

The Weather
Forecast: Fair today; tomorrow cloudy and cooler with higher humidity.
TEMPERATURE
Highest yesterday 85
Lowest yesterday 42

Find Plenty
Take a little time this morning to read the classified ads. You will find plenty to interest you. If you wish to rent, buy, sell or trade, look up these classifications on the classified page.

Thirty-Second Year MEDFORD, OREGON, SUNDAY, MAY 16, 1937 No. 47.

SOCIAL SECURITY FACT DECISION LOOMS



News Behind The News
By Paul Mallon
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WASHINGTON, May 15.—The Bank of England seems to have become big-hearted all of a sudden about President Roosevelt's gold predicament. It bought the other day about \$25,000,000 worth of this mysterious commodity which Mr. R. has been unwillingly hoarding. This was the first such purchase recorded in several months. Until then, everyone had been waiting for Treasury Secretary Morgenthau to buy it all.

Now, there will be many explanations of this transaction. As no one seems to understand Ward, really speaking of certainty, everyone can agree freely. However, the best explanation accepted in gilt-edged quarters is that it indicates the existence of some sort of gold arrangement between Washington and London.

It likewise tends to confirm the vague story which has been kicking around the best circles for some months, namely that Mr. R. reached some indefinite and vague price working basis with Walter Runciman and Lord Tweedsmuir and hopes to carry it forward when Premier Van Zeeland of Belgium comes over.

The story that cooperation exists is being denied officially, of course. In the official explanation it is pointed out that British gold stocks have fallen 25 to 35 per cent in the last few months. The bank and the British government naturally are concerned.

The reason the stocks have been falling is that the world seems to have reached the conclusion that the United States set the gold price too high. There is agreement abroad that it will have to be changed eventually. From this Washington end, however, convincing evidence is available that no change in the price can be made, as has been recently reported. It seems certain Washington intends to let the matter slide until the inactive gold fund reaches over a billion dollars. At the rate the metal was coming in from abroad in April and early in May, that reckoning day would not be far distant, but now that the British are concerned, the inflow may decrease.

This policy of play and delay also may be helped by the recent arresting of stock and commodity prices here. Some authorities are convinced the real reason gold has been coming in is that there was a flight of foreign capital toward American investments. That makes the American investment field appear inviting to foreigners, and that the government has been following an unbalanced budget policy looking definitely toward higher prices. Furthermore, if there is any crack in exchange, the foreigners figure it will be in their favor.

Orthodox Washington economists tell you there is nothing in that. They blame the excess balance of American trade for the inflow. But made indicating that if you estimate the inevitable trade (tourist travel, etc.), there is no excess in balanced volume sufficient to warrant the gold imports.

This adoption of sounder policy here (curtailment of relief, balancing the budget, etc.), plus British concern and whatever working arrangement it represents, may tend to solve the gold problem which otherwise appears unsolvable in the master minds.

What happened in the Dodd case is that the ambassador extraordinary (official title) in Berlin got hold of a rumor which was two years old and which was sour, even when it was new.

EPOCHAL RULING ON AGE AID LAW MAY BE MONDAY

Jurists Hold Secret Session On Decision Affecting Millions—Three Points At Stake.

WASHINGTON, May 15.—(AP)—The supreme court met in secret conference today to prepare for a session Monday which may produce an epochal opinion on constitutionality of the administration's social security legislation.

This is the major controversy among the 28 cases awaiting decision before the justices adjourn for the summer early next month. Its outcome may have an important bearing on President Roosevelt's proposal to reorganize the tribunal.

1. Constitutionality of the old age pension provisions of the federal act under which employers and employees are taxed to provide benefit for the worker when they reach 65. A total of 2,610,000 employees and 2,700,000 employers are paying the assessment.

2. The unemployment insurance provisions of the federal act under which employers of eight or more persons are taxed to provide benefits for the jobless. They may deduct 90 percent of the assessment provided it is paid into a state unemployment compensation fund approved by the federal social security board.

3. Constitutionality of laws passed by 43 states and the District of Columbia to provide unemployment compensation in line with the purpose of the federal measure. These states have 18,550,000 workers. Only Delaware, Illinois, Missouri, Nebraska and Florida have not passed supplementary legislation.

