

By Charles A. Sprague

A news story on an inside page in the Saturday papers really deserves much more prominence. It reports that the railroads have agreed to cut the freight rate on steel moving from Geneva, Utah, to Los Angeles, San Francisco and Portland from 70c to 48c a hundred pounds. To Seattle the new rate will be 54c.

This is a major victory for the west's industry. It brings the cost of steel laid down in Portland down \$420 per ton over the present cost by water from the Bethlehem Steel Co. plant in Maryland. Thus it virtually assures the Geneva plant, now owned by U. S. Steel, of dominance in the market along the west coast, and it assures the cost of cheaper steel.

Industrialization of the west has been greatly retarded by the cost of steel which is basic in modern manufacturing. The plants which have operated here have been largely local, doing specialty work or local fabrication. Competition from the big plants in the east has been too keen for wide expansion. The new cost of steel will dull that competition somewhat and give western industry a better chance to progress.

This subject of western development is dealt with in sharp criticism of westerners by Bernard DeVoto in an article in the January Harpers, following up a previous article on the same theme. He heads it "The West Against Itself." He accused westerners of blindly and stupidly selling out the long-range interest either for immediate profit or as pawns to the east. There is much of truth in what he says, but his complaint is lacking somewhat in historical perspective.

DeVoto accuses the cattlemen of consuming the range so that rivers (Continued on Editorial page)

Gov. Arnall Acts to Block Talmadge Son

ATLANTA, Ga., Jan. 11 (AP)—Elis Arnall resigned today as governor of Georgia, "effective immediately after the qualification of the lieutenant-governor," in a maneuver apparently aimed at blocking succession of Herman Talmadge to the office won by his late father.

The 39-year-old governor, who unseated Gene Talmadge in 1942 and who was ineligible to seek re-election when Talmadge won a fourth non-consecutive term in 1946, dramatically removed himself from the controversy which has torn Georgia since death claimed the defender of "white supremacy."

Death Takes Eva Tanguay

LOS ANGELES, Jan. 11 (AP)—Eva Tanguay, who earned \$2,000,000 as one of the big names of American vaudeville only to spend her declining years in poverty, died today of a cerebral hemorrhage. She was 68.

Animal Crackers



"Here's the place, ma."

Audiometer Helping in Better-hearing Program



Four-year-olds—if you hear the numbers you are doing all right. Above are pupils of the St. Joseph's grammar school taking an audiometer test to determine their ability to hear. The little first graders are being tested while the older eighth graders check them. Giving these hearing tests throughout Marion county in major school centers is Rebecca Overstreet, audiometrist with the state department of health, near the transmitter. Helping her are, (left to right, standing) Janice Jackson and Helen Albrich, both eighth graders, and Eleanor Swedenburg, county health department nurse. (Photo by Don Dill, Statesman staff photographer.) (Story on page 4.)

Albania Rejects British Demand For Apology

LAKE SUCCESS, N. Y., Jan. 11 (AP)—The British made public today a long Albanian note flatly rejecting a London demand for an apology and compensation for mine damage to two British destroyers and the loss of 44 sailors.

Volcano Base Cities Evacuate

MANILA, Sunday, Jan. 12 (AP)—Two towns at the foot of fiery Mayon volcano were evacuated today as the erupting giant sent streams of molten lava down its slopes, press reports from the scene said.

Britons Ignore Troop Threat

LONDON, Jan. 11 (AP)—Britain's labor government tonight dangled the threat of using troops to replace London's 16,000 striking truck drivers, but with the city's millions facing a critical food shortage the workers opposed a labor ministry spokesman indicated the plan would be held in abeyance.

McCormack Concedes Tax Cut Vote in House

WASHINGTON, Jan. 11 (AP)—Rep. McCormack of Massachusetts, house Democratic whip, conceded today probable house passage of a 20 per cent reduction in income taxes, "because the Republicans have got the votes."

Rescuers At Scene Of Crash

ABOARD THE USS MOUNT OLYMPUS, Jan. 11 (AP)—The burned wreckage of a Byrd expedition plane, missing for 12 days, was found today with six of its crew of nine still alive and a few hours later a rescue plane landed at the scene.

