

The Weather
Forecast: Snow or rain tonight and Friday. No change in temperature.
Temperature:
Highest yesterday 41
Lowest this morning 33

WINNER
Pulitzer Award
FOR 1934

F. R. GIVES SOCIAL SECURITY PLAN



By Paul Mallon
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WASHINGTON, Jan. 17.—Some of the wisest political lawyers here have the gold case all figured out now. They are expecting a supreme court decision validating the gold abrogation domestically, but invalidating it internationally. This means the court would say domestic bondholders may be paid in currency, but foreign holders of American bonds must be in gold.

Certain of the most prominent constitutional authorities seem to be so sure of this that they are willing to bet their aged right arms on it. They reason thus:
The gold abrogation made little difference to Americans. The only ones who really suffered were the foreign holders of American bonds. They must take the loss from results of depreciation of exchange, which is the full loss from dollar devaluation. This the court is thinking about. These lines are evident from a question asked by Chief Justice Hughes and the additional fact that the court called for the world court decision in the Brazilian bond case. It is true the Brazilian case is not a dead parallel, but nevertheless, in that decision the world court ordered payment of foreign bondholders in gold.

Such a decision would settle the whole matter with the least possible injustice and trouble. It would cost the U. S. government only about \$10,000,000 to pay off the foreign bondholders. They are the only ones who could keep the gold. Anyway, in view of our domestic anti-hearing act.

Of course, no one knows in advance what court decisions are going to be. Jail has been provided as a fit resting place for those who, on various past occasions, thought they had found out.

Nearly every well-informed man here will tell you the odds are logically 100 to 1 against the court interfering with domestic gold abrogation, but, at the same time, no bets are being made.

It was the day-to-day traders in Wall street who started crying and selling when the gold case came up. The shrewder big bankers did not. The bankers had a perfect opportunity to make a profit by sending gold abroad while the knees of the small-time traders were shaking. They decided privately against it, figuring that, by the time the ships got to Europe with the gold, the weaker knees would again be stable here, and consequently no profits would be available.

A well-known backstabber on President Roosevelt's new deal football team always likes to talk in pigskin terms. He never has let anyone forget the fact that Mr. Roosevelt occasionally likens the new deal to a football game, in which the president is the quarterback, calling signals, never using the next play, etc. All of which heads up to the fact that this political backstabber defected out of the White House offices the other day with figurative tears streaming down his unhappy countenance, as he complained:
"The supreme court has the ball!"

Senators Johnson and Borah are putting up just as good a fight against the world court now as they ever did, but, somehow, the situation is not the same.
The twin machine-guns of the senate will make good speakers, but lack of underwear work will defeat them ultimately. They are individuals, not firms, and the anti-court fight is strongly in need of inside fixing.

Some few feelers toward a filibuster have been put forward by munitions investigators. They are merely trying to get Mr. Roosevelt to give them \$100,000,000 in return for a committee inquiry. There will be no such filibuster against the court as such, because Johnson and Borah cannot rally a third of the senate, necessary to conduct a successful filibuster.

Something happened on the inside to make the coal industry board change the mind within 24 hours regarding the government price-fixing. One day recently it voted to accept price-fixing by the government. Later it had a conference with a large, shaggy-haired man, who looked very much like John L. Lewis, president of the United Mine Workers. Thereafter next day, it voted against government price regulation.

Coal experts will be surprised if there was not an understanding reached whereby the industry society labor members on the board in return for support by labor in the

Pensions for Aged, Job Insurance Head 4-Point Program

WASHINGTON, Jan. 17.—(AP)—A broad scale program intended to secure America's 125,000,000 against "hazards and vicissitudes of life" was laid before congress today by President Roosevelt. Asking swift action of the overwhelmingly Democratic senate and house, he recommended these four specific types of legislation:
"1. Unemployment compensation.
"2. Old age benefits, including compulsory and voluntary annuities.
"3. Federal aid to dependent children through grants to states for the support of existing mothers' pension systems and for services for the protection and care of homeless, neglected dependent and crippled children.
"4. Additional federal aid to state and local public health agencies and the strengthening of the federal public health service."

