

### THE WEATHER

Partly cloudy tonight and Wednesday with fog on coast; temperature above normal in interior; gentle variable wind off coast.

VOLUME XLV.

## BUDGETS FOR BEND SCHOOLS FORMULATED

### Election Again Needed For High School

### TOTAL IS HIGHER

### Combined Estimates for Two Districts Go Slightly Up

A budget election for the Bend union high school district was made necessary last night when the budget committee approved a tentative high school budget, which despite \$1,500 less expenditures than in the current year, will involve a tax levy exceeding the limit possible under the six per cent limitation law. The election will be held June 17.

Paradoxically, grade school district one, with a tentative budget \$3,200 larger than last year's, will not need a budget election.

Budget elections were held last year by both districts for the first time. They were made necessary by rigid economy applied during depression years when the tax bases were reduced. Last year when cash on hand items were exhausted and larger levies were necessary the highest bases of the three preceding years were found more than six per cent below the needed levels. The elections carried in both districts.

### Grade Budget Larger

The grade school budget this year is \$135,938.63, compared with \$132,612.99 in 1939-40. Estimated receipts are set at \$61,527.42, compared with the \$66,000 the previous year. Due to the increased expenditures and decreased receipts the tax levy required will be \$74,401.21, compared with \$66,612.99 required the year before. When bond and interest money, which is not subject to the six per cent limitation is taken from the \$74,401.21 figure, the levy subject to limitation becomes \$62,884.71, or \$54.59 under the limit.

The increase in the grade school budget is nearly all located in improvement in grounds and new furniture and equipment.

### High School Lower

In the high school budget, for which the election will be necessary, the tentative expenditures were set at \$95,504.55, lower than the \$96,006.94 figure in 1939-40. This year the district has the advantage of a \$5,557.24 cash on hand item, which combined with the lower expenditures, brings the tax levy required, compared with \$76,057.31, compared with \$83,046.04 the previous year. Subtracting bond and interest funds of \$16,970 from this leaves a levy of \$59,087.31 subject to the limitation. The levy limit under the law is \$52,499.92.

Present at last night's meeting were J. D. Dorovian, Steve Steidl, Dr. G. W. Winslow, A. O. Schilling, and Oscar Larson of the school board and Ben Hamilton, Ivan Thatcher, Hans Slagvold, G. A. Buegler and Carl A. Johnson, members of the committee appointed by the board to aid in budgeting. Carl Landt, who is on a trip to the east, was absent.

## Navy Yards Ordered On Two-Shift Basis

Washington, May 21 (AP)—Acting Secretary of the Navy Lewis Compton, today ordered eight navy yards on a two-shift basis as soon as possible and directed hiring of at least 15,000 civilians within the next three months.

Compton wrote the commanders of the Portsmouth, N. H., Boston, New York, Philadelphia, Norfolk, Charleston, S. C., Mare Island, Calif., and Puget Sound, navy yards that the steps must be taken "as once to expedite the naval ship building program and all other work relating to national defense."

Compton granted authority for work exceeding 40 hours weekly, but not in excess of 48 hours per week. Overtime pay will be given to all working in excess of 40 hours a week.

## Senate Opens Debate On Defense Measures

Washington, May 21 (AP)—In an atmosphere made tense by reports that the German military machine has pounded through the English channel, the senate opened debate today on a peacetime record \$1,820,041,004 army appropriation bill.

Reports of the German successes were brought to the senate's attention by Sen. Claude Pepper, D. Fla., who introduced a resolution empowering the president to sell the army and navy air force to the Allies.

"Time is of the essence," Pepper told the senate. "We must stem the tide of barbarism and dictatorship which at this moment seems about to engulf the world."

Pepper's resolution, introduced immediately after the huge army measure was laid before the senate by Vice-President John N. Garner, was sent to the foreign relations committee.

**AIR RAID SOUNDED**  
London, May 21 (AP)—The air ministry announced an air raid warning had been sounded in East Kent, southeast of London, this evening.

## People in the News . . . . .

(By United Press)

Jack Dempsey and his third wife, the former Hannah Williams, are separated—amicably and because of incompatibility. **Mees Polakoff**, attorney for Mrs. Dempsey, said at New York that the couple had agreed to separate and that there would be no court action.