1-HOUSE SESSION NEBRASKA ENDS

LINCOLN, Neb., May 15.—(AP)—The nation's only one-house legislature completed its first session today with 43 members in general agreement that "our work has been good, but not sensational."

The unicameral body adopted 228 bills during the 98-day session. The bicameral enacted 192 laws in 110 legislative days. The unicameral cost the state about \$140,000 compared with \$203,000 for the last bicameral in 1935.

The final item of business, passage of a \$54,851,000 biennial appropriation bill, biggest in history, drew the criticism of Nebraska's governor, R. L. Cochran.

"I regret the legislature thought it necessary to raise my budget by five million dollars," he said. "I regret that I cannot veto any of the items. It seems to me that under the unicameral system the governor is only an advisory officer when it comes to budget matters."

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Feast on Chickens To Find Lost Gem In Final Rooster

SEATTLE, May 15.—(AP)—Don't mention a chicken dinner to the William Morgans. For 18 consecutive days the Morgans ate a chicken a day, hoping to find a \$100 diamond picked from Mrs. Morgan's ring while she was feeding the birds, but their menu will undergo a change now.

In the first place, they haven't any more chickens and secondly, the diamond was found in the gizzard of the last rooster.

SOUTH BAPTISTS ASSAIL TOBACCO, BOO LYNCH CURB

YOUTH MINISTER APPEALS FOR WAR ON LARGER EVILS AND STIRS CONVENTION STORM.

NEW ORLEANS, May 15.—(AP)—Smoking was branded un-Christian and unhealthy by the Southern Baptist conference after its 4,000 members heard an appeal from a young minister to switch attention from such "trivial evils" to larger social problems involving the "intiquitous share-cropping system" and "sweat shop wages."

"This is my first public appearance and I realize I am treading on dangerous ground," said the 29-year-old minister, the Rev. Charles R. Bell, Jr. of Anniston, Ala., in his first convention speech before veteran Baptist ministers and laymen.

"But," he went on, "I cannot adopt such weak and indefinite resolutions in a day when we are faced with a national law to stop it. We ought to support the Garagan anti-lynching bill."

There were shouts of "no, no," from the floor and Mr. Bell sat down. Z. D. Upshaw, former prohibition candidate for president, answering the young minister, said:

"He is not an old-time Baptist. Everything he says has been covered in our reports for years. He should read the Bible."

Mr. Howard, taking the floor on behalf of his resolution, described "smoking, spitting and dipping as a man ought to look like a Christian, act like a Christian and smell like a Christian," he commented, "and," he added, "we don't want any cigarette-smoking stokers either."

KING RESTS FROM CORONATION WEEK

LONDON, May 15.—(AP)—The king and queen received another tumultuous demonstration of loyalty from millions of subjects today when they drove from Buckingham palace to Windsor castle for a quiet week-end to rest from the arduous duties of coronation week.

They were accompanied by their daughters, Princesses Elizabeth, heir presumptive to the throne, and Margaret Rose.

London, as a climax to coronation week, was jammed as hundreds of thousands, freed by the whirlwind week-end holiday, poured into the capital to swell the ranks of the visitors from at home and abroad who were here.

The Dallas Times Herald said Sheriff Harold Sexton and deputies late Friday descended on pool halls and billiard parlors at Dufur and Annapolis, seizing seven slot machines and citing the operators to appear in court on a misdemeanor charge.

BUSINESSMEN HIT BY VOTER EDITOR FOR LABOR STAND

PORTLAND IN GRIP OF UNIONS, CHAPMAN DECLARES, FEARS INDUSTRIAL DEMOCRACY.

PORTLAND, May 15.—(AP)—Pointing the finger of shame at American business men for "knuckling under to organized tyranny," C. C. Chapman, editor of the Oregon Voter, assailed the Wagner labor act in an address before the Oregon Feed Dealers convention here.

"The Wagner law is aimed only at employers," Chapman said, "and does not forbid any unfair practices so far as unions are concerned."

