

The Weather

Forecast: Unsettled with occasional rains tonight and Tuesday; little change in temperature. Highest Yesterday 47. Lowest this Morning 32.

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Thirty-fourth Year

MEDFORD, OREGON, MONDAY, JANUARY 8, 1940.

No. 248.

PERKINS APPROVES BRIDGES FINDING



Washington, D. C., Jan. 8.—Payroll of the power distribution of the Bonneville project, which is apart from the power plant operated by the army engineers, is being increased more than one-third of a million dollars for the fiscal year starting next June 1, according to the president's budget.

This is for the payroll alone, does not include funds for construction and all sorts of supplies and expenses. Administrator Paul J. Raver anticipated a busy year with flittings hither and yon, for the budget gives an item of \$27,000 for travel, which is \$10,000 more for travel purposes than was budgeted for 1940.

FOR telephones and telegrams Bonneville has an item of \$12,900 in the new budget, an increase of \$7080 over this expense in the current year. And as the project is becoming a major industry it is increasing its fleet of passenger automobiles. The list of high-salaried officials is imposing and all these salaries, automobiles, travel expenses, etc., must be paid for by the consumers of Bonneville power, it will all be reflected in the monthly bill.

The item for operation and maintenance is \$650,000 and was \$400,000 in the current year. This was the item which the administrator put in for \$750,000, and which was reduced \$100,000 by Mr. Roosevelt. When the payroll is deducted from the \$650,000 it leaves \$107,000 for maintenance (travel, telephones, autos, supplies).

MR. Roosevelt informed congress that to continue distribution of power \$6,000,000 more is required which should permit orderly construction of facilities to areas where contracts have been "or may be" negotiated.

PRESIDENT Roosevelt's advocacy of the reciprocal trade agreements was not included in his message "on the state of the union" until almost the last thing. It was not in the draft as read to the cabinet. Secretary of State Cordell Hull declared

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CAPONE ABLE TO LEAVE HOSPITAL

Baltimore, Jan. 8.—(AP)—Scarface Al Capone left his hospital bed today and moved into a house here, still facing a long siege of medical treatment for the lingering brain malady he contracted in prison.

His physician, Dr. Joseph E. Moore, announced the ex-gang chief's departure, and said at the same time it was "too early" to tell whether Capone would benefit from his hospitalization.

Dr. Moore said Capone had shown "some improvement" since he entered Union Memorial hospital November 16, after being released from federal custody.

He said Capone would be "able to take short walks." In a formal statement, he explained the former gang overlord "is suffering from a long-standing nervous disorder, for which he has undergone drastic treatment and for which medical care still is necessary."

Gill Goes East

Portland, Jan. 8.—(AP)—Ray W. Gill, master of the Oregon state grange, left yesterday to attend a round table discussion in New York under sponsorship of a national magazine. He will represent agriculture.

LABOR SECRETARY SCRAPS WARRANT FOR DEPORTATION

No Error in Findings and Conclusion of Trial Examiner Landis Is Word

Washington, Jan. 8.—(AP)—Secretary of Labor Perkins today approved an examiner's finding that Harry Bridges, west coast CIO leader, was neither a member of nor affiliate with the communist party, and cancelled a deportation warrant issued against him in 1936.

"I have examined and revised the report and the testimony," Miss Perkins said in a statement. "I find no error in the findings and conclusion of the trial examiner and therefore approve the report."

The examiner was James M. Landis, dean of the Harvard law school. Landis made his report after a 10 weeks' hearing. The government instituted deportation proceedings against the CIO leader in 1938 to send him back to his native Australia on the grounds he was a member of the communist party and that the party allegedly advocated the overthrow of government by force and violence.

ITALY WILL SUPPORT HUNGARY IN RETURN FOR BALKAN DEFENSE

Rome, Jan. 8.—(AP)—Authoritative fascists indicated today that Italy would support Hungary's territorial claims in return for Hungary's aid in defense of the Balkans against danger of invasion by Russia.

Such responsible sources as Virginia Gayda, editor of Il Giornale D'Italia who usually speaks for the government, denied flatly, however, that any new formal agreements had been negotiated by Foreign Minister Count Ciano and the Hungarian foreign minister, Count Istvan Csaky, in their week-end conference at Venice.

(In Budapest Counts Ciano and Csaky were reported to have agreed on a defensive alliance assuring Hungary of Italian support against invasion by either Germany or Russia.)