**Frederick B. Snite Jr.**, the "holier kid" who has lived four years in "Iron lungs," will return to Chicago from Florida next month to await a baby in September. The impending birth was announced by Snite at the family's Miami Beach, Fla., winter home.

**Eva E. White, 87**, will return to Plymouth, Ohio, Friday to receive her high school diploma. She and two other girls were to have been the school's first graduating class in 1870, but the superintendent died just before the term ended and they never received their diplomas. Mrs. White lives in Egypt, Ohio.

**The Rev. Dr. Elmer A. Fridell** of Berkeley, Cal., told the northern Baptist convention at Atlantic City today that Christian churches may well be "fiddling when the world is aflame." He said the churches must look to the "overthrow of democracy in Europe, the emergence of totalitarianism, the seizure of war in Asia and Europe and the scorning of international morality."

## Motorized Army To Stop in Bend

### 175 Vehicles to Spend Night Here

Moving northward from California to Washington on a practice "march," a motorized unit of the United States army numbering 175 vehicles arrived in Bend about mid-afternoon today, for an over-night camp. Early tomorrow morning the unit, comprising the Fourth Infantry, less the third battalion, will continue on north, through Bend, to a rendezvous in Washington.

Today, the motorized column was forced to change its route, because of the flooded highway near Algoma point. Instead of moving through Klamath Falls, the unit crossed the Cascade range to the Diamond lake cut-off from Medford.

State officers met the column this afternoon near Lapine and escorted the unit into Bend. Camp tonight will be set up in the vicinity of South Third street, adjacent to the Bend high school athletic field. The motorized unit was expected to set up camp quickly this afternoon and "show" will be served to the soldiers on time.

In Bend tonight, the motorized column will be served with some 400 gallons of gasoline.

## LANDON AND F. R. TO HOLD MEETING

### Cabinet Appointment Will Be Discussed

Washington, May 21 (AP)—President Roosevelt today personally renewed his invitation to his 1936 opponent, Alf M. Landon, to confer with him tomorrow at the White House and announced that Landon has accepted.

White House Secretary Stephen T. Early said earlier cancellation of the engagement was the result of a mix-up due to negotiations through intermediaries. He said Roosevelt cut through the confusion this morning with a long distance telephone call to Landon in Chicago.

It was decided then that the 1936 republican standard bearer would lunch tomorrow at the White House, as had been planned last week.

The announcement of the new engagement came a few hours after Brig. Gen. Edwin M. Watson, another White House secretary, had said the luncheon had been called off. Early said, however, that Roosevelt merely had wanted to postpone the luncheon engagement for one day rather than to cancel it entirely.

The confusion followed reports that Roosevelt is considering the possibility of forming a coalition cabinet, perhaps by naming Col. Frank Knox as secretary of navy, replacing Secretary Charles Edison who is resigning to run for governor of New Jersey.

## AFL Counsel Predicts Defeat of Picket Law

Portland, May 21 (AP)—Joseph A. Padway, general counsel for the American Federation of Labor, today predicted the Oregon supreme court would invalidate the state's anti-picketing law.

He said he was certain of such action because the court adheres "to a liberal and progressive line of reasoning." Padway termed the anti-picketing statute as "the worst of its kind."

The A. F. of L. attorney, with B. A. Green and Chris Bosen, Portland A. F. of L. counsel representatives, will appear before the supreme court in Salem today in a hearing on organized labor's appeal aimed at invalidating the picketing law.

## NAZI COLUMN JABS LINE TO CHANNEL AREA

### Allied Forces Split by Thrust

### ENGLAND IS GOAL

### German Gains Still to Be Consolidated; Forces Far Behind

Germany's mechanized forces drove a spearhead through Picardy to the English channel today in Adolf Hitler's climactic blitzkrieg against the allied armies in northeastern France and Belgium.

In lightning but powerful blows that seemed to smother allied counter attacks, the German armies were officially reported to have broken up the main French army in the north, captured its staff and commander, Gen. Henri Giraud, and taken the towns of Amiens, Arras and Abbeville in a drive cut off and attack possibly 1,000,000 British, French and Belgian troops in Flanders.

Peak of the blitzkrieg attack was at Abbeville, a French port at the end of the Somme bay, where the Somme river flows into the channel 70 miles from the shores of England. Abbeville itself is 12 miles from the channel coast.

