GOVERNOR VETOES CAMP WHITE PURCHASE

Salem Water Commission as of December 31st last an audit was made for the city by the state time the water system came under the direction of the city manaccounts as shown by the com- ride-shared the day's limelight mission's books.

that should be of interest to the placing Oregon under the commupeople of Salem. Since the prop- nity property system, to allow erty was acquired on Aug. 1, 1945 husbands and wives to split fam-the municipal operation has ily incomes and thus stay in lowearned a surplus of \$616,811 after er federal income tax brackets. charging depreciation in the In his veto message, the goverinterest on outstanding bonds.

of Dec. 31 last was \$1,885,000, ing money on existing institutions.

the fiscal year 1945-46, amount- study the healing arts. ing to \$137,193. For the half Money for Quonset Huts

from 1935 to 1945 total net earn- creating a \$100,000 revolving fund ings were \$405,316, which aver- for administration of the proposed ages only a little over \$40,000 a cigaret tax. year. Increased consumption of water at the same level of charges to house-passed bills allotting

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 de-

The municipally owned plant pays no taxes, a fact which increases its earnings materially. ing made by the old commission and the system manager, Carl E.

Three Months' **Building Near**

almost attained 1946's first quar-ter record, City Engineer J. Har-old Davis said Tuesday. Willam-neighbors; effect social gains reette university was credited with garding property rights; and save removing the period from an \$15,000,000 yearly in federal taxes. "average" status.

New construction for March and alterations \$54,777, a total of declared it would reduce Oregon's for February, making a first ing divorce, inheritance and oth-quarter total of \$1,231,255. The er laws; might later be adjudged university obtained during March unconstitutional; and compel othpermits totaling \$545,000 for a er taxpayers to make up whatdormitory and an infirmary.

\$603,655, which included the First | Voting no on the measure were

April list of permits, are to be son. Absent built by A. M. Hansen at 1435 Greenwood. Bellevue st., to cost \$5000, by

Mrs. McNary to Shovel First Earth for New Dam Referendum Threatened

The first spade of earth in con-Nary on April 15.

man of the celebration committee, said the widow of the late the senate forestry committee's senator would arrive here by approval of a new plan taxing plane from Washington on April timber 5 cents to provide funds

Animal Crackers By WARREN GOODRICH



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

By House

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 bureau of audits covering opera-tions of the commission up to the state hospital.

The action-which is expected ager. The audit report has just to bring an attempt today to get been completed and verifies the a two-thirds majority to overwith house passage (44 to 14) of The audit report shows facts the senate-approved measure

amount of \$434,327. This is after nor pointed to an adverse report paying all operating expenses and of investigators regarding Camp White, in Jackson county, and Total bonds issued were \$2,100,- their suggestion that better re-000. The amount outstanding as sults could be obtained by spend-

These mature annually up to 1976. The house Tuesday, in addition Against this debt the system has to acting on the community prop investments, chieff government erty plan, also gave final approval bonds of \$382,119 and cash of to the senate bill allowing the at-\$280,259. The current funds will torney general's office jurisdiction be used largely in making im- over all state legal activities, at its provements and extensions which discretion, but amendments still had to be deferred during the must be ironed out. Defeated in the house were measures to speci-The net earnings of the water fy qualifications for assessors and system showed a sharp jump in set up an interim committee to

year from July 1, 1946 to December 31 the earnings amounted to the senate were measures allo-\$74,301. In both cases this is af- cating \$100,000 for national guard ter depreciation and interest quonset huts; letting absentee ballots be issued without requir-In the 10 years (less one month) ing a notarized certificate; and

The senate gave final approval and fairly stable expenses made \$150,000 for a camp for delinquent boys at Timber, and authorizing segregation of the mentally-diseased and the mentally enfeebled at state hospitals.
Commissions' Fate in Doubt

Fate of the state postwar readjustment and the Willamette Basin commissions remained in doubt after the senate sent back Salem citizens should be well bill for these items, with instructions made by the old commission to bring in separate measures on them.

Guenther, who continues in calendared for further action to-charge following the shift in con-day, its defeat of the \$17,500 ap-The senate reconsidered, and Lee and Dr. John McLoughlin for statuary hall in Washington, but declined to reconsider its defeat of a bill to provide a home for

the governor. Record Locally he governor.

