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HARRIS B. SWEET, Editor

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Tax Leaks

WHILE investigating the tax-
dodgers it would be a good
idea for the federal government to
direct its attention to the fact that
large amounts of revenue are un-
collectable because of the inability
to lay any tax upon the income
from state and local securities and
through the exemption from the
normal income tax of the interest
on all federal obligations.

It is also a fact that revenue is
lost through exemption of the sal-
aries of state and municipal offi-
cers and employees from federal in-
come tax, while 28 states which
levy state income taxes are losing
revenue through inability to tax
salaries of federal employees or the
income from federal securities.

At the present time there are
some 3,600,000 persons on federal,
state and municipal payrolls who
are altogether either state or
federal income tax payers. Many
would be exempt in any case, because
their incomes do not reach taxable
levels. The time may be approach-
ing, however, when congress will
be forced to broaden the tax base
by lowering the present personal
exemptions. In that event, if the
necessary constitutional amend-
ment had been adopted, a large
number of state and local employees
would become federal taxpayers.

The amount of federal, state,
and local securities now outstanding
approaches the enormous total of
\$70,000,000,000. Since it is not pro-
posed to tax outstanding issues,
the revenue from public securities,
if future issues were made taxable,
would not be substantial at first.
The way would nevertheless be
prepared for collection of larger
revenues from that source in the
future. Between 1919 and 1930 ap-
proximately \$10,000,000,000 of the
federal public debt was retired.
Yet between 1930 and 1937 the
debt increased by around \$20,000,-
000,000. Part of the new obliga-
tions, as of the old, are subject to
surtaxes though not to normal
taxes, but all the new federal is-
sues could have been fully taxable
if the reform advocated in the
1920's had been carried out at that
time.

The new Joint Committee on Tax-
Evasion and Avoidance is concen-
trating at present on the problem
of plugging up loopholes in the
law which have permitted wealthy
individuals by various devices to
escape the full burden of income
taxes. It has authority, however, to
consider other methods of tax
avoidance, so there is nothing to
prevent it from taking up later
the question of tax-exempt salaries
and tax-exempt securities.

Editorials on News
(Continued from page 1.)

produced such a dahlia before, you
can obtain a patent that pre-
vents others from selling your
product, except on the basis of a
royalty paid to you.

HAROLD L. ICKES, secretary of
the Interior in President
Roosevelt's cabinet, is an enthusi-
astic dahlia amateur, and is among
those who have patented a dahlia
variety.

That is interesting to others than
dahlia growers.

Mr. Ickes, as a New Dealer, must
of necessity subscribe to the New
Deal theory of taking from those
who have and giving to those who
have not. But that concerns what
OTHER PEOPLE HAVE.

When Mr. Ickes himself toils
with hand and brain and succeeds
in producing a new variety of dahlia,
he doesn't want SOMEBODY
ELSE to share without effort in
what has cost him labor and
thought and ingenuity.

THEORY is all right—as far as
(As, for example, the New

Deal theory of taking from those
who have and giving to those who
have not.)

But human nature is human na-
ture, and its roots strike deep. It
is human nature to want to KEEP
what you have worked for. So New
Dealer Ickes PATENTS his new
dahlia, so that the credit for origi-
nating it may not be taken from
him and given to someone else,
who has not worked for it.

Behind the Scenes
In Washington
By Rodney Dutcher

WASHINGTON, June 28.—The
evidence is purely circumstantial,
but you can build up a pretty good
case to support the conclusion that
C. I. O. strikes against the inde-
pendent steel companies might be
a case of co-operation between
John L. Lewis and the U. S. Steel
Corporation. The deduction is
made like this:

"Big Steel" is not suffering
while the plants of its competitors
are closed and their customers re-
quire steel. Lewis isn't suffering
either.

"Big Steel" signed a collective
bargaining agreement with the
C. I. O. after conferences between
Lewis and its chairman, Myron
Taylor. So "Big Steel" isn't having
any strike and is producing—and
profiting—full blast.

