

IT SEEMS TO ME

By Charles A. Strang

With the passing out of the Salem Water Commission as of December 31st last an audit was made for the city by the state bureau of audits covering operations of the commission up to the time the water system came under the direction of the city manager. The audit report has just been completed and verifies the accounts as shown by the commission's books.

The audit report shows facts that should be of interest to the people of Salem. Since the property was acquired on Aug. 1, 1945 the municipal operation has earned a surplus of \$616,811 after charging depreciation in the amount of \$434,327. This is after paying all operating expenses and interest on outstanding bonds.

Total bonds issued were \$2,100,000. The amount outstanding as of Dec. 31 last was \$1,885,000. These mature annually up to 1976. Against this debt the system has investments, chiefly government bonds of \$382,119 and cash of \$280,250. The current funds will be used largely in making improvements and extensions which had to be deferred during the war.

The net earnings of the water system showed a sharp jump in the fiscal year 1945-46, amounting to \$137,193. For the half year from July 1, 1946 to December 31 the earnings amounted to \$74,301. In both cases this is after depreciation and interest charges.

In the 10 years (less one month) from 1935 to 1945 total net earnings were \$405,316, which averages only a little over \$40,000 a year. Increased consumption of water at the same level of charges and fairly stable expenses made possible the gain.

This high level of earnings will permit more rapid accumulation of sinking fund, financing of current expansion or reduction in rates as the city council may decide.

The municipally owned plant pays no taxes, a fact which increases its earnings materially.

Salem citizens should be well pleased with the financial showing made by the old commission and the system manager, Carl E. Guenther, who continues in charge following the shift in control.

Three Months' Building Near Record Locally

Construction permits in Salem hit a high level for March and almost attained 1948's first quarter record. City Engineer J. Harold Davis said Tuesday. Willamette university was credited with removing the period from an "average" status.

New construction for March was estimated to cost \$777,996 and alterations \$54,777, a total of \$832,773. This compared with \$106,990 for January and \$291,549 for February, making a first quarter total of \$1,231,255. The university obtained during March permits totaling \$545,000 for a dormitory and an infirmary.

In March, 1946, permits totaled \$603,655, which included the First National bank building and Senator hotel annex, both just completed. The 1946 first quarter total was \$1,285,585.

Three new houses, starting the April list of permits, are to be built by A. M. Hansen at 1435 Bellevue st., to cost \$5000, by Matt Reidingler at 577 S. 25th st., to cost \$3500, and by Eva J. Beustell at 2555 Brooks st., to cost \$2400.

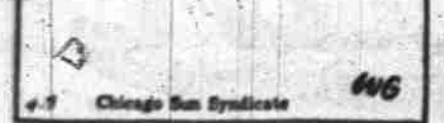
Mrs. McNary to Shovel First Earth for New Dam

UMATILLA, Ore., April 1-(AP)—The first spade of earth in construction of McNary dam will be turned by Mrs. Charles L. McNary on April 15.

Virgil Sparks of Irrigon, chairman of the celebration committee, said the widow of the late senator would arrive here by plane from Washington on April 14.

Animal Crackers

By WARREN GOODRICH



"What a heritage—my mother was bowlegged and my father was knock-kneed."

Property Bill Voted By House

By Wendell Webb

Managing Editor, The Statesman  
Gov. Earl Snell turned thumbs down by veto Tuesday on the bill under which Oregon would take over the \$8,000,000 federal plant at Camp White for use as a state hospital.

The action—which is expected to bring an attempt today to get a two-thirds majority to override—shared the day's limelight with house passage (44 to 14) of the senate-approved measure replacing Oregon under the community property system, to allow husbands and wives to split family incomes and thus stay in lower federal income tax brackets.

In his veto message, the governor pointed to an adverse report of investigators regarding Camp White, in Jackson county, and his suggestion that better results could be obtained by spending money on existing institutions.

The house Tuesday, in addition to acting on the community property plan, also gave final approval to the senate bill allowing the attorney general's office jurisdiction over all state legal activities, at its discretion, but amendments still must be ironed out. Defeated in the house were measures to specify qualifications for assessors, and set up an interim committee to study the hearing arts.

Money for Quonset Huts  
Passed by the house and sent to the senate were measures allocating \$100,000 for national guard quonset huts; letting absentee ballots be issued without requiring a notarized certificate; and creating a \$100,000 revolving fund for administration of the proposed cigarette tax.

The senate gave final approval to the house-passed bills allotting \$150,000 for a camp for delinquent boys at Timber, and authorizing segregation of the mentally diseased and the mentally enfeebled at state hospitals.

Fate of the state postwar readjustment and the Willamette Basin commissions remained in doubt after the senate sent back to committee an appropriation bill for these items, with instructions to bring in separate measures for them.

The senate reconsidered, and calendared for further action today, its defeat of the \$17,500 appropriation for statutes of Jason Lee and Dr. John McLoughlin for statutory hall in Washington, but declined to reconsider its defeat of a bill to provide a home for the governor.

