

"All the News That's
Fit to Print."

The New York Times.

LATE CITY EDITION

Rain, moderate temperature today,
clearing and colder at night. To-
morrow probably fair, rather cold.
Temperature Yesterday—Max., 46; Min., 37.

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TWO CENTS in New York
City.

THREE CENTS Elsewhere Except
Within 900 Miles. FOUR CENTS Elsewhere Except
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HOUSE BLOCKS WAGES BILL, RETURNING IT TO COMMITTEE; SOUTH DESERTS ROOSEVELT

VOTE IS 216 TO 198

Southerners and Repub-
licans Doom Bill for
Present, at Least

LEADERS' APPEALS FUTILE

Rayburn and O'Connor Make
Final Fight—A. F. L. a Fac-
tor in the Plan's Defeat

By HAROLD B. HINTON

Special to THE NEW YORK TIMES.

WASHINGTON, Dec. 17.—After a day of sharp debate, the House early tonight shelved the Wages and Hours Bill, voting 216 to 198 to recommend it to the Labor Committee. The action, professedly taken to allow the committee time for further study of the legislation, will probably result in its indefinite shelving.

Conservative Southern Democrats joined with Republicans and followers of the American Federation of Labor to doom the wages measure for the immediate future, at least. Evidence was clear throughout days of discussion that present business conditions had influenced many members to be cautious of "reform" proposals.

Enactment of the Wages and Hours Bill was one of the four major purposes cited by President Roosevelt when he called Congress into special session on Nov. 15, and observers were convinced that the administration's defeat in the House tonight may have a major bearing on the course of legislation at the regular session beginning next month.

The political consequences of the House's action may be more important than the economic results that might have flowed from the measure, if successful, observers said. Sharpshooting at the bill had effectively reduced its scope as member after member succeeded in exempting from its provisions those workers engaged in industries in their own constituencies.

Many alterations in the Bill as a matter of fact, the measure had been so altered from the original Black-Connery bill, which the Senate passed at the last session of Congress, that a considerable number of its former proponents joined in the move to send it back to the committee.

To get the measure to the floor in the first place it was necessary for 218 members to sign a discharge petition releasing the House Rules Committee from its further consideration. This number constitutes a clear majority of the total membership of the House, and normally the completion of a discharge petition insures passage of the legislation in question.

The continued business recession during the three weeks that have elapsed since the petition was completed undoubtedly influenced some of the 218 members to reverse their earlier position, as did the determined drive of the A. F. of L. to defeat the proposal, otherwise agreed. Representative McReynolds of Tennessee, closing spokesman for the conservative Southern Democrats, based his plea for recommitment of the bill on the need for giving business a rest.

"If this bill is recommitment, you will see a change for the better in two days," he told the House. The same argument was stressed by Representative Pettengill of Indiana, one of the principal opponents of the "death sentence clause" in the Public Utility Holding Company Bill which caused stormy debate in Congress in the past.

"This bill will be the death sentence of all interstate business and the death sentence of the Democratic party, if enacted," he said.

Housing Bill Comes to the Fore
Representative Rayburn of Texas, the majority leader, announced to the House after the vote that no further legislative activities would be attempted at the special session, which is expected to adjourn next Wednesday, except for the amendments to the Federal Housing Act, which will be the first order of business tomorrow. He said that every effort would be made to complete this measure tomorrow, in the hope that the Senate would be able to rush it through in the early days of next week, thus placing to the credit of the special session at least one major Administration-sponsored measure.

The most that can be hoped for

Senate Passes Farm Bill, 59-29;
Garner Shuts Off Debate at End

McAdoo Substitute to Peg Domestic Prices
Is Beaten by Only Six Votes—McNary
Dairying Amendment Retained

Special to THE NEW YORK TIMES.

WASHINGTON, Dec. 17.—By a vote of 59 to 29, the Senate early this evening passed the omnibus farm bill, designed to carry out Secretary Wallace's ever-normal granary plan with its provisions for compulsory crop surplus control, and sent the much-amended measure to conference between the two legislative bodies.

The most complex and far-reaching farm relief proposal to pass either house in the history of the nation was finally adopted after a motion by Senator King to send it back to the Agriculture Committee for further study had been defeated 57 to 29. It was sent automatically to conference with the expectation that it would emerge at the regular session with many of its drastic compulsory features modified along the lines of the House bill.

