

The Weather
Forecast: Fair tonight and
Thursday; not much change in
temperature.
Temperature
Highest yesterday 88
Lowest this morning 43

MEDFORD MAIL TRIBUNE
Full Associated Press
Full United Press
PULITZER
1934

Buy or Sell
Business blocks, homes and
farms are changing hands. In
fact real estate is showing re-
newed activity. If you are in
the market to buy or sell, use
the classified page of this
newspaper.

HITLER DEMANDS RETURN OF COLONIES



By PAUL MALLON
(Copyright, 1936, by Paul Mallon.)
WASHINGTON, Sept. 9.—President Roosevelt's new idea of expanding the public employment agency system is supposed to have originated with Labor Secretary Perkins. They both were interested in starting state agencies in New York before Mr. Roosevelt became president, largely to force a corporation to employ a certain number of people in private employment agencies.

It is not much of a secret that the idea has not worked out perfectly. One reason is the system is new and not well known; another is that it was instituted in a period of sparse employment. The number of men for whom jobs have been found was not sufficiently impressive for Mr. Roosevelt to use it in his first year.

But the machinery has been set up, and about three weeks ago the president decided to lay aside \$25,000,000 for the employment agency system to check the relief rolls, mainly in connection with PWA projects. The suggestion started working so well that Mr. Roosevelt ultimately decided to make a real effort to use the same machinery for developing private jobs and to publicize it strongly.

Some who are near agency headquarters of the system here doubt that the old obstacles can yet be overcome to any appreciable extent. Federal promotion of the cooperative theory is being carried forward in several little ways, apparently in preparation for bigger activities when Mr. Roosevelt's cooperative study commission returns from Europe.

The monthly magazine, "Consumer's Guide," published by the agriculture department, has started a section on co-ops. The current issue tells of egg and poultry marketing in eastern states, but contains no ideas on federally sponsored industrial or consumer co-ops, which is what the study commission is driving at. Meanwhile, the farm credit administration is distributing more copies of its recently published volume of statistics of farmers' cooperative business organizations.

(Continued on Page Six.)

Old Corbett Home Placed On Block

PORTLAND, Sept. 9.—(AP)—The historic old Corbett home and all contents and fixtures went on the auction block today.

S. Kilne, auctioneer, said everything, even the walls, would go if he could get a bid on them. The site is to be used for a parking lot. Yesterday thousands of Portlanders went through the ornate old residence, nestled in the shadows of downtown skyscrapers, when it was thrown open for public inspection.

SIDE GLANCES by TRIBUNE REPORTERS

Cap Pierce noting the upside-down flag (which is the distress signal) flying over city hall yesterday afternoon, and hastily calling Junior Verne Cannon and waiting to know if he should send the army right over.

And Verne Cannon, usually an affable gent, being touchy as a cauliflower ear today after being named by everyone in the building over his flag-flying stunt.

Monroe Pines and Champ Eddie Simmons hobnobbing up the avenue in an animated conversation accompanied by blast-like squeaks out of the apparently home-made horn on the model T.

A scribe trudging down to pick up a radio left to be repaired three months ago, and discovering that the sheriff had beat him to the draw and locked up the joint a couple weeks ago.

Miss Janie V. (Not Veronica) Smith campaigning for months to get an office in the federal code, then complaining bitterly of the lawlessness when she finally got one.

Economic Independence Aim of 4-Year Program Proclaimed For Germans

Copyright, 1936, by the Associated Press
NURNBERG, Germany, Sept. 9.—Reichs Chancellor Adolf Hitler today proclaimed a four year program, embracing aggressive colonial demands, aimed at the goal of making Germany economically independent of the rest of the world.

The proclamation, sounded suddenly before 800,000 Nazis assembled in fourth annual convention, disclosed Der Fuehrer has signed decrees reorganizing the national economy plan.

"Our colonial demands," the proclamation said, "are part and parcel of this program."

"We must build up our raw material forces."

The "raising by bootstraps" decrees also contained schemes for increasing German exports.

Adolf Wagner of Bavaria, who read the decree, asserted the reich had been made politically independent in the last four years; hence the next four would be devoted to economic independence.

Points With Pride.

Praising at length the industrial and economic achievements of his regime, der fuehrer pointed with pride to his building program and extolling "regeneration" of German arts, observed: "This occurred without a single Jew being in a position of influence."

Clamorous applause greeted the reading of this section of the proclamation.

Similarly, the reading of the announcement was interrupted for a long time by bells when Hitler emphasized "the shackles of the Versailles treaty have been torn" and declared the army, navy and air force were capable of defending Germany against all enemies.

"Had I prophesied four years ago all that we have done, the world would have laughed at me as a crazy man," der fuehrer said.

Miracle in Leadership.

"The national leadership has worked a miracle."

"Today, Germany, in her public leadership and military defense, stands more secure than ever before."