Taylor, in his position, obviously
appreciated the large difference
between having the U. S. Steel
plants tied up in this big produc-
tion year and having the independ-
ent plants tied up. There are vari-
ous types of raps that corpora-
tions take when they run up
against a strike of the kind waged
by Mr. Lewis.

Taylor and J. P. Morgan decided
to let the independents take the
raps if they desired. Up to that
time the independents had been
dead certain U. S. Steel would
take the raps. They received the
surprise of their lives, and men
like Tom Girdler of Republic
Steel, Eugene Grace of Bethlehem,
and Elmer W. R. National, ap-
parently to have been hornet-mad
ever since.

There were many considerations,
but one in Taylor's mind was the
fact that independent companies
had been taking tonnage away
from U. S. Steel in recent years.
It was Taylor's job to build up the
business of his corporation and its
subsidiaries. Lewis could be useful
in keeping up a rigid wage scale
among U. S. Steel competitors in
case he organized them. And he
could be much more useful, tying
up their plants than tying up those
of Taylor's corporation.

At any rate, Lewis convinced
Taylor that he was all set to tackle
U. S. Steel first and alone, and
that he could put a large crimp
in its production.

Whether he promised that in
case U. S. Steel signed a collective
bargaining agreement he would
then demand contracts from the
independents, and call strikes if
refused, can only be a matter of
speculation. The rest of it, but
it was understood here that Lewis
would do exactly that.

So what would you have done in
Taylor's place? An explanation of
why Girdler and Grace wouldn't
sign with Lewis would be more
complex. Unquestionably C. I. O.
was more strongly organized in U.
S. Steel than in Republic or Beth-
lehem. But the fact that U. S. Steel
subsidiaries, Jones & Laughlin and
many other steel companies had
signed union agreements, has cer-
tainly strengthened the hand of
Lewis in the recent struggles.

Amelia Earhart said she saw
a road on her flight across
Africa. The natives will appreciate
her work in blazing a trail.

Fire in Philadelphia was started
by a cigarette smoker who went to
sleep, illustrating that danger
lurks in the fog end of a day.

The anti home-to-house cam-
paign is said to have started from
parking jams on overcrowded
trailer lots.

Exponents of evolution over-
looked a point when they failed to
point out street car strap-hanging
as a vestige of the tree days.

The alert fire firm might adver-
tise that its product was used by
the famous racer who won in
nothing flat.

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OREGON HOT SPELL
BROKEN BY RAIN

By The Associated Press.

A sun long obscured by clouds
and rain smiled with renewed fer-
vor on the Pacific northwest Mon-
day, setting new season's heat re-
cords at numerous points.

The highest temperature for
Oregon, 104 degrees, was reported
from The Dalles. The mercury
reached 100 at Pendleton and Eugene
and 99 at Roseburg, 97 at Med-
ford, 93 at Salem, 89 at Eugene
and 92 at Portland.

A new season's high at Bend of
98 degrees was followed by an
electrical storm which put U. S.
forest service officials of the Presi-
dential forest on the alert for pos-
sible lightning-caused fires. Only
slight rains accompanied the
storm.

