

LARGE MINING DEVELOPMENT IS ANNOUNCED

Three Million and Half to Be Expended on Oregon Holdings, Stated

Curry County Deposit Huge; Old Graves Creek Site Will Be Reopened

PORTLAND, Ore., July 12.—(AP)—J. H. Gallagher, Portland mining engineer, on behalf of the men backing the enterprise, tonight announced plans for two large mining operations in southern Oregon. Gallagher said it was expected the operations will involve an investment of about \$3,500,000.

Arnold H. Goss, of Detroit, formerly a member of the board of directors of General Motors corporation, heads the group and is president and principal stockholder of the two companies that will develop the properties Emly Gold, Inc., and Columbia Gold, Inc.

W. F. Hayden, Salt Lake City, is in charge of the entire operation. Gallagher said Hayden had spent more than two years and \$125,000 in cash investigating the field before the group purchased the properties which comprise several thousand acres of land, located in Josephine and Curry counties.

Two of Largest Deposits Claimed
Gallagher said the properties contain two of the largest known gold deposits in the state. He said the parcel in Curry county contains a deposit the size of which "stagger the imagination of even a miner. The property is from 1500 to 2500 feet wide and more than three miles long. Outcroppings and exposed this entire length are on a body 300 to 400 feet wide, showing 400 to 500 feet in depth of the cliffs at each end. Thousands of assays show this free-milling ore body to average from \$2.50 to \$3 a ton."

The other parcel is on Graves creek north of Curry county and already has produced more than \$5,000,000 in gold although in late years operations have fallen off because conflicting ownerships made effective operation difficult.

GRAFT AT ANGELUS TEMPLE IS PROBED

LOS ANGELES, July 12.—(AP)—The Examiner in a copyrighted story tonight said that "amazing charges of petty graft and charity racketeering in Alimee Semple McPherson Hutton's Angelus temple will be presented to the City Social Service commission at the city hall tomorrow."

The article states it was charged that supplies from the temple's commissary had been sold to buy parts for a liquor still, and that articles donated to the commissary were converted to the use of David Hutton, Sr., father of the evangelist.

Mrs. Hutton herself, the Examiner continued, is pushing a "general house cleaning" at the temple as she recovers slowly from a serious illness, aggravated by the injury suffered Saturday night when she fainted on her knees, and her husband had lost a breach of promise suit brought by Myrtle St. Pierre.

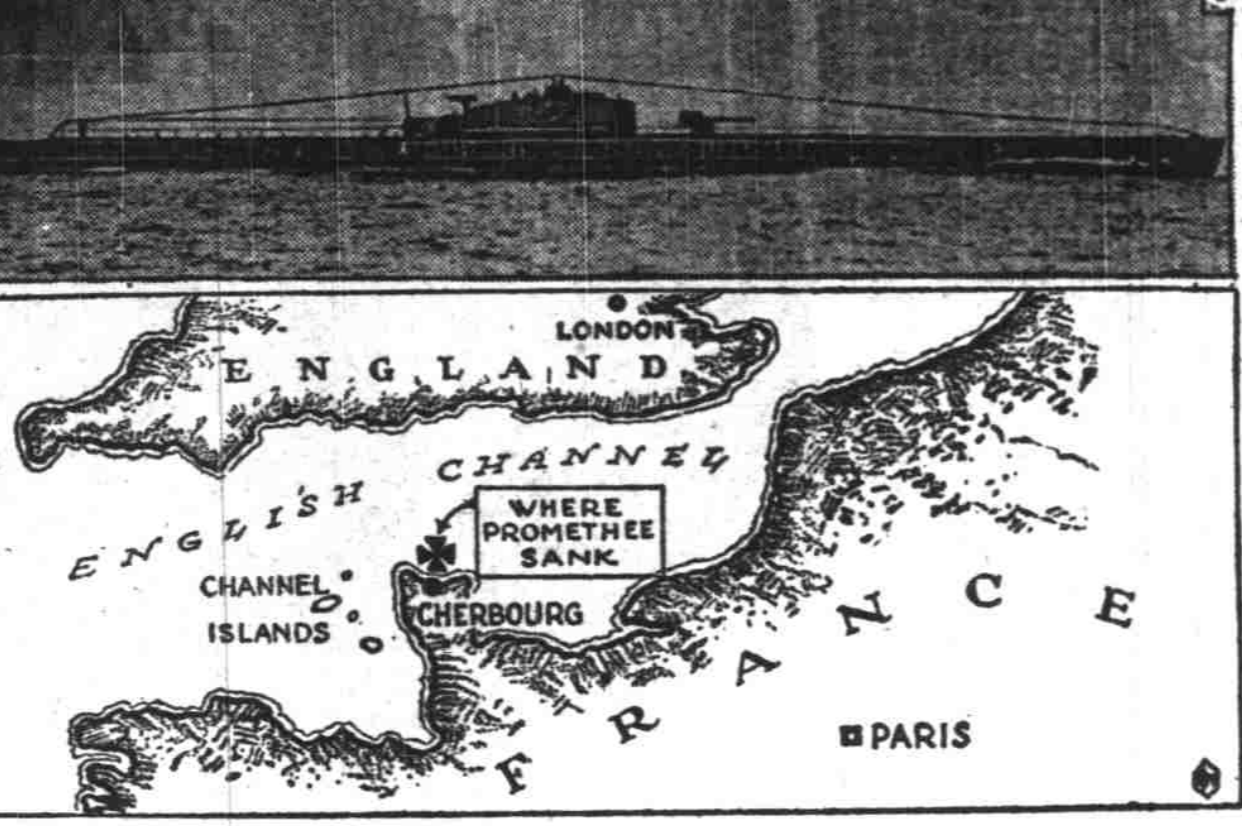
In response to a demand by the board of elders of the temple, Mrs. Hutton late today suspended R. O. E. Watkins, an employee who served as an investigator for Hutton before and during the St. Pierre trial. The elders affirmed their faith in Hutton, but mentioned "an accumulation of reasons over the past year," as reason for Watkins' discharge.

