

# Hard Coal Miners to Return to Work

## Lewis To Control New Fund

NEW YORK, June 7-(AP)—John L. Lewis' AFL United Mine Workers today gained a new contract with anthracite operators providing for an 18 1/2 cents an hour wage increase and a health and welfare fund, the combined concessions of which will cost the operators an estimated total of \$50,000,000 to \$60,000,000 a year.

The 75,000 miners, who have been on strike in the Pennsylvania hard coal fields for the past week, will return to work Monday, Thomas J. Kennedy, UMW secretary-treasurer, said in announcing the new contract at a news conference.

A spokesman for the operators estimated the increased overhead from the new contract would add approximately \$1 a ton to the retail price of home heating.

The health and welfare fund— to be financed by a five-cents a ton royalty on all hard coal mined— would amount to \$2,700,000 on the basis of last year's production.

The agreement as announced by Kennedy closely parallels the contract the UMW signed in Washington with the government for 400,000 bituminous coal miners recently.

The UMW won a concession from hard coal operators in the health and welfare fund which it did not obtain from the government. Under the agreement, the fund will be administered by three trustees—two of whom will be named by UMW President John L. Lewis and a third by the operators.

Publication of the charges in Atlanta newspapers drew from Dr. Samuel Green, a physician who is Georgia grand dragon of the Klan, a statement that they were "idiotic."

"Next they'll be accusing us of starting the LaSalle hotel fire in Chicago," he said, "or I wouldn't be surprised if they blame us for the maritime strike."

He said every Klansman took an oath to uphold the law and to help prosecute any Klansman found violating the law.

Duke said the crimes his secret agents attributed to the Kavalier club were the slaying of a negro taxi driver and the flogging by a masked band of a 21-year-old negro navy veteran.

The taxi driver, Porter Flournoy Turner, was stabbed to death last August and his body dumped on the lawn of a physician in Dekala county, a part of the Atlanta metropolitan area.

The navy veteran, Hugh Johnson, said he was given 50 lashes at gun's point at a desolate spot near Atlanta February 13. He is employed as a bellboy at an Atlanta hotel.

At Portland, Ore., President Paul B. McKee of Pacific Power said in a statement that the offer was "another of the Bonnevillie inspired pieces of political power propaganda."

He charged that Interstate "actually represents only a small group of self-starting power zealots," and that his concern was working on a refinancing program which would place it "in an even stronger position than before."

At Portland, Ore., President Paul B. McKee of Pacific Power said in a statement that the offer was "another of the Bonnevillie inspired pieces of political power propaganda."

He charged that Interstate "actually represents only a small group of self-starting power zealots," and that his concern was working on a refinancing program which would place it "in an even stronger position than before."

At Portland, Ore., President Paul B. McKee of Pacific Power said in a statement that the offer was "another of the Bonnevillie inspired pieces of political power propaganda."

He charged that Interstate "actually represents only a small group of self-starting power zealots," and that his concern was working on a refinancing program which would place it "in an even stronger position than before."

At Portland, Ore., President Paul B. McKee of Pacific Power said in a statement that the offer was "another of the Bonnevillie inspired pieces of political power propaganda."

He charged that Interstate "actually represents only a small group of self-starting power zealots," and that his concern was working on a refinancing program which would place it "in an even stronger position than before."

At Portland, Ore., President Paul B. McKee of Pacific Power said in a statement that the offer was "another of the Bonnevillie inspired pieces of political power propaganda."

He charged that Interstate "actually represents only a small group of self-starting power zealots," and that his concern was working on a refinancing program which would place it "in an even stronger position than before."

# The Oregon Statesman

NINETY-SIXTH YEAR 10 PAGES The Oregon Statesman, Salem, Oregon, Saturday, June 8, 1946 Price 5c No. 62

## Maritime Scene Brighter, AFL Begins Negotiations

### Greeks To Crush Disorders

ATHENS, June 7-(AP)—The royalist government, opening a drive to crush disorder in Greece, today invoked a drastic emergency decree setting up summary courts empowered to pass death sentences for using arms against authorities or interfering with police.

There will be no recourse from the summary courts, and death sentences will be carried out immediately, the ministry of justice declared.

The decree, which suspends guarantees in the Greek constitution of either a trial within three months or freedom, provides also for a minimum sentence of five years for strikers in public utilities.

The death penalty can be passed also for "moral authors" of action against the state.

Articles in the constitution relating to the courts were suspended, and police and the military were given wide authority.

The police were authorized to enter premises, homes or business establishments at any hour without a search warrant. Any person caught in jail indefinitely without bond and without trial.

After the court passes sentence, no pardons, reprieves or probation will be permitted. Military courts will try alleged violators in northern Greece while civilian courts will prevail in the south.