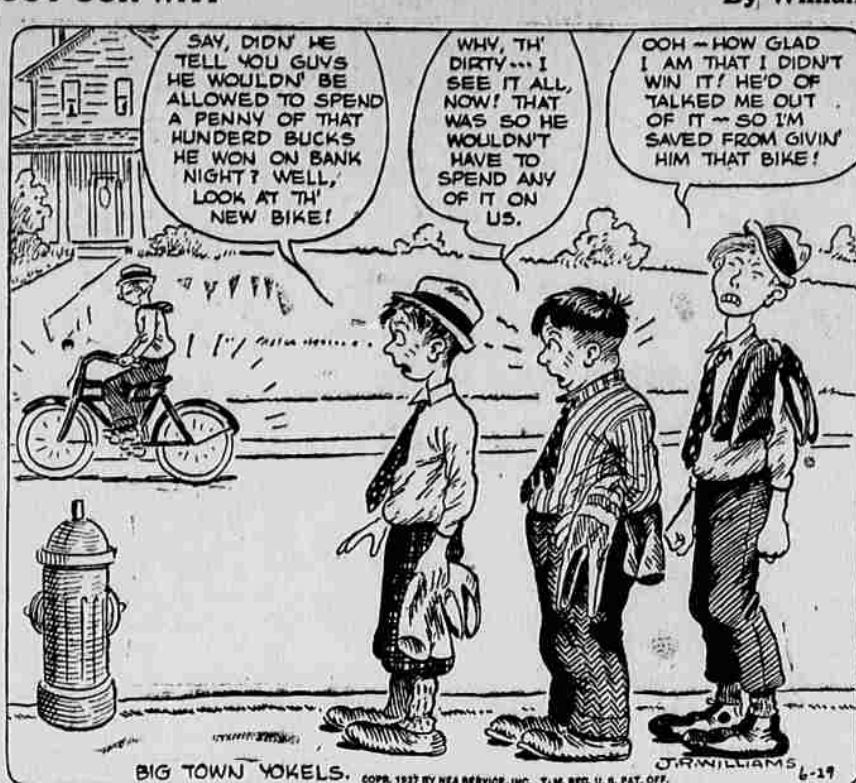
Redding, in northern California,
reported 101 degrees while in
Washington 91 was recorded at
Spokane, 82 at Seattle and 81 at
Tacoma.

VITAL STATISTICS

MARRIAGE LICENSES

ATEEN—BARNES—Clifford
James Ateen of Roseburg, and
Blanche Elaine Barnes, Tualuma.

OUT OUR WAY



BIG TOWN YOKELS. COPS 1937 BY NEA SERVICE, INC. T.M. REG. U.S. PAT. OFF.

CO-ED WIFE

By EUGENIA MACKIERMAN

CAST OF CHARACTERS
CORAL CRANDALL, heroine
and senior at Elton college.
DAVID ALKIMSTRONG, Elton
chemistry professor and Coral's
husband.

DONNA ALLEN, Coral's soror-
ity roommate.
HOYT MARQUIS, Coral's one-
time fiance.

Yesterday, Coral reaches the
end with Hoyt Marquis and tells
him she is married. And David
has forgiven her. Nothing matters
now.

CHAPTER IX
When Coral awoke on the
morning following the prom, she
reviewed the events of the night
before with a kind of wonder
that so much could have occurred
in such a short period of time.

She had leisure, also, to consider
what might be the effects of her
work to Hoyt. Strangely, now
that her decision was made, she
felt no regret, no fear. The truth
was out. She supposed Hoyt
would tell her parents, perhaps go
through with his scheme to ruin
her father financially. Yet, lying
on her bed with the bright morn-
ing sunshine streaming into the
room, it was hard to believe that
Hoyt, selfish and revengeful as he
was, would really make good his
threats. And was it likely that his
father, the level-headed banker,
John Marquis, would ruin an old
friend at the whim of his son?

Coral stretched lazily and gave
a little sign of happiness. No mat-
ter what happened she and David
would work it out. If Hoyt's plans
went through, she and David
would help her father somehow.
Surely her mother and father
would not be angry with her when
they met David and saw the
kind of person he was. Hoyt
would try to prejudice them, of
course, but they would see for
themselves.

