

FORECAST—Local: Warmer. Increasing cloudiness. Rainfall: 24 hours ending 5 p. m. Thursday, .90; season to date, 5.78; normal, 7.14; last year to date, 8.10. TEMP.—Min. today, 10; max. today, 84.

Herald subscribers who fail to receive their papers by 6:30 p. m. are requested to call the Herald business office, phone 1909, and a paper will be sent at once by special carrier.

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KLAMATH FALLS, ORE., FRIDAY, FEB. 12, 1932

Number 6793

ROAD RESIGNATIONS REPORTED

Editorials on the Day's News

By FRANK JENKINS

T. G. HILL sets out from Chillicothe to carry mail to snow-bound workers out in the woods. He loses his way in the snow, and is saved from death only by the timely arrival of searchers from Chillicothe who had become worried by his failure to reach his objective.

His attempt to carry in the mail was a VOLUNTEER attempt. The searchers who saved him from death were volunteers. No compulsion was involved anywhere. Lives were risked cheerfully all the way around in efforts to help somebody else.

Volunteer searchers succeeded in uncovering the body of the dead boy. AGAIN, please note, there was no compulsion to risk life. Only the desire to be of service to fellow human beings.

JOHN HAGAN, of Collins, Missouri, who brought about the capture of the slayer of Jake Lingle, of Chicago, GOT his reward money, and uses it to buy a farm.

Tom Gurdane and his fellow officer, of Pendleton, who brought about the capture of Edward Hickman, weren't so lucky.

RUMORS FLY AFTER FORD'S STATEMENT

DETROIT, Feb. 12 (AP)—When Henry Ford told about the V-type eight and the improved four he is soon to produce, he hardly scratched the surface of what fellow leaders of the industry would like to know about his plans.

Past Re-Lived by Pioneers At Annual Church Gathering

Time rolled backward through calendars long since taken from rough walls of pioneer homes of the Klamath country, Thursday night when 200 gathered with early residents of the Basin at the annual pioneer dinner of the First Presbyterian church.

CHINESE MASS STRENGTH FOR COMING FIGHT

Air Force Arrives in Shanghai Region, More Coming

Artillery Exchange Keeps Up in Night; Peace Move Tried

SHANGHAI, Feb. 12 (AP)—Japanese authorities threatened this afternoon to take strong measures in Nantao and South Shanghai in retaliation for alleged sniping by Chinese at the Japanese war vessels on the Nantao water front.

By James P. Howe SHANGHAI, Saturday, Feb. 13 (AP)—China is concentrating her man power and her flying force to combat the expected drive when Japanese reinforcements arrive in the Shanghai sector.

BOOST ON INCOME TAX IS DECIDED

WASHINGTON, Feb. 12 (AP)—The house ways and means committee today agreed tentatively to increase the income tax of both corporations and individuals and to levy a gift tax, but did not make the proposed rates public.

Young Girls Help Cab Driver Hold-Ups

PORTLAND, Feb. 12 (AP)—Two young girls entered Portland's current crime wave last night by assisting their escorts in the hold-up of two cab drivers.

Warmer Weather Held in Offing

Higher temperatures and increasing cloudiness, was the forecast issued for Saturday by the local weatherman after a gradual drop in barometric pressure during the past 12 hours.

Local Bankers Optimistic in View of Recent Turn of Events; Hoarding Here is on Decrease

By BOB GALLOWAY Business has "turned the corner" in the United States and is on the upgrade definitely now, in the opinion of J. A. Gordon, president of the First National Bank of Klamath Falls, who Friday explained what he believes will be accomplished through the reconstruction finance corporation headed by former Vice President Charles Dawes, and the modification and liberalizing of the federal reserve banking rules, and the campaign against hoarding.

Banking Committees Study Liberalizing Measure; Limit Of Provisions Provided For

WASHINGTON, Feb. 12 (AP)—The senate banking committee today amended the federal reserve bill to limit its emergency provision on new paper eligible for rediscout applicable to individual banks having only a capitalization of \$500,000 or less.

WASHINGTON, Feb. 12 (AP)—The house banking committee today ended hearings on the administration bill to broaden federal reserve credit and took the measure under advisement behind closed doors.

POPE ASKS WORLD TO JOIN PRAYER

Thousands Crowd Cathedral to Hear Message On Anniversary.

YATICAN CITY, Feb. 12 (AP)—Pope Pius, celebrating the tenth anniversary of his coronation, appealed today to all the peoples of the world to join him in a prayer for help from God "at this time of suffering among all the nations."

ROSEBURG GETS ADDITIONAL FUND

WASHINGTON, Feb. 12 (AP)—The veterans administration announced today that an additional \$200,000 would be allowed for construction of the new Veterans' Home at Roseburg, Ore.

