Russia Accepts United States Control of Pacific Island Outposts

Solons Favor Rent Increase

Stock Market Declines as New Inflationary Reports Mount

A senate subcommittee voted today to raise rents 10 per cent, while soaring commodity prices brought talk of "dollar bacon" in Chicago and scared the New York stock market into a decline.

American Retail Federation leaders meeting here said, however, the swing from a seller's to buyer's market and efforts by many industry leaders to bring lower prices will help alleviate new drains on the consumers' pocketbooks.

Labor department officials who fit retail and wholesale

By Charles A. Sprayee

fronts them.

WASHINGTON, Feb. 25-(AP)- prices into consumer price indexes declined to predict what might happen to food prices in the next few months. Nevertheless, some department experts agreed that the recent highs for wholesale prices point naturally to higher retail prices.

Palestine

In

SHHMS Row Laid

TO ME TO U.S.

At Chicago today, record marks were reached in commodity prices with hogs selling for \$30 a hundred pounds. Cotton got as high as 35.02 cents a pound before it broke and wheat futures for a time were at a 30-year high

of \$2.39 a bushel. Washington, Maj. Gen. immediately.

Philip B. Fleming, head of the office of temporary controls, told the senate appropriations committee he sees a danger of sugar going as high as 30 cents a pound. He said this could well happen unless congress grants some \$16,000,000 of funds slashed by the house from OPA and other

Freeway control agencies. Rent control would be stopped officially December 31 in the bill which the senate banking subcommittee adopted on a 3 to 2 vote. The bill provides that a 10 per cent increase be allowed

Sign of Spring:

\$25 Price Paid

R. W. Hogg and Son, Salem, brought the first Willamette

valley spring lambs to the north

Portland livestock market Mon-

day and sold them for a record

weight

On Salem Lamb

Dispute in Deadlock

By Wendell Webb

Managing Editor. The Statesman Hope of a once-talked compromise on proposed freeways faded Tuesday when L. R. Roestel of Milwaukie, leading opponent of

the plan, told the senate roads and highway committee his group would accept nothing short of outright defeat of the bill authorizing their construction.

high price of \$25 a hundred The committee did not indicate what it intended to do. But the The eight lambs sold averlegislature still faced plenty of work otherwise.

Tax Bill Entered 84 pounds and sold for \$15.50 a

Proposals for the long-heralded per cent withholding tax, and abolition of justices of the peace in Selem, Eugene and Oregon City, highlighted new introductions in the house Tuesday.

The 16 new introductions-including a plan to have the state fair start on the last Monday in September (instead of at the discretion of the agricultural departstate acquisition of the Chemawa Indian school if and when the government abandons it-far outweighed in potential controversy the 14 bills passed and sent to

Among the latter were measconservation of off-shore fishing and appropriating a \$165,000 revolving fund for the acquisition of

the problem will become more Holy Land if future immigration er farm product prices, was ex- to authorize the establishment of

and abolish the latter.

January of this year the Co-op for a legislative committee of five distributed 12.050 quarts of milk to confer with similar groups in to \$3840; commissioners \$2400 to

The Oregon Statesman

NINETY-SIXTH YEAR 10 PAGES Salem, Oregon, Wednesday Morning, February 26, 1947 Price 5c

Body Found in Wreckage at Basketball Game



ment) and a memorial seeking LAFAYETTE. Ind., Feb. 25-(AP)-Rescue workers pull a sheet over the body of one of two students killed when bleachers collapsed at half time during a basketball game between Purdue and Wisconsin here.

9 Remain Critical After Collapse of **Purdue Bleachers**

Purdue university engineering excause of the collapse that tumbled

others injured.

two hospitals and the university infirmary, and at least nine of them were reported in critical condition

The bleachers fell last night at the halftime intermission of the The officials and their salaries Purdue-Wisconsin basketball game

quarters.

and offices.

the bank's own business office.

U.S. Told ~ Trustee **Plan Fair**

WASHINGTON, Feb. 25 -(AP) In a surprise move. Russia has stamped its cordial approval on a plan for American control of 623 Pacific islands wrested from Japanese mandate, Secretary of State Marshall disclosed today, A Moscow note took the position that United States control would be entirely fair because the bloodshed in evicting the Japanese was largely American, The note, contrasting so sharply with Russia's frequent disagreements with this country, set the capital buzzing with speculation about possible motives. Marshall was asked at a news conference whether he thought Moscow was trying to set a precedent to justify the somiets' own postwar land acquisitions. He declined comment.