THOMPSON CHOSEN AS CHIEF OF ELKS

BIRMINGHAM, Ala., July 12.—(AP)—Floyd E. Thompson, former Illinois supreme court justice, was elected grand exalted ruler of the grand lodge of Elks today. He succeeds John R. Coon of Sterling, Colo.

Milwaukee won the 1932 convention. Other officers chosen were: J. Edgar Masters, Charleroi, Pa., re-elected grand secretary; Lloyd Maxwell, Marshalltown, Iowa, elevated from the office of grand treasurer to grand trustee; James J. Duffy, Providence, R. I., grand secretary; Charles E. Broughton, Sheboygan, Wis., grand esteemed leading knight; William H. Harsh, Columbia, S. C., grand esteemed loyal knight; Clarence Friedman, Memphis, grand esteemed lecturing knight; Henry Schocke, Oneida, N. Y., grand trustee; and Edward G. Hadley, Casper, Wyo., grand inner guard.

French Submarine Sinks With 63



Above is the French submarine Promethee which went to the bottom of the English Channel off Cherbourg, France, with 63 officers and men of her crew. The submarine, one of the newest type, was undergoing diving tests when she plunged to the bottom without warning. Seven of the crew, including the skipper, Commander Du Mesnil, on deck when the craft foundered, were rescued by a fishing vessel. The map shows where the disaster occurred. The submarine is in 150 feet of water about 15 miles from land.

EYE OREGON RATE AT GRAIN HEARING

Lower Schedule Here Held Greatly out of Line; Thomas Replies

SEATTLE, July 12.—(AP)—The grain rates hearings before the interstate commerce commission here today developed into a debate over the Oregon freight rate structure. The hearing was begun yesterday.

H. E. Lonsbury, general freight agent of the Union Pacific system, submitted exhibits proposing a new schedule of interstate rates in Oregon, 20 per cent higher than those ordered by the I. C. C. Representatives for the carriers previously had submitted a similar set of tariffs for Washington, Idaho and Montana.

Attorneys contended the lower interstate rates, put into effect by the Oregon state commission, presented a striking contrast with interstate rates, which went back to normal when the reduction ordered by the I. C. C. was cancelled by the courts.

A uniform basis for grain rates in intra and interstate shipping was demanded by the shippers and carriers earlier in the day. Charles M. Thomas, of the Oregon utilities commission, replied that the I. C. C. never had given the state commission a definite pattern on which to base its intrastate shipping rates.

The carriers' request would result, if granted, in about a 4 per cent increase above the existing rates.

Parties to Need Ten Millions to Elect President

NEW YORK, July 12.—(AP)—The need of raising at least \$10,000,000 to conduct the Hoover-Roosevelt battle for the presidency is focusing attention of campaign directors on the economics of the contest.

In 1928 the two parties spent a total of \$15,000,000. This time both sides plan considerably smaller war chests.