Gayda, writing for his newspaper from Venice, said the meeting of the two diplomats was a warning to everybody that "Hungary is at the side of Italian policy in the general lines which it is tracing and in the methods which it intends to follow for its development, just as Italy stands beside Hungary in the particular problems which she has raised and which form the substance of her foreign policy."

Nothing was disclosed of the methods Italy intends to follow to keep war out of the Balkans.

Nation's Railroads Warned Of Increasing Competition

Washington, Jan. 8.—(AP)—The interstate commerce commission told the nation's railroads today that they faced steadily increasing competition from other types of carriers.

In its annual report to congress, the ICC said "remedial legislation such as it is possible" to evolve from the pending omnibus transportation bill "is desirable and should produce good results." It added:

"Too much should not, however, be expected from it. The most important things it would do are these: (1) It would bring water carriers engaged in domestic trades within the commission's jurisdiction and subject them to much the same sort of regulation as is now provided for the railroads and motor carriers; and (2) It would create a new and temporary agency to study and report upon the relative economy and fitness of rail, water, and motor carriers for

Aberdeen Victim



Mrs. Dick Law (above), wife of a CIO union official of Aberdeen, Wash., slain Friday night in her home in that city had returned there only a few days previously after having visited her mother-in-law, Mrs. Loretta Vickery in Medford, during the holidays.

ICE PICK FIGURED IN BRUTAL MURDER OF MRS. DICK LAW

Aberdeen, Wash., Jan. 8.—(AP)—An autopsy last night revealed Mrs. Dick Law, murdered wife of a labor leader here, was stabbed seven times with an ice pick as she lay dying of a brutal attack in her home Friday night.

Her skull was crushed with five blows from a heavy instrument. Neither weapon has been recovered. Authorities pursued slender clues after abandoning an earlier theory that labor animosity was responsible for the slaying.

Drs. I. R. Watkins and B. O. Swinehart said the blows caused death between 8 and 11 p.m. The body was found in the ransacked bedroom of their home. Law, international board member of the International Woodworkers of America, returned from a union meeting and found police already at the scene.

Served Pen Term He said he had no idea who could have committed the crime. Police were investigating possibility he might have made enemies while serving a two-year sentence in Oregon State penitentiary from 1932 to 1934 for house-breaking.

Besides the stab wounds and bludgeon-blows, officers said Mrs. Law had bruises on the thigh and leg.

Luke S. May, Seattle criminologist investigating the killing, examined the house today.

FAR EAST THREAT CITED IN URGING NAVY EXPANSION

Chief of Operations Testifies Before House Committee — Secretary Concurs

Washington, Jan. 8.—(AP)—The navy's highest ranking officer urged congress today to approve a \$1,300,000,000 increase in the fleet because the international situation "in conjunction with far eastern conditions, presents a threat of world conflagration."

Admiral Harold R. Stark, chief of naval operations, was a witness before the house naval committee. He testified that "if the United States does not take immediate action toward increasing the strength of its fleet, the end of the present war will find us in a relatively weak naval position."

Secretary Concurs Hearings on the expansion program, which experts said would give this country the world's greatest navy, opened under the glare of camera floodlights.

Secretary Edison, in a brief preliminary statement, declared he believed the proposed 25 per cent increase in the fleet's size was needed "in view of the grave international situation."

Stark's testimony indicated the expansion program had been revised, since first announced, to provide for some larger ships than originally contemplated.

Stark made the disclosure prior to testifying on the proposed expansion before the house naval committee. He said the program now called for 77 combatant ships and 30 auxiliaries.

Categories Not Revealed Chairman Vinson (D-Ga.) of the naval committee originally announced the proposed 25 per cent increase in the fleet's tonnage would provide 95 warships and 31 auxiliaries.

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ELAINE WINKLE, 12, HIT BY CAR WHILE RIDING BICYCLE

Struck by an automobile as she attempted to ride her bicycle across East Main street in the 1200 block at 8:30 this morning, Elaine Winkle, 12-year old daughter of Mr. and Mrs. E. W. Winkle of 113 Williams avenue, sustained a "severe concussion" and bruises and abrasions, according to her attending physician, and was confined in Community hospital today.

X-ray pictures, the doctor said, disclosed that her skull was not fractured. She was conscious this afternoon and the physician stated that she was not seriously injured, so far as could be determined.

The automobile, city police said, was driven by LeRoy F. Cline, 30, of 1421 Euclid avenue, a mechanic for the Hahn Motor company.