Soviet-British Stand Expected

Russia had been generally expected to side with the British and Australian contention that the United Nations should postpone the whole question of the future of the strategic Marshall, Marianas and Caroline groups until a peace treaty is written with Japan.

Russian-American affairs on the eve of next month's Moscow peace conference of the Big Four foreign ministers dominated a series of announcements and comments by Marshall, which included

There has been no change whatever in general policies of the United States on terms of a European postwar settlement from the pronouncements of former Secretary James F Byrnes last fall at Stuttgart and the American positions at the 1945 Potsdam conference

Note Exchange Closed

Marshall considers as closed the diplomatic quarrel resulting from Undersecretary Dean Acheson's comment that soviet foreign policy was "aggressive and expanding.

The United States "profoundly hopes," Marshall said in a formal National bank of Portland will statement, that India will accept open for business in its new home the "challenge" of the British ofat Court and Liberty streets on fer of self-government by 1948 Monday, March 24 Guy Hickok, and proceed to break the impasse manager, disclosed Tuesday. The between the congress and the present banking facilities at State Moslem league. and Liberty streets will handle

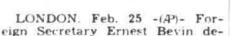
A. Livesley, owner of the Speed Urged Tuesday no definite plans yet In Democracy

election has evolved naturally as Mr. Truman a competitive statethe people of the various districts ment would be issued by Mr. met together and discussed the Dewey." (Gov. Thomas E. Dewey

"was to be determined by the pressed.

schools both inside and outside people of Palestine." the city will cost more money be-Winston Churchill, originally cause of the rising level of salarscheduled to lead the conserva-Consolidation will not stop tive party's rebuttal, was absent that. There is some chance for because of the death of his economy in capital outlay because brother. Instead, Oliver Stanley, if the area can be treated as a big unit the existing schools may cized Bevin for offering no speformer colonial secretary, critibe continued for the smaller pucific recommendations to the UN pils and the older pupils trans-





aged 101 pounds. The 1946 first clared today that President Trulambs from the valley weighed At the chamber of commerce man had "spoiled" Britain's ne-Monday, Supt. Frank Bennett gotiations on Palestine by insisthundred weight. gave a very lucid and fair state- ing on issuing a statement during ment of the educational problems the United States congressional confronting the Salem school dis- election campaign last fall calltrict no. 24 and the adjacent dis- ing for the admission of 100,000 tricts of Marion and Polk coun- Jews into the Holy Land. ties. An election on the question Bevin told the house of com-

of consolidation occurs on March 11th. Here is a case where every F. Byrnes, then U. S. secretary Milk Growing effort is being made to supply in- of state, "that the statement formation but not to sway the should not be issued, but I was election. As a matter of fact, the told that if it was not issued by

very serious problem that con- of New York.) "I really must point out that in In short, that program is the international affairs I cannot set-

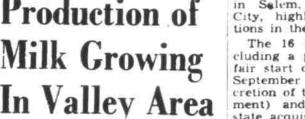
and sometimes beyond their fi- tions," he said. The foreign minister said Brit- Salem unit of the Dairy Cooperaain was still willing to make one tive association Tuesday night at population in the area of about more try to settle the Palestine the association building. While problem before referring it to the dairymen were optimistic, the United Nations. He also asserted feeling that some preparation

Bennett made it plain that elected representatives of the

By Lillie L. Madsen Farm Editor. The Statesman A healthy growth in milk progrowth of population beyond the tle things if my problem is to duction in mid-Willamette valley housing of the adjacent districts be made the subject of local elec- was indicated in reports at the annual business meeting of the

shows no signa of stopping. In- that Arabs could be persuaded to should be made for lower prices, stead, it promises to continue, so allow 100,000 Jews to enter the in keeping with reduction in oth-

Salem uses more milk in August than any other month in the year, and less in November and December, reports showed. The transient harvest help was given as the reason for the heavier season. Reports further showed that in



the senate.

surplus property.

