torn up.

The slide, described by railroad men as one of the worst ever along the lower Columbia river, did not injure any of the train's crew.

Minor mud slides occurred on the Columbia river highway and traffic passed through high water on the West Pacific highway between Corvallis and Monroe. High water also was reported south of Seaside and on the highway at Forest Grove.

The rain brought warmer temperatures. Newport had 2.81 inches during a 24-hour period. Portland 2.60 and Hood River 2.40. After the heavy downpour, Portland was within 1.81 inches of the normal 7.70 inches since January 1.

Other precipitation readings included Baker 1.11, Bend 1.11, Burns 2.4, Eugene 7.4, Lakeview 3.5, Medford 4.1, North Bend 1.49, Pendleton 2.7, Roseburg 7.7, Siskiyou summit 42.

The government weather bureau forecast clearing skies for Wednesday.

WALLA WALLA, Feb. 6.—(AP)—The heaviest rain in nearly a year drenched Walla Walla valley equally well today and brought heavy moisture to the wheat lands as well as to the Blue mountains foothills, where nearly two inches fell in 24 hours. Precipitation here was .63 of an inch.

Today's rain spread rumors that a cloudburst had occurred near Milton-Freewater, Ore., but no damage was reported although the Walla Walla river was at a high level.

Garner Vote Aids In Economy Drive

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138,693,528 independent offices bill.

Late in the day the senate completed legislative action on the first appropriation bill of the session—a \$57,541,300 deficiency measure—and sent it to the White House.

Including \$29,000,000 for naval armaments and \$29,000,000 for internal revenue bureau tax refunds, the measure was \$2,783,700 below President Roosevelt's recommendations.

Skating, but not for Pleasure



Dutch soldiers mix business with pleasure as cold wave freezes the flooded frontier. Two members of a light machine gun company go into action on skates, which are now a standard part of the Dutch winter equipment.

Milk Law Benefits All, Co-op Meeting Is Told

Figures indicating that both the producer and the consumer of milk in Oregon have benefited from milk control were produced by W. W. Henry, manager, at the annual meeting of the Dairy Cooperative association on Tuesday in the WOW hall in Portland.

Milk prices to the consumer averaged 12.8 cents a quart over the 17-year period prior to the enactment of the milk control law; under that law they have averaged 11.12 cents for a higher or quality of milk since the US Public Health Service type of milk ordinance came into general use about the same time. Producers, he added, have averaged 77 cents a hundred above the condenser price under milk control, whereas the average was 37 cents previously.

Mr. Henry reported the association's indebtedness had been reduced by \$109,000 in the past year and mentioned the progress of the feed department which had

Dam Won't Harm Fish Life, Claim

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pensate for such impairment," Representative Mott wrote.

The war department, in Mott's opinion, intends to follow the biologist's recommendations.

In addition to threatening delay in construction of the valley dams, three of which are scheduled to get under way before mid-year, the fishermen's protests have retarded plans for reconstruction of the North Santiam highway from Niagara to Detroit to make way for future erection of the North Santiam dam, highest of the seven.

Kipp said the US army engineers expected to receive a report from the bureau of fisheries late in March concerning the factor of fish life in construction of four of the large dams on the project.

Auditor Tells Of Shortages

9 Women Sit on Drager Trial Jury as Case Gets Under Way

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Dr. Marsh referred the witness to specific vouchers, particularly one for \$4238.51 made out to the credit of the city of Silverton. Voucher, Dates Don't Jibe, Witness Asserts

The witness testified that the record of the voucher in the cash book failed to substantiate other records of the transaction in the treasurer's ledger so far as date of payment was concerned. Davis, on the question of Defense Attorney Ross admitted that he which the entries were made.

Hearing of the auditor's testimony, and that of County Clerk Boyer followed the completion of a jury at 11 a. m. and preliminary statements made by attorneys for both sides which followed at once.

Special Verdict Drawn Upon

Nine persons called in as a special verdict Monday were drawn upon by attorneys in completing the panel.

Jurors selected include Phillip J. May, farmer, Mt. Angel; Anthony F. Boytana, ground man, Salem; Left Bergsvik, superintendent, Salem; Florida M. Crittenden, Salem; Paula R. Leach, Salem; Anna M. Beiler, Quincy; Dorothy P. Goodman, Salem; Hazel Van Eaton, Salem Heights; Pauline Johnson, East Silverton; Bertha Perlich, Salem; Emma M. Hilfiker, Pringle; and Flora M. Johnson, Hayesville, all housewives.

In his opening statement made following the selection of the jury, State's Attorney Marsh exhaustively reviewed the character of the case, the type of evidence to be introduced, and the state's view of the defendant's innocence.

