Statesman, a paper you can

depend upon to give you the news of the day, complete, on time, interestingly dis-played and illustrated.

The Oregon Statesman

Salem Closing Shop Today to Go to Fair

Congress Approve Protests as In City's Tax FR Trades Des Syers for Bases Levy Proposed

50 'Over-Age' Ships in Deal With England

Naval, Air Centers Are Granted From Guiana to Newfoundland

Objectors Deny Validity of Legal Okeh; Navy to Rush Transfer

By RICHARD L. TURNER WASHINGTON, Sept. 3-(AP)-To an accompanying chorus of congressional approval and protest, President Roosevelt disclosed today that he was turning over 50 "over-age" American destroyers to Great Britain to bulwark that beleaguered country against the onslaught of nazi Germany.

The United States is to receive, in turn, the right to construct a string of outlying naval and air bases extending from New foundland to South America. Their chief value, the president declared, would be in keeping an overseas enemy away from America's front

to Save Fleet

The state department announced it had received also a British pledge that in no event would the British fleet be sunk or surrend-ered to Germany. If driven out of European waters, it was said, the English ships of war would be sent abroad for the "defense of other parts of the empire." Attorney General Jackson ruled

did not require congressional action, was described by President Roosevelt, in a brief message notifying congress of what was being done, as "an epochal and farreaching act of preparation for continental defense in the face of grave danger." This is the most improtant ac-

tion in the reinforcement of our national defense that has been taken since the Louisiana pur-" Mr. Roosevelt added. The congressional bloc which

has supported the president's policy of helping England went on record swifty and enthusiastically as approving the exchange. "Act of War," Some

Congressmen Contend But with the group that has urged strict aloofness from the European conflict, it was a different matter. Its members denounced the transaction as an "act of war," which, some said, would fustify Adolf Hitler in declaring war on the United States.

Members of this group contend-(Turn to page 2, col. 1)

In One Ear . . -Paul Hauser's Column

It was institutions day at the individual ap-KOAC Tadio

the radio around here?" he said. "I want to play my harmonica and sing a couple of songs.

The radio at tendants politely informed him that they weren't

that they Paul H. Rauser, pr. couldn't let him sing even if they were. Whereupon the individual insisted that he should be allowed to sing a couple of ditties. Finally he went away, but said he'd be back.

"Say, that fellow seems a little off, doesn't he?" one of the radio men said to "Hap" Hewett, fairgrounds police

"Well, he ought to be," Hewett responded. "He's from the feeble minded home."

Only five more days, and our town can quit having a perpetual flag day.

President Roosevelt traded our 50 over-age destroyers for naval Vancouver Capilanos against our

Dave Eccles, boss of the Ore-gon state pinchpenny division, wards says (he also alleges)
that Eccles has been yammering at all the other state departments to get their budgets
in pronto and hasn't yet got his

Sites of Naval, Air Stations in US-British Swap Located on Map



Anchor symbols on above may show location of the sites where the United States has gained rights to establish naval and air bases on British territory (dark areas), stretching from Newfoundland in the north Atlantic to British Guiana in South America, in exchange for 50 over-age US destroyers, according to an announcement ma-

Bonneville's Aid Asked In Acquiring Utilities

Bill to Assist Public Agencies in System - Wide Deals Drafted, Says Raver; Big Swiss, Virginia Aluminum Firms Dickering

PORTLAND, Ore., Sept. 3-(AP)-A bill which would give the Bonneville power administration authority to join with public agencies in a system-wide acquisition of private utilities has been drafted, Administrator Paul J. Raver said

The administrator told interviewers he had recommend-

Sen. King Losing In Utah Election cost. The bill has not been pre-

BALT LAKE CITY, Sept. 4-(AP) complete, including 20 from Salt ance damages which usually re-Lake City, gave Rep. Abe Mur- sult when systems are broken up. dock 10,379 votes against 4103 for United States Senator King ply only in districts where the in their democratic primary con- voters had established public test for the seat Senator King has bodies for the purpose of going fair yesterday and the day hadn't held for four consecutive terms. gone far before a very insistent There are \$35 districts in the