In the senate, new introductions included a joint resolution an alcoholic rehabilitation clinic

(AP Wirephoto). **County Salary**

ures setting up an Oregon-Wash-ington-California compact for the conservation of off-shore fishing

under the educational advisory counties. committee of the liquor commission, and four bills including those to give the state game commission the duties of the fish commission All raises will take effect July 1.

The house Tuesday adopted a senate joint resolution providing include:

Marion county - Judge \$2500 daily in the corporate limits of other states regarding aviation \$3600; treasurer \$2100 to \$3600; control and coordination Named

3500 basketball fans into a tancreases for 11 sets of county of- gled heap from which two perficials Tuesday in cluding those sons were taken out dead and 250

Of the injured 142 remained in

all business to and including Saturday, March 22. First National bank building, said

as the fans arose to cheer the home team, which held a onepoint lead over the Badgers, lead- future use of the first-floor bankers in the Big Nine race.



LAFAYETTE, Ind., Feb. 25-(AP)perts set out today to learn the

In Senate Vote The senate approved salary in-

for Marion, Polk and Benton

Final action was taken on the Benton county bill. The Marion and Polk county proposed increases were sent to the house.

hools. Also, the Salem school district could (Continued on Editorial Page)

nancial capacity to provide. Sta-

tistics show an increase in school

the equivalent of a new grade

school each year. And this growth

acute as time passes.

Guarantee of Pav Endorsed By Advisors

WASHINGTON, Feb. 25 .- (AP)- cal apparatus. Thick smoke at-President Truman's reconversion tracted crowds to the fire scene. advisory board endorsed the guarployed together, may build up fire may have started from the national economic stability.

The board of industry and la- Little damage was reported by ofbor leaders reported unanimous- ficials last night. ly to the president that the wage employers through collective bar- was away. gaining, without any national legislation.

a fixed amount of work over a A G. Chief of 41st given period, often a year. The idea is to promise workers in advance they can expect to have so money

maintain it tends to regularize of illness. production and remove, partially spend a great deal of money in mand of the 41st division. wages to idle workers at some period of slackened demand. **Trailways Wins Bus Permit;**

Animal Crackers

By WARREN GOODRICH

Chicago But Byf-didate

"Ugh! The place is full of

bed bugs!"

Fryer Burns

An oil fire which broke out in the deep fat fryer of the Blue Lake cannery, West Salem, at 5:45 p. m. yesterday, was extinguished after some difficulty by cannery workers and Salem firemen using carbon dioxide and foam chemi-

The fryer used for French fried number of tools which, when em- the cannery said they thought the department, Portland.

> oil, which was being drained hitting the hot bottom of the tank.

Salem firemen yesterday mornguarantee idea should be corre- ing extinguished a kitchen wall lated with other stabilizing fac- fire at the home of George B. tors such as social security, min- Richter, 1050 Rural ave. The fire

OLYMPIA, Feb. 25 -(/P)- Gov. much work to do at so much Wallgren today appointed Lt. Col. Ensley M. Llewellyn, 41, Tacoma.

Advocates of the plan -- a as state adjutant general, suc- pose of creating a united organnumber of wage guarantees have ceeding Maj. Gen. Maurice ized labor movement on a sound, been in effect for some time - - Thompson, 68, resigned because and permanent basis."

at least, a fear among workers of he will recommend to the war could be discussed eventually, but imminent loss of work. But many department that Col. Clarence A. that the first step was to cooperindustrialists contend that guar- Orndorff, Spokane attorney, be ate in fighting off unwanted legantees would commit them to appointed major general in com- islation in congress and state legislatures.

New Salem Terminal Planned

sured Tuesday as the public util- summer, Cooper added.

streets, but with expanding op- if it lost the case.

the firm, told The Statesman opolistic practices

The firm is adding a fleet of 22 fares."

commission granted West

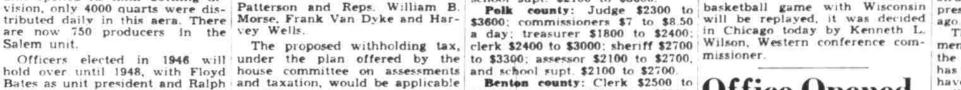
Lines against such a move.

two Oregon points.

Francisco, he said.

Tuesday.

