

The Weather
 Forecast: Fair tonight and Thursday; warmer tonight.
 Temperature:
 Highest yesterday 86
 Lowest this morning 48

Very Effective
 Wants of all kinds are properly taken care of on the Classified page of this newspaper. These little Ads. are inexpensive and very effective. You should be using them and profit by them.

INDICT 6 IN INVESTMENT TRUST LOOT

The Capital Parade
 By Joseph Alsop and Robert Kintner
 Copyright 1937, by The North American Newspaper Alliance, Inc.
 FARLEY-WHITE HOUSE SPLIT GROWING WORSE
 NATIONAL CHAIRMAN BACKS CONSERVATIVES
 NEW DEALERS FEAR HE HAS TOO MUCH POWER
 POSTAL HEAD FLIRTS WITH SENATE BLOC

WASHINGTON, June 1.—A couple of weeks ago, Ed Rivers, Georgia's blowy, ardently new dealer Klansman governor, visited the White House to discuss ways and means of destroying politically Georgia's conservative Democratic senator, Walter F. George. The visit made plain the president's and his general staff's determination to strike down George.

And only three or four days ago, there appeared on Senator George's desk a brand new, warmly inscribed, cabinet-size photograph of Postmaster-General James A. Farley. Because Rivers is an acknowledged Kluser, and for other reasons, he is not available to run against George.

Recently, it has been repeatedly observable. In Oregon, the general staff loudly and the president quietly supported Henry L. Hess for governor. Yet the subsequently defeated conservative, Martin, had the open blessing of the postmaster-general.

Again, in Iowa, the president and his general staff are pushing Representative Otha D. Wearin for the

(Continued on Page Four.)

POETESS ACCUSED OF STEALING BABY GIRL
 SANTA CRUZ, Cal., June 1.—(AP)—Miss Jean Davis, 50, was arraigned before Police Judge W. E. Deane today on a child stealing charge and her preliminary hearing set for Monday.

She was accused of taking four-year old Betty Harbord while the child was at an amusement zone. The girl was found safely at the home of Miss Davis, and Chief of Police Al Hunsman expressed an opinion that Miss Davis, amateur poet and musician might have taken the child because of a maternal instinct. He said Miss Davis had never been married.

CARSON'S DAUGHTER GETS SECURITY CARD
 PORTLAND, June 1.—(AP)—Miss Joan Cradick Carson, through her father, Mayor Joseph K. Carson, challenged yesterday the recently published record of six-day-old Shirley Ann Slawick of Toledo, Ohio, in holding a social security card.

Miss Carson, who left the hospital with her mother yesterday, received a social security card when three days old. She signed with a hand print.

MILLIONS TAKEN BY SUBSTITUTION BAD STOCK, CLAIM

New York District Attorney Says Group Acquired Control Of 4 Investment Trusts In Past Year.

NEW YORK, June 1.—(AP)—District Attorney Thomas E. Dewey announced today six persons have been indicted on a charge they looted seven investment trusts with combined assets of more than \$16,000,000 in the past year. The announcement came shortly after Dewey's men arrested Vincent E. Perretti, a lawyer.

Dewey said that with a total investment of only \$5, the defendants acquired control of four investment trusts with total assets of \$13,500,000 out of which \$4,300,000 was quickly dissipated. He named Continental Securities corporation as the keystone organization in the acquisition of a group of investment trusts.

At the same time Dewey announced he had received word from Boston that Thomas W. Morris and Ralph H. Robb had been arrested there in connection with the case. Both men, he said, were named in the indictment.