Proponents of the warmly-debated community property bill in the house, led by Reps. William Niskanen and Frank Van Dyke, contended passage would encourage wealthy taxpayers to reside in Oregon; put the state in a better competitive position with its neighbors; effect social gains regarding property rights; and save \$15,000,000 yearly in federal taxes.

The Oregon Statesman

NINETY-SIXTH YEAR 10 PAGES

Salem, Oregon, Wednesday Morning, April 2, 1947

Price 5c No. 318

Extended Mine Closure Feared

Coal Rationing Board Given Added Life

WASHINGTON, April 1-(AP)—Faced with the possibility that the "mourning" work stoppage which was in full force today, may extend beyond six days in at least some of the soft coal pits, the government tonight extended the life of the solid fuels administration to apportion coal in case of emergency.

The agency's authority to issue orders expired at midnight last night, but Secretary of Interior J. A. Krug, in charge of the coal mines administration, ordered that such authorization be kept in existence.

And a possibility appeared that many miners might stay out of the pits indefinitely if they class them as unsafe came from Hugh White, president of UMW district 12, who said at Centralia that he has no more chance of beating this bill than to beat a porcupine to death with a rubber balloon.

Legislator Devises Ultimate in Futility  
The height of something or other was expressed in the wearying house Tuesday by Rep. C. L. Lueallen who, in speaking against a measure, declared: "We have no more chance of beating this bill than to beat a porcupine to death with a rubber balloon."

Truman Asks Year Added to Rent Controls  
WASHINGTON, April 1-(AP)—President Truman called upon congress today to extend "ceiling" rent and eviction control until June 30, 1948, for the "proper protection of millions of our American families."

Franzen Plans Meter Report  
City Manager J. L. Franzen will tell the city tonight his recommendation on parking meters, and the long wait for action is expected to be ended promptly.

Tot Dies from Crash Injuries  
Louis Balzarini, 3-year-old Seattle boy, who was hurt in an auto accident south of Salem Saturday, died of internal injuries at a Seattle hospital yesterday, according to the Associated Press.

PAPERS BUY PULP MILL  
NEWBERG, Ore., April 1-(AP)—The Spaulding Pulp and Paper company, producers of pulp, announced today seven eastern paper firms had acquired control of the firm through purchase of 7600 shares of stock. The mill has supplied pulp to the seven buyers since it was built in 1925.

Big 4 in Morass Of Debate

MOSCOW, April 1-(AP)—The four-power foreign ministers council conferred fruitlessly for more than three hours tonight in a semi-secret meeting. They failed to reach any decisions, and discussions were said to have been "often blunt and bitter."

Group Alters Independence Bridge Plans  
Minor alteration of the state's plans for a new Willamette river bridge at Independence, at no additional cost, was agreed upon Tuesday between state highway engineers and river navigation interests.

Flower Show Due Saturday  
The annual flower show of the Salem Camellia and Rhododendron society will add color to Easter weekend in the city.

Firm Moves to Hotel Addition  
One Salem firm had completed its transfer Tuesday to quarters in the Senator hotel's new addition, and another was ready to occupy space as soon as decoration is completed.

Spare Ration Stamp 11 Good for 10 Pounds  
WASHINGTON, April 1-(AP)—Spare ration stamp No. 1 became valid today for 10 pounds of sugar to be good through September 30, OPA has announced.

Russian Ouster from U.N. Seen as Conflict Solution  
WASHINGTON, April 1-(AP)—Senator Byrd (D-Va) proposed today that President Truman's plan to combat communism in Greece and Turkey be turned over to the United Nations and that Russia be kicked out of the UN if she vetoes it.

April Foolishness In Salem Area has Taint of Halloween  
The April Fools kept themselves from being obvious in Salem, but yesterday began with two as yet unexplained events to keep city police busy.

Death Shifts Greek Rule to Prince Paul



ATHENS, April 1—Riding in a open car, King George II of Greece, who died suddenly of a heart ailment today, returns to Athens Sept. 7, 1946, following a plebiscite which returned him to the throne.

Local Phone Workers Dr Picket Plans  
Salem district telephone workers last night drew picketing plans and otherwise girded for the strike which the national federation of telephone workers has called for 6 a.m. Monday throughout the country.

Accident Fatal To Albany Man  
ALBANY, April 1—Reece Ruckman, 63, was fatally injured here early today when he was struck by a truck on the Pacific highway. Edwin G. Anthony of Lebanon, driver of the truck, told police he did not see Ruckman until he felt the impact. Anthony was not held.

House Adds to Appropriations  
WASHINGTON, April 1-(AP)—The congressional economy drive went into reverse today as the house added \$350,000,000 in G.I. benefits and \$8,000,000 for school lunches to a deficiency appropriation bill and then passed a measure, which now totals \$2,827,526,186.

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Commons Passes Draft  
LONDON, April 1-(AP)—The house of commons tonight approved a long-term peacetime conscription bill for Britain's armed forces which calls for conscripts to serve 18 months in the armed forces and followed by five years in the reserve.

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