

DEPOSITS ARE GAINING; BILLS ARE LIQUIDATED

Bank deposits are gaining and there is a stronger liquidation of loans, was the combined opinion of local bankers interviewed recently.

In the past 12 days, said Charles Hall, president of the First National, that bank has gained \$100,000 in checking deposits and reduced its bills receivable \$100,000. In other words borrowers have paid \$100,000 on their loans.

Capt. J. W. Siemens of the First State and Savings bank, said that clients of that bank were meeting their loans in fine style, and that the bank had recently been able to place an additional \$100,000 of outside money in circulation here to aid wool growers and farmers.

E. M. Hubb of the American National said deposits there showed a gain on the July statement over the preceding statement of \$96,215.

The tide of money is slowly sweeping back into circulation as the public regains confidence and forgets its panicky fears. Certainty that there will be no national panic is now established and money that was being stored in stockings and safe deposit boxes is beginning to appear again in the stream of commerce.

At least that is one theory. Financiers estimate that an enormous amount of money has been withdrawn from circulation during the past six months by timid persons who thus were taking the most direct method to bring about the crisis that they sought to avoid.

Klamath Falls suffered proportionately with the rest from the unthinking actions of the timid. Estimates as to the amount vary. Bankers know of \$40,000 here and \$15,000 there that dropped from existence as a medium of circulation.

Another class conceived the idea that Portland or San Francisco banks might be stronger in case of storm than the country banks. The fallacy of this belief is punctured daily, the most recent example being the closing of the Scandinavian bank at Seattle, a strong northwestern institution.

The present tendency is toward restoration of both classes of withdrawals and this may have something to do with the increasing deposits. Another reason advanced is the general return to normalcy and thrift. The public is realizing that when Smith have money. They will pay their bills and eventually money will find its way into the hands of Smith's debtors and they will square their accounts with Smith.

On the editorial page yesterday the vicious circle, begotten by fear was pictured and the picture is not overdrawn in its application to the situation that is now happily sliding into the past.

Financial Aid for Stock Men Ready

CHICAGO, July 13.—The \$50,000,000 livestock pool, to aid in financing stock raisers, will be in operation next Monday, Everett C. Brown, president of the national livestock exchange, announced here today. The pool is subscribed to by bankers of the stock raising states.

BILL FOR EXPOSITION IS PUT ON CALENDAR

WASHINGTON, July 13.—Congressman McArthur received advice from Chairman Porter that his bill for the Portland exposition authorizing the president to invite foreign nations will be on the calendar for passage by July 18, and that unless the tariff debate interfered he will urge its passage on that date.

Nations agree to Attend Conference

LONDON, July 13.—Great Britain, France and Italy have officially accepted President Harding's invitation to a conference on the limitation of armaments. China indicated readiness to participate in the conference, relative to the far east situation. Japan is not on record yet, but it is expected her acceptance will be communicated to the United States government soon.

RATE HEARING HELD TODAY

SAN FRANCISCO, July 13.—A hearing on protests that freight rates between Portland and points in Klamath county Ore., are too high was held here today before Clyde B. Aitchison, interstate commerce commissioner.

Fred R. Williams, president of the Oregon state public service commission, said, "The desire is to equalize rates between Portland and Klamath points, and between San Francisco and these same points. All freight moving into Klamath country from Portland and adjacent points must come into California as far as Weed, 40 miles below the Oregon line. It is then back to destination. This makes it a much longer haul than from San Francisco to Klamath points with a consequent difference in freight rates."

E. B. Hall, president of the Klamath county chamber of commerce, W. C. McCulloch and J. H. Lathrop of Portland traffic and transportation association, and Hal. F. Wiggins, traffic expert for Oregon public service corporation were present to testify at this hearing.

Oregon shippers are at a great disadvantage when compared to California shippers because of the difference of the rate structure in each state. Hal. F. Wiggins, traffic expert of the Oregon public service corporation testified. The California railroad commission has given the shippers the best of it, he said.

Mills vs Williams Trial Ends; Court's Decision Pending

The case of L. O. Mills against D. O. Williams was brought to a close this afternoon and the case taken under advisement by Judge Kuykendall. The matter in controversy was settlement of a cattle partnership.

