

It's a fact, there are more real hearty laughs to a square inch of the "Henry" strip than in any other comic. Read it daily along with others on the feature page of the Capital Journal.

Capital Journal

Partly cloudy tonight and Wednesday, thunderstorms over mountains. Cooler Wednesday. Northwest wind. Monday: Max. 89, min. 57. Rain 0; River -1.1 ft. North wind. Clear.

New Capitol Formally Accepted by State

North Santiam Bids Asked

31 Known Dead In Train Wreck, 12 Missing

Bodies of Victims Sought In Wreckage of Submerged Sleeper

Miles City, Mont., June 21 (AP)—With 31 already known dead, fatigue-worn searchers worked today to lift up again from the silt-oozing bed of Custer creek a tourist sleeper which railroad officials estimated contained 12 more victims of the nation's worst railroad tragedy in a decade. Twenty-two of the 31 known victims were identified. The bodies of two unidentified women were taken last night from the sleeper which plunged with the Milwaukee railroad's crack "Olympian" train through a flood-weakened trestle early Sunday. Twelve other bodies were found earlier yesterday and a woman died in a hospital.

Car Slips Loose

The sleeper, submerged nearly 36 hours by the cloudburst "flash flood" that filled Custer creek with a torrent 20 feet deep, was jacked up on blocks after hours of slow toil last night.

Suddenly, the heavy steel car slipped loose and sank again into the sticky silt left in the stream's bed when the flood subsided yesterday. Grimly the 75 railroad workers and volunteers started their slow job again, working without halt through the night. Meanwhile, railroad and government officials launched an investigation of the wreck.

Instant Death

All save one of the victims met death instantly, officials said. Lucille Stumley, 38, D. nurse, died last night at Holy Rosary hospital here. One other person, a train porter, was still in a serious condition in the hospital.

Of the 65 injured who were rushed to the 85-bed hospital here, nearly all were released after minor treatment.

The crash, which occurred shortly after midnight, caught most of the ill-fated passengers of the railroad's pride asleep in sleeper cars.

Estabrook Jury Sees Bomb Site

Hillsboro, Ore., June 21 (AP)—Eight men and four women, selected today as jurors in the Jack Estabrook case, left for Rockton by bus to examine the William Fuzey store where the state charged a bomb was hurled Memorial day, 1935, during a labor dispute.

Estabrook, an official of the AFL warehousemen's union, was accused of participating in the incident. A previous jury was dismissed because it could not reach a verdict.

Melvin A. Bosarth and Leon V. Wallingford were indicted with Estabrook. They pleaded guilty and testified for the state at the union officer's first trial.

Explosives were thrown in Rockton at the time of a beer-labor controversy.

The jury, selected after a day and a half of questioning, consisted of four housewives, six farmers, a garage man and a shingler.

McNary Advises Project Haste

Washington, June 21 (AP)—The Willamette valley project commission should apply immediately to the board of army engineers for an allotment to start work on the project, Senator Charles L. McNary telegraphed the commission yesterday. He indicated he thought quicker action could be obtained through the army board, which would submit the application to the PWA.

Truck Driver Killed

Grants Pass, June 21 (AP)—Earl Stevens, logging truck driver, was killed yesterday afternoon when his truck rammed through an Evans creek bridge, seven miles upstream from Rogue river.

Stevens' home was believed to be in Rogue River.

A Grants Pass ambulance was called.

Hopes Brighter For Securing Truce in Spain

Britain Secures Agreement of Major Powers to Send Commission

(By the Associated Press) Hopes of ending one of the world's wars, or at least of lessening its perils to the rest of the world, were brightened today although the carnage continued both in Spain and China.

In London Britain secured agreement of delegates of Europe's major powers to her plan to send commissions into Spain in efforts to get foreign troops withdrawn and British leaders hoped this might lead to a truce in the 23-month-old civil war.