Such legislation tends to turn the American political democracy into an industrial democracy, he asserted, adding that Portland is virtually in the grip of union organizations. He advised the feed men to "put their heads in order lest the condition spread throughout the country."

"It is clear that if you are an employer in interstate commerce you have no right of free speech with employees. If an employer should come to advise with the man who hires him about the wisdom of union membership, the employer would be liable to citation by the labor department for violating the Wagner law."

The individual who wants to please his employer by working hard is not regarded favorably by labor organizations, the editor declared.

"Maybe there are evils which the employers themselves can correct before they are compelled to do so," he suggested.

INDIANA FARMER TO CONDUCT OWN FUNERAL SERVICE

COATESVILLE, Ind., May 15.—(AP)—The countryside buzzed tonight with speculation on what Wade Millam, 84-year-old wealthy farmer, would say at his own "funeral services" tomorrow afternoon.

Millam, who invited all of his friends and expected "thousands," was noncommittal.

As he put finishing touches to his funeral oration he only said, "I'll have something interesting to say," but pointed out his prayers would be welcome if they cared to come.

A few days ago his wife, who said she married him to erase a \$600,000 debt, died after a short illness. Millam was shocked so severely he could not attend her services.

Asked why he had decided to hold his own services, he said: "I do not want my preacher, or singing at my funeral, so I decided I would take care of the thing myself and get it over with. There won't be any preacher or undertaker when my time comes."

HOLLYWOOD, Cal., May 15.—(AP)—The striking Federated Motion Picture Crafts tonight refused offers of a truce by the film producers under which they would return to work next Monday.

PORTLAND, Ore., May 15.—(AP)—Signs of peace appeared today on two labor fronts but a major dispute on a third, the Jurisdictional fight for control of warehousemen at Meier & Frank, the city's largest department store, continued with no signs of quarter on either side.

OREGON AIDE ON GOOD-WILL FIESTA TRIP

THOMAS F. GUNN OF PORTLAND, WHO IS THE CHIEF AIDE TO GOVERNOR MARTIN ON OREGON'S GOOD-WILL CAYALETA TO THE SAN FRANCISCO MAY 27 TO JUNE 2. GUNN WILL HAVE THE LARGEST OUT-OF-STATE REPRESENTATION IN THE FIESTA, WHICH WILL BE THE MOST SPECTACULAR CELEBRATION EVER SEEN IN THE WEST.



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COIN SETTLEMENT UPON DUKE HITS IMPERIAL WALLET

ROYAL FAMILY 'POOR AS CHURCH MICE FOR DECADE' CLAIM—TERMS SECRET.

MONTS, France, May 15.—(UP)—The marriage of the Duke of Windsor and Mrs. Wallis Warfield will take place on June 4. It was reported here tonight.

LONDON, May 15.—(UP)—The Duke of Windsor has been given a financial settlement which will give him and his intended bride, Mrs. Wallis Warfield, a truly royal income for life, reliable sources close to Buckingham palace revealed tonight.

The settlement comes from the private resources of the royal family, the government having decided not to take care of the abdicated king from public funds.

Both parties to the agreement were reported to be "well satisfied," but no details of the amount of the settlement were revealed—or are likely to be revealed officially.

The best guess was that the arrangement is in the form of a trust fund which, together with income from his own capital, will give the duke an annual income of about \$160,000.

Reports are that a trust fund has been set up of about \$300,000. Edward cannot touch the capital. In the event of his death, the income would go to Mrs. Warfield and any possible children, and after their death would revert to the royal family.

Although the duke's affairs were in a tangled state when he left England, they have been straightened out and urgent debts paid, some by the royal family, including thousands of pounds to bankers—which leaves the duke with a fortune of \$2,500,000. The latter amount would be chiefly the residue of the fortune which his grandmother, Queen Alexandra, left to him, plus the proceeds from the sale of his own properties.

Palace circles said the settlement would leave the royal family comparatively "as poor as church mice for the next decade."

FEDERAL AID TO LIBRARY ARGUED

PORTLAND, May 15.—(AP)—Whether it is financially sound for the state to accept the \$450,000 federal grant for use in construction of the new library building in Salem is a question that will be considered by the state capital reconstruction commission when it meets here Monday.

