

CITY TO SEEK SELF-HELP GIFT FUND

ELECTION JULY 28 HOLDS SOLUTION VEXING PROBLEM

If Residents Vote Self-Liquidating Bonds \$70,000 for Government Loan—Uncle Sam Furnishes \$30,000

Application is being made by the Medford city council to the administrator of the National Industrial Recovery act for funds for construction of two new units of the local sewage system, and a special election to submit the proposed loan to the people of Medford for July 28. Final action was taken last night at the regular meeting of the city council, following preparation of the application by City Superintendent Fred Scheffel.

The application is granted by the administrator and approved by a vote of the people, will enable Medford to take advantage of an absolute gift of \$30,000 made available to municipalities by the federal government, and of a loan of approximately \$70,000 to complete financing of the two new units.

The city of Medford is seeking for \$100,000 for construction of the two much needed units to the local sewer disposal plant. The application if approved by the administrator will therefore bring Medford a gift from the government approximately \$30,000 and \$70,000 as a loan.

In order to permit municipalities to take advantage of this loan the state legislature in chapter 289, Oregon Laws 1933 authorized municipalities to borrow money for the purpose of constructing sewage plants and to repay the cost of same through service charges to the users, making the project self-liquidating.

The city council will July 28 refer the project to the people of Medford, asking whether or not the city should acquire the pre-treatment unit of a sewage disposal plant and construct a trunk line sewer from the end of the present line, at the estimated cost of \$100,000. These two units have been approved by the State Board of Health, which some time ago condemned the present system, demanding that Medford take early action to remedy the prevailing situation.

At the election the people will be asked to decide whether or not Medford will acquire these facilities and issue bonds for payment thereof. Bonds are to be authorized to the sum of \$100,000, or the amount needed.

If the application is approved and the bonds authorized the city will issue bonds to the amount of the loan granted. In other words, councilmen pointed out, if the application is accepted and \$30,000 given the city the bonds issued will be sold to the federal government in the sum of \$70,000.

15 Cent Sewer Fee
It is anticipated that retirement of these bonds over a period of 30 years will require a monthly charge of 15 cents for residential use of sewers.

Taking advantage of the National Industrial Recovery Act, at this time, councilmen pointed out will enable the city to receive outright the \$30,000 and to sell the bonds for the remainder at a rate of interest, constituting a substantial saving to the city of Medford. The bonds to be issued will not constitute a general obligation to the city, the principal and interest thereof to be paid wholly from service charges.

VALUE OF SHARES SHOWS HUGE GAIN

NEW YORK, July 6.—(AP)—The New York stock exchange reported today that the market value of listed shares during June showed a gain of nearly \$4,000,000,000.

On July 1, there were 1,267 listed issues aggregating 1,285,081,453 shares with a total market value of \$35,485,747,928. On June 1, there were 1,217 issues of 1,293,876,237 shares with an aggregate market value of \$32,743,061,395. July 1, last year, there were 1,233 listed issues with 1,318,172,584 shares whose market value totaled \$15,633,479,577.

The average market value of all shares on July 1, 1933, was \$28.29 compared with \$25.10 on June 1 and \$11.89 on July 1, 1932.

WASHINGTON, July 6.—(AP)—Frank E. Taplin, Cleveland capitalist and president of the Pittsburgh and West Virginia railroad, told Senate investigators today he set up trust accounts for his children to lessen his income tax.

Signs Contract



Loretta Young has signed a five year agreement with a Hollywood motion picture company that will raise her \$1731 to \$3373 a week after she returns from an European tour. (Associated Press Photo)

SECRET COUNCIL IS ORGANIZED TO DOLE PATRONAGE

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WASHINGTON, July 6.—You must whisper and act mysteriously when you speak of "the X."

It is a secret council Mr. Farley has established to bring order out of the patronage chaos. It is the innermost circle of all inner administration circles. The members are just like those of a college fraternity.

No one is supposed to know it exists. Those who do know, would not dare to tell the names of the council men.

The secret is supposed to protect "the X" against congressional and other pressure.

