

U. S. Civilians Barred From Soviet-Held Ports In Far East

Washington Order Follows Darien Case

Navy Bans Visits Even to Press

By WILLIAM H. NEWTON
Scripture-News Staff Writer
SHANGHAI, Jan. 16.—Acting under orders from Washington, the U. S. navy has barred American businessmen and reporters from navy ships calling at Russian-controlled ports in the Far East, it was learned today.

The action obviously resulted from the incident at Darien Dec. 24 when a navy courier vessel with an American businessman and two reporters aboard summarily was ordered by Russian authorities to leave the port in 20 minutes or "we will not be responsible for the consequences."

Order Revealed Today
The navy's new order was revealed today by James H. McKenna, executive officer of the American consulate general at Shanghai.

Following the Darien incident a state department spokesman in Washington said the Russians were within their rights in refusing to permit the businessman or the reporters to go ashore, since no advance clearance had been obtained for them to land.

Today I requested the American consulate to obtain the necessary clearance so I could visit the Russian-controlled Chinese port, the gateway to Manchuria.

"I would like to help you," said Mr. McKenna, "but the navy has issued instructions that it will not permit civilians aboard navy ships calling at Soviet-controlled ports unless they are on government business."

The navy department's order came as a surprise in view of the American note of Jan. 6 to the Russian and Chinese authorities expressing the hope that "normal conditions may be established which will permit American citizens to visit and reside at Darien in pursuit of their legitimate activities."

Since there is no means of travel to Darien except by navy ship, the order prevents accomplishment of the objective outlined in the U. S. note to Russia and China.

Free Text Book Law Introduced

State Senate Gets Mental Health Bills

Two mental health bills and a free text book measure topped the agenda of bills introduced in the senate today.

One of the health bills gives the Indiana Council for Mental Health power to elect, train and set pay of the professional people caring for mental cases in public psychiatric institutions.

The other would transfer the functions of the state welfare board with respect to mental health clinics, research psychiatric disorders and mental health information to the council.

Authors of the bills were Senators John W. VanNess (R. Valparaiso), Paul G. Moffett (R. Indianapolis) and Roger G. Wolcott (R. Indianapolis).

The free text book bill provides that all such books for elementary and high schools be furnished at state expense. It was introduced by Senator John S. Gonas (D. South Bend).

Another educational bill put on the floor by Senator Gonas gives private and parochial school pupils the same transportation rights as those attending public high schools where the school board furnishes vehicles.



CAUGHT BY POLICE—When their taxi stuck in mud as they attempted to swerve through a yard from an alley to a street, this quartet meekly crawled out with their hands up in the glare of a police search light. They are (left to right): Charles Thayer, 26, taxi driver; Stanley C. McCarroll, 20; James L. Hall, 21, and Eugene Farmer, 20.



THE CAPTORS—Sgt. Harold Morton (right) files a report of how he and his squad captured the fleeing men with John Farrell (left) record clerk at police station. Other captors in the photo are Patrolman Maurice Walsh (second from left) and Patrolman Gene Gandolf.



HOLDUP VICTIM—Shortly after Kenneth Wiles (above) was held up at Loy's Grille, 16th and Alabama sts., four men in a speeding taxicab were chased through North side streets and captured by police.

Housing Swindler Slipped Through State Parole Net

Overloaded Officers Just Couldn't Keep Up With John W. Welch

This is the fourth in a series of articles showing how Indianapolis veterans have lost thousands of dollars in phony real estate schemes.

By RICHARD LEWIS

In the basement of the state office building at 141 S. Meridian st. there is a sign which reads:

"This is NOT a gross income stock room."

It is the state district parole office for Marion county.

Tucked away under the steam pipes and behind stacks of gross income tax forms, this office supervises parolees in Marion county.

It was supervising Indiana state prison convict John Wilson Welch at the time he was operating a housing scheme which cost Indianapolis veterans thousands of dollars.

Came Here in 1945
Welch came to Indianapolis in the spring of 1945. Teaming up with an Indianapolis attorney, Forrest L. Hackley, he organized the Co-operative Homes Co. which cost veterans and others \$30,000.