Proponents of the warmly-debated community property bill in the house, led by Reps. William Niskanen and Frank Van Dyke, Construction permits in Salem contended passage would encourhit a high level for March and age wealthy taxpayers to reside in

Opponents Paint Bleak Picture Opponents, led by Reps. R. A. was estimated to cost \$777,996 Bennett and Martin Gallagher, \$832,773. This compared with income revenue by \$1,700,000; \$106,980 for January and \$291,502 lead to endless litigation concernever those in upper income brack-In March, 1946, permits totaled ets were allowed to save.

National bank building and Sena- Reps. J. E. Bennett, R. H. C. Bentor 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 April list of permits, are to be 1435.

Introduced in the house Tues-Matt Reidlinger at 577 S. 25th st., day were measures appropriating to cost \$5500, and by Eva J. Beu- \$620,000 for the proposed vocatell at 2555 Brooks st., to cost tional school at Klamath Marine Barracks, and ratifying the congress-approved constitutional ment limiting the presidential tenure to two terms.

UMATILLA, Ore., April 1-(A) Meanwhile, State Grange Master Morton Tompkins said Tuesstruction of McNary dam will be day his group would take to refturned by Mrs. Charles L. Mc- erendum the senate - defeated measure to levy a 10-cents-per-Virgil Sparks of Irrigon, chair- thousand-feet tax on timber. His statement came coincident with

Twenty-seven measures will be up for passage in the house today, including those limiting suits for back pay to the previous year; letting convicts make car license plates; boosting unemployment compensation benefits, and authorizing a \$750,000 highway com-

mission building in Salem. The senate faces final action on 26 measures, including the controversial sales tax and others setting up county zoning and authorizing an \$8,000,000 special property-tax election next year if a deficit seems unavoidable.

The legislature goes into its 80th day today-with the chances still fair it will adjourn this week-

The house will resume at 9:30 a.m. today, the senate at 10. (Legis. actions page 4).

PAPERS BUY PULP MILL

NEWBERG, Ore., April 1 -(AP) The Spaulding Pulp and Paper company, producers of pulp, announced today seven eastern pa- within a 40 mile radius of Seat- sociated nations could exert dependent crusade against compounced today seven eastern pa- within a 40 mile radius of Seatbuyers since it was built in 1925. Olympia.

10 PAGES

Property Bill Voted The Oregon Statesman

Salem, Oregon, Wednesday Morning, April 2, 1947°

Weather

Extended Mine Big 4 in **Death Shifts Greek Closure Feared Morass** Rule to Prince Paul

Coal Rationing Board Given Added Life Of Debate

WASHINGTON, April 1.—(P)—
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 tonight that Director Robert M. pits, the government tonight ex-

NINETY-SIXTH YEAR

tended 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 coalmines administration, ordered that the organisation be kept in axistance.

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 his union's members will not return to the Illinois mines Monday un-

porcupine to death with a rub-ber balloon."

Truman Asks

Year Added to

Rent Controls

American families."

WASHINGTON, April 1-(AP)-

The nation, he said, still faces

Even as his message reached

committee took these two steps: 1. Approved a blanket 10 per

2. Voted to abolish all govern-

ment controls over building ma-

In a message to both houses,

Mr. Truman stressed the housing

"Dwelling accommodations

particularly rental units, are still

Meter Report

City Manager J. L. Franzen will

tell the city tonight his recom-

mendation on parking meters,

expected to be ended promptly.

Franzen's report will be the

result of a 1200-mile trip cover-

ing more than a dogen northwestern cities since last Friday.

He has witnessed both operation and maintenance of the several

At its 730 meeting in the man-

ager's office at the city hall to-

night, the council may also con-sider two residential-to-business

Tot Dies from

Crash Injuries

Louis Balzarimi, 3-year-old Se-

attle boy who was hurt in an

auto accident south of Salem Sat-

urday, died of internal injuries at

cording to the Associated Press.

Erne St. Claire of Portland, driv-

The child was with his parents,

Mr. and Mrs. Angelo Balzarimi,

when the accident occurred, at

the foot of Prune hill, on the Pa-

eific highway 14 miles south of

Post Intelligencer said tonight

by telephone that western sena-

tors and representatives would

meet tomorrow to devise strategy

"against the possibility of deep

slashes in reclamation and power

project funds."

a Seattle hospital yesterday, ac- October 1.