FORD PLANS WORD TO EMPLOYEES TO BALK ORGANIZERS

MARTIN THREATENS TO FILE CHARGE WITH LABOR BOARD IF 'FORDISMS' DISTRIBUTED BY MAGNATE.

DETROIT, May 15.—(UP)—The United Automobile Workers of America, through President Homer Martin, indicated tonight it might file charges of unfair labor practices against Henry Ford if the billionaire manufacturer goes through with his announced intention of distributing an "anti-union" message Monday to his 140,000 workers.

Such activity on the part of Ford, Martin alleged, would constitute a violation of the Wagner labor relations act. The youthful union head indicated the U.A.W.'s only course would be to file charges with the national labor relations board through its Detroit regional office.

Ford has announced he will distribute cards bearing "Fordisms"—phrases explaining his stand on unionism—on Monday, the same day the membership drive opens Ford employees.

Martin pointed to Section 8 of the national labor relations act as bolstering his charge of alleged violation. This defines interference by an employer with the formation of any labor organization as an "unfair labor practice."

The Ford plant was closed for the week-end and officials were not available for comment.

Ford awaited delivery from the printer of the small cards he will hand to all his workers.

"Sample 'Fordisms' include: 'A monopoly of jobs in this country is just as bad as a monopoly of bread.' 'Figure it out for yourself. If you go into a union, they have got you and what have you got?' 'We have always made a better bargain for our men than an outsider could. We have never had to bargain against our men, and we don't expect to begin now.' 'Union officials were confident the Ford counter attack would halt unionization of his employees.'"

SURVIVOR OF ZEP NEAR EXPLOSION IN STERN FOUND

LAKEHURST, N. J., May 15.—(UP)—The investigators of the Hindenburg disaster unexpectedly discovered today a man who could tell them what he saw in the dirigible's stern when it was torn with a flaming explosion.

Considered one of the most important crew survivors yet found, Hans Freund, a rigging officer, told the commerce department investigating board and its staff of American and German advisers that he was on duty in the ship's tail at the time and saw the spot where disaster struck so suddenly.

Freund had been called as another routine crew survivor witness so that he might sail for his German home tonight with 20 other comrades who have told their stories. His apparent knowledge of the moment of disaster so impressed the investigators, however, that he was suddenly withdrawn from the stand and his thorough examination deferred until Monday.

While today's brief hearing was in progress, the loss of life from the air-liner tragedy of May 6 increased to thirty-six. A German passenger on the last flight, Otto Ernest, 78, a Hamburg cotton importer, died from the burns and injuries he suffered in the crash.

Freund had little chance to get ascribed on his story before he was withdrawn. He did reveal, however, that a manila landing rope was momentarily fouled by the fins of the ship during landing operations.

California Forces Drummers to Pay

PORTLAND, May 15.—(AP)—E. D. Guntor, secretary of the Multnomah County Merchants' association, had a new "beer" today concerning California border regulations.

Wild West Tales, And Authors Hit By Salem Hit

SALEM, May 15.—(AP)—Because a defendant youth admitted he read western and gangster fiction, Circuit Judge L. H. McMahan said today "if I had some of those western fiction writers here I'd like to send them out to the end of State street (Oregon penitentiary site)."

Judge McMahan told 19-year-old William Lowell Buckley, charged with assault and battery, "don't read any more of those western stories. They aren't stories of the old west. They are just fragments of wild-eyed imaginations."

Buckley has pleaded guilty to the indictment and Judge McMahan was about to parole him when informed the charged crime was not parolable. He then returned the case to the grand jury with instructions to return an indictment of an offense which was parolable.

GOVERNOR ROILED BY DAM POLITICS 'TO CATCH VOTES'

GARDEN CLUB TOLD OF POWER—NOT FLOWERS BY MARTIN—PIERCE RAPPED.

THE DALLES, May 15.—(AP)—In a speech before the Oregon Federation of Garden clubs which had nothing to do with raising pretty flowers, Gov. Charles Martin said a bill introduced in congress by Rep. Pierce for administering Bonneville dam power was "sun-shoe politics, designed to catch votes."

