

Weather: Fair

SERVICE DISABILITY PAY BOOSTED

LYING TEXAN REACHES OMSK ON WORLD HOP

Rest; Condition is Reported Good

HEAD WINDS BOTHER

Flyer Maintains Lead Over Record Set by Post and Gatty

From tea room cashier to Queen of Beauty at the Century of Progress Exposition in Chicago is the Cinderella story come true for Lillian Anderson of Racine, Wis., pictured here in regal robes after her coronation. The 25-year-old, 5-foot 6-inch blond beauty took the \$5,000 first prize from 50 fair competitors.

STANLEY P. RICHARDSON MOSCOW, June 6.—(AP)—More than a week ahead of the record in seeking to better on his solo flight around the world, James Mattern early today was streaking in from Siberia, landing at Omsk, 1,500 miles to the east at 1:35 p. m. After one hour and 37 minutes he took off from New York for the long Texan arrived here amid a warm welcome and ate, bathed, and needed two hours of sleep, changing necessary plane repairs kept him here nine hours and 17 minutes.

Tears Repaired. He was off again in the red-and-blue Century of Progress at 4:15 a. m. Monday, E. S. Mattern over established routes to Omsk, Siberia.

Despite the delay occasioned by the necessity of repairing two tears apparently resulting from ice that formed during the trans-Atlantic leg, Mattern was five hours 15 minutes up on the time established in 1931 by two transatlantic Americans, Wiley Post and Harold Gatty.

"I told them, didn't I?" Mattern mused when told of the anxiety over his flight. "I was apparently over the trans-Atlantic hop, which he did at Jacksonville Island, off the Oregon coast, at 4:15 a. m. E. S. Mattern. He flew to Omsk 16 hours and 43 minutes later, and at 12:40 a. m. E. S. T. he took off for Moscow, where he arrived seven hours and 17 minutes later.

After hours and 54 minutes after he left New York he pointed the nose of his plane towards Omsk. In disclosed an ingenious arrangement for the flight.

MATTER FLIGHT STORY PAGE 2

Weather News:

Both the Willamette and McKenzie rivers are high as a result of the rains and warm weather. The Willamette is reported to be higher than ever. The forecast: Generally fair tonight and Wednesday, but unsettled in western portion, with light rain on the coast; normal temperature; minimum temperature: 40 degrees; maximum temperature: 60 degrees; wind: Willamette river, 2.2 feet; McKenzie river, 2.2 feet.

MUSLAW TIDES: Wednesday, 12:16 p. m., 11:32 p. m.; low, 6:15 a. m., 5:35 p. m.; Thursday, 1:50 p. m., 6:40 a. m., 6:32 p. m.; Friday, 12:22 a. m., 2:30 p. m., 7:38 a. m., 7:26 p. m.

Russian Night Comedies Delight; Actors Win Praise

Monday evening was Russian night at the Very Little Theatre. Backed by the three one-act plays by the eminent 19th century Russian playwright, the comedy, "The Captain," held the capacity audience from beginning to end in a state of mingled delight and amazement. There were no lapses of attention. Even the intermissions between the plays did not seem long. The audience must continue laughing. The humorous situations presented on the performance of the comedies.

SEE RUSSIAN NIGHT STORY PAGE 2

FAIR-EST!



From tea room cashier to Queen of Beauty at the Century of Progress Exposition in Chicago is the Cinderella story come true for Lillian Anderson of Racine, Wis., pictured here in regal robes after her coronation. The 25-year-old, 5-foot 6-inch blond beauty took the \$5,000 first prize from 50 fair competitors.

MITCHELL TELLS OF MORGAN LOANS

Ex-National City Chief Says He's Uncertain About Details

NEW YORK, June 6.—(AP)—Chas. E. Mitchell, former chairman of the National City bank whose financial position was so strong that he could borrow millions from the Morgans, testified today at his income tax evasion trial that two years later his strong box held only a few worthless odds and ends.

It was Mitchell's second day on the stand. Yesterday he told of his fears for his own bank and the market generally in 1929 and said he borrowed vast sums from J. P. Morgan and company in futile efforts to turn the stock market route into an orderly retreat.

Today he told of giving more and more of his securities to the Morgan firm to keep up the amount of his collateral.

"In October, 1931, do you recall whether you had delivered to J. P. Morgan and company as collateral all the stocks you had?" his lawyer asked today.