Sen. Harry P. Cain had reported UN if she vetoes it.

types of meters.

Center streets.

critical housing shortage.

cent boost in rent ceilings.

terials and construction.

nma as acute.

signed today, had refused two "often blunt and bitter."

committee organized by Gov. Dwight H. Green of Illinois that Scanlan told Medili in March, 1945, that an explosion in the mine would kill every miner in

Scanlan testified Medill told him then: "Well, we'll have to take that chance."

Legislator Devises **Democrats Win** Ultimate in Futility Chicago Mayor The height of something or other was expressed in the wearying house Tuesday by Rep.

C. L. Lieuallen who, in speaking against a measure, declared: "We have no more chance of beating this bill than to beat a CHICAGO, April 1 -(AP)- Martin H. Kennelly, 59 year old po-litical newcomer, was elected

Race Handily

Kennelly's victory margin, greatest in a Chicago mayoral election in 12 years, continued for another four years the "big city" control the democrats have held unbroken in the city since 1930. Kennelly, silver-haired husicongress today to extend "effective" rent and eviction control uptil June 30, 1948, for the "proper

He defeated Russell W. Root,

Tuesday between state highway engineers and river navigation interests. can chairman directed his party

Capitol hill, the house banking county offices at stake. Returns from 3865 of the city's

dealt republican aspirations a gation standpoint). stunning blow. Carroll Reece, retermed the contest an "importpreliminary engagement" in 1948, presidential battle.

radically out of balance with de-Firm Moves to mand," the chief executive said. Franzen Plans **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. and the long wait for action is

Merrill D. Ohling and Charles real estate, moved from 275 State Easter weekend in the city. st. to 250 N. High st. The new on a balcony.

The Salem Lighting and Appli- day. ance company, a new firm manspace. The firm will handle primarily lighting equipment and and variegated color classes. small appliances.

zone changes recommended by the planning and zone commission, at Spare Ration Stamp 11 17th and Market and 17th and Good for 10 Pounds

WASHINGTON, April 1-(AP)-Spare ration stamp No. 11 became rather than individuals. valid today for 10 pounds of sugar to be good through Sep- NEWBERG BOY WINNER tember 30, OPA has announced. Spare stamp No. 53, good for five pounds, expired last night. OPA previously had announced that another stamp, good for ten pounds, will be validated July 1,

that Russia be kicked out of the communism.

tions against communism, Byrd month.

"If Russia is an enemy, and war; reorganization of the United

persists in being an enemy to free Nations may bring war; no plan

peoples," Byrd told the senate, at all may bring war, but strong

"It is better to have her outside measures within the United Na-

the family than inside the fam- tions organization are more likely

MOSCOW, April 1-(AP)-The four-power foreign ministers CENTRALIA, III., April 1.-(P) council conferred fruitlessly for A state mine inspector testified more than three hours tonight in tonight that Director Robert M. a semi-secret meeting. They failed Medill of the Illinois department to reach any decisions, and disof mines and minerals, who re- cussions were said to have been

years ago to comply with the inspector's plea to close the Centralia coal mine in which 111 miners perished last Tuesday.

The inspector, Driscoll O. Scanlan, told an investigating of the deadlock, U. S. Sectetary of State George C. Marshall probably would seek a meeting soon with Prime Minister Stalin. American sources have maintained consistently that Marshall would not ask for such a meeting until it was apparent that the conference had reached a stalemate. Such a stalemate was evident tonight, after the executive session of the ministers failed to reconcile Russia's views on German reparations with those of Britain and the United States. An official announcement said-

the discussions today was limited to the subjects of level of industry and reparations and "it was agreed to return to formal sessions tomorrow." All four delegations are agreed

that unless reparations are settled, decisions on other questions will be largely academic, particularly in view of the Soviet stand that unless she receives reparations she will not agree to economic unity of Germany.

mayor of Chicago today, leading the democratic city ticket to a smashing victory in the nation's first major 1947 test of political trends. Group Alters Independence **Bridge Plans**

President Truman called upon ness man, was backed by retiring ditional cost, was agreed upon

nepresentatives of the state Marion and Polk county courts to a lopsided victory over Kelly's and several logging and towboat NFTW. organization in last November's companies appeared at a public election, winning 14 of the 17 hearing in the state highway offices, conducted by Col. F. L. Beadle, executive officer of the 4054 precincts tonight gave Ken- Portland district army engineers nelly 875,885 votes to 613,306 for headquarters (which must ap-Root. The democratic triumph prove the bridge from the navi-

It was agreed that moving publican national chairman, had bridge site 15 feet to the west of the originally announced site of 2310 feet upstream from the ferry crossing at C street in Inde-pendence. Maximum horizontal clearance of 165 feet at the water line was agreed as sufficient for log raft passage.