The non-intervention sub-committee drafted notes seeking acceptance of the plan by the two Spanish factions, and Britain brought pressure on France and Italy to enact their aid in the search for a truce.

Armistice Sought

Prime Minister Neville Chamberlain, defending his government's failure to halt Spanish insurgent bombings of British vessels, indicated to the House of Commons that an armistice was the only practical way to end "all these difficulties."

"All we can say," he went on, "is that we shall from time to time try and take some means with a view to seeing whether there are any favorable prospects of success and that when the time comes we shall be only too glad to offer our services, either alone or in conjunction with others, in bringing this lamentable conflict to an end."

Premier Mussolini of Italy has supported the insurgent regime; France has influence with the Spanish government; both want something from England.

Mussolini Favorable

Mussolini wants the Anglo-Italian pact of April 16 put into effect, and Britain has told him the best way to obtain that is to use influence to get a truce, at least a temporary one that would permit the plan for withdrawal of alien troops to operate.

While the big powers bargained another day of the battle for Valencia brought no decision in the bitter, see-saw battle for the hills north of that government port. Again insurgent air squadrons bombed Valencia and other Mediterranean cities.

In France Premier Edouard Daladier's efforts to follow the lead of British diplomacy were looked upon by some of his opponents as conceding defeat of the Spanish government. Communists demanded that socialists join in a concerted attack on the premier.

Salem Retailing Gains 29 Per Cent

Portland, June 21 (AP)—Retail sales in independent Oregon stores increased 26 per cent in May, compared with the same month in 1937, the United States bureau of foreign and domestic commerce said yesterday. Salem showed a 29.9 per cent gain.

Benson Leads in Nip and Tuck Race

Minneapolis, June 21 (AP)—Gov. Elmer A. Benson, Minnesota, pushed ahead of his challenger, Hjalmar Petersen, for the farmer-labor nomination in Monday's primary election, as additional returns were compiled today. The lead had changed hands frequently.

Benson had a 4,352 lead on the basis of 2,140 of 3,739 precincts in the state. Petersen's margin, built up with rural votes, was slashed heavily when a batch of ballots came in from Hennepin county (Minneapolis), Benson stronghold. The vote with about half the precincts reported, was: Benson 134,837; Petersen 129,479.

The two farmer-labor candidates polled 100,000 votes more than the four republican aspirants, lending credence to the belief that thousands of republican voters had jumped the party fence in a move de-

M'Nary Asks Speed-Up

Washington, June 21 (AP)—Senator McNary (R., Ore.) asked the war department today to speed preliminary preparations for construction of a multi-million dollar flood control project in the Willamette valley of western Oregon.

He said he expected to ask the public works administration for an allocation of funds to "get the work started this year" after the division army engineer at Portland had prepared necessary estimates.

The project, approved by congress the past session, could then be provided through regular appropriations next year.

Kennedy Sees Roosevelt

Hyde Park, N. Y., June 21 (AP)—Joseph P. Kennedy, ambassador to London, gave President Roosevelt today a general report on international affairs, but White House attaches declined to discuss the matter beyond this general observation.

Kennedy attended a private picnic given by Mr. and Mrs. John Boettiger, the president's son-in-law and daughter, following his conference with the president, then departed by train for Boston.

He will attend the graduation of his son, Joseph, Jr., at Harvard, Thursday.

The ambassador did not meet with newsmen while he was here.

Prior to the conference, persons close to the situation thought the president and Kennedy would discuss the pending Anglo-American trade treaty as well as more general subjects. Of this there was no confirmation after they met.

Nazis Order End of Violence

By Edward W. Beattie, Jr. (Copyright by United Press)

Berlin, June 21 (AP)—The highest Nazi quarters, it was revealed authoritatively today, have given orders that violence in the campaign against Jews must cease.

The police check-up of passports and general Jewish activities as well as the steady aryanization of German business under the economic ministry will continue, it was stated, but will be held within "orderly and legal channels."