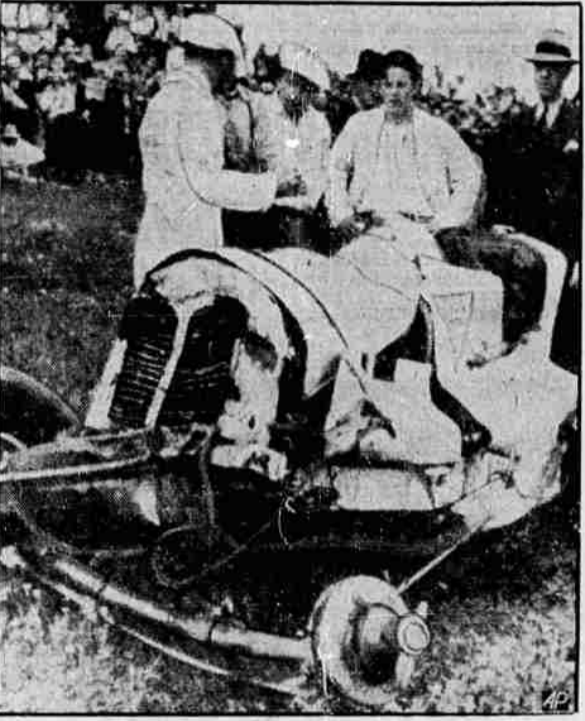
Robb has offices at Wakefield, Mass., and Morris, who is associated with a Boston law firm, lives at Belmont, Mass. Dewey said the law had arranged the initial financing and had given legal notice in the matter.

The three men arrested were among a group of forty-one individual and corporate defendants against whom State Attorney General John J. Bennett, Jr., on Friday secured a temporary restraining order preventing them from dealing in certain types of securities.

A hearing will be held June 7 at which the defendants in the Bennett action must show cause why they should not be permanently enjoined from engaging in the securities business in or from New York state.

The indictment against the six contains ten felony counts, six for grand larceny, two for receiving stolen property, and two charging the bringing of stolen property into the state. Dewey said it is based on the acquisition of the Continental Securities corporation and the alleged substitution of worthless securities for marketable securities.

Wheel Kills Spectator



This is the smashed racer of Emil Andres, Chicago, after it went through a fall on a turn while he was on his 12th mile in the Indianapolis 500-mile auto speed class. It lost a wheel which hit and fatally injured Everett Spencer, Terre Haute, Ind., a spectator. Andres suffered a broken nose and possible brain concussion.

\$35,939,450 LOWEST BID SUBMITTED FOR SHASTA DAM BUILDING

SACRAMENTO, Calif., June 1.—(AP)—Pacific Constructors, Inc., Los Angeles submitted the low bid today for construction of Shasta dam, largest individual unit of the central valley project.

The Los Angeles firm's tender was \$35,939,450. There were only two bidders, the second being Shasta Construction company of San Francisco. Its figure was \$36,202,357.

The low bid, which is about \$5,000,000 under the sum tentatively used to describe the cost of the big project is for the dam itself and erection of the power plant.

The dam is second in height only to Boulder dam and in mass will be surpassed only by the Grand Coulee dam. Shasta dam on the upper Sacramento river will back up the waters of three rivers, the Sacramento, Pitt and McClellan, a distance of 55 miles to form a large mountain lake.

Last month saw permits valued at \$35,965 issued from the city building inspectors office, a slight decline below May of 1937 when permits having a stated valuation of \$41,050 were issued. However, May of this year showed a sharp increase over April, when permits issued totaled \$18,020.

NIPPONESE TOLD TO RESTORE U. S. RIGHTS IN CHINA

Strong Note Says Infringements Giving Increasing Concern—Americans Would Repossess Property

WASHINGTON, June 1.—(AP)—The United States demanded today that Japan "take immediate steps" to restore American properties in China—"to their rightful owners."

In a strong note presented by Ambassador Joseph G. Grew to Japanese Foreign Minister Ugaki, the Japanese were told that their "infringement of an interference with American rights in China" was "giving the government of the United States increasing concern."

It was pointed out that while Japanese civilians have been permitted to enter and do business in areas from which the Sino-Jap conflict has moved on American businessmen and missionaries have been denied permission not only to resume their former residences but even to visit their holdings.

State department officials estimated that over 300 Americans have been waiting in Shanghai for many months to get permission to return to their properties in the Yangtze valley, including Nanking.

