

## REDMOND HOST FOR SESSION ON RECLAMATION

### Dedication of Camp Is Feature of Day

### DINNER IS TONIGHT

### Speeches Are Cut Short to Make Way for CCC Camp Program

Redmond, Ore., Oct. 21 (Special)—Oregon Reclamation congress members in Redmond for their 28th annual meeting took time out this afternoon to join in the dedication of the Pacific coast's largest CCC camp and take part in ceremonies that marked the formal start of work on the \$8,000,000 North Unit project.

Clearing the way for the afternoon ceremonies, addresses at the opening of the congress in the American Legion hall this morning were made short.

The principal address of the morning session was by F. O. Hagle, executive secretary of the National Reclamation association. He was followed on the program, just prior to noon adjournment, by State Treasurer Rufus C. Holman, who spoke in his capacity of a member of the state reclamation commission, and Mrs. Grace M. Magruder of Clatskanie, who told of drainage work in northwestern Oregon.

**Dinner Set Tonight**  
Formal opening of the Oregon Reclamation congress was slightly behind schedule, but last night was quickly recovered as speeches were made brief.

Because of the camp program and Kentucky barbecue, the reclamationists planned to skip that part of their session which called for a drainage session conference this afternoon, starting at 4 o'clock. It was indicated that this session would be fitted into some other portion of the program.

Tonight, the congress will hold its annual dinner, at the new Redmond hotel starting at 7 o'clock. Principal speakers will be Representative Walter M. Pierce, Marshall N. Dana, former president of the national association, and R. H. Kipp, who is to speak on "The Willamette Project."

Representative Pierce arrived shortly after the program opened this morning, took a seat up in front, then was escorted to the speaker's platform, where Frank T. Morgan, congress president, was in charge. Holman arrived shortly after 11 a. m. and received an ovation as he was escorted to the platform.

The only woman present as the congress opened was Mrs. Magruder, one of the speakers.

The Rev. D. L. Penhollow of Redmond opened the 28th Oregon congress with an invocation. Visitors and delegates were then welcomed by Mayor E. C. Parker of Redmond.

Three minute reports by standing committees brought to the platform Arthur King, who presented a few figures dealing with western Oregon reclamation; L. A. MacArthur, chairman of the topographic survey committee, who touched on work of federal engineers in Oregon during the past year with special mention of aerial surveys; J. M. Spencer, who took the place of State Engineer C. E. Stricklin in making committee reports; Marshall N. Dana, who stressed the further need for correlated land and water use and declared that "irrigation is a necessary means of farming for the entire state," and Ed West, chairman of the drainage committee.

Dr. W. L. Powers, Oregon State college soil specialist and congress secretary, "pitched in" for a number of committee chairmen who had not yet arrived, and President Morgan did likewise, after submitting his annual report.

Hagle told of the changing attitude (Continued on page three)

## Oregon Briefs

Portland, Ore., Oct. 21 (AP)—A new best record for Oct. 20 was set here yesterday when the temperature rose to a maximum of 76 degrees. The weather bureau expected similar weather today.

Klamath Falls, Oct. 21 (AP)—Fire swept the Montgomery Ward & Company's furniture warehouse last night, destroying the entire stock of merchandise and reducing the building, owned by Elmer Haisiger, to a blackened shell.

Portland, Ore., Oct. 21 (AP)—Major George M. Braden, president of the National Recreation association, said here today that the city of Portland is planning to build a park and playground facilities. The city's annual per capita expenditure is only 77 cents, he said, while the national average for cities of the same size is \$1.90.

Eugene, Ore., Oct. 21 (AP)—Officials of the Shuswap forest said it requires 25 men to kill one deer. Records showed 1753 hunters checked into the area during the first 22 days of the season, and only 49 deer were taken over an average of one animal to every 35 hunters.

Portland, Ore., Oct. 21 (AP)—Police arrested Moe Semler, pawnbroker clerk, who was accused of acting as a "fence" for stolen articles from Portland homes. Bail was set at \$2,000.