AT KLAMATH FALLS

KLAMATH FALLS, Ore., July 12.—(AP)—Delegates from all parts of the state were gathered here tonight for the annual Oregon state Lions convention. About 75 had arrived tonight in a caravan from Bend. Representatives from coast cities will register tomorrow.

The convention opened tonight with registration and a dance.

Measure for Relief Again Past Senate

WASHINGTON, July 12.—(AP)—The new \$2,100,000,000 unemployment relief bill, modified to meet some of President Hoover's objections, was passed tonight by the senate.

The bill was passed amid a chorus of "ayes" without a record vote. Riding the crest of strong bipartisan support, the gigantic bill was pushed through with extraordinary speed. It is to be considered by the house tomorrow.

It carries the same general provisions as the bill vetoed by President Hoover yesterday, with the exception of the clause providing for loans to individuals. Adoption of the bill by the house will clear the way for adjournment of the long session of congress.

TRIAL OF POE TO START NEXT WEEK

July 20 Agreed Upon; Case Of Ripley to Follow Without Delay

Trial of Dupree Poe, one of the alleged slayers of Night Watchman Iverson of Silverton, was definitely set for Wednesday, July 20, yesterday by Judge Fred W. Wilson of The Dalles. Immediately following the trial of Poe, Ripley will be tried for first degree murder in the same case.

Frank Manning, third member of the trio said to have attacked and slain Iverson, pleaded guilty Monday to second degree murder and he will not be sentenced until the trials of the other men are completed.

Judge Wilson gave consideration to the request of Paul Burris, Poe's attorney, for an extension of the trial date. Burris later withdrew his motion and consented to have the trial set for the next week. He did request the court to order the district attorney to turn over to him copies of all statements or confessions made by Manning in connection with the Silverton murder case. The judge took Burris' motion under advisement and said he would rule on the matter later in the week.

Robert Coleman, who is charged with the murder of Lloyd Eddy, will follow immediately after the conclusion of Ripley's trial.

MRS. LILLA BOWEN LABOR SECRETARY

Mrs. Lilla M. Bowen was elected secretary of the Salem Trades and Labor council at its meeting Tuesday night. She is a delegate from the Salem Culinary alliance, and succeeds H. W. Hale of the Carpenters' union.

The Salem council through various members will take an active part in the organization meeting of the proposed Salem "Unemployed Producers League," to be held Friday at the Salem chamber of commerce, according to Frank P. Marshall, business representative of the Salem Building Trades council.

Otto R. Hartwig, member of the industrial accident commission, and former president of the state federation of labor, was scheduled to appear last night as a speaker, but commission business which will take him on a trip of two weeks to eastern Oregon made it necessary to cancel his engagement here.

Hartwig will be invited to speak at the next meeting of the council.

M. C. Moynihan was elected sergeant-at-arms for the council.

Friesen Found Not Guilty on Liquor Charge

DALLAS, July 12.—(Special)—Judge Arlie G. Walker submitted the case of the state vs. Harry Friesen to the jury shortly after 9:30 this morning and late this evening the jury returned a verdict of not guilty. Friesen was tried on a charge of possession of liquor, his trial starting Monday morning and the attorneys finishing their arguments late that afternoon. He was represented by Oscar Hyster with District Attorney Barnhart prosecuting.

Barnhart made no statement concerning the disposition of the other two cases in which Friesen was indicted on charges of sale of liquor and sale to a minor. He was to be tried separately on each charge.

FIREBUG VISITS AGAIN; DALLAS CITIZENS AGOG

Four More Buildings Burn In Early Morn, Other Attacks Feared

Local and State Officers Probing Incendiarism, No Progress Told

DALLAS, July 12.—(Special)—Residents of Dallas were again awakened in the early hours of this morning to learn that the activities of an unknown firebug had destroyed four more buildings in the southeast section of town. Fire broke out almost simultaneously in a house at 201 Ash street, occupied by a Mr. Crawford, and a barn in the same block, owned by Gus Bowman. The alarm was turned in about 1:45 when neighbors noticed the fires.

The house was practically a total loss with very little saved. Mr. Crawford managed to save his car and a horse from a nearby building which caught fire and was destroyed with all its contents as was another building on an adjoining lot.

The fires were all in the same block as the vacant house which was set fire Sunday night and which was damaged to the extent of about \$100. It was estimated early today that the damage from Monday night's fires would be well in excess of \$2000. Officers Report no Progress on Case

Local and state officials were investigating the fires today but had little headway in finding the guilty person or persons. Firemen found evidence at the scene of the fires, both Sunday and last night, which showed that the fires were of incendiary origin.