### Delicate Truce Period Starts In Manchuria

NANKING, June 7-(AP)—China entered upon one of the most delicate periods in her modern history at noon today—a 15-day truce in Manchuria during which she must unequivocally determine whether she is to have peace or full-scale civil war.

On the Manchurian plain orders halted a half million opposing government and communist troops where they stood, so that negotiators here could attempt once again to achieve the peaceful unity that died aborning last January.

Generalissimo Chiang Kai-Shek's directive to his advancing national troops to cease fire and concurrence by the communists, prevented the general civil war which had been an hourly threat in the recent disordered weeks.

### Model Planes Will Compete Sunday

The second annual free flight contest for model planes will be held from 10 a. m. to 4 p. m. Sunday near Woodburn on the Woodburn-Gervais road, with the Portland Gas-hoppers as host club and the Salem Cloud-chasers among leading participants for the \$400 in prizes, it was announced Friday.

Officials said the couple admitted having the storied loot. They identified the pair as Col. J. W. Durant, 36, former attorney of Falls Church, Va., and Capt. Kathleen B. Nash Durant, 34, former hotel executive of Phoenix, Ariz.

She had carried on her hotel-keeping work in the army by directing the officers' rest home established in 80-room Kronberg castle, where the trove had been buried by members of the old house of Hesse. It was there Durant met her.

Two others—a major still on active duty and a corporal who had been discharged—are sought, but their arrest is expected momentarily.

Of the treasure itself—diamonds, pearls, amethysts and royal heirlooms—officials recovered that part which they said was the woman's loot. They placed this at 25 to 50 per cent of the hoard. The rest, they said, went to the colonel. The authorities do not have this portion now, but indicated they know where it can be found.

Col. A. C. Miller, of the provost marshal general's office, and his assistant, Lt. Col. J. S. Myers, unfolded the story at a news conference. They told it thus:

The hoard, in a lead-lined casket within a wooden box, was hidden in the deepest cell of the 100-room Kronberg castle near Frankfurt-on-Main, which subsequently was taken over for an officers' rest home.

When 3rd army troops first moved into the area, their GI's went hunting for liquor in the castle. They found 1800 bottles of choice wines. Then, they found

### Mrs. Daniel Fry Dies after Illness, Services Today

Mrs. Daniel J. Fry, sr., resident of Salem for the past 70 years, died Friday morning at her South High street home where she had been bedfast the past two months.

Born Jan. 12, 1863, at Bloomington, Ill., she came to Salem in 1876 with her parents, Moses and Jane Harbord. Here in 1885 she was married to Daniel J. Fry, long prominent druggist who became president of the First National bank of Salem. In 1931 he died. The home they established at 606 S. High st. and its garden on "Fry's hill" are landmarks here.

Survivors include two daughters, Mrs. Raymond Walsh and Mrs. Hugh Shattuc, both of Salem; two sons, Daniel J. Fry, Salem, and Orris J. Fry, Portland; one sister, Mrs. Ida Knapp of Everett, Wash., and a brother, Rolla Harbord, Spokane, 10 grandchildren and three great grandchildren.

Funeral services are to be held at 3 p. m. today from the Clough-Barrick chapel, Dr. Seth Huntling, pastor of the First Congregational church, of which Mrs. Fry was a member, officiating.

Interment is to be in Belcrest Memorial park. Raymond Walsh, Daniel Fry, III, John Fry and Joe Fry, grandchildren, and Dr. William Snell, husband of Marylee Fry Snell, a granddaughter, are to be pallbearers.



Mrs. Daniel J. Fry, sr.

### Operator, CIO Meet-Continues

By Douglas B. Cornell WASHINGTON, June 7-(AP)—Dealings with both AFL and CIO West Coast Seamen's unions took favorable turns across the continent tonight but failed to erase threats of double-header shipping strikes on all coasts later on.

In San Francisco, the Pacific-American Shipowners' association offered tonight to start contract negotiations there tomorrow with the AFL Sailors' Union of the Pacific. Association officials said the union immediately cancelled a ban on taking ships to sea.

The union itself set a meeting for tomorrow morning to act on the operators' offer.

In Washington the president and attorney of the operators' organization, J. B. Bryan and Gregory Harrison, were tied up in discussions with west coast unions about the proposed contract for maritime unity. From the sessions came official reports of progress. Government conciliators said the west coast issues "have been narrowed down considerably."

No Sign of Settlement Even so, no sign of a final settlement turned up.

East coast settlements, more important in the general picture because the government hopes to use them in setting the pattern for nation-wide agreements, have been at an impasse.

The king-pin CIO National Maritime union discussed strategy for a strike set for June 15.

Tonight in a lengthy negotiating session, this union discussed with eastern ship operators "the hours problem and possible ways of meeting it by compensatory time off."

No Explanation That was the wording of a labor department announcement. No explanation was given. Presumably under such a scheme, seamen would work more than a 44-hour week at sea (the union demands 44 hours instead of the present 56-hour week) and be given time off in port later to make up for the overtime hours.