Salem, Ore., Oct. 21 (AP)—A straw poll conducted by the Collegian, student newspaper, indicated sentiment at Willamette university was 6 to 1 in favor of Charles A. Sprague, Republican candidate for governor. Sprague is a trustee of the school.

Portland, Ore., Oct. 21 (AP)—Frank (Continued on page six)

## Aerial Raids in Spain Kill Score

### Cities Are Bombed by Rebel Fliers

Barcelona, Oct. 21 (AP)—Barcelona counted 25 dead, including five children and 12 women, and 70 wounded today after a night of terror caused by insurgent aerial bombardment.

Four women were killed while crossing the central market at dawn, where one bomb wrecked the market and buried the women.

Five raids were carried out during the night when there was no moon to guide the aviators. Many bombs fell harmlessly but at dawn another raid caused tremendous damage in the center of the city.

One raiding plane, gliding down with motor silenced, unloaded its cargo of bombs before any warning signal could be given and while most of the city was asleep.

Headline, French-Spanish Frontier, Oct. 21 (AP)—Spanish insurgent advances today said that 2888 American volunteers had been killed while fighting with the loyalist armies in the civil war.

The rebel estimate of American killed was issued from Salamanca headquarters and covered the entire period of the civil war.

Yesterday, frontier advances estimated about 500 Americans were being evacuated from Spain in connection with withdrawal of foreigners from the conflict.

The Ebro fighting front continued comparatively calm for the second day. There were occasional artillery duels and several aerial bombardments. Rebel planes bombed important Catalan factories and ports.

## CAR HITS COLT

A colt belonging to Paul Hackett was killed by a car about 6 o'clock last night, according to the report made today to the city police. The animal was struck by an automobile driven by Alfred Grino of route 1. The accident occurred on the Bend Burns highway near the base of Pilot butte.

That had been scrutinized in the bail bond investigation.

Valentine said it was evident that the theft was pertinent to the broader scandal that had been developing in Kings county, second most populous in the country. (Cook county, Ill., embracing Chicago, is the largest.)

## 73 INDICTED IN PROBE OF WPA SCANDAL

### Relatives of Senator Are Included

### CLAIM CONSPIRACY

### New Mexico Group Faces Grand Jury Action For "Politics"

Albuquerque, N. M., Oct. 21 (AP)—Seventy-three persons, including the sister and the son-in-law of Senator Dennis Chavez, D. N. M., surrendered today to provide bond guaranteeing their appearance in court to answer indictments charging them with criminal misuse of the works progress administration's machinery, materials, and workers.

The grand jury indicted 62 persons on charges of conspiracy to violate the WPA appropriations code, which carries a maximum penalty of \$10,000 and two years imprisonment. It indicted 11 others on charges of diversion of WPA labor, falsification of payrolls or diversion of materials. Conviction on these charges carries a maximum \$2,000 fine and one year imprisonment.

Among the indicted were Chavez's son-in-law, Assistant United States Attorney Stanley Miller, Mrs. Anita Talaya, sister of the senator, and Fred Healy, who was dismissed as New Mexico WPA administrator by Federal Administrator Harry Hopkins on September 24.

General charges for indictments said that threats were used to compel WPA workers to join with indicted officials in taking part in unscrupulous political action. WPA employees reportedly were made to help in political campaigning while they were on the payroll.

The jury charged that WPA employees were made to join political clubs disguised as social organizations and made to pay dues and buy tickets to so-called social functions. Those who failed in political service, the jury said, lost their jobs.

Mrs. Talaya was charged specifically with having instructed workers on a sewing room project to attend a political meeting in her residence, a gathering which subsequently was held.

Miller was charged with conducting a political rally at his Albuquerque residence "on or about March 1, 1938," and with attending a July session of the Bernadillo county democratic committee at another meeting place here.

Joe Martinez, secretary to Senator Chavez, was alleged to have told A. C. Holworth, WPA zone engineer, in effect, to close down projects in Bernadillo county for one day so that employees could attend a political demonstration in Santa Fe.

