

Grand Jurors Put on Stand

Instructions to Jurors in Larceny Case Due at 10 o'Clock

(Continued from page 1)

Why isn't it just as well long as short?"

"There's where the evidence points that the money got away," he asserted.

Marsh declared during his rebuttal that "the reputation of Mr. Richardson here all his life" was one of the hardest things he as prosecutor had to face when he came to Salem to take over the investigation of the treasurer's office.

"Yet," Marsh asserted, "a man can't start back in 1917 and go down through the years and keep covering up that shortage if he didn't get some of that money. You can't stand the pressure."

Keech pointed out Marsh's experience.

Characterizing Richardson as an old friend, a man without funds "charged with a very serious crime... a man 75 years old trying to collect evidence of a shortage going away back when a lot of his witnesses are only tombstones," Defense Attorney Edwin Keech declared the defendant's own estimates of his income and expenses "are the only way... to show you that he didn't take that money."

These estimates, \$39,000 in income and \$33,000 in expenditures, leave "a cushion of \$6,000 alone that could account for Richardson's missing investments," Keech asserted.

Taking up the theory that accumulated mistakes in money transactions account for the treasury shortage, Keech suggested that a period in which \$50,000-000 passed through the office would be about a 25-cent mistake for every \$500 handled.

"And I have positive evidence on the witness stand that those mistakes were made down there," he added, citing testimony by Sheriff A. C. Burk, Deputy Sheriff Bert Smith and Walter Lamkin, former circuit court clerk, that overpayments had been made to them when they went into the treasurer's office to cash checks or settle for salary advances.

Without bookkeeping experience, Richardson was required to keep "a horse and buggy set of books" in an automobile age, Keech told the jury.

Mistakes Held "Reasonable"

"Isn't it reasonable for him to make mistakes?" he asked.

Toussaint on Richardson's frugal life, Keech inquired, if his client had been taking county money "why wouldn't it have been easy to make the shortage a little larger" to get the luxuries he was not enjoying?

Keech asserted the state had hired "a C. C. and accountant" which his client could not afford, yet had not obtained certain needed evidence to convict.

Both attorneys were commended by Judge McMahon for their conduct in the case. He declared after adjournment that the Richardson trial was "the best conducted case in my 40 years' experience."

The final defense witnesses at the morning session included John Kirsch, courthouse janitor, who told of being present when Treasurer Drager presented Richardson to hand over his keys, following audit disclosures of the shortage last November. He quoted the treasurer as telling Richardson "that when this was all ironed out he could come back."

Smith Testifies Of Overpayment

Deputy Sheriff Bert Smith told of having received \$20 too much on one occasion when he was settling with the treasurer's office for a salary advance.

Prices they paid the Richardson's for milk were testified to by Mrs. John Turner, Mr. and Mrs. Ward Hughes and Mrs. Edith Wilson.

The defendant's character has always been good, F. N. Derby, Salem, and Henry Porter, Aumsville, told the jury.

Called back to the stand, Richardson said he had not told anyone about the shortage because "I wasn't positive about my work, whether there was a shortage or wasn't. I felt it wasn't my duty to report it and that it was the duty of Mr. Drager."

His brother, Warren Richardson, also returned to the stand, and told, among other things, of having received a \$15 advance in county funds, in the nature of a loan, which he repaid over a period of months.

Home Richardson, son of the defendant, testified regarding their home life and money his father advanced to other son toward his education, all of which he said he repaid.

Townsend check issued by the county treasury were explained by William Thiesen, county land agent, as paying for postal money orders "in forward-

Ex-US Judge Manton Sentenced to Prison



Martin T. Manton (2d from left, wearing glasses), former judge of the United States circuit court of appeals, is shown here in New York during a court recess on the day he was sentenced to two years in federal prison and fined \$10,000 following his conviction on conspiracy charges. A crowd of curious sightseers follows the former judge as he goes to lunch. His impassioned personal plea to the court before sentence was passed was ignored.

ing club dues to national headquarters.

"You were using the treasurer's office as a bank, is that it?" asked Prosecutor Marsh.

"Yes, that's it," Thiesen answered.

