

FEDERAL SPENDING OF GREAT BENEFIT TO ROGUE VALLEY

Irrigation Districts Saved By Government Funds—Heavy Debt Burdens Removed, Assessments Cut.

(Editor's Note: This is the second of a series of articles showing the economy and other benefits of federal government investment in Jackson county. The first article, published yesterday, dealt with the Medford irrigation district. This one tells of the refinancing of the other irrigation districts of the valley. Another article will appear shortly.)

Like the others in the Rogue river valley, the Gold Hill irrigation district was organized under state law. It comprises about 1000 acres of land below Gold Hill.

Water for the district is diverted from the Rogue river. The canal system was built on a cost-plus basis from the proceeds of a \$61,800 bond issue.

District in Default
As in the case of the other districts, the Gold Hill irrigation district was severely affected by the depression. By 1933 the district had defaulted on its bond interest to the approximate amount of \$9700. In addition it had issued \$12,500 in warrants.

Under the government's refinancing plan the bonds and outstanding indebtedness of the district were retired for \$38,000, new 33-year 4 per cent bonds being issued to cover the government's investment.

It will be seen that the net saving to the farmers of the Gold Hill irrigation district was about \$44,000. In addition needed repairs and maintenance improvements were made.

Assessments Cut
Under the original set-up the assessment for irrigation was \$10.50 an acre yearly. This charge was to cover operation, maintenance, administration, interest and bond retirement. The original bonds bearing 6 per cent interest.

Under the refinancing plan, the assessments for all purposes were reduced to \$4.50 an acre yearly. The Eagle Point irrigation district was organized in the same way. It had 6 per cent bonds outstanding in the principal amount of \$351,000. When government aid was sought, the district was delinquent in its interest payments for ten years in the approximate sum of \$99,240. In addition it owed the state \$120,500 besides \$70,000 in interest. This made a total debt of \$557,240.

Saving \$544,240
With government assistance, the district was enabled to retire its debt for \$93,000, the federal investment being secured by 33-year 4 per cent bonds.

The refinancing accomplished an approximate saving of \$544,240 for the farmers of the district. The annual assessment for irrigation was reduced from about \$10 to \$5 an acre. Some of the finest orchards of the valley are in the Talent irrigation district. Prior to government refinancing the district had outstanding 6 per cent bonds aggregating \$1,945,000. In addition the district was faced with an interest debt of \$210,000. A state debt of \$201,165 and accumulated interest on the latter of about \$28,000. This made a total indebtedness of \$1,484,165.

Million-Dollar Saving
The district was refinanced by the government for \$420,000. 33-year 4 per cent bonds being issued as security. Thus the direct saving to the landowners of the district was more than \$1,000,000.

Prior to the refinancing, irrigation assessments ran from \$9.50 to \$12 an acre annually. Under the new set-up assessments are \$5 an acre.

When the Rogue river irrigation district applied for federal assistance it was burdened with a bonded in-

Meteorological Report

October 19, 1936
Medford and vicinity: Showers tonight; Tuesday unsettled and colder. Oregon: Showers tonight; Tuesday unsettled and colder in interior.
Temperature a year ago today: Highest, 61; lowest, 38.
Total monthly precipitation, trace. Deficiency for the month, .54 inches. Total precipitation since September 1, 1936, .35 inches. Deficiency for the season, .77 inches.
Relative humidity at 5 p.m., yesterday, 31 per cent; 5 a.m., today, 64 per cent.
Tomorrow: Sunrise, 6:29 a. m. Sunset, 5:23 p. m.

Observations Taken at 5 A. M., 120th Meridian Time

CITY	High	Low	Wind	Clouds	Weather
Boise	70	52	01		Cloudy
Boston	58	42			P. Cdy.
Chicago	64	50			Clear
Denver	82	52			Cloudy
Eureka	64	50			Clear
Helena	72	48			Cloudy
Los Angeles	68	56	30		P. Cdy.
Medford	76	47			P. Cdy.
New York	56	44			Cloudy
Omaha	64	50			P. Cdy.
Phoenix	90	70			T. Cloudy
Portland	70	50			T. Clear
Reno	66	48			Cloudy
Roseburg	74	44			Cloudy
Salt Lake	76	48			01 Rain
San Francisco	70				Cloudy
Seattle	70	54			T. Cloudy
Spokane	70	48			Clear
Walla Walla	78	60			Clear
Washington, D.C.	56	46			T. Clear

GOVERNMENT WINS IN COURT ACTIONS AGAINST NEW DEAL

Supreme Court Refuses Review Of Litigation Challenging Constitutionality Of Three Measures.

