

BILL MEETS WITH OPPOSITION

In Both Parties Rally to Support of New Measure

COMMITTEE MEN HEARD

Means Members Approve Reductions

SECTIONS OPPOSED

and Socialists Fight Reduction in Maximum Surplus and Ask Democrats to Work for Increase

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MORNING REGISTER

The Weather Oregon—Unsettled, probably mild, with partial, moderate southerly winds.

Yesterday's weather in Eugene: Maximum temperature, 49; minimum, 42; precipitation, trace; wind in southwest, Stage of river, 1.6 feet.

Eugene and Vicinity

School pictures here; Christ heads canvasses gifts of Mr. Eklins.

Bible study sought by school officials at Wendling.

Leon election held and Earl Moses is choice for commander.

Church building plan rejected by executive board of First Baptist church.

Lane county bankers hold annual meeting and elect officers for 1933.

Confidence restored in city; financial situation reviewed.

Pioneer woman dies; Mrs. Margaret McLean resident of Lane county since 1853.

Driver on charge of driving while intoxicated.

Chorus sings at church and marked improvement is shown by Pioneer.

Chadwick returns from meeting of western division of national chamber of commerce.

Eugene again leads other cities of its class in building permits.

Early day born at Pleasant Hill burns to ground.

Flapper age passes; 'We Moderns' shows tendency of youth.

Honor roll of Eugene high school contains names of 71 students.

Mary Alice Myers, resident in Eugene since 1901, dies at home.

Clerks of railway division to meet here Saturday and Sunday.

Henry G. Naper dies; remains will be sent to Chicago for burial.

Mrs. Jackson is dead; Eugene woman was member of fraternal orders.

Cantata to be given by students of Eugene high school near Christmas.

School needs handmen to fill ranks says P. E. Christensen.

Dr. Sanderson returns from visit to members of college.

Oil well conditions here studied by Olympia pastor who makes survey.

Officer plans trips in interests of reserve corps activities.

Patterson school Parent-Teacher association, Page 2.

Church keeps pastor; Rev. F. J. Kelly conditions accepted.

Program to be given at Christian church Sunday evening.

MEN MISSING

Alabama Mine

Gas Traps Large Number of Employees Who Are In Shaft

20 BROUGHT OUT ALIVE

Rescue Workers Exhausted By Fumes In Tunnel

ALL HOPE ABANDONED

Ventilating Equipment Still In Working Order Regardless of Blast But Entrance Still Dangerous

BIRMINGHAM, Ala., Dec. 10.—Sixty-one coal miners lost their lives today when a gas explosion occurred in the workings of Overton mine No. 2 of the Alabama Fuel and iron company in the Cabala fields, south of Birmingham.

Fifteen men escaped injury and five are in a hospital suffering from serious injuries.

The explosion took place a short time after the day shift had started work at 8 o'clock.

According to the mine superintendent, 108 men checked in. At the time of the accident, 27 were beyond the range of the explosion.

Of the 81 in the mine at the time of the blast, 15 came forth unscathed and five were injured.

The remainder are either known to be dead in the improved mine in the bathhouse, or were still in lower levels.

Seventh level fatal. Most of the lives were lost on the seventh level.

Most of the bodies recovered have been taken from the sixth level.

Rescue workers who have returned to the surface many of them exhausted and struggling for breath, declare they hold no hope for any man still in the workings.

Wilford Powell and Charles Edith, members of one of the rescue squads, returned to the mine north early tonight, toppling over upon reaching fresh air.

Hot coffee and oxygen revived them and they pleaded for another chance to attempt rescue work.

Rescue Work Continued. Although the ventilating equipment of the Overton mine has not been damaged by the explosion, the mine still contains a great volume of gas.

Officials of the company and United States mine inspectors announced tonight that rescue work will be continued until all bodies are recovered and that all gas will be drawn from the shafts before any attempt is made to resume operations.