Certain mining deal checks were explained by Charles E. Archerd.

Mother's Slaying 14 Years Ago Told

BURLEY, Idaho, June 22.—(AP)—Deputy Sheriff George Bray of Cassia county said here tonight that Charles W. Quigley, 30, had confessed the slaying of his mother 14 years ago in Mount Holly, N.J.

Although Quigley was arrested last night after confessing to a state policeman at the port of entry station at Malta, his statement was not divulged until late tonight when New Jersey officers verified a 1925 death by fire in which Quigley admitted guilt.

Mount Holly officers requested that Quigley be held for further investigation.

Bray said Quigley told of filling a kerosene can with gasoline, hoping an explosion would burn his step-father to death as he attempted to kindle the morning fire in their two-room Mount Holly home.

But that morning his mother arose to build the fire and was burned to death in an explosion and fire that destroyed the dwelling.

"It has been on my conscience all these years and I had to tell someone," Dean Barlow, Utah-Idaho line port of entry attendant, said Quigley told him.

Frankfurter Off



Justice Frankfurter

En route to England to receive an honorary degree at Oxford university, Associate Justice Felix Frankfurter of the United States supreme court waves to friends aboard ship as he sails from New York.

Guards Push Into French Territory

New Indignities Heaped on English Colony in Tientsin

(Continued from page 1)

all his pockets were required to be produced and were dumped together.

Reliable information said Soviet Russians, of whom 500 live in the British and French concessions, were being treated even more severely than the British.

Japanese Consul-General Shigemi Tashiro meanwhile sent a form letter to all consulates requesting them to advise their nationals:

1. To carry identification cards issued by the consuls when seeking to pass the barriers.
 2. To be more polite and not to assume an arrogant attitude with sentries, who, he said, were performing their duties under stress.
 3. To refrain from photographing scenes in the vicinity of the barriers.
- British Consul-General E. G. Jamieson protested to the Japanese after one of their military patrols began examination of cargo being discharged by lighters at the British bund, which runs along the Hai river at one edge of the concession.
- The soldiers withdrew abruptly when a patrol of British blue-jackets came into view.
- The British government's sympathy for the blockaded British "for the difficulties and indignities they are being made to suffer" was expressed in a message Jamieson received from Foreign Secretary Lord Halifax.
- Halifax assured the British their government would make "every effort to protect their interests and terminate the present crisis as soon as possible."

Homicide Charge Filed at Yakima

YAKIMA, June 22.—(AP)—A charge of negligent homicide was filed in Yakima superior court today against J. W. Wilborn, 24, as result of the death of Roy Klebaum, 19, of injuries received when Klebaum's motorcycle collided with Wilborn's car.

Wilborn, Deputy Prosecutor George Wilkins said, drove onto the highway in front of a truck just as the motorcycle passed the truck.

Wilborn was fined \$30 and costs and his driver's license was suspended on a reckless driving charge in justice court, but he was re-arrested after Klebaum died.

British Brigands Battle in Desert

JERUSALEM, June 22.—(AP)—British troops in central Palestine clashed with brigands and killed four today.

One of those killed was described by military officials as a terrorist wanted for murder.

Another Arab was wounded and 12 were arrested in the clash. A quantity of arms was seized.

Tariff on Copper Passed by Senate

WASHINGTON, June 22.—(AP)—The senate, by passing the bill today, assured a two-year extension of the 4-cents-a-pound tariff on copper imports.

Inasmuch as the house previously had approved the continuance, the copper duty will not be subject to further action when that body considers senate amendments to the tax measure.

Existing law under which the duty is collected expires June 30.

Probe of Gambling Asked in Seattle

SEATTLE, June 22.—(AP)—Allegedly extensive gambling activities in Seattle continued as a topic of public exchanges today after court dismissal of the King county "protection money" trial in which the charges were aired.

Ralph A. Horr, defense attorney in the Palmer Sullivan trial, which ended in dismissal of graft charges, announced he had written Prosecutor B. Gray Warner, asking for a grand jury probe of the gambling situation which Mayor Arthur Langlie had testified apparently was headed by a syndicate.