Negotiations will continue tomorrow.

President Truman talked with his cabinet about the maritime crisis and word seeped out that prospects were "pretty bad." The situation was so "delicate" that a house subcommittee abruptly halted an investigation of it until next Tuesday.

### Two Injured as Bus Hits Auto

Mr. and Mrs. Thomas Morris, 60, were given emergency city first aid care and brought to Salem General hospital Friday night after their car had been struck by a Greyhound stage as it turned from the highway into Quinby auto park, a mile south of Brooks, where they have been living. Mrs. Morris complained of chest and back injuries. He had lacerations.

### Infants to Be Banned From 'Bride Ships'

WASHINGTON, June 7-(AP) Infants under six months will be banned from "bride ships" bringing American servicemen's families from the European and Mediterranean theatres, the war department announced tonight.

This action was taken after study of a report submitted by the board of inquiry which investigated the epidemic among children aboard the army transport Zebulon Vance.

### HOOVER, PERON TALK BUENOS AIRES, June 7-(AP)—Herbert Hoover, on a special food mission to investigate the epidemic among children aboard the army transport Zebulon Vance.

This action was taken after study of a report submitted by the board of inquiry which investigated the epidemic among children aboard the army transport Zebulon Vance.

This action was taken after study of a report submitted by the board of inquiry which investigated the epidemic among children aboard the army transport Zebulon Vance.

This action was taken after study of a report submitted by the board of inquiry which investigated the epidemic among children aboard the army transport Zebulon Vance.

This action was taken after study of a report submitted by the board of inquiry which investigated the epidemic among children aboard the army transport Zebulon Vance.



SALEM ROSE FESTIVAL FLOAT WINS PRIZE—Tagged with a No. 13, the Salem Cherrians' float was not jinxed in Friday's Portland Rose Festival parade. Queen Paula Smith of Stayton and Willamette university, sitting aloft on her flower-decked throne holds the white and gold ribbon which declares the Salem entry third place winner among Oregon cities outside of Portland. She and her attendants, Virginia Case and Thyrza Jean Curry, Salem, found the mountain of greens and flowers on which they rode about as comfortable as sharing one hotel room (the hotel and not the Cherrians was blamed for that), and they enjoyed the breakfast the Cherrians served to them there in some marvellous manner as the parade got underway. Hundreds of peonies and roses, set off with giant stalks of blue delphinium were used in the entry which was guarded by Cherrians along the Rose route.

## IT SEEMS TO ME

By Charles F. Stroup

The crack-up of holding company empires required under the public utilities act will result in bringing ownership of operating utilities in Oregon closer home. Standard Gas & Electric, the holding company put together by the Byllesby interests, has asked the SEC for permission to sell its 140,614 shares of Mountain States Power Co. common stock at competitive bidding. Previously it had requested similar permission for sale of its common stock of California-Oregon Power Co. Mountain States has its main offices in Albany and operates chiefly in the mid-Willamette valley. Copco's territory is in southern Oregon and northern California with offices at Medford.

While these stocks will be sold in bulk to investment bankers, undoubtedly they will work back to local ownership in large measure. Both are well managed companies, with clean financial records and good earnings records. Their stocks should appeal to local investors. There is always the threat of public ownership, but that usually is accomplished by purchase of existing properties, so owners are compensated.

When the Pepco reorganization is completed, common stock of Portland General Electric will be distributed to bond and stockholders of Pepco. Likewise this stock should accumulate, through trading, in local hands.

Eventually, American Power & Light will have to dispose of its holdings of stocks of Pacific Power & Light, Northwestern Electric, Washington Water, Power and Portland Gas & Coke Co. No information is given as to how this will be handled, but it is logical to believe that these securities will come to lodge more and more in local ownership. A cooperative has offered to purchase Pacific Power & Light preliminary to splitting it among PUDs, but has had no answer to its proposal.

### Passage of Terminal Leave Pay Bill Assured

WASHINGTON, June 7-(AP)—A gentlemen's agreement blocked house action today on legislation to pay billions of dollars to past and present enlisted men for enough time they didn't get while in service.

The action left the bill unfinished business for next Tuesday, when its passage is virtually assured.

### Animal Crackers



"No eviction notice, either!"

## Ku Klux Klan Blamed For Killing, Flogging

ATLANTA, June 7-(AP)—A Georgia assistant attorney general reported today his undercover agents had linked an inner "strong arm" group of the revived Ku Klux Klan with a killing and a flogging.

Dan Duke, who is conducting the state legal department's investigation of Klan activities by order of Gov. Ellis Arnall, said that members of the Kavalier Klub boasted openly of the two crimes.

Publication of the charges in Atlanta newspapers drew from Dr. Samuel Green, a physician who is Georgia grand dragon of the Klan, a statement that they were "idiotic."

