

TAX INCREASE CALL CANCELLED BY TRUMAN

President, In Economic Report To Congress, Also Drops Past Urge For Price, Wage Controls

By STERLING F. GREEN
 WASHINGTON, July 11.—(AP)—President Truman today canceled his call for a \$4,000,000,000 tax increase. He bowed to a temporary deficit spending policy to head off any depression. "No major increase in taxes should be undertaken at this time" were the President's words. Also: "We cannot expect to achieve a budget surplus in a declining national economy."
 In a stunning reversal of his stand, Mr. Truman sent to Congress a mid-year economic report wiped clean of his past demands for price, wage or other business controls.
 Instead—stating that unemployment is acute in some areas—he proposed 11 new laws to build up jobs and production, boost consumer income and buying power, and loosen federal lending.

All the ideas were familiar. Most were not drastic. They included public works planning, but not more public works; the Brannan farm plan; expansion of social security and jobless pay; extended GI benefits. Crisis action isn't needed. Mr. Truman said, because the economy still is strong and healthy. It can hit a soaring annual output of well above \$300,000,000,000 in a few years, he predicted. That is one-fifth higher than today's national production.

"But there is nothing healthy about more unemployment or less production," Congress was told. "Such trends can and must be reversed by positive action, private and public."
 "Our own people insist upon the maintenance of prosperity, and will not tolerate a depression."
 Council More Optimistic
 The president's Council of Economic Advisers, in an accompanying report, was somewhat more optimistic in general tone than Mr. Truman. It found the business outlook reassuring. But agreed that federal action is called for.

"We may have the unique and fortunate experience of liquidating a major inflation without falling into a severe recession" the three-member council reported. In a sentence certain to win the acclaim of business, Mr. Truman took his stand against any major increase in taxes. "Only estate and gift tax rates should be raised," he said. He added that the transportation tax on goods should be wiped out and the "carry-over" of losses in corporation taxes should be liberalized.

The expected results: (A) better (Continued on Page Two)

Strike Ties Sand, Gravel Plants

CORVALLIS, July 11.—(AP)—Plants producing sand, gravel and concrete products over most of the Mid-Willamette Valley were shut down today in a dispute with the teamsters union over wages of truck drivers.
 At least three firms in Corvallis, Albany, Lebanon and Salem plants have been shut down for a week. Spokesmen for the employers here said the wage controversy had been going on since January, with the companies offering a 10 cent per hour wage increase and the union asking 12 1/2 cents retroactive to the first of the year. Negotiations with the union are underway in Salem.
 Within a few days the shut down is expected to halt most building operations using the affected materials.

Cop First Arrested In Hooded Terrorism Cases

BIRMINGHAM, Ala., July 11.—(AP)—A Brookside, Ala., policeman was the first man arrested today on charges by a grand jury which investigated masked mob violence in the Birmingham district.
 Thirteen other men were tabbed for arrest on charges of hooded terrorism.
 Elmer Brock, the first man arrested, posted bond of \$300 each on two indictments. One was for intimidation of a witness and the other for neglect of duty.
 At Brookside the night of June 10 a robed and hooded band invaded a restaurant, cleared out its occupants and forced them to witness a cross burning.

Angler Vanishes From Winchester Bay Jetty

REEDSPORT, Ore., July 11.—(AP)—Coast guardsmen searched the surf here today for Otis M. Withrow, 25, Hobbs, N. M., who vanished sometime Saturday evening while fishing off a dock near the south jetty at Winchester Bay.
 State Police said the young man's parents and a sister, camping nearby at the Umpqua light house park, reported Withrow was last seen about 9 p.m. Saturday.

Tacoman New Head Of National B. P. O. Elks

CLEVELAND, July 11.—(AP)—The Benevolent and Protective Order of Elks today elected Emmett T. Anderson of Tacoma, Wash., as Grand Exalted Ruler. President of a printing firm there, he is a past exalted ruler of his lodge and a former district deputy grand exalted ruler for the Washington southwest area.
 Anderson succeeds George I. Hall of New York City.
 Rep. Russell V. Mack (R-Wash.) made the speech nominating Anderson as head of the lodge which reported 965,387 paid-up members as of last March. During Hall's year in office, the Elks added 39,703 new members.