Welch and Hackley were convicted of grand larceny last June in criminal court. They were sentenced to one to ten years in prison, to which Welch had been remanded when parole officers discovered his building scheme.

Only one veteran ever recovered his "down payment." Welch paid him back \$50 with money he received from another veteran.

Another prospective buyer saved \$1000 when the Better Business bureau here warned him of the scheme.

\$30,000 Just Vanished
All the others lost. How the \$30,000 disappeared has never been explained. Some of it was used by Welch & Hackley for personal expenses, but no one has been able to account for all of it.

The basement county parole office is one of four district offices operated by the state division of corrections. There, parolees come to report what they are doing. John Welch made his report, too.

Upstairs on the fifth floor of the state office building is the office of Harvey L. Hire, the state's new director of corrections. He became head of the division after the Welch episode, but he knows the story. Briefly, it is this:

Convicted in South Bend for the same type of housing scheme he worked here, Welch was sentenced to one to seven years in the state prison.

Out in One Year
Entering the Michigan City prison on July 22, 1943, Welch walked out on parole exactly one year later on July 22, 1944. He had been paroled to a man in Wilkes-Barre, Pa.

Welch went to Wilkes-Barre and reported to his sponsor. He kept in touch with the parole office here, reporting through the Pennsylvania authorities.

In the fall of 1944, Welch requested permission to return to South Bend to settle a guardianship suit. This began his series of appearances in court which lasted the entire period of his parole.

Sometimes, Welch appeared as the plaintiff; at others, as the defendant. His activities were numerous and complex. For a while, parole authorities kept close watch on him.

Took Over Son's Estate
Later in the fall, Welch returned to Wilkes-Barre in time to take over the estate of a son, who had been killed in China flying with the U. S. army air forces.

Welch told parole authorities that he had been appointed administrator of his son's estate and was his son's heir.

Welch's son, Oren, had been a war hero. He had been a flier before the war and an aircraft expert. He had invented a number of devices for airplanes and had been receiving royalties on some of the inventions he had sold.

Early in 1945, Welch notified parole authorities that he was again in court, this time suing to recover patents and parts owned by his son's estate.

Went to New York
Shortly after this suit, he asked parole authorities for permission to work in Jordan, N. Y. This was granted.

In March, 1945, he asked permission to return to Indiana for 10 days, again on a legal matter. This was granted. After he had returned, he asked for permission to stay. That was granted.

Welch arrived in Indianapolis at the beginning of April, 1945. That is when he began the housing operations which were to end disastrously for more than 100 veterans and others, for himself and for his associate, Forrest Hackley.

Welch carefully made his monthly reports to parole officers. He said he was employed as a salesman by Co-operative Homes, 1001 Lemcke building. That was Forrest Hackley's office.

Authorities Tipped Off
These reports went into the parole office through April, May, June and July of 1945. In August, the parole authorities were tipped off by Better Business Bureau Manager Toner Overly what Welch was up to.

They hadn't known about the scheme. And the victims hadn't known that Welch was a parolee.

What was wrong with the parole system. A part of the answer might be found in the fact only a handful of officers supervise 2000 parolees in Indiana, each officer having a case load of 300 persons or more.

The average load in other states is 75 or less.

Overloaded with work and for the most part underpaid, parole authorities in Indiana simply couldn't keep up with a fast moving operator like John Wilson Welch.

Final Voyage Set
For Rusty Oklahoma

HONOLULU, Jan. 16 (U. P.)—The rusty, battered, U. S. S. Oklahoma prepared to sail today on her last voyage. She will go from her dock to the Pearl Harbor naval anchorage and thence to an Oakland, Cal., scrap heap.

The doughty old battlewagon, sunk in the first 10 minutes of the 1941 Pearl Harbor attack, was raised in 1943. But since then she has lain idle, stripped of her superstructure and once-mighty turrets.

Talmadge Seizes Georgia Control

Moves Into Capitol; Refuses to See Arnall

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matically arrived at the state capitol this morning.

Mr. Arnall walked briskly as he headed for his office.

Bury State Trooper
He knocked four or five times at the closed door of an outer office and was finally admitted by a burly state trooper who was on guard. But he did not get into the inner sanctum immediately.

