

The Weather
Forecast: Cloudy tonight and Tuesday. Moderate temperature.
Temperature
Highest yesterday—78
Lowest this morning—40

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Twenty-eighth Year

MEDFORD, OREGON, MONDAY, MARCH 19, 1934.

No. 306.

NEW RELIEF PROGRAM IS DRAWN



By Paul Mallon
(Copyright, 1934, by Paul Mallon)

WASHINGTON, March 19.—The most startling indications are yet to come. Insiders have been told to hold their breath for three new ones to be announced within a few days. These indications are said to involve two nationally known financial men and a very prominent Republican, all of whom have had banking troubles together.

The case has been worked up very quietly by the justice department's punishment squad. The squad members believe the indictments are certain.

If the indictments do come the accused trio will be fully competent financially and politically to sing with the Mellon-Lamont-Walker-Sidlo income tax quartet.

It looks like a hot spring, especially for Republicans.

Silver

Certain prominent Democrats may feel that heat also if Treasury Secretary Morgenthau turns his silver speculation data over to Prosecutor Pecora for public inquiry. There is also another stock market matter which may come out soon, causing other Democrats to perspire freely.

The decision in the silver matter is supposed to rest on the question whether Mr. Morgenthau's data is sufficiently conclusive to warrant a public exposure. There seems to be no ground for any suspicion that political considerations are holding the matter back. It has gone too far for that.

The silver cloud will probably have a dark lining.

Advocates

The reason the Young Anthony advocates are called that is:

There are a clutch group of exceptionally able young baristers who are advocates by nature. They are not merely lawyers, judging and preparing legal conceptions, but skillful workers for stronger reform principles.

From the master of their school, Felix Frankfurter, they have absorbed such zeal that they are content to work in obscurity in the government service for a pittance in order to accomplish their reform objectives.

In old English plays each member of the cast was named for the character he portrayed. The villain was called "Mr. Snake," the laggard "Mr. Slouch," the hero "Mr. Handsome," the barrister "Mr. Advocate."

The Anthony part of it stands for purity.

Balm

These wholesale resignations from the Democratic national committee are not as important as they sound.

There is a rule in the national committee that resigned members serve until their successors are chosen. Up to now only one successor has been named, and that one for innocent Frank Walker, who resigned the treasurership.

Also there is quite a question whether the influence of any important committeeman is altered by resignation. For instance, the law business of Arthur Mullen and his political power in Nebraska will hardly be changed much by his resignation. His successor probably will be a Mullen man.

The root of the matter seems to be that the house-cleaning was started by the president to get one particular individual out of the house. When that was accomplished, the administration was satisfied but the house-cleaning had to be carried through to a rather meaningless conclusion.

Strike?

The soothsayers are betting there will not be an automobile strike. They smile at the dire threats going back and forth between the industry and the A. F. of L.

The industry is in the midst of spring production. Its best time of year. A strike would be very costly. It may talk big, but it will not erything reasonably possible to avoid a strike.

From that standpoint the time is opportune for labor, but otherwise it is not. Public opinion is the most powerful weapon that labor has in strikes. But popular opinion will hardly support a voluntary spread of unemployment now. The government likewise may not support it, as it is now already contributing to the livelihood of about one out of every six or seven persons in the country.

The matter is expected to be referred and referred, first to boards and then to votes of employes and then to someone else.

Hails

The railroad code situation smacks of somewhat the same inner condition. As soon as the railroads agree not to press their demands for a 15 per cent wage cut, there will be less talk about getting them in under a code.

Notes

There is a new high official in the NRA who was one of the original technocracy boys. They were the ones, you may remember, who got a lot of attention two years ago with their idea of a new super-state. The

ERA TO SUPPLANT CWA ON APRIL 1ST ANNOUNCEMENT

Three-Point Program For Oregon Will Take Over All Desirable Unfinished Local And State Projects.

PORTLAND, March 19.—(AP)—Burton E. Palmer of Portland will be the engineer in charge of the work projects for Oregon in the federal emergency program which will supplant the CWA work April 1.

The announcement was made today by Elmer R. Goudy, state ERA administrator.

Eligibility for employment on any of the ERA projects will be based primarily on necessity. Palmer will favor projects for public improvement that spring from communities, rather than from city or county administrations, he said.

He has requested that letters sketching the community needs be sent to his planning office at 322 Spalding building, Portland, instead of through personal applications by delegations.

A crew of nine engineers has been dispatched over the state to complete a study of airport network in Oregon.