She sat up in bed, startled.
Hoyt! What had happened to him
last night? From the moment that
she had taken David's arm and
left the dance she had thought no
more about him. She and David
had discussed his threats, of
course, planned what they would
do if he carried them out, but in
their happiness it had not oc-
curred to them even to wonder
what he would do after being left
stranded high and dry on the
dance floor. Coral felt worried
in spite of herself. No action could
have been more carefully calcu-
lated to infuriate him. He would
be far more angry at her public
desertion than at what she had
told him. For the first time she
still asked, "her bed on the
other side of the room. The bed
had been slept in, and the covers
were thrown back for airing.
Coral wrinkled her brows. It was
unlike Donna to be up so early,
particularly after a dance. As
she got out of bed she decided
that there was nothing to worry
about. Donna had probably de-
cided to get up for breakfast af-
ter all, and had slipped out of the
room quietly in order not to
awaken her.

As a matter of fact, she had not
talked to Donna since the night
before, when David had left her
to come to Coral's aid. Could she
be angry? As she dressed, Coral
pondered the problem. It was
quite possible. Donna, like Hoyt,
resented a public affront, no mat-
ter how small, much more than
a private hurt. But surely
she would not allow such a little
thing to make her really annoyed.
It was not serious enough for
that. Running her comb through
her black curls, Coral giggled a
little at the recollection. The
shoe that was rather funny in
retrospect. She and David obli-
vious of the demands of common
politeness or the opinions of spec-
tators. There were probably
plenty of tongues wagging on the
campus this morning about their
sudden departure.

Just then she heard swift foot-
steps tapping down the corridor,
and in a moment the door of the
room was opened revealing Donna,
in all the glory of her newest and

most expensive sports clothes.
There was, Coral noticed immedi-
ately, no anger in her face. As
a matter of fact, she looked at
most suspiciously gay and good-
humored.

"Good morning, lazy bones,"
Donna said. "Look at you, just
getting up, while I've been over
the hills and far away and back
again in the last two hours."

"Such ambition," Coral laughed.
"It would have taken a derrick
plus all the king's horses and all
the king's men, to have gotten
me out of my nice, warm bed that
early. Where have you been?"

Donna tossed her blue felt hat
into the closet and sat down on
the bed before she replied. "I've
been out having breakfast with
your boy friend," she said.

Coral's heart stumbled a little
on its regular course, and she
sat down suddenly on the nearest
chair. "David?" she said huskily.
Her roommate laughed merrily.
"Goodness, no. After last night I
realized that I haven't a chance
there. I mean Hoyt. He took me
down to the hotel for breakfast,
and then we went for a ride in
the country. He's just left for
Wheatland."

"Oh!" Coral was absurdly re-
lieved. She could no longer
ask, laughing. "How does
Hoyt feel this morning?"

"He feels like a cobra just ready
to strike. If you must know, he
gathered me up last night after
you and David left us in the lurch,
and he was plenty furious then.
But this morning! Whew! Last
night was nothing but the calm
before the storm."

"Is he really angry, Donna?"
"Is he? What do you expect?
You didn't exactly handle him
with gloves, I gather. I also un-
derstand you told him all that.
Is that the wedding bells had
rung out for you and our promi-
sed young chemist?" She eyed
Coral quizzically. "I think that
the declaration is going to make
you some trouble. Hoyt Marquis
isn't as easily bribed to secrecy
as I am."

Coral rose to her feet. "What
do you mean, Donna? Why
should he make trouble? What
good can it do Hoyt to tell any-
one here at the university about
David and me?"

"Don't get so excited," Donna
said. "I don't say he's going
to tell anyone here, though I
wouldn't be surprised if he did.
But he kept making noises about
some money your father owed him
and a lot of things like that."

"Well," Coral said slowly, "you
may as well know the truth. I
guess. My father does owe Hoyt's
father a considerable sum of money,
and Hoyt has always said that if
I didn't marry him he'd make his
father call in that loan. I'll admit
he had me badly frightened, but
to tell you the truth, the more
I think about it, the harder it is
for me to believe that Mr. Mar-
quis would be influenced in such
a matter by his son's selfish de-
sire for revenge."

Donna yawned. "Maybe you're
right. Time to tell. By the way,
Hoyt says anything to you last
night about another little plan he
has up his sleeve, all set to pull
if you don't play the game by his
rules?"

