

IT SEEMS TO ME

By Charles S. Sprague

I note that the Portland council of churches has become concerned over the extent of pari-mutuel betting on the dog races held in Portland. The council urges the repeal of the law. Its idea is good, but belated. The bill legalizing pari-mutuels was passed in 1933, and dog racing has been in vogue in Portland ever since. In the 1937 legislature the late Senator Isaac Staples led an unsuccessful fight to repeal the law. Since then there has been no real attempt at repeal. In this interval of time the licensees for the racing-pari-mutuel operation have become well entrenched.

I wonder if the good people of Portland realize the devices used by the dog racing licensee to wet down opposition. The law itself was cleverly designed to build up support for the institution by providing for a sharing of the loot all over the state from big shows like the state fair and Pendleton roundup down to all the county fairs in the state.

But the licensee does a good job of building political security right at home. By getting permission from the state board to run a few extra days various community projects are "cut in" for a share of the intake. Thus the Multnomah war finance committee has drawn all or part of its non-government support from this source. This appeases local merchants who have resented the drain of shopping dollars to the doggies. The George E. White center for soldiers has likewise been a

(Continued on editorial page)

Yanks Seize Huge Diamond Cache in Japan

TOKYO, Friday, Oct. 18.—(AP)—American authorities today seized more than \$30,000,000 worth of glittering diamonds belonging to the official Japanese government control agency and stored in thermos bottles within a trust company safety deposit box.

TOKYO, Thursday, Oct. 18.—(AP)—The transfer of 350 tons of gold and silver bullion from the bombed wrecked Japanese government mint to the vaults of the bank of Japan began today under the protection of heavily armed American cavalrymen.

There was no estimate of the total value of the bullion. It should be in the millions of dollars. Today's transfer was the first big scale move to gather together Japanese gold, silver and platinum holdings in the bank of Japan's vaults in Tokyo and Osaka.

The treasure will be held pending instructions from Washington for its disposition.

Small Loan Companies Forbidden Extra Fees

Attorney General George Neuner ruled Wednesday that small loan companies are forbidden from collecting extra fees in making loans, such as mortgage fees, when the property is used for collateral.

The opinion was requested by A. A. Rogers, state superintendent of banks. Neuner also held that when an out of state resident applies for a loan in Oregon the Oregon laws apply.