PORTLAND, March 19.—(AP)—A new three-point program for relief work will supplant the Civil Works Administration in Oregon on April 1. It will be known as the ERA, the emergency relief administration.

On March 31 the CWA will be suspended. Elmer R. Goudy, newly appointed state emergency relief administrator, said after receipt of instructions from Harry L. Hopkins, national administrator.

"Work divisions will be organized by the emergency relief administration," Goudy said. "All desirable local and state civil works projects in operation at the close of March may be transferred to the work divisions of the emergency relief administration."

"All civil works accounts, project records, and all other records will be completed to the date of suspension and closed out in full detail."

The new program of work will be carried out in towns having a population of more than 5,000, and in counties or other subdivisions determined by the relief administration to be predominantly urban or industrial.

Goudy said persons employed by ERA will be selected on the basis of need. Women shall receive equal consideration with needy men.

"It will be the policy of the ERA to include in its monthly grants of funds to the various states funds for prosecution of the work program," Goudy continued, and these grants shall be used to provide employment only for persons in need of relief.

8 GATHERED IN ON DRUNK CHARGES

On charges of being drunk in public places, eight men were arrested over the week-end by city police, and were this morning taken before Judge A. D. Curry in city court.

Earl Ward, 41, arrested Sunday night, forfeited \$10 bail, for failing to appear in court today. Earl Akers, also arrested Sunday night, was fined \$10, and unable to pay, was ordered to jail for five days. Ten dollars was also forfeited by Richard Conley, arrested for drunkenness Sunday night.

A \$10 fine was imposed on Harold Burnett, 28, for being drunk, and Earl Waterman, 55, forfeited \$10 bail on similar charges, when he failed to appear in court. Virgil A. McCall, 47, jailed Saturday night, forfeited \$10 bail, and John Wilson, 54, and Albert Schurr, 42, arrested Saturday night, were each fined \$10.

TEACHERS PLEDGE AID IN SALES TAX

PORTLAND, March 19.—(AP)—A ten-member executive committee of the Oregon State Teachers' association has pledged support of the organization to the proposed state sales tax.

The formal resolution observed that "the present economic crisis... has placed the burden of school support on a small group of public-spirited taxpayers by pyramiding taxes," declared that "Many schools must close by reason of depreciated warrants offered in payment of reduced budgets," and concluded that "The board of trustees of the Oregon State Teachers' association urges every teacher in Oregon to acquit the patrons with the urgency of relief from general property tax that will be provided in the communities by favorable vote for adoption of the sales tax, MAY 15."

MARKS UNDECIDED ON GOVERNORSHIP

SALEM, March 19.—(AP)—"I am still undecided on the gubernatorial race situation—I don't know yet what I will do."

With these words Willard L. Marks, here today, dismissed questions as to whether or not he would acquiesce to requests of friends over the state who have been beseeching him constantly urging him to become a Republican candidate for governor.

Credit Bank System to Aid Industry F. R.'s Plan

ITALY TO EXPAND, IL DUCE SERVES NOTICE ON WORLD

Asia And Africa Objectives Of "Natural" Move—World Primacy Is Aim Under 60-Year Program.

PARIS, March 19.—(AP)—Mussolini's bold language in his speech at Rome yesterday in which he reviewed Italy's foreign relations, was described authoritatively today as like "throwing dust" in the eyes of French officials.

They were keenly disappointed, fearing Il Duce had upset the appeal that they thought was quietly heading toward a French-Italian and little entente friendship.

By Andrew Berding (Associated Press Foreign Staff)

ROME, March 19.—(AP)—Premier Mussolini foresees an era of Italian expansion extending steadily despite all obstacles into Asia and Africa.

The expansion, Il Duce said yesterday, will be the result of the quinquennial assembly of Italian leaders, is to be part of a vast 60-year program.

There was thunderous applause as Mussolini predicted that the program would give Italy "the primacy of the world" in the twentieth century.

Denies Conquest Aim

He denied, however, that the expansion would be a "case of territorial conquests."

"It is a case of natural expansion tending toward collaboration between Italy and the people of Africa and of the Near East."

"The historical objectives of Italy are two—Asia and Africa. The south and east are the cardinal points to awaken the interest and the will of Italians. To the north there is little or nothing for us to do. Neither to the westward, in Europe or beyond the ocean."

Despite his assertion that it would be only "natural expansion," however, Il Duce warned against attempts to interfere.

Demands Non-Interference

"We demand," he said, "that no nation attempt to interfere."