This afternoon, the trial of Smith brothers against W. H. Johns, the Montague Banking company of Montague, and A. W. Kite was started.

Tomorrow, the first of three criminal trials will start, a jury trial of Roy Patch, accused of stealing an automobile. At his preliminary trial July 7, Patch pleaded not guilty.

AUTO INJURY IS FATAL TO CHILD

Nita Carnini, daughter of Mr. and Mrs. Peter Carnini of Pelican City, aged nine years, who was injured yesterday morning when struck by a car driven by Wilfred ("Happy") Brookfield of this city, died at 9:30 o'clock last night from skull fracture.

The accident happened near the Carnini home. The little girl started across the road to hand the mail man a letter. A truck was passing and she stepped around it, directly into the path of the Brookfield car and too close for the driver to avoid the accident, it is said.

The funeral will be held at 2 o'clock tomorrow afternoon at the Whitlock chapel, the Rev. Father Molloy officiating.

MARKET QUOTATIONS PORTLAND, July 13.—Cattle steady, hogs 50 cents higher, prime light \$11.50 to \$12.00; sheep, 25 to 50 cents higher; east mountain lambs \$7.00 to \$7.50; eggs firm, butter steady.

WILD RIDE AND NARROW ESCAPE AS BRAKE SNAPS

A. W. Finch had the ride of his life yesterday in a Chevrolet car when he set out on a journey from this city to Kirk about 1:30 o'clock. That he is alive and able to relate the story is one point which he cannot figure out as from all indications at 2:10 o'clock, he was headed straight for the graveyard.

In company with C. A. Frisbie and another man, Finch left here about 1:30 o'clock and after arriving on top of the "hogback" east of this city, started to drive down towards Algoma. The incline varies in degrees but all is downhill, some places almost 45 degrees, and the stretch of road, with one turn to the right, is about one and one-half miles. Just as Finch got over the hill and had proceeded about 50 yards, he applied the foot brake and heard a snap. The emergency brake also refused to work.

Then the wild swaying ride down that mile and one-half rough mountain road began with no brakes or even a chance to use the compression or thrown into the reverse because both hands had to be kept on the steering wheel. Finch states that one minute he was riding the seat, the next moment in the air, all the "falling" onto the wheel and silently praying that no one would appear ahead of him in the road.

As they neared the turn in the road ahead were Mrs. Stephen Herlihy and two boys in a spring wagon. Observing the predicament that Finch was in, the woman endeavored to drive her wagon over to the left of the road to give full right of way to the oncoming car. Before she could pull to the side, Finch had crashed into the rear of the wagon, hurling it and its occupants to the ditch. Mrs. Herlihy received a bruised foot and one of the boys a blow on the head. What is unexplained, according to Finch, is why none of the occupants of his car were injured. The radiator, fenders and bumper were crushed in.

Finch stated that he had received had his car overhauled. Examination of the car revealed a broken brake rod, a bad flaw being found in the rod which caused it to snap. Finch had the injured people brought here for medical attention.

Hospital Fugitive Reported in Calif.

With fears allayed that Fred Ramsey might have committed suicide after fleeing from the county hospital Monday night by news that the fugitive was seen near Worden, J. H. Short, hospital superintendent, stated that no effort would be made to find Ramsey. The hospital head is well satisfied to let the California indigent funds support Ramsey for a while.

The fugitive has a brother and uncle below Worden, on the California side, and he is supposed to be heading for his relative's home.

EASY TO GO TO SCHOOL

SALEM, Oregon, July 13.—Records in the office of J. A. Churchill, state superintendent of schools, show that 1600 pupils of Oregon schools are conveyed to and from school each day at the expense of the districts. There are seventy-five routes.

Haying Started In Butte Valley

DORRIS, Cal., July 13.—Haying is in general progress throughout Butte Valley and in the Oklahoma country. The principal crop in this locality is rye, while in Oklahoma the hay crop is a mixture of rye, alfalfa and wild grass. This year's acreage planted to grains in this valley is exceptionally large and the yield will be far beyond the average.

Wheat of a very fine quality is grown successfully on the slopes surrounding the valley where frost is not so destructive. Threshing will be heavy precluding cold weather while grain is in blossom.