Nearby neighbors reported that they saw two men near the scene (Turn to page 2, col. 1)

MORATORIUM UPON LICENSES EXTENDED

Governor Gives Financially Embarrassed Owners 15 More Days of Grace

Extension of the existing moratorium on enforcement of the auto license law for 15 days more was announced yesterday by Governor Julius L. Meier, who at the same time stated the moratorium could not be extended beyond August 1, because of the serious condition of highway department finances. The governor declared he would not call a special session of the legislature to consider motor vehicle legislation.

"Regardless of the fact that members of the legislature might be willing to serve without compensation, the session would entail an unnecessary expense on taxpayers," the governor's statement read.

A special session of the legislature would do some good whereby motor vehicle license fees could be paid in quarterly installments was first suggested in a public letter issued by Senator B. L. Eddy of Roseburg several weeks ago. Eddy declared by his letter that this was the only way in which the quarterly installment payment plan for motor vehicle licenses could be put into operation legally.

MUTUAL SAVINGS BOARD REELECTED

At the annual meeting of the Mutual Savings & Loan association held at the offices of the association last night the old board of directors was reelected. It is composed of H. O. White, L. O. Clement, J. C. Perry, I. H. Van Winkle, J. G. Heltsel, Ralph Cooley and A. A. Lee. Officers will be elected by the board at its organization meeting.

Reports for the last six months were read and met with approval of stockholders. Dividends were declared at the rate of 4 per cent per annum with additional sums reserved for undivided profits and contingencies.

The association operates on the strictly mutual plan of saving and loan.

Query Convicts On Prison Blaze

JOILET, Ill., July 11.—(AP)—A score of convicts were ordered into isolation cells tonight for questioning about a \$10,000 fire which for a time today threatened the new Stateville penitentiary.

Cattle Price Boom Held Olive Branch Of New Prosperity

Choice Beeves Pass Nine Dollar Mark; Millions Added to Values on Farms; Observers see Most Hopeful Sign in Many Months

OMAHA, Neb., July 12.—(AP)—Quickened steps of bustling cattlemen in the chutes at Omaha's rambling union stockyards reflected the manner in which recent substantial gains in the price of cattle and hogs are being received throughout the agricultural belt.

Chief interest was centered in the still mounting cattle market, which today brought still another new top for the month as choice beeves commanded \$9.35—a startling contrast with the meager prices of two months ago. Market observers estimated the rise of the past two weeks had hoisted the value of cattle and hogs on Nebraska farms more than \$37,000,000.

Ralph Budd, president of the Burlington railroad, declared "No other thing that has happened since the depression began has heartened me so much as the continued rise in livestock prices."

"Unquestionably the rise in commodity prices," he added, "would be the surest way out of the depression. It forms such a sound foundation. If commodity prices go up, then the purchasing power of the farmer will be restored. After all, the rest of the country cannot be restored until the farmer has purchasing power."

Dr. Stephen I. Miller of New York, director of economies for R. G. Dun & Co., who with Mr. Budd was a luncheon guest of the Omaha chamber of commerce, estimated the recent upturn has probably added \$75,000,000 to the value of farm holdings.

MARCHERS SLEEP, CAPITOL GROUNDS

All-Night Vigil is Latest Move; Bedding Refused But men Doze off

WASHINGTON, July 12.—(AP)—Scores of bonus marchers settled upon the grass of the capitol grounds and slept tonight to bring more forcibly to the attention of congress their contention of the necessity for immediate payment of the bonus to needy veterans.

Police had refused them permission to bring bedding into the capitol grounds and set up a camp. Roy W. Robertson, their leader, had passed along the police instructions not to sleep on the grass. But as the hours passed scores of men separated from the main group of several hundred and sprawled sleeping under the bright lights that beat down from the capitol.

Robertson, commanding a group from California, called upon his men to keep an all night vigil to emphasize their demands to congress.

"You can't lay down on the grass," he said, "but if a man is tired enough he can sleep standing up. We'll stay here."

During the evening the California men were joined by others from Ohio, Michigan and several other states, but there was no apparent move by the rest of the bonus marchers in the city to enter the picketing ranks.

Annual Outdoor Concert Season Will Open Soon

The initial band concert of the summer concert season will be held next Tuesday night in Willson park, stated Oscar Steelhammer, director. The concerts have long been a popular feature of the summer in Salem. On these occasions the Walle fountain men were joined by others from the Multnomah county circuit court, Judge Ekwall held against Moltzner.

