

The Weather
Forecast: Cloudy tonight and Wednesday; moderate temperature.
TEMPERATURE
Highest yesterday 62
Lowest this morning 47
Precipitation last 24 hours Tr.

Room For All
So many people depend upon the Classified page of this newspaper to take care of their wants that it is surprising that everyone does not do likewise. There is room for ALL.

Thirty-Third Year MEDFORD, OREGON, TUESDAY, APRIL 26, 1938. No. 30.

INCOME TAX INCREASE JOLTS BRITAIN

The Capital Parade

By Joseph Alsop and Robert Kintner

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JOBLESS COMMITTEES POTENT FORCE IN CIO
EXPECT LEIS' SCHEME INCREASE UNION ROLLS
JOBLESS WORKERS EXCITED FROM PAYMENT OF DUES
LABOR POLITICAL MACHINE SEEN IN MAKING

WASHINGTON, April 26.—The wisecracker, who nod their heads and whisper cheerfully that the new depression will destroy the Committee for Industrial Organization, have not been wise enough to find out what John L. Lewis and his C.I.O. are up to. Unless appearances are exceedingly deceptive, Mr. Lewis has discovered a device for upsetting the old maxim that hard times are harder on labor organizations than anything else.

In these last months, under the personal direction of Mr. Lewis, the C.I.O. succeeded in establishing "unemployment committees" in every city where it has strong unions, and in each of its unions' locals. Because Mr. Lewis and his advisers have not cared to publicize their achievement, the true significance of the new committees has been all but unanimously ignored. They have been dismissed as just one more set of organized clamorers for more relief dollars.

Actually, they are nothing of the sort. They are Mr. Lewis' device for coming out of the depression with more followers than he had when the depression started. They are a skeleton political machine capable of great expansion. And, to the optimistic insiders of the C.I.O., they are the beginnings of a labor movement unlike any this country has seen.

The history of the C.I.O.'s by now far-flung network of unemployment committees is pretty fascinating. It begins at a time last fall, when Mr. Lewis and certain of his advisers realistically concluded that a depression was upon them. They knew that the gains of the C.I.O. were boom-time gains, and they set themselves to finding some means by which the gains could be conserved.

Mr. Lewis' first invention was the slogan, "every man has a right to a job," with which he keyed at the C.I.O.'s Atlantic City meeting in October. The unemployment committee was chosen as the best way of bringing Mr. Lewis' slogan home to the mass of workers.

The most important step in the establishment of the committees was the C.I.O.'s adoption of a new rule, excluding unemployed union members from dues payments. Hitherto, the great majority of American unions

ADDITIONAL LEVY REQUIRED TO PAY FOR REARMAMENT

27.5 Per Cent Will Be Taken to Meet Highest Peace-time Budget—Duties On Tea and Oil Also Upped

LONDON, April 26.—(AP)—The British government jolted the nation today by boosting the income tax from 25 percent to 27½ percent to help pay the costs of the staggering rearmament program.

Sir John Simon, chancellor of the exchequer, in his annual budget speech before a shocked house of commons, announced the income tax would be raised to five shillings sixpence (from \$1.25 to \$1.37½ in \$5.00).

Presenting the budget bill for the 1938-39 fiscal year (beginning April 1) Sir John announced the government's total needs are \$44,398,000 pounds (\$47,721,990,000), an increase of \$1,500,000 pounds (\$407,500,000) over the previous year.

Tea, Oil Duties Upped
The chancellor also announced an increase in the duties on tea and oil. The higher tax on tea will reach into the pocketbook of virtually every family in the land, rich or poor. The higher income and oil taxes also will hit most of them.

Simon dropped several other bombshells, including the disclosure that the government secretly purchased early this year huge stocks of wheat, sugar and whale oil, sufficient to last through "the early months" of a possible war.

The chancellor presented the nation with the largest peacetime budget in its history.

Financial quarters were disappointed. Leading shares declined sharply in after-hours trading. Brokers said details of Sir John's speech had "a most unsettling and disappointing effect."

Must Also Borrow
The budget included 253,250,000 pounds (\$1,266,250,000) for armaments expenditures, but this did not include 90,000,000 pounds (\$450,000,000) to be borrowed to meet additional costs of the defense program.

Britain is in the second year of a five-year rearmament campaign of which the cost originally was set at \$7,500,000,000. But Prime Minister Chamberlain already had declared this will not be enough, and informed-estimated the eventual cost at 50 percent higher or \$11,250,000,000.

The blow of the income tax boost was softened somewhat by announcement of a special exemption by which 2,000,000 small taxpayers will escape the increase.