Using the same parliamentary tactics he adopted in disposing of the Supreme Court reorganization plan, Vice President Garner pushed the Farm Bill through to final passage by refusing to recognize members who wanted to speak further on the measure and its many amendments.

HALT CODE SESSION
PENDING A HEARING

Legislators Adjourn to Thurs-
day for Chance to Study
La Guardia Bill

COMMITTEE TO MEET HERE

Senators Will Discuss Points
of Big Document Tuesday—
Mayor Is 'Satisfied'

By WILLIAM R. CONKLIN

Special to THE NEW YORK TIMES.

ALBANY, Dec. 17.—Lacking the quorum required to adopt New York City's Administrative Code, leaders in both houses of the Legislature decided today to adjourn until noon next Thursday and devote the intervening time to eliminating points of conflict and confusion in the twenty-one pound document.

When the Senate convened soon after 11 A. M., not more than thirty of the fifty-one members were in their seats. The Assembly, called to order a few minutes later, showed not more than fifty of its 147 members present. The Constitution requires a two-thirds vote of all members of both houses to adopt such legislation as the code. Rebellious Senators and Assemblymen had left for their homes last night with the conviction that the code could not be adopted in one day as Mayor La Guardia wished.

On Tuesday the Senate Committee on the Affairs of the City of New York will hold a meeting in Manhattan at which the final polishing touches are to be put on the code to prepare it for adoption two days later.

Since the code bill has not yet been introduced in the Assembly, no committee from that body will consider it.

Boundary Questions at Issue
It was learned that no public hearings will be held upon the bill, though numerous requests from individuals for such hearings have been received. Instead the Senate committee's session will be executive.

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60 PICKETS JAILED
FOR 30 TO 90 DAYS
IN AUTOMAT STRIKE

Magistrate Also Imposes 20
Days or \$50 Fine Each on
Thirteen Women

SCORES COURTS' LENIENCY

Some of Prisoners Found
Never to Have Been Employed
by the Company

Special to THE NEW YORK TIMES.

When the gavel fell for the final roll-call order, at least half a dozen members were on their feet clamoring for recognition. Mr. Garner was unable to see them.

Passage of the bill brought to a close more than three weeks of debate, during which the principle of legislating for the welfare of farmers was put to the severest test since 1927, when Congress came within a few votes of passing the McNary-Haugen bill over the Presidential veto.

It also rang down the curtain on the first major defeat sustained by the Administration in the five years it has sponsored legislation for the relief of agriculture.

This reversal came when the Senate refused by a vote of 49 to 39 to reconsider the vote by which it adopted the McNary amendment yesterday. This prevents the use of lands retired from cultivation of the five major crops covered by the bill from being used for the production for market of livestock and dairy products.

In the hope of defeating the

Continued on Page Three

COURT ENDS INQUIRY
ON AUTO FINANCING

Milwaukee Grand Jury Dis-
missed as Judge Holds Wash-
ington Conference Improper

CONSENT DECREE AT ISSUE

Government Alleged to Have
Proposed Deal With General
Motors, Ford, Chrysler

Special to THE NEW YORK TIMES.

MILWAUKEE, Dec. 17.—The Federal Government's investigation of automobile financing methods came to an abrupt end in Federal court here today, when Judge Ferdinand A. Geiger ordered dismissal of a grand jury which had been investigating the subject for nearly three months.

The dismissal was ordered after Judge Geiger had spent almost the entire day questioning eight attorneys—some of them government counsel—about a series of conferences held at Washington between attorneys for the automobile companies and Robert Jackson, Assistant Attorney General.

During the conferences, testimony before Judge Geiger disclosed, the automobile companies' representatives were advised that the grand jury had indicted ready to be returned and it was intimated that the indictments could be headed off if the companies would agree to a "consent decree" that would provide for cessation of the practices about which the government was complaining.

Three Big Companies Concerned
Testimony before the grand jury was understood to have been concerned principally with the three large automobile manufacturers—General Motors, Ford and Chrysler—and their affiliated financing concerns. It was reported that considerable evidence had been produced to indicate that dealers had experienced difficulty in obtaining automobiles for their stock unless their purchases were financed by the company affiliated with the maker of the cars.