**Headlines Scream**  
"Channel reached!" screamed the headlines of every Berlin newspaper. "Allied armies cut off."

And the conservative Hamburger Frem Den Blatt forecast that the German armies, already attacking the retreating British and Belgians east of Ghent, would soon strike a most powerful blow at the allied forces isolated in Flanders.

After that, it was indicated, the German thrust against England—for which the British government prepared with great speed—will be possible.

Meanwhile, German armies took Laon and Rethel to surge closer to Paris and the German air force again hammered with tremendous force at the British and French fleets, reporting the bombing of five warships and 17 transports or merchant vessels.

**Fronts Broken**  
In Paris, the French contended that furious fighting still was in progress along broken fronts in northern France and that their lines had given ground only at great cost to the nazis, but Reynaud admitted to the senate that Amiens and Arras had been taken.

The full extent of the German gains and of the allied counter-attacks can be determined only after further operations on a vast battlefield that is confused and jumbled as a result of the Nazi strategy of striking with mechanized units far in advance of their main forces and far behind the enemy lines.

German parachute troops were being used extensively in an attempt to strengthen and consolidate the lines pushed forward in lightning fashion into northern France and it was reported that the allies might speed their near eastern army to France to bolster their defenses.

**Position Dangerous**  
The German statement that the channel had been reached climaxed 11 days of warfare through the low countries and in northern France and made the allied position seem as dangerous—if not more dangerous—than at any time during the World war.

The Germans still are not as far advanced in French territory as they were at the high mark of the World war, when they surged to the suburbs of Paris. But they have achieved the capture of a channel port which they failed to do throughout the World war, and they have moved with far greater speed.

Furthermore, from Amiens, the Germans are in a position to strike southward toward Paris at any time they can consolidate their positions in the north. And if they succeed in bringing together their vast pincers operations against the allied armies in Flanders, the entire channel coast will be in their hands—with England only a few minutes away by airplane.

## Portland's Trade Off Third During War

Portland, May 21 (AP)—Portland's foreign trade has dropped one-third since the war in Europe began, it was revealed today.

Since January 1 Portland has exported goods worth \$6,600,000, compared with exports worth \$9,750,000 during the first four months last year.

Outstanding loss in offshore commerce was that to the United Kingdom, where the decline totaled \$2,100,000. Other western European countries bought \$1,000,000 less of Portland merchandise than last year.

Some gains were registered from the Philippines, Japan, Russia, and Latin America.

Waterfront observers were hopeful that inauguration of Moore-McCormack steamship service to the east-coast of South America, and realization of rumors of a new service to the orient might boost Portland shipping.

## Oregon Briefs

(By United Press)

Salem, May 21 (AP)—District Attorney James R. Bain of Multnomah county, defendant in the suit brought by both the A. F. of L. and the C. I. O. as a challenge to the anti-picketing law, today filed supplemental briefs for the case to be heard before the supreme court this afternoon. The anti-picketing law, voted into the books by the people after a wave of "goon" activities two years ago, was upheld by a three-judge court sitting in Portland last year.

Portland, May 21 (AP)—Willis Mahoney, former Klamath Falls, Ore., mayor and twice a candidate for senator, today renewed his attack on the Oregon Commonwealth Federation in a telegram to Washington, D. C. Mahoney, who was elected a delegate to the national democratic convention in Friday's primary, declared, "the real democrats are awakened."

Salem, May 21 (AP)—Hugh Reynolds, Eugene labor leader convicted of perjury in his own trial, was today denied a rehearing before the supreme court and must immediately begin a three year sentence in the penitentiary.

Portland, May 21 (AP)—Pickets walked today in front of the Portland stage terminal, but officials of the Pacific Greyhound lines said there had been no interruption in service. The pickets were members of the Brotherhood of Railway Trainmen, who called a strike in San Francisco last week because the company refused to enforce a national labor relations board jurisdiction award.

Portland, May 21 (AP)—Twenty-three WPA employees were released yesterday in Bend, and eight were transferred to another project, it was announced today by Cliff LaFountain, county WPA operations superintendent.

Of the 23 men released, said LaFountain, seven have found private employment, and it is expected that about a dozen more will be called back, when and if a new community sanitary project now in Washington awaiting the approval of national headquarters of the work projects administration, is started up in the county.