"I wouldn't say all," Mitchell replied. "I still had some odds and ends in my box—stock that wasn't worth putting up."

Mitchell testified today both as to sales of stock to his wife in 1929 and to W. D. Thornton, a copper company executive in 1930, sales for which he avoided income tax payments in both those years, and which the government charges were shams.

Under questioning by his own counsel he said many of the details of the Thornton transaction were unknown to him at one time, the whole thing having been arranged by his friend, John D. Ryan, chairman of Anaconda copper.

Then came one of the finest bits of character acting ever seen in Eugene in "Tragedian in Spite of Himself." It was Bertram B. Evans' first public appearance as a member of the Very Little Theatre group. As the hen-pecked summer re-

U.S. To A 10 Per Cent Tariff Slash

By JOSEPH H. BAIRD

United Press Staff Correspondent Copyright, 1933, By United Press ABOARD S. S. PRESIDENT ROOSEVELT, At Sea, June 6.—(AP)—Early in the world economic conference the nations will be asked to cut their tariffs a flat 10 per cent. It was indicated officially by the American delegation today.

Leveling of artificial barriers against international trade was considered of the utmost importance, and the universal tariff cut will be the first major objective.

Whether the United States makes the proposal depends upon what response President Roosevelt gets from congress regarding authority to readjust American tariffs. But if the United States does not make the proposal, others will.

The American delegation thought the actual benefits of such a reduction would be great, and the psychological effect would be tremendous. The experts found reason to hope that a gradual decrease of the import quotas prescribed by many nations would offer an incentive for further reductions.

Paper Money Law Signed By President

WASHINGTON, June 6.—(AP)—On the federal law books today is a declaration that all promises to pay with gold may be legally settled with paper money.

President Roosevelt last night signed the resolution voiding the "gold clause" written in billions of government securities and more billions of private bonds and mortgages. It had been adopted by the house and senate within a scant ten days of the time it was submitted to them, unheeded by previous announcements.

Since gold has been unavailable since March for any payments, public or private, the new law makes no change in the existing situation, merely ratifying it. It does, however, relieve the treasury of having to promise gold payment in new bond issues, as well as serving formal notice that liberty and all other bonds which may fall due or be called will be settled in legal tender.

Extensive new financing is due in the immediate future.

Meanwhile the campaign against gold hoarders is in full swing, with department of justice agents beginning their calls on 1000 persons named on a treasury list as suspected of holding more than \$100 in gold each.

Roseburg Ired Over Federal Farm Loan Man

ROSEBURG, Ore., June 6.—(AP)—Claiming "gross discrimination," and a lack of knowledge concerning agricultural conditions in Douglas county, the Roseburg National Farm Loan association, by resolution, is asking the transfer of James R. Brown of Eugene as federal appraiser for federal farm loans in Douglas county.

The resolution points out that during the past year only 13 loans were allowed out of a total of 54 applications, despite the fact that during the 10 years the farm loan association has operated there has never been a foreclosure of a federal loan within the county, and that the diversified type of agriculture and climatic and soil conditions make the risk of foreclosure a minimum factor.

Holt Invited to National Meeting

J. O. Holt, manager of the Eugene Fruit Growers' association, has received a wire from the federal department of agriculture to attend a meeting in Washington, D. C., June 13, for adjustment of cannery operations to conform with the new farm bill.

Mr. Holt expects to leave the latter part of the week to attend the meeting.

Knot Flies, Hits Man, Breaks Jaw

A broken jaw and lacerations about the face were received by George Jacobson of Cottage Grove when a knot from a log he was working on hit him in the face at his home.

MORE POWER DEMANDED FOR MORGAN PROBE

Income Tax Questioning to Wait Decision; Grant Held Doubtful

RAIL LEADER QUIZZED

Van Sweringen Ordered to Produce Records of Transactions

By LYLE C. WILSON United Press Staff Correspondent WASHINGTON, June 6.—(AP)—The senate banking and currency committee decided today to seek broader powers so that the investigation of J. P. Morgan and company, may include evidence connecting the sales of securities with payment of income taxes.

Later some uncertainty developed as to whether the income tax matter would be pressed within a further fight within the committee.

Although the resolution adopted by the full committee expressed the view that these matters should be investigated, and directed that an enabling resolution, granting authority to do so be drafted. However, it was held that it was uncertain whether the matter would be pressed.

