

British Loans Viewed Nearer

Jones Declares England Is "a Good Risk" for Money

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stopped up to a "war-time" pace because material aid to Britain must be given quickly if it is to be most effective. He was speaking about arms production solely, not about loans.

All these developments followed an extraordinary meeting at the treasury yesterday, attended by nine high government officials, and called, it was said today, to discuss Phillips' mission in advance of his arrival in the city.

In view of the continuing stress that has been placed upon claims that England must have financial assistance if she is to buy the implements with which to stand off the Nazi attackers, many saw that question, and the controversy attached to it, quickly approaching the boiling point.

Statutes Held Not Applicable
Two statutes, the Johnson act and the neutrality law, prohibit loans to Great Britain, except that some officials interpret them as having no application to two great pools of money here from which sizable loans could be drawn. They are the treasury's stabilization fund, and the reconstruction finance corporation.

Proposals to repeal the Johnson law and the neutrality law have been made by some legislators. Since a congressional bloc has served notice it would fight the repeals, a considerable length of time must obviously elapse before explicit action can be taken.

Senator Nye (R-ND) is backing a proposal that there be a thorough investigation of Britain's financial resources here before any credits are granted. His idea has formidable backing, including the approval of Senator George.

While both the RFC and the treasury could make loans to Britain, in the opinion of some authorities, the head men of those institutions are not at all anxious to fly in the face of congress by doing so, and certainly not without first taking the legislators into their confidence.

NEW YORK, Dec. 4.—(P)—The financial condition of England was "never stronger," Sir Frederick Phillips, under-secretary of the British treasury, declared when he arrived by ship today en route to Washington.

Sir Frederick, who said he expected to confer with Secretary of the Treasury Morgenthau, asserted, "I anticipate that they will want to know the general facts of the financial situation, which I shall give them."

Lord Lothian, British ambassador to the United States, on his return to this country November 23, declared Britain's financial problem was becoming urgent and that his country was "beginning to come to the end of her financial resources."

Asked at a press conference whether his statement regarding England's need of finance was intended to convey the idea that his government might ask for loans, Lord Lothian replied that since virtually all of Britain's gold and securities had been exhausted, the financial factor figured in discussions of next year's war effort.

Sir Frederick, when asked whether he was here to discuss credits, replied, "that is a stage further on."

At present, he said, British purchases were being paid for ahead of delivery, but "we can't go on buying from reserves forever."

He cited daily expenditures of \$15,000,000 as proof of the financial strength of England.

Kavanaugh Estate In Probate Court

PORTLAND, Dec. 4.—(P)—The estate of the late Circuit Judge John P. Kavanaugh, estimated by court attaches in excess of \$10,000, was admitted to probate today.

R. N. Kavanaugh, a son, was appointed administrator by Circuit Judge George Taswell. Other heirs are the late judge's daughter and another son. Judge Kavanaugh died November 11 after a long illness.

Held on \$750 Bail

Acting on a warrant from the Salem justice court, sheriff's deputies last night arrested Andrew Dawson on a charge of threatening to commit a felony. Upon failure to post \$750 bail, he was held in the county jail.

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Rescuers Seek Bomb Victims



Believing that victims are trapped, British soldiers hurriedly attack the ruins of a London printing works after a German air raid. The British approved caption said "many people" were believed trapped under the wreckage.

Salvation Army's Bells a-Tinkling

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the dozens of bells which will be distributed, is just beginning to come in though some checks were received following the first announcement of the cooperative effort. The need for such a fund is greater than in the past for the reason that the Army's relief funds from other sources this winter are more limited than in several past seasons.

Checks left at or mailed to The Oregon Statesman for this fund should be made out to "The Salvation Army" but a notation "for Christmas Cheer fund" may be added.

Mrs. H. H. Hauser Dies in Spokane

Mrs. Clara Belle Hauser died last night in a Spokane hospital after a several weeks illness, friends here were informed.

Mrs. Hauser, a native of Salem, was the wife of Herbert H. Hauser, for many years secretary of the state public utilities commission and now employed by the Interstate Commerce Commission. She was the mother of Max and Wayne Hauser.

Mrs. Hauser spent several months in Salem during the past summer. She was a member of Chadwick chapter, Order of the Eastern Star.