The note said that "the problem of enabling American citizens in China to reenter and repossess their properties from which they have been excluded by the Japanese military and of which the Japanese military have been and income cases still are in occupation is giving the government of the United States increasing concern."

"It is difficult," Japan was told, "to perceive any warrant for the continued placing by the Japanese authorities of obstacles in the way of return by Americans who have legitimate reason for proceeding to the areas in question."

The note asserted the university premises "have been used by the Japanese for quartering troops and for military offices," and added that airplanes were stationed on the campus and a supplemental runway for planes constructed "on the adjacent golf course which has been converted by the Japanese into a military flying field."

COLUMBIA FLOOD DANGERS SAUVIES DAIRYING REGION

Sandbag Barricades Placed On Dike In Effort To Keep Out Rising Waters—Crest Due Thursday.

PORTLAND, June 1.—(AP)—Sandbag barricades were strung along the top of the sand dike protecting Sauvie island, little Holland of the Columbia river, yesterday as haggard dairymen sought to avert a threatened flood.

The river rolled to a 20-foot flood crest, battering away at the dike, which showed signs of weakening. Danger was increased by the wash from passing river boats, throwing waves over the dike and opening small streams onto the rich dairy and farm land below.

The weather bureau said the crest of the flood probably would reach 21.6 feet by Thursday.

Farms on the southern side of the island already are awash.

THE DALLES, June 1.—(AP)—The continually mounting Columbia river threatens to duplicate the flood which in 1884 inundated four blocks of waterfront area.

The river, which has risen eight feet in the last week, has reached a point approximately 15 feet below the government-constructed dike. The reversion project will be finished this week.

An average of a foot a day rise has been recorded since a week ago Tuesday.

\$150,000 Winner Takes Day's Rest From Spud Hoing

AKRON, O., June 1.—(AP)—William Schoenbeck, 69-year-old farmer, was hoing potatoes today when he learned his ticket on Bols Roussel in the English derby had won \$150,000.

"Goodness sakes," he cried, dropping his hoe. Schoenbeck walked to the farmhouse and sat in the sun. "I am going to celebrate by not doing any more hoing today," he said.

NAZI PRESS RENEWS ANGRY INDICTMENTS OF CZECHOSLOVAKIA

BERLIN, June 1.—(AP)—The German press renewed its angry outbursts against Czechoslovakia today as a result of a shooting affray last night at Eger in which a Czechoslovak army sergeant clashed with Sudeten Germans, two of whom were wounded.

The Praha version of the affair was that the sergeant, Wenzel Mann, became involved in a row in a cafe with about 35 followers of Konrad Henlein, Nazi leader of Czechoslovakia's Germanic minority. In self-defense Mann fired two pistol shots at the floor and two persons near him were wounded in the legs. Mann was arrested.

The affair brought Berlin newspaper references to an "intolerable condition" and accusations that the Czechs were systematically baiting the nazified Sudeten Germans.

Approximately half the 95 recipients of homesteads on the newly-opened tract southeast of Tulelake, Calif., have leased their units to other farmers for the current season. B. E. Hayden, superintendent of the Klamath reclamation project, disclosed today.

Distribution of the homesteads April 15 came too late for many of the successful applicants to shift their interests to the Tulelake region this year without abandoning crops already planted in other areas, Hayden said.

HOPE ABANDONED FOR SAFE RETURN OF KIDNAPED BOY

Hundreds Divided Into Poses For Hunt—Federal Agents Seize Posses Member For Questioning.

PRINCETON, Pa., June 1.—(AP)—Abandoning hope for the safe return of kidnaped Jimmy Cash, hundreds of men undertook a hunt in poses of 15 today while federal agents dramatically seized one of their number.

Emerging from a conference with the father, James Bailey Cash, Sr., in his home, the G-men seized M. F. Braxton, a bald, portly carpenter about 55 years old, who was in the throng being formed into poses in a school yard 100 yards away.

Shielding him with their bodies, they hustled him to an automobile and sped north to Miami. Braxton was taken to the office of the federal bureau of investigation there, where agents, declining to make public any information, cloistered themselves with him.