He said that question would come up when the sub-committee reported.

The chairman said he personally doubted whether the investigation of the matters should be continued.

Tax Probe to Wait

O. P. Van Sweringen, Cleveland railroad magnate, was called to resume his testimony about financing the vast network of Van Sweringen railroads.

The committee's decision to seek more complete powers came after John W. Davis, chief Morgan counsel, challenged the committee's authority to inquire into income tax payments of Morgan partners.

The result of the committee's decision will be that the Morgan inquiry will proceed immediately with other phases of the investigation, leaving the income tax matters until the committee succeeds in getting further grants of power so that its procedure may be unquestioned.

Deal Not Loan

At the hearing after Van Sweringen promised to produce tomorrow the original agreement for purchase of the Nickel Plate railroad from the New York Central, Pecora turned to the \$1,700,000 transaction by which the Nickel Plate Securities corporation had purchased 3000 shares of

SEE MORGAN PROBE STORY PAGE 2

Student Art Work Is Exhibited On Campus This Week

The annual exhibition of student work in the school of architecture and allied arts at the University of Oregon is being held this week in the gallery of the art building.

This is a complete exhibition of all work done in the school, representative of the fields of painting, architecture, normal arts, industrial arts, design, landscape architecture, and sculpture, all of which are the general divisions of work taught in the school.

The exhibition is open to the public and is arranged in the gallery to the south of the west entrance of the art building.

Some unusually fine pieces of work are represented in the exhibition this year. Due to the great variety of art covered in the exhibition, the student display each year is one of the most interesting exhibitions at the school.

Youthful Thieves Stopped By Police

Two youthful burglars, engaged in ransacking the home of W. T. Gordon, 260 Hilyard street late Monday night, were not so successful as they probably hoped and one of them was caught by police when neighbors saw them in the house and turned in an alarm.

POWER PRINCE!



George M. Howard, above, is head of the United Corporation, utilities holding company organized by J. P. Morgan and Co., and studied by the senate banking and currency committee. Howard, who has a yearly salary of \$75,000, was a witness in the Morgan hearing.

REPEAL PETITION MANDAMUS ARGUED

Dry Delay Starting Fight On Constitutionality Of Convention

SALEM, June 6.—(AP)—Arguments on the original mandamus proceedings to compel the secretary of state to place upon the ballot for the July 21 election the initiative proposal calling for the repeal of the two state constitutional prohibition amendments were heard by the supreme court today.

The petitions calling for the initiative were filed by George Bylander and circulated within the legal time, but an opinion by the attorney general held the law calling for the special election did not include vote upon initiative measures.

John J. Beckman, representing the petitioners, in his argument held the title of the act included initiative measures for vote, although the body of the act did not mention initiatives.

He claimed the intent of the law should be found in the title. Attorney General I. H. Van Winkle represented the secretary of state in upholding his own opinion previously rendered.

DRY'S HOLD FIRE

PORTLAND, June 6.—(AP)—No action was taken by the Oregon Anti-Liquor League here Monday in the direction of contesting the constitutionality of the state law providing for a convention to determine upon the repeal or retention of the 15th amendment.

Although F. M. Hancock, president, had declared in Eugene last week that such discussion would be undertaken at the Monday meeting in Portland, he said here yesterday that it has been decided the test of constitutionality will not be made at the present.

Hancock said the question of constitutionality was not discussed at the meeting of the committee of nine of the United Dries of Multnomah county. He had said the constitutional convention would be attacked on the grounds the law provided for pledged delegates who would have no discretion whatever in casting their ballots either for repeal or retention of the 15th amendment.

Milk Group Will Meet Wednesday

The milk distributors' association will have its monthly meeting Wednesday evening at 8 o'clock in the chamber of commerce rooms.

It is expected that further action will be taken on the matter of advancing milk one cent retail in Eugene. The move has been underway for some time as the first step to give more back to the dairy industry which is facing great losses because of high feed costs among other items of expense. The distributors' group has been the force back of the move to get all distributors signed up for the advance.

Pioneers to Hold Annual Meeting

The annual meeting of the Lane County Pioneer association will be held at the home of County Commissioner Cal M. Young north of the city Wednesday, June 21, it was announced Tuesday by E. O. Potter, secretary of the group. Miss Anne Whitesaker is president.

Besides the regular business of the association there will be a program of short talks and other features. Mr. Potter announced.