> RENO, Nev., Sept. 3-(P)-Early unofficial returns in the Nevada primary election tonight showed Platt Reno attorney, holding the lead for republican nomination to the United States senate, the only statewide contest

Partial returns from 200 pre sincts out of 264 gave Platt 2646. Harry Atkinson, 2184, Clarence

Pugh, 890, and Clyde Souter, 759. The winning candidate will opose democratic Senator Key Pittman, chairman of the foreign relations committee, in the general make aluminum from "scratch,"

ed such legislation to the department of interior, believing it was essential if public agencies were to get into business "on a sound basis" with a minimum of

sented to congress, he said. such a plan would guarantee Frinter Injured "a fair deal" to all concerned Two hundred forty one districts, and solve the problem of sever-Raver asserted. He emphasized that such legislation would apinto the power business.

Raver added that "local aluminum company of Switzerland" was "definitely interested" in a Portland area location for utilization of Bonneville power and that the Reynolds Metal company of Richmond, Va., "has asked us to find a 500-acre site" in the Portland area.

Representatives of the Swiss company are expected in the United States early this month,

The Swiss company plant probably would be larger than the Aluminum Corporation of America's reduction plant at Vancouver, Wash., because it would

Japan Demands Army Entry To Leading Indo-China Port Nine of Arkansas

SHANGHAI, Sept. 4-(P)-Ad- its poorly armed forces do not miral Thomas C. Hart, command- resist. er of the United States Asiatic fleet, arrived here unexpectedly today amid reports of imminent fast-breaking developments in the Far Eastern situation.

Attention of foreign military observers was concentrated on French Indo-China, where censorship obscured the situation bases in Canada and the Bahamas. | tollowing reports the Japanes. We hope he didn't throw in a army had demanded immediate couple of wins for the Canadian submission to demands for the right to move Japanese troops Senators. Just right now we'd through the colony and to use rather have a couple of wins than the port of Haiphong as a military base in the war against

reported virtual ultimatum from Japan to the governor of Indo-China heightened tonight the possibility that rich, torrid possession of defeated France would sion of defeated France would (Turn to Page 2, Col. §).

At dusk bloodhounds led possesment to a stream where footprints of a man and woman, believed to be one of the escaped convicts (Turn to page 2, col. §).

China heightened tonight the possibility that rich, torrid possession of defeated France would (Turn to Page 2, Col. §).

The Japanese presumably the one of the escaped convicts (Turn to page 2, col. §).

Neutral informants from Hanoi, Indo-China capital, said the Japanese insisted on immediate use of Haiphong, main port on the gulf of Tonkin, as a military move Japanese troops over the state police headquarters. French-owned Yunnan railroad to the Chinese border.

China's foreign minister, Wang Chung, Hui, already has declared that Chinese forces will invade Indo-China if the Japanese send troops there.

patches from Saigon, French hostages. Indo-Chins, said the Japanese State army ultimatum had been re- Steve Alford said he believed the

(By The Associated Press) jected, Hanoi informants assert-HONGKONG, Sept. 2-(P)-A ed the Petain-appointed govern-for freedom during the night or reported virtual ultimatum from or-general, Vice Admiral Jean just before

British Fliers Try Fire Ruse In Berlin Raid

Nazis Strike at Midlands Industrial Area: 13 Cities See Enemy

London Happy at US Aid Agreement; 'too Late' Is German View

LONDON, Sept. 4-(P)-German bombers caused a number of fatalities during the night as they detoured London to attack a northwest coast town in waves, dropping hundreds of in-cendiary bombs and many high explosive missiles.

(By The Associated Press) BERLIN, Sept. 4-(Wednesday) The British, trying to mislead the night-long attacks of the German air force, set great fires in open places, authorized German spokesmen charged today in describing the unremitting aerial assaults on England which ushered in the second year of war.

Implying that the ruse failed, the Germans said the fires start-

(By The Associated Press) LONDON, Sept. 4-(Wednesday)
-German raiding planes in great waves beat in vain yesterday at a curtain of defense fire thrown up about London and were driven off a third time late last night after a 14-minute engagement at the city's outskirts.