Levity Fact Rant

By L. F. Reimannstein
 New batch of hunting regulations have been issued by the Oregon Game Commission for sportsmen's headaches. But do not concentrate too heavily. They're only tentative and likely to be revised after being gilded in your memory.

The News-Review

The Weather
 Fair today, tonight and Tuesday.
 Sunset today 7:45 p. m.
 Sunrise tomorrow 4:44 a. m.

Established 1873
 ROSEBURG, OREGON—MONDAY, JULY 11, 1949
 ★ ★ 161-49

Cody Kids Enrich Their Aquatic Laurels By Capturing Top Place At Invitational Swim Meet

George McFaul Breaks Own Mark In 220-Yd. Stroke; Judy Cornell Posts New Time In 100-Yd. Event

(Pictures On Page 6)
 A talented group of swimmers—the Cody Kids—of Portland's Multnomah Athletic Club swam their way to first place in the first annual Southern Oregon Invitational Swimming Championships, held under the sponsorship of the Roseburg Junior Chamber of Commerce, at the Roseburg Municipal Pool Saturday night and Sunday afternoon.
 The MAC kids outswam the opposition in all four divisions to gain a total of 352 1/2 points. Portland Aquatic Club was second with a total of 184 points, Northwest YMCA was third with 17 and The Dalles Natators were fourth with 15. Unattached swimmers accumulated 24 counters.

Outstanding individual swimmers included George McFaul Jr., MAC, high point man in the senior men's division; Jack Palmer, PAC, junior men's division; Della Moore Sehorn and Lavelle Flannery, both PAC, who tied for first in the senior women's division and Ann Hackworth, MAC, in the junior women's division.

McFaul broke a previous state record held by himself in the 220-yard breast stroke, with the new time of 2:58. The speedy 18-year-old holds all boys' and men's breast stroke records in Oregon. McFaul also holds the far western breast stroke record for junior boys in 11 western states and Hawaii, and the Pacific Northwest Association record (Oregon, Washington and British Columbia).

Women's Record Broken
 Judy Cornell broke Nancy Merkl's 100-yard breast stroke record of 1:17.5, with a time of 1:17.3. This is .8 slower than the (Continued on Page Two)



SECRETARY OF '49—Irene Williams smiles after being crowned "Miss Secretary of 1949" at the annual convention of the National Secretaries Association in Chicago. Employed for 23 years by a Chicago bank, she won out over 59 contestants in neatness, personality, dress, grooming and grammar.

Marshall Plan Funds Slashed By Committee

WASHINGTON, July 11.—(AP)—The Senate Appropriations Committee has approved a 10 percent cut in funds for the European Recovery Program, a member said today.
 The Senator, who asked that identification be withheld, reported the group agreed to \$3,778,380,000 to finance continued Marshall Plan operations.
 The approved cut totaled \$420,620,000 which will come from the Economic Cooperation Administration's proposed budget for recovery operations during the fiscal year which started July 1.
 The Senate figure represented a compromise between those who favored the full ECA program and economy advocates who wanted to cut up to \$740,000,000 off the program.

In the Day's News

By FRANK JENKINS
 THE news, as this is written, is pretty thin.
 NOBODY HAS MURDERED ANYBODY. (At least, at the moment, no new murders have got into the news.) No nation has started shooting at another nation. There are no violent ruckuses.
 A startling thought occurs: Maybe "thin" news is good news.

Elderly Brothers Die In Sympathy Murder, Suicide

PORTLAND, July 11.—(AP)—Two elderly brothers died of bullet wounds yesterday in what the coroner's office described as a "sympathy murder" of the older man and suicide by the other.
 Found dead at home were Henry T. Holford, 64, shot in the chest while seated in his bed, and his brother, Bert, 60, who had fired a bullet into his heart. Police reported the older brother had been suffering from a heart ailment for months which the younger man had experienced last February.