Warner responded that he would prosecute promptly any persons against whom Horr or any one else offered sufficient evidence, but added: "The only excuse for calling a grand jury would be the necessity of invoking the jury's powers in addition to those of my office."

Mayor Langlie commented: "I welcome any action that will better conditions in our city."

Victim of Bomb



J. Milton Lee

Shortly after J. Milton Lee, 28-year-old son of a bakery store owner, was killed when a dynamite bomb attached to the starter of his father's automobile exploded, Mrs. John Knudson, wife of the co-owner of the Lee bakery, received a telephone threat warning her that "your husband is next." In the wreckage of the car in which Lee died police found a note saying, "This is your warning. Lee, to watch your sales—else."

FDR Proposes Lending Setup

Loan Proposals Planned to Be Without Cost to Treasury

(Continued from page 1)

the right-of-ways. The first year outlay would be about \$150,000-000.

\$500,000,000 for Railroad Equipment

\$500,000,000 of investments in three years in railroad equipment such as freight cars, which would be bought by a new federal corporation, and leased to railroads needing equipment but unable to buy it outright. First year's outlay \$100,000,000.

\$460,000,000 additional loans in seven years by the rural electrification administration to co-operative associations, designed to bring electricity to 1,250,000 farm families. First year's outlay, \$200,000,000.

\$500,000,000 additional loans in two years by the export-import bank to foreign governments to finance the purchase of commodities and other goods in this country. First year's outlay, \$200,000,000.

Each of the projects would require legislation, either to create a new agency as in the case of railroad equipment, or to increase existing powers as in the case of the farm security administration. The \$300,000,000 increase in borrowing authority for the United States housing authority already is embodied in a bill pending in congress.

Byrnes said congress probably would give immediately consideration to the program. The senate, he added, likely would take the initiative on anti-trust legislation while the house considered the appropriations.

Labor Convention Is Nearing Close

(Continued from page 1)

ments to the Wagner act; extension of FHA loans to cover furniture; denial that opposition to the September primary reflected favor for a third term for President Roosevelt; opposition to exportation of Port Orford cedar; opposition to a sales tax; approval of weekly pay checks; support of a high quota on imports of newspaper pulp; favor to Sunday closing of food stores; acceptance of AFL terms for peace with the CIO.

The expected split over the question of opposing the Workers' Alliance, Commonwealth Federation and CIO failed to materialize when a less caustic substitute measure, which reiterated the federation position, was passed without dissent.

The delegates disapproved WPA encroachment upon private industry, WPA competition with the garment industry, but rejected a resolution requesting an increase in killed laborers on WPA projects.

Debate was not on a resolution that would put the federation behind the war referendum bill. The measure was tabled but was expected to come up again this session.

Churchmen Assail Book on Marriage

LONDON, June 22.—(AP)—A book compiled by the church of England's moral welfare council on marriage relations was assailed as "a less caustic substitute measure, which reiterated the federation position, was passed without dissent."

Canon E. T. Kirby of Manchester attacked the book as "about the most filthy and disgusting thing I have ever seen."

Dr. George Lawrence Russell, who wrote the chapter singled out for the severest condemnation said "I tried to get over the disastrous separation between the spiritual and the physical."

"The physical side is important and I had to deal with plain facts in a straightforward manner," he said. "I could not deal with marriage as if it were purely a spiritual relationship."

Bishop F. O. Taylor-Hawkes, of Kingston-upon-Thames, defended the volume, entitled "Education For Christian Marriage, Its Theory and Practice." He said copies sent to young men whose engagements had been announced resulted in grateful letters.

Dr. Helen Pearce Again Nominated as Zonta Head

WHITE SULPHUR SPRINGS, W. Va., June 22.—(AP)—Dr. Helen Pearce of Williamsport university, Salem, Oregon, was re-nominated for president of the Zonta International today and Denver chosen for the 1940 meeting as 450 women executives held the first sessions of their 19th annual meeting.

Late Sports

ST. PAUL, June 22.—(AP)—Dick Demaray, 145, Bismarck, N. D., had little difficulty in pounding out a ten-round decision over Don Swenson, 141, St. Paul, in an outdoor card at Lexington park tonight.