Flower Show

The annual flower show of the Salem Camellia and Rhododren-Hudkins & Son, insurance and dron society will add color to With camellias predominating, location provides a conference the flowers will be exhibited and room and added filing facilities judged at the local YMCA from 2 p. m. Saturday until & p. m. Sun-

In each of four main sectionsaged by John R. Stark, hopes to singles, semi-doubles, doubles move this week to the other store and peony-forms-camellias will be judged in solid red, white, pink Exhibits of camellias grouping

not less than five varieties (homegrown) also will be judged. Arrangements in competition will include those of camellias only, camellias predominating, corsages and those submitted by clubs

PORTLAND, April 1 -(AP)- Stephen Davis of Newberg will represent Oregon Future Farmers of America in the regional public pital. speaking contest at Bozeman, Mont., May 5. Third place in the with a third ten-pounder around state finals went to Robert Kouns,

"The Truman plan may bring

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.

Nearly 150 of the 223 Salem members of United Telephone Employes of Oregon attended the Marion hotel meeting, as did delegates of Albany and Corvallis locals nad Western Electric-employed members of the association plant of the pl

labor temple and to picket the State street telephone building in pairs on a 24-hour basis.

Agency exchanges like Woodburn's may not be affected as the agent is considered supervisory and not eligible for union membership and persons the agent employs are not officially P. T. & T. employes, although eligible for independent memberships in

the state union. Don Crenshaw, joint chairman of Salem locals and strike director here, said Salem AFL headquarters reports its members will pectoris, an ailment brought on cation for a \$50,000 grade school honor the picket line.

units local chairman of UTEO, both of Portland, made it clear that Oregon's organized workers will back the national union policy of arbitrating all 11 contract issues, rather than just the wage issue as suggested by the employers, and all on a nationwide

Accident Fatal To Albany Man

ALBANY, April 't-Reece Ruck-man, 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 George of Greece will have little police he did not see Ruckman effect on the proposed Greekuntil he felt the impact. Anthony Turkish aid program. was not held.

Ruckman was walking to his when hit, according to police. He vantage of any confusion attenddied soon after arrival at the hos-Funeral arrangements are await-

only known relative. The body is at Fisher Funeral home.

er of the other vehicle, was re-leased from Salem General hos-Seen as Conflict Solution In Salem Area has **Taint of Halloween** WASHINGTON, April 1 -(P) said that the United States now is Senator Byrd (D-Va) proposed trying to "ride two horses going today that President Truman's in opposite directions" by encour-

The April Fools kept themselves from being obvious in Saplan to combat communism in aging trade with Russia and her TO FIGHT RECLAMATION CUT Greece and Turkey be turned satellites while planning to put lem, but yesterday began with two SEATTLE, April 1 -(A)- The over to the United Nations and out millions of dollars to fight city police busy.

> hours, a 125-pound concrete statman, 21/2 feet tall, had not been propriations committee. found last night.

to bring Russia to cooperation At only nine minutes into the Byrd said Mr. Truman's plan than an infiltration of American morning, the city hall end of the LIGHT QUAKE NEAR SEATTLE for a \$400,000,000 Greek-Turkish money over the world in an instate treasurer's burglar alarm ounded. Investigation showed A decision of the house foreign that the alarm switch at the safe per firms had acquired control of the, was felt in widely separated through economic sanctions and affairs committee to take more in the capitol office had been republican party retained its dom- scription bill for Britain's armed the firm through purchase of 9460 shares of stock. The mill has supplied pulp to the seven also felt lightly as far south as room since early evening.