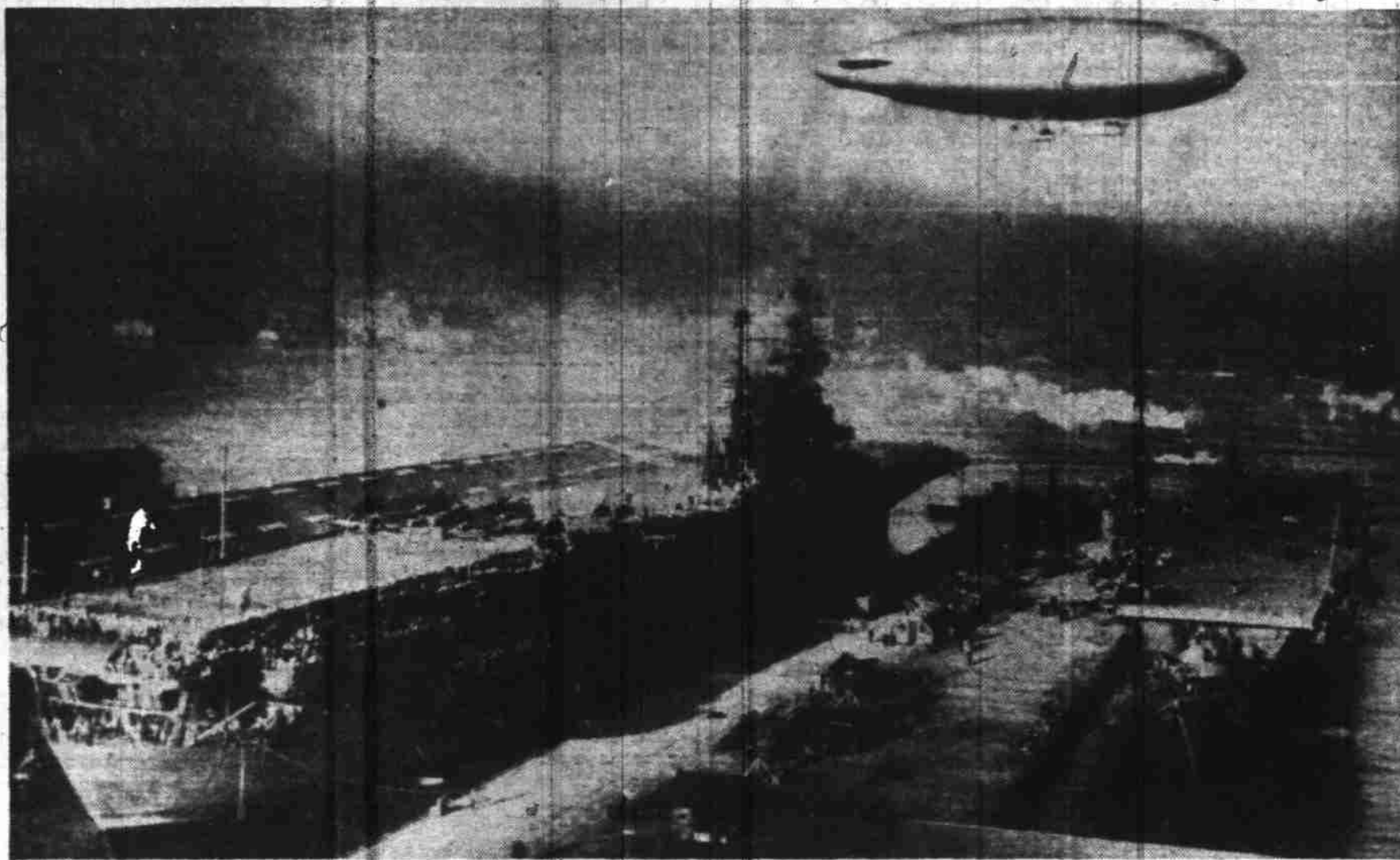
Animal Crackers

By WARREN GOODRICH



"We've tried to raise them right but they're still just a couple of little stinkers."

Vanguard of Great Ships Arrive for New York Navy Day



NEW YORK, Oct. 17.—Carriers tie up for navy day celebration. A navy blimp flies over the aircraft carrier Enterprise (left) and the 10,000 ton light carrier Monterey (right) as they tie up to pier in New York harbor today. They were the first major warships of the fleet to arrive to take part in the navy day celebration here October 27. (AP Wirephoto)

Lewis Asks End Of Coal Walk-Out In Sudden Move

WASHINGTON, Oct. 17.—(AP)—John L. Lewis today asked 216,000 striking soft coal miners to return to work by Monday and end the growing threat to basic reconversion industries. The sudden call for a halt—at least a temporary one—to stoppages in more than 1000 mines caught the operators by surprise.

They quickly expressed great satisfaction, promised to cooperate fully in restoring coal production, and pledged there would be no retaliation against the strikers.

Secretary of Labor Schwelmbach, whose own efforts at settlement collapsed Monday night, declared himself both "delighted" and hopeful that Lewis' action would have "a steady effect throughout industry generally."

No detailed explanation of Lewis' decision to end the strike was given beyond a UMW spokesman's statement that the step was taken in the public interest.

Some persons in touch with the situation thought these factors might have played a part:

1. Possible concern on the part of the UMW leadership over public reaction to the strike.
2. A protracted strike of miners over an issue not involving any wage increase for them might not be continuously popular with them.