Coral looked at her, startled.
"Another plan? What other? What
are you talking about?"

"Nothing, nothing at all," Donna
said. "Coral lost her temper. 'Donna,
I sometimes think that you tell
me things like this just to make
trouble. You'd like nothing better
than to break up my marriage and
cause Hoyt to do some rash thing
to hurt us all. I can't make up
my mind whether you're telling
the truth about all this business
or just talking to get me excited.
What is it?'"

Donna sat up very straight. "I'm
telling the truth all right. I
wouldn't bother to make up things
to see you squirm when I have
so much fun at my fingertips."

Coral walked across the room
to the bed and put her hands on
Donna's shoulders. "I'm sorry I
lost my temper, Donna. But can't
you see the strain I'm under? If

you know anything which Hoyt is
planning to do which he hasn't told
me, please tell me now. Can't you
see what it means to me? My
whole lifetime of happiness is at
stake. I'm begging you, Donna!
Tell me what you know."

Donna pulled away from her,
eyes narrowed, jaw clenched. "I'll
tell you nothing."

Her roommate shifted uneasily.
"Forget it, Coral. I was just teas-
ing you."

"Are you sure, Donna? Don't lie
to me."

"Of course I'm sure. Stop fuss-
ing about it. I just want to
have a little fun. I like Hoyt, and
I think you've been pretty mean
to him. I was silly to feed you
such a line. Pretend I never said
it."

Coral relaxed. "I hope you're
not fooling me, Donna. I couldn't
stand it, if this situation got more
complex than it is right now."
She was too relieved to notice
Donna's calculating look or the
slight smile which flickered on her
lips for an instant.

They were silent for a moment
till Donna said, "Did you see the
papers this morning?"

"No, why?"

"They raided the Crossroads
Tavern last night. Somebody got
into a fight and reported it to the
police. Hoyt told me you left just
when the fight started."

Coral took a deep breath. "Am
I glad we got out of there. We . . . A voice called from
the corridor. "Coral, you're
wanted on the phone."

She left the room and ran down
the stairs. It was David, she knew.
He had promised to call her this
morning. She picked up the re-
ceiver. "Hello."

"Hello, Coral? David speaking.
Listen, darling . . ."

She interrupted him. "David I
knew it was you. Can you come
over. I've no classes till two, and
a lot of things to tell you."

"All be right right. Coral,
you must listen to me. Something
awful has happened."

"David," she cried, "what is it?
What's the matter?"

"Hang on tight, sweetheart.
The process, Maxwell's, Henderson's
and mine has been stolen! They
think I took it to sell. Don't say a
word to anyone until you've talked
to me. We're both in this."
(To be continued)

KNRR PROGRAM
(1,500 Kilocycles)

REMAINING HOURS TODAY

4:00—The Editor's Views of
the News.

4:15—Chamber of Commerce
Program.

4:30—Poems From the Tower
Room.

4:45—Rudy Vallee and the Yan-
kee.

5:00—The Monitor Views the
News.

5:15—N. Y. State Symphonic
Band.

5:30—Guy Lombardo.
6:00—Organ Melodies.

6:15—Montmartre Famous Or-
chestra.

6:45—"Knights of the Road,"
Coen Lumber.

6:50—News Flashes.

By Williams

7:00—Chevrolet's Musical Mo-
ments with Gus Haenchen,
Ramona and Robert Weed.
7:15—Henry King.
7:30—Your Grab Bag.
8:00—Sign Off.

WEDNESDAY, JUNE 30

7:00—"Early Birds."
7:30—"News-Review Newscast."
7:45—J. M. Judd Says "Good
Morning."

7:50—Alarm Clock Club.
8:15—Dixie Memories.
8:30—L. A. Dance Band.

8:45—Operatic Airs.
9:00—Clyde Downey.
9:30—Old Favorite Melodies.

10:00—Paul Whiteman.
10:15—Movie Gossip.
10:30—Radio Rendezvous, Copco.