Health Insurance Waits
"I am not at this time recommending the adoption of so-called health insurance," he said, "although groups representing the medical profession are co-operating with the federal government in the further study of the subject, and definite progress is being made."
With a bill by Senator Wagner (D. N. Y.) ready to effectuate the presidential recommendations, Mr. Roosevelt laid down these "three principles" for guiding the program along a not "too ambitious scale."
"In the first place, the system adopted, except for the money necessary to initiate it, should be self-sustaining in the sense that funds for the payment of insurance benefits should not come from the proceeds of general taxation.
"Excepting old age insurance, actual management should be left to the states subject to standards established by the federal government.
"Third, sound financial management of the funds and the reserves and protection of the credit structure of the nation should be assured by retaining federal control over all funds

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GARNER'S GUESTS SEE WILL ROGERS IN COWBOY STUNT

WASHINGTON, Jan. 17.—(AP)—The Garners repaid their social obligations to the Roosevelts last night with a dinner party.
Some of the guests stayed until well after midnight, pronouncing it an outstanding event of the Washington season.
But it kept the host up considerably past his usual bed time and also forced him to don formal evening dress for the second time within a week—two things he doesn't like.
It was a strictly formal affair, but the practice of the funds and the reserves and protection of the credit structure of the nation should be assured by retaining federal control over all funds

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BILL WOULD REQUIRE PIERCE QUIT ONE JOB

SALEM, Jan. 17.—(AP)—A bill, which if enacted into law would in its application require the resignation of Walter M. Pierce either as congressman or as Democratic national committee man, was introduced in the senate yesterday by Senator Dellmore Leonard, Multnomah county Democrat.
The bill as drawn would forbid anyone holding any lucrative national, state, county, city or other public office, either elective or appointive, from serving as national committee man, state committeeman, or state secretary or state treasurer or any political committee.

OREGON CITIES LEAGUE MEETING OPENS FRIDAY

SALEM, Jan. 17.—(AP)—A special meeting of the League of Oregon Cities will be held in Salem tomorrow, at which time city officials from the entire state will gather to study over legislative proposals and to give the final word of approval to the bills prepared by the legislative committee of the league.

"Stop Lying," Bruno Shouts at Witness

CONFIDENCE VOTE BRINGS PEACE TO DISCORDANT HOUSE

Oregon Legislators Get Down to Business After Three Days of Squabbling Over Naming of Committees
SALEM, Jan. 17.—(AP)—A rising vote of confidence in Speaker John E. Cooney by house members and his reply of co-operation today settled the house down to the business of the Oregon legislature following three days of voiced discord and constant changes on committees.
A second unusual procedure for the opening week of the legislature was the announcement that neither the senate nor the house would adjourn tonight over the week end. The session will continue through tomorrow and the house may even meet here Saturday. First week adjournment is usually taken Thursday night.
Planning Act First
The first major bill to come out of committee for action by the house was the governor's planning commission act. The committee on administration and reorganization reported the bill out favorably. Since it carries an appropriation it had to be referred to the ways and means committee.
Action was started on another administration measure when it was announced the first public hearing on any bill would be that on the county unit system of public education next Wednesday afternoon before the house education committee. A public hearing before the unemployment committee on legislation recognizing the Townsend old age pension plan will be held Monday night.
Many Bills in Hopper
Measures covering a score of subjects were dropped into the hopper in both the senate and house today and suspension of the rules they went to committees at once. The joint ways and means committee last

TAX ON PAYROLLS URGED TO SUPPLY OLD AGE PENSION

WASHINGTON, Jan. 17.—(AP)—Some major points in the Wagner bill to effectuate President Roosevelt's social security plan:
It creates an old age pensions fund in the treasury supplied by a compulsory tax on payrolls, half to be paid by the employer and half by the employee. The tax starts at one per cent Jan. 1, 1937, and reaches five per cent Jan. 1, 1947.
Eligible employees are those 65 years old who are no longer gainfully employed and for whom taxes have been paid for at least 200 weeks over a five year period beginning before they are 60. Pensions paid monthly, vary according to the monthly wage and length of tax payments. It is estimated the old age reserve eventually would be maintained at about \$15,250,000,000.
For those now aged and without support, the government would appropriate \$50,000,000 for the next fiscal year and \$123,000,000 thereafter.

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MARTIN TO NAME SUCCESSORS FOR HANZEN, BARRY

SALEM, Jan. 17.—(AP)—The first of a series of appointments by Governor Charles H. Martin will be made either late today or tomorrow, it was learned from members of the democratic delegation from Multnomah county.
These will include, it was declared, the budget commissioner, one and possibly two members of the liquor control commission, and a member of the pilot commission.
Indications were that D. O. Hood of Portland would be named budget commissioner for a period of two months, temporarily assisting the governor during the legislative session. A new appointment would then be made to fill the vacancy caused by the resignation of Henry H. Hanzen.
Arthur McMahon of Albany will be named a member of the state liquor control committee, the information states, to succeed E. E. Brodie who has resigned.
The second appointment was expected to succeed Alex Barry, who information states, will be removed. Speculators have picked Drake C. O'Reilly of Portland as the new commissioner.