Renewing his feud with Pierce, which began when the governor visited Washington a few weeks ago and clashed with the representative and former governor upon Pierce's attitude toward the dam, Martin, although he did not mention Pierce by name, left no doubt of whom he was talking about.

"It makes me nervous to think of what happens after we have worked so hard for the Bonneville dam," said the governor, who spoke before the federation Friday night. "There is plenty of power at Bonneville for everyone. Even if they reserve 50 percent of this power for new industries, there still will be plenty left for the people of Oregon."

The governor's objection to the Pierce bill was based upon the fact that it proposed a rate for power, while the governor has insisted upon a staggered rate.

Northern Coast; Fair Sunday; fog on the coast; cooler west central portion Sunday; moderate northerly wind off coast.

Oregon; Fair Sunday; warmer in interior Sunday, with rapidly falling humidity; wet portion; gentle north to east wind off the coast.

Weekly outlook; For period May 7-32, far western states generally fair, with temperatures considerably above normal in interior during fore part of week; becoming unsettled and cooler by middle of week in northern districts on California coast.

The Noted Dead

LONDON, May 15.—(AP)—Philip Snowden, a Weaver's son who became Viscount Snowden of Ickneshaw and labor's first chancellor of the exchequer, died today of a heart attack. He was 72 years old and had been inactive in politics for five years.

His wife—who once said she felt in love with him "when I saw him smile"—was his only immediate survivor.

FARLEY ASSAILED FOR TACTICS TO PASS COURT PACK

Compromise Bloc Threatens Move To 'Lick' F.D.R. Plan—Sen. Copeland Predicts Defeat—Raps Jim.

WASHINGTON, May 15.—(UP)—President Roosevelt's fight to save his judiciary program suffered a new blow tonight when Senator Pat McCarran, democrat, Nevada, said the congressional compromise bloc might switch its strategy and go out to "lick" the administration bill.

McCarran issued a sharply-worded statement saying that the compromise advocates—who admittedly hold the balance of power in the court fight—"will now be inclined to withdraw our proposals and bring the issue to a straight out vote."

"And we've got it licked," the Nevada senator added.

His statement came after Senator Burton K. Wheeler, democrat, Montana, leader of the fight against the court bill, had charged the administration with "desperate and threatening" tactics in seeking to pass the bill to enactment without compromise.

Wheeler particularly assailed Postmaster-General James A. Farley for remarks he made concerning senators who have advocated a compromise, mentioning McCarran and Senator Joseph C. O'Mahoney, democrat, Wyoming.

Senator Royal S. Copeland, democrat, New York, a foe of the court plan, predicted in a prepared statement that his "defeat is inevitable." He said "this will be no compromise on our side."

"Compromise is a double-edged sword," he said. "This is a matter of principle with so large a group of senators that it is impossible for the plan to be approved."

"I am confident that Jim Farley for my conscience, thank God! Right now my conscience is perfectly clear. I don't say this to be disagreeable, but all of us who are interested in the progress of events in Washington know the bill isn't going to pass. We're 40 to 80 men in the senate are against it."

McCarran's remarks were considered significant because of the attention given to his compromise proposal for increase of the court to 11 members and because he had been the key man in the agitation for compromise.

The controversy over enlargement of the court, continued to dominate the congressional picture into which the president yesterday injected suggestions for labor, power and economy legislation at this session.

"Perhaps those of us who have been inclined to interpose compromise with the hope that we might go on with the legitimate business of congress and the country will now be inclined to withdraw our proposals," McCarran said.

This, it appears from reports emanating from yesterday's white house conferences, would be more in keeping with the attitude of the other side.

"We have been willing by means of the substitute bill pending before the judiciary committee to do the thing lawfully, whereas the administration plan is unlawful and unconstitutional."

The final report will be submitted to the board on that date. The committee members will be accorded on ways of improving the selection of judges, Kelly said. It was agreed not to announce the conclusions until the report is completed.

Members of the committee include Judge Lawrence T. Harris, Eugene, A. E. Reames, Medford; O. J. Hollis, Eugene, and Oliver Crowther, Salem.

(Continued on Page 12)