He contrasted "unrest" elsewhere in the world with the "peaceful" Olympic games in Germany and added:

"Even the Jewish scribbles can no longer lie about us. What we have achieved we have done at nobody else's expense. If other nations had attended to their own business, there would be a stronger community of interest in Europe today."

Other governments, the reichschancellor stated, had nowhere near the difficulties of Germany, chiefly because of the Versailles treaty.

MALIBU FLAMES PUT IN CONTROL

LOS ANGELES, Sept. 9.—(AP)—A 20-mile circle of flames in the Malibu mountains was checked at least temporarily after destroying 3500 acres of watershed valued at more than \$200,000.

As the three-day-old blaze slowly devoured fog-dampened brush, 750 CCC enrollees and forestry workers fought to save several hundred mountain cabins and homes in Topanga canyon a mile distant.

A dying wind and a heavy mist billowing in from the Pacific halted the flames on two crucial fronts, but these conditions prevented successful backing and left the possibility of new danger today.

Utah Candidate



Ray Dillman, of Roosevelt, Utah, is the Republican nominee for governor of the state. (Associated Press Photo)

IMPROVED BUSINESS REFLECTED BY GAIN IN MEDFORD PHONES

Improved business conditions in Medford continue to be reflected in a steady increase in the number of telephone subscribers, figures of the Pacific Telephone & Telegraph company show.

Tabulated statistics showed an increase of 46 telephones in Medford in the first six months of the year, bringing the total on July 1 to 3,279. The gain has continued since then and today there are about 3,320 telephones in use, R. B. Hammond, manager, said.

In the first six months there was a gain of 11 phones in Ashland bringing the total on July 1 to 798. Grants Pass gained 18 to 1,109. Klamath Falls showed an increase of 106 to total over Medford with a total of 3,281 on July 1.

The whole Pacific system showed a gain of 40,600 telephones in the first six months of 1936, company statistics show. The increase has been steady since the bottom was reached in 1933 shortly after President Hoover completed his term of office, it is disclosed by a company graph.

BOOKKEEPER ARRESTED ON ROSEBURG CHARGE

ROSEBURG, Ore., Sept. 9.—(AP)—Robert Bailey, sought since November on a charge of embezzlement, was arrested Tuesday at Bakersfield, Cal., according to word received this morning by Sheriff Percy Webb. Bailey, who was employed here as a bookkeeper for the Western States Grocery company, is charged in a complaint filed by the company with taking approximately \$200 of funds entrusted to him, Sheriff Webb stated.

Norris Candidate For Re-election

LINCOLN, Neb., Sept. 9.—(AP)—Senator George W. Norris, veteran Nebraska Republican Independent, today became a candidate for re-election with the filing in the secretary of state's office of a petition bearing 4,504 signatures on his behalf.

Only 1,000 signatures are needed. Since Nebraska laws do not require Norris' acceptance as a candidate. Although he is 75 years old and has expressed a desire to retire, his friends in Nebraska are confident he will make the race.

Jap Destroyers Steam For China

TOKYO, Sept. 9.—(AP)—Two Japanese destroyers steamed at full speed into southern Chinese waters today as an official investigation of the reported killing of a Japanese at Pak-hoi was begun.

DIPLOMATS SEEK TO PREVENT RUIN OF SAN SEBASTIAN

Envoys Forced Out of Country by Civil War Study New Appeal to Government Defenders, Rebels

SAN SEBASTIAN, Spain, Sept. 9.—(AP)—An unofficial armistice tonight ended fighting on the San Sebastian front.

The rebels had been attacking San Sebastian from the hilltops surrounding the city.

(By the Associated Press.)

Diplomats of Europe, forced out of Spain by civil war, sought today to save beleaguered San Sebastian from becoming a city of ruins.

Temporarily stationed at the French border, they studied a new appeal to government defenders and fascist rebels to spare the picturesque Basque resort, site of many summer embassies.

Rebel sources claimed the capture of domination of Pasaia and Renteria, on the threshold of San Sebastian. There were indications in France, however, that government forces still clung to the two outposts.

In London, representatives of two dozen European nations met privately to coordinate arms embargoes and other measures of Spanish non-interference. The absence of Portugal, logical port of entry for aid to Spanish belligerents, clouded the proceedings, however. Portugal has affirmed its neutrality, but Madrid social-

GATES, SCHUSS WIN BOWLING INAUGURAL

The city bowling league got underway last night with the Schuss Village and Gates Auto teams stepping into the fore immediately with victories over Hohlweg's Top Shop and Colyear Sales, each taking the series three to one.

Schuss, rolled in number two spot for Gates, turned in high performance for the evening before a throng of spectators, amassing 575 pins in three games.

Thursday night will see Medco vs. Rogue Valley Golfers, and Safeway vs. Economy Lumber.