School Heating Permit Obtained

A building permit for \$67,000 has been taken out for the construction of a central heating plant for Roseburg Senior High and Fullerton Schools.
 The contract for the work has been let to Industrial Building Co. of Eugene, builders of the Riverside School last year.
 The central heating unit will be housed in a separate structure west of the high school building. Bids for the construction of an auditorium-gymnasium for the Benson School have been invited by Roseburg School District 4, announced A. B. Collier, clerk.
 Bids will be received at the Junior High School building until 8 p.m. July 18. Prequalification is required 10 days in advance of the bid opening date. Plans and specifications can be obtained from Collier or from L. W. Metzger at 321 S. Mill St. Excavation work for the gymnasium has been done by the district, but the construction will be done by contract.

Dollar Problem Awaits Britain's Solution

LONDON, July 11.—(AP)—Britain hopes to find a solution to her dollar problem by September.
 That is the upshot of a three-day, closed-door conference here between United States Treasury Secretary John Snyder, British economic chief Sir Stafford Cripps and Canadian Finance Minister Douglas Abbott.
 Before Snyder left for Brussels on the next stage of his European tour, the three issued a joint communique. It promised fact-finding discussions right away and more ministerial talks in Washington in September.
 by a Canadian seaman's union. Dockers at the mass meeting agreed again, as they have several times before, to handle all but the Canadian ships involved in the seamen's dispute.
 The dock labor board has turned this proposal down.
 Elsewhere on Britain's troubled labor front, 3,000 railmen started a slowdown this morning at nine depots in Manchester and Salford.
 They are trying to force action on a demand by 460,000 union railway workers for a ten-shilling (\$2) a week pay raise from the state-owned lines. The government is setting up a court of arbitration to deal with this demand.

Crash Of Auto Sends 3 Men To Hospital

Skidding Vehicle Hits Post, Shearing It Off; Charges Await Driver

Three Myrtle Creek men were seriously injured when the car in which they were riding left the highway five miles south of Roseburg Saturday at 10 p. m.
 State Police Sgt. Lyle Harrell listed the men as follows:
 Ralph Edward Jones, 23, driver of the car, sustained broken ribs and a broken collar bone.
 Donald John Alden McCarton, 25, a passenger, sustained a broken neck. His condition is reported as serious.
 Harold William Riley, 22, a passenger, sustained a broken back. His condition is reported as critical.
 Jones and McCarton are both at Mercy Hospital, but Riley has been removed to a Portland hospital because of his more serious condition.
 According to Sgt. Harrell no other car was involved. He said (Continued on Page Two)

Botanist, Wife Pilot In Plane Crash Rescued

FAIRBANKS, Alaska, July 11.—(AP)—With a bottleful of beetles and a chinkful of stubble, Dr. Melville T. Cook, 79-year-old Louisiana botany professor, stepped jauntily from a rescue plane last night with his wife and pilot Bill Currington.
 The trio, object of a week-long search by more than 30 military and civilian planes, were snatched by a helicopter only 24 hours before from the side of a 3,200-foot mountain 50 miles north of the Arctic Circle and 50 miles north of Fort Yukon. Their single-engine Cessna crash-landed on the tundra slope when Currington became lost and the gas supply ran low.
 Despite their apparent calm Dr. Cook and Mrs. Cook, who is also near 80, and pilot Currington were emphatic in declaring they have had their fill of eggs and Alaska mosquitoes, the world's hungriest.
 They had a cargo of 90 dozen eggs aboard—consigned to a roadhouse—when the plane put down. Only a few eggs were cracked in the crash.
 "We ate them raw, we ate them cooked," said Dr. Cook.
 To fill the formations of buzz-bombing mosquitoes, the three slept inside the plane at night and sealed up the cracks with emergency bandage tape to keep the insects out. They sent up daily smoke signals in hopes of catching the attention of rescuers.
 The three suffered only bruises in the crash, which washed out the plane's landing gear, popped off the doors and twisted the propeller.

Truman Withdraws Friend's Nomination

WASHINGTON, July 11.—(AP) President Truman today withdrew the nomination of his old friend, Fred A. (Bull) Canfil, for reappointment as United States marshal at Kansas City.
 Canfil's nomination for a new term was sent to the Senate January 13.
 Apparently, the president acted to avoid a fight on Canfil's confirmation.
 Under the strategy, Canfil can continue to serve on his present term, since he holds office until a successor is appointed and qualified.
 The Senate Judiciary Committee has taken no action on the nomination of Canfil during all the months it has been before the committee.