Drager's Long Tenure Cited by Marsh

Summarizing Drager's service as county treasurer since 1915, and that of his former deputy, W. Y. Richardson, for a similar period, Marsh declared that among the specific duties of the treasurer was that of filing a statement showing receipts and balances in his office with the county clerk.

"Drager never filed one of these reports until January 1, 1939, the prosecutor declared, and this was after the shortage was discovered."

Marsh also asserted that the treasurer had not submitted the annual reports to the clerk showing money received, dates, monies paid out and other information as required by law.

"Had these reports been filed," he asserted, "they could not have been filed for one month but this shortage would have been discovered."

Required Bookkeeping Forms Ignored, Prosecutor Avers

Marsh also accused the defendant of ignoring certain required bookkeeping forms with respect to his ledger and cash books.

"The law requires the treasurer to mark paid on a warrant when it was settled and to place the date with it," he explained. "In many cases this was omitted, which adds to the confusion of the county records."

In describing the case of the state, Marsh said, "Our contention is that there is not a huge mistake in bookkeeping but that somebody took the money—some of the \$23,000 probably can be accounted for in poor bookkeeping—but most of it, all but a thousand or two dollars, was stolen or embezzled by somebody. There was a shortage from 1916 or 1917 and from that time down to 1935 that shortage increased from \$900 to \$1000 every year. For 21 years someone in the treasurer's office manipulated the books so that the auditors they hired every year for 21 years covered up the shortages."

The prosecutor concluded with the assertion that Drager had once admitted that the shortage was an actual cash shortage and that the only way that it could have gone was for him to have taken it, or Richardson, or both of them, but that Drager himself had denied his own participation in such embezzlement "very emphatically."

Defense Attorney Ross succeeded the prosecutor before the jury, and averred that assertions made by the state were in fact faulty and that their deductions could not be maintained by evidence.

Slayer Suspect



Only 15, Clark Clyde, Jr., high school student, is being held at South Haven, Mich., after the death of Mrs. Max Edwards, 21, following an assault allegedly confessed to by the boy.

Tot Steals Show, Young GOP Play

"Her Step-Husband" Will Be Offered Tonight For Second Time

Jackie Van Cleave, aged 14 months, stole the show when the Salem Community Playhouse presented "Her Step-Husband" for the first time in Salem at the Bush school auditorium Tuesday night under auspices of the Young Republican club. Jackie's appearance was brief but he played his role with entire naturalness.

Other minor roles excellently portrayed were those of "Limp" Lannigan, played by Leonard Steinbock, and Officer Shea, by Larry Boulter who also directed the play. Lottie VanCleave was convincing in the part of "Aunt Emmy" Paisley. Dot Kingswell put a lot of enthusiasm and poise into her portrayal of Stella, the maid.

Bette Allen and Leon Spaulding capably sustained the roles of the couple whose dilemma provided the plot, and Sue Sanderson, Morrill Cray and Carol Young rallied around with helpful or disconcerting bits of action.

The play will be presented again tonight, the curtain rising promptly at 8 o'clock.

Settlement Near In Toledo Strike

TOLEDO, O., Feb. 6.—(AP)—Negotiators reported today they had made definite progress in discussions looking to settlement of Toledo's six-day old gas strike.

Agreement was reached on seniority and on all minor points. The CIO by-products, coke and chemical workers union also has asked wage increase of 10 cents. Fuel Gas Co. and has affiliated Natural Gas Co.

Out-of-town workers have maintained gas service while a union-estimated 200 men are on strike. There was no repetition today of the violence of last night, when pickets stoned guards who had displayed shotguns for the first time.

Prisoner Queried On Mattson Case

ALBANY, Ore., Feb. 6.—(AP)—Albert Springer, 38, Dupree, S. Dak., was questioned by federal bureau of investigation agents to asked wage increase of 10 cents. Chief of Police Stellmacher said. Springer notified the FBI when Springer told him he "got into a jam" at Tacoma a few years ago. When questioned on the kidnapping he declared he had been in a Minnesota hospital for the insane at Fergus Falls in 1937-38. Agents were checking this statement with hospital records there. Springer was arrested here recently on a vagrancy charge.

Iron Plant Near Bonneville Eyed

PORTLAND, Ore., Feb. 6.—(AP)—Two British Columbia contractors who said they had become interested in iron deposits on the Zeballos river, conferred with Paul J. Raver, Bonneville administrator, today.

The two, A. W. Ford and Grant Williams, sought information on feasibility of constructing an iron plant on the Columbia river which would operate with Bonneville power. Raver said they declared power. Raver said they declared power. Raver said they declared power.