S. P. FREIGHT LOADING HITS NEW HIGH MARK

SAN FRANCISCO, Sept. 9.—(AP)—Southern Pacific company's carloadings on Pacific lines went to a new high mark for the recovery period this week, totaling 31,930 cars.

This was up 711 cars or 2.9 per cent from the like week last year, and up 91 cars from the preceding week, ended Aug. 29.

Loadings on the whole Southern Pacific system totaled 39,182 cars, up 8,795 from last year, but off 283 cars from the preceding week, as loadings on the southern lines failed to keep up the rise recorded on Pacific lines.

Portuguese Naval Rebellion Crushed

LISBON, Portugal, Sept. 9.—(AP)—Alert Portuguese government gunners, pounding two mutinous warships with shells, crushed a brief naval rebellion in the Tagus river harbor off Lisbon today.

Disabled by a stream of fire from land batteries, the two vessels, manned by rebellious crews which planned to steam away from Lisbon for an undisclosed destination, were towed to a beach and their seamen thrown into chains.

ROOSEVELT PLANS CONSOLIDATION OF FEDERAL BUREAUS

Far-Flung Governmental Reorganization Hinted if Re-elected — Some Are Due for Abolition Is Report

NEW YORK, Sept. 9.—(AP)—The New York Times said today in a dispatch from Washington that President Roosevelt is considering for submission to congress, in event of his re-election, a far-reaching plan of governmental reorganization.

The plan possibly would involve, the Times stated, the consolidation or abolition of some of the major departments and bureaus.

"Whatever the president finally proposes," the Times said, "one may hear in informed quarters now that the regular cabinet posts might be decreased in such an extensive plan as he has been considering."

A possibility, the Times said, would be consolidation of the army, navy and air corps in a department of national defense.

The president's committee on administrative management, the dispatch continued, is rushing an exhaustive study of the federal establishment, but detailed recommendations hardly will be ready before December 1.

"The committee," the Times said, "already has evolved a sufficient

DRIVING TACTICS DRAW \$25 FINE

Charles Vernon Flanders, 43 year old Ashland mechanic, obeyed that impulse Monday afternoon to do something about it when he didn't like the driving of another on the highway, but it cost him \$25 and costs of \$4.50 yesterday in Ashland jail.

He was arrested by state police on a charge of reckless driving after he had allegedly rammed a Ford coach from behind on the overhead crossing about a mile south of Ashland, and then rammed it again in the rear fender for good measure.

Flanders said that the driver of the coach, Elmer C. Tripp of Klamath Falls, was not giving him enough room on the highway, and that he (Tripp) had also cut in front of him as he was bringing his Chevrolet truck onto the pavement from a side road.

COPCO JULY PROFITS DOUBLE JULY OF 1935

SAN FRANCISCO, Sept. 9.—(AP)—California Oregon Power company made \$24,731 net profit in July, more than doubling the July 1935 net of \$40,949.

The company reported net profit of \$228,506 for the 12 months ended July 31, against \$379,496 in the preceding year.

The federal reserve board estimates that about half of the \$1,304,000,000 paid out in cash on bond redemptions still is in circulation. This means that about \$600,000,000 has not flowed back into banks, and thus either is being held by the veterans or is being kept in circulation by general demands for currency.

With vacation trade in the forefront, many business barometers abandoned seasonal trends to register gains after the bonus payments started in June. These upturns, which were themselves widely attributed in

BASEBALL

CLEVELAND, Sept. 9.—(AP)—The New York Yankees clinched the American league pennant for 1936 today by slugging out an 11 to 3 victory over the Cleveland Indians in the first game of a doubleheader.

National.			
First game:	R.	H.	E.
Cincinnati	2	8	0
New York	4	12	0
Hollingsworth, Stine, Mooty and Lombardi; Fitzsimmons and Mancuso.			
Second game:	R.	H.	E.
Cincinnati	3	10	0
New York	2	7	0
Frei, Davis and Campbell; Schumacher, Gumpert and Mancuso.			

First game:			
Chicago	10	17	0
Philadelphia	3	8	2
French and O'Dea; Bengt, Keller, Jorgens and Atwood, Wilson.			
Pittsburgh			
R.	H.	E.	
Pittsburgh	12	14	1
Brooklyn	8	13	2
Lucas, Birkhofer, Blanton and Padden; Brandt and Phelps.			

Fifteen innings:			
St. Louis	3	10	0
Boston	1	11	0
Winford and Ogorowski; Davis; MacFayden and Lopez.			
Pittsburgh			
R.	H.	E.	
Pittsburgh	7	14	1
Brooklyn	8	13	2
Lucas, Birkhofer, Blanton and Padden; Brandt and Phelps.			