Cline told police that he was driving east on East Main street and that the Winkle girl was riding her bicycle in the same direction. In front of 1206 East Main street, police quoted the car driver as explaining, the girl suddenly turned left across the street, apparently heading for an alley on the north side of the street. She turned so suddenly, Cline told police, that he didn't have time to stop or swerve to avoid striking her.

The right front fender of the automobile struck the front wheel of the bicycle, knocking the girl to the pavement, Cline explained to police. Following the crash the driver stopped his car, picked up the girl and took her to the hospital. Cline told police that she was conscious when he picked her up, but after reaching the hospital she lapsed into unconsciousness for about a half hour, her physician reported.

FINNS WIPE OUT WHOLE DIVISION OF RED INVADERS

Thousands Killed, Over 1000 Taken Prisoner; 43 Tanks in Captured War Material

By Lynn Heinzerling Helsinki, Jan. 8.—(AP)—Finnish forces wiped out the 44th Russian division, killing thousands and taking more than 1,000 prisoners, near Suomussalmi, a special army communique reported today.

It was in the northern part of the Suomussalmi region, at the narrow "waistline" of central Finland, that the Finns, a week ago, reported the virtual destruction of the invaders' 163rd division.

In the new victory the communique said large quantities of arms and material, including 43 tanks, were captured.

First Word of 44th Heavy fighting has been reported in the Suomussalmi sector for days but today's communique was the first mention made of Russia's 44th division. (Neutral military experts have estimated there are from 15,000 to 17,000 men in a Russian division.)

The communique said: "The main object of fighting in the south part of the Suomussalmi sector in the direction of Raate during the last few days has been the defeat of the 44th enemy division."

"This object has been achieved. "The enemy forces in the main were destroyed."

"The war booty was large including 102 different guns, 43 tanks, ten armored cars, one airplane, 20 tractors, 278 different cars, among them 16 anti-aircraft cars, 75 anti-aircraft guns each, 15 automatic rifles, a number of 'ot' arms, 1,170 horses, 47 field kitchens, et cetera."

Severe Cold The severest January cold in years—temperatures ranging 15 to 40 degrees below zero fahrenheit—has combined with stubborn Finnish defense and counterattacks to halt the red invasion, with 5,000 square miles, one forty-eighth of Finland, in Russian hands after 40 days of fighting. (Dispatches reaching Stockholm from the Salla sector highlighted the rigors of warfare there in the icy wilderness just above the Arctic circle.)

(A Finnish patrol was reported to have come upon a Russian outpost, protected by barbed wire in the drifted snow. The Finns were amazed at the silence of their enemy's guns as the patrol inched closer. The Finns, it was said, finally closed in on the silent outpost and found the entire force, 150 men, frozen to death.)

LINER FIGHTS OFF NAZI SUBMARINE

Rio De Janeiro, Jan. 8.—(AP)—A gun fight between the 14,172-ton British liner Highland Patriot and a German submarine off the Canary islands on Dec. 29 was disclosed today with the Royal Mail liner's arrival here.

Officers and passengers all agreed the Highland Patriot was not hit and the submarine, although probably also not hit, fled after a two-hour scrap. "Passengers asserted one passenger had died from injuries received in a crush which developed in a panic aboard ship during the fight, but official British sources denied there had been any death."

17 HURT IN SKIING ON MT. HOOD SLOPES

Mount Hood, Ore., Jan. 8.—(AP)—Seventeen persons were injured in skiing accidents on Mount Hood over the week end. Two girls sustained leg fractures Sunday and a man ruptured a blood vessel in a fall above Timberlin lodge.

Britain Gets New War Boss



Leslie Hore-Belisha (right), was removed from his job as war minister of England in a shakeup which put tall, prematurely gray Oliver Stanley (left), president of the board of trade, in his place. They are shown together in London before a cabinet meeting sometime ago.

EDWARD KELLY GIVEN JUSTICE DEPARTMENT OFFICE IN PORTLAND

Edward C. Kelly, former Medford attorney and son of Mrs. E. E. and the late Colonel Kelly, has been transferred from the legal staff of the public works administration to the department of justice with effect here today as Mr. and Mrs. Kelly left by motorcar for the northern city. Mr. Kelly spent the week-end here. Mrs. Kelly having returned to Medford some time ago when her husband was transferred from Portland to Nebraska.

Mr. Kelly, who will be associated in Portland with Frank P. Keenan, a special assistant to the attorney general, will be employed in the lands division and will devote his time to the case of the United States versus the Northern Pacific railroad. The railroad case, which pertains to land grants, has been in litigation for 10 years and one phase is scheduled for argument before the U. S. supreme court in March.