The name is appropriate because there are about ten members. Also because the council is a publicly unknown quantity.

If you do not tell anyone it would be safe to disclose to you that most of the councilmen are cabinet members. The postmaster general is Mr. X himself. In seats nearby are Commerce Secretary Roper, Attorney General Cummings and Secretary of Interior Ioka. Each government department is represented by someone, not necessarily a cabinet officer.

There is at least one outsider, an adviser whose name has rarely appeared in print. He is Emilio Hujira, a political expert, who can most times be found behind the chair that Farley sits in.

This may sound like foolishness to you off-hand, but there is plenty of sense to it.

The administration has been hopping from jam to jam in this patronage business. Many close friends of the Democratic family are bleeding behind their hands about it.

For instance Col. Donald Sawyer started administering his public works setup as if he thought Mr. (Continued on Page Three)

BAUCOM SLAYERS ASK QUICK TRIAL

GRANTS PASS, July 6.—(AP)—John Barter and Harry Bowles, slayers of State Policeman Milo Baucum here Saturday when he stopped their stolen car on the Pacific highway for a routine check of ownership, today waived their right to a hearing before the county grand jury and will go directly before the circuit court for trial on a charge of first degree murder.

When the trial would open was not yet determined, the date depending on when Circuit Judge Harry D. Norton can leave his assignment in the circuit court at Corvallis to hold court here.

CCC BOYS RIOT; ARE SENT HOME

BENDLETON, Ore., July 6.—(AP)—Sixteen young men from New York, stationed at the Bull Prairie reforestation camp in Grant county, Unimilia National forest, will soon be on their way homeward, the result of a discharge from camp following fighting and rioting which occurred yesterday.

CURTAIN CONCLAVE AND CONTINUE AS F. D. WINS POINT

Money and Tariff Matters to Be Excluded From Economic Meet—New Agenda Is Drawn by Committee

LONDON, July 6.—(AP)—The world economic conference will continue, but monetary and tariff matters will be excluded, the steering committee of the party decided this evening.

The decision came after a furious battle and was a victory for Cordell Hull, American secretary of state, who, on instruction from President Roosevelt, had stoutly insisted that the conclave must continue its attempt to solve pressing world problems.

France and other members of the European gold bloc advocated formal conclusion for the major activities of the conference.

Triumph for Americans.
The morning session of the steering committee lasted three hours and a half, but was unable to arrive at a decision. The evening session, however, was comparatively brief, ending in triumph for the American position.

In the meantime, a drafting committee, of which Secretary Hull was a member, had been at work on a proposed program of future activities for the party.

The conference therefore will continue in session for the discussion of economic questions, except tariffs.

The agenda for the conclave thus was substantially modified from its original form when the conference met June 12.

Should Carry On.
An official communique issued on behalf of the steering committee said:

"Believing that the bureau (steering committee) is firmly convinced that the work of the conference should be carried on to all possible extent and as rapidly as possible, and in view of recent circumstances that countries on gold find themselves obliged to declare that they cannot take part for the moment in any monetary questions.

"The bureau is in unanimous accord that.

"First, every subcommittee should meet as soon as possible to make up a list of questions on which discussion can be carried on with most useful results.

"Second, to meet as soon as reports of subcommittees have been received in order to make recommendations for the arrangements which ought to be made for the future work of the conference."

Exactly what work the conference can do was left in considerable confusion.

BANKS CREDITORS HEARING JULY 14

Robert F. Maguire, Portland attorney, has been named special referee for the bankruptcy proceedings of Suncrest Orchards Inc., L. A. Banks and Edith R. Banks, according to information received by Frank DeSouza, who represents persons in Medford who sought the proceedings against Banks.

Maguire announced that a meeting of all persons interested in the bankruptcy will be held in the federal courtroom in the post office building in Medford on July 14, at which time a general discussion will be held. Persons who have bona-fide claims against Banks, his wife, or the Suncrest Orchards are urged to be present.

Banks was instructed to have a complete list of assets and liabilities filed with the referee by July 12.