Best-informed Nazi quarters said the painting of Jewish shops and smashing of windows was independent action by certain party elements and not inspired by police.

The violence got out of hand, it was declared, leading to strict orders for a halt. It was not expected that disciplinary action against the party members responsible would go beyond a mild reprimand "because of the difficulty of establishing who committed the acts."

Lawrence R. Wheeler, Ex-Publisher, Dies

Portland, June 21 (AP)—Lawrence R. Wheeler, 49, former part owner and editor of the Portland Telegram, died here today. He had been senior editor for the United States forest service for three years.

His widow, three children, a brother, John E. Wheeler of San Francisco, and a sister, Mrs. Timothy N. Pfeiffer, Riverdale-on-the-Hudson, N. Y., survive.

He was graduated from Yale university in 1911.

\$100,000 for Surfacing From Detroit

Oil Mat Pavement for 16.89 Miles to Marion Forks, Agreement Signed

Word was received here today that bids will be opened in Portland on June 28 by the federal forest service and bureau of public roads on a \$100,000 improvement project on the North Santiam highway.

The job includes the surfacing with an oil mat pavement of 16.89 miles of the highway from Detroit to a point just east of the Marion Forks bridge, eliminating the dusty surface and costly maintenance of that section of the road which was graded and rocked several years ago and that has been carrying heavy log-hauling traffic.

Copies of the co-operative agreement between the government and Marion county covering construction and maintenance of the section were received by the county today. It provides that the government shall furnish funds for the improvement and maintain the finished road for a period of two years, after which the county takes over maintenance with the proviso that it shall expend not less than \$250 a year per mile for that purpose.

The saving to the county for maintenance, which it has been paying, will amount to about \$5000 a year on the 17-mile section, it was estimated by Roy Melson, county commissioner.

Work on the job is expected to start about the middle of July and be completed early this fall.

Star of FBI Resigns Office

New York, June 21 (AP)—Leon G. Turrou, agent of the federal bureau of investigation, credited with breaking the German espionage ring, 18 of whose members were indicted yesterday, announced today he had mailed his resignation to J. Edgar Hoover, chief of the FBI in Washington.

Turrou, highest paid FBI agent in the country with the top rank of "pre-eminent," said he was resigning for reasons of health. For the last three and a half months he has been working on the spy case an average of 16½ hours a day, and was near exhaustion when the federal grand jury indictments were announced yesterday.

Turrou, 42, joined the FBI April 1, 1928. He was one of three agents who found the Lindbergh baby ransom money in the home of Bruno Richard Hauptmann, to give the handwriting samples which helped to convict Hauptmann of the kidnap-murder.

Turrou's work on the spy case, which presented ramifications leading from Dundee, Scotland, to Havana and from Gremany to Long Island, was described by U. S. Attorney Lamar Hardy as "an extraordinary piece of investigation."

Open Bids for Corvallis Schools

Corvallis, Ore., June 21 (AP)—The Corvallis school board opened bids last night for additions to the Harding grad. school, but took no action in awarding the contract.

The following bids were announced by Secretary H. L. Mack: W. and L. L. Quigley, Portland, basic bid \$16,268, and net bid after deductions and alterations, \$14,348; C. L. Swain, Corvallis, basic bid \$16,100, net \$13,905; George K. Abraham, Corvallis, basic \$15,999, net \$14,315; H. G. Carl, Salem, basic \$16,081, net \$13,877.67; Malarkey and Callander, Portland, basic \$17,315, net \$15,685.

N.L.R.B. Completes Case

Portland, June 21 (AP)—The national labor relations board completed its case against the West Oregon Lumber company, charged by the CIO with refusal to bargain, collusion and discrimination, yesterday. The defense started its presentation today.



The state of Oregon formally took possession of its new \$2,500,000 capitol today. Leo Arany got the above photo from his plane, looking southward toward the Willamette university campus. — Courtesy Oregon Journal.