WASHINGTON, Oct. 19.—(AP)—The government won tactical victories in the supreme court today when the nine justices refused to review litigation challenging the constitutionality of three new deal laws.

The court declined to pass on an appeal filed by J. Edward Jones, New York securities dealer, questioning the constitutionality of the 1933 "truth in securities" act requiring registration of stocks before public sale.

It also refused to review an attack on provisions of the national industrial recovery act and of the 1935 emergency relief appropriation measure authorizing government loans and grants for construction of public-utility electric plants.

On Procedural Grounds
The action taken was purely on procedural grounds and had no direct relation to the merits of the legislation.

The only statement made by the court was that the appeals were "denied." The government had opposed a review of the controversies.

Government loans for electric plants were assailed by the Texas Utilities company and the Alabama Power company in an effort to stop construction of plants in eight Texas and Alabama cities.

A review of a similar controversy, appealed by the Duke Power company, already had been promised by the court and arguments are to be heard the week of November 3.

The Texas and Alabama companies lost in the federal district court for the District of Columbia and asked the supreme court to review the case, without awaiting a ruling by the circuit court, so it could be argued along with the Duke appeal. Such procedure is permitted occasionally.

Injunction Upheld
In the Jones case, the second circuit court of appeals at New York upheld a temporary injunction to restrain him from violating the act.

The court refused to review an appeal by John Jacob Astor and Waldorf Astor in their effort to recover \$10,810,856 of federal estate taxes paid on \$46,421,545 of property left them by their father, the late William Waldorf Astor of Great Britain, who died in 1919.

Threatened By Priest



Father Charles E. Coughlin, radio priest, waited over in Boston with the declared intention "to get a reporter" he claimed interfered with a meeting between himself and officials of his organization, but he said later he merely remonstrated with the newspaperman's superiors. The reporter, John Barry (above), is a veteran writer for a Boston newspaper. (Associated Press Photo)

Demands Action



The situation in Europe became more tense after Ivan M. Malicky (above), Soviet Russian ambassador to Great Britain, presented a demand at the British Foreign Office that the International Neutrality Committee be convoked to act on Russia's demand for a virtual block of Portuguese ports to Spain. (Associated Press Photo)

PRINEVILLE, Ore., Oct. 19.—(AP)—W. J. Johnson, 79, who creased the plains from Missouri 70 years ago, died here. He was a widely-known cattleman.

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FIRST CCC DOCTOR NOTES CHANGES AT FAIRGROUND CAMP

Major James R. Bibbigaus, retired, first medical officer of the Medford CCC district, who served here under former district commander, Major C. R. Armstrong, during the first year of the CCC's existence, inspected headquarters detachment at the fairgrounds Friday. Bibbigaus showed keen interest in the many improvements of the fairgrounds organization, most of which have been added in the last year. Capt. Albert T. Anderson, detachment commander, and senior foreman, Frank Robinson, accompanied the inspector through the camp.

The dingy canvas-walled corner of the administration building which Bibbigaus remembers is now a brightly lighted library for members. It is walled with plywood and furnished like a clubroom. The canteen, which was a dark cubbyhole in the early days, has been moved to a roomy recreation hall where it has been equipped with refrigeration and attractively painted. A photographic darkroom for the use of members adjoins the recreation hall. The darkroom has an electrical dryer and an enlarger built and used by photographic students.

An improvement of special interest to the former district officer was the new infirmary in a large building added to the fairgrounds since the major's regime. The first district infirmary was a room in the downtown district office.

The barrack, which in the early days of the district was a dusty expanse of floor space with scattered bunks, is now an orderly arrangement of steel cots and painted lockers with a radio for the members and a conveniently located office and supply room.