Beside her husband and sons, Mrs. Hauser is survived by a brother, Warnick R. Foster of Salem, and a sister, Mrs. D. C. Davidson of Lebanon.

Funeral services will be held here under direction of W. T. Rigdon company.

Lost Dog Found, Then Dog Finds Lost Automobile

VANCOUVER, Wash., Dec. 4.—(P)—Thanks to a Vancouver housewife, Oakley Rhay, Eugene, Ore., had his dog back today, and thanks to his dog he had his car.

The car was stolen in Tacoma Sunday with his toy collie, Lady, inside it. A Vancouver housewife yesterday found Lady and gained Rhay's address from the dog's collar.

Rhay claimed the dog today, and while walking back to the city center, Lady rushed away and jumped against an unattended parked car. It was Rhay's.

Earhart Is Given 5 Years, Larceny

TILLAMOOK, Dec. 4.—(P)—Circuit Judge R. Frank Peters sentenced Fred C. Earhart, 25, alias Fred C. Gearhart, Clifton, Ore., truck driver, to not more than five years in the state prison today on a grand larceny charge.

Earhart was convicted of taking an automobile fraudulently obtained from a Tillamook dealer to Enid, Okla., where he was arrested.

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Drunkennes Charged
Dayton P. Rocap, Portland, was confined in the city jail last night after being arrested by a state patrolman on a charge of being drunk on a public highway.

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Premet Taken In Hard Fight

South Central Albanian City Falls in Heavy Fighting

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routes in the Atlantic and for dollar credits to pay for American supplies. Britain was termed "a good risk" by Federal Loan Administrator Jesse Jones, in Washington. He said he usually was in favor of loans to "good risks when they need it for a proper purpose" and Treasury Secretary Morgenthau disclosed that a British treasury official was en route to Washington to supply the US treasury the latest information on British finances.

Besides signing the 10-year trade, agriculture, finance and transport agreement with the reich, Rumania also figured in the news with the frank statement of a Nazi-leaning newspaper in Bucharest, Curatorial, that Germany expects smaller European nations to lend their armies, territory and transport facilities to the axis for a spring offensive. Curatorial did not elaborate on where the offensive would take place but there have been indications Germany might make a southeastward drive toward Persia's oil fields and might help Italy drive on the Suez canal.

Rumanians Take Over Pipe Lines
Nazi-dominated Rumania also expropriated all oil pipe lines, pumping stations, reservoirs and land on which they are situated. That decree affects thousands of dollars of American owned property.

Germany and Britain kept up their unceasing air and sea warfare.

German bombers again raided the industrial area of England despite a heavy anti-aircraft barrage. They turned toward Birmingham, which was heavily attacked Tuesday night. Groups of raiders also hit London and some Nazi bombers said they dropped bombs on the London harbor section.

The British reported new attacks on German and German-occupied points and an air raid alarm in Geneva, Switzerland, indicated long range British bombers might be raiding northern Italy.

The German high command reported its accelerated sea warfare had accounted for seven more armed merchant vessels aggregating 36,400 tons.

The fleet announced that torpedo-launching fascist planes had torpedoed two British cruisers in Suda bay, Britain's new eastern Mediterranean base, and that an Italian submarine had torpedoed a British destroyer in the Atlantic.

Gail Is Speaker Before Merchants

W. W. Gail, vice president and executive manager of the Associated Industries of Billings, Mont., has been secured as the principal speaker at the dinner meeting of the Salem Merchants association which will be held Tuesday night at the Quella.

Gail is a recognized authority on labor and labor relations and was the featured speaker at the annual meeting of the Associated Farmers of California this week at Fresno. He has had annual speaking engagements in eastern industrial centers for many successive years. His appearance at the Tuesday meeting is his only speaking engagement in Oregon.

This will also be the first business meeting of the local association under the administration of Frank Chasas, who was recently elected president.

Gail's topic is "The Zero Hour."

November Income Of Clerk Drops

Total receipts at County Clerk U. G. Boyer's office during the month of November amounted to \$1501.49, less by \$99.95 than the same month a year ago. Breakdown of the receipts shows as follows: Clerk's direct income from filing fees, license fees and other receipts, \$1190.70; law library, \$22.70; district attorney's salary fees, \$105; circuit judge's salary fees, \$99; game licenses, \$9, and dog licenses, \$25.