SPECIAL DEPUTY SHERIFFS NAMED

Special deputy sheriffs—"without salary"—have been appointed by Sheriff Syd I. Brown as follows:
Sam Sundry, Rogue River; O. M. Goss, Butte Falls; Charles P. Champin, Jr., Poota Creek; George F. Lindsey, Medford; Ray E. Wilson, Jacksonville; Clyde R. Smith, and C. B. Dunnington, Jacksonville; W. T. McCullough, George Inlow, C. W. Clause, Earl Frye and Frank R. Jackson, Medford.
Most of the appointments are for duty at dances and have been approved by the county court.

PORTLAND BUILDING AT FIRST AND PINE ABLAZE

PORTLAND, Ore., Jan. 17.—(AP)—Fire broke out in the old Fletcher-Mayer building at First and Pine streets here at 2:30 p. m. today. A second alarm was followed by a third as fire equipment swung into action on the slippery streets. The building, of seven brick, houses several SEEA offices.

Old Time Firemen Plan Reunion Here March 11

On March 11 the Medford fire hall will be the scene of a gathering of all the living firemen who served in the department 25 years ago—a group of more than 30 veterans who served at that time behind one horse drawn wagon. The group, now scattered into many parts of Oregon and California, will recall the days when calls were answered on foot through streets ankle deep in mud, and days when the Medford volunteer fire department was organized in 1889.
The meeting is the second of its kind, one having been held in 1930 for firemen of 30 years ago. At that reunion it was voted that the meeting be repeated, and the date was set for 1935. There will be amusements provided, probably a parade, and a banquet at the fire hall in the evening Eugene Amason, chief of the reunion, and arrangements for the banquet will be made by P. C. Righam.
J. W. Lawton, chief succeeding Amason, will also be present, as will Fire Chief Roy Elliott. It is expected

INSANITY CLAIM MADE IN BEHALF ROGUE WILD MAN

ASSISTANT HEAD OF STATE HOSPITAL TESTIFIES MAYER SUFFERING FROM PARANOIA—MOVE IS SURPRISING

GRANTS PASS, Ore., Jan. 17.—(AP)—To decide what penalty Hugo Mayer, hermit of the Craggies, must pay for the admitted slaying of Robert Fantz, the jury in his first degree murder trial retired to deliberate at 2:30 this afternoon. The defense offered a plea of insanity and the state demands the full penalty.
GRANTS PASS, Ore., Jan. 17.—(AP)—Taking the state by apparent surprise after producing witnesses to declare Hugo Mayer is insane, the defense rested at 9:53 this morning. District Attorney Smith declared he had not expected the defense to close quickly and was granted a short recess.
Mayer, "Hermit of the Craggies," is facing first degree murder charges for the admitted slaying of Robert Fantz, lower Illinois valley rancher. "I believe he is insane," Dr. J. C. Evans of Salem, assistant superintendent of the state hospital for the insane, declared of the hermit.
The expert testified that after examining Mayer two hours in his cell he was convinced that the little German alien is a victim of paranoia. "It is a plain case. He suffers from paranoia, a mental disease characterized by illusions of persecution. It runs a chronic and incurable course."
Mayer himself told yesterday in halting German gutturals of how Fantz allegedly sent a "fire bug" into the mountains to drive him out.
He recited how he ate acorns, smoked madrona bark and survived

ED HANLEY HOME ON ROSS LANE IS RAZED BY BLAZE

Fire, believed to have been started from an over-heated stove, last night completely destroyed the 18-room farm house of Ed Hanley, on Ross Lane, near here. The Hanleys, who with Mr. Hanley's daughter, Mrs. Catherine Heffernan, had been living in the house for the past year, left recently for Seattle, and the house was in charge of Orla Filitroff, foreman.
It was stated today by the Medford fire department, which was called to the blaze, that Filitroff had started a fire in his room, located in the seven-room annex to the main building, before going to supper. He believed that this stove became overheated and started the conflagration.
The fire department was called to the scene of the blaze at 6:50 last night, but upon arrival found the entire annex afire. Chemicals were sprayed onto the flames, but the building was too far gone at that time for any hope of checking.
Neighbors arrived in force to help quell the fire, but their efforts were