A general call was sent out for volunteers to start a thorough search of the farms and groves in this vicinity for some trace of the five-year-old youngster, stolen Saturday for \$10,000 ransom which was paid early yesterday. The highway through the center of Princeton soon was lined with automobiles for a mile in each direction as the aroused farmers responded.

NEW CANAL PLAN IS ALSO OPPOSED

WASHINGTON, June 1.—(AP)—A new American proposal for developing the St. Lawrence waterway encountered opposition today from many of the senators who blocked the \$800,000,000 project four years ago.

Secretary Hull submitted to Canada last night a revised treaty by which the two nations would construct a huge hydro-electric power project and a 27-foot channel to let seagoing vessels reach the Great Lakes basin.

PERMISSION IS SOUGHT TO REMOVE TUSK OF PREHISTORIC ANIMAL

Steps were initiated today to procure permission to excavate what is believed to be the tusk of a giant prehistoric animal that once roamed the Applegate section of Jackson county.

The tusk was discovered during prospecting operations by the Alaska of Oregon Mining company on Forest creek six miles from Jacksonville. Inspection of the tusk was made yesterday by E. R. Santo and William H. McClure of the Southern Oregon Gem and Mineral society. About two feet of the tusk are exposed, the remainder being imbedded in a bank. Mr. McClure said.

Harry Skyrman, company attorney, was quoted by Mr. McClure as saying he would write the company's chief geologist at Independence for permission to remove the tusk for study.

STANDUP STRIKE AIMED AT COURT

ILION, N. Y., June 1.—(AP)—A "standup strike" by Remington Rand employees in protest against refusal of the United States supreme court to review a national labor relations board order reinstating strikers ended quickly today in plants at Middletown, Conn., and Ilion, Syracuse and Elmira, N. Y.

GRADUATE NURSES MEET IN KLAMATH

KLAMATH FALLS, June 1.—(AP)—Fifty-four delegates registered for the 31st annual convention of the Oregon Graduate Nurses association today heard Mrs. Alma H. Scott of New York City, a director of the American Nurses association, outline a nationwide program of shorter working days and group insurance and discuss salary and employment conditions and other problems affecting nurses.

Mrs. Scott's address was the feature of an extensive schedule of meetings, banquets and other activities which kept the delegates occupied on the first day of their three-day convention. Election of officers for the year ahead will be held Friday shortly before adjournment.

Reames to Bermudas For Convalescence

WASHINGTON, June 1.—(AP)—Senator Evan Reames, who recently was confined to a hospital for treatment of pneumonia, has left here for Bermuda to recuperate, his office said.

REBELS AND LOYALISTS BATTLE HAND TO HAND

HENDAYE, France (AP)—The Spanish frontier—June 1.—(AP)—Insurgents scaled precipitous mountains on the front east of Teruel today, fighting hand to hand with government militiamen in a general offensive aimed at the capture of Valencia.

TULE HOMESTEADERS AWAIT NEXT SEASON

KLAMATH FALLS, June 1.—(AP)—Approximately half the 95 recipients of homesteads on the newly-opened tract southeast of Tulelake, Calif., have leased their units to other farmers for the current season. B. E. Hayden, superintendent of the Klamath reclamation project, disclosed today.

LOGGERS GIVE CLUE IN FATE OF FLIERS

VANCOUVER, B. C., June 1.—(Canadian Press)—Mrs. P. Pederson today received a letter from her husband, a logger at Franklin Creek, B. C., in which he said employees at the logging camp were "waiting to hear if a plane was lost Friday" because they had seen a machine disappear suddenly as though it had crashed.

Franklin creek flows into Alberni canal, on the route believed taken by Pilot, Len Waagen Friday from Vancouver to Zeballos, Misling with Waagen since Friday are Mrs. George Nicholson of Zeballos, Charles R. Rumsey of Toronto and H. Boyd of Stevenson, B. C.