10:45—Homemakers Harmony.
11:15—Variety Show of the Air.
11:45—Sal Hooper.

12:00—"Time Signal," Knudstons.
12:00—Manhattan Concert Band.
12:15—"Singing Strings," Radio
Music.

12:30—Hansen's Memories in Mel-
ody.
12:45—News-Review of the Air.

1:00—"Odds & Ends."
1:30—Afternoon Dance Melodies.
2:00—"World Book Man."

2:30—Organ Interlude.
2:45—Spanish Orchestra.
2:50—Jack Shilkrut.

3:00—Phil Levante & Orch.
3:30—Kiddies Request Program.
4:00—The Editor's Views of
the News.

4:15—Arthur Tracy.
4:30—Jimmy Laneceford.
4:45—The Monitor Views the
News.

5:00—"Melody Lane" with Wanda
Armour at the Indian
Theatre Organ.

5:30—Victor Young & Orch.
6:00—Salon Chateau.
6:15—Montmartre Famous Or-
chestra.

6:45—"Knights of the Road,"
Coen Lumber.

6:50—News Flashes.
7:00—Men of Vision.
7:15—Hoosier Hot Shots.

7:30—The American Family Rob-
inson.
7:45—Your Grab Bag.
8:00—Sign Off.

THURSDAY, JULY 1

7:00—"Early Birds."
7:30—"News-Review Newscast."
7:45—Alarm Clock Club.

8:15—Vagabonds of the Prairies.
8:30—Full Gospel Church of the
Air, Rev. A. Harold Pers-
ing.

8:45—Sol Bright.
9:00—Shop Fields in Rippling
Rhythm.

9:30—Girls of the Gold West.
9:45—Eddy Duchin.
10:00—Melody Mountaineers.

10:15—Orville Knapp.
10:30—Radio Rendezvous, Copco.
11:15—Variety Show of the Air.

11:45—Sol Hoerl & Orch.
12:00—"Time Signal," Knudstons.
12:00—Noonday Organ Concert.

12:15—Phil Harris, Denn-Gerret-
son.
12:30—L. A. Symphony.

12:45—News-Review of the Air.
1:00—"Odds & Ends."
1:30—Lillian Pohjola & Her Ac-
company.

1:45—Afternoon Dance Melodies.
2:00—"World Book Man."
2:30—Chick Bullock & Orch.

2:45—Hits From the Shows.
2:50—News Flashes.
3:00—Boaswell Sisters.

3:15—Gene Kardos.
3:30—Kiddies Request Program.
4:00—The Editor's Views of
the News.

4:15—Dick McDonough.
4:30—The Cowhorns.
5:00—The Monitor's Views of
the News.

5:15—Manhattan Concert Band.
5:30—John Gray & His Casa
Loma Orch.

6:00—March Time.
6:15—Montmartre Famous Or-
chestra.

6:45—"Knights of the Road,"
Coen Lumber.

6:50—News Flashes.
7:00—Chevrolet's Musical Mo-
ments with Gus Haenchen,
Evelyn Herbert & Chas.
Carlyle.

7:15—Fish's Playhouse Presents
"Hostage Lane."
7:30—Your Grab Bag.
8:00—Sign Off.

McLOUGHLIN HOME
LISTED FOR PROJECT

WASHINGTON, June 28.—(AP)—
Congressman James Mott said to-
day a subcommittee of the ad-
visory board on historical sites had
agreed to make a favorable re-
port to have the pioneer Oregon
City home of Dr. John McLough-
lin listed among the historic site
projects.

The board previously rejected
the request because the home was
not on the original map of the oc-
cupied by the Haxley pulp mill.

RAMBLINGS

OF THE NEWS-REVIEW MAN

BY PAUL JENKINS

I HAD occasion to go to Portland
last Friday, and suffered a very
embarrassing experience at Third
and Morrison streets. As you
know, that intersection is a