TWO ESCAPE JAIL BY MAKING TOOLS

VANCOUVER, Wash., March 19.—(AP)—Using a home-made brace and bit and an improvised saw, two prisoners escaped from the Clark county jail here during the night. They were Roy Gafner, in jail since Feb. 18 on two charges of assault in connection with an alleged holdup, and John Swift, held since March 13 as a parole violator from Walla Walla penitentiary.

The brace and bit were fashioned from parts of a metal bed in the men's cell, and officers said it was shrewdly constructed and remarkably effective. Sheriff R. E. McCrite said that Gafner, who wears a wooden leg, is believed to have kept the bit and saw concealed in the artificial limb.

EDUCATION FEES NOT FOR STUDENT BODIES

SALEM, March 19.—(AP)—The state board of higher education has the right to levy and collect fees from students and allot designated portions to the maintenance of student government and student activities, but the board has no power to legally allot to the Associated Students as a corporation as now existent in the university of Oregon any such funds, the attorney general held in an opinion requested by Charles D. Byrne, acting secretary of the board.

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Five Negotiate McKenzie Pass In Ancient Auto

EUGENE, March 19.—(AP)—Five 3-C men, returning to Camp Skinner at Eugene after a trip to the Grand Coulee dam project in Washington, drove their ancient touring car across the McKenzie Pass Saturday, establishing an all-time record crossing date for the mile-high pass.

Members of the party were Sam Wigham, driver, Clell Alford, Pierce Jopson, Elmer McMaster and Don Buch. They left Sisters at noon Saturday, reaching Pole Bridge cabin on the west side at 10 that night.

GALE, GANGSTERS ENDANGER INSULL ON BOARD TRAMP

ATHENS, March 19.—(AP)—Samuel Insull Sr., erstwhile giant of American public utilities, cruised a storm swept Mediterranean today in a tramp freighter.

His friends here said the very life of the 74-year-old man was endangered by the violence of the storm, since Insull was not a good sailor even in the days when he occupied whole suites in the best ocean liners afloat.

Rumor said the safety of the Chicago fugitive was endangered by the presence aboard the old freighter of a group of gangsters who hoped to hold Insull for ransom.

The presence of gangsters was theoretical, but there was no question about the actuality of the storm.

The freighter, the Malotis, was presumed to be about 300 miles off shore and awaiting instructions from the shore as to where Insull could head on his present attempt to escape United States justice.

Real concern was expressed for Insull's health, since he claims to be suffering from heart disease and this it is known, is aggravated in his case by seasickness.

SILVER BILL HAS HOUSE APPROVAL

WASHINGTON, March 19.—(AP)—The house today passed the Dies bill for purchase of silver abroad at 25 per cent above the world price provided it is exchanged for United States agricultural exports.

The measure now goes to the senate where its fate was uncertain. Action at this time is opposed by Secretary Morgenthau.

House sponsors of the measure said it would pass the senate without difficulty.

KEITH WILL CASE RE-TRIAL SLATED

LOS ANGELES, March 19.—(AP)—Contest of the million dollar will of Miss Margaret Keith, who committed suicide last April, leaving all her property to her nephew, Albert C. Allen, of Medford, Ore., was reset today by Superior Judge M. F. McComb for May 7.

The first trial, lasting three months, resulted in a jury disagreement. The sole issue was whether the eccentric spinster was sane or insane when she made her last will.

CRAZED FATHER SLAYS 4 CHILDREN WITH HAMMER

NEW YORK, March 19.—(AP)—John McHale, object of an intensive manhunt after the slaying of his four small daughters, was still at large today as police broadcast his description to five states.

The four children—their heads crushed by a hammer—were found by their mother when she returned to their Bronx home after being away 15 minutes to buy milk.

Between hysterical sobs, she told police her husband had left their home in anger after a quarrel Saturday night. A neighbor said he saw McHale run helter skelter from the house a short time before the mother returned.

She found one child, Helen, four years old, dead, but until late yesterday believed the other three, Anna, 6, Margaret, 5, and Agnes, 18 months old, were still alive in the hospital where they were taken. When she was told they were all dead she collapsed and was unable to go to the morgue to identify them as required by law.

McHale, a 31-year old GWA worker, was sought in all parts of the Bronx. Hospitals, morgue and the waterfront were watched on the theory that he might commit suicide. Police learned McHale was deeply religious and they kept a close eye on churches in the vicinity. His description was broadcast by teletype to New York and four nearby states.

Deputy Chief Inspector Henry Bruckman, in charge of Bronx detectives, called the slayings the "act of a demented man."