\$1,010,000 Check Presented to FDR

Hyde Park, N. Y., June 21 (AP)—Officials of the national foundation for infantile paralysis presented to President Roosevelt today a check for \$1,010,000 to be used in the foundation's nation-wide drive to wipe out the disease. Presentation of the check—it was a yard long and six inches across—was made by Basil O'Connor of New York, foundation president.

Keith Morgan of New York and others on the committee which conducted the money-raising campaign.

Most of the \$1,010,000 was raised by the president's birthday balls on January 30, but \$80,000 came from the "March of Dimes" to the White House.

One phase of the campaign was an appeal that dimes be sent to the president's office.

Speaking for the presentation committee, O'Connor told the president that more than 8000 communities participated.

Members of the committee said the sum raised in the campaign this year was only a few thousand dollars under the 1937 sum, when 30 per cent of the total went to the Warm Springs, Ga., foundation and 70 per cent was kept by the participating communities for local fights on the disease.

This year the entire sum was paid over to the national foundation for a coordinated battle to prevent the disease and to lessen its ravages for those who already have had it.

The money will be spent under supervision of a general advisory committee, headed by Dr. Irvin Abell of Louisville, Ky., president of the American Medical Association, Morgan told Mr. Roosevelt, who inspired formation of the foundation.

Doctors Protest Japan's Actions

Shanghai, June 21 (AP)—Forty-five American doctors and nurses adopted a resolution today urging the Secretary of State Hull to renew protests to Japan against "continued and unnecessary Japanese military interference with foreign rights."

Meanwhile, nine Japanese airplanes dropped eight bombs on American and British property at Wu-chow, treaty port 180 miles west of Canton on the Sikiang river. One bomb struck within several yards of a Standard Oil company tank. Another fell on the property of the Texaco company and a third on Asiatic Petroleum company property.

The new American request to Hull was made after Japanese military authorities failed to fulfill assurances that they would permit doctors to return and re-open the American hospital at Soochow. The resolution was adopted by 30 American doctors and 15 nurses.

It said a protest should be made, demanding the immediate return of American property and permission for American doctors to return to inland posts "where they should be permitted to serve the civilian population without Japanese military interference."

Faith Proves Cure For Snake Bite

Hammond, La., June 21 (AP)—Mrs. Joe Rushing, 56, bitten in the arm by a cottonmouth moccasin snake during religious rites two weeks ago, has recovered and returned to her home at Crystal Springs, Miss. Mrs. Rushing refused medical treatment as members of the sect prayed for her for recovery through faith.

Three Senators Leave Office

Washington, June 21 (AP)—It's a grand job being United States senator, take it from a trio who will be absent from the 1939 session. They are Senators Dieterich (D., Ill.), Reames (D., Ore.), and Hitchcock (D., S.D.). The latter was defeated for re-nomination, but the other two were not candidates.

Dieterich, completing a six-year term, indicated that not everything about congress, however, was entirely pleasant — "ballyhoo and high pressure" for instance.

Senator Reames, white-haired lawyer, left Washington with a smile of regret at quitting his "first political office." He succeeded Senator Steiwer, resigned.

"I've always been a democrat and an active one but this has been my first office-holding," he said. "I've enjoyed it all but I couldn't afford to stay at it."

Senator Hitchcock, who appears younger than his 71 years, said he had "thoroughly enjoyed every minute of the session." He was appointed in 1936 to succeed the late Senator Norbeck.

Barrows Wins In Primaries

Portland, Me., June 21 (AP)—Governor Lewis O. Barrows' claim that a "business-like administration" was entitled him to nomination for a second term was upheld overwhelmingly today by Maine's usually dominant republicans.

Barrows, endorsed by the republican state convention, handed a stunning defeat in yesterday's primary election to youthful, insurgent state senator Roy L. Fernald of Winterport, and won the right to face former Gov. Louis J. Brann (D) in the September state election. Barrows' majority was more than 40,000.