Nip Companies To Sell Stocks

TOKYO, Oct. 17.—(AP)—Japan's four great industrial companies—with their tight grip on the nation's economic and political life already an avowed target of U.S. occupation policy—have decided to offer all of their stock at public sale, the newspaper Yomiuri Hochi said today—adding that this "is not enough."

State ownership of such concerns—the Mitsui, Mitsubishi, Sumitomo and Yasuda companies—is the only solution to their entrenched grip on Japanese wealth and government, the newspaper commented.

Banquet Honors Capt. McKay On Release From Service

CAMP ADAIR, Oct. 17.—(Special)—Nearly 300 Ninth service command officers and their wives paid homage to Capt. Douglas McKay tonight on the eve of the captain's honorable discharge from active service.

A banquet in his honor was held at the officers' mess, arranged under the chairmanship of Maj. H. F. Dowd, deputy director of supply, of Corpus Christi, Tex. Music and dancing followed the dinner.

High tribute was voiced for the Salem man's long record of active and able service in the army. He will be entitled to doff his uniform tomorrow. The captain's most recent service has been under Col. Lewis S. Norman, post commander.

Solons Seek To Cut Budget By One-Third

WASHINGTON, Oct. 17.—(AP)—Congress set out today to cut government spending this year by almost one-third.

The first action of such magnitude in many years was initiated by the house appropriations committee, acting on President Truman's recommendations with some ideas of its own thrown in.

The committee reported to the house a bill to cancel \$2,453,535,279 in previously authorized spending for this fiscal year ending June 30, 1946.

There had been \$170,000,000 made available for this 12 months, voted at a time when the nation was fighting a war on two fronts.

This recapturing of funds does not mean a tax cut, however, Chairman Cannon (D-Mo) was quick to point out. He said it simply means slowing down the rate at which the national debt is piling up.

Krug Offered Movie Position

HOLLYWOOD, Oct. 17.—(AP)—Busy with efforts to end the "extremely complicated" seven months motion picture strike, Eric Johnston, head of the Motion Picture Producers and Distributors of America, announced today that J. A. Krug, chairman of the war production board, has been offered a \$75,000 job as president of an affiliated film organization.

Krug, who is in Los Angeles today, was not immediately available for comment. He has a week, Johnston said, to accept the proffered position as head of the Motion Picture Producers association, one of two film organizations. Johnston heads the other at a \$100,000 salary.

In a message read before the opening conference of the FAO, the president said the agency offered the United Nations a chance to "begin to cultivate, if not yet to gather, the fruits of victory" over their axis enemies.

Mrs. Kayser to Head Committee

The appointment of Mrs. Henry (Bessie) Kayser as chairman of the women's division of the Marion county war finance committee was announced Wednesday by Douglas Yeater, general chairman.

Mrs. Kayser, who was chairman of the downtown women workers in the Seventh War Loan, performed first public duties of her new task Tuesday when she presided at a meeting of 40 Marion and Polk county war bond saleswomen who heard Mrs. Pat O'Brien, wife of the actor and national war finance representative, discuss plans for the "Victory" or "Thanksgiving Loan" scheduled for November (see picture on women's page).

Weather

	Max.	Min.	Rain
San Francisco	65	48	trace
Salem	63	38	50
Eugene	61	41	trace
Portland	60	43	50
Seattle	55	47	18

Willamette river -3.2 ft.
FORECAST (from U.S. weather bureau, McNary field, Salem): Fog this morning, clearing after 10 a.m. Highest today 60 degrees.

Kaydets Given Chance to Quit—And Be Drafted

WASHINGTON, Oct. 17.—(AP)—The war department announced tonight that 38,000 volunteer army air forces aviation cadets are being given the option of discharge.

Because most of the volunteers are youths who signed up before reaching their 18th birthday or before their draft boards tapped them, air forces officers said it is likely that those who take advantage of the release provision will be drafted.