CHRISTY MAY NOT REBUILD HIS ASSERTION

The fire which destroyed the mill of Christy & Sons at Long Lake yesterday afternoon occurred on the eve of resumption of the season's sawing. Operations, according to George Christy were to have started today. Mr. Christy said today that he might not rebuild the mill, this year as the season is so far advanced.

The fire's destruction was thorough, wiping out the mill and all nearby buildings, except the pumphouse. The loss, as estimated in the Herald yesterday, will be about \$40,000. Insurance of \$10,000 was carried with the J. H. Driscoll agency.

Quick action by George Christy who pressed a truck and a heavy cable into service was responsible for the saving of the pumphouse. A trash conveyer leading near the pumphouse was blazing and within a few minutes would have caught the building but a heavy cable was thrown over the conveyer and the truck managed to pull it far to the side where it broke off, saving that building from destruction.

Horses, Lumber Saved The two big 10,000 gallon water tanks on top of the mill building were rendered useless within a few minutes after the blaze started and they caved in with the roof. In a barn near the pumphouse, 21 horses were saved after a blaze had started to destroy the building. Over 600,000 feet of lumber in the yards were also saved by prompt protective measures.

The mill has been closed since last year but, according to a statement by Christy, was to have been started this morning with nearly a full crew. Yesterday, the engineer had been pumping water and had been testing out the boilers. A timber force was also to start hauling in nearly 500,000 feet of cut timber from the woods. Five new saws installed this week and a lathe mill new in all details were lost in the blaze.

May have been Cigarette Mr. Christy, while not definite, has reasons to believe that a carelessly thrown cigarette stub near the boiler was responsible for the fire but this theory has not been verified. At the time the blaze started there was no fire in the boiler and there is no reason to believe that the fire could have started from defective machinery.

The flames spread rapidly to 160 acres of standing timber near the mill and for a while it looked as if this tract would be destroyed but a force of Weyerhaeuser men volunteered to stamp it out and went to work immediately to do so.

The fire was reported still burning this morning but under control. State fire wardens were at the scene of the conflagration yesterday, and this morning were again delving into the ruins in making a report upon the origin of the blaze.

FRUIT GROWERS OF SIX STATES ORGANIZE MARKET

PORTLAND, July 13.—Definite plans were formulated here yesterday for the establishment of a central marketing organization for the handling of the fruit crop of the six Pacific coast states represented at the local conference of fruit growers. Appointment of a committee of three members from each of the marketing organizations in the six states is provided for in a resolution adopted. The resolution declared that the object is to eliminate the middlemen and give the growers the best possible price, while making the price to consumers as low as is possible.

SALVATION ARMY INN NOW OFFICERS QUARTERS

CAMP LEWIS, Tacoma, Wash., July 13.—United States army officers and their families here are to be given use of the Red Shield Inn, which was built by the Salvation Army here during the war at a cost of \$100,000. Recently the building was presented by the Salvation Army to the government, which has turned it over to the officers here who will operate it on a cooperative basis.

Analysis Shows Coyote Had Rabies

Word was received at the Farm bureau today that the coyote, killed July 8 by R. W. Tower on his ranch in the Worden district, was afflicted with rabies, the information coming from the state board of health at Salem.

SCORES LACK OF SANITATION

The forum at the chamber of commerce was fairly well attended today and the program arranged by W. W. McNealy was one which was appreciated as it opened a new train of thought relative to home matters.

Dr. H. D. L. Stewart, city physician and health officer was the principal speaker and he chose as his topic, "Public Health" dealing with local conditions. Dr. Stewart stated at the beginning of his address that sanitary conditions in the city were appalling and that the present situation was due to an inadequate sewer system, and the part of one here is imperfect in its operation.

Ten scores were stated—dwelling houses without sewers and districts where sewers existed; filthy condition of outhouses; homes in thin districts where sewerage was available but no connection made with it; homes in districts where water remained above surface of ground year around; poor offal disposal; failure of reports on communicable diseases to health officers and physicians; selfish effort on part of people to evade quarantine regulations and protest raised upon isolation; actual violation of state law in regard to isolation and quarantine regulations by people exposing general public to communicable diseases; and inadequate garbage disposal.