Other night bombers, however, attacked the industrial midlands; northwest, northeast, southeast and southwest England and areas in Wales and Scotland. Bombs fell in at least one southeast town At least 18 cities reported raiders

The RAF continued at night its raids on the French coast. Obcraft shells and bombs bursting in the Calais region. The nazis' daylight attacks on

southeast England had brought city hall last night. one of the war's biggest air bat-(Turn to page 2, col. 6)

Critically, Train

In a critical condition at the Deaconess hospital last night was Raymond L. Ready, 612 Seventh avenue, Seattle, who suffered brain concussion and possible skull fracture and deep hip lacerations while attempting to board a moving train near the Southern Pacific depot about 8:30 p.m. Ready is part Indian. He is a printer and formerly worked in

Others treated yesterday by the Salem first aid crew included Wilbur Earl Willmschen 1510 Mill street, who was struck by a hitrun driver while riding his biand leg lacerations.

R. D. Wilson of Turner was treated at the Marion creamery for back injuries sustained while lifting. He was taken to the Salem General hospital.

Mrs. Ida Steele, 2350 West Nob

Hill street, suffered first degree burns on her face, caused by hot grease, at the fairgrounds. **Fugitives Caught**

(P)-Capture of two Cummins prison farm inmates. one of them 15 miles east of Texarkana and another near Linbase - and the right, as well, to wood, was reported tonight by COLUMBIA, La., Sept. 3-(AP)

Officers threw a cordon around 25-mile square swamp area northeast of here tonight-certain they were near capture of five escaped Arkansas convicts hold-Although Reuter (British) dis- ing three high school students as State Police Superintendent

O'Hara Advocates Saving; Ford Suggests Same Sum as in 1940

Budget Subcommittees to Study Figures Before Issues Settled

Separate consideration of items on the proposed 1941 Salem city budget by committees to be appointed by Mayor W. W. Chadwick was decided upon last night by the citizens' budget committee at its first meeting following the regular council session at the

The individual investigating committees will be formed from the regular personnel of the main budget committee, and will be required to report to the committee of the whole on September 16,

Organization of the citizens' ommittee, and brief comments on general phases of budgetary policy for 1941 occoupied most of the brief meeting last night. Mayor Chadwick was elected chairman, and T. C. Peerenboom. secretary. \$80,000 Cut Urged

to Effect Tax Saving Discussion of the budget in broad outline was opened by Alderman David O'Hara, who suggested that the budget as presented be pared by \$30,000 as a means of providing an approximate reduction in city tax levy of \$15,000 for the next year.

Councilman Bert T. Ford offered a counter-proposal that the ed by Tuesday's titanic bombard- budget be balanced at the same ments led the overnight raiders to amount as last year, but that detheir objectives without the aid of partmental reductions be made to provide a sinking fund for emer-Bombs of the heaviest caliber gency expenditures such as neceswere dropped on southern Eng- sary work on the Shelton ditch land through the night, the or other large-scale investments required of the city.

Other members of the commit-(Turn to page 2, column 8)

harter Revision **Reaches Council**

Bill for Ballot Measure Is Referred to Committee: No Action, Power

Reading of the report of Mayor W. W. Chadwick's special charter revision committee and introduction of a measure designed to servers in England saw anti-air- alter the present city charter in acocrdance with its proposals highlighted the regular meeting of the Salem city council at the

The bill will place the matter of charter revision providing for a council-manager form of municipal government in the place of the present mayor-alderman form on the ballot at the November election, provided it is passed by the council before the deadline for registering such initiative measures is passed.

As presented to the council, the measure provides for amendment of the present charter rather than substitution of an entirely new document, and in it are enumerated specific changes in the old charter as well as general statements of the duties of different city officials under the proposed council-manager type of administration.

The revised charter would, in brief, call for a seven man council and a mayor, the latter stripped of all executive functions In his place as actual head of cycle near the girls industrial city government would be placed school. He suffered severe hand a city manager, with power to name all city employes excepting those employed by the water commission and those whose position: are under civil service.