In the United Kingdom everyone who earns 150 pounds (\$750) or more a year pays income tax. But the tax will not be increased this year for single persons making up to 290 pounds (\$1,450) or for married men with one child earning up to 400 pounds (\$2,000).

Sir John warned that the "peak year of defense expenditure" would not be reached until next year and possible the year after.

"Nothing could contribute so much to the ultimate reduction of the burden of taxation as an increase in international good will and reduction of armaments," he said.

Sharks Go After Flying Boat Crew In Forced Landing

KINGSTON, Jamaica, April 26.—(AP)—Three members of the crew of a twin-engine pan-American flying boat had a narrow escape from sharks, it was disclosed today, when the craft was forced down at sea yesterday 30 miles from Jamaica.

Twelve passengers and one member of the crew were taken off the sinking plane by the passenger steamer Gavina, but the commander and two others remained with their craft. It began to sink and the three hurriedly launched a collapsible boat.

As they were getting into it two sharks attacked, but missed the men and then began fighting each other. The collapsible boat failed and the men had to take to a rubber raft before they were picked up by the tug Killer.

BUSINESS LEADERS PROMISE TO HELP PROSPERITY DRIVE

WASHINGTON, April 26.—(AP)—Sixteen of the nation's leading bankers, industrialists and insurance executives pledged themselves today to cooperate in every effort by President Roosevelt to restore confidence and normal business conditions.

The agreement was announced at a press conference by John W. Hanes, securities commissioner.

The movement to cooperate was launched in large measure with the help of Owen D. Young, chairman of the board of General Electric corporation and Winthrop W. Aldrich, chairman of the board of the Chase National Bank of New York.

Pledge Full Aid
Hanes told reporters their agreement to help said "we pledge ourselves to aid to the full extent of our ability in efforts of the president, let every one of us work together to move the life of the nation forward."

"The president has clearly indicated he believes that America's continued prosperity requires closer cooperation between business and the government."

"The periods of over-production to which he referred would be substantially alleviated if the government engages in continuous consultation with business leaders and encourages them to take the initiative to develop and stabilize their respective industries."

Hanes said he hoped a conference of those who pledged themselves to join the movement could be arranged soon.

LIBERAL POWWOW EXPECTED TO GIVE THIRD PARTY HINT

Governor La Follette's Call for Meeting Thursday Excites Lively Interest in Ranks of Congressmen

By WILLIAM R. ARDERY

WASHINGTON, April 26.—(AP)—Governor Philip La Follette's call for a meeting of liberals at Madison Wis., Thursday night is exciting a lively interest among legislators seeking to ascertain the potential strength of a national third party.

Although there is little expectation that a new party would have country-wide influence in this year's congressional elections, members of congress were divided over the question of whether the time is ripe for a political realignment.

Norris Would Wait
Senator Norris (Ind., Neb.) asserted today that third party advocates should hang back until it is determined whether President Roosevelt will seek another term.

"The president doesn't want a third term," Norris said, "but if a coalition of Democrats and Republicans in congress succeeds in blocking his measures, the people will insist that he run again."

"I think the formation of any third party should wait until we see whether we will have to run the president for another term."

Representative O'Connell (D., Mont.) has contended that the Madison conference would offer an opportunity for liberals to pledge support to the president for a third term. He said that if Mr. Roosevelt was not reelected by the Democrats, it would be "very wise" for liberals to place him at the head of a new ticket.

Time Seen Ripe
Senator O'Mahoney (D., Wyo.) said the time is ripe for a new party. Such a trend has been developing for 20 years, he said, and a "realignment of the political parties is overdue."

O'Mahoney said a third party might wield influence in the 1940 elections, but asserted that none could now predict what form a new coalition might take.

A highly-placed Republican, who declined to be quoted by name, argued that the La Follette meeting indicates a drift of progressives away from the president.

He recalled Governor La Follette's recent speeches criticizing administration recovery policies, an address by Senator Robert M. La Follette (Prog. Wis.) opposing President Roosevelt's naval expansion bill and the vote of most Wisconsin Progressives in the house against the government reorganization bill.

Answers Final Call



Charles E. Terrill, former sheriff of Jackson county, who died yesterday afternoon after a long illness. He was 71 years old.

CHARLES TERRILL, FORMER SHERIFF, TO LAST REWARD

Had Been Resident Brownsboro Since 1868—Funeral Services to Be Held Thursday at 2 P. M.

Charles E. Terrill of Brownsboro former sheriff of Jackson county, died in a local hospital yesterday afternoon after a prolonged illness. He was 71 years old. His wife is gravely ill.