"Next they'll be accusing us of starting the LaSalle hotel fire in Chicago," he said, "or I wouldn't be surprised if they blame us for the maritime strike."

He said every Klansman took an oath to uphold the law and to help prosecute any Klansman found violating the law.

Duke said the crimes his secret agents attributed to the Kavalier club were the slaying of a negro taxi driver and the flogging by a masked band of a 21-year-old negro navy veteran.

The taxi driver, Porter Flournoy Turner, was stabbed to death last August and his body dumped on the lawn of a physician in Dekala county, a part of the Atlanta metropolitan area.

The navy veteran, Hugh Johnson, said he was given 50 lashes at gun's point at a desolate spot near Atlanta February 13. He is employed as a bellboy at an Atlanta hotel.

### YWCA Drive Past 1/2 Mark

Workers in the YWCA building fund, campaign pushed the total of pledges above the one-third mark Friday and set the sights higher for Tuesday's report luncheon.

Grand total of pledges which had been reported Friday was \$62,999, of which \$17,637 had been brought in by the women's division, representing approximately three-fourths of the division goal. The men's division, with \$4032, had one-fifth of its goal. Pattern gifts totaled \$52,300 out of a \$100,000 goal. Special gifts amounted to \$6730.

### Mundinger New Police Sergeant

Ersel Mundinger, plain clothes member of the Salem police department, topped the grades of 10 other men in this week's civil service examination to fill one place as sergeant on the force. His grade was closely followed by that earned by Stanley Friese, who has been acting sergeant. Walter Esplin and Ernest Finch tied for third place. Others examined failed to pass, the civil service commission reported.

### Dividend Declared

ST. PAUL, June 7-(Special)—A dividend of 50 cents per share on the common stock of Northwest Airlines was declared by directors, payable July 1 to common shareholders of record as of June 20 and representing a total of \$271,935.

### Don Goode Accuses Business Men, C. of C. Selling Vets Short

Salem business men and the chamber of commerce have sold local veterans short, Don Goode, state department of veterans' affairs chief, told the Salem Retail Credit bureau at a Friday luncheon meeting.

Goode accused the chamber of commerce of "dismal failure in establishing a city housing information center to help veterans find, keep or build homes."

"No civic group or organization has made an effort to establish remedies for the veterans' housing shortage, comparable to the energies used to bring Camp Adair into this area for its potential profits to Salem merchants during the war," Goode said.

Home construction in Salem is

## \$34,440,000 Offer Made for Power Firm

NEW YORK, June 7-(AP)—Thirteen public utility districts, co-operators and REA projects of eastern Washington and Oregon offered \$34,440,000 today for the electric properties of the Pacific Power & Light Co., an affiliate of the American Power & Light Co.

The offer was made formally by Charles Baker, Walla Walla, Wash., president of the Interstate Electric, Inc., which has been several months of organization work in the two states.

"If the directors of American Power & Light indicate that they will accept Interstate's offer and supply Interstate with the necessary information, we will then obtain a firm commitment for the financing of the purchase," Baker said in a letter to Howard L. Aller, president of American Power.

At Portland, Ore., President Paul B. McKee of Pacific Power said in a statement that the offer was "another of the Bonnevillie inspired pieces of political power propaganda."

He charged that Interstate "actually represents only a small group of self-starting power zealots," and that his concern was working on a refinancing program which would place it "in an even stronger position than before."

### State Asked to Buy Bridges

BAKER, Ore., June 7-(AP)—The state senate, concluding its annual session today, asked that either the federal government or states of Oregon and Washington acquire two Columbia river bridges and make them toll-free.

They referred to the Bridge of the Gods at Cascade Locks and the bridge at Hood River.

Grangers went on record favoring permanent legislation which would make truck weights and lengths uniform with those permitted in neighboring states. They also opposed any union attempts to organize farmers or farm labor.

### Jefferson Council Elects Member

JEFFERSON, June 7-(Special)—J. J. Denson was elected city councilman to fill the place at this week's council meeting.

The matter of serving beer at the same counter where soft drinks are served at the Terminal was brought up today.

At the time the beer license was approved to the Terminal proprietors, the management agreed to separate the serving of these drinks at the same counter. It was reported that such change has not been made, and a motion carried that the recorder notify the proprietors that if the change is not made, the council would ask the state liquor control board to suspend their license. Bills submitted by the finance committee were ordered paid.

### Weather

	Max.	Min.	Rain
Salem	71	48	56
Portland	71	48	21
San Francisco	63	54	Trace
Chicago	84	66	56
New York	83	59	60
Willamette river	3 ft.		

FORECAST from U.S. weather bureau, McNary field, Salem: Cloudy today, occasional light showers this afternoon. Highest temperature 74 degrees.

### Our Senators

WON

11-3