The plane landed in the open water near the point where the men had been found 10 miles inland. Twenty minutes later the pilot and a pharmacist mate went ashore in a raft to greet the survivors, struggling across the snow from the crash scene.

Going ashore were Lt. Cmdr. John Howell, the pilot, and Pharmacists Mate R. R. Conger. The discovery plane returned meanwhile to the sea plane tender Pine Island, the mother ship, and reported the six men danced with joy when they were first sighted from the air.

The plane had crashed into an ice barrier at an altitude of 1000 feet on a peninsula of Antarctica jutting out into the Roosevelt sea. Wreckage was scattered over a wide area.

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The second PBM from the tender Pine Island took off at 2:58 p.m., eastern standard time, for the three-hour flight to the scene.

The first rescue plane found the wreckage at 12:29 p.m. (EST) four and a half hours after it left the Pine Island.

The first plane has been in communication with the grounded survivors by visual signals only. A request was made to send in signaling equipment.

The first plane carried 20 hours of fuel and will be able to stay at the scene for several hours.

Capt. Robert Quackenbush, chief of staff, said the second plane probably would be able to take the six survivors aboard since their additional weight would be partly offset by gasoline consumed.

The names of the three casualties had not been announced.

Emergency equipment was dropped, including additional dye markers and trail flags to spot the sea thoroughly. There always is the possibility of fog closing in quickly.

Quackenbush reported that the men apparently had recovered some of their emergency equipment from the wrecked mariner, since the men must have had some food and equipment in order to survive for 12 days in that cold and desolate region.

CONGRESS HOTEL FIRE PORTLAND, Ore., Jan. 11 (AP)—Guests were cleared from the midtown Congress hotel today as fire broke out in a fourth floor hall.

Fire investigator William Goerz reported damage to paint and furnishings totaled \$150 and that there was no panic among the guests.

WOODBURN, Jan. 11 (Special)—Voters today approved \$5000 warrant indebtedness for the Woodburn school district to finance a new 65-passenger school bus. The vote showed 57 for the measure and 17 opposed.

Although the bus will cost approximately \$7000, funds on hand left it necessary only to raise \$5000. The Woodburn school district now operates three buses, all reported overcrowded. It is expected the new bus will lighten the load for two 11-year-old 42-passenger buses which now are overtaxed with loads of about 55 passengers each.

3 STUDENTS MISSING SPOKANE, Wash., Jan. 11 (AP)—Three Gonzaga university students were reported missing tonight after a skiing trip on Mount Spokane and Park Superintendent F. J. Dunton said a five-hour search for the boys had been halted by a raging snowstorm.

27 Saved in Plane Crash On China Sea

MANILA, Sunday, Jan. 12 (AP)—Twenty-seven persons of the 44 aboard a giant passenger plane that fell into the China sea have been saved, the rescue ship General Collins radioed the U. S. navy today.

The General Collins reported that 16 survivors had been taken aboard and 11 more remained to be picked up from nearby life rafts. This would leave 17 unaccounted for.

The plane, the Far East Air Transport corporation's Miss Luzon, was en route from Shanghai to Hong Kong when it ran into bad weather and tried to land in the Philippines. The survivors were found only 15 miles off the northern end of Luzon in Bangui bay.

The transport crashed at sea 80 miles northwest of the northern tip of Luzon Saturday. Rafts full of survivors were sighted earlier today in the aerial search, and there was no indication whether there might be others not yet reached by the Collins.

Included among the lost transport's 30 passengers were six British and 24 Chinese. Four members of the crew were Americans.

E. N. Gerlinger, Salem, well known gardening authority, and Jack Rhine, Portland, former University of Oregon tennis star, announced yesterday the formation of the Apex Wood Products company here.

The plant, to enlarge in the spring, will manufacture prefabricated garden greenhouses and other wood products. The greenhouses are to utilize newly developed shatter-proof flexible glass which will admit approximately 50 per cent of the sun's ultra-violet rays.

Gerlinger is to manage production of the greenhouses and Rhine is to direct sales of the firm, the pair announced.

GAMBLE TO HEAD GOP FUND DRIVE PORTLAND, Jan. 11 (AP)—Ted R. Gamble, former assistant secretary of the treasury directing bond sales, will head a state Republican party campaign to repair the party's financial condition, State Party Chairman James A. Royney said today.