Counterfeit Coins Found Circulating in Klamath Falls

Counterfeit half-dollar pieces are being circulated in Klamath Falls it was revealed Friday. Two of the imitation coins were received at the office of The Klamath News and The Evening Herald.

Veniremen Added For Trial Opening At LaGrande Soon

LA GRANDE, Ore., Feb. 12 (AP)—Anticipating possible difficulty in filling the jury box at the opening of the trial here Monday of John Owens, 25, charged with the murder of Amos Helms, state policeman, a special list of 30 additional veniremen has been ordered.

Ancient Coins Used In Dress Purchase

ENID, Okla., Feb. 12 (AP)—Perhaps President Hoover's anti-hoarding campaign was responsible.

COMMISSION GIVES STAND ON HOSPITALS

Early Says Institutions Here Formerly Enjoyed Special Rates

Letter to Labor Council Given; Washington's Rate Held Same

Replying to local criticism of their rate of \$2.57 per day per patient for hospital service, the state industrial accident commissioners declare that Klamath Falls hospitals enjoyed in the past a special rate, and that the present controversy grew up when the commission reduced the rate here to a level with other hospitals in the state.

The situation is discussed by Chairman Charles T. Early of the commission, in a letter sent to The Herald and News, accompanied by a copy of a letter submitted to the Central Labor Council of Klamath Falls, which has become interested in the controversy between the local hospitals and the commission.

The commission previously paid a rate of \$3.50, which Commissioner Early declares was a special rate, granted Klamath Falls and three other hospitals in 1921. When the present commission (Continued on Page Eight)

PLEA FOR DIRECT HELP IS PUSHED

Johnson Joins Borah in Calling For Federal Jobless Aid

WASHINGTON, Feb. 12 (AP)—Another powerful plea for direct federal help for the unemployed was made in the senate today by one of its outstanding republican independents—Johnson of California.

Joining Borah of Idaho in advocacy of the LaFollette-Costigan measure, the outspoken Californian demanded that congress accord to suffering human beings the same measure of assistance he said had been given banks and business.

He made his speech in the resumption of debate which followed an informal agreement that a vote would be had on the bill Monday.

Has More to Say Shortly after he concluded, however, an attempt to set a time for a vote failed when Senator Thomas (D., Okla.) objected that he had some more to say on the measure and such an agreement might prevent him from saying it.

Courtesy of the Klamath Falls News and The Evening Herald

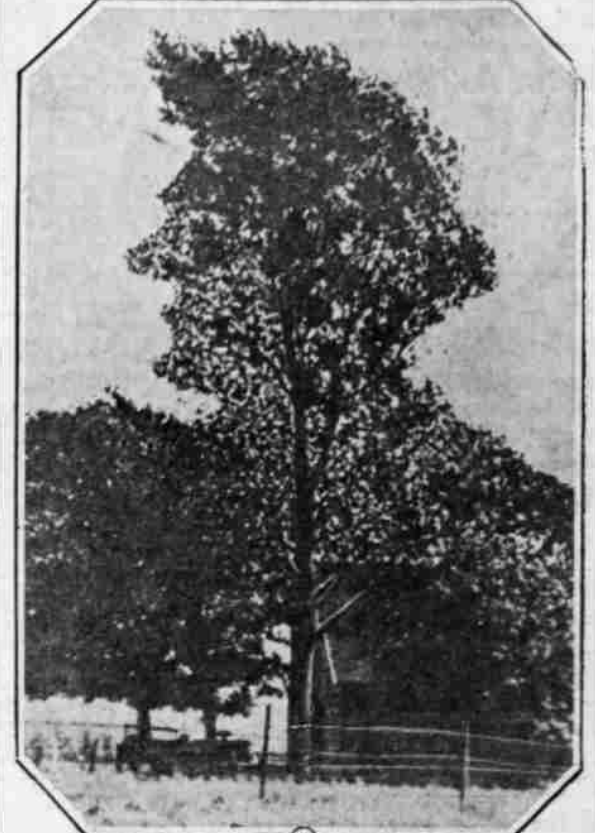
Famed Evangelist Is Seriously Ill

PITTSBURGH, Feb. 12 (AP)—Billy Sunday, militant evangelist, is suffering from laryngitis, and is on the verge of a nervous breakdown. But despite his 70 years, he refuses to cancel several meetings scheduled in a North Side church.

Black Eye Photos Win Easy Divorce

CHICAGO, Feb. 12 (AP)—Mrs. Helen Egan was systematic. Every time her husband, Raymond J. Egan, hit her in the eye, she said, she hurried to a photographer to have her picture taken.

Trees Form Lincoln Profile



A new form of Lincoln memorial has been formed by three trees near the home of Ernest Heyn, six miles from Bloomington, Ill. The trees, shown above, form an excellent profile of the Civil War president. McLean county, where the tree is located, is rich in Lincoln lore.