United States District Judge Colin Neblett set bonds at \$1,000 for each defendant.

Governor Clyde Tingley, who appointed Chavez to the senate on May 11, 1935, headed the list of 50 witnesses before the grand jury.

Arrangements for the defendants was set for October 25.

Hyde Park, N. Y., Oct. 21 (AP)—President Roosevelt, commenting on the indictment of 78 persons in New Mexico for alleged WPA irregularities, said today that it is the duty of the government to obtain indictments whenever and wherever the facts warrant.

## U. S. UNWORRIED OVER TRADE PACT

### Expect Present Snarl to Be Untangled

Washington, Oct. 21 (AP)—State department officials were confident today that the current snarl in negotiations for an Anglo-American trade treaty would soon be cleared.

They admitted that progress has been blocked nearly a month because of conflicting ideas over tariff concessions demanded by American negotiators on a list of products, including automobiles, hams, lard, bacon, timber and silk stockings. Some progress has been made in subsequent conversations, but the impasse has not been entirely cleared, officials said. Earlier the state department said that this government was making certain proposals to the British government. In other quarters these proposals were described as a "final offer," which the London government would "take or leave."

## President Asks All to Accept Wage Law

### Hopes Local Industries Will Adopt Code

### New Law Going Into Effect For Interstate Trade

Hyde Park, N. Y., Oct. 21 (AP)—President Roosevelt expressed hope today that employers engaged in interstate commerce would join those voluntarily abide by the provisions of the federal wages and hours law, which becomes effective Monday.

The chief executive made that statement to newspapermen in discussing a memorandum from Elmer Andrews, wages and hours administrator, which said that there was "a very gratifying general disposition to comply with the law."

"The federal government," the president said, "has the constitutional right to regulate wages and hours in interstate commerce, but it has been the thought behind the exercise of that right that local industry would voluntarily adopt the standards of the other people."

At the same time, Roosevelt indicated satisfaction over reports that the automobile industry was rehiring thousands of men. He termed the action a delightful fact.

The president then read figures from a memorandum of the national parks service that he said he regarded as reflecting the condition of the country. The figures revealed that since 1934 park visitors had more than doubled. From 6,337,600 in 1934 the attendance has climbed steadily, he declared, until 1938 when it reached an all time high of 16,233,000 with the season not yet over.

## LABOR SECRETARY HOPES FOR PEACE

### United Labor Movement Is Objective

Washington, Oct. 21 (AP)—Secretary of Labor Perkins said today she had "great hopes" for a peace between the American Federation of Labor and the Committee for Industrial Organization within the next six months.

Miss Perkins said that the Roosevelt administration "ardently desired peace and that it was bringing everything in its power to bring about a united labor movement."

Miss Perkins said she had had no definite word from the leaders of either the CIO or the AFL but that she had "something concrete" on which to base her hopes.

She disclosed that she had conferred by telephone with Daniel J. Tobin, AFL executive council member and president of its largest union, the International Brotherhood of Teamsters, Chauffeurs, Stevedores and Helpers, which has 350,000 members. Tobin made a dramatic appeal for peace between the warring organizations recently before the AFL convention at Houston, Texas.

Miss Perkins conferred yesterday for more than two hours with David Dubinsky, president of the CIO's International Ladies Garment Workers union.

Tobin and Dubinsky are the leaders for peace in the rival camps. She said that both were optimistic in their outlook for peace in the two-year-old struggle.

She also disclosed that she had conferred with CIO Chairman John L. Lewis since she made her proposal at Columbus last Saturday that a 12-member commission be appointed to mediate the feud.

She would not disclose what Lewis said.

Miss Perkins said she had not yet talked directly with AFL President William Green who is enroute to Washington from the Houston convention but added that "others have."

She declared that a "very ardent debate" is under way in the rival camps concerning her peace proposal.

