

MORGENTHAU HITS RICH TAX DODGERS AS QUIZ STARTED

Legislation and Publicity Urged As Cures — First Witness Tomorrow.

WASHINGTON, June 17.—(AP)—Secretary Morgenthau opened a congressional investigation into tax dodging today by calling for the combined forces of remedial legislation and publicity to be turned against those who evade or avoid taxes.

Morgenthau reviewed in his statement devices of personal holding companies, incorporated holdings, incomes assigned to children and other methods which President Roosevelt described in a message to congress two weeks ago as being generally used by some wealthy persons for evading or avoiding income tax payments.

The treasury secretary did not call any names of accused tax-dodgers in his statement, as some persons had expected he would, but there were indications such names would be made public later by Roswell Magill, treasury undersecretary.

After today's hearing closed Magill told reporters that Elmer Irey, head of the international revenue bureau intelligence unit, would be the first witness tomorrow and would have with him a list of alleged tax-dodgers.

Morgenthau said:

"I am hopeful that the continued publicity which hearings of this sort give with respect to the game of tax avoidance may help to create an atmosphere in which men will hesitate to use these artificial devices to avoid the payment of taxes just as today they hesitate to use such devices to escape the payment of private debt."

He struck repeatedly at rich taxpayers who, he said, employed "expensive attorneys to avoid taxes."

JAPAN DECLINES F.D.R. PROPOSAL TO LIMIT NAVAL ARMS

WASHINGTON, June 17.—(AP)—State department officials disclosed today that the United States has asked the principal world naval powers if each would agree to limit the calibre of big guns on their battleships to 14 inches.

This represented a new move on the part of this government to persuade Japan to enter an international agreement of this character, which that country had previously categorically refused to do.

The disclosure came almost simultaneously with the opening bids at the construction of one of two new battleships for the American fleet.

On instructions from President Roosevelt, the navy high command has withheld a decision on whether to equip these ships with 14 or 16 inch calibre rifles until Japan could make known her final stand on the matter.

Navy officers favor 16 inch guns so, the new super-dreadnaughts, but Secretary Swannson said today this government was loath to heighten international rivalry in that calibre of weapons. He expressed a hope Japan would consent to the 14 inch limit.

Three shipbuilding companies offered proposals on construction of the one new battleship to be built in a private yard. The bids ranged from \$46,212,500 to \$50,900,000.

ALTURAS SLAYER WILL TAKE STAND

ALTURAS, Calif., June 17.—(AP)—Harry French, slayer of a pioneer family, announced through his attorney today that he would take the witness stand in his own behalf to relate the fatal shooting of Claude C. McCracken, newspaper editor.

"French will testify in his own behalf," Attorney F. Luke Howe of Sacramento told the court today as selection of a jury continued.

The first peremptory challenge ousted Theodore Bassett from the 12 tentative jurors on the ground he married a first cousin of the defendant.

Howe asked prospective jurors whether they would give the same consideration to testimony of defense attorneys as to those of the prosecution.

Howe and Assistant Prosecutor Herbert Welch of Lakeview, Ore., clashed over the questioning of Harry Studley, a rancher.

A Fast Brain Thru Arkansas

TULSA, Okla., June 17.—(AP)—A halter, water commissioner W. F. Graham says, is a ticket for a vacation in Arkansas.

Several years ago Graham bought a halter, hung it over his shoulder and set out on foot. At nightfall he always stopped at a farmhouse and explained he was looking for a lost horse. Invariably, he said, he was asked to stay.

"That halter and I spent three months tramping through Arkansas," he mused—"never spent a dime for food and lodging."

Strike Situation At a Glance

(By the Associated Press)

WASHINGTON — Labor Secretary Perkins announced a federal three-man mediation board meets in Cleveland immediately to try and bring peace in the C.I.O. strike against independent steel companies for signed labor contracts. Move follows appeals for federal intervention by Gov. Martin L. Davey of Ohio and Mayor Daniel J. Shields of Johnstown, Pa.

YOUNGSTOWN, O.—John Owens, C.I.O. organizer, warns of sit-downs in steel mills if back-to-work movement persists.

Johnstown, Pa.—Lieut. Charles S. Cook of the state police reports an undetermined number of non-striker slips back to jobs in strike-bound Cambria works of Bethlehem Steel.

Mayor Daniel L. Shields appeals for presidential intervention before Roosevelt. Non-striker stabs two pickets.

NEW YORK — Five of largest shipyards close as 9,000 workers strike over the closed shop.