In an eight-round semi-windup, Marv Wason, 174, St. Paul, got a technical knockout in the sixth round over Solly Stark, 166, of Deadwood, S. D., when Stark suffered a bad cut over the left eye.

NEW YORK, June 22.—(AP)—The New York Giants of the National football league received today the signed contracts of two rookies backfield men—Sam Ales, 210-pound fullback from Centenary and Merle Miller, 195-pound halfback from University of Washington. The contract of Walt Neilson, 220-pound star Arizona back, was received a few days ago.

State Labor Dips In Gas Hearings

Delegation Objects That Freight Rate Cut to Hurt Truckers

PORTLAND, Ore., June 22.—(AP)—All the way from Eugene, where it is in convention, the Oregon State Federation of Labor dipped a car into the interstate commerce commission hearing here today on petroleum freight rates from tidewater to Spokane.

Railroads ask approval of a 25c per hundredweight rate on oil products from northwest docks to the inland Empire city.

"If such a decrease of freight rates is granted," a federation resolution read, "it would be of vital effect upon trucking companies now engaged in transportation of petroleum products throughout the Pacific northwest, causing the complete elimination of these trucking companies and throwing out of employment many hundreds of employees."

The resolution was submitted to ICC Commissioner Clyde B. Atchison but was not admitted into the records of the hearing.

Previously C. W. Robinson, counsel for the AFL teamster union, appeared at the hearing and said "any rate which would force an employer to discontinue business would immediately throw upon a crowded labor market inassimilable labor." He said, however, the teamsters were taking no side in the controversy.

Common carrier truckers are opposing both the rail rate and a 17c per hundredweight rate filed by the Asbury Transportation company for trucking petroleum products from Umatilla, Ore., and Altamira, Wash., to Spokane. This rate, combined with a 7½¢ charge from Portland to Umatilla or Altamira approximates the proposed 25c rail rate. Other trucking witnesses said costs would be higher than revenue under the 17c rate.

House Votes Last Of Defense Plans

(Continued from page 1)

amendment from the bill by a roll-call vote of 217 to 150.

The house then quickly knocked out another amendment, by Rep. Ludlow (D-Ind) which would have earmarked \$1,000,000 of the funds for training of negro pilots. Both republicans and democrats voted yesterday in endorsing the proposition, but Rep. Woodworth (R-N.Y.) warned the house it was injecting "a poisonous thing" into the problem of national defense by raising the question of racial origin.

In addition to funds for the purchase of 2,390 new warplanes, the bill would provide \$61,600,000 for construction of new air bases and facilities for the increased air corps personnel; \$27,000,000 for strengthening the garrison in the Panama Canal Zone and \$14,250,000 for so-called "educational orders" to familiarize private industry with the production of munitions.

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Sitka Salmon Running

JUNEAU, Alaska, June 22.—(AP)—The heavy fishing season is on in the Sitka area. Sixty trollers have swamped Sitka cold storage facilities with the large salmon catches from offshore.

Mrs. Schrein Relates Tale

Tells Jury of Intimacies With Elderly Figure of Broadway

NEW YORK, June 22.—(AP)—Martin Beck's niece-by-marriage sobbed today that she had engaged in intimacies with the elderly theatrical producer and that thereafter he gave her free access to his wealth and bought her all the luxuries of life.

Mrs. Lillian Schrein interspersed sobs with weeping spells as she testified in her defense against charges of stealing \$60,000 while working for Beck, whom she called "Pop."

At an intermission of her testimony concerning intimacies with the 71-year-old Broadway figure, the pretty 36-year-old defendant approached her husband, Bertram Schrein, in the corridor and cried: "Do you hate me?"

Schrein's answer was an embrace and a kiss.

She is charged with grand larceny and forgery, and the defense contends that Beck agreed to her squandering of his firm's money hours as yielded to his "advancements"—as she called them—a year following her marriage to Beck's nephew.

Denies Intimacies

Beck, testifying earlier as a prosecution witness, denied any intimacies with her, but said they had shared a drawing room on a train to Chicago and luxurious hotel suites in Paris, London, Chicago and California.

"It was strictly business," he said.