## Where Munich "Peace" Didn't Apply



When the four major powers of Europe recently sat down at Munich and signed a pact that was wildly hailed as bringing "peace" to the continent, war-weary Spaniards shrugged—it didn't apply to them. Rebel General Franco's planes continued to blast Loyalist towns, as this picture of Barcelona shows. In a street smashed by one of the Spanish civil war's worst air raids, a Loyalist soldier stands guard over merchandise salvaged from a wrecked shop.

## Name Higher-up In Spy Testimony

### Chief of Nazi Bureau Is Implicated

New York, Oct. 21 (AP)—Lieutenant Frick Pfeiffer, chief of the Nazi naval intelligence service in Germany, was named in federal court today as the alleged superior of Karl Schlueter, espionage pay-off man, who suggested the forging of President Roosevelt's signature in a plot to get air-craft carrier plans.

Guenter Gustave Rumrich, confessed Nazi spy, testified he had been told by Pfeiffer in the German liner Europa, who is accused of acting as a messenger for the ring. Her co-defendants in the present trial are Private Erich Glaser and Otto Hermann Voss.

Rumrich in earlier testimony—he began his fifth day on the stand today—related the fantastic plot to produce spurious White House stationery in Germany and through the use of the president's signature get the plans for the aircraft carriers Yorktown and Enterprise.

Robert Matthews, counsel for Glaser, who is charged with stealing the military aviation code, cross-examined Rumrich and dwelt on the circumstances under which the witness gave his story to Leon G. Turrou, federal agent who broke the case. Turrou since has resigned and plans to write about his investigation.

Rumrich said no stenographer was present when he was questioned, that he wrote out notes for Turrou, Assistant United States Attorney Lester C. Donigan informed Matthews that the government no longer had the notes and thus could not produce them.

Rumrich said he was questioned by state department representatives as well as federal agents. He admitted that he had signed statements drawn up by state department attorneys from what he had told them.

Rumrich, it was brought out, signed a statement "less than 12 pages long" which the state department had marked "strictly confidential."

Matthews asked for a copy of the confession and Federal Judge John C. Knox told him that it was confidential "I have no control over it."

## Federal Deficit Now Over Billion Dollars

Washington, Oct. 21 (AP)—The gross federal deficit has passed the billion dollar mark, the treasury revealed today.

The excess of spending over income during the period July 1 to Oct. 19 amounted to \$1,017,389,658, as compared with \$487,202,215 in the corresponding period last year.

Income totaled \$1,711,599,268, which was \$167,000,000 below last year. Spending totaled \$2,738,989,026 as compared with \$2,265,383,206 last year.

## HOLMAN TO SPEAK HERE ON SATURDAY

### Noon Meeting Scheduled in Downing Cade

Rufus C. Holman, republican nominee for United States senator from Oregon, will be the principal speaker at a luncheon meeting in the Downing cafe here tomorrow noon.

The luncheon is scheduled for 12 o'clock, with the speaking program beginning about 12:30. The Republican club, sponsor of the meeting, today issued an invitation to those unable to attend the luncheon to come in time for the speaking program. In addition to Holman, several republican candidates in this district will be introduced.

Republican candidates invited to attend the luncheon include E. E. Varco, nominated for county commissioner, Burt K. Snyder of Lakeview, nominated for Deschutes-Lake representative; Paul Holm, nominated for county clerk; August A. Anderson, nominated for assessor; George E. Aitken, nominated for representative from Deschutes county; and U. S. Balentine of Klamath Falls, nominated for congressman from the second Oregon district.

A special invitation to Townsend club members and friends of the Townsend movement was issued by the Republican club. Jim Mackenzie, deputy national representative of the Townsend National Recovery Plan, issued a statement here today reminding members that the Townsendites have endorsed Holman for senator and Walter M. Pierce, a democrat, for congressman from the second Oregon district.

"Here is a true test for Townsend common sense," Mackenzie said. "It matters not our party affiliations or our personal preferences. Other states are waiting to see whether we Oregon Townsendites are stout enough to tell the world we can and will elect our endorsed candidates and retire our enemies."