ARMY AIRPLANES RESUME FLIGHTS ON MAIL ROUTES

Eight Airways Covered Again After Week's Suspension During Bad Weather—Normal Service

WASHINGTON, March 19.—(AP)—Senator O'Mahoney (D-Wyo.) announced today he would offer a substitute for the administration's air mail bill which would provide for air mail transport on a basis similar to that used in carrying it by rail.

The bill will provide for a complete divorce between carrying of the mail and the subsidizing of aviation.

The administration bill provides for competitive bidding on contracts under drastic restrictions.

Some indications were seen here that President Roosevelt might acquiesce to modification of the permanent airmail bill.

By the Associated Press

Army planes resumed the task of flying the air mail today.

Under ideal flying conditions, planes took off on time under the new schedule. The service was grounded a week ago.

At the Chicago airport, planes carrying mail left for Cleveland and the west coast. Air mail service also was resumed out of the other key cities specified in the eight new routes.

These routes over which the army now is carrying the mail cover a distance about one-fourth as long as that previously traveled by commercial companies.

The eight routes are: New York to Chicago and Chicago to San Francisco; Boston to New York; New York to Atlanta and Jacksonville; Chicago to Dallas; Salt Lake City to Seattle and Portland; Salt Lake City to San Diego; Cheyenne to Denver.

Army mail planes left Newark this morning for Boston and Jacksonville. Soon after midnight, a transcontinental army plane with mail—the first since the service was halted—left Oakland, Cal.

Cities between the terminals reported normal service as the planes dropped down to take on mail and continued their scheduled flights.

CHEYENNE, Wyo., March 19.—(AP)—The body of Lieutenant H. G. Richardson, who was to have helped the army to fly the mails today, lay instead in a sealed coffin, while the official report of the crash which cost him his life was being made ready for dispatching to Washington.

The body of the pilot will be shipped to the home of his parents near Sioux City, Iowa, and will be accompanied by an officer of the army air corps here.

LIQUOR CONTROL TO GIVE REPORT

SALEM, March 19.—(AP)—A complete report covering all activities of the state liquor control department, receipts and purchases up to April 1, will be available about April 10, Geo. A. McMorran, Eugene, chairman of the liquor commission, said here today.

McMorran said he expected the next meeting of the commission would be held in Salem in about two weeks. The last meeting was to have been held here, but since much of the business had to do with the Portland situation, the place was of necessity changed, he said.

McMorran stopped here on his way to Portland.

REPORTED PATCHING THINGS UP



Douglas Fairbanks, Jr., and Mary Pickford have practically patched up their differences and are near a reconciliation. It has been learned from reliable sources in London, Mary, who filed a divorce suit against Doug in Los Angeles several weeks ago, refused to discuss the reports that the two had been talking things over by transatlantic telephone. No attempt has been made to publish the summons, it was learned in Los Angeles. (Associated Press Photos)

FRUIT PROSPECTS BRIGHT IS RETER'S WORD TO KIWANIS

An unusually bright outlook for the local fruit industry, if present policies of the administration in Washington, D. C., continue, was forecast here today by Raymond Reter of the Pinnacle Fruit company in an address before the Kiwanis club at luncheon at the Hotel Medford.

The fruit crop last year wound up in a "blaze of glory," Mr. Reter stated. "In advance of the highest expectations of local orchardists." Government money, totalling \$550,000, was loaned in the valley on the fruit. The first of the year was marked by chaotic conditions regarding markets, particularly export markets. A definite improvement was noted, however, the last of November, and it has continued steadily up to the present time. Fruit was selling in November at \$1.50 per box, f.o.b. Portland. It is now selling for \$2.50 and \$3.00 per box, Mr. Reter stated.

It is necessary that 30 per cent of the northwestern fruit crop be exported to evade flooding the local market. Devaluation of the dollar, the speaker pointed out, has had a tremendous, favorable effect upon the fruit market.

The tariff has deprived the northwest of the South American market for the past two or three years and measures are now underway to regain this trade.

The trees in the valley show a heavy bloom and the outlook points to a very good crop. Orchardists, Mr. Reter explained, have to look to two markets, packed and canned pears. There were five million cases of pears canned last year. Early indications pointed to a swamped market. All the fruit, it is now realized, however, will be moved with no carry over.

The heavy "winter kill" in eastern areas is also expected to aid the local fruit market, Mr. Reter stated, as news from the east indicates a greatly reduced crop.

Bosc pears from the Rogue River valley are now appearing on the market in a much better and more attractive condition than in former years, a uniform method of ripening having been devised. As a result the price has climbed from \$1.50 to \$3.00 per box.