The Kelly children will remain here until this term of school is completed.

CHILD BRIDE ORDERED TO CHILDREN'S HOME; HUSBAND PUT IN JAIL

Athens, Ohio, Jan. 8.—(AP)—Clinging to a Bible her husband gave her for Christmas, 10-year old Mary Alice Limberg was taken to the county children's home today as a judge moved to annul her marriage.

Judge Francis White had sentenced the child to the Ohio girls' industrial school, but reconsidered. At the children's home, Mary Alice said, she will study to be a better wife to Charles Schall, 21-year old miner, when they can remarry.

Schall, starting a one-year term in the Nelsonville jail, promised to "wait" for the girl from whom he was separated in a courtroom Saturday.

Mary Alice's step-father, Donald Hudnall, filed delinquency charges against his wife, who falsified her daughter's age in a marriage license application, and the newlyweds.

LAST TULE DIKE BROKEN BY FLOOD

Tulelake, Calif., Jan. 8.—(AP)—The Steele Land and Livestock company watched the water rising in the Tule lake sump today and began moving the company buildings.

The Steele holdings, including the only privately owned land around the sump, have been completely inundated after three successive dike breaks and Monday the water broke through the last barrier protecting the permanent buildings.

Other private land still is protected by the reclamation bureau dike.

Stork Takes Holiday Miami, Ariz., Jan. 8.—(AP)—Has the stork taken a holiday? No birth has been reported in this community of about 10,000 since midnight Dec. 31. Merchants who annually shower gifts on the first baby of the year are beginning to wonder at the delay.

Olympia, Wash., Jan. 8.—(AP)—Edward L. Farnsworth, 76, for 12 years a Washington state legislator, died at his home here last night after an extended illness.

ANTI-LYNCH BILL WILL BE FIRST IN CONGRESS DEBATE

Perennial Controversy Voted No. 1 On List of Matters Before New Session

Washington, Jan. 8.—(AP)—The house plunged into its first legislative controversy of the new session today by voting to staff debate tomorrow on the perennial anti-lynching bill.

By a standing vote announced by Speaker Bankhead as 170 to 87, the house ratified a petition signed earlier by 218 members to force the legislation to the floor for debate. Representative Cox (D-Ga.) denounced the legislation as representing "senseless and ignorant hostility toward the south."

A roll call vote of 256 to 114 affirmed the standing vote.

Reciprocal Power Chairman Doughton (D-N.C.) of the house ways and means committee, brought up another controversial issue by introducing a bill to extend for three years the president's powers to negotiate reciprocal trade agreements.

Congress granted the power originally in 1934 and renewed it for three years in 1937. The current authority expires June 12.

Senator Harrison (D-Miss.) failed in an effort to obtain immediate senate approval of his plan to create a special congressional budget-making committee.

Harrison, chairman of the senate finance committee, had suggested a 24-man joint committee to examine President Roosevelt's budget and make comprehensive fiscal recommendations of its own.

6 AUTOISTS CITED ON LICENSE LACK

State police over the weekend cited six Jackson county residents to appear in justice of the peace court on charges of driving automobiles without 1940 license plates, and warned that more arrests would come if the new licenses were not applied for at once.

Cited to appear at various times this week were Arlie Worrell, 60, of route 4; Robert B. White, 50, of Phoenix; Leonard E. Wood, 18, of Grants Pass; Clarence E. Powell, 22, of route 1; Dall D. Lapiar, 35, of Eagle Point and Delbert G. Miller, 26, of route 2.

John Emerson Cooper, 40, of Central Point and Wallace E. Freeland, 36, of Central Point, were cited for driving cars without operator's licenses.

Howard W. McNamara, 25, was cited for operating a truck without clearance lights.

TWO LITTLE GIRLS DIE IN BLAZING HOME

Somerset, Pa., Jan. 8.—(AP)—Two small girls burned to death today in their blazing home near here as their parents, both badly burned, sought vainly to save them.

The victims were four-year-old Christine and six-year-old Barbara Jean Baker, daughters of Mr. and Mrs. Claude Baker. The mother discovered the blaze and tossed an older son from a second story window into a snowbank. Then she and her husband tried fruitfully to rescue the little girls.

Lodge Notices Lodges wishing to have notices of meetings appear under the regular heading. "Lodge Notices" should arrange with the classified advertising department of the Mail Tribune, Phone 75 or 74, before 9 a. m. of the day of publication.