CHICAGO — C.I.O. chief, Lewis comes here to confer with strike strategists before Chicago stadium mass meeting address tonight.

MONROE, Mich.—Volunteer citizen brigade of 650 organized on permanent basis by Mayor Daniel A. Knaggs to replace special paid police around Republic Steel corporation subsidiary plant.

INDIANAPOLIS — American Legion "not a strike-breaking organization," says its national commander, Harry W. Colmery. When Legionnaires are deputized, he says, "they are thus serving in their capacity as citizens and not because they are Legionnaires."

LANSING, Mich.—"Law and Order League" formation announced, following general labor holiday in city June 7 to "supply law enforcement agencies with sufficient volunteer personnel to carry out their duties under all circumstances."

WARREN, Ohio.—Telephone operators end strike who wage increase, restoring service to this steel strike city's 40,000 citizens.

BAY CITY, Mich.—Settlement of Bay Manufacturing company, C.I.O. auto workers strike reached after all-night conference, averting threatened "labor holiday" in city.

AUTHORITIES IN SHARP CONFLICT IN PARSONS CASE

STONE BROOK, N. Y., June 17.—(AP)—Sharply growing differences of opinion between the federal men and Suffolk county authorities investigating the mysterious disappearance of Mrs. Alice McDonnell Parsons, Long Island society matron, was revealed today as the government agents pursued a kidnapping theory, the other expressing the belief she was slain.

A Suffolk county official said the county and state authorities and the agents of the federal bureau of investigation were reaching a climax in their relations.

"The federal men think it is a kidnapping," he said. "We think it is murder, and we are ready to proceed on that theory and to act quickly. There seems to be evidence enough to make it a grand jury."

This official said robbery did not appear to be the motive, so far as the local men could determine but declined to comment further along this line.

A report had it that a person who represented himself as a kidnaper communicated with the Parsons family promising to return the 38-year old missing woman if the \$25,000 ransom, originally demanded in a note, were paid and immunity from police intervention guaranteed.

Searchers directed their attention to a spot about 2,000 yards from the house where an odor, indicating the presence of a body was detected.

The odor was discovered last night after dark, Lieut. Stacey Wilson of the Brookhaven police said the odor was "unmistakably that of a body" but added that the body might be that of an animal.

Lawyer mover service, call and del. Ideal Bike Shop, Tel. 895 411 E. Main Use Mail Tribune want ads.

COURT PACK PLAN MAJOR TOPIC AT DEMO POW-WOW

WASHINGTON, June 17.—(AP)—The court reorganization bill, in former persons said today, undoubtedly will be a major topic at the three-day pow-wow late next week between President Roosevelt and 400 Democrats in congress.

The president will meet the party members at a three-story white Colonial clubhouse, situated among the swaying pines of a 20-acre island near Annapolis, Md., in an effort to iron out party conflicts.

Other issues which may be discussed at the secluded club include:

1. Labor: Details of the wage and hour bill are in dispute. Some members have expressed concern over the current strike situation.

2. Government reorganization: Senate and house committees have disagreed over provisions of the bill to reorganize executive departments.

3. Relief: An economy bloc in both houses has endeavored to change provisions of the 1938 relief bill. This problem may be settled before the island meetings on June 25, 26 and 27.

4. Farm aid: Final provisions of the bill to loan funds to tenants to purchase land have not been worked out.

5. Power: Arguments arose among members in both houses over what committees should handle the Norris bill to set up seven "little TVA's."

Informed persons said that none of these problems, aside from the court bill, had created any serious friction but that many members would welcome the opportunity to discuss them with the president.

FARMERS PLAGUED BY HEAVY RAINS

PORTLAND, Ore., June 17.—(AP)—Unseasonal June rains gave farmers in many sections of the state cause for unusual worries today—too much moisture.

Strawberry and cherry growers feared for their crops and the potato growers of Klamath county had cause for concern for the first time in agricultural history there, because of too much rain.

The weather bureau promised no relief, forecasting occasional rains tomorrow in the western portion of the state.

Stockmen saw in the rains increased insurance of good pastures and grain growers found cause for rejoicing.

Klamath Falls reported an all-time June rain record of 3.78 inches, clouded skies adding 22 of an inch last night, while 41 fell at Portland and 23 of an inch in 24 hours at Salem. Lighter rains were recorded in eastern Oregon.

Yacht building yards on the Atlantic seaboard are busier this spring than at any time since the World War.

Wall St. Report

NEW YORK, June 17.—(AP)—After an early relapse steels rebounded in today's stock market following appointment of a federal mediation board in the far-flung labor controversy.