From the private office of the governor, Mr. Talmadge emerged in a few moments—a forelock of black hair dangling down over his eyes just like his late father.

He grasped a radio microphone and said:

"Ellis Arnall, who alleges he is the governor, must await his turn to see the governor of Georgia."

Army Cots in Room
Two army cots with army blankets folded neatly upon them could be seen in the outer reception room.

Custodians at the capitol said they did not know how they were brought in or by whom.

Mr. Arnall, after unsuccessful attempts to get in to see Mr. Talmadge, returned to the capitol rotunda adjoining the offices and set up his own headquarters.

It was a move similar to that taken by Mr. Talmadge when he was first elected. But now, the situation was reversed.

In the center of the rotunda, there is a desk, surrounded by a 20 square foot guard rail. A receptionist usually sits there. Mr. Arnall took this desk, laid out some papers, and began busily writing.

Mr. Talmadge, the 33-year-old son of the late Governor-elect Eugene Talmadge whose death precipitated the political conflict, apparently won the first round in court. Judge Walter C. Hendrix declined to grant a temporary injunction to remove him from office.

Gets Arnall's Petition
Judge Hendrix of superior court received Mr. Arnall's petition late yesterday. It asked that Mr. Talmadge show cause why he should not be declared ineligible to serve as governor.

Hobbs' Own Story of Bids On County Elevators

(Continued From Page One)

the work. They had been in business for a matter of months.

The Home Elevator Co.'s first reaction was that an unintentional error had been committed. After 48 hours had passed and the error had not been corrected we called Henry Ostrom and appealed to him for justice. I went personally to see Mr. Ostrom. He told me he had talked to the commissioners and that nothing could be done; that the contract was already let. This was an amazing procedure. I thought, where the low experienced bidder is set aside for a much higher bidder.

Upon being told by Mr. Ostrom nothing could be done I immediately went to the court house to see the commissioners. I found them in and they saw me. I explained we were dumfounded at what had happened. I explained we had been doing the county work under both parties, for many years only because we were the low and experienced bidder. We had furnished

and installed a new passenger elevator at Julietta several years ago only because we were the low competent bidder and just last year we performed a major changeover to the passenger elevator in the administration building at Sunny-side sanatorium.

I explained all of this to them, but to no avail. I was told by William Rosen, spokesman for the commissioners that they had the highest regard for our company and the many years of work we had performed in the interest of county officials and institutions, but Mr. Ralph Moore, Marion county auditor, mentioned that he wanted this other company to have the business because their Mr. White was a worker in precinct 17 whom they wanted to help give a break to start in business. I asked them directly about the matter of the low bidder being the one awarded the contract on county bidding and the commissioners told me that is a misapprehension under which most people labor. They told me they are free to give work to any bidder and that being the low bidder means nothing. This was certainly news to me especially after dealing with the commissioners of many Indiana counties and always the low bidder was the one awarded the work. The long years of experience with Bartholomew County hospital, Columbus, Ind.; Hamilton County hospital, Noblesville; Clinton county court house, Frankfort; Miami county court house, Peru; Shelby county court house, Shelbyville; Cass County hospital, Logansport, and the Dunn Memorial hospital, Bedford, are just a few of the accounts our department handles both for new installations as well as maintenance.

Ice Pack Slows Byrd Flagship

Vessel Breaks Free, Closed In Again

By JIM LUCAS
Scripture-News Staff Writer

ABOARD MT. OLYMPUS IN ANTARCTIC, Jan. 16.—Twice today this flagship triumphantly logged herself out of the ice pack—but we're still in it.