Four men who were on the courthouse site improvement project, finished last week until the building is constructed, have not yet been disposed of, said LaFountain, but will be transferred to the community sanitation project recently, making it necessary to submit a new application to Washington.

Forty men are still working on the C. O. I. project of the WPA, building canal roads. The other projects are ready at this time, stated the superintendent, although several are being drafted and submitted to state and district offices of the WPA.

John Gilbert, deputy roadmaster, is posting notices for the reestablishing and legalization of the White, Ogg, Dodkins, and Well roads, and is making the necessary surveys and estimates so that application may be made for unit allocations under the county roads improvement blanket fund of \$89,821, recently approved by WPA headquarters. Of the sum, \$67,119 has been advanced by the federal agency, and \$22,702 will be supplied by the county.

The local office has submitted to the district office the initial draft for a project of constructing sidewalks and curbs in Sisters, and for the Redmond airport improvement.

Revised application was made necessary for the latter, because of the length of time that has elapsed since the first project at the airport was approved. The old project was not finished by the WPA.

A C. O. I. blanket work project which will take a year to complete, has been sent to the state office in Portland in its initial draft form. Further decision on these projects should be made soon, said LaFountain.

## MAJOR LEAGUE RESULTS

(By United Press)

**NATIONAL**  
R. H. E.  
Chicago 012 000 000—3 12 1  
Brooklyn 000 002 002—6 1 1  
Passeau and Todd; Wyatt, Mungo (4), Pressnell (9) and Franks.

St. Louis at New York, postponed. Cincinnati at Boston, postponed. Pittsburgh at Philadelphia, postponed.

**AMERICAN**  
R. H. E.  
New York 300 002 203—10 12 1  
Cleveland 010 100 000—2 3 2  
Russo, Dickman (3), Lind Dickey; Milnar, Eisenstat (7), Humphries (9), Zuber (9) and Pylak.

Boston 005 040 101—11 11 1  
Detroit 021 020 201—8 16 1  
Galehouse and Desautels; Trout, Phippen (4), Seats (7), Benton (9) and Tennets.

Washington 000 104 021—8 11 2  
Chicago 010 100 000—9 15 1  
Hudlin, Masterson (8), Carrasquel (9), Montague (9), Jacobs (9) and Ferrell; Knott, Appleton (6), Brown (9) and Trash.

## INSURANCE OWNERSHIP UP

Portland, May 21 (AP)—For the first time since the depression total ownership of insurance in Oregon has reached a new high. An analysis of state insurance department reports revealed that Oregonians now own \$720,000,000 of in force life insurance, compared with \$712,000,000 ten years ago.

## Fearful of "Fifth Column" Thrust, Britain Seizes Aliens



British soldiers with bayoneted rifles guard long lines of enemy aliens as Great Britain—fearful of a "fifth column" threat—swept about 300 male Germans and Austrians into "protective custody." Previously the men, many of whom had fled Nazi rule, had been under control, but not detained. Cablephoto from London.

## Parachutists Ordered Shot

### "Parashoots" Is Name Given Patrols

### Work on Courthouse Site Completed

London, May 21 (AP)—Prime Minister Winston Churchill told the house of commons today that legislation decreasing death for all enemy parachutists landing on British soil in civilian clothes would be enacted Wednesday.

The prime minister spoke after War Secretary Anthony Eden had told the house, recovered after the Whit Sunday recess, that organization of defense volunteers to fight German parachutists was proceeding "with great rapidity."

The announcement coincided with German high command claims that German troops had taken Abbeville, French channel port 70 miles from Hastings on the English side.

It was disclosed that the hastily formed volunteer patrols, dubbed "parashoots," were already guarding stations at vulnerable points throughout the country.

Churchill said the legislation, known as the "treachery bill," would be ready for final action Wednesday and that, at the same time, a measure would be presented amending the national service and armed forces act to legalize the status of the "parashoots."

## POPPY SALE TO BE ON THIS WEEK-END

### Friday and Saturday Set For Annual Drive

The Veterans of Foreign Wars are to hold their annual poppy sale here on Friday and Saturday of this week, with the auxiliary in charge. Some 2,000 poppies, all made by veterans in the various federal hospital, will be offered for sale here.