Nation Pauses to Pay Honor To Memory of Emancipator; Birthday is Observed in City

WASHINGTON, Feb. 12 (AP)—The house paused today from its duties to pay tribute to Abraham Lincoln and hear of his struggles and achievements.

Representative Chipfield, tall and vigorous Illinois republican, told the house that "one lesson taught by Lincoln that may be helpful at the present day was his unflinching determination to stand steadfast before the nations of the world for the rights of America."

"Although opposed by the bravest of the brave at home, he did not fail to speak courageously for the dignity of the country when it was assailed from abroad, and in the overwhelming crisis of those days, he spoke in the name of our nation for the preservation and recognition of its fundamental rights," Chipfield said.

Today we are in the midst of a great national crisis, and confronted with and threatened by a world anarchy which all pray may be averted.

"It will be averted whenever the people of the nation are sufficiently impressed with the importance of and need for united action. . . . This whole nation will respond either in time of peace or time of war, by sacrifice and endeavor, or by arms, and bear any hardship that may be imposed, no matter how severe, whenever danger assails the republic."

"Great men have come and gone since Lincoln fell," said the speaker, "and many have attained high place in the nation, but seldom has one, even when his position (Continued on Page Two)

COURT SUSTAINS CANNON DEMURRER

WASHINGTON, Feb. 12 (AP)—The indictment of Bishop James Cannon Jr. and Miss Ada Burroughs on charges of conspiracy to violate the corrupt practices act was thrown out of court today, but plans were made for an immediate appeal by the government.

Associate Justice James M. Proctor of the District of Columbia supreme court sustained a demurrer of the Southern Methodist churchman to the indictment of himself and his former secretary.

The justice ruled the charges did not allege as fact that Miss Burroughs had knowledge of campaign contributions she was indicted for alleged failure to report.

John J. Wilson, assistant United States attorney, prepared for an immediate appeal from the ruling. He will file it Monday in the District of Columbia court of appeals.

SHAKE-UP IS HELD NEAR IN COMMISSION

Ainsworth, Hanley Said by Journal to Have Taken Action.

Conference With Governor Held; No Comments Are Made.

PORTLAND, Ore., Feb. 12 (AP)—The Journal said today it has learned from responsible sources that the resignations of J. C. Ainsworth, chairman of the state highway commission, and William Hixey, commissioner, are in the hands of Governor Julius L. Meier.

Governor Meier said he knew nothing about it. From what is declared to be a responsible source it was heard that Ainsworth submitted his resignation while the governor was on his recent eastern trip, and that Hanley placed his on file Thursday.

Neither would comment. The two commissioners have long been dissatisfied with their relationship with Charles K. Spaulding of Salem, third member of the commission.

What effect the reported resignations would have on the stand of Commissioner Spaulding here caused considerable speculation.

There was some report that the governor might make a formal call for the resignations of all the commissioners, and then appoint or reappoint those whom he feels have the best interests of the work at heart and who can work together most harmoniously.

The Journal article said "J. C. Ainsworth of Portland and William Hanley of Burns have resigned from the state highway commission, according to authentic reports."

Conference Reported On his return from the east, the paper reports, Governor Meier found the Ainsworth resignation awaiting him. The Hanley resignation followed.

"The three were in conference Thursday at Ainsworth's office in the United States National bank," the article said. "According to rumor, the governor inquired as to whether Ainsworth and Hanley would serve as members of a new commission. Such action would compel the retirement of Commissioner Charles K. Spaulding of Salem."

HOOVER ACCEPTS MELLON'S NOTICE

WASHINGTON, Feb. 12 (AP)—President Hoover today accepted the formal resignation of Andrew W. Mellon as secretary of the treasury, at the same time paying tribute to him for his 11 years of service in that post.

The ambassador to Great Britain said of the president as he left his former post "with the highest regard for you and your administration."

The president in reply said he knew of "no more magnificent tribute that has come to a public servant" than the expressions of esteem coming from both "the press and the public."

Meanwhile, Ogden Mills who takes the oath as secretary of the treasury today, occupied himself with the affairs of the reconstruction corporation. Neither he nor Mellon attended the president's regular Friday cabinet meeting.

LATE NEWS

LAKE PLACID, N. Y., Feb. 12 (AP)—Hans Beck of Norway, today won the Olympic ski jump championship with leaps of 222 and 208 feet before a crowd of 25,000 on a slippery intervals slope.

WASHINGTON, Feb. 12 (AP)—Southern and western democrats in the senate joined today in espousing the cause of Governor Roosevelt for the democratic presidential nomination.

WASHINGTON, Feb. 12 (AP)—Secretary Stimson said today he is holding himself in readiness to go to Geneva and attend the armaments conference, if it becomes clear that his presence there would do any good. He said, however, that he does not intend going unless it seems his attendance would serve some good purpose.