Necessity of Sales Tax Explained by Governor For Benefit of Voters

The following address on the Sales Tax bill was given last evening by Julius L. Meier, governor of Oregon, over radio station KGW, Portland:

Mr. and Mrs. Taxpayer of Oregon: The Sales Tax bill will be submitted to you for your approval or rejection at a special election to be held July 21st. Preliminary to a discussion of the measure I wish to point out that this emergency tax bill is the outgrowth of a statewide movement to relieve the farmers and home owners of the state from the property tax—a tax that is so high that it has virtually become confiscatory. The measure is also designed to relieve counties which are threatened with bankruptcy on account of the rapid increase in tax delinquencies.

Local Tax Levies
Due to the economies achieved under the administration and the reductions achieved by the tax leagues, Oregon's total tax on real property was reduced along the first of the year from fifty-odd millions to approximately forty-one million, of which only \$3,000,000 represented taxes for state purposes, the remainder of approximately \$38,000,000 representing taxes levied by the local tax levying bodies of the state. More than 90 per cent of the entire property tax load continued to be made up of local tax levies.

May I be pardoned if I pause here, to interpose the remark that had not these economies been achieved by the various tax leagues and organizations, approximately \$10,000,000 in additional taxes would have been imposed on the property owners of Oregon during the last biennium.

May I also interpose the remark that after the Oregon Taxpayers' Equalization and Conservation League had accomplished whatever reduction could be achieved through voluntary work, it submitted to the electorate measures to control tax levies and bond issues, and also a measure revising the tax on incomes, but they were both rejected at the last general election.

When the 1933 legislative assembly convened, my message outlined the plight of our owners of real property.

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POLICE SEEKING TWO FOR KANSAS CITY MASSACRE

KANSAS CITY, July 6.—(AP)—Throughout the nation the orders were out to authorities today to arrest Verne C. Miller, alleged North Dakota ex-convict, and William Weisman, Kansas City police chief, in connection with the slaying of four officers and their prisoner here June 17.

E. C. Reppert, director of police, claimed a quiet, but intensive investigation of federal and city officers by announcement Miller was the machine gunner who attempted to telephone Frank Nash, a bank robber, and that Weisman accompanied Miller.

Nash was killed accidentally. Reppert said.

The shooting occurred shortly after 7 a. m. in front of the Union station as Nash was being transferred from train to motor car on his way to the Leavenworth, Kas., penitentiary from which he had escaped.

Reppert said Miller fired after his demand that Nash be released was answered by the discharge of a pistol in the hands of Police Detective W. J. Grooms. The bullet wounded the machine gunner, whose weapon quickly killed Grooms. Police Detective Frank Hermonson, Raymond J. Caffrey, agent of the federal bureau of investigation and Otto Reed, McAlester, Okla., chief of police.

Tracing of long distance calls from Hot Springs, Ark., where Nash was arrested and from Joplin, Mo., headquarters of his gang, solved the crime, according to Reppert.

Through one of these calls, police reported ascertaining that Miller rented a house in Kansas City. Miller and Weisman were found there and officers believe Miller used them to handage his police.

It was Miller, according to police, who said "all right, let 'em have it," just prior to the burst of machine gun fire.

LICENSED SELLERS MAKE COMPLAINT OF COMPETITION

City Council Orders Drying Up of Wet Spots—Beer Bait to Stronger Drink in Some Places Is Claim

A drive to bring about a condition of drought in certain "very wet paths" in Medford will be started today by the police department. Instructions were handed Chief of Police McCredie last night by the city council in regular session at the city hall and the police chief agreed "Something has to be done about it."

The city duds were of the opinion that too much unlicensed liquor is being sold about town and many dispersers of legal 3.2 beer, who are paying licenses, are of the same opinion, they are told.

Strong Hints Given
Just where the hints drink is being sold was not revealed in plain language, but some very strong hints were given as to places about town in the "liquor is flowing too freely" classification.

It was a great injustice to the firms which have paid money into the city coffers for the privilege of selling legal beverages, one councilman pointed out in emphatic words. If other places are going to sell liquor, he added, they should pay for the privilege. If they don't they should be forced to close shop.