Mr. Terrill had resided at Brownsboro since 1868. He attended school there and always took an active part in county affairs. He was elected sheriff in 1919 and served in that capacity until 1924. He was always progressive and worked ceaselessly for the development of southern Oregon.

Possessed of a genial personality, Mr. Terrill delighted in talking about the early days of Jackson county. He was a faithful friend of young people and always found time to talk with them. He had numerous friends throughout southern Oregon who today mourned his death.

Father Was Pioneer
Mr. Terrill's father, Horace J. Terrill, came across the plains to California with an ox team in 1850. After two years he returned to Iowa via the Isthmus of Panama. He was united in marriage to Lucy A. Wilcox in Iowa in 1855. The couple crossed the plains by mule team in 1867, settling in Lamu county, there, near Albany, on September 29, 1867. Charles E. Terrill was born.

The son was united in marriage to Effie May Bradshaw at Eagle Point on October 20, 1897.

Mr. Terrill is survived by his wife, two sons, Glen Terrill of Klamath Falls and Dalton Terrill of Yreka, Cal.; two sisters, Mrs. Roy Seaman, Medford, and Mrs. Ella Mast, Eugene; and a brother, Jay Terrill, Talent.

Funeral Thursday
Funeral services will be held in the Perl chapel at 2 p. m. Thursday. The Rev. E. S. Bartlam, rector of St. Mark's Episcopal church, will officiate. Interment will take place in the Siskiyou Memorial park, Medford. Mr. Terrill was a member, will conduct services at the graveside.

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MARTIN TO MAKE ROTARY ADDRESS HERE NEXT WEEK

Governor Charles H. Martin will be the guest speaker at the luncheon meeting of the Medford Rotary club next Tuesday noon, one week from today, according to an announcement today by E. C. Corn, program chairman for the Medford club.

Provisions will be made for guests to attend the meeting so that all who wish to hear the important message of the distinguished speaker may do so, according to present plans of Medford Rotarians. The meeting will be held at the Hotel Medford and provisions will be made to accommodate a large audience.

Claude Parmelee, Michigan sharpshooter and big game hunter, entertained the Rotary club today with color moving pictures of his recent moose hunt into the wilds of northern Canada. A large gathering of Rotarians and guests, assembled in the basement banquet hall of the Hotel Medford, enjoyed the well-known game hunter's pictures and the interesting lecture which accompanied it.

The program today was presented by Roland Hubbard, and the speaker was introduced by George Jacobson, Oregon representative for the Winchester Repeating Arms company.

At today's meeting it was announced that Parmelee will present an exhibition of rifle and shot gun shooting as well as plug casting at the high school football field Wednesday noon. The public has been invited to witness the exhibition. The demonstration will begin at 12:10 p. m.

ENTIRE SUCHOW AREA BEING EVACUATED BY CIVILIAN POPULATION

SHANGHAI, April 26.—(AP)—Japanese, driving forward savagely only 12 miles from the east-west Lunghai railway, their objective in four months of fighting, reported today the entire Suchow area was being evacuated by Chinese civilians.

A Japanese army spokesman said a recent observation showed all roads in the sector choked with Chinese farmers carting their belongings southward and westward. In apparent expectation of a rapid Japanese advance upon Suchow, the strategic junction of the Lunghai and north-south Tientsin-Pukow railway.

At the same time a wide shakeup in the Japanese naval command in Chinese waters was announced.

Transferred to unidentified posts were Vice-Admiral Kiyoshi Hasegawa, commander-in-chief of the third fleet in Chinese waters throughout the Shanghai operations; Rear-Admiral Tadao Honda, former naval attaché to the Japanese embassy in China, who issued many of the navy's statements and explanations at the time of the sinking of the U. S. Panay, and Rear-Admiral Denzshichi Okikuni, commander of the special naval landing party in China. Their successors were not named.

ASHLAND CHIEF NABS BURGLAR SUSPECT IN HECTIC AUTO CHASE

Arrested in Ashland late yesterday afternoon by Chief of Police Charles P. Talent following a mad automobile chase, Harold Clarence Lawrence 35, of Salem and San Francisco, is being held in the county jail here on a charge of burglary and larceny by bailles, allegedly committed in Salem Sunday night. City Officer George Edwards of Salem is on his way to Medford to return the prisoner.

Chief Talent of Ashland, informed by local state police of a Terraplane sedan traveling south at a high rate of speed, noticed the car as it roared through Ashland at 75 miles an hour, and gave chase. The machine was overtaken south of the city and Lawrence placed under arrest. Investigation then revealed he was wanted in Salem.