The fund will be used to finance state activity in 1947 and to boost the Oregon contribution to national Republican funds, Royney said.

Although local butter prices have taken a sharp tumble in the past few days, other foodstuffs in Salem markets, with the exception of canned fruit juices, are holding firm, it was reported Saturday.

In the last three days butter prices dropped 3 cents in Salem, 5 cents in the Los Angeles area and 4 1/2 cents in Chicago, local dairies reportedly reported. The product is now retailed locally at 80 cents a pound in practically all stores and the wholesale price Saturday was 75 cents a pound.

Credit for the price drop goes to increased production of butter, a Salem dairymen reported. The output has been stepped up rapidly in recent weeks primarily because milk, which had formerly gone in great quantities into cheese and other products, is now flowing back into the butter market, he stated. However, he foresaw no drastic reduction in butter prices for the future—rather he indicated that the price might swing upward slightly within a few weeks.

For the present, eggs—retailing locally at 60 cents per dozen for the large size and 55 cents for the mediums—appeared to continue on an even keel. A big surplus of cold storage eggs this year is propping up the fresh egg market, one local egg man declared. Usually at this time of the year the egg prices experience a decline, he stated, but storage egg men are keeping prices up so that their product will not be sold at a loss. He anticipates an egg price decline shortly.

In other lines of edibles, meat prices appear to be holding firm, with several markets reporting a few prime beef cuts up a few cents over the last week. In general beef steaks are going in most markets at from 59 cents a pound to 65 cents, with pork ranging from 65 cents to 69 cents. Ham and bacon, now on display in quantity, has been holding steady at around 79 cents. Most shops report that customer buying has remained constant and choice of cuts has not changed in the past month to any great degree.

All kinds of canned fruit juices have dropped in price about 7 cents per can in the past few weeks. Most other canned goods, including fruits and vegetables, are continuing without change in price to any great extent it was said. It was anticipated that with the spring and early summer vegetable pack approaching, prices in canned goods will be pushed down.

Fresh vegetables of good quality, most of which are from Washington and California, appear on market shelves in abundance with no decline in price. Most markets predicted that when local fresh vegetables hit the market, they will appear at greatly reduced prices.

Soaps and shortening—once an every shopper's shortage list—are abundant and at steady prices. Shortening continues to retail at around 40 cents a pound in most downtown markets.

Stage Set for Start Of '47 Legislature

Legislators, lobbyists and bright-tuckered secretaries descended on Salem today for a lengthy stay. There appeared little doubt in most minds that the 44th biennial assembly, opening tomorrow, would extend pretty near to April Fool's day.

But at least there wasn't much worry about getting started—Sen. Marshall Cornett of the wide-open Klamath country and Rep. John Hall of Portland apparently were "in" as president of the senate and speaker of the house, respectively, with only the formality of floor elections between them and their offices.

They'll get the final go-ahead in caucuses at the Marion hotel at 3 o'clock this afternoon.

The caucuses, too, will determine the number of senate and house committees, personnel of which will be announced tomorrow — with quite a bit of eye-raising surprise, if advance, off-the-record information turns out to be true. And by tonight, also, it should be known whether secretaries will be allowed to continue sitting with their bosses in formal sessions.

The secretary problem, so-called, promises to bring considerable debate in caucus. There are still plenty of legislators who think their feminine aides can be useful as well as ornamental on the austere floors.

The caucuses were expected to make short work of re-electing officers of the two houses, but considerable argument was deemed likely over the proposal to use mornings for committee work and delay formal session until 2 p.m. each day.

The initial session of the senate and house will start at either 10 or 11 a.m. tomorrow, the caucuses to set the exact time. Gov. Earl Snell's biennial address—in which he is expected to disclose the source of funds he says will balance the budget—is set for a joint session at 2 p.m. The governor also will be inaugurated then for his second term.

Routine Bills Early Routine bills of departments are expected to be introduced earlier than usual this session. One will pertain to the renewal of motor vehicle drivers' licenses. Indications are that Secretary of State Robert S. Farrell, jr., will ask legislation permitting issuance on a staggered basis, at the rate of 30,000 a month, nearly 700,000 will expire June 30.