MURRAY IS DENIED WRIT

ONE AVENUE FOR APPEAL. CLOSED BY KELLY

SALEM, Ore., Dec. 10.—Circuit Judge Percy R. Kelly today denied a writ of probable cause in the case of Tom Murray, 22-year-old Oregon desperado, who is sentenced to be hanged here on December 18.

The hearing was held in Albany today as it was impossible for Judge Kelly to attend court in Salem.

In denying the writ, Judge Kelly closed one avenue by which Murray's attorney hoped to appeal to the supreme court. It is said however, that counsel for the convict will place the case before Justice McBride of the supreme court in an attempt to secure a writ of probable cause from that source.

MEDFORD PIONEER DIES

MRS. MARY ANN VINCENT REACHES 83 YEARS

MEDFORD, Ore., Dec. 10.—Mrs. Mary Ann Vincent, 83 years old, known to many in southern Oregon as "Grandma" Vincent, died today at her old home in Sam's valley, where she has lived steadily for the past 54 years.

Mrs. Vincent came across the plains in 1864 from Massinaway, Ind., first settling near Seattle, then lived for a year in the Willamette valley, coming to Jackson county in 1867.

She leaves scores of relatives, among them 21 great-grand children.

LARGE SUMS HELD LOST IN OIL COMPANY TAXES

INTERNAL REVENUE BUREAU CRITICISED FOR WORK

Delay in Settlement of Cases Obtained by Corporations, Witnesses State

(By The Associated Press) WASHINGTON, Dec. 10.—Sharp criticism of the methods of internal revenue bureau in handling the tax cases of the Gulf Oil corporation, the Standard Oil company of California and the Sinclair Consolidated Oil corporation, was made in testimony before a senate investigating committee made public today with its presentation to the senate.

Counsel and engineers employed by the committee charged that the government lost a total of \$4,890,385 in taxes from the Gulf Oil corporation from 1915 to 1919 at the time Secretary Mellon held a large interest in it.

Internal Revenue Commissioner Blair and the solicitor of the bureau had been defied by division chiefs in the efforts to settle the Standard Oil California case involving \$3,378,000 in taxes directly and \$25,000,000 indirectly.

The Sinclair Oil corporation had been able to obtain delay after delay in the settlements of its tax cases with a result that as yet it was not closed for the year 1916.

Charges also were made that the tax cases of S. G. Kennedy and T. A. Springer, who made a profit of \$5,000,000 on the sale of Oklahoma oil lands in 1916, was "kicked around from pillar to post until the statute of limitations ran out and no tax was assessed against that profit."

INHERITANCE TAX HELD TO LIMIT STATE POWER

SOVEREIGNTY TAKEN BY NEW LAW IS CHARGE

Prospects Seen For Fight In Senate; Proposal Declared to Be Communistic

(By The Associated Press) WASHINGTON, Dec. 10.—President Coolidge and congress were petitioned today to abandon immediately any form of federal inheritance tax and to "find a way to return to the 48 states dominion over their own affairs."

The petition, drawn by unofficial representatives of the legislature of 16 states, declared that freedom of action of state governments "is being gradually but vitally limited by and through certain legislative policies of congress."

It was addressed, in addition to the president and congress, to the people of the states, who were urged to join in the appeal.

Law Hold Far-Reaching. The provision in the new tax bill now before congress allowing up to 80 per cent credit in computing federal inheritance taxes on account of similar levies, actually paid to any state was attacked in the resolution as the most far-reaching piece of legislation ever proposed to "take from the states the real earmarks of sovereignty—their rights to levy and collect taxes for the support and maintenance of their own departments."

Enactment of the inheritance tax provision, the resolution asserted, would "force all the states of the union to enact estate or inheritance tax laws patterned after the federal act in order to keep within the states at least 50 per cent of the total levied by the federal government."

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Dr. Stelzle's frank appraisal of the prohibition situation met a divided reception, with Bishop James Cannon of Washington, D. C., a national dry worker, and Howard Russell, founder of the Anti-Saloon league, objecting to some of Dr. Stelzle's conclusions.