MOODY NAMED BY MEIER TO PROBE PERJURY

Banks Prosecutor Chosen To Follow Up On Murder Trial

THEFT CASES ARE SET

Ballot Stealing Charges To Get Airing On Thursday

Attorney General I. H. Van Winkle today appointed Ralph Moody, Medford attorney, to investigate the alleged perjury of several defense witnesses at the recent L. A. Banks murder trial.

Moody served as chief prosecutor of the Banks case following the sudden death of William S. Levens. He was later named by Van Winkle to represent the state in the numerous cases growing out of alleged theft of ballots from the Jackson county court house.

TRIALS TO START

MEDFORD, Ore., June 6.—(AP)—The first trial in the Medford ballot theft case, an incident that shocked Jackson county by its boldness and split the district into several factions through its implications, will start here Thursday when Arthur La Dica, former business associate of Llewellyn A. Banks, appears in circuit court.

Walter Jones, mayor of the town of Rogue River, will be the second to go to trial, and the case of John Glenn of Ashland, former Jackson county jailer, will be the third to be called.

Nineteen persons were indicted for the theft of about 10,000 ballots from the vault of the Jackson county courthouse. The ballots were stolen and destroyed the night before a recount was to be held to determine the legality of the election of Sheriff Gordon L. Schermerhorn. The recount had been requested by Ralph Jennings, defeated for re-election. Schermerhorn was one of those indicted for the alleged theft.

Van Winkle Makes Denial

Llewellyn Banks, who led the insurrection party in Medford, and who was convicted in Lane county last month of second degree murder for the slaying of a constable, was another of those indicted in the ballot theft case. It was while Constable George Prescott was serving a warrant on Banks in this matter.

SEE BALLOT THEFT STORY PAGE 2

Federal Officials Urge Free Bridges For Coast Highway

SALEM, Ore., June 6.—(AP)—Federal officials here suggested that the five bridges on the Oregon Coast highway, if constructed, should be free, according to a telegram received from J. M. Devers, state highway commission attorney, now in Washington.

Original plans called for liquidation of the bridge costs by tolls charged. The federal authorities, however, advised that the loan could be retired by payments of \$200,000 a year by the state. That is approximately the cost of maintaining ferry service at the points where the bridges would be built.

The proposed bridges would be at Coos, Winchester and Yaquina bays, Siuslaw and Alsea rivers. They would cost about \$3,400,000, of which 30 per cent would be granted by the government, and 70 per cent would be loaned.

Log Bridge to Be Built Near Lorane

A new log bridge will be built on the Mack Simon road west of the Cedar creek, northwest of Lorane, and Insley Seales, the road patrolman of the district, is building approaches to it, according to P. M. Morse, county engineer, who was in that section Monday. The bridge will be 40 feet long.

The engineer inspected work being done on the Popoff road in the Spencer creek district, where Patrolman Fred Smiley has charge of operations. Good progress is being made in making a cut to straighten this road, he reported.

BULLETIN!

WASHINGTON, June 6.—(AP)—President Roosevelt today nominated the following for United States attorneys: John A. Garver, for Idaho; and Carl O. Donaghy, for Oregon.

DIRECTS HUNT!



Lacey M. Simpson, above, is the new warden of Kansas state penitentiary. He succeeds Kirk Prather who was abducted by 11 fleeing convicts on his last day in office. Warden Simpson is aiding in the hunt for the felons.

RFC ROAD WORK CREWS TO QUIT

Lane Share of Funds to Be Exhausted by End of Week

All relief road work in Lane county will cease at the end of the present week as the R. F. C. funds have been exhausted, according to announcement by members of the county court Tuesday. Nearly all the other western Oregon counties that have received R. F. C. funds laid off their road crews the first of June but Lane county did not use its funds so rapidly and was enabled to extend its relief operations over a little longer period.

The relief work under the plan of the R. F. C. organization was started in Lane county Feb. 1 this year and since that time approximately \$3000 a week has been paid to road workers at the rate of \$1.50 a day, besides an equal amount distributed in the way of groceries and other necessities for relief of the destitute. Crews on road work have been alternated each week and all the men enrolled have been given work about half time. While the wage is comparatively low and full time employment to all has been impossible, it has gone a long way toward relieving the unemployment situation in Lane county this spring.