\$22,000 Bid Wins Contract At Fairgrounds

First contract for postwar paving at the Oregon state fairgrounds was awarded Wednesday to Warren Northwest company.

For \$22,000 the company, which the past summer handled Salem's major street paving contract, will pave the road leading from the Silverton road gate to the barns, widening paving in front of the administration building, pave the area between the stadium and the livestock barn and the area in the machinery building and will resurface much of the midway and the strip between the grandstand and the racetrack.

This is only the first of the paving contracts at the fairgrounds to be let this winter, Leo Spitzbart, fair manager, said Wednesday. The state received \$36,000 in federal funds to repair paving damages wrought at the grounds while "the army was in occupation" there, he added. During a large portion of the war troops occupied some of the buildings at the fairgrounds, which served as headquarters for army men assigned to the defense of the Oregon coast.

Mac to Speak To Congress

WASHINGTON, Oct. 17.—(AP)—The house unanimously approved today arrangements for a senate-house meeting to hear General Douglas MacArthur whenever he can pay a visit to Washington.

Some legislators said they expected MacArthur to be in Washington within two weeks, but others said the visit might not take place for six months.

The senate approved a resolution by Rep. Hays (D-Ark) arranging for senate and house to receive the general. The senate had previously passed a resolution inviting him to speak.

AFL BRANDS CIO LUMBER as 'HOT'

U. S.-Red Policy Clash Due

Balkan, Nippon Conflicts Bases Of Coming Crisis

By John M. Hightower
WASHINGTON, Oct. 17.—(AP)—Conflicts between the United States and Russia over Balkan governments and Japan are approaching a new period of crisis. This developed today from disclosures made by Secretary of State Byrnes at a news conference.

The outcome of the conflicts is considered certain to have a vital influence on the future of American-Soviet relations.

In respect to Japan, Byrnes disclosed that Russia is standing pat on its demand that an allied control council should take over supreme authority there from General Douglas MacArthur. As a result it is possible that Russia will refuse to send a representative to the first meeting of the American-sponsored far eastern advisory commission here next Tuesday.

On Balkan conflicts the central problem is whether the United States—and England too—will recognize Soviet supported governments in Romania and Bulgaria, which they have thus far declined to do.

Cut in Army Points to Less Than 60 Seen

WASHINGTON, Oct. 17.—(AP)—Senators heard today that the minimum total for release from the army may be cut below 60 points in December.

Brig. Gen. R. W. Berry, deputy personnel chief of the war department, offered this testimony before the senate military affairs committee as it checked upon progress of the big job of returning millions of fighting men to civilian status.

Amid a barrage of critical questions and pages of estimates, the general stressed these points:

Daily releases from the army reached a peak of 44,000 last week. Men and women with two years service or more cannot hope to get out on that basis alone before March 20 next.

Voluntary enlistments under the new law designed to spur such enlistments have reached 1000 a day.

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Union Redoubles Effort to Throttle Northwest Mills

PORTLAND, Ore., Oct. 17.—(AP)—The AFL, lumber workers today declared all CIO-produced lumber was "hot" and asked affiliated building tradesmen to refuse to handle it as the AFL strike committee redoubled efforts to shut down the industry in the northwest.

The AFL Lumber and Sawmill Workers union has ordered its men, out on strike for 24 days, to check delivery of all "hot" lumber and picket building projects using it. Allied AFL groups, including the sailors union of the Pacific, have joined to thwart sea and land movement and use of such lumber.

Operators have been using CIO lumber to break the AFL strike, aimed at a \$1.10 hourly minimum wage. AFL officials asserted. Before today the AFL had described "hot" lumber only as "that produced behind our imaginary picket line."

AFL carpenters in the Grays Harbor, Wash., district council and in Vancouver, Wash., today were among unions refusing to touch "hot" lumber. In Aberdeen, pickets set out to pursue every truck carrying CIO lumber and prevent unloading.