Women in Backet
Women as well as men were pointed out as violators, indicating that the dispensers of legal beer have obtained a much better lineup on the complete than the prohibitionists have ever gained.

The present setup of the law was discussed at some length with the condition that it is up to the city to do something about it, if anything is to be done. Federal prohibition agents have been withdrawn from the field. There is none in the Medford area and none in the Klamath Falls district. One man, it was stated, had been retained in Roseburg.

Beer Used As Bait
In several places beer is used as a bait to call the patrons in. It was also stated, and upon entry the customer is offered "whatever drink he desires."

At the end of the discussion, Chief McCredie was instructed to serve notice at once upon the places known to be selling liquor without license, and, the councilman added, there are a number of them.

TWO ROAD BIDS ARE ANNOUNCED

PORTLAND, Ore., July 6.—(AP)—The Portland Building company of Spokane submitted the low bid today for grading of 8.7 miles of the Enterprise-Imnaha highway in eastern Oregon, when proposals were opened by W. H. Lynch, district engineer of the Bureau of Public Roads.

Tom Lillibay of Reedport was low with a bid of \$31,968 for constructing a steel I-beam stringer bridge 339 feet long over Whitewater creek 10 miles east of Detroit on the North Santiam highway.

ITALIAN AIRMEN RESTING FOR HOP

REYKJAVIK, Iceland, July 6.—(AP)—After winning another flight with fog 95 Chicago-bound Italian fliers rested today in anticipation of a second attempt to Labrador.

The 24 seaplanes arrived in perfect order late yesterday from Londonderry, Ireland, 950 miles from here. They conquered wind and fog—so bad at times that they had to fly a few feet above the water.

Their leader, Air Minister Balbo, said he expected to stay several days before continuing the seven-day flight to a flight to Cartwright, Labrador, 1500 miles distant.

EX-LOAN OFFICIALS DENIED PROBATION

PORTLAND, July 6.—(AP)—A plea for probation advanced by Dr. B. F. Gley of Aurora, and Zeno Schwab, former officers of the Willamette Valley Mortgage & Loan company, was denied in an order received in federal court here from Federal Judge C. C. Casanah of Boise. They were convicted last April of using the mail to defraud in the operation of the mortgage company. Each was sentenced to ten months in jail and fined \$750.

SALEM, July 6.—(AP)—State Treasurer Rufus C. Holman today called \$98,821.12 general fund warrants to include all outstanding up to and including May 27.

Kidnaped



John "Jake" Barber" Factor, Chicago speculator who has been fighting extradition to London on a swindling charge, was kidnaped by a band of armed men in Chicago. (Associated Press Photo)

DECISION ON FEHL CHANGE OF VENUE DUE BY SATURDAY

Arguments on the motion of Earl H. Fehl, county judge, indicted as one of the 22 defendants charged with ballot theft, were held this morning, Circuit Judge George F. Skipsaw presiding. The court said his findings would be made on or before Saturday.

Attorney A. C. Hough of Grants Pass, representing Fehl, in his statement to the court, declared "that the newspapers had attacked Fehl, and created a prejudice in the public mind" that the "entire turmoil was largely political," and that the articles and clippings, "particularly since February 20," have been submitted to the court.

Attorney Hough admitted "that Fehl has indulged in some attacks and diatribes in his own paper against certain prominent citizens, which have also tended to create a prejudice against Fehl."

Attorney Hough also declared that the southern Oregon press have "played up Fehl's connection with the ballot trials evidence, and have been unfair and untruthful."

"If John Glenn had been convicted, there would have been screaming headlines, but as it was there was two inches in one corner of the page."

The Mail Tribune yesterday printed the account of Glenn's acquittal on the front page, at the top of the page, and prominently—Ed Note.

Assistant Attorney General Moody, in reply to Hough, declared: "The newspapers, in their accounts of the trials have not been vindictive, but have been extremely modest and fair, and have not said half what they ought to."

Attorney Moody characterized the Glenn verdict as a "miscarriage of justice."