Lawrence is specifically accused, according to the Associated Press, of the theft of a gun and about \$50 in cash from a beer dispenser in Salem Sunday night. The gun, a Luger pistol, was found on Lawrence when he was arrested, state police said.

GENERAL ADVANCE ON COASTAL BATTLEFRONT REPORTED BY REBELS

HENDAYE, France (at the Spanish frontier)—April 26.—(AP)—The insurgents reported a general advance today all along the coastal battlefront from Albocacer to Alcala de Chivert after "pulverizing" government defenses with artillery fire and aviation bombardment.

Dispatches said the insurgent offensive pushed toward Castellon de la Plana, important Mediterranean seaport 25 miles to the south, despite government counter attacks yesterday. Although exact details of the gains were not given, insurgent officers predicted "continued success."

The government, however, declared its counter attacks had broken the insurgent lines in the center of the Albocacer-Alcala de Chivert line and that insurgent troops had been driven back in disorder.

General Miguel Aranda's insurgent troops were said to have resumed the offensive after the government counter attacks.

The insurgent coastal drive was coordinated with mopping up operations farther inland along the zig-zagging front east of Teruel. Generalissimo Francisco Franco's headquarters said a number of villages were taken.

STATE GRANGE MOVES FOR BALLOT ON SINGLE LEGISLATIVE GROUP

SALEM, April 26.—(AP)—The Oregon State Grange filed a preliminary petition yesterday for a constitutional amendment providing a unicameral legislature of 60 members, elected for two-year terms.

The petition, filed with the state department, provided that members would receive \$8 per day, regular sessions would be limited to 50 days and special sessions to 20 days.

Another Grange petition proposed a law authorizing public utility districts to borrow money up to 8 percent of their valuation annually by issuing certificates, notes, warrants and debentures, payable solely from the revenues and receipts of such districts and the operation of utility properties, without submitting the question to a vote.

TRAVERRA RETURNED ON LARCENY CHARGE

Jack Traverra, alias Jack Hoffman, arrested at Missoula, Mont., last week after an escape from the Spokane, Wash., police in a two-story leap, was returned here last night to answer a larceny charge.

In a complaint signed by Glen Fabrick, Traverra is alleged to have stolen property from the summer home of Fabrick on Careaker at Roseburg. He was acting as caretaker at the time. During his stay in this city he was engaged as a barber.

ROSEBURG CONTRACTOR AWARDED SCHOOL JOBS

ROSEBURG, Ore., April 26.—(AP)—C. A. Chamberlin, Roseburg, contractor, last night was awarded the general contract for construction of two new grade school buildings in Roseburg. His proposal of \$49,590 for the two buildings was the lowest submitted by 11 firms. Electrical and plumbing and heating contracts are to be let at a school board meeting tonight. Total contracts are expected to aggregate approximately \$63,000.

BASEBALL

American	R	H	E
New York	5	9	1
Philadelphia	5	9	1
Pearson and Glenn; Smith, Nelson and Brucker; Hayes.			
Cleveland	10	18	1
Chicago	6	10	0
Whitehill, Galehouse and Pytkak; Cain, Cox, Rigney and Sewell.			
Boston	4	10	1
Washington	5	13	1
Marcum and DeSautels; Bert; Appleton and R. Ferrill.			
National	R	H	E
(10 Innings)			
Chicago	5	12	1
Pittsburgh	3	8	0
Carlson and Hartnett; Brandt; Swift and Todd.			
Brooklyn	1	5	0
Boston	4	10	0
Pressnell, Morrow, Potter and Chervako; Turner and Mueller.			
Philadelphia	8	13	2
New York	12	11	1
LaMaster, Smith, Heuser and Atwood; Vanderberg, Brown, Coffman and Denning.			

FOREIGNERS TAKING U. S. SLOT MACHINES

WASHINGTON, April 26.—(AP)—Speaking of business, the commerce department reported today that exports of American slot machines have doubled in the last year.

EX-KAISER'S BARBER IS TAKEN BY DEATH

BERLIN, April 26.—(AP)—Francis Baby, 76, ex-Kaiser Wilhelm's private barber for 26 years and companion to his imperial master on all his travels, is dead.

It was Baby who invented the bayonet-pointed mustache favored by the Kaiser for years before the World war and adopted by thousands of loyal admirers.

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SIDE GLANCES

by TRIBUNE REPORTERS

Jack Murray causing eyebrows to rise by asking for over-sized baby bottle nipples in a local drugstore. He wanted them for a coin.

Aunt Isabel Stuart gliding around town in a new car she was trying to make up her mind to buy.