Bull Blamed For Fatal Accident To Motorist

SALEM, July 11.—(AP)—Armond Franklin Frey, 25, Dallas, died in a Salem hospital Sunday from injuries received in a head-on auto collision south of Salem Friday night.
 State police blamed the accident on a stray bull which was wandering along the Pacific highway.
 Four other persons are recovering in a hospital from injuries received in the same accident.

Referendum Vote On Oregon Pension Bill Now Assured

PORTLAND, July 11.—(AP)—A referendum vote on the last Legislature's pension bill was declared assured today by Joe Dunne, spokesman for old age pension groups.
 Dunne said 14,000 signatures had been validated and another 4,200 checked names were due here from Lane, Linn and Marion counties. He said these would exceed the required 15,000 and put the measure to vote in November, 1950.
 He said the referendum sponsors want a bill that guarantees \$50 monthly. A ballot measure stipulating the monthly goal was passed last year, but was declared unworkable by the state attorney general. The Legislature then passed the measure which Dunne's group seeks to kill off.
 Two other referendum issues, one to allow daylight saving time and another opposing a Rogue River dam, may be on the ballot in 1950. Daylight time supporters need 3,800 additional signatures. W. J. Smith of the National Wildlife Federation said the opposition to any new Rogue River dam is meeting with moderate success.
 The referendum petitions must be completed and filed by July 16.

Coal Miners Begin Second Three-Day Work Week

PITTSBURGH, July 11.—(AP)—Most of the nation's 450,000 soft coal miners today began their second successive three-day work week.
 Diggers east of the Mississippi will produce coal today, tomorrow and Wednesday. Then they are expected to knock off until the next Monday in accordance with John L. Lewis' edict.
 The three-day week started at the end of the coal miners' 10-day, paid vacation July 5, although their contract expired June 30. Lewis, president of the United Mine Workers, ordered them to work three days a week during current contract negotiations.

Racing Driver Killed On Portland Speedway

PORTLAND, July 11.—(AP)—Les Anderson, Oregon's top big car racing driver, was killed yesterday in a featured race at the Portland Speedway.
 Anderson, 38, and an entry in the past three Memorial day classics at Indianapolis, died three hours after his car and one driven by Art George, Los Angeles, crashed on the 16th lap of the class A 35-lap event.
 George suffered several broken bones, but was not in critical condition, according to Emanuel hospital.

Reorganization Petition Filed By Lumber Firm

PORTLAND, July 11.—(AP)—Two firms asked permission Saturday of Federal District Court to continue operating under present management while reorganizing.
 The Judd Creek Lumber Co., Inc. of Riddle filed a reorganization petition, listing total liabilities at \$229,741 and total assets at \$181,738.
 The lumber firm said the federal government has filed liens against it for \$29,593 for withholding and unemployment taxes; and the State Unemployment Compensation and Industrial Accident Commissions liens of \$6,584.
 The petition also listed \$12,217 in judgments against the company in Douglas County, \$13,911 in pending suits, and a \$41,000 chattel mortgage.
 The other company to file a reorganization petition was Coos-Curry Transportation Inc., a Coquille trucking firm, which said its business was hurt by the maritime strike and the bad winter. It listed assets at \$95,256 and liabilities at \$66,532, but said it needed more time to collect money owed it by customers.

ELLIOTT'S OUSTER SOUGHT Young Multnomah GOP Asks Demos To Join In Plan To Recall Sheriff

PORTLAND, July 11.—(AP)—The Young Republican organization of this county invited Democrats and other groups today to start a recall move against the Multnomah County sheriff who is feuding with Portland newspapers and some of his own staff.
 The Young Republican president, Donald C. Walker, announced the recall move after Sheriff M. L. Elliott filed a \$500,000 libel suit against the Oregonian and challenged his critics to "go ahead and start a recall."
 County Democratic Chairman Nicholas Granet rallied to the sheriff's defense, calling the recall attempt a "straight political issue" and accusing the Portland newspapers of "persecuting" the sheriff.
 Other Democratic spokesmen, however, indicated a possible willingness to support the recall if assured that a Democratic successor would be chosen. Owen Card, first vice-president of the Young Democrats, said he personally would favor a recall.
 The controversy over Elliott, simmering since he admitted making incorrect statements about his background during his political campaign, boiled over last week when he suspended Stanley MacDonald, the veteran head of the Criminal Identification Bureau in the sheriff's office.
 Other county officials charged that MacDonald—one of the best known Civil Service men in the sheriff's staff—had been unjustly treated. Both Portland (Continued on Page Two)

MIKE ELLIOTT Recall attempt faced.