First game:			
New York	11	12	0
Cleveland	3	8	0
Peason and Dickey; Harder, Lee, Blaeholder and Sullivan.			
Washington			
R.	H.	E.	
Washington	11	13	0
Detroit	4	10	1
Canasella and Hogan; Wade and Myatt.			

(13 innings)			
R.	H.	E.	
Boston	2	10	2
Chicago	3	11	1
Walberg, Grove and R. Ferrell; Kennedy and Sewell.			
Philadelphia at St. Louis postponed, rain. Doubleheader tomorrow.			

VENUE CHANGE MOTION DENIED BY NORTON FOR WORK INSURANCE TEST

A motion for an affidavit of prejudice was granted, and a motion for change of venue was denied this morning, by Circuit Judge H. D. Norton, in the suit of the Pinnacle Packing company, five other Rogue River packing plants, and a grower, against the Oregon unemployment

FOLLOW FALSE TRAIL IN HUNT FOR BRITES

UKIAH, Calif., Sept. 9.—(AP)—Search for the fugitive Brit brothers, sought for the slaying of three men, turned back to Blakely county today, after officers followed a false trail to the vicinity of Rockport, 50 miles northwest of here.

Possemen seeking John and Coke Brit heard reports two men resembling the fugitives sought food from a Rockport housewife. The officers surrounded the men who identified themselves as Charles Arlington of Salem, Ore., and A. J. Brockley of Marshfield, Ore., itinerant fruit workers. Both were released.

Much of Soldiers Bonus Is Retained In Pockets

WASHINGTON, Sept. 9.—(AP)—With current business statistics failing to reveal definitely what has become of the soldiers' bonus, financial circles believed today that a considerable part still is resting in the veterans' pockets.

The federal reserve board estimates that about half of the \$1,304,000,000 paid out in cash on bond redemptions still is in circulation. This means that about \$600,000,000 has not flowed back into banks, and thus either is being held by the veterans or is being kept in circulation by general demands for currency.

With vacation trade in the forefront, many business barometers abandoned seasonal trends to register gains after the bonus payments started in June. These upturns, which were themselves widely attributed in

4 TOWNSENDITES WIN WASHINGTON PRIMARY RACES

Vermont Pension Planner Is Snowed Under; Georgians Voting on Senatorial Nominee — New Deal Issue

By the Associated Press
Townsend old age pension candidates appeared to have won nomination in four Washington state congressional districts as the nation watched returns from five state primaries yesterday and today's balloting in Georgia.

Georgia's voting found Governor Eugene Talmadge, a critic of the New Deal, opposing Senator Richard B. Russell Jr., a Roosevelt supporter, for the Democratic senatorial nomination.

In two of the Washington state districts Townsendites were nominated or leading both republican and Democratic tickets. But in Vermont a Townsend candidate lost by approximately a 7 to 2 margin to Representative Charles A. Plumley for the republican nomination.

Meyers Far Ahead
The huge and growing total of 1,347 of the state's 2886 precincts. He far outdistanced his five Democratic competitors combined.

Gov. Clarence D. Martin was increasing his lead over John G. Stevenson, of Seattle, former Governor Roland H. Hartley, of Everett, led the republican contest with 51,554, outdistancing Walter M. Meier, of Seattle, in Colorado, Governor Ed C. Johnson was leading former Governor

GOVERNOR ORDERS INVESTIGATION OF TRUCKERS' STRIKE

SALFEM, Sept. 9.—(AP)—Governor Martin announced today that he had ordered Public Utilities Commissioner Frank C. McCulloch to Portland to investigate reports three truck companies had refused to haul drugs and supplies during the teamsters' strike there.

Interviewed in his box at the state fair races, the executive said that if the companies had refused to fulfill their duties as common carriers they would be ordered to show why their permits should not be cancelled.

"The companies are operating on our highways and under protection as public utilities. If they do not fulfill their functions there is no reason why their permits should not be cancelled," Governor Martin said.

McCulloch started the investigation in Portland immediately and the governor said he would wait his findings before taking any other action.

REBEL SPY LIST FOUND IN MADRID

MADRID, Sept. 9.—(AP)—Spanish socialists have launched an energetic campaign against spies, following the discovery of an intricate system by which the fascist enemy was kept informed of many official moves.

The break came at Valencia where police, searching the residence of a prominent rightist, found a key to the well-organized espionage ring operating in Madrid and Barcelona.

The searchers in a small book found cleverly concealed in the double-bottom drawer of a chiffonier, discovered the code used by rebel spies and a list of names and addresses of "confidential agents."

The identities of some of these agents caused the government a severe shock. Included in the list were individuals enjoying full confidence and even some holding important posts in various ministries in Madrid.

Get School Grant.
PORTLAND, Sept. 9.—(AP)—C. G. Hockley, state PWA director, received approval from Washington today for a grant of \$22,500 toward construction of a school at Junction City. Estimated cost of the project is \$50,000.