The new city government, if approved at the election in November, would be instituted at the first of next year, but would not be finally complete in the form indicated for it in the revised chart-er until January, 1943. In this way present members of the coun-cil and those to be elected in November would be allowed to serve out their terms, as would the city ecorder and city treasurer. The charter amendment measure, together with a copy of the formal report of the special com-

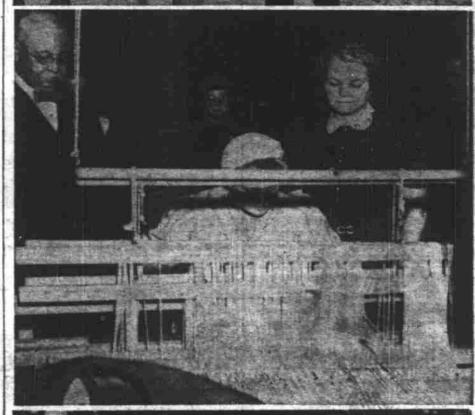
mittee of which O. K. DeWitt was chairman, was turned over to the ordinance committee. Other business of the council in what proved to be a relatively routine session included the recep-(Turn to page 2, col. 2)

"Interest in Duke" Is Not Part of Ship Deal ABOARD BOOSEVELT

TRAIN EN ROUTE TO WASH-INGTON, Sept. 3-(P)-Presi-dent Roosevelt merely smiled today when a reporter asked whether "we acquire any inter-est in the Duke of Windsor.

Champions Showing at State Fair; Weaving Exhibit Draws Attention







Champion quality horseflesh, as seen at the state fair horse show, top photo, is exhibited by Salem owner and daughter, Roy H. Simmons and Mary Jane Simmons—Lord Highland Supreme, their blue ribbon yearling stallion, left, and Lady Mary Vagabond, grand champion all-America saddle horse mare. C. P. Bishop, pioneer maker of fine woolens, stops to inspect weaving of linen, middle photo, being demonstrated by Mrs. Otto K. Paulus in textiles department, while Agnes F. Tschopp, state WPA weaving project superintendent, looks on. Linn county's first contribution of champions is this trio from Albany, left to right, Loren Fisher, Stewart and Stanley Gourley, who won state honors in 4H livestock judging.-States-

Side Saddle Event Attracts Fancy of Horse Show Crowd Portland Riding academy horse

By MAXINE BUREN Last night's horse show pro- took second and Pat Edwards on gram at the state fairgrounds linky, owned by the Nicol Riding stadium included several new academy, took third. events with the ladies' side saddle class of special interest. The junlor jumpers and the musical chairs were other classes, popular with the audience.

Barbara Russell captured first dren's jumpers, riding Inky and Kitty Higgins, both owned by the Nicol Riding academy. Nijo, owned by Shirley Brittan, placed third.

The Norval Martin farm team

Two of J. F. Brown's horses, Sunrise Serenade and Royal Hawai- heavy draft team competition, last ian placed in the combination horses, three gaited, shown in trotting gait with a vehicle and then judged as a saddle horse. Sunrise Serenade, with the owner up, took first, Joann Jensen took second without with her Power took second ribbon with her Bourbon's Surprise, and Royal Hawaiian, shown by Joe Bob Price, took

Joann Jensen took first ribbon in the five-gaited mares event with her chestnut mare. Hazelene's Dream. J. F. Brown, jr.,
riding Golden Thought, took second place and Mrs. Norman dedond place and Mrs. Norman deCalette was indeed third.

Indeed the state fair yesand grand champion cow, L. A.
Hurlburt, Independence; junior
and reserve champion, Mr. and
Delicious and Winesap, Roy E.
Smith, Salem. First on Spitzenberg, Cecil Boyd, Balem.