WG



West Salem, while in

Shepherd as secretary Speakers were Will Henry, general manager from Portland; Arthur Hulbert, division manager at Salem, and Ray Hobson, di- District Judge Sought rector. A musical program was anteed wage today as one of a electrically operated. Officials of by P. C. Poe, head of the field seats constituted part of a house

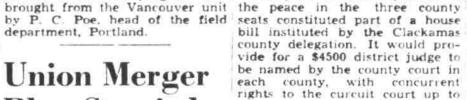
Union Merger Plan Stymied

WASHINGTON. Feb. 25-(AP) were measures requiring the periimum wages, and tax policies. It started, firemen said, from a box, Prospects for any immediate mer- odic inspection of school buses; said the guarantees should be started, firemen said, from a box Prospects for any immediate mer-worked out between workers and to a cock store while the family ger of the American Federation altering the grading requirements Over Alaska worked out between workers and to a cook stove while the family of Labor and the Congress of In- of walnuts and filberts; providing dustrial Organizations virtually a method of registering (for vot-

posal.

in a letter to CIO chief Philip dairy herds. Murray, said he deeply regretted that the CIO had "declined the request" to meet "for the pur-

Murray had told Green in a The governor also revealed that letter Feb. 18 that "organic unity"



taxes.

unit opened its milk bottling di- Sens. William Walsh and Paul

sentences of a year in jail and \$3000 fine.

vanished today when the AFL ing) by mail, and exempting beef Feb. 25 -(AP)- A B-29 plane on a took the position that the CIO cattle from Bang's diseases and training mission from Elmendorf mation officer for the Red Cross The guaranteed wage is an em-ployer's pledge to his workers of Washington Names took the position that the CIO cattle from Bang's diseases and training mission from Elmendorf and former Pacific Coast baseball had rejected its unification pro-tuberculosis tests except under field has been overdue since early player will speak

Salary Bills Passed

bills were passed by the senate mand, announced late today. Tuesday, eight of which were sent to the governor and eight others. including the proposed Marion in western Alaska, he said.

county salary boosts, to the house. The only other bill passed by the senate (SB 301) permits county 9 a. m. All Alaska air search offices to open at 8:30 a.m. in- agencies have been alerted but stead of 8 a.m. on week days. The senate, by a 17 to 13 vote, tivities later today, General Ataccepted a minority committee kinson said. report indefinitely postponing a

the state game commission from the state "tithing" act under which self-supporting boards and commissions contribute 10 per eral fund

School Elections Up

Leading the list of 13 bills up activation of radioactive concen-Competitive bus service on the new buses, and will increase its for final action in the house to- tration, should arrive here in a Pacific highway and a new bus Salem-Portland runs from four at day are the house bills providing few days, Comdr. Bert Creighton, terminal for Salem appeared as- the present time to 10 by mid- that non-property owners can Puget Sound naval shipyard pubvote at school elections (set over lic information officer, said today. The company's application was from yesterday's calendar) and Coast Trailways an intrastate fought bitterly by the Greyhound specifying that rivers are common service permit. ending the long lines, which now operates the

fight by the Pacific Greyhound only first class intrastate bus dering them. The latter measure service on the highway in Ore-The Trailways permit, to start gon. Greyhound also owns an in-March 15, supplants their present terest in Dollar lines, a low-rate merger. franchise which prohibits them bus service over the route. The from selling tickets between any Southern Pacific railroad owns a The senate had calendared for

final action today 22 bills, includone-third interest in Greyhound. ing the proposal to seek immedi- OREGON AUTHOR DIES The company now operates a The Greyhound company indicaate acquisition of Camp White ticket office and curb bus service ted during lengthy hearings last hospital facilities for use of the at the corner of Ferry and High summer that it would go to court state. Among the 21 other bills erations, an off-street under-cov- In granting the Trailways' per-

er terminal will be acquired here, mit, the commission said Pacific house bills to allow the public utilities commission to set maxi-H. G. Cooper, Salem manager for Greyhound had "indulged in mon-. to the mum train speeds in town outside inconvenience and detriment of of Portland and reduce the non-Plans for the terminal, to be ei- the traveling public" by "circuit- commercial daily limit on smelt

ther a new or remodeled struc- ously routing passengers, causing from 50 to 25 pounds. ture, are being completed in San the inconvenience of delays and Both the house and senate will unnecessary expenditures in resume at 10:30 a.m. today.