Moltzner based his motion on the failure of the Multnomah county circuit court to set his trial during the first term of court following return of the indictments.

Earl E. Fitzwater was indicted jointly with Moltzner, but his case previously was disposed of in the lower court.

Britain Denies Any Agreement Upon U. S. Debt

ZORN ANSWERS HOAX CLAIM BY GIVING FIGURES

Plenty of Names Prior to the Robbery; he Declares; Reveals Checkup

Had Around 27,000 July 4 And Obtained 20,993 Later, Asserted

"Stories put out by opponents of the college-university merger that the robbery in Portland July 4 was a hoax hatched up for the purpose of covering up the names of the number of names got enough names is a willful misrepresentation of facts," declared Henry Zorn, president of the Marion County Taxpayers league here last night after his return from Portland. Zorn with John C. Maltzner, testified at length to the district attorney Monday concerning their knowledge of the petition theft and the circumstances surrounding it.

"We had more than enough names to put the measure on the ballot," Zorn declared. "Our total count up to July 4 was over 27,000." Zorn said he had told the district attorney in Portland that the league's Portland office had wired every county clerk in the state, asking for a verification of names certified up to July 4 on petitions approved by the supreme court. Zorn said a total of 25,146 names had been reported by the county clerks as duly certified up to July 4. Zorn estimated that there were over 2000 names in counties that kept no records.

Many Names Obtained Following July 4
A checkup by telegram with county clerks in the state on names verified between July 5 and July 7 inclusive showed 28,993 names secured during that period, Zorn added. These names with the 6500 not stolen and 2000 estimated as sent from the counties where clerks kept no record of verifications, made up the 29,000 filed by July 7. These names did not include those stolen Monday.

"The state is being flooded with newspaper propaganda that the robbery was a fake hatched by proponents of the measure to hide their failure to get enough names and to work up indignation for a last minute drive," Zorn stated last night. "I have offered the entire list of telegrams from the county clerks to the press in Portland and they did not properly use the information." Zorn said he urged the district attorney's office in Portland to give out all the facts concerning the number of petition signers.

Questioned About Source of Funds
Zorn said he and Ramage were questioned about the source of the money behind the merger (Turn to page 2, col. 1)

MOLTZNER DENIED CHARGE DISMISSAL

The state supreme court in an opinion handed down here Tuesday denied a motion filed by J. S. Moltzner, ex-president of the Guardian Building and Loan association in Portland, asking for the dismissal of four indictments charging him with the crime of unlawfully loaning funds of a Building and Loan association without security.

The opinion was written by Justice Kelly, and affirmed the decree of Judge W. A. Ekwall of the Multnomah county circuit court, Judge Ekwall held against Moltzner.

Moltzner based his motion on the failure of the Multnomah county circuit court to set his trial during the first term of court following return of the indictments.

Earl E. Fitzwater was indicted jointly with Moltzner, but his case previously was disposed of in the lower court.

HOME LOAN-MONEY EXPANSION PASSED

WASHINGTON, July 12.—(AP)—Approval of the senate was placed today on the home loan bank bill, last of the administration's emergency plans for economic rehabilitation.

Without a record vote, members of the senate setting up a permanent banking system to aid the home owner and sent it to conference with the house for adjustments on senatorial revisions to the bill which the house approved some weeks ago.

Attached to it was the Glass currency expansion measure, making \$995,000,000 in federal bonds held by national banks, eligible as security for the issuance of currency.

This plan was accepted at the request of Senator Borah (R., Idaho) who contended increasing the volume of currency was necessary to lift commodity prices levels.

Vice President Casts His First Vote of Session

Oregon Briefs

Lions Convention Opens

Espee Agent is Slugged
Streets May Get Dirty
Seek to Aid Irrigation

AT KLAMATH FALLS

KLAMATH FALLS, Ore., July 12.—(AP)—Delegates from all parts of the state were gathered here tonight for the annual Oregon state Lions convention.

ATTACKER ESCAPES

PORTLAND, Ore., July 12.—(AP)—W. E. McBride, 33, might not here suffered a possible skull fracture in an attack by an unidentified man tonight. Hospital attendants said his condition was critical.

EQUIPMENT BURNS

ROSEBURG, Ore., July 12.—(AP)—A two-story frame barn, used as headquarters for the city's department, and all of the city's street-cleaning equipment were destroyed by fire early today. The loss was estimated at \$12,000.