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Texas Governor Jester Found Dead On Train

HOUSTON, Tex., July 11.—(AP)—Governor Beauford Jester was found dead today in his Pullman berth on a train at the Southern Pacific depot. He was 56. Death apparently was from natural causes.
 Jester was serving his second term as governor. He took office in 1946.
 The lieutenant governor who will take over as governor is Allan Shivers, also serving his second term.



GIRL SCOUTS OFF FOR EUROPE

—This group of senior girl scouts and assistant troop leaders pose aboard the Marine Flasher in New York harbor before sailing for Europe. They plan to work as volunteers in the girl guide and scout camps in France, the Netherlands and Great Britain.
 Left to right are Margaret Ann Shoot of Upper Darby, Pa.; Georgia Earlywine, Pratt, Kas.; Gerry Smith, Omaha, Neb.; Virginia Milbank, Pasadena, Calif.; Mercedes Urda, Sewickley, Pa.; Margaret I. Stone, San Francisco; Katherine Adams, Ross, Calif.; and Helen E. Dickerson, Newton, N. J. (AP Wirephoto)

Blast On Boat Takes Life Of Gen. Prichard

Commodore W. Painter Also Dies; Col. Biddle Performs Heroic Act

WASHINGTON, July 11.—(AP)—The general who headed the Army's public relations and a retired navy officer were killed when a cabin cruiser exploded on the Potomac river yesterday.
 The dead: Maj. Gen. Vernon E. Prichard, 57, and Commodore Wilfred L. Painter, 41, USNR.
 Navy Captain Sergius N. F. Loboshev and Johannes Johannsen, 40, steward at the fashionable Corinthian Yacht Club, were carried on hospital critical lists today.
 Eyewitnesses credited Col. Anthony J. Drexel Biddle, one of those aboard, with great personal courage.
 Biddle, soldier, athlete and diplomat, told reporters the 50-foot cruiser Halcyon was just pulling away from the Yacht Club dock enroute down the Potomac when the explosion occurred.
 "I was standing on the bow of the boat with my wife and Mrs. Prichard," Biddle said. "We weren't more than two or three yards from the dock when we heard this huge explosion, and the three of us were shot into the river. There was a lot of debris and flame.
 "I swam to my wife and brought her to the dock posts and then grabbed Mrs. Prichard. Both (Continued on Page Two)

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Rain Breaks Hot Spell, Saves Crops

(By the Associated Press)
 Thrifing crops in eight northeastern drought-stricken states had their first real beneficial rain yesterday in 49 days.
 A steady day-long shower brought almost an inch and a half of moisture to some parts of the area where crop damage had mounted into the millions of dollars.
 Weathermen in New Jersey said the drought in that state had been washed out but farmers there and elsewhere throughout the northeast said more moisture would be needed soon. Crop damage in New Jersey alone has been estimated at \$31,000,000.
 Although the rainfall measured only little more than a trace at some points it was sufficient generally to be a lifesaver to crops that were on the verge of doom.
 Drought conditions were reported definitely broken in western New York.
 In New England, where crop damage had mounted to \$20,000,000, many points reported an inch or more of moisture.

Caterpillar Invasion Of Lebanon Halted

LEBANON, Ore., July 11.—(AP) Sulphite liquor from a paper mill and DDT halted an invasion of caterpillars here yesterday that had kept housewives busy with brooms and garden hose.
 Firemen later burned grass and thistle patches where the insects hatched out early Saturday and began moving across lawns and gardens in unnumbered hordes.



Angler Vanishes From Winchester Bay Jetty

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