"Business," Mrs. Schrein testified, "took very little of our time. Sometimes we went to a matinee."

Mrs. Schrein described in detail a number of trips she made with Beck. After a European trip in 1934, she testified, Beck bought her a \$46,000 house in Neponset, Queens.

During that year, she said, their "number of relations" increased and they visited race tracks at Saratoga, Chicago and other places.

"We were in full possession of his facilities, mentally and physically," the attorney asked.

"Very much so," she replied.

Words of Perkins Puzzle Labor Men

WASHINGTON, June 22.—(AP)—CIO and AFL officials said today they did not know what Secretary of Labor Perkins meant yesterday when he said at Denver:

"A solution has been found for the great obstacle (between the CIO and AFL), and other nearly little problems, such as who is to be president of what, should not be difficult to solve."

President William Freen of the AFL commented:

"The cause of peace would be promoted and advanced if Secretary Perkins would keep her mouth shut."

Salem Residents Escape Injury

BEND, Ore., June 22.—(AP)—Six Salem-bound autoists escaped serious injury today when their car rolled over four times after a tire blew out. Mr. and Mrs. C. E. Bird and their two children, Salem, were the only slightly hurt but Charles Coffall, 81, Salt Lake City, was in a hospital with painful cuts. His wife was not badly hurt.

New Pine Orders Drop One Per Cent

PORTLAND, June 22.—(AP)—New business booked by western pine manufacturers dropped 1 per cent for the week ending June 17 from the previous week, 110 mills reported to the Western Pine association today.

Orders amounted to 72,045,000 board feet; shipments 65,274,000 feet; production 76,719,000 feet.

Orders so far this year were 9 per cent ahead of last year at the corresponding date.

House Agrees On Farm Bill

Senate Amendments Are Accepted by Margin of Five Votes

WASHINGTON, June 22.—(AP)—The house agreed with the senate today to add \$338,000,000 to President Roosevelt's request for \$842,126,051 to run the agriculture department and the administration's farm program next year.

By a five-vote margin 180 to 175—it accepted the senate's addition of \$225,000,000 for parity payments, and on a 145 to 100 standing vote approved an extra \$115,000,000 for disposal of surplus farm commodities.

These actions came as the house agreed for the most part to a joint senate-house compromise agreement between the \$835,118,613 bill passed by the house originally and the \$1,218,666,573 bill the senate approved.

The conference report, agreed to in the senate yesterday, carried a \$1,205,147,135, but the house chopped \$26,720,000 off that total today.

Back to Committee

The supply bill now goes back to the conference committee for further deliberation over changes the house adopted.

Pledges by administration leaders to consider possible removal of certain restrictions in the relief bill produced enough city votes to put across the \$225,000,000 parity fund. (Parity payments are intended to raise the purchasing power of the farm income to the 1909-1914 level.)

The farm supply bill contains in addition to the \$338,000,000 about \$500,000,000 for the regular soil conservation benefit payments, \$300,000,000 for federal aid in highway construction and about \$200,000,000 for other regular department activities.

Moscow Prisoner On Hunger Strike

MOSCOW, Idaho, June 22.—(AP)—Sheriff G. K. Moody reported today Alfred Swenson, county jail inmate, had refused food for the third day.

"No thanks, I've had plenty," Swenson told jailers who offered him food. Moody said he believed the man was feigning illness.

Swenson was held under \$1000 bond on a charge of obtaining an automobile from a Moscow garage with a fictitious check.