Brann's desire for party nomination for an almost unprecedented third term was unopposed. The state's three republican U. S. representatives won re-nomination with ease.

Returns from 698 precincts out of 629 in the state gave: for governor, Barrows, 72,350; Fernald 24,301.

Barrows' margin over Fernald surpassed his supporters' fondest hopes. The victor called it a "profoundly gratifying" vote of confidence.

Drafts Program to Humanize Warfare

Washington, June 21 (AP)—Secretary of State Hull has begun developing a program to humanize warfare, with the particular objective of stopping aerial bombings of civilians.

Persons close to the state department disclosed today that Hull is devoting much of his time to this subject, brought to his attention by airplane attacks on Spanish and Chinese cities.

Details are not yet ready, nor has the secretary entered into diplomatic discussion with other nations. State department officials, however, viewed with sympathy the suggestions advanced yesterday in London by Norman H. Davis, chairman of the American Red Cross.

Cornerstone Of Library Building Laid

Capitol Contractors Exceed Specifications—Tribute Paid Miss Long

The state of Oregon today marked the completion of one building and the official beginning of another.

Hardly had Governor Charles H. Martin finished his address at the laying of the cornerstone of the new \$1,000,000 library, than state officials and the capitol reconstruction commission made their first official inspection of Oregon's \$2,500,000 state house.

The commission announced today that it had formally accepted the massive marble capitol, which replaces the historic statehouse that burned to the ground on the night of April 7, 1935. The new capitol will be occupied in 10 days by several state officers, including Governor Martin.

Praises Librarian

A scattered audience of about 100 stood outside the framework of the new library building as the governor congratulated Miss Harriet C. Long, state librarian, and the trustees of the Oregon state library "for their fine unselfish public service."

"When a woman goes after things, she gets what she wants," Governor Martin said of Miss Long, who was in Kansas City today attending the convention of the American Library association.

"As governor of Oregon," the executive declared, "it was my privilege to participate in the laying of the cornerstone of our beautiful new capitol here in Salem on June 17, 1937. This spacious building is now almost completed and we are here today to lay the cornerstone of a second state building to be erected during my administration, chiefly for our state library."

Library Minded

Citing the history of libraries in this state, Governor Martin declared that "from the very beginning, Oregon has been library-minded." At a public meeting of Oregon territory citizens on July 5, 1843, a motion was made and carried for the purchase of law books "to be the property of this community," the speaker said.

"It is estimated that there are approximately 284,000 persons in Oregon dependent on the state library alone for book service," Governor Martin declared.

"This need is being met in a very satisfactory way by the facilities of our state library."

The new structure, costing \$1,000,000, will be completed by January 1, 1939.

In Cornerstone

Into the cornerstone went the governor's address, departmental reports, several library books, and copies of Salem and Portland newspapers. Four sections of the Golden Anniversary and Capitol Occupation edition of the Capital Journal were included.

The capitol reconstruction commission, accompanied by architects, state officials and newspapermen, toured the new statehouse. Francis Keally, of the New York architectural firm of Livingstone and Trowbridge, and designers of the statehouse, was present, as were Morris M. Whitehouse and Walter Church, Portland associates.

The group found the long climb to the tower warm, and coats were removed during the ascent. Inspection was made of the principal offices and rooms.

Earthquake Jars Parts of Greece

Athens, June 21 (AP)—A severe earthquake shook parts of Greece today.

Old buildings collapsed at Galaxidi, on the gulf of Corinth, 100 miles west-northwest of Athens.

Thus far no loss of life has been reported. Shocks were felt at such widely separated points as Trevena, in Epirus, and the island of Samos, just off the Asia Minor coast. Trevena is 180 miles northwest, Samos 150 miles east, of Athens.

Boats Break Deadlock San Pedro, Calif., June 21 (AP)—Fifty fishing boats broke a 65-day deadlock today by putting out to sea while police anti-radical squadmen guarded the harbor.