One of the first bills to drop, possibly tomorrow, will be one to permit Oregon judges leaves of absence to serve on military tribunals. The measure will be designed particularly to allow James T. Brand, supreme court justice, to serve in the trials of war criminals at Nuernberg, Germany. He has been asked to report to Washington, D. C., by January 20.

There were reports, too, that another bill might ask increase compensation for stenographers, clerks and other employees of the legislature.

Fireworks Expected The "heavenly" bills were expected to be more slow in hitting the floor but there was no doubt they would produce fireworks—particularly the anticipated legislation regarding labor. There was talk of a move to bar the closed shops, another to regulate strike ballots and still another to compel union financial responsibility. Any closed-shop measure would constitute an amendment requiring popular vote, but emergency clauses could be put on other legislation to make it immediately effective if legislators so decide.

Arguments pro and con over increased unemployment compensation benefits, liberalizing liquor laws, placing liquor revenue in the general fund, increasing taxes on liquor and racing, sports broadening commercial fishermen, voting of veterans' benefits, limiting access to highway re-entrance PUD elections, revising industrial accident insurance rates, the state employees' retirement and civil service laws, and larger pensions—these were but a few of the issues deemed certain to arise.

The budget itself remains a paramount item, and the ways and means committees—as well as the taxation committees—face a heavy schedule.

There are predictions the session will last 70 days—one day longer than 1945's record—with \$8-a-day legislators compelled to work free after their 50-day pay limitation expires by law. But how long it lasts, it remains axiomatic that it will end with participants exhausted by a last minute crush.

(Additional details on page 6)

Survey Shows Fire Escapes Needed Locally

Many Salem rooming houses and hotels need improved fire escapes, reports of a survey in progress by City Fire Captains Ben Faught and Robert Mills indicated. The survey has included all buildings except private homes.

After an approximately 60 per cent complete survey, corrections and 86 building objections have resulted from inspection of 344 buildings.

Faught said that "many rooming houses have no fire escapes at all," and, though some need improvement, all hotels are within the law which provides for specified numbers of exits. Rooming houses three or more stories high are required to have fire escapes. An occupied attic is considered a third story.

Sprinkler systems and improved facilities to guard against rapid spread of potential fire in hotels were suggested by Captain Faught.

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(Additional details on page 6)

Weather forecast table with columns for Max, Min, Precip. and locations including Salem, Portland, San Francisco, Chicago, New York, and Willamette river.

Price 5c No. 248

Earth Tremor Reported in Salem Area

A slight earth tremor was suspected in scattered Salem neighborhoods Saturday afternoon when numerous residents felt their houses shake slightly, but determinedly, for a period of about one second.

Numerous calls to The Statesman office, from West Salem and South Salem residents, told of the tremor which occurred shortly after 4 p.m.

A check of the local weather station, law enforcement agencies and builders who might have been blasting provided no immediate explanation for the incident.

One caller said he worked often with dynamite and that the tremor he felt in his house yesterday afternoon did not resemble that resulting from a blast.

Persons who called all said they were in their homes when they felt the tremor and that neighbors who were outside at the time noticed nothing. One person said the tremor was hard enough to jiggle ashtrays and other small items across a table. No one reported damage.

Another Cold Spell on Way

Red flannels, army and navy foul weather clothing and ear muffs will find themselves leaving closets again tonight, as Salem residents face a new cold wave predicted by the weather bureau at McNary field. A temperature of 26 degrees is expected, the coldest since January 4 when the mercury dropped to 16, coldest day in Salem since January, 1943. The warmest minimum temperature of the past week was reached yesterday with a low of 38 degrees.

Statesman Sets Pace!

The 44th legislative assembly of Oregon, beginning tomorrow, will find The Oregon Statesman all set to give the more complete comprehensive and accurate coverage possible to obtain.

Wendell Webb, managing editor, and Robert E. Ganaway, city editor, have official press desks on the floor of both the senate and house, with adequate facilities in the statehouse press-room in addition, and will be assisted as the session progresses by J. Wesley Sullivan, news editor, and Conrad Prange, The Statesman staff writer.

The Statesman also will have available the full facilities of The Associated Press throughout the assembly.

For the finest coverage of the work of your state government, read Oregon Statesman Your Home Newspaper

(Additional details on page 6)