A heavy selling wave hit the list in the morning, with numerous leaders stumbling fractions to 3 of more points.

Buying support arrived around noon on word from Washington Secretary Perkins had conferred with the president and would have an "important announcement" to make at a subsequent press meeting.

Today's closing prices for 32 selected stocks follow:

Table with 2 columns: Stock Name and Price. Includes Am. Chem. & Dye, Am. Can., Am. & Fgn. Pow., Anaconda, A. T. & T., Atch. T. & S. F., Bendix Avia., Beth. Steel, Chrysler Tract., Coml. Sply., Curtiss-Wright, DuPont, Gen. Elec., Gen. Foods, Gen. Mot., Int. Harvest, I. T. & T., J. H. Man., Montgomery Ward, North Amer., Penney (J. C.), Phillippe Pet., Radio, Sou. Pac., Std. Brands, St. Oil Cal., St. Oil N. J., Trans. Amer., Union Carb., Unit. Aircraft, U. S. Steel.

Livestock

Portland Livestock PORTLAND, Ore., June 17.—(AP)—Hogs: 700, including 282 direct, market active, mostly steady, good-choice 165-215 lb. drivings \$10.75, few \$10.50, carload lots \$11.00, 220-280 lb. and 120-155 lb. \$10.00-1.25, packing sows \$7.50-8.00 feeder pigs \$10.00.

CATTLE: 200, including 8 direct, calves 75, including 13 direct market steady with Wednesday's some classes 25 cents or more below Monday, dry fed steers absent 10-12.5, few common grassers \$5.50-7.25, heavy \$7.25, low cutter and cutter cows \$3.50-5.00, common-medium butcher cows \$5.25-6.00, cutters \$5.00, vealers strong good-choice \$8.00-9.00, select \$9.50, common \$5.00.

SHEEP: 500, including 168 direct, market steady, bulk good springs Oregon from Kansas about a year ago.

Survivors include his mother Gertrude, four brothers, Roy Claude and Mark, all of Globe, Ore.; and two sisters, Hazel of Portland and Viola of St. Francis, Kansas.

Portland Wheat

PORTLAND, June 17.—(AP) Grain: Wheat: Open High Low Close July 1.03 1.04 1.03 1.04 Sept. 1.00 1.00 1.00 1.00 Cash wheat: Big Bend bluestem hw 12 pct 1.12; dark hard winter 13 pct 1.20; 12 pct 1.21; 11 pct 1.13; soft white and western white 1.13; hard winter 1.11; western red 1.12. Oats, No. 2 white 33.50, gray 32.50 Barley, No. 2-45 lb. bw 40.00.

Portland Produce

PORTLAND, June 17.—(AP)—BUTTER: Prints, A grade, 34c lb. in parchment wrappings, 35c in cartons; B grade, 33c in parchment wrappings, 34c in cartons.

BUTTERFAT (Portland delivery, buying price): A grade, 33 3/4c lb.; country stations, A grade, 31 1/2c lb.; B grade, 1 1/2c; C grade, 6c less.

EGGS—Buying price by wholesalers: extras, 20c; standards, 17c; medium, 15c; medium firsts, 15c; undergrades, 15c down.

COUNTRY MEATS—Selling price to retailers: vealers, 13 1/2c; others unchanged.

Cheese and live poultry unchanged. San Francisco Butter. SAN FRANCISCO, June 17.—(AP)—Butter: Score 92-93; 91-93; 90-90 1/2; 89-28 1/2. Eggs and cheese unchanged.

SEEK MOTIVE FOR BOY, 13, SUICIDE

RAINTIER, June 17.—(AP)—Authorities of Columbia county today were seeking a motive for the suicide of 13-year-old Kenneth Wilson, whose body was found hanging in a 60-foot alder tree on his mother's farm 14 miles southwest of here at midnight Tuesday.

The boy, after spending most of the forenoon playing with a companion, disappeared shortly before lunch. A neighbor, Albert Gregory, finally found the boy's body about 40 feet above the ground.

The boy was president of the Beaver Home 4-H club. Efforts to intercept a letter he had written Tuesday to a friend in Kansas were futile. The family moved to

Income Shares
Maryland Fund, bid \$8.90, asked \$9.75.
Quarterly Income, bid \$16.75, asked \$18.82.
D.A.R. Pioneer Dies
PORTLAND, June 17.—(AP)—Mrs. Lizzie L. Swart, a charter member of the Willamette chapter of the Daughters of the American Revolution, died here Monday. He was 78 years old.

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