## Jay Munger Is Held by Seattle Police

Seattle, Oct. 21 (AP)—Jay Munger, 25-year-old Bend resident, was held here by police today for authorities "The Dalles, Ore., where he resisted arrest by shooting his way out of a sheriff's trap October 6.

Police here said Sheriff Harold Paxton of The Dalles, aided by two deputies, attempted to halt Munger to search his car for tires and auto accessories reported stolen from Maupin, Or. Munger resisted and escaped after exchanging fire with the officers.

Munger was arrested here after he had reported his auto stolen and officers, recovering it, discovered part of the \$200 loot of jewelry recently at Kent, Wash.

## Disorderly Conduct Cases Are Postponed

Gerald LaVerne Taylor entered a plea of not guilty and Tom Wilkinson was given until this afternoon to plead when they appeared in municipal court late yesterday. Both men are charged with disorderly conduct near the corner of Nashville avenue and Federal street following an alleged attack on Melvin Erickson.

The two cases were continued until this afternoon at 3 o'clock. Cash bonds of \$100 were set for each.

Arthur Mac Parnell, charged with driving an automobile without a license, forfeited bail of \$2.50.

## JAPANESE SEIZE CANTON IN SWIFT DRIVE FROM BIAS BAY; REVIVE RUMOR OF MEDIATION

### Czechs Make New Offer to Hungary But Meet Refusal

Budapest, Hungary, Oct. 21 (AP)—The foreign office was reported to have received a new territorial offer from Czechoslovakia today more liberal than any previous offer but still unsatisfactory.

The Czechs were understood to have made no provision for ceding the Kassa Ungvar and Kunkacs districts, which had been included in Hungary's demands.

Andry Brody, premier of the Rutherford autonomous government within Czechoslovakia, was conferring with Hungarian government leaders. He was believed seeking the attitude of Hungary and Poland on demarcation of the Slovak-Rutherfordian frontier.

### Sudden Breakdown of Defense Amazing

### RESISTANCE FAILS

Invaders Within 35 Miles of Hankow, Emergency Capitol of China

By Robert Bellare (United Press Staff Correspondent)  
Shanghai, Oct. 21 (AP)—Great Britain and Germany have started a joint effort to mediate the war between Japan and China, it was said today in a most reliable quarter.

As the report was made, Japanese troops were entering Canton, fifth great Chinese city to fall to them in the war, and they were only 35 miles from Hankow, the emergency capital on the Yangtze river.

They had marched 80 miles in nine days, advancing with astonishing speed in the absence of serious resistance.

They had taken previously Tientsin, Shanghai, and Nanking. There were indications that with the fall of Hankow, the Japanese might be ready to talk peace—but they insisted still that as part of any truce Chiang Kai-shek, generalissimo of the Chinese army, had to go.

It was asserted here that the British-German peace move has started at Tokyo, where British and German diplomatic representatives approached the Japanese government on the mediation idea.

Japanese leaders, it was said, neither accepted nor rejected but expressed eagerness for peace before 1939.

DEFENSES CRUMBLE  
Canton, China, Oct. 21 (AP)—Japanese tanks and troops fought their way into the heart of China's greatest commercial center today in a thrust that appeared to have crumbled Chinese military defenses.

Chinese authorities fled as their troops dynamited utility plants, factories and military posts in the path of the Japanese advance. Flame and smoke arose from the fallen city.

The swift Japanese drive into Canton, center of British and other commercial interests in China, broke through the reinforced defense lines with startling speed.

The motorized invading units, led by bombing planes, struck overland and by water with a force that prevented the strong resistance offered by Chinese defense armies in the Yangtze valley and along the Yellow river in the north.

The power plant was dynamited. The Honan police station was destroyed. A huge fire shot flames into the air directly across the river from Shamen, the foreign section of Canton.

Many thousands of refugees fled from the city, a favorable current riding many of them to escape in sampans on the West river.