ATHENS, April 1-Riding in a open car, King George II of Greece, who died suddenly of a heart aliment today, returns to Athens Sept. 7, 1946, following a plebiscite which returned him to the ed his dead brother as Greek

Dies as sis Near

., twice exiled king of tur-ATT THE April 4-1481-U.S. + ment Greece, died this after on at the height of an internaional storm over the future of his nation, and his brother, Prince Paul, ascended the u eady throne.

Death, caused by hear wouble, came unexpectedly to the 56-year-old monarch who, in the 25 years that he bore the title of king, spent only seven years in

workers, a CIO affiliate of the son of King Constantine took the Plans Revealed Workers decided to rent strike seven months after his brother Workers decided to rent strike seven months after his brother headquarters space in the Salem returned from his latest exile in By 3 Firms

The new king took the royal oath in the presence of the cabiand military dignitaries and Arch-necessary permits requested for bishop Damaskinos. George died at 1:55 p.m. (3:55

onor the picket line. by a disease of the coronary art-Evelyn Foster, vice-president of eries. He had declined luncheon From Salem the Herrall-Owens UTEO, and H. A. Sammler, plant and later called an aide to keep company applied for a permit to Foreign Minister Constantin Tsla- Commercial st.

> LAKE SUCCESS, N. Y., April Aimed by Taft at half staff today in mourning for King George II of Greece, but senate today that the

daris rushed to the palace.

no official notice of his death major UN groups in session this WASHINGTON, April 1 -(AP) Congress members agreed generally today that the death of King

Some said they are worried about the possibility of Greek home from work at a restaurant communists trying to take ading the change in monarchs.

ing word from a brother, J. N. Ruckman, in Oroville, Calif., the Appropriations

WASHINGTON, April 1-(P) Maj. Gen. Leslie R. Groves, with the congressional economy drive headed the atom bomb project. The congressional economy drive went into reverse today as the house added \$350,000,000 in G.I. New York City Budget benefits and \$6,000,000 for school lunches to a deficiency appropria- To Top \$1 Billion Mark tion bill and then passed the measure, which now totals \$2,827,526,186.

Numbers of republicans joined as yet unexplained events to keep democrats in increasing the funds their budget for the next fiscal recommended by the house appro-Sometime during the early priations committee. The bill now the largest yearly budget ever goes to the senate. The new funds submitted in the United States ue was taken from its fishpond for benefit payments under the except by the federal government. perch at the home of Mrs- M. G. I. bill of rights had been Tallman, 2330 State st. The stone knocked out last week by the ap- compares with a \$671,970,000 bud-

the house has added a substantial sum to an appropriation bill.

GOP VICTORS IN ST. LOUIS day's city election.

construction projects in Salem and vicinity were announced yesterday by the civilian production administration in Portland, which net, members of parliament, civil has taken under consideration the

The Santiam Flax Growers of a.m. Pacific Standard Time). The Jefferson requested permission to new king took the oath at 8 p.m. build a \$57,000 flax processing Members of the king's entour- plant and the Church of the Image reported he had complained maculate Conception at Stayton this morning of pains from angina appealed a rejection of its appli-

him company, The aide found the build a new \$48,000 garage and monarch in a coma. The court auto display building in the 600 doctor was summoned immediate- block of North Liberty street. ly. Prime Minister Maximos and The firm now is located at 235 S.

Doctors tried vainly to save the king with adrenalin injections. Lilienthal Blast

you please," would have direct was taken in either of the two authority over atomic energy plants in the United States if the international control plan spon-sored by David E. Llilienthal were Entering into the debate over

Lilienthal's nomination for chairman of the atomic energy commission, Taft sharply criticized the Acheson-Lilienthal report on world control measures which "propose to set up an interna-tional authority to take direction of all secret developments." "Russians, if you please, would get full knowledge" of U. S. se-crets here if they were appointed

to the commission, he said. Senator Wherry (R-Neb) had previously demanded that the senate reopen hearings on the nomination to get testimony from

NEW YORK, April 1-(P)-New Yorkers were advised today by Mayor William O'Dwyer that year would top a billion dollars-The \$1,029,120,314.73 figure ropriations committee.
It was the first time this year the 1947-48 fiscal year.

COMMONS PASSES BRAFT LONDON, April 1 -(P)- The ST. LOUIS, April 1-(A)-The ed a long-term peacetime con-

in the reserve.