"It has been a great help and we do not know what will be done without this money," said County Commissioner O. E. Crove Tuesday. "But with sawmills reopening and other seasonal work starting and with the government forest work getting well under way, the surplus labor may be taken care of. We hope so anyway."

The money to pay the road men under the R. F. C. plan is out of a fund that has come to the state from the government as an advance of the usual bureau of public roads money and is to be paid off in 1935 when just that much less money will be forthcoming from that fund.

Banks Reported to Show Improvement

Condition of Llewellyn A. Banks, former Medford publisher and orchardist who was operated upon here Monday, was said to show improvement by attending physicians, Tuesday. He is said to have spent a fairly comfortable night, Monday. He is at the Pacific hospital.

Mr. Banks will be in the hospital for at least two weeks, it is said. He is being held in Lane county following conviction on May 21 of second degree murder for the death of George J. Prescott, Medford constable. A guard is maintained over him while at the hospital.

Germany Would "Make Up" For Anti-Jewish Measures

GENEVA, June 6.—(AP)—Germany is prepared to "rectify" anti-Jewish measures in German Upper Silesia that are contrary to international obligations, German delegate Von Kellar told the council of the League of Nations today.

In reiterating Germany's intention to observe international treaties protecting Jewish minorities in Upper Silesia, Von Kellar complained that the council "often passed the limits of the question before us."

The council then adopted the Lester report on conditions in Upper Silesia. Germany and Italy abstained from voting.

The report stated and Von Kellar's statement implied that Germany would restore "without delay" all Jews in Upper Silesia who "lost their

REVISIONS ORDERED BY ROOSEVELT

New Schedule Limits Cuts To 25 Per Cent; House Action Uncertain

AVERAGE 18 PER CENT

Executive Order Liberalizes Changes Proposed In Economy Plan

WASHINGTON, June 6.—(AP)—President Roosevelt today signed an executive order fixing new and higher levels of compensation for service connected disabilities of veterans than was originally proposed in the tentative regulations issued under the economy act.

Mr. Roosevelt speeded the modified regulations into effect as the result of activities on capitol hill toward limiting the reductions in veterans allowances he might impose under the economy act.

As the result of senate action in limiting cuts of service-connected veterans to 25 per cent, thereby increasing government outlays by an estimated \$170,000,000 a year, President Roosevelt served notice that that action was adhered to additional taxes would be necessary to balance the budget. A little while before the White House issued, Speaker Rainey told newspapers the house would approve the 25 per cent limitation or a substitute proposal to be offered by President Roosevelt. The new regulations were the administration's substitute.

Average 18 Per Cent

House democratic leaders deferred formal consideration of the senate amendment pending information from the White House on the extent of the modified veterans regulations.

It was the hope of the president that his new compensation rates would avoid the greater increase in compensations voted by the senate. If the higher figures go into effect he will demand additional taxes to pay them. On the basis of his increases in pay

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FLOOD STAGE NEAR AS COLUMBIA RISES

PORTLAND, Ore., June 6.—(AP)—Farmers and dairymen prepared to evacuate their lowland homes along the Columbia river today as the mighty stream, fed by rapidly melting snows, rose steadily, ominously toward flood stage.

The Columbia, reaching a stage of nearly 21 feet at Vancouver, Wash., was already less than six feet from the level that would bring severe damage to lowland farms and to lumber mills and docks along the river.

The exodus of those living along the stream began Sunday and continued yesterday as lowlands were inundated. The river road out of Vancouver was ordered closed to the public yesterday when the county engineer's office considered it too dangerous to be used for traffic.

A county crew was assisting farmers and dairymen over the grade as they sought the safety of the higher lands. Pressure of the flood waters yesterday broke through the road grade five miles from the end of the river road. Several inhabitants were left without means of land travel.

Should the present warm weather continue, the weather bureau here warned, the Columbia will probably rise to a stage of 25 or 27 feet, a stage that would flood several lumber mills and docks along the river.

employment or found themselves unable to practice their trade or profession." The report requested Germany to keep the council informed of developments in arrangements to pay damages to Jews in the district.

The report brought to a conclusion of the protracted deliberations precipitated by the formal complaint of Franz Bernheim, a Jew and former resident of Gleiwitz, Upper Silesia, against Nazi treatment of Jews.

It was declared there were thousands of sufferers who were unable to follow Bernheim's example and complain to the league.

After tribute to the report the council paid tribute to Sir Eric Drummond, retiring secretary general who was sitting on the council for the last time.