Much Drunkenness Seen. "There can be no question about the large amount of drunkenness throughout our country today," said Dr. Stelzle. "It may be seen upon the streets and in all public places. Liquor may be had in hotels. Indeed, one is solicited by bellboys and the bootlegging industry has become so disreputable that in parts of the country it is practically bringing about the nullification of the 18th amendment."

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This was denied, from the floor by F. E. Johnson, its author, who was roundly applauded upon concluding a short oral defense of the report. Dr. Stelzle, speaking of the Johnson report, called it the "most accurate I have ever seen."

DISARMAMENT DELEGATE TELLS NEED OF ARMIES

VISCOUNT CECIL SEES HARD TIME IN CONFERENCE

Lack of Security Due to Historic Suspicion of Nations Held Greatest Drawback

(By The Associated Press) GENEVA, Dec. 10.—Viscount Cecil of Chelwood, Great Britain's representative on the league of nations disarmament council, gave an interview to the Associated Press tonight, summarizing the pitfalls on the road to a solution of the disarmament problem and of the forces which justify hope that the great issue will be grappled with successfully.

"Undoubtedly the chief obstacle to disarmament," he said, "is the want of security, due to historic suspicions and jealousies of nations and the consequent chauvinistic forms of nationalism. Perhaps the chief merit of our recent agreements has been the diminution they have brought among some of the most important of European nations of this attitude of suspicion."

League Important Element. "Again, the growing strength and prestige of the league of nations is an important element toward security. The smoothness and regularity with which the Greco-Bulgarian dispute was adjusted shows a remarkable growth of international good will."

When asked to define the domestic difficulties in the way of disarmament, Lord Cecil declared that next to international suspicion as an obstacle to disarmament, he would put internal friction of the various government machines. He said the idea of disarmament is necessarily vague and unattractive to military and civil functionaries who have traditions of their own older than international relations.

"They still think it more important to keep their powder dry than to trust to God," Lord Cecil said. He then emphasized the immense practical difficulties in the way of land and air armaments and declared the technical problems of naval disarmaments were comparatively simple, those of the army matters being much more complicated.

Equipment Is Important. "Even assuming that all nationalities were equally brave—a very large assumption—it remains true in a modern army guns, rifles, tanks and bombs are of greater importance in estimating strength than the number of soldiers. Yet to draw up a list of weapons it is almost impossible for any statesman to make a list of the equipment which would require constant revision. Moreover, who shall compare one kind of weapon with another? Who shall show how many rifles are equal to a tank? Who shall make any scale of that kind?"

Lord Cecil said the problem in the air was further complicated by the fact that civil aircraft can be utilized for military purposes with scarcely any alterations yet, most inquiries have arrived at the conclusion that an attempt to limit the development of air armaments is not feasible. He was continuing his remarks when he was interrupted by a question as to what he thought of the present attitude of the city engineer, it was claimed by the city attorney.

That charges of incompetence of officials resulted from a condition which was reviewed in 24 hours because of the holdup a year ago when the tax conservation commission was declared by the supreme court to be null and void.

Read Seen in Eugene. That no charges have been made against Mr. Read and that reports have credited him with doing.

That Mr. Read has been seen in Eugene in the last week and that what the present attitude is would not be surprising if he showed up to face whatever outcome there might be.

That the present condition of city finances is a matter largely of bookkeeping.

In January of this year, acting under pressure of time, the city council threw together a few columns of figures which it chose to term the budget for the year, as a makeshift organization, no planning for the future, only guesswork, and now city officials admit, poor guesswork, according to the city attorney.

Twenty-four hours between the time the state supreme court decided that the tax conservation commission was void, and the time the city budget had to be filed with the assessor, the estimate of expenditures was made up. It was too late, by law, to declare into which fund the city revenues were to be entered. The consequence has been that the revenues went into the general fund, he added.

Such was the explanation of the budget for 1933.