Officers of the Bend post point out that the poppy was introduced to the American public in 1920 as a symbol of the sacrifices made by America's dead in the World war. Its origin is traced to the poppies of Flanders' fields, the little blood red blossoms that dotted the fields of France in the first world war and survived the bombardments of opposing guns. It was in 1923 that the V. F. W. adopted the Buddy Poppy program, with the symbolic flowers made by disabled veterans.

On the adoption of the Buddy Poppy manufacturing program in 1923, it was discovered that the task of assembling the little flowers possessed a therapeutic value for mentally unbalanced victims of the World war, as well as a diversion for bed-ridden patients. Most important, it is pointed out, the sale of the poppies provided a little income for the victims of the last war who are still in hospitals.

The sale proceeds are devoted exclusively to relief activities, officials of the D. A. V. post in Bend point out.

## Dozenberg to Appear Before Dies Group

Washington, May 21 (AP)—The Dies committee today ordered a secret session to hear Nicholas Dozenberg, communist leader who pleaded guilty to passport fraud, testify on communist military intelligence activities in the United States.

The executive session was ordered on Dozenberg's insistence shortly after he had begun testifying at an open hearing.

Dozenberg, who was arrested at Bend, Ore., and now is serving a federal sentence for the passport violation, was greatly agitated when asked about his connections with soviet military intelligence activities in the United States.

## Work Proceeds On Lakes Road

### Receding Snow Speeds Grading

Warm weather of the past week has resulted in a rapid recession of the Cascade snow line west of Bend, making it possible for grading crews constructing the north unit of the Cascade lakes highway to expand operations as they rapidly move into the high country. Just ahead of the construction crew is a public roads administration unit of six men under the supervision of R. C. Gowan, engineer in charge. The present work of the engineers is that of placing grade stakes.

This morning, the E. L. Gates Construction Co., firm awarded the forest boundary-Dutchman flat section contract, had a crew of 42 men on the job.

The sudden disappearance of the snow in the Dutchman flat area came as a "break" for contractors and engineers. Only last week, contractors considered the possibility of suspending work on the route, because of snow conditions. The depth of the snow in the Dutchman flat country early in May was the deepest in any part of the eastern Cascades.

With the snow barriers now gone, work on the job has been speeded up and two shifts are being used. Grading work has been extended about four miles beyond the starting point, at the forest boundary a short distance west of Bend. Grubbing and clearing crews are some two miles ahead of the grading operations.

At the present rate of construction, the clearing and grading of the forest boundary-Dutchman flat unit probably will be completed around July 1, engineers have estimated.

Public roads administration engineers have established their headquarters at Big Springs, but all members of the large contracting crew make Bend their headquarters. Most of the men are Bend residents.

Frank Gates is in charge of work for the contracting firm.

## NEW BUSES ADDED TO MT. HOOD LINE

### Company's Fleet Now Up To 27 Machines

Extension of operations, purchase of five new buses of the latest type and a general speeding up of schedules that will reduce the traveling time between Bend and Portland a half hour were announced today by the management of the Mount Hood stage, headquarters of which are in Bend. The addition of the new buses, two of which are to be delivered on June 1, will bring the Mount Hood fleet up to 27 machines.

The extension and improvement in service had been contemplated three years ago, but the plan was held in abeyance pending the completion of the Central Oregon highway. With that route now nearing completion, the bus line is ready to place in operation a series of new schedules that will bring traffic through Central Oregon from the east, but from the north and south, and over the Cascades from the west.

Between Bend and Portland, an extra schedule is to be inaugurated, with buses leaving Bend at 7:30 a. m., 1 p. m. and 5:45 p. m. Returning, these runs will start from Portland at 7:30 a. m., 2:30 p. m. and 7:20 p. m.

Service over the McKenzie Pass will be started on May 25. The Bend departure time will be 8:15 a. m. and the arrival from Eugene will be at 7:25 p. m. This will provide laylight operations over the scenic Cascades.

A new overnight schedule to Boise will also be started. The Boise bus will leave here at 9 p. m., after making connection with buses from Klamath Falls, Eugene and Portland. The present schedule to Boise will extend only as far as Burns, and return. The new schedule will start on May 25.

All operations and new schedules have been coordinated to provide the best of connections for rapidly increasing travel through Central Oregon. Nearly 90 per cent of the bus travel now coming through Bend originates in outside points.