(Bill analysis page 10)

clerk \$2400 to \$3600; sheriff \$2400 October, 1944, when the local to the Oregon committee were to \$3600; assessor \$2400 to \$3600; school supt. \$2100 to \$3600.

> a day: treasurer \$1800 to \$2400; in Chicago today by Kenneth L. The proposed withholding tax, clerk \$2400 to \$3000; sheriff \$2700 Wilson, Western conference com- ment and a rear mezzanine for of democratization processes for

more, with such deductions to be school supt. \$2300 to \$2400; treasapplied toward state income urer \$1800 to \$2100; judge \$2600 to \$3000; commissioners \$7 per day to \$2400 a year, sheriff set

The plan to abolish justices of at \$3000. justice of the peace and constable also were included in bills passed by the senate and sent to the vide for a \$4500 district judge to house Tuesday. The justice of the be named by the county court in peace salary would be raised

each county, with concurrent from \$3000 to \$3600, the constable rights to the curcuit court up to from \$2400 to \$3000.

Also introduced in the house B-29 Missing ELMENDORF FIELD, Alaska,

county court order or unless beef this forenoon and was last re- player, will speak. AFL President William Green, cattle are pastured adjoining ported near Bruin pass, on the Alaska peninsula, Brig. Gen. Joseph H. Atkinson, commanding A series of 16 county salary general of the Alaska air com-

The Bruin pass location is about 100 miles southeast of Naknek, The plane's gas supply should have lasted only until about 8 or

weather hampered the search ac-

bill which would have exempted Cruiser Pensacola Due At Bremerton' Yards

BREMERTON, Feb. 25-(AP)-The

VET BONUS BILL KILLED possible Salem-West Salem postponed" action on a proposed veterans' bonus, in effect killing the senate measure.

OREGON CITY, Ore., Feb. 25 .-(AP)-Mrs. Eva Emery Dye, 91, author of several books on early to be voted on by the senate are Oregon, died here in a convales-

PUBLIC HEARINGS

cent home today.

PUBLIC HEARINGS Method of selecting assessors—(SB 345)—Thursday, February 27, 1 p. m., room 401, statuhouse, before senate as-sessment and taxation committee. Labor union practices bills—(SB 314, 323, 323)—Thursday, February 27, fol-lowing afternoon adjournment, room 401, statuhouse, before senate labor and industries committee.

Purdue officials will make the final decision whether the school's structure two blocks north of the Polk county: Judge \$2300 to basketball game with Wisconsin present bank was begun a year

The building, with full base-

and taxation, would be applicable Benton county: Clerk \$2500 to to all incomes of \$50 monthly or \$2700; assessor \$2500 to \$2700; Office Opened, **Quotas Fixed** salary increases for the Salem By Red Cross

> framed front doors, Hickock said Red Cross drive headquarters for 1947 were opened Tuesday in factured to specifications. Warner Motor company. The 1947

drive to raise the Marion county quota of \$49,000, of which Salem's City Renames ficially late this week.

of Mrs. Blanche A. Anunsen and Appeals Board Elsie Holman, who will be at the office at all times during the day. The official kick-off meeting will be held Monday at Salem Cham-

ber of Commerce forum luncheon when Walter Mails, public infor-

Fred G. Starrett is county R. Boatwright. chairman of the 1947 drive and P. H. Schnell is rural chairman Division chairmen and their Hearings to Start on

quotas are: **Newsprint Shortage** Automotive, John Stark, \$2000;

contractors, R. B. Hynd, \$2000 WASHINGTON, Feb. 25 - (AP)general gifts, George Kingan. \$2800; governmental, Carl A senate small business subcom-D Gabrielson, \$4000; educational, mittee, appointed to study the A. Carleton, \$1200; industrial, H general newspaper situation, decided today to concentrate at the Robertson and Joe Dodd, start on the newsprint shortage. \$3800; mercantile, James R. Beard, Chairman Capehart (R-Ind) said \$4500; professional, Edward O. that as the hearings proceed, Stadter, Jr., \$3200; utilities, J. M. Clough, \$1000; residential, Mrs. newsprint producers and consum-Custer Ross, \$6200. ers will be heard, along with interested government officials.