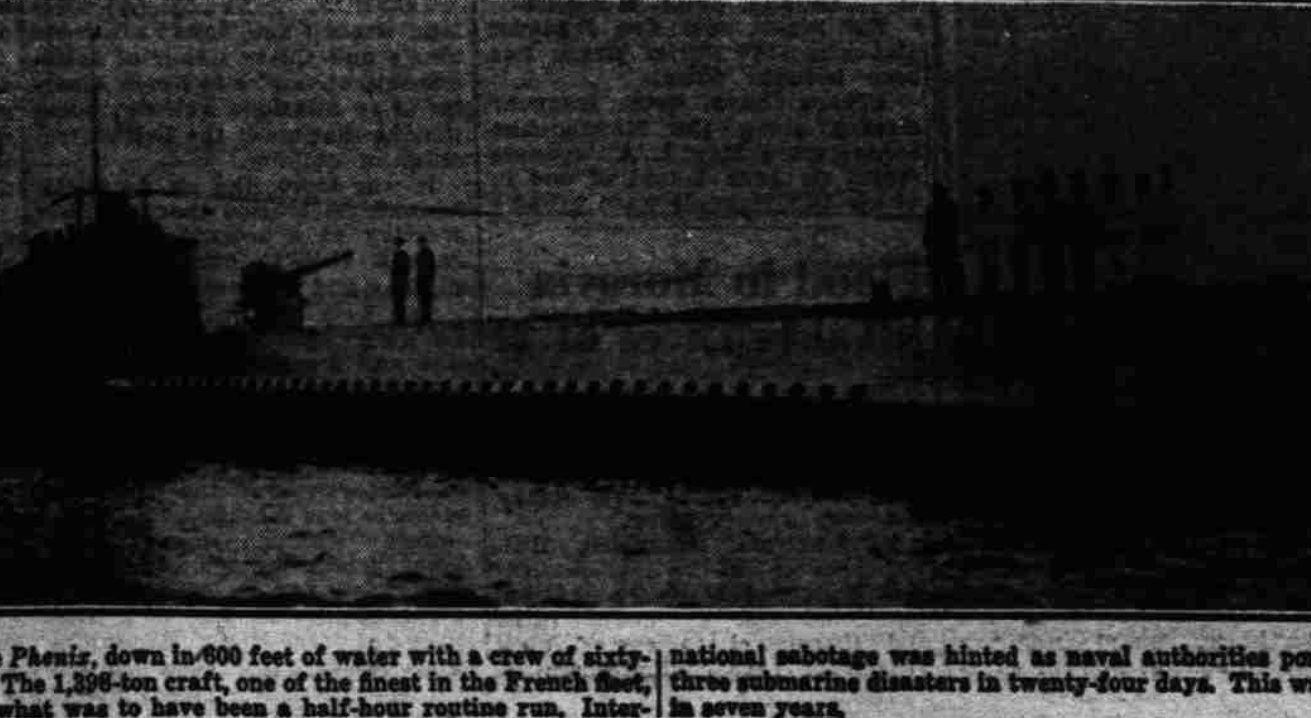
Jones Takes Tex In Golf, Angling

EUGENE, Ore., June 22.—(AP)—Howard Jones, University of Southern California coach, and Tex Oliver, University of Oregon tennis star, tried golf today in their warm-up for football rivalry this fall.

Swenson was one-up on his rival. He previously beat Oliver at fly fishing on the McKenzie river, catching 20 trout to none for the Webfoot coach.

Oliver asserted he wasn't too keen to win at either sport—he's saving his strength for football.

France's Submarine Phenix, Lost With Crew of 63 Aboard



Here is the big French submarine Phenix, down in 600 feet of water with a crew of sixty-three. National sabotage was hinted as naval authorities pondered the strange coincidence of three off the coast of Indo-China. The 1,396-ton craft, one of the finest in the French fleet, slipped beneath the surface for what was to have been a half-hour routine run. Inter-

IT'S OUR FIRST ANNIVERSARY ... and we've a Gift for You!

ALL DAY TOMORROW (Saturday) at Schoen's Bakery

Free Birthday Cake To Each Customer!

Yes, it's true! Schoen's, out of appreciation for your patronage and good will during its first year of business in Salem, is giving away a tasty birthday cake to customers who call Saturday at Schoen's Bakery, 445 Court St.

SATURDAY BAKERY SPECIALS—AT SCHOEN'S!

Wild Blackberry Pie, each	25c	Windsor Gold Pineapple Cake—Special	39c
Fresh from the vine, with that natural flavor!		Fresh pineapple in the layers... frosted in home baked frosting. (Serves ten.)	
French De-Nuts, doz.	30c	Orange Currant Rolls, doz.	20c
Cruet French Bread, loaf	10c	Made in coffee cake style, topped with fresh orange icing!	

Schoen's

SALEM BAKING CO.

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