The causes in the main for this condition was due to the expansion of Klamath Falls from a village to city with only thought of present problems and not dealing with the future expansion needs in health problems; penny pinching policy at present but no consideration of the cost five years from now; failure of people to observe the "Golden Rule" policy in regard to public health matters; lack of knowledge on part of average citizen relative to public health problems; selfish use of public health rules to work hardship on neighbors by a "small class of narrow minded citizens."

The remedy from an idealistic standpoint, said Dr. Stewart, was paid sanitary officers on both city and county health rolls to devote entire time to health matters; entire re-organization of sewerage and sewage disposal; public incinerator for garbage, (impossible at this time owing to lack of money and it would be probably two years before this could be secured); personal application of "Golden Rule" in observance of all health rules.

The practical remedy, however, lay immediately in the preparation of a set of ordinances by the city council and proper enforcement of the regulations; the working arrangement with the police judge to enforce drastic penalties for violations such as \$100 and 50 days in jail for either the first or 50th offense. At this point the speaker stated a truth self evident, "Enforce this on all alike and there will be but one violation, after that none, for anyone can pay a fine but who wants to lay 50 days in jail?"

A method to enforce ordinances would be by police reporting all offenses to health officers. Dr. Stewart received much applause for his candid statements in reference to the health conditions here.

Lydia E. Fricke, county health officer gave a very interesting account of her work and also spoke intelligently on "Health Program."

ALTURAS FUGITIVE IS ARRESTED BY LOCAL OFFICER

George Daniels was taken into custody by Marion Barnes, deputy sheriff, yesterday on instructions from the sheriff at Alturas, where Daniels is said to be wanted for felony. The deputy took Daniels from the stage at Malin.

LEGION OFFICER DENIES BONUS MEANS RUIN

GREAT FALLS, Mont., July 13.—"If a payment of a bonus to service men would mean financial ruin to the country, we certainly do not want it," Lemuel Bolles, national adjutant of the American Legion, declared today in reference to President Harding's statement made to congress yesterday.

"But we do not believe the granting of an adjusted compensation would bring such disaster," he continued, "as opponents of the measure have centered all their attacks on the cash bonus feature."

"There are three other options. A service man under the bill could obtain loans for the purchase of a house and lot or a farm. He could receive technical or vocational training, or receive if he preferred, a paid up insurance. We do not believe that any legislation tending to make a service man an independent home owner or which would give him an education or give his family insurance in the event of his death would visit destruction upon our country!"

"We oppose any delay in the consideration of an adjusted compensation measure which has been passed in the house."

There has been too much delay experienced already. Today there are over a half million of service men out of work and in dire need. A condition exists for an adjustment of an economic balance between those who served and those who did not."

Daring Raid on Watermelon Hoard

The Wood-Curtis wholesale grocery yesterday evening was an involuntary host to about six youngsters at a watermelon feast in the rear of their building near the White Pelican hotel.

A consignment of the fruit made famous "down south" was hauled into the basement yesterday forenoon and watching the delivery were five boys ranging from 6 to 10 years of age and one girl about 15 years old. As melon after melon was taken from the wagon, the tongues of the children moistened with the "near taste" of the fruit. All afternoon, the children played near the building but Buck Jay, the affable manager of Wood-Curtis did not ascribe anything unusual to this fact.

Jay was called away for a few minutes before 6 o'clock and a friend of his who wondered why there was so many children playing near the firm, watched them. Indian file, with a melon apiece, the youngsters appeared from the basement and carried their burdens to a nearby shed, deposited them and returned for more. Two trips were made before Jay returned. The third relay was just coming out of the basement when Jay hove in sight and demanded their plunder.

Six big melons "kerplunked" to the ground and six children went in as many ways. A survey of the cache disclosed nearly 30 melons in one pile. Jay feels that in the future, armed guards will be necessary and he says he "has his weather eye on all kid spectators."

Legion Post Backing None for Appraiser

Klamath Post No. 8, American legion, wishes it definitely known the post itself, as a body, is interested in no recommendations for the appointment of any appraisers under the provisions of the recently passed soldier bonus bill.

The post also states, through its officers, that any petitions presented to the public by any petitioner, alleging that the post is authorizing and advocating the appointment of any candidate is without foundation, as this matter is one wholly within the province of the state commissioners. At some time when the matter is ready for proper recognition the post will very likely suggest the names of candidates whom they consider qualified for the appraisal department of the legion.