Judge Geiger asserted that he considered the Washington conferences decidedly improper, and clashed repeatedly with Russell Hardy, special government prosecutor sent here from Washington to handle the investigation. The testimony indicated that refusal of the General Motors representatives to enter into the proposed "deal" with the government blocked the project and that the Attorney General's office at Washington eventually "cooled off" on the proposal after it became known that Judge Geiger was unfriendly to the idea and had taken a sharp interest in the Washington negotiations.

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U. S. NAVAL DISPLAY REPORTED LIKELY UNLESS JAPAN GUARANTEES OUR RIGHTS; BUTCHERY MARKED CAPTURE OF NANKING

ALL CAPTIVES SLAIN

Civilians Also Killed as
the Japanese Spread
Terror in Nanking

U. S. EMBASSY IS RAIDED

Capital's Fall Laid to Poor
Tactics of Chiang Kai-shek
and Leaders' Flight

By F. TILLMAN DUNN

Special Cable to THE NEW YORK TIMES.

ABOARD THE U. S. S. OAHU, at Shanghai, Dec. 17.—At 1:30 P. M. Sunday, Dec. 12, the U. S. S. Panay, a gunboat built at the Kiangyin dockyard at Shanghai and commissioned in 1923 for the Yangtze Patrol, was riding at anchor peacefully, twenty-eight miles up the river from Nanking. After three days of dodging shells, the latest manoeuvre was started at 8:25 that morning from a point twelve miles up the river from Nanking, following the explosion of shells successively closer astern.

The Soony tankers Maiping, Melah and Melan, which the Panay escorted up the river, were near by, with seven of the Panay's crew visiting on the Maiping. Off-duty crew members, newsmen and newspaper camera men were discussing the incident of that morning. At 9:45 the gunboat had stopped near the north bank. A Japanese officer, accompanied by soldiers with fixed bayonets, came aboard.

It was felt Japanese rule might be severe, at least until war conditions were over. Two days of Japanese occupation changed the whole outlook. Wholesale looting, the violation of women, the murder of civilians, the eviction of Chinese from their homes, mass execution of war prisoners and the impressing of able-bodied men turned Nanking into a city of terror.

Many Civilians Slain

The killing of civilians was widespread. Foreigners who traveled widely through the city Wednesday found civilian dead on every street. Some of the victims were aged men, women and children. Policemen and firemen were special objects of attack. Many victims were bayoneted and some of the wounds were barbarously cruel.

Any person who ran because of fear or excitement was likely to be killed on the spot as was any one caught by roving patrols in streets or alleys after dusk. Many slayings were witnessed by foreigners. The Japanese looting amounted almost to plundering of the entire city. Nearly every building was entered by Japanese soldiers, often minutes later tied up alongside the flagpole August 14.

A two-hour vigil aboard the United States cruiser Augusta ended when the first ship of the convoy bringing the Panay survivors rounded the bend. This was the British gunboat Ladybird, also carrying the bodies of civilians killed in the Panay bombing.

When the Oahu was first sighted a curious murmur of suppressed excitement was felt the whole length of the 10,000-ton cruiser, whose decks were crowded with officers, sailors, marines and a few civilians. It was not a manifestation of relief or enthusiasm when the Oahu was made fast alongside the Augusta. Instead, those aboard the flagship stood in oppressed silence when they saw the survivors on the Oahu decks, whose faces in many cases were drawn and lined, many suffering obviously from shell shock; others had their arms in slings, while others wore conspicuous bandages.

Few Salutations Hushed

A few hands were raised in salutes and greetings, and a few almost hushed salutations were exchanged across the narrowing waters as the ships drew together while daylight faded rapidly. A hastily improvised gangway, of unplanned and unpolished lumber, was hoisted from the Augusta's deck onto the Oahu's top deck, and a few of the Augusta's officers boarded the rescue ship.

Then came a long wait, after which Augusta sailors carried empty stretchers aboard the Oahu, while blue-uniformed marines guarded the gangway and a majority of the Augusta officers stood silent, waiting, in a semicircle. Admiral Harry E. Yarnall, Commander-in-Chief of the United States Asiatic Fleet, sat grim-faced in his quarters awaiting oral reports of surviving officers of the Panay, many of whom were grievously wounded.