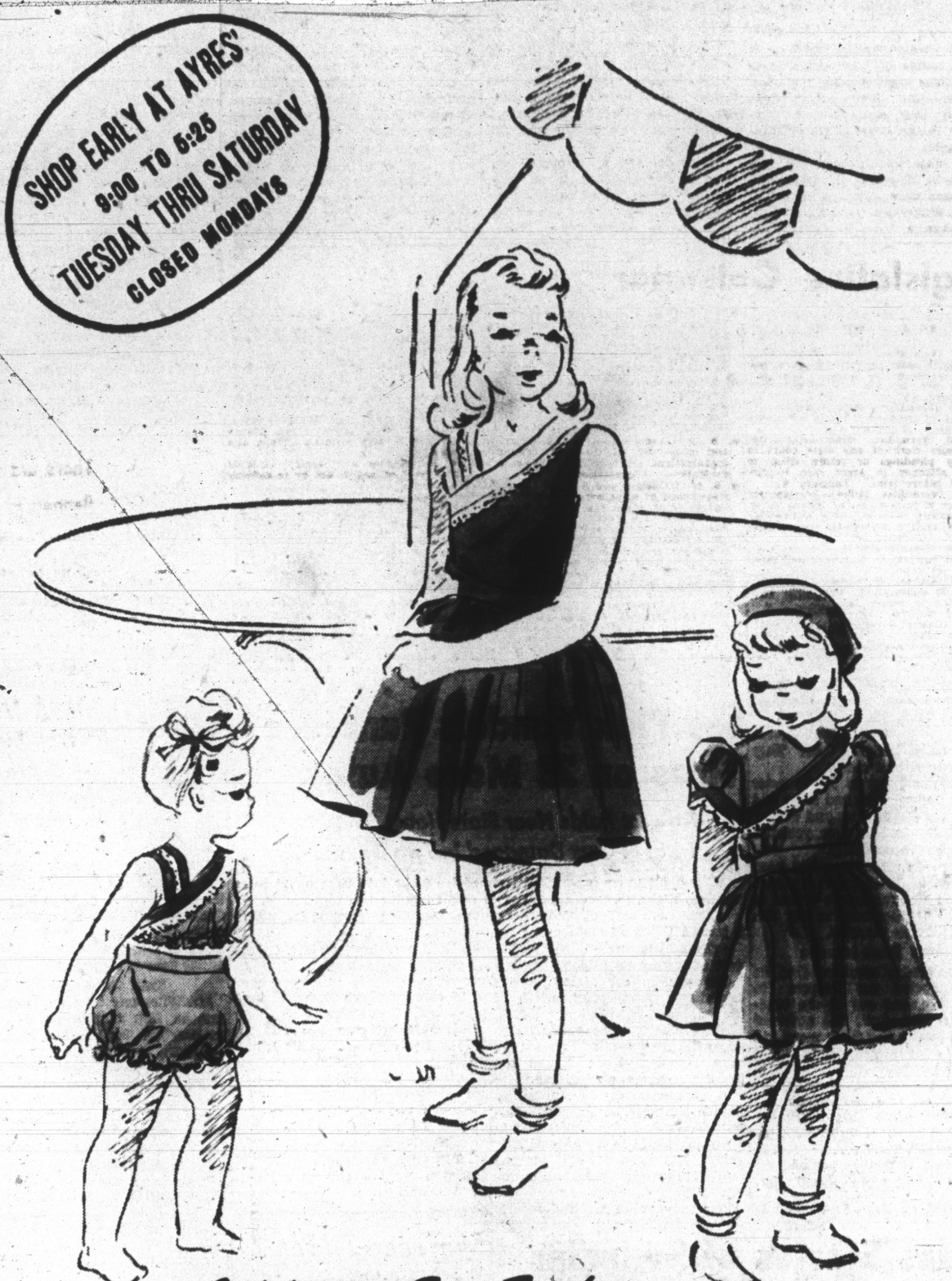
Such things just don't happen; but they did to us. Adm. Richard Cruzen says the explanation isn't in the books. First at 8:15 a. m. and then again at 1:30 p. m. it was entered in the ship's journal that we were clear of pack ice.

Each time the facts supported the claim. We were moving ahead at 10 to 12 knots in an open sea with no ice in sight.

But at 3 p. m. we were still in the pack surrounded by ice. One thing is certain; in the 271 years since Captain Cook first sailed into the high southern latitudes no one has ever found the pack as thick or as heavy as did this expedition.

Several explanations are possible but Adm. Cruzen believes most likely there were too few storms in Antarctica this year to break and drive the pack out to sea.

With the end not yet in sight we have traveled 600 nautical miles south, not including the hundreds of miles east and west as we sagged in search of openings in the ice. Never before, according to Adm. Cruzen, has the pack been found so close to the Antarctic continent.



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