The astounding rapidity of the Japanese advance from the coast aroused wide speculation among foreign diplomats in Canton. In that connection, it was observed that Japanese aerial bombardment of the city ceased 10 days ago whereas normally it would have been intensified with the approach of the invading troops.

At the same time, there was a gradual but secret exodus of Chinese officials from the city. Only the slightest opposition appeared to have been offered the Japanese forces.

As Hong Kong, high diplomatic officials said the capture of Canton appeared to be a sell-out. "It looks like dirty work," one British diplomat said.

STORM DEFENSES  
Hong Kong, Oct. 21 (AP)—Japanese troops entered Canton this afternoon after a nine day drive which had taken them 80 miles from Bias bay, the pirate lair on the coast near Hong Kong.

## Lie Detector Is Used in Prison

### Guillotine Prepared to Kill Guard

Folsom Prison, Cal., Oct. 21 (AP)—Two prison inmates went into Folsom's dreaded dungeon today after a police lie detector pointed to their guilt as perpetrators of a plot in which eight other convicts were accused of planning to guillotine a prison guard.

The strength of the lie detector's findings, Warden Clyde Plummer ordered seven of eight previously-suspected prisoners returned from solitary confinement to their usual cells and routine.

The eighth, Hubert Wallace, was kept in "solitary" pending further investigation. Even more severe discipline was meted out to Roy Crow and Carl Wendell, now charged with being the ringleaders in one of the most ingenious and bizarre plots ever brewed behind the prison's walls.

Instead of being kept in solitary confinement which means being isolated from other prisoners but allowed light and fresh air, they were sent to "black alley," the prison dungeon.

This action followed the warden's revelation of what he said investigations so far showed to be the "inside story" of the plot.

Crow, convicted on an Imperial county forgery count, and Wendell, serving 10 years from San Mateo on grand theft charges, assertedly rigged up a deadly "guillotine machine," which they placed in the cell block occupied by the other eight prisoners.

The machine was made composed of razor-sharp knife blades mounted on a wooden frame designed to be placed over the head of a prison guard when the guard entered one of the cells. Heavy rubber bands were held by a trigger, which, when released would allow the knives to cut off a man's head at the neck.

## Three Nominees Certified Here

### Petitions Are Checked, Found Correct

All three names of petitioners for the office of city commissioner will be placed on the ballot November 8, L. G. McReynolds, city recorder, said today. The petitions of Carl E. Erickson, Ben C. Garske, and W. E. Irvine were checked yesterday and found to contain the required number of signatures of qualified voters. The number needed by each petitioner was 272.

Two vacancies on the commission are to be filled at this election. The terms of Erickson and Irvine expire in 1939.

Two measures will be included on the city ballot. One will ask an advisory vote on the "tie-up" ordinance for dogs during the waterfowl nesting season. The question which will be placed on the ballot is "shall dogs be prohibited from running at large from March 20 to June 30 of each year, during bird nesting season?"

The second question is on the city budget for 1939, with a tax levy of \$2,815 for the next year. The total amount of the budget set up Wednesday night by the city commission was \$106,415.

In summarizing the city's 1938 and 1939 budgets in yesterday's issue of The Bulletin, a line was incorrect, making the addition appear incorrect. The correct summaries follow:

Street	1938	1939
Five	12,425	12,425
Five	12,425	12,425
City Office	7,750	7,750
City Attorney	1,425	1,425
City Engineer	1,425	1,425
Police Dept.	1,425	1,425
Public Health	1,425	1,425
General Obl.	21,875	21,875
Totals	\$101,710	\$106,415

## Typhoon Hits Japan With Terrific Loss

Tokyo, Oct. 21 (AP)—The tail of a typhoon which caused an estimated 230 deaths in Kyushu prefecture passed through Tokyo today, causing great damage.

Probably 10,000 houses were flooded and many trees were destroyed. Traffic was temporarily paralyzed in the Tokyo area.

It was estimated 35,000 persons in Kyushu were in distress as a result of the typhoon.

The weather bureau predicted another typhoon, approaching the Izu peninsula, would hit Tokyo tonight.