Dusk deepened into darkness dur-

Writer Tells of Machine-Gunning
By Japanese Planes and Launch

Aircraft Attacked Boatload of Wounded
Fleeing Sinking Panay—Survivors Trekked
Miles to Find Refuge and Aid for Injured

The following dispatch was written by a representative of THE NEW YORK TIMES, who was aboard the gunboat Panay when she was sunk:

By NORMAN SOONG

Wireless to THE NEW YORK TIMES.

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SURVIVORS' ARRIVAL
AT SHANGHAI IS SAD

Hushed Silence Prevails as
Wounded Are Transferred
From Oahu to Cruiser

PANAY BOMBING DETAILED

Japanese Soldiers Visited Ship
and Learned Its Identity Be-
fore Attack, Officer Says

By HALLETT ABERNETHY

Wireless to THE NEW YORK TIMES.

SHANGHAI, Dec. 17.—With her flags at half-staff honoring the American dead below decks in crude Chinese coffins, the United States gunboat Oahu swept around the bend just below Shanghai's Bund at 4:30 this afternoon and twenty minutes later tied up alongside the flagship Augusta.

A two-hour vigil aboard the United States cruiser Augusta ended when the first ship of the convoy bringing the Panay survivors rounded the bend. This was the British gunboat Ladybird, also carrying the bodies of civilians killed in the Panay bombing.

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Dusk deepened into darkness dur-

ROOSEVELT ACTIVE

Consults Admiral Leahy
on Condition of Fleet
and Meets Cabinet

SITUATION IS 'VERY TENSE'

But Naval Operations Chief
Sees No Need for Sending
More Warships Now

President Roosevelt consulted

Admiral Leahy, Chief of Naval Operations, and the Cabinet yesterday on further moves in the Panay bombing affair. There were indications that a naval demonstration might be made in the Pacific unless Japan guaranteed American rights. [Page 1.]

A representative of THE NEW YORK TIMES, who was aboard the Panay described the Japanese attack and told of machine-gunning of survivors by planes and a launch. [Page 1.]

Bravery of American officers and crew was described by a British writer who was also aboard. He told of the journey of the survivors through swamps and fighting territory. [Page 1.]

At Tokyo it was said a reply to the United States note was likely to be delayed. There were indications that officials might decide not to send one, relying on apologies and assurances already given. [Page 1.]

A correspondent of THE NEW YORK TIMES who witnessed the fall of Nanking told of butchery by the Japanese and disaster to the Chinese Army. [Page 1.]

Roosevelt Consults Leahy

By BERTRAM D. HULEN

Special to THE NEW YORK TIMES.

WASHINGTON, Dec. 17.—President Roosevelt summoned Admiral William D. Leahy, Chief of Naval Operations, to the White House today for a conference on the crisis with Japan over the sinking of the gunboat Panay. The conference gave an appearance of additional seriousness to the incident.

Upon leaving the White House Admiral Leahy said that he had given the President a full account of his reports on the bombing of the Panay and her convoy of three Standard Oil vessels. The situation, he added, was very tense, but he said there was no apparent need for sending additional American naval vessels to Chinese waters.

There were grounds for believing that President Roosevelt had also asked the Chief of Naval Operations for an account of the condition of the fleet and the present disposition of its units. Previously the Panay had been transmitted promptly to the President. Later he conversed the situation at a two-hour Cabinet meeting.

All this gave impetus to reports that the possibility exists of some movement of United States naval ships in the Pacific if Japan does not give adequate assurances of respecting American rights.

No Word of British Movements
While there have been unofficial reports that Great Britain is considering sending additional ships to Singapore, no word to this effect has been received in official channels, it was said.

It was declared in diplomatic circles that there was conjecture as to whether the line binding Italy and Germany to Japan might prove to be a rope of straw in the event of serious difficulties between Japan and the United States. These circles are convinced that neither Italy nor Germany wants to be involved in trouble with the United States.

Moreover, German Embassy officials were bombed on a British ship at Nanking, while an Italian diplomatic attaché was wounded and an Italian journalist killed on the Panay.

Seasoned diplomats consider that an obvious line of action to give strength to the protest of the United States already registered, in case Japan's attitude is unsatisfactory, would be a movement of naval ships, such as concentrating important parts, if not the entire fleet, in the Hawaiian area, with Pearl Harbor as a base, and the recalling of Joseph C. Grew, the United States Ambassador to Ja-

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