Superior Judge J. M. Phillips at Aberdeen made permanent a temporary injunction to restrain picketing, issued two weeks ago, at the behest of the International Woodworkers of America (CIO).

Picket lines remained today before Coos Bay, Ore., lumber and logging companies, both CIO-operated. The logging firm and Port Orford cedar mill were operating without AFL inspectors, which balked at pickets yesterday. The lumber company men, unable to produce without inspectors, appealed to employers to have AFL pickets removed.

Another witness, Dr. J. R. Oppenheimer of the New Mexico atomic laboratories, testified, "I am afraid it is" when asked if it was true that a single night's raid on America could kill 40,000,000 persons in congested cities.

Peron Out of Prison, Talks To Argentines

BUENOS AIRES, Oct. 17.—(AP)—Col. Juan Peron, ousted as vice president and minister of war eight days ago, returned from prison tonight and received a thunderous ovation from thousands jammed in the Plaza Mayo in front of government house to hear him speak.

Earlier in the evening the crowd which had been notified Peron would speak, became impatient when Argentina's "strong man" was late in appearing and stoned government house and attempted to break down the doors leading to the navy ministry.

President Edelmiro Farrell, who introduced Peron to the cheering multitude, said: "As you have demanded, the government will not deliver its power to the supreme court," a demand voiced by some political groups in the country's current government crisis.

Farrell said a civilian cabinet, announced earlier by Attorney General Juan Alvarez, "lacked foundation."

GREEK CRISIS ENDS
ATHENS, Oct. 17.—(AP)—Archbishop Damaskinos, regent of Greece, ended the prolonged cabinet crisis today by taking over the government personally as provisional president.

Power Shut-off Threatened In Michigan

LANSING, Mich., Oct. 17.—(AP)—Much of industrial Michigan faced a crisis tonight in a threatened strike of utility workers and Gov. Harry F. Kelly ordered state police and state troops on the alert.

Representatives of the CIO's state utility workers council, which previously had set a 5 p.m. deadline for a strike to begin in plants of the Consumers Power company, left a meeting an hour later without a final verdict.

At Grand Rapids, William Wenzel, president of local 107, said he had received instruction from the state council to walk out before 8 a.m., Thursday.

The strike would cut off electricity in almost all Michigan's major cities outside Detroit and would affect 2,000,000 residents.

Consumers Power also services gas, but union officials said only electricity would be affected at the start of a walkout.

Publisher to Act as Judge

SILVERTON, Oct. 17.—(Special) John T. Hoblitt, publisher of the Silverton Appeal-Tribune, was named temporary police judge at a special meeting of the city council here tonight. He succeeds Bert Terry, who died last week.

The council took advantage of the extra meeting to make two planning commission appointments. It returned C. B. Anderson to the commission which he left last year when he went to Stayton to take over the wartime management of the bank there, and it appointed I. B. Alfred to succeed Lloyd Larson, who has resigned from the commission.

An ordinance levying a 10-cent monthly tax on city water users for purchase of fire equipment was passed.

Convict Escapes From Prison Gang

Frank V. Terrale, 33, alias John Ferrelle, escaped from a prison gun gang sometime Wednesday afternoon, state police reported today.

Terrale, who also is known by other aliases such as Frank Cellupica, Tony Cellupica or Anthony Cellupica, was committed to the penitentiary from Multnomah county in 1939 after conviction on a charge of assault and robbery while armed with a dangerous weapon.

And What Has Hitler Been Doing Since May?



HITLER DURING HAPPY MOMENT—Adolf Hitler (center) smiles as he sits with Reichsmarschall Hermann Goering (left, facing camera), and his girl friend, Eva Braun (right), Mrs. Goering (back to camera, left) and other unidentified persons at an outdoor affair. Time and place of the occasion are unknown. Photo is said to have been found by a soldier of the French 52nd division in a drawer in the Fuehrer's Berchtesgaden home last May. It became available in the United States on October 17. (AP Wirephoto)