Improvements added to the kitchen arrangements by Capt. Anderson include a gas oven for baking, a refrigeration unit as large as that of a modern butcher shop, a vegetable room with sprays and a stainless steel covered work table, insuring sanitary handling of food for the members.

Even the grounds did not look the same to Major Bibbigaus. Landscaping, in which all departments have co-operated during the last year, has changed the appearance of the grounds from a gravelled expanse of weeds to orderly close-cropped lawns with many beds of brightly-colored flowers.

Death Valley National monument, California, includes elevations from 11,048 feet above sea level to 278 feet below.

Savannah, Ga., city council passed an order prohibiting the drivers of municipally-owned horse and mule-drawn vehicles from carrying whips.

A public court or building with a portico, in architecture among the Romans and Greeks, is called Basilica.

Stated meeting of Crater Lake Chapter No. 32, R.A.M., Medford Masonic Temple, October 20th, 1936, 7:30 p.m.

V. A. NORRIS, H.P. E. M. WILSON, Sec'y. Use Mail Tribune want ads.

Oregon Tax Limitation Situation Explained

(Editor's Note: This is the last of a series of articles on the tax situation in Oregon, written for this newspaper by Dr. James H. Gilbert, dean of the college of social science at the University of Oregon. Dr. Gilbert, who is also professor of economics at the university is regarded as an authority on the tax situation in the state of Oregon and is frequently consulted by state officials and others.)

Effect on Education—Will School Keep?
(By James H. Gilbert)
Defeat of the twenty mill limitation in 1934 was traceable largely to the popular concern about its effect on education. It must not be assumed that the present tax limitation measure is less dangerous to public education.

The reductions called for are not comprehended in the gradual annual reductions of four per cent. In 33 counties property assessments must decline—in 9 counties as much as 30 per cent. Even assuming a normal levy for school purposes in 1935, it means an immediate cut in school budgets of 30 per cent in a single year before the graded annual reductions become effective.

In Crook county where the county unit system has cut expenses to the bare minimum, a total reduction of 33 per cent must be made before 1942. It must be recalled also that both elementary and high school districts carry considerable debts. As in the case of cities, interest and sinking fund obligations are a first claim. All cuts must come out of operating budgets. The operating budgets of Crook county schools must come down 42 per cent by 1942.

In Eugene, a typical city district, a 40 per cent reduction in operating expenses will be necessary by 1942. With salaries down to the minimum and equipment impaired to the depression level, such reductions are impossible and fatal to educational efficiency.

Higher education also will suffer. Since 1931 the sole support of instruction in university, college and normal schools comes from a fixed millage on property valuations. Since that year \$474,000 annually has been lost from higher education budgets by the shrinkage of millage receipts. With the fall term of 1936 enrollments are back to the peak and the demands upon the system for public services of various kinds enormously increased.

In the light of these demands from within and without, it does not seem reasonable to adopt an amendment which will strike \$106,000,000 from assessed valuations and cause another loss of \$173,000 annually in millage receipts.

In addition to other objections, the limitation amendment is wholly inconsistent with reasonable standards in public education. Friends of education should ask the question—"What price tax reduction?"

Manager To Reporter
Mrs. Lella Hartman of Chambersburg, Pa., has a deed of George III, bearing the great seal of Pennsylvania and signed by Lieutenant Governor John Penn.

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BETTE CAN ACT ONLY FOR WARNER

LONDON, Oct. 19.—(AP)—Bette Davis, American film player, was restrained today from appearing in motion pictures or other performances in England for any company except Warner Brothers of Hollywood.

The injunction was granted by Justice Sir George Branson in king's bench division upon application of the American film company.

The injunction specified the ban would be operative for the remainder of her contract with Warner Brothers or for three years, whichever period is shorter.

Miss Davis was described by her counsel, Sir William Jowitt, as an actress under a "life sentence." Sir Patrick Hastings, representing the American Film company, declared Miss Davis was "a naughty little girl who wants more money."

GLEEMEN REHEARSE TOMORROW EVENING

The regular Tuesday rehearsal for the Medford Gleemen will be held tomorrow night starting at 7:00 o'clock in the Jaldwin Piano Shoppe, it was announced today by James Stevens, director.

Stevens asked that all members make an effort to be present, to rehearse for a winter season that is to be full of activity.

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