Roosevelt Dimes' Theft Is Charged

WASHINGTON, Feb. 6.—(AP)—Michael Carta, 38-year-old postal clerk, was indicted today for stealing dimes sent to President Roosevelt to aid infantile paralysis sufferers and pleaded guilty. Prosecutors declared Carta signed a confession in which he admitted stealing six letters while he was on duty at the Washington post office last month. Two of the letters contained dimes sent to President Roosevelt.

Labor Federation To Seek Members

South and West, Sections Of Industry not yet Unionized, Goals

MIAMI, Fla., Feb. 6.—(AP)—The American Federation of Labor announced today an organizing drive to enlist 500,000 new members by October, but denied the campaign was aimed at similar efforts of the rival CIO.

Emphasis will be placed on the far west and south, but the executive council said the campaign would be extended to all fields which have "hitherto resisted unionization."

President William Green said the program was not in any way spurred by activities of the congress of industrial organizations, and that he did not believe it would result in any intensification of CIO membership work.

Among fields upon which the federation plans to concentrate are textiles, retail trade, marine workers, office and white collar workers, government employees, teachers and "miscellaneous industries."

Invite News Workers Included in the latter is the newspaper field, where Green said the federation already has some local chapters. He said no particular emphasis would be placed on organization among newspaper workers, but that "wherever the newspaper unions want to come into our federation, we will take them in."

Green said results of a recent meeting in Salt Lake City, when a five-state membership drive was launched to unionize unorganized workers in the coast industries, had been "prompt and encouraging" and that the next major regional conference would be held in Atlanta March 2.

Silver Shirt Boss Denies Authorship

(Continued from page 1)

Record, and proclaimed that he "wouldn't be too small to extend my apologies to anybody."

Down in Asheville, NC, Sheriff Laurence E. Brown despatched telegrams to the Washington, DC, police, the federal bureau of investigation and the Dies committee asking that Pelley be held for him. Pelley was indicted in 1935 of violating the state "blue sky" securities law, and a superior court judge has accused him of violating the conditions on which his jail sentence was suspended.

However, the Dies committee wants to question him further here. It slapped a subpoena on him today, and Acting Chairman Starnes (D-Ala) said that as long as Pelley was under this subpoena neither state nor federal officers could interfere.

The committee has denounced Pelley, a distributor of anti-semitic literature, as head of one of the richest of so-called American "fascist groups."

Among charges which the committee has made against him is this one:

"From the documentary evidence and testimony before the committee . . . the conclusion that he is a racketeer engaged in milking thousands of dollars annually from his fanatical and misled followers and credulous people all over the United States and Canada and certain foreign countries, is inescapable."

Regional Planning Board to Convene

BOISE, Idaho, Feb. 6.—(AP)—Plans were laid here today for a meeting of the Pacific northwest regional planning commission February 16-17.

J. D. Wood, consultant for the Idaho planning board, said the northwest group would discuss migration into the area, economic opportunities, drainage basin problems and interrelating of state planning programs.

Members of the regional commission are George F. Yantis of Olympia, Wash.; D. P. Fabrick of Choteau, Mont.; B. H. Kiser of Spokane, Wash.; David Eccles of Salem, Ore.; Walter C. Clark of Kellogg, Ida.

Conspiracy Case Fines Meted Out

PITTSBURGH, Feb. 6.—(AP)—Fines aggregating \$54,150 were imposed today by Federal Judge F. P. Schoonmaker upon 57 electrical contractors, union leaders and corporations who had pleaded no defense to charges that they conspired to defraud the government on PWA electrical contracts.

Attorneys claimed the government lost \$500,000 in five years due to bid-rigging and collusion. Michael P. Gordan, AFL elec-

trical workers union business agent described by the government as the "complete dictator" of the electrical contracting industry in the Pittsburgh area, drew a \$7,000 fine, the heaviest of the penalties which ranged upward from \$50.

300 Said Killed As Chinese Sink

HONGKONG, Feb. 7.—(Wednesday)—(AP)—The Central News Agency said.

cy, the central Chinese government's press service, reported today 300 men were killed yesterday when Chinese artillery sank a Japanese transport in the Yangtze river 30 miles above Kiang. The agency said several direct hits were scored on the vessel and that the 300 men died either in the shellfire or by drowning. The transport was bound for Hankow from Shanghai, the agency said.

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Bay State Mayor Threatened

Death threats have been made by a mysterious "Black Spade" against Mayor Frank H. Lewis of Everett, Mass., pictured above with his two daughters, Betty Jane, left, and Joanne. Police are keeping a close watch.