Conductor To Retire
 PORTLAND, June 1.—(AP)—Charles A. Fisk, 60, Union Pacific conductor on the Oregon division and an employee for 33 years, asked today for retirement. He started in the Oregon division as a brakeman in 1905,

BASEBALL

National	R	H	E
New York	1	8	2
Pittsburgh	4	7	0
Melton, Brown, and Danning; Bauers and Todd.			
Brooklyn	1	8	0
Cincinnati	4	10	0
Presnell, Mungo and Shea; Vandermere and Lombardi.			
Boston at Chicago postponed. rain.			

American	R	H	E
Cleveland	5	10	0
Philadelphia	9	11	1
Harder, Humphries, Suber and Pylak; Nelson and Hayes.			
Detroit	5	13	2
New York	4	8	3
Handley and Dickey.			
St. Louis	3	10	0
Boston	6	9	1
Wakup, Vanatta, and Sullivan; Wagon and Desautels.			
C'icago	4	10	3
Washington	5	11	0
Whitehead and Sewell; Renna; De-abong, Weaver and R. Perrell.			
Aristophanes is known as the father of modern drama.			

SIDE GLANCES

Ensign George Winne suddenly discovering he had a navy pass belonging to a buddy, lack of which would keep his pal confined to his ship.

Atty. Harry Skyrman negotiating the advisability of smearing out some sort of writ for the removal of a prehistoric tusk from a mining property.

PORTLAND WAITRESSES BALLOTTING ON STRIKE

PORTLAND, June 1.—(AP)—Gertrude Sweet, an official of the Waitresses and Cafeteria Workers union, said today that ballots were being prepared for a strike vote by 8,000 waitresses, waiters, cooks and bartenders.

Friday, the executive committee of waitresses and cooks announced the vote after negotiations had been broken off with the Portland Restaurant Operators association.

GOOD BERRY HARVEST FORECAST FOR SEASON

PORTLAND, June 1.—(AP)—Oregon and Washington should harvest an average yield of strawberries, the U. S. department of agriculture said today. The bureau estimated an average of 14,200 for Oregon, compared to 11,000 last year and a 1927-36 average of 11,200. The yield per acre for Oregon was estimated at 80 crates compared to the average of 77.

Logger Killed.
 PENDLETON, June 1.—(AP)—De-forrest Jefferson (Bud) Dean, 23, Baker, for the past three weeks employed as a logger near Pilot Rock, died here yesterday at a local hospital from injuries sustained Monday when a heavy log rolled from a truck at Pilot Rock and crushed his legs from the waist down. Death was attributed to shock.

JAPANESE SAY KAI-SHEK GRADUALLY GIVING WAY

SHANGHAI, June 1.—(AP)—Japanese said today Generalissimo Chiang Kai-shek's latest defense line along the Szechwan-Lungkuai railway were giving way gradually before Japanese aerial power.

Japanese army planes intensively bombed Chinese troops near Lanfeng, although the army of Nippon still appeared to be balked in its effort to reach Kailfeng and Chengchow, railway points on the central China front which are important to the Japanese offensive planned against Hankow, China's provisional capital.

Roosevelt Enters Fight Over Spend-Lend Funds

WASHINGTON, June 1.—(AP)—President Roosevelt personally intervened today in the fight over earmarking proposed new federal public works funds with a warning that un-employment has grown more acute in recent weeks and that flexible relief program is essential to check it.

The chief executive expressed his views in a letter to Senator Adams (D., Colo.), floor manager for the administration's \$3,247,000,000 spending-lending bill now being debated. His action was quickly interpreted by administration senators as greatly strengthening their stand against demands of Republicans and conservative Democrats that the funds be earmarked by assigning them for use on specified projects.

Mr. Roosevelt wrote Adams that un-employment has "grown worse" since he sent his relief message to congress six weeks ago.

"Emergency employment, therefore, should come right away instead of being deferred," the president said, adding: "It is the gap existing now that we want to fill. Therefore, I greatly hope that the emergency bill in its final form will put no restrictions on the immediate starting of work projects, and that it will make possible the selection of those projects which can be got under way most speedily."