There is also a big market for Comice pears, which is tonnage of the Rogue valley falls far short of satisfying Mr. Reter said. Only about 100 cars of the fruit are now produced.

During the past year the Anjou has penetrated more markets than ever before.

The Northwest Tree Fruit committee has the power to control the industry of the northwest, Reter explained. The organization is now one year old and has already done a remarkable work in handling the marketing of fruit. Canners are licensed under this control act and the tonnage of the country will be allotted.

Growers can look forward this year to a price of \$30 per ton for Bartlett pears, Reter forecast, adding that they can make money at such a price.

The only dark spot in the present outlook, the speaker said, is the shortage of water, which is causing some concern in several sections.

AUTO MAGNATES AND LABOR NEAR FINAL SHOWDOWN

NEW YORK, March 19.—(AP)—Directors of the National Automobile Chamber of Commerce announced late today they would confer within a few hours with General Hugh S. Johnson, national recovery administrator.

(By the Associated Press)

High spots in capital-labor disputes today included:

1. A showdown in the motor car industry, with a general strike threatened for Wednesday, drew near. The executive committee of the vast industry's code authority met in crucial session in New York, with Gen. Hugh S. Johnson nearby. Both sides stood firm. The issues include recognition of A. F. of L. unions, with charges and denials of discrimination against union sympathizers.

2. Representatives of the railroad brotherhoods and the managers gathered in Washington to confer on a wage dispute. The latest proposal of the managers is that an existing wage cut of 10 per cent be extended; the unions have registered objections.

3. To make loans directly to any such institutions on the security of such obligations.

To make commitments with regard to such discount or purchase of obligations or with respect to such loans, including commitments made in advance.

In exceptional circumstances, when it appeared that an established industrial or commercial business was "unable to obtain requisite financial assistance on a reasonable basis from the usual sources," to loan direct to such business, up to five years.

To assist in effectuating plans for the reorganization or refinancing of a business and act as receiver for it.

In all cases in which loans were made through a bank or other financing institution, the intermediate agency would have to obligate itself for 20 per cent of any loans.

Born to Mr. and Mrs. Walter Prick a son, at the Sacred Heart hospital Sunday.

Bright Meteor Shakes Houses Edmonton Area

EDMONTON, Alta., March 19.—(AP)—Flashing its brilliant greenish light over scores of square miles, a huge meteor burned a pathway from the heavens to the earth last night and today its fragments were being sought in Saskatchewan and Alberta.

It illuminated the sky at Saskatchewan to far outshine the municipal airport's beacon. It was viewed from Calgary and a score of places. But it was believed to have exploded and disappeared in dust somewhere about 100 miles southeast of here where houses were reported rocked by the explosion.

CONGRESS TAKES IMMEDIATE STEP CARRY OUT WISH

Plan To Pump Billions Of Dollars Into Private Channels—Direct Loans Could Be Made Under Set-up.

WASHINGTON, Mar. 19.—(AP)—The administration bill to guarantee the principal as well as interest of home loan mortgage bonds was passed by the senate today and sent to the house.

WASHINGTON, March 19.—(AP)—President Roosevelt today recommended to congress creation of 12 credit banks to supply additional capital for industry.

Simultaneously with receipt of the president's proposal, made in letters to the chairman of the senate and house banking committees, legislation was introduced to carry out the chief executive's request.

It is intended to pump billions of dollars of government credit into private industry.

President Roosevelt estimated that \$700,000,000 of working capital is required for smaller industries.

He said such working capital "may continue in employment some 348,000 employees and may furnish additional employment to some 378,000 men and women."

WASHINGTON, March 19.—(AP)—Legislation to create a system of banks with power to pump billions of dollars of government credit into private industry was introduced in congress today immediately after a message from President Roosevelt recommending it.

Identical bills were introduced in both houses providing for the creation of credit banks in each federal reserve district. The government would capitalize the system at approximately \$140,000,000 with the banks empowered to borrow five times this amount.

Five Year Loans Possible

Primarily, they would be designed to lend for as long as five years to industry and commerce through banks or other financial institutions, but they would have authority to make direct loans to private business.

The bills were introduced by Chairman Fletcher and Steagall of the senate and house banking committees.

The lending powers of the credit banks would include:

To discount for, or purchase from, any bank, trust company, mortgage company, credit corporation for industry, or other financing institution operating in its district, obligations having maturities not exceeding five years, entered into for the purpose of obtaining working capital for any established industrial or commercial business.

Could Make Direct Loans

To make loans directly to any such institutions on the security of such obligations.

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