The Mount Hood stage management has announced that a national advertising agency is preparing a program for the Mount Hood stages to further promote travel through Central Oregon. The advertising will be used in newspapers in the northwest and in the Rocky mountain states.

Officials of the Mount Hood line are confident that thousands of passengers will be using the new cross-state line, from Boise through Bend to Eugene, this season. Over half a day can be saved by passengers traveling from Eugene to Boise by using the line through Bend.

The Bend bus line is already handling a large volume of travel between California points and the Pacific northwest, and this is expected to increase greatly under the new operations set up.

New buses soon to be delivered here are of the rear motor drive type.

## TO LOAN TO MINES

Washington, May 21 (AP)—As an aid to small western mining companies, a bill authorizing the reconstruction finance corporation to make loans up to \$20,000 for development of strategic minerals by private companies was presented to the senate yesterday by 11 western senators.

## REYNAUD SAYS STUPID ERRORS MADE BY ARMY

### Disaster Is Charged to High Command

### NAZIS TAKE CITIES

### Failure to Blow Up Bridge Held Responsible For Advance

Paris, May 21 (AP)—France fought grimly today against the "disaster" of a German offensive toward the channel ports, but Premier Paul Reynaud—blaming the advance on "unbelievable faults"—promised that the Allies yet would conquer, even if a miracle is needed to save them.

Promising punishment for those responsible for the German break through on the River Meuse, Reynaud said that failure to blow up bridges had been partly responsible for the Nazi success and he charged that the army of Gen. Andre Corap failed to reach the river in time to oppose the German panzer (mechanized) divisions attacking defenders who were "badly offered, badly trained and thinned out."

Referred to the "total disorganization" of the French armies defending the Meuse in the Sedan sector, Reynaud said:

"You now understand the disaster. This is how the hinge of the French front was broken. . . . Yet, if tomorrow, someone came to me saying 'A miracle is needed to save France, I would believe that a miracle would come because I believe in France. The two great peoples of two great empires . . . cannot be beaten. They will conquer.'"

Reynaud also said that people "abroad and far away" are beginning "to understand that it is a question of themselves and their own future which is concerned. Let us hope they do not understand too late."

He made no specific reference to the possibility of American or other foreign aid.

## Waltz Is Guest at Lions Club Meeting

Director Homer Waltz of Bend's highly rated high school symphony orchestra, winner of premier honors at Spokane, Wash., last week-end appeared before the Bend club of Lions today noon to express his appreciation for the assistance given by that organization and other civic and service groups in financing the long trip north.

Waltz, who is the luncheon program with Norman Manthner, concert master of the orchestra and student business manager for the group.

Waltz indicated that he supervised the young musicians on the Spokane trip much in the same manner that a coach handles his team prior to a big game. Every effort was made to get the students in high spirit, and prior to competition they were all ordered to bed for a two hours rest. After winning their first contest, the musicians were permitted to "break training" and joined in a feast of "hot dogs" and "pop." The trip was a fine experience for the youngsters, Waltz said.

Waltz was profuse in his praise of the fine conduct of the students and reported nice compliments for the Bend musicians from the management of hotels and restaurants in Spokane.

## Impressions Of Central Oregon Visitors

A couple who liked Bend better than any town this side of Beverly Hills spent last night and this morning in town, drinking deeply of the scenery and the water which pleased them most.

Hobart Henley, retired motion picture director who introduced Will Rogers, Norma Shearer, Maurice Chevalier, Claudette Colbert, and other stars to American film audiences, found Bend charming, clean and beautiful.

"What are these other towns south of you? Ashland, Klamath Falls, Medford? They can't compare with Bend. Next to Beverly Hills, you really have the best place on earth." And in this verdict Mrs. Henley, who looked pretty enough to be one of the stars her husband directed, thoroughly concurred.

Another couple who liked Bend, but regretted that there were not more road signs pointing out the natural beauties of Central Oregon, were Mr. and Mrs. Ralph Wilson of Honolulu, Hawaii.

"We were almost across Crooked River gorge before we noticed it," said Mrs. Wilson. "It was really beautiful, but we saw no signs telling us that it was ahead. And this morning we counted 15 peaks, not one of them named along the road."