City Finance All Right, Claim. "There is nothing wrong with the city finances; there have been no crooked deals transacted that we can see, and Eugene can operate on a budget of \$125,000," said both Mr. Calkins and Mr. Lee. They added, however, that much of the success of next year's city financial problems lay in the message of the \$175,000 bond issue to retire city warrants.

Totals of the 1932 budget amounted to \$105,785.81, pro rated allowances for period. In this time, the data shows, \$18,948.49 has been expended, and of this amount \$4,000 has been interest.

"The city is now behind about \$20,000," said Mr. Calkins.

The last statement of the city government for the period ending October 31, shows that there is approximately \$225,443.33 worth of improvements to be bonded.

Sale of \$150,000 of Bancroft bonds, covering some of these improvements will take place at once, under the announced policy of the new administration of Mayor Lee, and by the time these are required, there will be another \$50,000 worth ready for similar disposition. In January Recorder Gilmore expects to have another \$90,000 or \$100,000 ready for sale.

Issue Will Retire Warrants. "The city warrants which will be retired amount to \$143,813.47, and improvement bond interest to date is \$39,301.17. Combined, these two sums amount to \$183,114.64, or a little less than \$180,000 more than the \$175,000 bond issue to be proposed at the special election December 15. City revenues from interest collectable from assessments will make up the difference, the attorney and mayor believe.

Confidence in the city administration has been restored by the action of the Eugene clearing house, by which all local banks will accept city warrants drawn on the general fund," said Mayor Lee. "With the help of the voters in putting over the \$175,000 bond issue we can retire these general fund warrants. The warrants are now drawing at 4 per cent and the bonds can be sold for four and one-half per cent.

(Continued on page 4, column 4)

CONFIDENCE HELD RESTORED IN CITY

Rumors of Crooked Actions Unfounded in Belief of Officials

BOND SALE IS STRESSED

Financial Condition Not as Bad as Reported

GEORGE READ SEEN HERE

Hurried Formation of Budget Last January Cause of Hectic Condition in Claim of City Attorney Calkins

Panicky city officials, prominent handling of warrants, a disregard of notation of the city engineer coupled with an accumulation of rumors that have since mounted to almost charges of criminal action, have caused stories to be told in Eugene that have not reflected with credit upon the city.

That, in brief, was the belief expressed yesterday in the office of City Attorney S. M. Calkins, at a meeting with Mayor E. U. Lee, when the entire city financial condition was reviewed.

No Criminal Action Seen. Results of that conference indicate:

1. There has been no criminal action on the part of any city officials.

2. The city will lose nothing because of the bungled issuance of \$14,000 worth of warrants to George Read which had been assigned to the United States National bank.

3. That ex-Mayor E. B. Parks acted innocently in the transaction and that the effort which was made on the bond by the city engineer, it was claimed by the city attorney.

4. That charges of incompetence of officials resulted from a condition which was reviewed in 24 hours because of the holdup a year ago when the tax conservation commission was declared by the supreme court to be null and void.

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"Mr. Johnson should be commended for his moderation and repression in his aid in preparing the report," he said.

Bishop Cannon concluded his discussion with the statement that "we do not want any more such reports."

PRICES REMAIN HIGH

STAPLE FOOD ARTICLES SHOW LITTLE DECREASE

(By The Associated Press) SALEM, Ore., Dec. 10.—No marked tendency towards lower prices for staple food articles was noted here today when the state board of control opened bids in connection with furnishing supplies for the state institutions during the six months period starting January 1, 1933.

Wheat showed an increase from \$7.20 per 100 pounds on June 10, to \$9.35. Mutton has advanced from \$7.20 per 100 pounds to \$14. Under the new bids the state can purchase bacon now for 27c. Six months ago it cost 30c per pound. Hard wheat flour has raised slightly in price and the bids opened today place it at \$7.45 per barrel. On June 10 it was sold at \$7.45.

Cane sugar took the most noticeable drop and is now quoted at \$5.45 per 100 pounds. Six months ago it was sold at \$6.15