A. E. Dumvill, British Colum-

The roadsters to bike event place went to Harvester Dean, driven by L. K. Banks and owned by the L. R. Banks stables. Second ribbon went to Miss Dean another Banks horse, driven by and second places in the chil- Tom Metcalf, Hollywood Cherry,

> took first, Tom Fraser second and the Rolfe Stock farm third in the

At Fair Is Tops

Many Salem vicinity exhibitors were among winners in land products judging at the state fair yes-

Tuesday Gate Exceeds Last Year's Total

Stock Judging Progress Rapid; Breeders to Meet Tonight

Governor's Handicap to Be Run on Lone Oak: Redheads to Vie

SALEM DAY PROGRAM AT 79TH STATE FAIR 8:00 a.m.-Exhibits open. 9:00 a.m.-Judging continues;

Holsteins in dairy cattle shows. 9:00 a.m .- 4H sheep shownanship contest. 10:00 a.m.-Wonderland theatre opens for day. 10:30 a.m.—Start judging 4H

11:00 a.m.—Special free serebatic features on grounds. 1:30 p.m.—Parimutuel 1:30 p.m.—Oregon Federation

of Music clubs concert, Salem talent, art building. 1:30 p.m .- FFA swine showmanship contest.
2:00 p.m.—Redheaded contest

poultry pavilion. 8:00 p.m.—Musical art building. 5:00 p.m.-Musical

7:00 p.m.-Special free acrebatic features on grounds. 8:00 p.m.-Horse show,

8:00 p.m .- All - American 8:00 p.m .- Annual banquet of Oregon Purebred Livestoel Breeders association.

orchestra, dance pavilion. PAUL H. HAUSER, jr Salem takes over the 79th Oregon state fair today and the town will shut up shop and hie to the

9:30 p.m .- Ram Wilde's dance

fairgrounds for its own tradition-With stores closing at 1 o'clock and most state, county and city offices locked for the afternoon. fair officials are expecting a record crowd to swarm the grounds and swell the fair's attendance records, already ahead of last

Tuesday, usual low attendance day of the fair, \$272 people passed through the gates, an increase of 370 over the 1939 count of 7901. Monday's record opening day crowd of 32,673 was so big that the official count was not completed until Tuesday noon. Governor's Handicap

Slated for Lone Oak Governor Charles A. Sprague, both as governor and as a citizent of Salem, will lead Salem people in attending the fair today, Governor Sprague will be present at the races this afternoon to present the awards in the governor's handicap, which will be the fifth race on today's program at Lone

Oak track. Betting at yesterday's races showed a large increase over the parimutuel handle for the same day a year ago with \$11.162 shoved through the wickets as compared with \$8012 on Tuesday of the 1939 fair.

More than 200 members of Ore-

gon Townsend clubs attended the fair yesterday, parading to the grounds from downtown Salem in procession headed by the Salem municipal band. The Townsend members picnicked on the grounds at noon and later heard an address by

Darral W. Milton, Portland. A

special entertainment program

was also given at the Townsend open air meeting. Sheriff's Posse to Perform Tonight
The night horse show, which viewers say is excellent this year, was well attended last night considering the relatively small crowd on the grounds. Salem's own Marion county sheriff's posse will be a feature horse

show attraction at tonight's performance. The All-American Revue, popular night show featuring Helene Hughes' youthful dancers and big time vaudeville acts, drew about 2000 to the grandstand, A special section was reserved for junfor chamber of commerce members, about 50 of whom arriv-

ed during the afternoon. Judging continued in the agricultural and livestock exhibits with a number of championships awarded, Judging of Jerseys, largest class in the cattle shows, was not completed by Tuesday night, but Judge Harry M. King of the University of British Co-lumbia. Vancouver, named the lumbia, Vancouver, named following champions:

Hurlburt Cows Junior champion bull, A. E. Dumvill, Sardis, BC; reserve champion bull, A. E. Dumvill; senior and grand champion bulk Estelle Fenne, Portland; senior

bon's Galety, was judged third.

The side saddle event was won by Helen Bacon on the Portland Riding academy's Nifty Miss.

Flora Jane Kerro on Hebe, also a (Turn to page 2, col. 6)

bia exhibitor whose bulls won Jersey championships, addressed members of the Oregon Jersey Cattle club at their annual ban-