SALE OF DRINKS VOTED

BOISE, Idaho, Feb. 25-(AP)- TRAIN WRECK KILLS 178 DOMAGAWA, Japan. Feb. 25 Legislation to legalize liquor-bythe-drink was given a thumping (AP) A government inspector said cent of their income to the gen- cruiser Pensacola, which took 43 to 14 vote of approval by the at least 178 persons were killed part in the Bikini atom bomb house today as the 29th legisla- and 350 injured today when the test and has been studied for de- ture completed adoption of a bill last four cars of a six car train giving Pocatello a full-fledged broke loose and plunged down a four-year college. 30 foot enbankment

Committee Hears Arguments boundaries of adjacent towns bor-dering them. The latter measure constitutes enabling legislation for

The house labor and industries and the closed shop is a kind of committee was asked Tuesday by dictatorship that denies it."

sponsors and proponents to ap- asked if the bill "could be broadprove proposed constitutional ened to include the bar associaamendments which would outlaw tion and doctor's organization." the closed shop and require labor Frank Hettwer, manager of the unions to incorporate.

The committee voted to hold said labor is entitled to organize another hearing Thursday, when just like farmers can organize labor representatives and other into cooperatives. opponents will present their case "But we don't believe." Hettwer declared, "that we should be against the measures.

Rep. William B. Morse, retired entitled to demand that every Prineville merchant and father of farmer join our cooperative and the anti-closed shop measure, said that we should dump his milk if "Every man has the right to work he doesn't."

The new granite and marble For Islands

TOKYO, Feb. 25 - (P)-Interior Secretary Krug and Gen. MacArthur today advocated a speedup American controlled islands of has been unofficially estimated to the Pacific and for Japan

have cost not far from half a Krug, on a tour of Pacific is-million dollars. Safety deposit lands administered by the United facilities and customers' restrooms. States, said the natives should be are in the basement. The ground given "a measure of the freedom floor is devoted to tellers' cages we have at home." Specifically, he advocated U. S. citizenship for Opening of the new building Samoans and Guamnians in rec-

will find everything complete ognition of their long association with the exception of the bronze- with the United States. MacArthur told Rep. Poulson

The doors are now being manu- (R-Calif), Rep Engle (D-Calif) and Delegate Farrington (R-Hawaii), all of Krug's party, that-A formal peace treaty should be signed quickly with Japan which "can become a more thorough democracy than Germany." delay in concluding the peace is

handicapping Japan's development and might make the coun-Robert L. Elfstrom, Salem may- try too dependent upon the Unitor, announced Tuesday he was re- ed States; Japan has now a capappointing present members of able self-government. the city appeal board which acts

on appeals from decisions of the city engineer and building inspec- Hubbard Man Gets tor. The members are E. E. Batterman, Lyle Bartholomew and G Homestead Chance

> KLAMATH FALLS Ore, Feb. 25-(AP)-Ten more veterans, including Amos Bierly of Hubbard, hit the government jackpot today, drawing farms in the rich Tulelake division of the Klamath re-

clamation project. They replaced ten others eliminated by the reclamation bureau from the original list of 86 who held lucky numbers in a drawing last December. The bureau said eight were rejected because they lacked farming experience: one for owning more than 160 acres of land on an irrigation project, and one for having unpaid reclamation debts.

Accidental Shot

Wounds Salemite

Raymond Kelley, 30, route 6, box 336, Salem, was treated Tuesday by city first aid men and Salem Deaconess hospital for a frontal scalp wound apparently caused by the accidental discharge of a .22 caliber rifle which Kelley held, according to first aid officers. They said the bullet did not enter Kelley's skull and the man was released from the hospital after examination. Neither city police nor the Marion county sheriff's office was called to in-

are i	W	000	1.000
	ww	eat	ner

Max Min Precip. 32 31 42 25 25 Salem Portland San Francisco Chicago 31 25 trace New York 41 25 40 Willamette river 1.1 feet FORECAST (from U. S. weather bu-

reau, McNary field, Salem): Continued fair weather today and tonight with light fog early in the morning. Tem-perature high today, 60; low, 34.

vestigate the shooting.

Mt. Angel Cooperative creamery