FOUR SAN QUENTIN CONVICTS RETAKEN AFTER GUN BATTLE

By CLYDE PARTER
Associated Press Staff Writer
(Copyright, 1935, by the Associated Press)
SAN QUENTIN PENITENTIARY, Calif., Jan. 17.—(AP)—Police officers roared early today in the capture of the desperado blamed for smuggling guns to four convicts who made a desperate, futile break for freedom that cost the life of their leader yesterday.
Clyde Stevens, paroled convict and San Francisco bank robber who the surviving convicts said furnished the pistols used in the San Quentin prison break, was captured early this morning by a police posse on Sherwood Island, about 30 miles from San Quentin at the junction of San Joaquin and Sacramento rivers. Officers announced three others were captured with him, two of them falling wounded under police fire.
Meanwhile physicians reported Warren James H. Holahan, veteran prison official, had a good chance of recovering from the convicts slugging given him by the convicts as they broke from prison.
Three Back in Custody.
Three of the convicts were back in custody, their leader was fatally wounded in the gun battle that

HIGHER CROP LOAN APPEARS ASSURED

A telegram from Senator Charles E. McNary at Washington was received here this morning by Guy W. Connor, local fruit broker, to the effect that after some discussion, the committee considering the production loan bill had reported to the senate this morning, advising that the loans made next year under the bill were only \$250, but were raised later to \$400. The raise, however, came too late to be of use to some early orchardists, and it will be the intention this year to have the money available by February 15, he said.
McNary stated in his telegram this morning that he looked for early action in the senate on the bill.
Connor had been cooperating with McNary for some time in an attempt to get the amendment before the senate. The Medford broker stated this morning that the loans last year were only \$250, but were raised later to \$400. The raise, however, came too late to be of use to some early orchardists, and it will be the intention this year to have the money available by February 15, he said.

BREMER KIDNAP SUSPECT TAKEN

WASHINGTON, Jan. 17.—(AP)—Arrest of Arthur (Doc) Barker, Bremer kidnap suspect, on January 8, was announced today by Attorney-General Cummings.
The attorney-general's announcement came after J. Edgar Hoover, director of the division of investigation, had declared the backbone of the Barker-Karpis gang "had been broken."
Fred Barker and Kate (Ma) Barker, brother and mother of Arthur, were killed by federal agents yesterday at Oklawaha, Fla.
Cummings said Arthur Barker had been captured at about the same time that federal agents shot and killed Russell Gibson, a minor member of the mob, in Chicago.

KIDNAP SUSPECT'S CAST IRON NERVE BREAKS IN TRIAL

PRISONER LEAPS FROM CHAIR TO SHOUT AT SECRET SERVICE AGENT GIVING TESTIMONY—SPECTATORS ARE SHOCKED

FLEMINGTON, N. J., Jan. 17.—(AP)—Bruno Richard Hauptmann lost his restraint in his murder trial today and shouted to a witness.
"Listen, mister, you stop lying!" The German carpenter, accused of the kidnaping and murder of Baby Charles A. Lindbergh, Jr., leaped from his chair and hurled the demand at Special Agent Thomas H. Sisk of the department of justice.
The crowd packing the court room rose to its feet and gasped as one Hauptmann's guards yanked him back.
Prisoner Unstrung
The German quivered. His jaws clenched. Sisk stared coldly at him. A slight smile crossed the face of Mrs. Anna Hauptmann. The jurors stared curiously.
(Copyright, 1935, by the Associated Press)

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HUBBARD ENTERPRISE TO QUIT PUBLICATION

CANBY, Ore., Jan. 17.—(AP)—Dr. P. O. Riley, editor of the Hubbard Enterprise, announced last night that he had decided to suspend publication of the weekly paper which has been printed in the Canby Herald office for the past 18 months. The last edition of the Enterprise was dated Jan. 4.
It was said Riley expects a position in the office of the secretary of state.
ASTORIA, Ore., Jan. 17.—(AP)—Astoria and vicinity were snow-covered today with a fall of about one and one-half inch last night. Temperatures went below the freezing point. The snow continued at intervals this morning. Motor travel was hazardous.
SAN FRANCISCO, Jan. 17.—(AP)—The University of California Golden Bears' gridiron coaching lineup was completed today with the addition of Irving C. Uteritz, of the University of Wisconsin, as backfield coach.