Harold Wall arriving he was keeping mums by not saying anything.

LaVonne Falwell out playing softball with the boys.

Maude Ken Hollis getting the biggest surprise of his life when over half the wrestling fans vociferously backed him to beat Duke Chick.

Harry Hopkins Is Accused Of Inspiring Propaganda

WASHINGTON, April 26.—(AP)—Representative Taber (R., N. Y.) accused Harry L. Hopkins today of inspiring "chain letter propaganda" in favor of President Roosevelt's pump priming program.

Taber's statement to reporters came while house members had before them an anonymous letter to President Roosevelt telling of "new propaganda about to be launched against your recovery program." A petition form was attached to the letter which the writer said originated in a large corporation in Detroit.

The New York congressman, in blaming the works progress administration for the propaganda, said writers of a number of the communications he received had copied the "chain" instructions as well as the body of the letter, thus disclosing what he called their "propaganda" nature.

"On the bottoms of some of the letters," Taber said, "was a line stating 'make one copy for your congressman and send this to four other persons.'"

The New Yorker said he also was getting a lot of "honest opposition" to the program.

Congressional consideration of the president's spending-lending program picked up speed when Secretary Ickes completed in two hours his outline for the house appropriations committee of the part the public works administration would play in the set-up.

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SEN. REAMES MAKING DEFINITE RECOVERY

WASHINGTON, April 26.—(AP)—Navel hospital attendants described the condition of Senator Reames (Ind., Ore.) today as "definitely improving."

They said the senator, ill since Friday with bronchial pneumonia, spent a "very good" night and was "rattling well" this morning.

Whitney Becomes Mopper After Prison "Graduation"

OSHSING, N. Y., April 26.—(AP)—Richard Whitney, graduated from the rookie class at Sing Sing prison today to become a full-fledged convict and got his first job—cleaning and mopping floors in the ancient cell block where he is confined.

Whitney, five times president of the New York stock exchange and now No. 94895, entered the prison two weeks ago to begin serving a five-to-10-year sentence for grand larceny.

Prison attendants said Whitney, before his removal today to a new cell, higher in the old block, cleaned and scrubbed the walls of the cell he has occupied and did the job with the thoroughness of a good porter.

WASHINGTON, April 26.—(AP)—Thomas W. Lamont, partner of J. P. Morgan & Co., told the securities commission today he felt no obligation to report Richard Whitney's misuse of customers' securities to the New York stock exchange or to public authorities.

Lamont was a witness at the commission's examination of the failure of the New York brokerage house of Richard Whitney & Co.

Testifying in a crowded hearing room, Lamont said:

"Here was a question of a man in whom we had utmost confidence. He had made a terrible mistake. His brother was going to help him."

Explaining his reactions after he had loaned \$1,000,000 to his partner, George Whitney, brother of the bankrupt brokerage house head, he said:

"I never occurred to me that I should butt in and denounce Richard Whitney, nor that I should run to the stock exchange authorities when they have all the machinery in the world. . . . I felt it should be taken care of in other ways and that it was not up to me."

LOUIS-SCHMELING DATE ANNOUNCED

NEW YORK, April 26.—(AP)—Joe Louis will defend his heavyweight championship against Max Schmeling in the Yankee stadium Wednesday night, June 22. Promoter Mike Jacobs announced today.

Jacobs' announcement merely confirmed the well-founded impression that the match would be held in New York. Chicago, Detroit and Philadelphia all had been mentioned as possible sites.

Jacobs said stadium seating capacity would be made to accommodate between 80,000 and 90,000 spectators, and the prices scaled to net a possible maximum "gate" of \$1,250,000.

Reserved seats will be priced from \$5.75 to \$30, tax included. In addition there will be 12,000 unreserved seats at \$3.50.

TEACHER FAILS IN LONG BATTLE

SALEM, April 26.—(AP)—Mrs. Helen Gertrude Walker, Portland school teacher, lost her two-year-old fight for reinstatement today when the state supreme court reversed a Multnomah court order requiring that the board of directors of school district No. 1 retire her.

Mrs. Walker was suspended in 1935 because her home was unsanitary. The following year she resigned, but contended that her resignation "was acquired by fraud and duress."

The board of directors appealed from the order of Judge T. E. J. Duffy, who found that fraud existed, but the board won today when the high court, in an opinion by Justice Kelly, found there was no fraud.

Mrs. Walker had taught since 1918.

SUPREME COURT SETS PENDLETON TERM DATE

SALEM, April 26.—(AP)—The state supreme court will hold its eastern Oregon spring session at Pendleton, May 2, 3 and 4.