In resisting the motion for change of venue the state contended that the Oregon law requires that when a venue is granted, the original papers in the case are removed to the venue county, there to "remain the same as if the case had originated there," and that there were no provisions in Oregon law for using a certified copy of an indictment in a trial, and "Jackson county would lose jurisdiction."

"Under this situation, the remaining defendants in the ballot theft indictment, could come into court, and plead that they were being tried, not on the original indictments, and ask for a dismissal, and be warranted under the law in so doing," said Attorney Moody. "The law in this state makes no provision for trial on a certified copy of an indictment."

Attorney Moody also declared that Oregon high court decisions have ruled that opinions formed from reading newspaper articles, do not disqualify a juror, and "in the trials of the ballot cases to date, very few of the jurors have stated they had opinions formed by reading newspaper articles or editorials."

Attorney Moody held that the (Continued on Page Seven)

STATE, DEFENSE USE CHALLENGES IN JURY CHOICE

Slow Progress Made Obtaining Jury for Trial of Suspended Sheriff Schermerhorn in Ballot Theft

At the opening of court this afternoon the state had exercised one of its peremptory challenges and the defense two.

The state accused J. H. Martin of Beagle, drawn this morning in the place of Chester Wendt of Jacksonville.

The defense used peremptory challenges on Perry Ashcraft, of Ashland and William Joy Neer, teacher, Jacksonville.

W. H. Arnold of Jacksonville, farmer drawn as a prospective juror Wednesday in the trial of Suspended Sheriff Gordon L. Schermerhorn, charged with ballot theft, was excused this morning by the court, upon the showing of the state that Arnold was a defendant in a civil suit against L. A. Banks, former local agitator, and convicted slayer, for money due, and wherein two other ballot theft defendants were parties.

The state showed by the complaint filed in the suit of the Columbia Paper Co. that Arnold, with Claude Ward, a brother-in-law of Banks; Walter J. Jones, mayor of Rogue River, found guilty of ballot theft by a jury, and others had obligated themselves to pay an indebtedness of Banks.

Excusing Impeached
Attorney Newman, for the defense, opposed the excusing of Arnold "on the grounds that this suit has nothing on this living earth to do with prejudicing the defendant in this case."

The court excused Arnold with the observation: "It would be improper to have a juror... involved in litigation with co-defendants."

Arnold was asked if he had not discussed the ballot theft cases with "a man by the name of Hood, and a man by the name of Baker, who runs a service station." Attorney Nelson said he could not remember the conversation, but would not deny that he had engaged in it.

"These circumstances connected with the facts that yesterday Arnold admitted an aversion to the testimony," and Hias "Arthur La Dora, one of the convicted defendants, yesterday morning before Arnold was called as a juror, endeavored to enter into a contract with him to move some hay—something he had never done before—entitles the state to the granting of its challenge," said Attorney Moody.

Mrs. Coppin Excused
Ida M. Coppin of this city, apartment house operator and owner of business property, was also excused by the court upon the contentions of the state that she had "expressed the view that she was disqualified as a juror—at least would be in California."

Mrs. Coppin, a widow, admitted she had asked the judge to be excused yesterday, "because she had expressed a general opinion on the prosecution of the ballot theft cases, and was sick and tired of the whole business." Mrs. Coppin said she had expressed no opinion against any individual defendant, but against "conditions which oppose business."

She also admitted that she had told Assistant District Attorney Nelson yesterday that she had expressed opinions, and was told by him to inform the court.

Clyde L. Smith of Butte Falls was drawn to fill the vacancy.

(Defense, in the exercise of its (Continued on Page Five)

WILL ROGERS says:

PRESCOTT, Ariz., July 5.—Well, here we are in Prescott, Ariz., the real Western town a mile high and 100 miles wide. I would rather have Arizona's record as a state than New York with her numbers, Massachusetts with her intellect, or California with her modesty. Arizona prolongs the life of the afflicted as well as makes perpetual the lives of the well.

By the way, I see in the Arizona Republic that the London conference was knocked cuckoo when Roosevelt told them it was our dollar and we would arrange the price of it.

Will Rogers
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